

**New York University**  
**Consolidated Financial Statements and**  
**Supplemental Information**  
**August 31, 2023 and 2022**

**New York University**  
**Index**  
**August 31, 2023 and 2022**

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## Report of Independent Auditors

To the Board of Trustees of New York University

### ***Opinion***

We have audited the accompanying consolidated financial statements of New York University and its subsidiaries (the "Company"), which comprise the consolidated balance sheets as of August 31, 2023 and 2022, and the related consolidated statements of activities and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as of August 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Responsibilities of Management for the Consolidated Financial Statements***

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

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

### ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

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



In performing an audit in accordance with US GAAS, we:

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

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

### ***Supplemental Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying consolidating balance sheets – summary, consolidating balance sheets – detail, consolidating statements of activities – summary, consolidating statements of activities – detail and consolidating statements of cash flows – summary as of and for the years ended August 31, 2023 and 2022 included in Appendix A (the “supplemental information”) is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The consolidating information is not intended to present, and we do not express an opinion on, the financial position, changes in net assets and cash flows of the individual companies. The supplemental information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The supplemental information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves and other additional procedures, in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplemental information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole.

*PricewaterhouseCoopers LLP*

New York, New York  
December 20, 2023

**New York University**  
**Consolidated Balance Sheets**  
**August 31, 2023 and 2022**

<i>(in thousands of dollars)</i>	<b>2023</b>	<b>2022</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,390,097	\$ 3,014,564
Short-term investments (Note 5)	2,373,694	175,945
Accounts and loans receivable, net (Note 6)	833,750	847,849
Patient accounts receivable, net (Note 4)	1,230,323	1,215,720
Contributions receivable, net (Note 7)	694,649	622,216
Other assets (Note 8)	1,253,139	1,074,070
Deposits with trustees (Note 9)	344,368	622,951
Long-term investments (Note 5)	6,812,105	6,479,554
Operating right-of-use assets (Note 11)	2,040,225	2,154,222
Assets held for professional liabilities (Note 13)	1,096,600	950,996
Land, buildings, and equipment, net (Note 10)	14,519,779	13,524,087
Total assets	<u>\$ 32,588,729</u>	<u>\$ 30,682,174</u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 2,575,692	\$ 2,551,333
Deferred revenue	1,451,814	1,413,925
Operating lease liability (Note 11)	2,226,362	2,316,986
Professional liabilities (Note 13)	967,037	917,229
Debt and other obligations (Note 12)	9,668,268	9,566,406
Funds held for others (Notes 6 and 8)	552,544	493,479
Accrued benefit obligation (Note 14)	229,087	398,718
Accrued postretirement obligation (Note 14)	456,817	510,738
Asset retirement obligation	301,943	287,047
Total liabilities	<u>18,429,564</u>	<u>18,455,861</u>
Net assets		
Without donor restrictions	9,123,054	7,489,240
With donor restrictions (Note 17)	5,036,111	4,737,073
Total net assets	<u>14,159,165</u>	<u>12,226,313</u>
Total liabilities and net assets	<u>\$ 32,588,729</u>	<u>\$ 30,682,174</u>

The accompanying notes are an integral part of these consolidated financial statements.

**New York University**  
**Consolidated Statements of Activities**  
**Years Ended August 31, 2023 and 2022**

(in thousands of dollars)

	<b>2023</b>	<b>2022</b>
<b>Changes in net assets without donor restrictions</b>		
Operating revenues		
Tuition and fees (net of financial aid awards of \$897,928 and \$852,272)	\$ 2,511,289	\$ 2,452,721
Grants and contracts (Note 2)	1,522,489	1,391,271
Patient care (Note 4)	9,831,332	8,862,837
Hospital affiliations (Note 15)	479,934	448,827
Insurance premiums earned	117,784	108,014
Contributions	77,437	74,415
Endowment distribution (Note 5)	228,903	198,345
Return on short-term investments (Note 5)	164,359	45,157
Auxiliary enterprises (net of financial aid awards of \$91,060 and \$70,701)	417,367	382,105
Program fees and other	1,002,574	687,937
Net assets released from restrictions	165,296	173,496
Total operating revenues	<u>16,518,764</u>	<u>14,825,125</u>
Expenses (Note 16)		
Salaries and fringe	9,453,003	8,394,663
Medical and pharmaceutical costs	1,759,994	1,477,431
Professional services	808,704	737,180
Facilities costs	947,386	904,243
Fees, insurance and taxes	487,551	460,450
Depreciation and amortization	1,012,445	945,911
Interest	372,396	368,647
Other	1,159,458	818,674
Total expenses	<u>16,000,937</u>	<u>14,107,199</u>
Excess of operating revenues over expenses	517,827	717,926
Nonoperating activities		
Investment return (Note 5)	329,835	(475,133)
Appropriation of endowment distribution (Note 5)	(73,286)	(64,208)
Pension and postretirement nonservice costs (Note 14)	18,870	26,171
Changes in pension and postretirement obligations (Note 14)	229,863	271,079
Net assets released from restrictions for capital	103,597	20,215
Nonclinical COVID costs	(3,129)	(37,792)
Proceeds from settlement agreement (Note 18)	508,000	-
Other	2,237	94,842
Increase in net assets without donor restrictions	<u>1,633,814</u>	<u>553,100</u>
<b>Changes in net assets with donor restrictions</b>		
Contributions	451,952	299,803
Investment return (Note 5)	273,997	(339,241)
Appropriation of endowment distribution (Note 5)	(155,617)	(134,137)
Other	(2,401)	(8,542)
Net assets released from restrictions	(268,893)	(193,711)
Increase (decrease) in net assets with donor restrictions	<u>299,038</u>	<u>(375,828)</u>
Increase in net assets	<u>\$ 1,932,852</u>	<u>\$ 177,272</u>

The accompanying notes are an integral part of these consolidated financial statements.

# New York University

## Consolidated Statements of Cash Flows

### Years Ended August 31, 2023 and 2022

(in thousands of dollars)

	2023	2022
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 1,932,852	\$ 177,272
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	1,012,445	945,911
Gain on sale or disposal of land, buildings and equipment	(7,349)	(201)
Net (gain) loss on investments, deposits with trustees, and split-interest agreements	(534,863)	893,019
Bad debt expense	7,962	18,407
Pension and postretirement obligation change	(229,863)	(271,079)
Contributions received for permanent investment and capital	(130,768)	(113,609)
Proceeds from FEMA award for future mitigation	(13,264)	(1,191)
Amortization of operating right-of-use assets	272,806	265,324
Acquisition of Long Island Community Hospital	-	(105,967)
Changes in operating assets and liabilities		
Decrease (increase) in accounts and loans receivable, net	7,434	(90,233)
Increase in patient accounts receivable	(14,603)	(129,017)
(Increase) decrease in nonendowment and noncapital contributions receivable	(73,732)	9,425
Increase in other assets	(86,812)	(31,740)
Decrease in asset retirement obligation	(1,326)	(16,265)
Decrease in accounts payable and accrued expenses	9,875	(389,796)
Decrease in operating lease liability	(252,425)	(252,314)
Increase in professional liabilities	49,809	45,374
Increase in deferred revenue	37,890	86,336
Decrease in accrued benefit obligation	(15,342)	(1,452)
Increase in accrued postretirement obligation	3,771	11,830
Net cash provided by operating activities	<u>1,974,497</u>	<u>1,050,034</u>
<b>Cash flows from investing activities</b>		
Purchases of investments	(5,091,772)	(3,271,831)
Sales and maturities of investments	3,128,453	2,951,822
Drawdowns of unexpended bond proceeds	121,034	87,603
Additions to land, buildings, and equipment	(1,651,615)	(1,377,026)
Cash from acquisition of Long Island Community Hospital	-	86,068
Net cash used in investing activities	<u>(3,493,900)</u>	<u>(1,523,364)</u>
<b>Cash flows from financing activities</b>		
Contributions received for permanent investment and capital	130,768	113,609
Proceeds from FEMA award for future mitigation	13,264	1,191
Proceeds from finance lease incentives	15,077	38,870
Principal payments on long-term borrowings and finance leases	(221,884)	(231,619)
Decrease in funds held for others	(19,781)	(5,590)
Net cash used in financing activities	<u>(82,556)</u>	<u>(83,539)</u>
Net decrease in cash, cash equivalents and restricted cash	(1,601,959)	(556,869)
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of year	<u>3,373,326</u>	<u>3,930,195</u>
End of year	<u>\$ 1,771,367</u>	<u>\$ 3,373,326</u>
<b>Supplemental disclosure of cash flow information</b>		
Interest paid	\$ 390,054	\$ 385,168
Change in noncash acquisitions of land, buildings, and equipment	147,455	60,097
Right-of-use assets obtained		
In exchange for new operating lease obligations	\$ 205,015	\$ 249,270
In exchange for new finance lease obligations	233,624	50,243

The accompanying notes are an integral part of these consolidated financial statements.

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2023 and 2022

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*(in thousands of dollars)*

#### 1. Description of New York University

Founded in 1831, New York University (NYU) is a private institution of higher education, research, and patient care located primarily in New York City. NYU is recognized both nationally and internationally as a leader in scholarship and is a member of the distinguished Association of American Universities.

The consolidated reporting entities for NYU consist of the University and NYU Langone Health, which represents the activities of NYU Langone Health System (Health System) and its two medical schools: the NYU Robert I. Grossman School of Medicine (NYUGSoM) and NYU Grossman Long Island School of Medicine (collectively the NYU Schools of Medicine).

#### The University

The University includes the following colleges, schools, divisions, institutes and portal campuses, each with its own traditions, programs and faculty, listed in order of founding date: the College of Arts and Science, School of Law, NYUGSoM (reported as a part of NYU Langone Health), College of Dentistry, Graduate School of Arts and Science, Steinhardt School of Culture, Education and Human Development, Leonard N. Stern School of Business, Courant Institute of Mathematical Sciences, School of Professional Studies, Institute of Fine Arts, Robert F. Wagner Graduate School of Public Service, Silver School of Social Work, Tisch School of the Arts, Gallatin School of Individualized Study, NYU Abu Dhabi, Tandon School of Engineering (formerly Polytechnic University founded in 1854), Rory Meyers College of Nursing, Institute for the Study of the Ancient World, School of Global Public Health, and NYU Grossman Long Island School of Medicine (reported as part of NYU Langone Health). The University also operates academic program sites and research programs in other parts of the United States and abroad.

In addition to the above colleges, schools, divisions, institutes and portal campuses, NYU has a degree-granting campus in Shanghai, People's Republic of China, NYU Shanghai, which operates as a joint venture with East China Normal University. The New York-based activities of NYU Shanghai are reported in the University's consolidated balance sheets and consolidated statements of activities.

#### NYU Langone Health

The Health System is the sole corporate member of NYU Langone Hospitals, which is a quaternary care teaching hospital that operates five inpatient acute care facilities and over 40 ambulatory facilities in Manhattan, Brooklyn, and Long Island. The 813-bed inpatient facilities in Manhattan are comprised of the Kimmel Pavilion (which also houses the Hassenfeld Children's Hospital) and Tisch Hospital. The NYU Langone Orthopedic Hospital, also located in Manhattan, is a 225-bed facility specializing in orthopedic, neurologic, and rheumatologic services. NYU Langone Hospital-Brooklyn is a 444-bed facility in the Sunset Park section of Brooklyn. NYU Langone Hospital-Long Island is a 591-bed acute care facility located in Mineola, New York. Ambulatory facilities include the Laura and Isaac Perlmutter Cancer Center, a comprehensive cancer and ambulatory care center, as well as the Joseph S. and Diane H. Steinberg Ambulatory Care Center, in the Cobble Hill section of Brooklyn, which includes a free-standing emergency department, amongst others.

On March 1, 2022, the Health System completed an affiliation agreement (the Affiliation) with and became the sole corporate member of Brookhaven Health Care Services Corporation, d/b/a Long Island Community Hospital Foundation and Brookhaven Memorial Hospital Medical Center Inc., d/b/a Long Island Community Hospital. Brookhaven Memorial Hospital Medical Center Inc.

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**Notes to Consolidated Financial Statements**  
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(in thousands of dollars)

subsequently changed its name to Long Island Community Hospital at NYU Langone Health (LICH). LICH is a 306-bed acute care hospital located in Patchogue, New York.

NYUGSoM employs approximately 3,500 faculty physicians (the Faculty Group Practice) who render patient care in more than 350 practice locations primarily in the New York City region, and two practice locations in Delray Beach and West Palm Beach, Florida. These physicians constitute the principal clinical service providers for NYU Langone Hospitals' facilities.

NYU Langone Hospitals is the sole corporate member of CCC550 Insurance, SCC. (CCC550), which provides the hospitals' professional and general liability insurance, as well as insurance to physicians employed by the NYUGSoM. CCC550 is subject to taxation in accordance with Section 29 of the Exempt Insurance Act in Barbados.

**Affiliation With Long Island Community Hospital**

The Health System's Affiliation with and the subsequent change in control of LICH was accounted for as a business combination in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC), Topic 805, *Business Combinations*, and ASC 958-805-05, *Acquisition by a Not-for-Profit Entity*. NYU recorded \$101,557 of nonoperating income in the 2022 consolidated statement of activities which represents LICH's net assets without donor restriction at March 1, 2022, and the excess of the fair value of assets acquired over the fair value of liabilities assumed. No consideration was exchanged for the acquisition.

As a result of the Affiliation, LICH changed its fiscal year from a calendar year to a fiscal year beginning September 1st and ending August 31st to align with the fiscal year of the Health System. As a result of this change, obtaining revenues and changes in net assets as though the acquisition occurred at the beginning of fiscal year 2022 was impracticable.

The following is a summary of the LICH activity from March 1, 2022 to August 31, 2022 included in the 2022 consolidated statement of activities:

<b>Net assets without donor restriction as of March 1, 2022</b>	\$ 100,540
Excess fair value of assets acquired over liabilities	1,017
Acquisition of Long Island Community Hospital	<u>101,557</u>
Operating revenues	118,815
Operating expenses	<u>138,522</u>
	(19,707)
Nonoperating activities	<u>(6,733)</u>
Change in net assets without donor restrictions	75,117
Change in net assets with donor restrictions	<u>3,861</u>
Total change in net assets as a result of acquisition	<u>\$ 78,978</u>

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2023 and 2022

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(in thousands of dollars)

The following is a summary of the LICH amounts included in the consolidated balance sheet as of August 31, 2022:

Assets	\$	293,466
Liabilities		214,488
Net assets without donor restrictions		75,117
Net assets with donor restrictions		3,861

## 2. Summary of Significant Accounting Policies

### Basis of Presentation

The consolidated financial statements of NYU have, in all material respects, been prepared on an accrual basis in accordance with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements include the accounts of NYU, as well as its separately incorporated affiliates. NYU and, generally, all of its affiliates are exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code.

NYU prepares its consolidated financial statements in accordance with the provisions of FASB ASC 958, *Not for Profit Entities*. This standard focuses on the entity as a whole and requires classification of net assets as determined by the existence or absence of restrictions placed on the assets' uses by donors or by provision of law. A description of the net asset classifications follows:

*Without Donor Restrictions:* Net assets of NYU that are used to carry out its missions of education, research and patient care which are not subject to donor restrictions.

*With Donor Restrictions:* Net assets subject to donor-imposed restrictions that will be met either by the actions of NYU or the passage of time. Items that are included in donor restricted net assets are gifts for which donor-imposed restrictions have not been met in the year of receipt; endowments, annuity, and life income gifts; pledges; investment return on donor restricted endowment funds; and endowments where the principal may be expended upon the passage of a stated period of time. Expirations of restrictions on net assets with donor restrictions are reported as net assets released from restrictions. In addition, NYU has elected the simultaneous release option for contributions that are also subject to purpose restrictions.

### Activities

Revenues and expenses related to conducting programmatic activities and provision of services by NYU are classified as operating in the consolidated statements of activities. Investment return relating to board-designated endowment funds and the related endowment appropriation, as well as nonservice changes in pension and postretirement obligations, incremental nonclinical COVID-19 related expenses, proceeds from settlement agreement (Note 18), and other activity that is not part of NYU's core activities, are classified as nonoperating in the consolidated statements of activities.

### Tuition and Fees

Tuition and fees are derived from degree-granting programs as well as executive and continuing education programs. Tuition and fee revenue is recognized within the fiscal year in which the related educational services are provided as the performance obligation is satisfied. Tuition and fee receipts received in advance of a semester are recorded as deferred revenue. Financial aid, in

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2023 and 2022

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(in thousands of dollars)

the form of scholarships and grants, including amounts funded by the endowment, research funds, and gifts reduces the published price of tuition for students receiving such aid. As such, financial aid is referred to as a tuition discount and represents the difference between the stated charge for tuition and fees and the amount that is billed to the student and/or third parties making payments on behalf of the student. Tuition and fees are reported net of financial aid on the consolidated statements of activities.

#### **Auxiliary Enterprises**

Auxiliary enterprises are self-supporting activities that furnish goods or services to students, faculty, staff, or incidentally to the general public, and charge a fee directly related to, although not necessarily equal to, the cost of the goods or services. Auxiliary enterprises include student housing and dining, real estate rental income, student health, and other similar activities. Student housing and dining services are delivered over the academic terms and revenues are recognized ratably as the performance obligation is satisfied. Student housing and dining services are presented net of financial aid on the consolidated statements of activities.

#### **Grants and Contracts**

NYU receives funding for sponsored programs from various government agencies, foundations, and corporations. The funding may represent a reciprocal transaction in exchange for an equivalent benefit in return, or it may be a nonreciprocal nonexchange transaction in which the funding provided is for the benefit of NYU, the funding organization's mission, or the public at large.

Revenues from nonexchange transactions may be subject to conditions, in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligation to make future payments). NYU's grants and contracts are primarily conditional nonexchange transactions and revenues are recognized when expenses are incurred. Unspent conditional contributions from grants and contracts total \$1,081,800 and \$1,096,310 at August 31, 2023 and 2022, respectively. Revenues from unconditional nonexchange transactions are recognized in the period awarded.

During the years ended August 31, 2023 and 2022, grants and contracts revenue recognized from U.S. governmental sources totaled \$805,568 and \$761,319, respectively. Such sponsored grants and contracts generally provide for the recovery of indirect costs supporting these activities. Indirect costs, included in grant and contract revenues, are recovered at rates established in advance by NYU through negotiations with the U.S. federal government and other private sponsors and totaled \$239,871 and \$219,185, respectively.

#### **Contributions**

Contributions, including unconditional promises to give, are recognized as revenue in the period received at their fair value. Contributions receivable are reported at their discounted present value, using an estimated interest rate for the year in which the promise was received and considering market and credit risk as applicable (4.84% in 2023 and 4.15% in 2022). Amortization of the discount is recorded as additional contribution revenue. Allowances are recorded for estimated uncollectible contributions based upon management's judgment and analysis of the creditworthiness of the donors, past collection experience and other relevant factors.

#### **Fair Value Measurements**

Authoritative guidance of fair value measurements, ASC 820, *Fair Value Measurements*, establishes a hierarchy of valuation methodologies based on the extent to which asset valuations are observable in the marketplace.

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2023 and 2022

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*(in thousands of dollars)*

The following describes the hierarchy of methodologies used to measure fair value of investments:

Fair value for Level 1 is based on unadjusted quoted prices in actively traded markets that NYU has the ability to access for identical assets and liabilities. Market price data is generally obtained from exchange or dealer markets.

Fair value for Level 2 is based on quoted prices for instruments similar to those held by NYU in actively traded markets, quoted prices for identical instruments held by NYU in markets that are not actively traded and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data. Inputs are obtained from various sources including market participants, dealers and brokers.

Fair value for Level 3 is based on valuation techniques used to assess prices that are unobservable as the assets trade infrequently or not at all.

Investments for which fair value is measured at net asset value (NAV) per share as a practical expedient consist primarily of NYU's ownership in alternative investments (principally limited partnership interests in public equity, hedge funds, credit, real assets, private equity, real estate, and other similar funds). The NAV of the securities held by limited partnerships that do not have readily determinable fair values are determined by the general partner and are based on appraisals or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by the general partner taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer and subsequent developments concerning the companies to which the securities relate. NYU has performed due diligence on these investments and believes the reported NAV as a practical expedient is an appropriate measure of fair value as of August 31, 2023 and 2022.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while NYU believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

#### **Cash and Cash Equivalents**

Cash and cash equivalents include cash and all highly-liquid debt instruments with original maturities of three months or less when purchased. The carrying amount of cash and cash equivalents approximates fair value due to the short-term maturity of the instruments. NYU maintains its deposits with high credit quality financial institutions, with balances that exceed federal depository insurance limits. Management does not believe the credit risk related to these deposits is significant. All short-term, highly liquid investments, which would otherwise qualify as cash equivalents that are included in NYU's investment pool within long-term investments, are treated as investments and are therefore excluded from cash and cash equivalents in the consolidated statements of cash flows.

**New York University**  
**Notes to Consolidated Financial Statements**  
**August 31, 2023 and 2022**

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*(in thousands of dollars)*

The following table provides a reconciliation of cash and cash equivalents reported within the consolidated balance sheets to the amounts reported in the consolidated statements of cash flows at August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
Cash and cash equivalents	\$ 1,390,097	\$ 3,014,564
Cash in short-term investments	199,459	-
Cash in long-term investment pool (Note 5)	142,250	123,227
Cash in other long-term investments (Note 5)	1,952	7,097
Cash in other assets (Note 8)	-	845
Cash in deposits with trustees (Note 9)	8,774	189,996
Cash in assets held for professional liabilities (Note 13)	28,835	37,597
	<u>\$ 1,771,367</u>	<u>\$ 3,373,326</u>
Cash, cash equivalents and restricted cash		

**Investments**

Short-term investments consist primarily of cash equivalents, money market funds, and U.S. Treasury bills with original maturities greater than three months and up to twelve months when purchased. Long-term investments consist primarily of public equity securities, fixed income securities, and assets held in the NYU investment pool (Note 5).

**Land, Buildings, and Equipment**

Land, buildings, and equipment are carried at their acquisition or construction cost. If donated, these assets are recorded at their fair value on the date of the gift. Buildings and equipment are depreciated over their estimated useful lives (buildings and building improvements 10-60 years, equipment 3-20 years) using the straight-line method. Repairs and maintenance expenditures are expensed when incurred.

**Leases**

NYU leases certain academic spaces, medical offices, administrative offices, and equipment under finance and operating leases. Operating lease right-of-use (ROU) assets and operating lease obligations are recognized based on the present value of lease payments over the lease term, where the initial term of the lease exceeds 12 months. NYU uses its incremental borrowing rate to calculate the present value of lease payments because the leases do not have a readily determinable implicit discount rate. As a practical expedient, NYU elected to include both lease and nonlease components in the calculation of the operating lease ROU asset and operating lease obligation. Variable lease payments are excluded for purposes of calculating the operating ROU asset and operating lease obligation unless the variable lease payments depend on an index or rate or are in substance fixed payments. Lease payments related to periods subject to renewal options are also excluded for purposes of calculating the operating ROU asset and operating lease obligation unless NYU is reasonably certain to exercise the option to extend the lease.

Lease expense for operating leases is recognized on a straight-line basis over the term of the lease.

**Collections**

The University does not assign a value to collection items. Collection items are generally held for educational purposes and consist of pieces of art. Collection items are not disposed of for financial gain or otherwise encumbered in any manner.

# New York University

## Notes to Consolidated Financial Statements

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(in thousands of dollars)

#### **Deferred Revenue**

Deferred revenue consists of tuition and fees and student housing and dining fees received in advance of the Fall semester as well as funding received for grants and contracts in advance of incurring the qualifying expenses.

#### **Asset Retirement Obligation**

NYU recognizes asset retirement obligations on future events, such as the abatement of asbestos and removal of lead-based paint and petroleum bulk storage tanks from buildings. The fair value of the liability for a conditional asset retirement obligation is recognized in the period in which it occurred, provided that it can be reasonably estimated. Corresponding asset retirement costs (net of accumulated depreciation) have been included in land, buildings, and equipment.

#### **Funds Held for Others**

Funds held for others consist of NYU's federal grants refundable and liabilities associated with 457(b) deferred compensation plans. Corresponding assets are included within accounts receivable (Note 6) and other assets (Note 8), respectively.

#### **Accounting 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, the disclosure of contingencies at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

#### **New Authoritative Pronouncements Not Yet Adopted**

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments-Credit Losses: Measurement of Credit Losses on Financial Instruments*. The new standard removes the previous requirement that a credit loss be probable of occurring for it to be recognized, and requires entities to use historical experience, current conditions, and reasonable and supportable forecasts to estimate their future expected credit losses. The standard is required to be applied using the modified retrospective approach with a cumulative-effect adjustment to net assets, if any, upon adoption. This ASU is effective for fiscal years beginning after December 15, 2022. NYU does not expect the adoption to have a material impact on NYU's consolidated financial statements.

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**3. Financial Assets and Liquidity Resources**

As of August 31, 2023 and 2022, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital expenditures not financed with debt, were as follows:

	<b>2023</b>	<b>2022</b>
<b>Financial assets</b>		
Cash and short-term investments	\$ 3,763,791	\$ 3,190,509
Investments available for general purposes	846,753	1,094,856
Accounts receivable, net	262,374	213,674
Grants and contracts receivable, net	213,252	206,917
Insurance premiums and recoveries receivable	122,421	110,633
Patient accounts receivable, net	1,230,323	1,215,720
Nonendowment pledge payments due within one year	97,544	79,807
Other assets	46,870	25,697
Subsequent year endowment distribution	250,526	228,903
Total financial assets available within one year	<u>6,833,854</u>	<u>6,366,716</u>
<b>Liquidity resources</b>		
Undrawn bank lines of credit (Note 12)	1,444,470	1,446,770
Funds functioning as endowment available for operations (Note 17)	<u>1,931,507</u>	<u>1,712,150</u>
Total liquidity resources	<u>3,375,977</u>	<u>3,158,920</u>
Total financial assets and liquidity resources available within one year	<u>\$ 10,209,831</u>	<u>\$ 9,525,636</u>

The University's cash flows have seasonal variations during the year attributable to tuition billing cycles and, at times, a concentration of contributions received at calendar year end. The University's Reserve and Liquidity Management Policy provides guidelines for calculating and reporting the global cash position on a daily basis as well as rigorous cash flow forecasting. This approach is adopted to maximize the portion of working capital funds that may remain invested. The Working Capital Fund Investment Policy (the Investment Policy) has a primary objective of aligning the maturity and liquidity profile of the working capital portfolio with the University's anticipated spending needs, while preserving the principal invested and maximizing return among a subset of approved investment grade products and providers. The Investment Policy establishes concentration limits for both investments and banking institutions. Liquidity resources are available with NYU board of trustees' approval.

As part of NYU Langone Health's liquidity management, financial assets are structured to be available as its general expenditures, liabilities and other obligations come due. In addition, NYU Langone Health may invest cash in excess of daily requirements in short-term or liquid investments.

# New York University

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#### 4. Patient Care Revenue and Receivable

Patient care revenue and receivables consist primarily of patient care services provided by NYU Langone Health. The University's College of Dentistry provides dental clinic services to patients as part of a student's training.

NYU Langone Health has agreements with third party payors that provide for payments at amounts different from its established rates (i.e. gross charges). Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem payments.

NYU Langone Health grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor arrangements. NYU Langone Health bills patients and third-party payers several days after the services are performed and/or the patient is discharged. Patient care revenue is recognized as performance obligations are satisfied over time based on actual charges incurred in relation to total expected charges. Generally, performance obligations over time relate to patients receiving inpatient acute care services or patients receiving services in NYU Langone Health's outpatient and ambulatory care centers. NYU Langone Health measures the performance obligation from admission into the hospital or the commencement of an outpatient or physician service to the point when it is no longer required to provide services to that patient, which is generally the time of discharge or the completion of the outpatient or physician visit.

As substantially all of its performance obligations relate to contracts with a duration of less than one year, NYU Langone Health has elected to apply the optional exemption provided in ASC 606-10-50-14(a) *Revenue from Contracts with Customers* and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially satisfied at the end of the reporting period. The unsatisfied or partially unsatisfied performance obligations referred to above are primarily related to inpatient acute care services at the end of the reporting period. The performance obligations for these contracts are generally completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period.

NYU Langone Health determines the transaction price based on gross charges for services provided, reduced by adjustments provided to third-party payers based on contractual agreements, discounts provided to uninsured patients in accordance with NYU Langone Health's policy, and implicit concessions provided to uninsured patients.

NYU's patient accounts receivable, after contractual adjustments and implicit price concessions, is \$1,230,323 and \$1,215,720 at August 31, 2023 and 2022, respectively. NYU Langone Health estimates its implicit price concessions using a quarterly standardized approach to review historical collections based on major payor classification as a practical expedient to account for patient contracts as collective groups rather than individually. Based on historical collection trends, the financial statement effects of using this practical expedient are not materially different from an individual contract approach. In addition, NYU Langone Health assesses the current state of its billing functions in order to identify any known collection or reimbursement issues and assess the impact, if any, on estimates. NYU Langone Health believes that the collectability of its receivables is directly linked to the quality of its billing processes, most notably those related to obtaining the correct information in order to bill effectively for the services it provides. Subsequent changes to the estimate of transaction price are recorded as adjustments to net patient care revenue in the period of the change. Certain patient care revenues received are subject to retroactive

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adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined.

NYU Langone Health has established estimates, based on information presently available, of amounts due to or from Medicare and non-Medicare payors for adjustments to current and prior year payment rates, based on industry-wide and hospital-specific data. The amounts due to third party payors included in accounts payable and accrued expenses on the consolidated balance sheets is \$163,077 and \$140,281 at August 31, 2023 and 2022, respectively. Additionally, certain payors' payment rates for various years have been appealed by NYU Langone Health. If the appeals are successful, additional income applicable to those years will be realized.

Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation. As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term. NYU Langone Hospitals' cost reports have been audited by the Medicare fiscal intermediary through August 31, 2018; however, final settlements are pending for 2003 and 2004. NYU Langone Hospital-Brooklyn's cost reports have been audited by the Medicare fiscal intermediary through December 31, 2015; however, final settlements are pending for the years 2008 to 2013. NYU Langone Hospital-Long Island's Medicare cost reports have been audited by the Medicare fiscal intermediary through July 31, 2019, and there are no final settlements pending. LICH's Medicare cost reports have been audited by the Medicare fiscal intermediary through December 31, 2020.

The mix of patient care revenue for the years ended August 31, 2023 and 2022 are as follows:

	2023		2022	
	Health System	NYUGSoM	Health System	NYUGSoM
Medicare	17 %	17 %	18 %	17 %
Medicaid	2	1	2	1
Medicare and Medicaid managed care	21	14	22	14
Blue Cross	26	20	26	20
Managed care and other	34	48	32	48
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

The mix of patient accounts receivable, net from patients and third-party payors at August 31, 2023 and 2022 are as follows:

	2023		2022	
	Health System	NYUGSoM	Health System	NYUGSoM
Medicare	9 %	11 %	9 %	12 %
Medicaid	2	1	2	1
Medicare and Medicaid managed care	23	13	21	15
Blue Cross	27	22	26	21
Managed care and other	39	53	42	51
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

# New York University

## Notes to Consolidated Financial Statements

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NYU Langone Health is committed to ensuring that its care is not limited to those who have insurance coverage or the means to pay for care. NYU Langone Health recognizes that there are times when patients in need of care will have difficulty paying for the services provided. Accordingly, NYU Langone Health has implemented a discount policy and financial aid program that is consistent with the mission, values, and capacity of NYU Langone Health, while considering an individual's ability to contribute to their care.

As a matter of policy, NYU Langone Health provides significant amounts of partially or totally uncompensated patient care under its charity care policy or through its financial aid program. NYU Langone Health's charity care policy, in accordance with the New York State Department of Health guidelines, ensures the provision of quality health care to the community served while carefully considering the ability of the patient to pay. The policy has sliding fee schedules for inpatient, ambulatory and emergency services provided to the uninsured and under-insured patients that qualify. Patients are eligible for the charity care fee schedule if they meet certain income tests. Since payment of the difference between NYU Langone Health's standard charges and the charity care fee schedules is not sought, these forgone charges for charity care are not reported as revenue. Federal and state law requires that hospitals provide emergency services regardless of a patient's ability to pay. Under NYU Langone Health's charity care policy, the discount offered to uninsured patients is reflected as a reduction to net patient service revenue at the time the uninsured billings are recorded.

Uninsured patients seen in the emergency department, including patients subsequently admitted for inpatient services, often do not provide information necessary to allow NYU Langone Health to qualify such patients for charity care. Net patient service revenue related to uninsured patients who do not qualify for either Medicaid assistance or NYU Langone Health's financial aid program is recognized for the amount of consideration to which NYU Langone Health expects to be entitled in exchange for providing patient care, net of implicit price concessions based on historical collections. Implicit price concession rates for uninsured patients are refined on an annual basis.

Total charges associated with providing care to charity patients for the years ended August 31, 2023 and 2022, are \$407,466 and \$380,228, respectively. NYU Langone Health determines the cost of providing these services based on a ratio of cost to charges, as summarized in the table below.

New York State regulations provide for the distribution of funds from an indigent care pool, which is intended to partially offset the cost of uncompensated care and services provided to uninsured patients. The funds are distributed to NYU Langone Health based on an uninsured methodology. NYU Langone Health paid \$77,740 and \$70,146 into the indigent care pool for the years ended August 31, 2023 and 2022, respectively. Subsidy payments recognized as revenue to offset the cost of charity care provided are included in the table below.

In addition, over 67% of NYU Langone Health's discharged patients during the years ended August 31, 2023 and 2022 were insured through government payors. NYU Langone Health incurs material costs in treating those patients, and does so at a loss given the shortfall in both Medicare and Medicaid reimbursement.

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The following table summarizes the estimated cost of the services provided, net reimbursement, and cost in excess of reimbursement for the years ended August 31, 2023 and 2022:

	2023	2022
<b>Costs of services provided</b>		
Charity Care	\$ 144,858	\$ 135,056
Governmental Payors	5,720,451	5,067,188
	<u>5,865,309</u>	<u>5,202,244</u>
<b>Net reimbursement</b>		
Charity Care	56,964	53,241
Governmental Payors	3,910,722	3,441,497
	<u>3,967,686</u>	<u>3,494,738</u>
<b>Costs of services in excess of reimbursement</b>		
Charity Care	87,894	81,815
Governmental Payors	1,809,729	1,625,691
	<u>\$ 1,897,623</u>	<u>\$ 1,707,506</u>

**5. Investments**

**Asset Classes**

NYU invests across a broad range of asset classes, including public equity, fixed income, hedge funds, credit, real assets, private equity, real estate, and cash and other. NYU may invest directly in the securities of these asset classes, or indirectly through interests in funds and limited partnerships. Securities held directly by NYU are valued at their observable market prices. The value of holdings in funds and limited partnerships are in accordance with the valuations provided by their investment managers. Funds and limited partnerships may make investments in securities that are publicly traded, which are generally valued based on observable market prices. Managers of investment funds and limited partnerships value those investments based upon the best information available for a given circumstance and may incorporate assumptions that are the investment manager's best estimates after consideration of a variety of internal and external factors.

Investments held by NYU's investment pool are categorized as follows:

**Public Equity**

Public equity consists of publicly-traded equity, mutual funds, and other commingled funds (which may include passive index exposure).

**Fixed Income**

Fixed income includes investments in securities such as U.S. government securities, non-U.S. sovereign bonds, and corporate and asset-backed securities.

**Real Assets**

Real assets include public and private investments in real asset funds.

**Cash and Other**

Cash and other predominantly includes cash and cash equivalents.

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**U.S. Treasury Bills**

U.S. treasury bills include investments of U.S. treasury bills with an original maturity greater than three months at the time of purchase.

**Hedge Funds**

Hedge funds include investments with managers who invest across different strategies such as long and short equity, multi-strategy, event driven and relative value funds. These managers typically employ some leverage.

**Credit**

Credit includes public and private investments in strategies including distressed debt and special situations.

**Private Equity**

Private equity investments include limited partnership investments in funds pursuing strategies in corporate buyouts, growth equity, and venture capital.

**Real Estate**

Real estate includes public and private investments in real estate funds.

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The following tables summarize the fair value of investments at August 31, 2023 and 2022:

	2023			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
<b>Long-term investments-investment pool</b>				
Public equity	\$ 1,462,316	\$ -	\$ -	\$ 1,462,316
Fixed income	-	425,436	-	425,436
Real assets	-	-	-	-
Cash and other	142,250	-	-	142,250
	<u>1,604,566</u>	<u>425,436</u>	<u>-</u>	<u>2,030,002</u>
Alternative investments measured at NAV as a practical expedient				<u>3,868,965</u>
Subtotal investment pool				<u>5,898,967</u>
<b>Other long-term investments</b>				
Public equity	893,347	3,702	-	897,049
Fixed Income	9,217	-	-	9,217
Cash and other	1,952	-	4,920	6,872
Subtotal other long-term investments	<u>904,516</u>	<u>3,702</u>	<u>4,920</u>	<u>913,138</u>
Total long-term investments	<u>\$ 2,509,082</u>	<u>\$ 429,138</u>	<u>\$ 4,920</u>	<u>\$ 6,812,105</u>
<b>Short-term investments</b>				
Cash and other	\$ 457,077	\$ -	\$ -	\$ 457,077
U.S. Treasury bills	1,916,617	-	-	1,916,617
Total short-term investments	<u>\$ 2,373,694</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,373,694</u>
	2022			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
<b>Long-term investments-investment pool</b>				
Public equity	\$ 1,284,792	\$ -	\$ -	\$ 1,284,792
Fixed income	-	366,606	-	366,606
Real assets	16,768	-	-	16,768
Cash and other	123,227	-	-	123,227
	<u>1,424,787</u>	<u>366,606</u>	<u>-</u>	<u>1,791,393</u>
Alternative investments measured at NAV as a practical expedient				<u>3,505,993</u>
Subtotal investment pool				<u>5,297,386</u>
<b>Other long-term investments</b>				
Public equity	1,103,060	2,701	-	1,105,761
Fixed income	65,230	-	-	65,230
Cash and other	7,097	-	4,080	11,177
Subtotal other long-term investments	<u>1,175,387</u>	<u>2,701</u>	<u>4,080</u>	<u>1,182,168</u>
Total long-term investments	<u>\$ 2,600,174</u>	<u>\$ 369,307</u>	<u>\$ 4,080</u>	<u>\$ 6,479,554</u>
<b>Short-term investments</b>				
Cash and other	\$ 175,945	\$ -	\$ -	\$ 175,945
Total short-term investments	<u>\$ 175,945</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 175,945</u>

Level 3 activity was not significant for either of the years ended August 31, 2023 or 2022.

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The following tables represent NYU's investments measured at NAV as a practical expedient by asset class and the respective liquidity terms as of August 31, 2023 and 2022:

<b>2023</b>				
<b>Asset Category</b>	<b>Redemption Frequency</b>	<b>Redemption</b>		
<b>Redeemable Alternative Investments</b>	<b>(if currently eligible)</b>	<b>Notice Period</b>	<b>Fair Value</b>	
Public equity	Daily, Weekly, Monthly, Quarterly, Annual	1 to 365 days	\$	1,477,590
Hedge funds	Monthly, Quarterly, Semi-Annual, Annual, Bi-Annual	15 to 365 days		890,061
				<u>2,367,651</u>
<b>Nonredeemable Alternative Investments</b>	<b>Remaining</b>	<b>Time To Draw</b>	<b>Unfunded</b>	<b>Fair Value</b>
	<b>Life</b>	<b>Commitment</b>	<b>Commitments</b>	
Private equity	Up to 13 years	7–14 days	\$ 919,765	\$ 911,695
Credit	Up to 6 years	7–14 days	108,706	235,150
Real assets	Up to 2 years	7–14 days	2,450	38,376
Real estate	Up to 12 years	7–14 days	313,957	316,093
			<u>\$ 1,344,878</u>	<u>1,501,314</u>
				<u>\$ 3,868,965</u>

<b>2022</b>				
<b>Asset Category</b>	<b>Redemption Frequency</b>	<b>Redemption</b>		
<b>Redeemable Alternative Investments</b>	<b>(if currently eligible)</b>	<b>Notice Period</b>	<b>Fair Value</b>	
Public equity	Daily, Weekly, Monthly, Quarterly, Annually	1 to 90 days	\$	1,334,845
Hedge funds	Monthly, Quarterly, Semi-Annual, Annual, Bi-Annual	15 to 100 days		818,719
				<u>2,153,564</u>
<b>Nonredeemable Alternative Investments</b>	<b>Remaining</b>	<b>Time To Draw</b>	<b>Unfunded</b>	<b>Fair Value</b>
	<b>Life</b>	<b>Commitment</b>	<b>Commitments</b>	
Private equity	Up to 10 years	7–14 days	\$ 888,993	\$ 814,670
Credit	Up to 7 years	7–14 days	99,950	203,241
Real assets	Up to 3 years	7–14 days	2,682	57,832
Real estate	Up to 13 years	7–14 days	303,828	276,686
			<u>\$ 1,295,453</u>	<u>1,352,429</u>
				<u>\$ 3,505,993</u>

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NYU maintains an investment pool for its long-term investments which include its endowment and similar funds. The pool is managed to achieve the maximum long-term return given prudent risk parameters. NYU relies on a total return strategy, the objective of which is to achieve a long-term rate of return consisting of a combination of current income and capital appreciation, recognizing that changes in market conditions and interest rates will result in varying strategies in an attempt to optimize results. Investment return (realized and unrealized net gains or losses, interest and dividends) and the appropriation for the approved endowment distribution for board-designated endowment funds are reported as nonoperating activities in the consolidated statements of activities. Investment return and the appropriation for the approved endowment distribution for donor-restricted endowment funds are reported as changes in net assets with donor restrictions in the consolidated statements of activities.

NYU's Board of Trustees has authorized an endowment spending policy designed to allow asset growth while providing a predictable flow of return to support activities. Distributions from the endowment to support activities (approximately 4.5% in 2023 and 2022) are based on a fixed percentage of the 12-quarter average market value. To preserve the endowment's purchasing power, the endowment spending policy considers several factors including the purpose of the endowment funds, general economic conditions, the effect of inflation or deflation, expected return, availability of alternative sources of funding, and the investment policy.

**6. Accounts and Loans Receivable, Net**

Accounts and loans receivable, net of allowances for uncollectable amounts, consist of the following at August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
Students and other	\$ 272,488	\$ 257,059
Grants and contracts	220,737	217,977
Student loans	59,617	77,764
FEMA award receivable	91,570	104,477
Housing loans and other loans to employees	58,996	59,258
Insurance premiums and recoveries (Note 13)	190,227	199,763
	<u>893,635</u>	<u>916,298</u>
Allowance for uncollectible amounts	<u>(59,885)</u>	<u>(68,449)</u>
Accounts and loans receivable, net	<u>\$ 833,750</u>	<u>\$ 847,849</u>

Student loans consist primarily of Federal advances to the University under Perkins and other Federal loan programs which totaled \$21,305 and \$41,015 at August 31, 2023 and 2022, respectively. NYU records a liability on its consolidated balance sheets for these advances within funds held for others.

A reasonable estimate of the fair value of loans receivable from students under government loan programs could not be made because the notes cannot be sold and can only be assigned to the U.S. government or its designees. The fair value of loans receivable from students under NYU's loan programs approximates carrying value.

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Housing loans and other loans to employees are secured by an interest in the underlying property or continued employment.

NYU Langone Health has a balance due from FEMA of \$74,336 at August 31, 2023 and 2022, for reimbursement of eligible operating expenses and capital expenditures relating to COVID, as well as a balance due of \$17,234 and \$30,141 at August 31, 2023 and 2022, respectively, relating to hazard mitigation projects as a result of Superstorm Sandy.

Management regularly assesses the adequacy of the allowance for credit losses by performing ongoing evaluation of the accounts and loans receivable portfolios.

**7. Contributions Receivable**

Contributions receivable consist of the following at August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
<b>Amounts expected to be collected in</b>		
Less than one year	\$ 265,474	\$ 279,816
One to five years	376,646	313,822
More than five years	197,916	149,588
	<u>840,036</u>	<u>743,226</u>
Discount	(46,130)	(29,295)
Allowance for uncollectible amounts	(99,257)	(91,715)
	<u>\$ 694,649</u>	<u>\$ 622,216</u>
Contributions receivable, net		

Contributions receivable activity for the years ended August 31, 2023 and 2022 is as follows:

	<b>2023</b>	<b>2022</b>
Contributions receivable, gross, beginning of year	\$ 743,226	\$ 753,176
New pledges received	290,320	178,243
Adjustments and write-offs	(14,006)	(6,803)
Pledge payments received	(179,504)	(181,390)
	<u>840,036</u>	<u>743,226</u>
Contributions receivable, gross, end of year		
Discount and allowance for uncollectible amounts	(145,387)	(121,010)
	<u>\$ 694,649</u>	<u>\$ 622,216</u>
Contributions receivable, net, end of year		

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Conditional promises to give are not reported in the consolidated balance sheets and consist of the following as of August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
Bequests	\$ 1,158,403	\$ 791,304
Intentions to give	106,674	123,674
Conditional promises to give	<u>316,213</u>	<u>323,871</u>
	<u>\$ 1,581,290</u>	<u>\$ 1,238,849</u>

Expenses related to fundraising activities are \$60,591 and \$57,563 for the years ended August 31, 2023 and 2022, respectively.

**8. Other Assets**

Other assets consist of the following at August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
Deferred compensation plan assets held for others	\$ 530,882	\$ 452,035
Prepaid expenses and deferred charges	221,029	208,351
Supplies inventory	210,329	189,964
Intangible assets and goodwill	51,105	51,199
Third-party payor receivables	75,755	32,256
Split-interest agreements	38,078	36,553
Net benefit asset (Note 14)	17,882	-
Other	<u>108,079</u>	<u>103,712</u>
Other assets	<u>\$ 1,253,139</u>	<u>\$ 1,074,070</u>

Deferred compensation plan assets held for others represent employee contributions and investment return for NYU's 457(b) plans. A corresponding obligation is recorded within funds held for others on the consolidated balance sheets.

NYU invests in various retirement plan assets as part of the deferred compensation plans. In addition to the asset classes described in Note 5, investments held by the deferred compensation plans also include:

**Variable Annuity**

Variable annuity contracts invest in a variety of public equity securities to generate varying rates of return based on the underlying public equities.

**Fixed Income Annuity**

Fixed income annuities are used to purchase a guaranteed amount of future retirement benefits.

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(in thousands of dollars)

The following tables summarize the fair value of other assets at August 31, 2023 and 2022:

	2023			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
<b>Other financial instruments</b>				
Split-interest agreements	\$ -	\$ -	\$ 38,078	\$ 38,078
<b>Deferred compensation plan assets held for others</b>				
Variable annuity contracts	\$ 161,464	\$ 54,805	\$ -	\$ 216,269
Fixed income annuities	20,128	6,186	51,883	78,197
Public equity	232,706	3,710	-	236,416
Total deferred compensation plan assets held for others	\$ 414,298	\$ 64,701	\$ 51,883	\$ 530,882

  

	2022			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
<b>Other financial instruments</b>				
Split-interest agreements	\$ -	\$ -	\$ 36,553	\$ 36,553
<b>Deferred compensation plan assets held for others</b>				
Variable annuity contracts	\$ 131,453	\$ 51,921	\$ -	\$ 183,374
Fixed income annuities	23,200	7,503	48,609	79,312
Public equity	187,551	1,798	-	189,349
Total deferred compensation plan assets held for others	\$ 342,204	\$ 61,222	\$ 48,609	\$ 452,035

Level 3 activity was not significant for either of the years ended August 31, 2023 or 2022.

**9. Deposits with Trustees**

Deposits with Trustees include unexpended bond proceeds to fund various construction projects held by the trustee, the Dormitory Authority of the State of New York (DASNY), and debt service funds, consist of the following at August 31, 2023 and 2022:

	2023	2022
Construction funds held by DASNY	\$ 322,870	\$ 597,930
Debt service reserve funds	20,396	23,929
Other	1,102	1,092
	<u>\$ 344,368</u>	<u>\$ 622,951</u>

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(in thousands of dollars)

The following tables summarize the fair value of deposits with trustees at August 31, 2023 and 2022 according to the asset categories defined in Note 5.

	<b>2023</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Fixed income	\$ 216,562	\$ 119,032	\$ -	\$ 335,594
Cash and other	8,774	-	-	8,774
Total deposits with trustees	<u>\$ 225,336</u>	<u>\$ 119,032</u>	<u>\$ -</u>	<u>\$ 344,368</u>

  

	<b>2022</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Fixed income	\$ 432,955	\$ -	\$ -	\$ 432,955
Cash and other	189,996	-	-	189,996
Total deposits with trustees	<u>\$ 622,951</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 622,951</u>

**10. Land, Buildings, and Equipment**

Land, buildings, and equipment consist of the following at August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
Land	\$ 403,038	\$ 403,038
Buildings and building improvements	16,704,403	14,831,709
Equipment	3,831,432	3,289,833
Finance leases	1,852,624	1,606,877
Construction in progress	1,349,040	2,009,444
	<u>24,140,537</u>	<u>22,140,901</u>
Less: Accumulated depreciation	<u>(9,620,758)</u>	<u>(8,616,814)</u>
Land, buildings, and equipment, net	<u>\$ 14,519,779</u>	<u>\$ 13,524,087</u>

Depreciation expense is \$1,020,036 and \$968,151 for the years ended August 31, 2023 and 2022, respectively.

**New York University**  
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(in thousands of dollars)

**11. Leases**

The components of lease expense included in the consolidated statements of activities consist of the following for the years ended August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
<b>Lease cost</b>		
Finance lease cost		
Amortization of assets held under finance leases	\$ 88,994	\$ 89,946
Interest on finance lease obligations	74,726	63,840
Total finance lease cost	<u>163,720</u>	<u>153,786</u>
Operating lease cost	316,346	313,461
Short-term and variable lease costs	40,042	46,669
Total operating lease cost included in facilities costs	<u>356,388</u>	<u>360,130</u>
Total lease cost	<u>\$ 520,108</u>	<u>\$ 513,916</u>
<b>Other information</b>		
Cash paid for amounts included in the measurement of lease obligations		
Operating cash flows for operating leases	\$ 296,942	\$ 292,073
Operating cash flows for finance leases	74,726	63,840
Financing cash flows for finance leases	56,463	66,235
Right-of-use assets obtained		
In exchange for new operating lease obligations	\$ 205,015	\$ 249,270
In exchange for new finance lease obligations (Note 10)	233,624	50,243
Weighted-average remaining lease term		
Operating leases	18.3 years	18.2 years
Operating leases excluding ground lease through 2087	11.8 years	11.8 years
Finance leases	26.7 years	26.6 years
Weighted-average discount rate		
Operating leases	3.20 %	2.79 %
Finance leases	4.01 %	3.83 %

# New York University

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(in thousands of dollars)

Aggregate future minimum lease payments under operating leases as of August 31, 2023 are as follows:

2024	\$ 298,889
2025	288,538
2026	254,353
2027	227,353
2028	176,718
Thereafter	<u>1,917,193</u>
Total minimum lease payments	3,163,044
Less: Imputed interest	<u>(936,682)</u>
Total operating lease obligation	<u>\$ 2,226,362</u>

The difference between fixed operating lease payments and lease expense on a straight line basis is \$186,137 at August 31, 2023 and is recorded as a reduction to the operating ROU asset on the consolidated balance sheet.

## 12. Debt and Other Obligations

NYU has various bond issues outstanding, primarily issued through DASNY. The University and NYU Schools of Medicine are considered the legally obligated group for certain borrowings presented below as the "Obligated Group."

Debt and other obligations consist of the following at August 31, 2023 and 2022:

Issuer	2023				Consolidated NYU
	University	NYU Schools of Medicine	Total Obligated Group	Health System	
Dormitory Authority of the State of New York (DASNY)	\$ 3,581,126	\$ 785,226	\$ 4,366,352	\$ 770,279	\$ 5,136,631
New York University	234,395	52,616	287,011	-	287,011
NYU Langone Hospitals	-	-	-	2,040,206	2,040,206
Nassau County Local Economic Assistance Corporation	-	-	-	26,576	26,576
Brookhaven Local Development Corporation	-	-	-	82,199	82,199
Other obligations	<u>165,640</u>	<u>1,590,156</u>	<u>1,755,796</u>	<u>339,849</u>	<u>2,095,645</u>
Debt and other obligations	<u>\$ 3,981,161</u>	<u>\$ 2,427,998</u>	<u>\$ 6,409,159</u>	<u>\$ 3,259,109</u>	<u>\$ 9,668,268</u>

Issuer	2022				Consolidated NYU
	University	NYU Schools of Medicine	Total Obligated Group	Health System	
Dormitory Authority of the State of New York (DASNY)	\$ 3,696,789	\$ 808,785	\$ 4,505,574	\$ 794,135	\$ 5,299,709
New York University	245,581	57,096	302,677	-	302,677
NYU Langone Hospitals	-	-	-	2,039,751	2,039,751
Nassau County Local Economic Assistance Corporation	-	-	-	28,222	28,222
Brookhaven Local Development Corporation	-	-	-	83,866	83,866
Other obligations	<u>167,638</u>	<u>1,268,851</u>	<u>1,436,489</u>	<u>375,692</u>	<u>1,812,181</u>
Debt and other obligations	<u>\$ 4,110,008</u>	<u>\$ 2,134,732</u>	<u>\$ 6,244,740</u>	<u>\$ 3,321,666</u>	<u>\$ 9,566,406</u>

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2023 and 2022

(in thousands of dollars)

The principal amounts outstanding for debt and other obligations consist of the following at August 31, 2023 and 2022:

	2023				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
<b>DASNY</b>					
Series 1998A bonds, with interest rates ranging from 5.75% to 6.00%, maturing serially through July 2020, payable thereafter in annual sinking fund installments to maturity in 2027 (including premium of \$770)	\$ 64,605	\$ -	\$ 64,605	\$ -	\$ 64,605
2001 Series 1 bonds, with an interest rate of 5.50%, maturing serially from July 2011, through July 2025, payable thereafter in annual sinking fund installments to maturities in July 2031 and July 2040 (including premiums of \$1,392 and \$1,794)	50,718	42,152	92,870	-	92,870
Series 2012C taxable bonds, with interest rates ranging from 1.93% to 3.62%, maturing serially through July 2027	9,225	-	9,225	-	9,225
Series 2013B taxable bonds, with interest rates ranging from 2.33% to 5.25%, maturing serially through July 2028, payable thereafter in annual sinking fund installments to maturities in July 2033 and July 2043	20,065	-	20,065	-	20,065
Series 2014 bonds, with interest rate ranging from 2.00% to 5.00%, maturing serially through July 2032 and July 2036 (including premium of \$5,737)	-	-	-	62,467	62,467
Series 2014 S2 bonds, with interest rate ranging from 3.75% to 4.95%, maturing serially through July 2034 and July 2035 (including premium of \$10,755)	-	-	-	75,820	75,820
Series 2014A taxable bonds, with an interest rate of 2.59% maturing in July 2034, payable in annual sinking fund installments through July 2034	40,205	-	40,205	-	40,205
Series 2015 bonds, with interest rates ranging from 2.00% to 5.50%, maturing serially through July 2035, payable in annual sinking fund installments from July 2036 to July 2048 (including premium of \$49,266)	585,871	-	585,871	-	585,871
Series 2016A bonds, with interest rates ranging from 2.00% to 5.00%, maturing serially through July 2036 payable thereafter in annual sinking fund installments until July 2043 (including premiums of \$48,996 and \$18,103)	439,741	132,893	572,634	-	572,634
Series 2016B taxable bonds, with interest rates ranging from 1.20% to 5.00%, maturing serially through July 2022 payable thereafter in annual sinking fund installments until July 2046	141,090	29,970	171,060	-	171,060
Series 2016A bonds, with interest rates ranging from 3.53% to 4.77%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2043 (including premium of \$16,568)	-	-	-	121,053	121,053
Series 2017A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2047 (including premium of \$25,459 and \$17,608)	273,243	157,629	430,872	-	430,872
Series 2017B taxable bonds, with interest rates ranging from 1.60% to 4.15%, maturing serially to maturity in July 2032	160,229	50,406	210,635	-	210,635
Series 2018A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$25,942 and \$8,124)	277,407	74,235	351,642	-	351,642
Series 2018B taxable bonds, with interest rates ranging from 2.27% to 4.85%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$5,758 and \$2,428)	145,899	98,638	244,537	-	244,537
Series 2019A bonds, with interest rates ranging from 4.00% to 5.00%, maturing serially through July 2049 payable thereafter in annual sinking fund installments (including premiums of \$66,418 and \$10,939)	567,114	86,744	653,858	-	653,858
Series 2019B-1 taxable bonds, with interest rates ranging from 2.76% to 4.29%, maturing serially through July 2044 payable thereafter in annual sinking fund installments	136,505	20,995	157,500	-	157,500
Series 2019B-2 taxable bonds, with an interest rate of 4.01% payable thereafter in annual sinking fund installments maturing on July 2049	77,925	5,245	83,170	-	83,170

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2023 and 2022

(in thousands of dollars)

	2023				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
Series 2020A bonds, with interest rates ranging from 3.00% to 4.00% maturing serially through July 2053 (including net premiums of \$50,320)	-	-	-	516,625	516,625
Series 2020B taxable bonds, with interest rates ranging from 1.29% to 2.77%, maturing serially through July 2030 and payable thereafter in annual sinking fund installments to maturity in 2043	361,145	34,665	395,810	-	395,810
Series 2021A bonds, with interest rates ranging from 0.66% to 2.23%, maturing serially through July 2041 and payable thereafter in annual sinking fund installments to maturity in 2051 (including premiums of \$37,621 and \$9,607)	210,681	49,242	259,923	-	259,923
Series 2021B taxable bonds, with interest rates ranging from 0.25% to 2.02%, maturing serially through July 2031	29,965	3,760	33,725	-	33,725
Deferred financing costs	(10,507)	(1,348)	(11,855)	(5,686)	(17,541)
Subtotal of DASNY bonds	<u>3,581,126</u>	<u>785,226</u>	<u>4,366,352</u>	<u>770,279</u>	<u>5,136,631</u>
<b>NYU</b>					
Series 2009 taxable bonds, with an interest rate of 5.24%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	10,153	52,967	63,120	-	63,120
Series 2010 taxable bonds, with an interest rate of 4.96%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	15,505	-	15,505	-	15,505
Series 2015 taxable bonds, with interest rates ranging from 1.32% to 4.14%, maturing serially through July 2028, payable in annual sinking fund installments from July 2029 to July 2048	209,415	-	209,415	-	209,415
Deferred financing costs	(678)	(351)	(1,029)	-	(1,029)
Subtotal of NYU bonds	<u>234,395</u>	<u>52,616</u>	<u>287,011</u>	<u>-</u>	<u>287,011</u>
<b>NYU Langone Hospitals</b>					
Series 2012 taxable bonds, with an interest rate of 4.40%, maturing in July 2042 (including discount of \$655)	-	-	-	249,345	249,345
Series 2013 taxable bonds, with an interest rate of 5.75%, maturing in July 2043 (including discount of \$955)	-	-	-	349,045	349,045
Series 2014 taxable bonds, with an interest rate of 4.78%, maturing in July 2044 (including discount of \$879)	-	-	-	299,121	299,121
Series 2017A taxable bonds, with an interest rate ranging from 4.17% to 4.37%, maturing in August 2047	-	-	-	600,000	600,000
Series 2020B taxable bonds, with a fixed interest rate of 3.38% to maturity in July 2055 (including a discount of \$2,441)	-	-	-	548,584	548,584
Deferred financing costs	-	-	-	(5,889)	(5,889)
Subtotal of NYU Langone Hospitals bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,040,206</u>	<u>2,040,206</u>
<b>Nassau County Local Economic Assistance Corporation</b>					
Series 2014 taxable bonds, with an interest rate of 2.99%, maturing in July 2036	-	-	-	26,576	26,576
Subtotal of Nassau County Local Economic Assistance Corporation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,576</u>	<u>26,576</u>
<b>Brookhaven Local Development Corporation</b>					
Series 2020A taxable bond series, with varying interest rates of 4.2% to 5.0%, maturing in October 2050 (including premium of \$7,119)	-	-	-	66,254	66,254
Series 2020B taxable bond series, with varying interest rates of 5.5% to 6.0%, maturing in October 2030 (including premium of \$1,290)	-	-	-	15,945	15,945
Subtotal of Brookhaven Local Development Corporation	<u>-</u>	<u>-</u>	<u>-</u>	<u>82,199</u>	<u>82,199</u>
<b>Other obligations</b>					
Mortgage loans	-	142,137	142,137	2,179	144,316
Commercial loans	-	-	-	13,359	13,359
Lines of credit	-	35,330	35,330	-	35,330
Finance leases (Note 10)	165,640	1,412,689	1,578,329	324,311	1,902,640
Subtotal of other obligations	<u>165,640</u>	<u>1,590,156</u>	<u>1,755,796</u>	<u>339,849</u>	<u>2,095,645</u>
Total amounts outstanding	<u>\$ 3,981,161</u>	<u>\$ 2,427,998</u>	<u>\$ 6,409,159</u>	<u>\$ 3,259,109</u>	<u>\$ 9,668,268</u>

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2023 and 2022

(in thousands of dollars)

	2022				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
<b>DASNY</b>					
Series 1998A bonds, with interest rates ranging from 5.75% to 6.00%, maturing serially through July 2020, payable thereafter in annual sinking fund installments to maturity in 2027 (including premium of \$1,134)	\$ 78,819	\$ -	\$ 78,819	\$ -	\$ 78,819
2001 Series 1 bonds, with an interest rate of 5.50%, maturing serially from July 2011, through July 2025, payable thereafter in annual sinking fund installments to maturities in July 2031 and July 2040 (including premiums of \$1,532 and \$1,900)	52,591	43,676	96,267	-	96,267
Series 2012C taxable bonds, with interest rates ranging from 1.93% to 3.62%, maturing serially through July 2027	11,440	-	11,440	-	11,440
Series 2013B taxable bonds, with interest rates ranging from 2.33% to 5.25%, maturing serially through July 2028, payable thereafter in annual sinking fund installments to maturities in July 2033 and July 2043	21,480	-	21,480	-	21,480
Series 2014 bonds, with interest rate ranging from 2.00% to 5.00%, maturing serially through July 2032 and July 2036 (including premium of \$6,181)	-	-	-	66,316	66,316
Series 2014 S2 bonds, with interest rate ranging from 3.75% to 4.95%, maturing serially through July 2034 and July 2035 (including premium of \$11,651)	-	-	-	81,011	81,011
Series 2014A taxable bonds, with an interest rate of 2.59% maturing in July 2034, payable in annual sinking fund installments through July 2034	43,325	-	43,325	-	43,325
Series 2015 bonds, with interest rates ranging from 2.00% to 5.50%, maturing serially through July 2035, payable in annual sinking fund installments from July 2036 to July 2048 (including premium of \$53,181)	607,220	-	607,220	-	607,220
Series 2016A bonds, with interest rates ranging from 2.00% to 5.00%, maturing serially through July 2036 payable thereafter in annual sinking fund installments until July 2043 (including premiums of \$53,663 and \$18,896)	458,323	137,471	595,794	-	595,794
Series 2016B taxable bonds, with interest rates ranging from 1.20% to 5.00%, maturing serially through July 2022 payable thereafter in annual sinking fund installments until July 2046	141,090	29,970	171,060	-	171,060
Series 2016A bonds, with interest rates ranging from 3.53% to 4.77%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2043 (including premium of \$17,557)	-	-	-	134,302	134,302
Series 2017A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially to maturity in July 2040 and payable thereafter in annual sinking fund installments until July 2047 (including premium of \$28,967 and \$18,347)	289,387	161,677	451,064	-	451,064
Series 2017B taxable bonds, with interest rates ranging from 1.60% to 4.15%, maturing serially to maturity in July 2032	163,804	50,406	214,210	-	214,210
Series 2018A bonds, with interest rates ranging from 3.25% to 5.00%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$28,402 and \$8,453)	287,892	76,523	364,415	-	364,415
Series 2018B taxable bonds, with interest rates ranging from 2.27% to 4.85%, maturing serially through July 2048 payable thereafter in annual sinking fund installments (including premiums of \$6,029 and \$2,526)	146,170	100,371	246,541	-	246,541
Series 2019A bonds, with interest rates ranging from 4.00% to 5.00%, maturing serially through July 2049 payable thereafter in annual sinking fund installments (including premiums of \$71,254 and \$11,362)	581,380	87,167	668,547	-	668,547
Series 2019B-1 taxable bonds, with interest rates ranging from 2.76% to 4.29%, maturing serially through July 2044 payable thereafter in annual sinking fund installments	136,505	27,375	163,880	-	163,880
Series 2019B-2 taxable bonds, with an interest rate of 4.01% payable thereafter in annual sinking fund installments maturing on July 2049	77,925	5,245	83,170	-	83,170

# New York University

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### August 31, 2023 and 2022

(in thousands of dollars)

	2022				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
Series 2020A bonds, with interest rates ranging from 3.00% to 4.00% maturing serially through July 2053 (including net premiums of \$52,195)	-	-	-	518,500	518,500
Series 2020B taxable bonds, with interest rates ranging from 1.29% to 2.77%, maturing serially through July 2030 and payable thereafter in annual sinking fund installments to maturity in 2043	368,150	36,255	404,405	-	404,405
Series 2021A bonds, with interest rates ranging from 0.66% to 2.23%, maturing serially through July 2041 and payable thereafter in annual sinking fund installments to maturity in 2051 (including premiums of \$39,679 and \$9,951)	212,739	49,586	262,325	-	262,325
Series 2021B taxable bonds, with interest rates ranging from 0.25% to 2.02%, maturing serially through July 2031	29,965	4,495	34,460	-	34,460
Deferred financing costs	<u>(11,416)</u>	<u>(1,432)</u>	<u>(12,848)</u>	<u>(5,994)</u>	<u>(18,842)</u>
Subtotal of DASNY bonds	<u>3,696,789</u>	<u>808,785</u>	<u>4,505,574</u>	<u>794,135</u>	<u>5,299,709</u>
<b>NYU</b>					
Series 2009 taxable bonds, with an interest rate of 5.24%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	11,019	57,486	68,505	-	68,505
Series 2010 taxable bonds, with an interest rate of 4.96%, maturing in July 2032, payable in annual sinking fund installments from July 2018 through July 2032	16,830	-	16,830	-	16,830
Series 2015 taxable bonds, with interest rates ranging from 1.32% to 4.14%, maturing serially through July 2028, payable in annual sinking fund installments from July 2029 to July 2048	218,485	-	218,485	-	218,485
Deferred financing costs	<u>(753)</u>	<u>(390)</u>	<u>(1,143)</u>	<u>-</u>	<u>(1,143)</u>
Subtotal of NYU bonds	<u>245,581</u>	<u>57,096</u>	<u>302,677</u>	<u>-</u>	<u>302,677</u>
<b>NYU Langone Hospitals</b>					
Series 2012 taxable bonds, with an interest rate of 4.40%, maturing in July 2042 (including discount of \$690)	-	-	-	249,310	249,310
Series 2013 taxable bonds, with an interest rate of 5.75%, maturing in July 2043 (including discount of \$1,003)	-	-	-	348,997	348,997
Series 2014 taxable bonds, with an interest rate of 4.78%, maturing in July 2044 (including discount of \$921)	-	-	-	299,079	299,079
Series 2017A taxable bonds, with an interest rate ranging from 4.17% to 4.37%, maturing in August 2047	-	-	-	600,000	600,000
Series 2020B taxable bonds, with a fixed interest rate of 3.38% to maturity in July 2055 (including a discount of \$2,518)	-	-	-	548,507	548,507
Deferred financing costs	<u>-</u>	<u>-</u>	<u>-</u>	<u>(6,142)</u>	<u>(6,142)</u>
Subtotal of NYU Langone Hospitals bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,039,751</u>	<u>2,039,751</u>
<b>Nassau County Local Economic Assistance Corporation</b>					
Series 2014 taxable bonds, with an interest rate of 2.99%, maturing in July 2036	-	-	-	28,222	28,222
Subtotal of Nassau County Local Economic Assistance Corporation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>28,222</u>	<u>28,222</u>
<b>Brookhaven Local Development Corporation</b>					
Series 2020A taxable bond series, with varying interest rates of 4.2% to 5.0%, maturing in October 2050 (including premium of \$7,381)	-	-	-	66,516	66,516
Series 2020B taxable bond series, with varying interest rates of 5.5% to 6.0%, maturing in October 2030 (including premium of \$1,470)	-	-	-	17,350	17,350
Subtotal of Brookhaven Local Development Corporation	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,866</u>	<u>83,866</u>
<b>Other obligations</b>					
Mortgage loans	-	39,095	39,095	6,954	46,049
Commercial loans	-	-	-	14,277	14,277
Lines of credit	-	43,030	43,030	-	43,030
Finance leases (Note 10)	167,638	1,186,726	1,354,364	354,461	1,708,825
Subtotal of other obligations	<u>167,638</u>	<u>1,268,851</u>	<u>1,436,489</u>	<u>375,692</u>	<u>1,812,181</u>
Total amounts outstanding	<u>\$ 4,110,008</u>	<u>\$ 2,134,732</u>	<u>\$ 6,244,740</u>	<u>\$ 3,321,666</u>	<u>\$ 9,566,406</u>

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Interest expense on debt and other obligations totaled \$372,396 and \$368,647 for the years ended August 31, 2023 and 2022, respectively. This excludes \$20,401 and \$18,934 of interest capitalized (net of income earned on deposits with bond trustees) for the years ended August 31, 2023 and 2022, respectively, which is included in land, buildings, and equipment, net.

NYU enters into various debt and other loan agreements that are secured by specific revenue streams, collateral and other real property or improvements, in addition to issuing debt supported by a general obligation of the University, any of which may constrain the use of certain assets. Other agreements include covenants requiring that NYU Langone Hospitals maintains certain financial ratios. At August 31, 2023 and 2022, the Obligated Group and NYU Langone Hospitals is compliant with all financial and administrative covenants.

**Obligations with Financial Institutions**

At both August 31, 2023 and 2022, the Obligated Group has three contractually committed bank credit agreements which total \$800,000. As of August 31, 2023, these agreements expire from August 2024 to March 2026. Interest is accrued at rates based on the Bloomberg Short-Term Bank Yield Index and the Secured Overnight Financing Rate. The amounts outstanding under these agreements are \$35,330 and \$43,030 as of August 31, 2023 and 2022, respectively.

At August 31, 2023 and 2022, NYU Langone Hospitals has four unsecured lines of credit totaling \$679,800 and \$689,800, respectively. As of August 31, 2023 these agreements expire from April 2024 to September 2025. Interest is accrued at rates based on the Secured Overnight Financing Rate. There were no amounts outstanding as of August 31, 2023 and 2022, respectively.

**Future Principal Payments**

The aggregate required principal payments on all debt and other obligations, including capital leases, for each of the next five fiscal years, and thereafter to maturity, are as follows:

Year Ending August 31,	Debt and Other Obligations	Finance Leases	Total
2024	\$ 168,184	\$ 117,148	\$ 285,332
2025	210,981	109,691	320,672
2026	178,449	109,728	288,177
2027	286,025	74,906	360,931
2028	172,497	102,208	274,705
Thereafter	<u>6,356,870</u>	<u>2,837,464</u>	<u>9,194,334</u>
	7,373,006	3,351,145	10,724,151
Unamortized premiums and discounts, net	417,081	-	417,081
Unamortized deferred financing costs	(24,459)	-	(24,459)
Less: Imputed interest	-	(1,448,505)	(1,448,505)
	<u>\$ 7,765,628</u>	<u>\$ 1,902,640</u>	<u>\$ 9,668,268</u>

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**13. Professional Liabilities**

NYU Langone Hospitals' professional liabilities are reported on a discounted basis and comprise estimates for known reported losses and loss expenses plus a provision for losses incurred but not reported. Losses are actuarially determined and are based on the loss experience of the insured. In management's opinion, recorded reserves for both self-insured and commercially insured exposures are adequate to cover the ultimate net cost of losses incurred to date; however, the provision is based on estimates and may ultimately be settled for a significantly greater or lesser amount.

Professional liabilities consist of the following as of August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
CCC550 professional liabilities	\$ 840,264	\$ 771,867
Self-insured liabilities	45,200	50,900
LICH self-insured liabilities	30,147	31,400
Commercially insured liabilities	<u>51,426</u>	<u>63,062</u>
Professional liabilities	<u>\$ 967,037</u>	<u>\$ 917,229</u>

NYU Langone Hospitals is self-insured for professional and general liabilities on an occurrence basis through CCC550. CCC550 provides insurance coverage to certain voluntary attending physicians and other nonemployed physicians serving NYUGSoM and NYU Langone Hospitals. The cost of this insurance coverage is the responsibility of such physicians.

Prior to July 1, 2017, NYU Langone Hospital-Long Island was self-insured for professional liabilities and designated funds in a revocable trust for satisfaction of claims and expenses. LICH is self-insured for professional liabilities.

Commercially insured liabilities relate to policies purchased by NYU Langone Hospital-Brooklyn and NYU Langone Hospital-Long Island (for certain of its physicians) covering periods prior to October 1, 2015 and July 1, 2017, respectively. NYU Langone Hospitals recorded a corresponding insurance recovery receivable for claims covered by these policies within accounts and loans receivable, net on the consolidated balance sheets (Note 6).

Assets held for professional liabilities consist of the following at August 31, 2023 and 2022:

	<b>2023</b>	<b>2022</b>
Assets held by CCC550	\$ 1,044,422	\$ 899,260
Self-insurance trust	<u>52,178</u>	<u>51,736</u>
Assets held for professional liabilities	<u>\$ 1,096,600</u>	<u>\$ 950,996</u>

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The following tables summarize the fair value of assets held for professional liabilities at August 31, 2023 and 2022 according to the asset categories defined in Note 5:

	2023			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Fixed income	\$ 109,292	\$ 788,926	\$ -	\$ 898,218
Equity	169,547	-	-	169,547
Cash and other	28,835	-	-	28,835
Total assets held for professional liabilities	\$ 307,674	\$ 788,926	\$ -	\$ 1,096,600

  

	2022			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Fixed income	\$ 51,736	\$ 726,287	\$ -	\$ 778,023
Equity	135,376	-	-	135,376
Cash and other	37,597	-	-	37,597
Total assets held for professional liabilities	\$ 224,709	\$ 726,287	\$ -	\$ 950,996

**14. Pension Plans and Other Postretirement Benefits**

**Pension Plans**

Substantially all NYU employees are covered by retirement plans including various defined contribution plans, multi-employer defined benefit plans, and three NYU-sponsored benefit plans.

*Defined Contribution Plans*

Contributions to the defined contribution plans are based on rates required by union contracts or other contractual arrangements. Contributions of \$331,747 and \$302,766 in 2023 and 2022, respectively, are reported as expenses in the consolidated statements of activities. There is no obligation on the consolidated balance sheets for these plans.

*Multi-Employer Defined Benefit Plans*

Contributions to the multi-employer defined benefit plans are based on rates required by union contracts and other contractual arrangements. Contributions of \$266,009 and \$230,010 in 2023 and 2022, respectively, are reported as expenses in the consolidated statements of activities. There is no obligation on the consolidated balance sheets for these plans.

*Defined Benefit Plans*

Contributions to the three defined benefit plans are intended to provide benefits attributed to service to date, as well as for those expected to be earned in the future. Contributions are made in amounts sufficient to meet the minimum funding requirements set forth in the Employee Retirement Income Security Act of 1974 as amended under the Pension Protection Act of 2006 (ERISA), plus such additional amounts as the sponsors may deem appropriate. Pension benefits under these defined benefit plans are based on participants' final average compensation levels and years of service and are accrued during the period the employees provide service to NYU. Contributions of \$17,450 and \$16,699 in 2023 and 2022, respectively, are reported as a reduction in the accrued benefit obligation on the consolidated balance sheets for these plans.

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**Postretirement Benefits**

NYU has three defined benefit health and welfare plans that provide certain health care and life insurance benefits for eligible retired employees. NYU employees may become eligible for these benefits if they reach the age and service requirements of the plan while working for NYU. The costs related to these plans are accrued during the period the employees provide service to NYU. Contributions of \$28,750 and \$28,178 in 2023 and 2022, respectively, are reported as a reduction in the accrued postretirement obligation on the consolidated balance sheets for these plans.

The following tables provide information with respect to the defined benefit and other postretirement benefit plans for the years ended August 31:

**Plans' Funded Status**

	<b>Defined Benefit Pension Plans</b>		<b>Postretirement Benefit Plans</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
<b>Change in benefit obligation</b>				
Benefit obligation as of beginning of year	\$ 2,214,034	\$ 2,892,896	\$ 705,504	\$ 850,054
Service cost	38,507	59,031	14,992	22,395
Interest cost	103,033	70,614	32,313	23,775
Actuarial gain	(204,325)	(698,354)	(53,138)	(169,265)
Benefits paid	(102,984)	(108,705)	(32,221)	(30,310)
Participant contributions	-	-	8,725	7,947
Retiree drug subsidy receipts	-	-	1,131	908
Administrative expenses	(2,049)	(1,448)	-	-
Benefit obligation as of end of year	<u>2,046,216</u>	<u>2,214,034</u>	<u>677,306</u>	<u>705,504</u>
<b>Change in fair value of plan assets</b>				
Fair value of plan assets as of beginning of year	1,815,316	2,355,449	194,766	217,344
Actual return on plan assets	107,278	(446,679)	19,338	(29,301)
Employer contributions	17,450	16,699	28,750	28,178
Benefits paid	(102,984)	(108,705)	(32,221)	(30,310)
Participant contributions	-	-	8,725	7,947
Retiree drug subsidy receipts	-	-	1,131	908
Administrative expenses	(2,049)	(1,448)	-	-
Fair value of plan assets, end of year	<u>1,835,011</u>	<u>1,815,316</u>	<u>220,489</u>	<u>194,766</u>
Net benefit asset (Note 8)	<u>(17,882)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Accrued benefit obligation	<u>\$ 229,087</u>	<u>\$ 398,718</u>	<u>\$ 456,817</u>	<u>\$ 510,738</u>
<b>Benefit obligation range of assumptions as of August 31</b>				
Discount rate	5.30%–5.61%	4.70%–4.95%	5.24%–5.57%	4.65%–4.91%
Rate of increase in compensation levels	2.91%–6.00%	2.91%–5.00%	N/A	N/A

The accumulated benefit obligation for the defined benefit pension plans is \$1,941,263 and \$2,078,546 at August 31, 2023 and 2022, respectively.

Actuarial gains were the result of asset returns in excess of planned return as well as changes in discount rates and plan experience for the year ended August 31, 2023 and 2022.

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**Net Periodic Benefit Cost**

	Defined Benefit Pension Plans		Postretirement Benefit Plans	
	2023	2022	2023	2022
<b>Components of net periodic benefit cost</b>				
Operating expense				
Service cost in salary and fringe	\$ 38,507	\$ 59,031	\$ 14,992	\$ 22,395
Nonoperating expense				
Interest cost	103,033	70,614	32,313	23,775
Expected return on plan assets	(139,431)	(147,122)	(11,602)	(13,014)
Amortization of prior service credit	-	-	(4,113)	(4,113)
Amortization of actuarial loss	-	32,723	930	10,966
Total nonservice costs	<u>(36,398)</u>	<u>(43,785)</u>	<u>17,528</u>	<u>17,614</u>
Net periodic benefit cost	<u>\$ 2,109</u>	<u>\$ 15,246</u>	<u>\$ 32,520</u>	<u>\$ 40,009</u>
<b>Other changes recognized in net assets without donor restrictions</b>				
Actuarial net gain arising during period	\$ (172,171)	\$ (104,554)	\$ (60,875)	\$ (126,949)
Amortization of prior service credit	-	-	4,113	4,113
Amortization of actuarial loss	-	(32,723)	(930)	(10,966)
Total changes in pension and postretirement obligations	<u>\$ (172,171)</u>	<u>\$ (137,277)</u>	<u>\$ (57,692)</u>	<u>\$ (133,802)</u>
<b>Net periodic benefit cost range of assumptions</b>				
Discount rate	4.70%–5.00%	2.32%–3.15%	4.89%–5.25%	2.80%–2.95%
Rate of increase in compensation levels	2.91%–5.00%	2.91%–5.00%	N/A	N/A
Expected long-term rate of return on plan assets	6.00%–7.00%	6.00%–7.00%	6.00%–7.00%	6.00%–7.00%
Initial healthcare cost trend	N/A	N/A	6.50%–10.05%	6.50%–9.19%
Ultimate retiree health-care cost trend	N/A	N/A	4.50%	4.50%
Year ultimate trend rate is achieved	N/A	N/A	2030–2032	2024–2031

Amounts not yet reflected in net periodic benefit cost and included in net assets without donor restrictions for the defined benefit pension plans totaled \$119,818 and \$291,989 for the years ended August 31, 2023 and 2022, respectively. Amounts not yet reflected in net periodic benefit cost and included in net assets without donor restrictions for the postretirement benefit plans totaled (\$107,965) and (\$50,274) for the years ended August 31, 2023 and 2022, respectively.

**Plan Assets**

The following table presents the fair value of the defined benefit plan investments at August 31, 2023 and 2022 according to the asset categories defined in Note 5:

	2023			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Public equity	\$ 734,669	\$ 304,102	\$ -	\$ 1,038,771
Fixed income	484,655	240,254	-	724,909
Cash and other	70,894	-	-	70,894
	<u>\$ 1,290,218</u>	<u>\$ 544,356</u>	<u>\$ -</u>	<u>1,834,574</u>
Alternative investments measured at NAV as a practical expedient				<u>437</u>
				<u>\$ 1,835,011</u>

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	<b>2022</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Public equity	\$ 821,255	\$ 260,154	\$ -	\$ 1,081,409
Fixed income	396,333	247,713	-	644,046
Real estate	17,484	-	-	17,484
Cash and other	71,853	-	-	71,853
	<u>\$ 1,306,925</u>	<u>\$ 507,867</u>	<u>\$ -</u>	<u>1,814,792</u>
Alternative investments measured at NAV as a practical expedient				<u>524</u>
				<u>\$ 1,815,316</u>

The defined benefit pension assets seek to: (1) provide retirement benefits to its participants and beneficiaries; and (2) achieve full funding of the pension liability, while incurring an acceptable level of risk for the sponsor. The pension liability growth rate together with the objective to achieve and maintain a fully-funded level over a reasonable timeline implies a minimum absolute rate of return to be met through either: (1) annual budgeted contributions, (2) pension assets growth, (3) plan de-risking improvements, or (4) a combination thereof.

The strategy for achieving and maintaining a fully funded pension liability may vary with the prevailing funded level and other parameters related to the overall goal. The asset allocation process is designed to be dynamic and employ a liability-driven, glide path investment strategy, which reframes risk and performance relative to the pension liability. This approach is expected to enable pension assets to more reliably track the value of the pension liability, with less funded level volatility, than a static total-return investment. Broad target allocations at the current funded level are 55-75% return-seeking assets, such as equity and real estate (REIT) funds, and 25-45% liability-hedging assets, such as fixed income funds. The expected long-term rate of return assumption is determined by adding expected inflation to expected long-term real returns of various asset classes, weighing the asset class returns by the plans' investment in each class, and taking into account expected volatility and correlation between the returns of various asset classes. NYU management believes 6-7% is a reasonable estimate of long-term rates of return on plan assets for 2023 and will continue to evaluate the actuarial assumptions and adjust them as necessary.

The following table presents the fair value of the postretirement benefit plan investments at August 31, 2023 and 2022 according to the asset categories defined in Note 5:

	<b>2023</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Public equity	\$ 149,162	\$ -	\$ -	\$ 149,162
Fixed income	64,207	7,120	-	71,327
	<u>\$ 213,369</u>	<u>\$ 7,120</u>	<u>\$ -</u>	<u>\$ 220,489</u>

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	2022			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
Public equity	\$ 128,620	\$ -	\$ -	\$ 128,620
Fixed income	55,844	10,174	-	66,018
Cash and other	128	-	-	128
	<u>\$ 184,592</u>	<u>\$ 10,174</u>	<u>\$ -</u>	<u>\$ 194,766</u>

The plans' investment objectives seek a long-term total rate of return to meet NYU's current and future plan obligations.

The postretirement benefit plan target asset allocation mix is 70% equity and 30% fixed income and cash, for which each asset class has a permitted range of +/- 10%.

The expected long-term rate of return assumption is determined by adding expected inflation to expected long-term real returns of various asset classes, taking into account expected volatility and correlation between the returns of various asset classes. NYU management believes that 6%-7% is a reasonable range of long-term rates of return on plan assets for 2023 and will continue to evaluate the actuarial assumptions and adjust them as necessary.

**Contributions**

NYU determines the annual contributions to the plans based upon calculations prepared by the plans' actuaries. Total expected contributions for the defined benefit pension plans and other postretirement benefit plans in fiscal year 2024 are \$43,943 and \$34,145, respectively.

**Benefit Payments**

The following benefit payments, which reflect expected future service, as appropriate, are expected to be paid in the following years:

	Defined Benefit Pension Plans	Postretirement Benefit Plans
<b>Year Ending August 31,</b>		
2024	\$ 106,643	\$ 33,267
2025	111,341	34,888
2026	116,737	36,807
2027	121,839	38,834
2028	127,109	41,027
2029-2033	697,667	233,839

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**Multi-Employer Benefit Plans**

NYU participates in multi-employer defined benefit pension plans. NYU makes cash contributions to these plans under the terms of collective-bargaining agreements that cover its union employees based on a fixed rate and hours worked per week by the covered employees. The risks of participating in these multi-employer plans are different from other single-employer plans in the following aspects: (1) assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other participating employers; (2) if a participating employer stops contributing to the plan, the unfunded obligations of the plan may be borne by the remaining participating employers; and (3) if NYU chooses to stop participating in some of its multi-employer plans, NYU may be required to pay those plans an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

NYU's contributions to the following multi-employer defined benefit pension and postretirement plans are reported as salary and fringe expenses in the consolidated statements of activities for the years ended August 31, 2023 and 2022:

	2023	2022
1199 SEIU Health Care Employees Health & Welfare Fund	\$ 169,469	\$ 143,426
1199 SEIU Health Care Employees Pension Fund	64,593	57,130
United Federation of Teachers Welfare Fund	19,758	19,992
Local 810 United Wire, Metal & Machine Health & Welfare Fund	5,579	5,172
Local 810 United Wire, Metal & Machine Pension Fund	3,873	3,542
Local 202 Health and Welfare Fund	1,342	-
Local 32B Pension Fund	425	401
Local 30 Health and Welfare	662	65
Local 30 Pension Fund	254	228
Local 153 Pension Fund	54	54
	<u>\$ 266,009</u>	<u>\$ 230,010</u>

NYU is in withdrawal status for the Local 153 Pension Fund with quarterly withdrawal payments continuing through 2033.

The Pension Protection Act zone status indicates a pension plan's funded status of either at least 80% funded (green) or less than 80% funded (yellow or red). A zone status of red requires the pension plan sponsor to implement a Funding Improvement Plan (FIP) or Rehabilitation Plan (RP). The following table includes information for the 1199 and Local 810 pension funds for the plan years ended December 31, 2022 and 2021.

Pension Plan Name	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/Implemented	Surcharge Imposed	Expiration Date of Collective-Bargaining Agreement
		2022	2021			
1199 Pension Fund	13-3604862	Green	Green	N/A	No	September 2026
Local 810 United Wire Pension Fund	13-6596940	Red	Red	Yes	Yes	June 2024

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NYU's contributions to the 1199 Pension Fund and Local 810 United Wire Pension Fund represent greater than 5% of the respective total plan contributions based on the most recent IRS Form 5500s available.

#### **15. Hospital Affiliations**

NYUGSoM has a master affiliation and three supplemental affiliation agreements with the New York City Health and Hospitals Corporation to provide general care and mental health services. The three supplemental agreements are with Woodhull Medical and Mental Health Center and Cumberland Diagnostic and Treatment Center, Bellevue Hospital Center and Gouverneur Healthcare Services, and Coler Rehabilitation and Nursing Care Center and Henry J. Carter Specialty Hospital and Nursing Facility. The current master affiliation agreement covers the period July 1, 2021 through June 30, 2025. NYUGSoM recognized revenues from these affiliation agreements of \$454,582 and \$421,490 for the years ended August 31, 2023 and 2022, respectively.

NYU Langone Hospitals has several clinical affiliation agreements with New York City area hospitals where physicians provide patient care and supervision of residents at affiliated organizations. NYU Langone Hospitals also maintains an affiliation agreement with Sunset Park Health Council, Inc., a New York not-for-profit corporation, d/b/a Family Health Centers at NYU Langone. NYU Langone Hospitals recognized revenue from these affiliation agreements of \$25,352 and \$27,337 for the years ended August 31, 2023 and 2022, respectively.

#### **16. Functional Classification of Expenses**

NYU's primary program services are instruction, research and patient care. NYU's additional program services are student services and libraries and auxiliary enterprises. Expenses reported as institutional services are incurred in support of one or more of NYU's program services. Natural expenses attributed to more than one functional expense category are allocated using a variety of cost allocation techniques such as square footage and time and effort. Nonclinical COVID-19 costs in nonoperating activities of \$3,129 and \$37,792 are classified as institutional services for the years ended August 31, 2023 and 2022, respectively.

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Expenses by functional classification for the years ended August 31, 2023 and 2022 consist of the following:

	2023						
	Instruction and Other Academic Programs	Research and Other Sponsored Programs	Patient Care	Student Services and Libraries	Auxiliary Enterprises	Institutional Services	Total
Salaries and fringe	\$ 1,549,535	\$ 675,903	\$ 5,662,372	\$ 160,349	\$ 163,857	\$ 1,240,987	\$ 9,453,003
Medical and pharmaceutical costs	68	2,242	1,753,875	14	-	3,795	1,759,994
Professional services	127,321	40,022	305,913	24,596	79,356	231,496	808,704
Facilities costs	124,373	207,637	178,971	16,186	192,105	228,114	947,386
Fees, insurance and taxes	9,822	569	259,498	1,919	15,004	200,739	487,551
Depreciation and amortization	97,578	35,475	486,823	22,486	118,156	251,927	1,012,445
Interest	97,728	9,013	145,576	7,299	39,407	73,373	372,396
Other	243,499	358,213	53,222	69,592	19,500	415,432	1,159,458
	<u>\$ 2,249,924</u>	<u>\$ 1,329,074</u>	<u>\$ 8,846,250</u>	<u>\$ 302,441</u>	<u>\$ 627,385</u>	<u>\$ 2,645,863</u>	<u>\$ 16,000,937</u>
University	\$ 2,169,602	\$ 328,677	\$ 58,184	\$ 282,538	\$ 476,602	\$ 642,024	\$ 3,957,627
NYU Langone Health	80,322	1,000,397	8,788,066	19,903	155,521	2,011,926	12,056,135
	<u>\$ 2,249,924</u>	<u>\$ 1,329,074</u>	<u>\$ 8,846,250</u>	<u>\$ 302,441</u>	<u>\$ 632,123</u>	<u>\$ 2,653,950</u>	<u>16,013,762</u>
						Eliminations	(12,825)
							<u>\$ 16,000,937</u>

  

	2022						
	Instruction and Other Academic Programs	Research and Other Sponsored Programs	Patient Care	Student Services and Libraries	Auxiliary Enterprises	Institutional Services	Total
Salaries and fringe	\$ 1,477,844	\$ 613,201	\$ 5,059,729	\$ 137,527	\$ 127,921	\$ 978,441	\$ 8,394,663
Medical and pharmaceutical costs	86	1,072	1,476,271	2	-	-	1,477,431
Professional services	134,027	33,966	262,464	19,353	61,731	225,639	737,180
Facilities costs	124,777	176,427	164,444	13,450	234,268	190,877	904,243
Fees, insurance and taxes	6,139	408	257,635	1,668	13,090	181,510	460,450
Depreciation and amortization	91,257	39,189	479,112	17,394	99,763	219,196	945,911
Interest	103,082	8,713	146,801	5,875	38,509	65,667	368,647
Other	162,735	268,082	129,654	53,430	10,598	194,175	818,674
	<u>\$ 2,099,947</u>	<u>\$ 1,141,058</u>	<u>\$ 7,976,110</u>	<u>\$ 248,699</u>	<u>\$ 585,880</u>	<u>\$ 2,055,505</u>	<u>\$ 14,107,199</u>
University	\$ 2,033,905	\$ 298,461	\$ 56,698	\$ 231,274	\$ 448,184	\$ 532,961	\$ 3,601,483
NYU Langone Health	66,042	842,597	7,919,412	17,425	142,562	1,530,457	10,518,495
	<u>\$ 2,099,947</u>	<u>\$ 1,141,058</u>	<u>\$ 7,976,110</u>	<u>\$ 248,699</u>	<u>\$ 590,746</u>	<u>\$ 2,063,418</u>	<u>14,119,978</u>
						Eliminations	(12,779)
							<u>\$ 14,107,199</u>

**17. Components of Net Assets with Donor Restrictions**

Net assets with donor restrictions are available for the following purposes at August 31, 2023 and 2022:

	2023	2022
Scholarships and fellowships	\$ 1,628,582	\$ 1,516,716
Contributions and earnings for operating purposes	1,712,629	1,498,322
Faculty and staff salaries	879,906	865,140
Program support	657,485	634,812
FEMA award for mitigation	-	38,698
Annuity trust agreements	38,919	37,796
Contributions for buildings and equipment	8,159	37,955
Other	110,431	107,634
	<u>\$ 5,036,111</u>	<u>\$ 4,737,073</u>

**New York University**  
**Notes to Consolidated Financial Statements**  
**August 31, 2023 and 2022**

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*(in thousands of dollars)*

NYU's investment pools include individual endowed funds established for a variety of purposes. Pooled assets include both donor restricted endowment funds and funds designated by the board to function as endowments.

NYU classifies as net assets with donor restrictions the historical value of donor-restricted endowment funds, which includes: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment required by the applicable donor gift instrument. Also included in net assets with donor restrictions is accumulated unspent earnings on donor restricted endowment funds which are available for expenditure in a manner consistent with the standard of prudence described by the New York Prudent Management of Institutional Funds Act (NYPMIFA), and deficiencies associated with funds where the value of the fund has fallen below the original value of the gift. The historical value of NYU's donor-restricted endowment funds totaled \$2,954,093 and \$2,690,456 at August 31, 2023 and 2022, respectively.

NYU defines the appropriation of endowment net assets for expenditure as the authorization of its investment spending rate as approved annually by the Board of Trustees (Note 5). However, when donors have expressly stipulated the payout percentage of earnings on endowments that differs from NYU policies, the donors' intent prevails. In making a determination to appropriate or accumulate, NYU adheres to the standard of prudence prescribed by NYPMIFA and considers the following factors: the duration and preservation of the endowment fund; NYU's mission and the purpose of the endowment fund; general economic conditions; the possible effect of inflation or deflation; the expected total return from income and the appreciation of investments; other resources of NYU; where appropriate and circumstances would otherwise warrant, alternatives to expenditures of the endowment fund giving due consideration to the effect that such alternatives may have on NYU; and the investment policy of NYU.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor required to be retained as a fund of perpetual duration. Deficiencies of this nature are reported in net assets with donor restrictions. As of August 31, 2023 and 2022, 34 funds and 117 funds, respectively, with original gift values of \$14,899 and \$94,432 were underwater by \$302 and \$4,114.

All endowment funds included within net assets without donor restrictions are board-designated. The following table provides the changes in the net asset classes of NYU's endowment funds at August 31:

	<b>2023</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Investment pool net assets, beginning of year</b>	\$ 1,712,150	\$ 3,585,236	\$ 5,297,386
Contributions	139,107	239,395	378,502
Investment pool return	157,648	306,758	464,406
Endowment distribution	(73,286)	(155,617)	(228,903)
Liquidations	(4,112)	(8,312)	(12,424)
<b>Investment pool net assets, end of year</b>	<b>\$ 1,931,507</b>	<b>\$ 3,967,460</b>	<b>\$ 5,898,967</b>

**New York University**  
**Notes to Consolidated Financial Statements**  
**August 31, 2023 and 2022**

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(in thousands of dollars)

	<b>2022</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Investment pool net assets, beginning of year</b>	\$ 1,849,753	\$ 3,928,681	\$ 5,778,434
Contributions	105,706	142,056	247,762
Investment pool return	(175,386)	(342,708)	(518,094)
Endowment distribution	(64,208)	(134,137)	(198,345)
Liquidations	(3,715)	(8,656)	(12,371)
<b>Investment pool net assets, end of year</b>	<b>\$ 1,712,150</b>	<b>\$ 3,585,236</b>	<b>\$ 5,297,386</b>

**18. Commitments and Contingencies**

NYU has ongoing construction projects with contractual commitments totaling \$414,290 at August 31, 2023.

NYU is self-insured for workers' compensation. The University purchases an excess workers' compensation insurance policy with a retention of \$500 per claim and has maintained a surety bond in the amount of \$10,526 at August 31, 2023 and 2022. Additionally, NYU Langone Health has maintained stand-by letters of credit aggregating approximately \$89,389 and \$79,670 at August 31, 2023 and 2022, respectively.

In 2015, NYU Langone Health initiated lawsuits against a construction contractor for damages to property and business interruption arising from Superstorm Sandy in 2012. The litigation was resolved in March 2023 through an agreement in settlement of all claims, pursuant to which NYU Langone Hospitals received \$508,000, specifically for unrecovered business interruption losses. These proceeds were recorded within nonoperating activities on the consolidated statement of activities for the year ended August 31, 2023.

NYU is a defendant in various legal actions arising from the normal course of its activities and amounts expended under government grants and contracts are subject to audit by governmental agencies. In addition, amounts received for patient care from Medicare and Medicaid are subject to audit. Although the final outcome of such actions and audits cannot be determined, management believes that eventual liability, if any, will not have a material effect on NYU's consolidated balance sheets.

**19. Subsequent Events**

NYU performed an evaluation of subsequent events through December 20, 2023, which is the date the consolidated financial statements were issued.

In November 2023, the Centers for Medicare and Medicaid Services issued a final rule outlining the remedy for invalidated charges for calendar years 2018 through 2022. As part of this rule, NYU Langone Hospitals will receive \$122,300 in full satisfaction of the underpayments related to those years.

**Appendix A**  
**Supplemental Information**

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Balance Sheet for NYU - Summary)**  
**August 31, 2023**

	2023			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
<b>Assets</b>				
Cash and cash equivalents	\$ 986,758	\$ 403,339	\$ -	\$ 1,390,097
Short-term investments (Note 5)	257,619	2,116,075	-	2,373,694
Accounts and loans receivable, net (Note 6)	429,183	489,529	(84,962)	833,750
Patient accounts receivable, net (Note 4)	7,235	1,223,088	-	1,230,323
Contributions receivable, net (Note 7)	226,896	467,753	-	694,649
Other assets (Note 8)	320,506	932,633	-	1,253,139
Deposits with trustees (Note 9)	214,220	130,148	-	344,368
Long-term investments (Note 5)	4,591,720	2,220,385	-	6,812,105
Operating right-of-use assets (Note 11)	543,129	1,497,096	-	2,040,225
Assets held for professional liabilities (Note 13)	-	1,096,600	-	1,096,600
Land, buildings, and equipment, net (Note 10)	5,196,180	9,323,599	-	14,519,779
Total assets	<u>\$ 12,773,446</u>	<u>\$ 19,900,245</u>	<u>\$ (84,962)</u>	<u>\$ 32,588,729</u>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 499,836	\$ 2,160,818	\$ (84,962)	\$ 2,575,692
Deferred revenue	1,263,145	188,669	-	1,451,814
Operating lease liability (Note 11)	578,506	1,647,856	-	2,226,362
Professional liabilities (Note 13)	-	967,037	-	967,037
Debt and other obligations (Note 12)	3,981,161	5,687,107	-	9,668,268
Funds held for others (Notes 6 and 8)	144,389	408,155	-	552,544
Accrued benefit obligation (Note 14)	-	229,087	-	229,087
Accrued postretirement obligation (Note 14)	283,366	173,451	-	456,817
Asset retirement obligation	214,005	87,938	-	301,943
Total liabilities	<u>6,964,408</u>	<u>11,550,118</u>	<u>(84,962)</u>	<u>18,429,564</u>
<b>Net assets</b>				
Without donor restrictions	2,555,388	6,567,666	-	9,123,054
With donor restrictions (Note 17)	3,253,650	1,782,461	-	5,036,111
Total net assets	<u>5,809,038</u>	<u>8,350,127</u>	<u>-</u>	<u>14,159,165</u>
Total liabilities and net assets	<u>\$ 12,773,446</u>	<u>\$ 19,900,245</u>	<u>\$ (84,962)</u>	<u>\$ 32,588,729</u>

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Balance Sheet for NYU - Summary)**  
**August 31, 2022**

	2022			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
<b>Assets</b>				
Cash and cash equivalents	\$ 1,376,923	\$ 1,637,641	\$ -	\$ 3,014,564
Short-term investments (Note 5)	175,945	-	-	175,945
Accounts and loans receivable, net (Note 6)	422,442	496,485	(71,078)	847,849
Patient accounts receivable, net (Note 4)	7,134	1,208,586	-	1,215,720
Contributions receivable, net (Note 7)	270,975	351,241	-	622,216
Other assets (Note 8)	285,011	789,059	-	1,074,070
Deposits with trustees (Note 9)	325,185	297,766	-	622,951
Long-term investments (Note 5)	4,132,485	2,347,069	-	6,479,554
Operating right-of-use assets (Note 11)	586,294	1,567,928	-	2,154,222
Assets held for professional liabilities (Note 13)	-	950,996	-	950,996
Land, buildings, and equipment, net (Note 10)	4,929,156	8,594,931	-	13,524,087
Total assets	<u>\$ 12,511,550</u>	<u>\$ 18,241,702</u>	<u>\$ (71,078)</u>	<u>\$ 30,682,174</u>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 508,168	\$ 2,114,243	\$ (71,078)	\$ 2,551,333
Deferred revenue	1,245,891	168,034	-	1,413,925
Operating lease liability (Note 11)	619,501	1,697,485	-	2,316,986
Professional liabilities (Note 13)	-	917,229	-	917,229
Debt and other obligations (Note 12)	4,110,008	5,456,398	-	9,566,406
Funds held for others (Notes 6 and 8)	152,149	341,330	-	493,479
Accrued benefit obligation (Note 14)	9,018	389,700	-	398,718
Accrued postretirement obligation (Note 14)	341,252	169,486	-	510,738
Asset retirement obligation	204,476	82,571	-	287,047
Total liabilities	<u>7,190,463</u>	<u>11,336,476</u>	<u>(71,078)</u>	<u>18,455,861</u>
<b>Net assets</b>				
Without donor restrictions	2,198,755	5,290,485	-	7,489,240
With donor restrictions (Note 17)	3,122,332	1,614,741	-	4,737,073
Total net assets	<u>5,321,087</u>	<u>6,905,226</u>	<u>-</u>	<u>12,226,313</u>
Total liabilities and net assets	<u>\$ 12,511,550</u>	<u>\$ 18,241,702</u>	<u>\$ (71,078)</u>	<u>\$ 30,682,174</u>

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Balance Sheet for NYU - Detail)**  
**August 31, 2023**

	2023						Total Consolidated NYU
	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	
<i>(in thousands of dollars)</i>							
<b>Assets</b>							
Cash and cash equivalents	\$ 986,758	58,764	\$ -	\$ 1,045,522	\$ 344,575	\$ -	\$ 1,390,097
Short-term investments (Note 5)	257,619	-	-	257,619	2,116,075	-	2,373,694
Accounts and loans receivable, net (Note 6)	429,183	210,923	(68,943)	571,163	487,227	(224,640)	833,750
Patient accounts receivable, net (Note 4)	7,235	157,965	-	165,200	1,065,123	-	1,230,323
Contributions receivable, net (Note 7)	226,896	108,041	-	334,937	359,712	-	694,649
Other assets (Note 8)	320,506	461,709	-	782,215	470,924	-	1,253,139
Deposits with trustees (Note 9)	214,220	-	-	214,220	130,148	-	344,368
Long-term investments (Note 5)	4,591,720	1,291,554	-	5,883,274	928,831	-	6,812,105
Operating right-of-use assets (Note 11)	543,129	984,405	-	1,527,534	512,691	-	2,040,225
Assets held for professional liabilities (Note 13)	-	-	-	-	1,096,600	-	1,096,600
Land, buildings, and equipment, net (Note 10)	5,196,180	3,979,446	-	9,175,626	5,344,153	-	14,519,779
Total assets	<u>\$ 12,773,446</u>	<u>\$ 7,252,807</u>	<u>\$ (68,943)</u>	<u>\$ 19,957,310</u>	<u>\$ 12,856,059</u>	<u>\$ (224,640)</u>	<u>\$ 32,588,729</u>
<b>Liabilities and Net Assets</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ 499,836	\$ 997,368	\$ (68,943)	\$ 1,428,261	\$ 1,372,071	\$ (224,640)	\$ 2,575,692
Deferred revenue	1,263,145	54,528	-	1,317,673	134,141	-	1,451,814
Operating lease liability (Note 11)	578,506	1,077,269	-	1,655,775	570,587	-	2,226,362
Professional liabilities (Note 13)	-	-	-	-	967,037	-	967,037
Debt and other obligations (Note 12)	3,981,161	2,427,998	-	6,409,159	3,259,109	-	9,668,268
Funds held for others (Notes 6 and 8)	144,389	360,756	-	505,145	47,399	-	552,544
Accrued benefit obligation (Note 14)	-	-	-	-	229,087	-	229,087
Accrued postretirement obligation (Note 14)	283,366	99,268	-	382,634	74,183	-	456,817
Asset retirement obligation	214,005	28,326	-	242,331	59,612	-	301,943
Total liabilities	<u>6,964,408</u>	<u>5,045,513</u>	<u>(68,943)</u>	<u>11,940,978</u>	<u>6,713,226</u>	<u>(224,640)</u>	<u>18,429,564</u>
<b>Net assets</b>							
Without donor restrictions	2,555,388	954,404	-	3,509,792	5,613,262	-	9,123,054
With donor restrictions (Note 17)	3,253,650	1,252,890	-	4,506,540	529,571	-	5,036,111
Total net assets	<u>5,809,038</u>	<u>2,207,294</u>	<u>-</u>	<u>8,016,332</u>	<u>6,142,833</u>	<u>-</u>	<u>14,159,165</u>
Total liabilities and net assets	<u>\$ 12,773,446</u>	<u>\$ 7,252,807</u>	<u>\$ (68,943)</u>	<u>\$ 19,957,310</u>	<u>\$ 12,856,059</u>	<u>\$ (224,640)</u>	<u>\$ 32,588,729</u>

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Balance Sheet for NYU - Detail)**  
**August 31, 2022**

	2022						Total
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Consolidated NYU
<b>Assets</b>							
Cash and cash equivalents	\$ 1,376,923	\$ 47,346	\$ -	\$ 1,424,269	\$ 1,590,295	\$ -	\$ 3,014,564
Short-term investments (Note 5)	175,945	-	-	175,945	-	-	175,945
Accounts and loans receivable, net (Note 6)	422,442	199,319	(49,739)	572,022	355,756	(79,929)	847,849
Patient accounts receivable, net (Note 4)	7,134	146,025	-	153,159	1,062,561	-	1,215,720
Contributions receivable, net (Note 7)	270,975	123,181	-	394,156	228,060	-	622,216
Other assets (Note 8)	285,011	393,939	-	678,950	395,120	-	1,074,070
Deposits with trustees (Note 9)	325,185	-	-	325,185	297,766	-	622,951
Long-term investments (Note 5)	4,132,485	1,185,739	-	5,318,224	1,161,330	-	6,479,554
Operating right-of-use assets (Note 11)	586,294	1,019,076	-	1,605,370	548,852	-	2,154,222
Assets held for professional liabilities (Note 13)	-	-	-	-	950,996	-	950,996
Land, buildings, and equipment, net (Note 10)	4,929,156	3,499,330	-	8,428,486	5,095,601	-	13,524,087
Total assets	<u>\$ 12,511,550</u>	<u>\$ 6,613,955</u>	<u>\$ (49,739)</u>	<u>\$ 19,075,766</u>	<u>\$ 11,686,337</u>	<u>\$ (79,929)</u>	<u>\$ 30,682,174</u>
<b>Liabilities and Net Assets</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ 508,168	\$ 872,494	\$ (49,739)	\$ 1,330,923	\$ 1,300,339	\$ (79,929)	\$ 2,551,333
Deferred revenue	1,245,891	42,111	-	1,288,002	125,923	-	1,413,925
Operating lease liability (Note 11)	619,501	1,097,812	-	1,717,313	599,673	-	2,316,986
Professional liabilities (Note 13)	-	-	-	-	917,229	-	917,229
Debt and other obligations (Note 12)	4,110,008	2,134,732	-	6,244,740	3,321,666	-	9,566,406
Funds held for others (Notes 6 and 8)	152,149	300,743	-	452,892	40,587	-	493,479
Accrued benefit obligation (Note 14)	9,018	-	-	9,018	389,700	-	398,718
Accrued postretirement obligation (Note 14)	341,252	95,558	-	436,810	73,928	-	510,738
Asset retirement obligation	204,476	23,043	-	227,519	59,528	-	287,047
Total liabilities	<u>7,190,463</u>	<u>4,566,493</u>	<u>(49,739)</u>	<u>11,707,217</u>	<u>6,828,573</u>	<u>(79,929)</u>	<u>18,455,861</u>
<b>Net assets</b>							
Without donor restrictions	2,198,755	828,790	-	3,027,545	4,461,695	-	7,489,240
With donor restrictions (Note 17)	3,122,332	1,218,672	-	4,341,004	396,069	-	4,737,073
Total net assets	<u>5,321,087</u>	<u>2,047,462</u>	<u>-</u>	<u>7,368,549</u>	<u>4,857,764</u>	<u>-</u>	<u>12,226,313</u>
Total liabilities and net assets	<u>\$ 12,511,550</u>	<u>\$ 6,613,955</u>	<u>\$ (49,739)</u>	<u>\$ 19,075,766</u>	<u>\$ 11,686,337</u>	<u>\$ (79,929)</u>	<u>\$ 30,682,174</u>

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Statement of Activities for NYU - Summary)**  
**Year Ended August 31, 2023**

	2023			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
<b>Changes in net assets without donor restrictions</b>				
Operating revenues				
Tuition and fees (net of financial aid awards of \$869,082 University; \$28,846 NYU Langone Health)	\$ 2,465,425	\$ 45,864	\$ -	\$ 2,511,289
Grants and contracts (Note 2)	761,334	761,155	-	1,522,489
Patient care (Note 4)	51,770	9,779,562	-	9,831,332
Hospital affiliations (Note 15)	-	479,934	-	479,934
Insurance premiums earned	-	117,784	-	117,784
Contributions	43,674	33,763	-	77,437
Endowment distribution (Note 5)	177,125	51,778	-	228,903
Return on short-term investments (Note 5)	51,045	113,314	-	164,359
Auxiliary enterprises (net of financial aid awards of \$91,060)	371,774	50,331	(4,738)	417,367
Program fees and other	125,006	885,655	(8,087)	1,002,574
Net assets released from restrictions	99,962	65,334	-	165,296
Total operating revenues	<u>4,147,115</u>	<u>12,384,474</u>	<u>(12,825)</u>	<u>16,518,764</u>
Expenses (Note 16)				
Salaries and fringe	2,300,619	7,152,384	-	9,453,003
Medical and pharmaceutical costs	-	1,759,994	-	1,759,994
Professional services	309,033	499,671	-	808,704
Facilities costs	387,805	564,319	(4,738)	947,386
Fees, insurance and taxes	64,107	423,444	-	487,551
Depreciation and amortization	285,058	727,387	-	1,012,445
Interest	153,009	219,387	-	372,396
Other	457,996	709,549	(8,087)	1,159,458
Total expenses	<u>3,957,627</u>	<u>12,056,135</u>	<u>(12,825)</u>	<u>16,000,937</u>
Excess of operating revenues over expenses	189,488	328,339	-	517,827
Nonoperating activities				
Investment return (Note 5)	167,130	162,705	-	329,835
Appropriation of endowment distribution (Note 5)	(62,510)	(10,776)	-	(73,286)
Pension and postretirement nonservice costs (Note 14)	(9,309)	28,179	-	18,870
Changes in pension and postretirement obligations (Note 14)	74,136	155,727	-	229,863
Net assets released from restrictions for capital	28	103,569	-	103,597
Nonclinical COVID costs (Note 2)	(3,129)	-	-	(3,129)
Proceeds from settlement agreement (Note 18)	-	508,000	-	508,000
Other	799	1,438	-	2,237
Increase in net assets without donor restrictions	<u>356,633</u>	<u>1,277,181</u>	<u>-</u>	<u>1,633,814</u>
<b>Changes in net assets with donor restrictions</b>				
Contributions	168,593	283,359	-	451,952
Investment return (Note 5)	179,982	94,015	-	273,997
Appropriation of endowment distribution (Note 5)	(114,615)	(41,002)	-	(155,617)
Other	(2,652)	251	-	(2,401)
Net assets released from restrictions	(99,990)	(168,903)	-	(268,893)
Increase in net assets with donor restrictions	<u>131,318</u>	<u>167,720</u>	<u>-</u>	<u>299,038</u>
Increase in net assets	<u>\$ 487,951</u>	<u>\$ 1,444,901</u>	<u>\$ -</u>	<u>\$ 1,932,852</u>

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Statement of Activities for NYU - Summary)**  
**Year Ended August 31, 2022**

	2022			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
<b>Changes in net assets without donor restrictions</b>				
Operating revenues				
Tuition and fees (net of financial aid awards of \$827,239 University; \$25,033 NYU Langone Health)	\$ 2,408,966	\$ 43,755	\$ -	\$ 2,452,721
Grants and contracts (Note 2)	736,715	654,556	-	1,391,271
Patient care (Note 4)	49,154	8,813,683	-	8,862,837
Hospital affiliations (Note 15)	-	448,827	-	448,827
Insurance premiums earned	-	108,014	-	108,014
Contributions	36,946	37,469	-	74,415
Endowment distribution (Note 5)	153,281	45,064	-	198,345
Return on short-term investments (Note 5)	9,791	35,366	-	45,157
Auxiliary enterprises (net of financial aid awards of \$70,701)	339,752	47,219	(4,866)	382,105
Program fees and other	47,714	648,136	(7,913)	687,937
Net assets released from restrictions	110,711	62,785	-	173,496
Total operating revenues	<u>3,893,030</u>	<u>10,944,874</u>	<u>(12,779)</u>	<u>14,825,125</u>
Expenses (Note 16)				
Salaries and fringe	2,123,823	6,270,840	-	8,394,663
Medical and pharmaceutical costs	-	1,477,431	-	1,477,431
Professional services	288,469	448,711	-	737,180
Facilities costs	379,607	529,502	(4,866)	904,243
Fees, insurance and taxes	53,285	407,165	-	460,450
Depreciation and amortization	260,521	685,390	-	945,911
Interest	156,654	211,993	-	368,647
Other	339,124	487,463	(7,913)	818,674
Total expenses	<u>3,601,483</u>	<u>10,518,495</u>	<u>(12,779)</u>	<u>14,107,199</u>
Excess of operating revenues over expenses	291,547	426,379	-	717,926
Nonoperating activities				
Investment return (Note 5)	(148,564)	(326,569)	-	(475,133)
Appropriation of endowment distribution (Note 5)	(54,751)	(9,457)	-	(64,208)
Pension and postretirement nonservice costs (Note 14)	3,720	22,451	-	26,171
Changes in pension and postretirement obligations (Note 14)	80,641	190,438	-	271,079
Net assets released from restrictions for capital	8,225	11,990	-	20,215
Nonclinical COVID costs (Note 2)	(37,792)	-	-	(37,792)
Other	(1,547)	96,389	-	94,842
Increase in net assets without donor restrictions	<u>141,479</u>	<u>411,621</u>	<u>-</u>	<u>553,100</u>
<b>Changes in net assets with donor restrictions</b>				
Contributions	162,011	137,792	-	299,803
Investment return (Note 5)	(245,069)	(94,172)	-	(339,241)
Appropriation of endowment distribution (Note 5)	(98,530)	(35,607)	-	(134,137)
Other	(13,136)	4,594	-	(8,542)
Net assets released from restrictions	<u>(118,936)</u>	<u>(74,775)</u>	<u>-</u>	<u>(193,711)</u>
Decrease in net assets with donor restrictions	<u>(313,660)</u>	<u>(62,168)</u>	<u>-</u>	<u>(375,828)</u>
(Decrease) increase in net assets	<u>\$ (172,181)</u>	<u>\$ 349,453</u>	<u>\$ -</u>	<u>\$ 177,272</u>

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Statement of Activities for NYU - Detail)**  
**Year Ended August 31, 2023**

	2023						Total
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Consolidated NYU
<b>Changes in net assets without donor restrictions</b>							
<b>Operating revenues</b>							
Tuition and fees (net of financial aid awards of \$869,082 University; and \$28,846 NYU Langone Health)	\$ 2,465,425	\$ 45,622	\$ -	\$ 2,511,047	\$ 242	\$ -	\$ 2,511,289
Grants and contracts (Note 2)	761,334	756,228	-	1,517,562	4,927	-	1,522,489
Patient care (Note 4)	51,770	3,284,254	-	3,336,024	7,388,560	(893,252)	9,831,332
Hospital affiliations (Note 15)	-	454,582	-	454,582	25,352	-	479,934
Insurance premiums earned	-	-	-	-	117,784	-	117,784
Contributions	43,674	24,119	-	67,793	9,644	-	77,437
Endowment distribution (Note 5)	177,125	49,381	-	226,506	2,397	-	228,903
Return on short-term investments (Note 5)	51,045	489	-	51,534	112,825	-	164,359
Auxiliary enterprises (net of financial aid awards of \$91,060)	371,774	25,529	(4,738)	392,565	24,802	-	417,367
Program fees and other	125,006	516,978	(8,087)	633,897	883,038	(514,361)	1,002,574
Net assets released from restrictions	99,962	40,194	-	140,156	25,140	-	165,296
Total operating revenues	<u>4,147,115</u>	<u>5,197,376</u>	<u>(12,825)</u>	<u>9,331,666</u>	<u>8,594,711</u>	<u>(1,407,613)</u>	<u>16,518,764</u>
<b>Expenses (Note 16)</b>							
Salaries and fringe	2,300,619	3,885,936	-	6,186,555	3,309,777	(43,329)	9,453,003
Medical and pharmaceutical costs	-	98,661	-	98,661	1,661,333	-	1,759,994
Professional services	309,033	213,595	-	522,628	1,558,362	(1,272,286)	808,704
Facilities costs	387,805	313,094	(4,738)	696,161	251,225	-	947,386
Fees, insurance and taxes	64,107	285,835	-	349,942	137,609	-	487,551
Depreciation and amortization	285,058	264,522	-	549,580	462,865	-	1,012,445
Interest	153,009	93,841	-	246,850	125,546	-	372,396
Other	457,996	313,364	(8,087)	763,273	488,183	(91,998)	1,159,458
Total expenses	<u>3,957,627</u>	<u>5,468,848</u>	<u>(12,825)</u>	<u>9,413,650</u>	<u>7,994,900</u>	<u>(1,407,613)</u>	<u>16,000,937</u>
Excess (deficiency) of operating revenues over expenses	189,488	(271,472)	-	(81,984)	599,811	-	517,827
<b>Nonoperating activities</b>							
Investment return (Note 5)	167,130	24,376	-	191,506	138,329	-	329,835
Appropriation of endowment distribution (Note 5)	(62,510)	(10,602)	-	(73,112)	(174)	-	(73,286)
Pension and postretirement nonservice costs (Note 14)	(9,309)	4,542	-	(4,767)	23,637	-	18,870
Changes in pension and postretirement obligations (Note 14)	74,136	(1,411)	-	72,725	157,138	-	229,863
Net assets released from restrictions for capital	28	45,238	-	45,266	58,331	-	103,597
Nonclinical COVID costs (Note 2)	(3,129)	-	-	(3,129)	-	-	(3,129)
Proceeds from settlement agreement (Note 18)	-	-	-	-	508,000	-	508,000
Other	799	284,943	-	285,742	(283,505)	-	2,237
Mission based payment	-	50,000	-	50,000	(50,000)	-	-
Increase in net assets without donor restrictions	<u>356,633</u>	<u>125,614</u>	<u>-</u>	<u>482,247</u>	<u>1,151,567</u>	<u>-</u>	<u>1,633,814</u>
<b>Changes in net assets with donor restrictions</b>							
Contributions	168,593	92,642	-	261,235	190,717	-	451,952
Investment return (Note 5)	179,982	86,875	-	266,857	7,140	-	273,997
Appropriation of endowment distribution (Note 5)	(114,615)	(38,779)	-	(153,394)	(2,223)	-	(155,617)
Other	(2,652)	(21,088)	-	(23,740)	21,339	-	(2,401)
Net assets released from restrictions	(99,990)	(85,432)	-	(185,422)	(83,471)	-	(268,893)
Increase in net assets with donor restrictions	<u>131,318</u>	<u>34,218</u>	<u>-</u>	<u>165,536</u>	<u>133,502</u>	<u>-</u>	<u>299,038</u>
Increase in net assets	<u>\$ 487,951</u>	<u>\$ 159,832</u>	<u>\$ -</u>	<u>\$ 647,783</u>	<u>\$ 1,285,069</u>	<u>\$ -</u>	<u>\$ 1,932,852</u>

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Statement of Activities for NYU - Detail)**  
**Year Ended August 31, 2022**

	2022						Total Consolidated NYU
(in thousands of dollars)	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	
<b>Changes in net assets without donor restrictions</b>							
Operating revenues							
Tuition and fees (net of financial aid awards of \$827,239 University; and \$25,033 NYU Langone Health)	\$ 2,408,966	\$ 43,253	\$ -	\$ 2,452,219	\$ 502	\$ -	\$ 2,452,721
Grants and contracts (Note 2)	736,715	641,069	-	1,377,784	13,487	-	1,391,271
Patient care (Note 4)	49,154	2,997,408	-	3,046,562	6,651,470	(835,195)	8,862,837
Hospital affiliations (Note 15)	-	421,490	-	421,490	27,337	-	448,827
Insurance premiums earned	-	-	-	-	108,014	-	108,014
Contributions	36,946	22,548	-	59,494	14,921	-	74,415
Endowment distribution (Note 5)	153,281	43,074	-	196,355	1,990	-	198,345
Return on short-term investments (Note 5)	9,791	1	-	9,792	35,365	-	45,157
Auxiliary enterprises (net of financial aid awards of \$70,701)	339,752	25,839	(4,866)	360,725	21,380	-	382,105
Program fees and other	47,714	329,765	(7,913)	369,566	685,842	(367,471)	687,937
Net assets released from restrictions	110,711	43,646	-	154,357	19,139	-	173,496
Total operating revenues	3,893,030	4,568,093	(12,779)	8,448,344	7,579,447	(1,202,666)	14,825,125
Expenses (Note 16)							
Salaries and fringe	2,123,823	3,392,242	-	5,516,065	2,932,604	(54,006)	8,394,663
Medical and pharmaceutical costs	-	91,038	-	91,038	1,386,393	-	1,477,431
Professional services	288,469	202,780	-	491,249	1,295,512	(1,049,581)	737,180
Facilities costs	379,607	289,206	(4,866)	663,947	240,296	-	904,243
Fees, insurance and taxes	53,285	279,285	-	332,570	127,880	-	460,450
Depreciation and amortization	260,521	244,228	-	504,749	441,162	-	945,911
Interest	156,654	84,518	-	241,172	127,475	-	368,647
Other	339,124	222,997	(7,913)	554,208	363,545	(99,079)	818,674
Total expenses	3,601,483	4,806,294	(12,779)	8,394,998	6,914,867	(1,202,666)	14,107,199
Excess (deficiency) of operating revenues over expenses	291,547	(238,201)	-	53,346	664,580	-	717,926
Nonoperating activities							
Investment return (Note 5)	(148,564)	(32,541)	-	(181,105)	(294,028)	-	(475,133)
Appropriation of endowment distribution (Note 5)	(54,751)	(9,295)	-	(64,046)	(162)	-	(64,208)
Pension and postretirement nonservice costs (Note 14)	3,720	4,461	-	8,181	17,990	-	26,171
Changes in pension and postretirement obligations (Note 14)	80,641	29,177	-	109,818	161,261	-	271,079
Net assets released from restrictions for capital	8,225	2,787	-	11,012	9,203	-	20,215
Nonclinical COVID costs (Note 2)	(37,792)	-	-	(37,792)	-	-	(37,792)
Other	(1,547)	303,919	-	302,372	(207,530)	-	94,842
Mission based payment	-	50,000	-	50,000	(50,000)	-	-
Increase in net assets without donor restrictions	141,479	110,307	-	251,786	301,314	-	553,100
<b>Changes in net assets with donor restrictions</b>							
Contributions	162,011	82,840	-	244,851	54,952	-	299,803
Investment return (Note 5)	(245,069)	(88,164)	-	(333,233)	(6,008)	-	(339,241)
Appropriation of endowment distribution (Note 5)	(98,530)	(33,779)	-	(132,309)	(1,828)	-	(134,137)
Other	(13,136)	1,958	-	(11,178)	2,636	-	(8,542)
Net assets released from restrictions	(118,936)	(46,433)	-	(165,369)	(28,342)	-	(193,711)
(Decrease) increase in net assets with donor restrictions	(313,660)	(83,578)	-	(397,238)	21,410	-	(375,828)
(Decrease) increase in net assets	\$ (172,181)	\$ 26,729	\$ -	\$ (145,452)	\$ 322,724	\$ -	\$ 177,272

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Statement of Cash Flows for NYU – Summary)**  
**Year Ended August 31, 2023**

	2023			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
<b>Cash flows from operating activities</b>				
Change in net assets	\$ 487,951	\$ 1,444,901	\$ -	\$ 1,932,852
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	285,058	727,387	-	1,012,445
Gain on sale or disposal of land, buildings and equipment	(7,236)	(113)	-	(7,349)
Net gain on investments, deposits with trustees and split-interest agreements	(314,842)	(220,021)	-	(534,863)
Bad debt expense	7,543	419	-	7,962
Pension and postretirement obligation change	(74,136)	(155,727)	-	(229,863)
Contributions received for permanent investment and capital	(87,836)	(42,932)	-	(130,768)
Proceeds from FEMA award for future mitigation	-	(13,264)	-	(13,264)
Amortization of operating right-of-use assets	113,164	159,642	-	272,806
Changes in operating assets and liabilities				
(Increase) decrease in accounts and loans receivable, net	(12,985)	6,535	13,884	7,434
Increase in patient accounts receivable	(101)	(14,502)	-	(14,603)
Decrease (increase) in nonendowment and noncapital contributions receivable	42,780	(116,512)	-	(73,732)
Increase in other assets	(3,712)	(83,100)	-	(86,812)
(Decrease) increase in asset retirement obligation	(1,410)	84	-	(1,326)
(Decrease) increase in accounts payable and accrued expenses	(40,445)	64,204	(13,884)	9,875
Decrease in operating lease liability	(110,994)	(141,431)	-	(252,425)
Increase in professional liabilities	-	49,809	-	49,809
Increase in deferred revenue	17,254	20,636	-	37,890
Decrease in accrued benefit obligation	(10,364)	(4,978)	-	(15,342)
(Decrease) increase in accrued postretirement obligation	(286)	4,057	-	3,771
Net cash provided by operating activities	<u>289,403</u>	<u>1,685,094</u>	<u>-</u>	<u>1,974,497</u>
<b>Cash flows from investing activities</b>				
Purchases of investments	(1,573,587)	(3,518,185)	-	(5,091,772)
Sales and maturities of investments	1,333,413	1,795,040	-	3,128,453
Drawdowns of unexpended bond proceeds	121,034	-	-	121,034
Additions to land, buildings, and equipment	(522,744)	(1,128,871)	-	(1,651,615)
Net cash used in investing activities	<u>(641,884)</u>	<u>(2,852,016)</u>	<u>-</u>	<u>(3,493,900)</u>
<b>Cash flows from financing activities</b>				
Contributions restricted for permanent investment and capital	87,836	42,932	-	130,768
Proceeds from FEMA award for future mitigation	-	13,264	-	13,264
Proceeds from finance lease incentives	-	15,077	-	15,077
Principal payments on long-term borrowings and finance leases	(107,613)	(114,271)	-	(221,884)
Decrease in funds held for others	(19,781)	-	-	(19,781)
Net cash used in financing activities	<u>(39,558)</u>	<u>(42,998)</u>	<u>-</u>	<u>(82,556)</u>
Net decrease in cash, cash equivalents and restricted cash	(392,039)	(1,209,920)	-	(1,601,959)
<b>Cash, cash equivalents and restricted cash</b>				
Beginning of year	1,493,728	1,879,598	-	3,373,326
End of year	<u>\$ 1,101,689</u>	<u>\$ 669,678</u>	<u>\$ -</u>	<u>\$ 1,771,367</u>
<b>Supplemental disclosure of cash flow information</b>				
Interest paid	\$ 158,532	\$ 231,522	\$ -	\$ 390,054
Change in noncash acquisitions of land, buildings, and equipment	32,113	115,342	-	147,455
Right-of-use assets obtained				
In exchange for new operating lease obligations	55,260	149,755	-	205,015
In exchange for new finance lease obligations	-	233,624	-	233,624

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Statement of Cash Flows for NYU – Summary)**  
**Year Ended August 31, 2022**

	2022			
<i>(in thousands of dollars)</i>	University	NYU Langone Health	Eliminations	Consolidated NYU
<b>Cash flows from operating activities</b>				
Change in net assets	\$ (172,181)	\$ 349,453	\$ -	\$ 177,272
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	260,521	685,390	-	945,911
Loss (gain) on sale or disposal of land, buildings and equipment	353	(554)	-	(201)
Net loss on investments, deposits with trustees and split-interest agreements	442,371	450,648	-	893,019
Bad debt expense	16,550	1,857	-	18,407
Pension and postretirement obligation change	(80,641)	(190,438)	-	(271,079)
Contributions received for permanent investment and capital	(86,290)	(27,319)	-	(113,609)
Proceeds from FEMA award for future mitigation	-	(1,191)	-	(1,191)
Amortization of operating right-of-use assets	113,573	151,751	-	265,324
Acquisition of Long Island Community Hospital	-	(105,967)	-	(105,967)
Changes in operating assets and liabilities				
Increase in accounts and loans receivable, net	(72,060)	(22,767)	4,594	(90,233)
Decrease (increase) in patient accounts receivable	1,000	(130,017)	-	(129,017)
Decrease (increase) in nonendowment and noncapital contributions receivable	49,916	(40,491)	-	9,425
Increase in other assets	(12,908)	(18,832)	-	(31,740)
Decrease in asset retirement obligation	(4,561)	(11,704)	-	(16,265)
Increase (decrease) in accounts payable and accrued expenses	22,494	(407,696)	(4,594)	(389,796)
Decrease in operating lease liability	(110,403)	(141,911)	-	(252,314)
Increase in professional liabilities	-	45,374	-	45,374
Increase in deferred revenue	70,685	15,651	-	86,336
(Decrease) increase in accrued benefit obligation	(11,524)	10,072	-	(1,452)
Increase in accrued postretirement obligation	1,060	10,770	-	11,830
Net cash provided by operating activities	<u>427,955</u>	<u>622,079</u>	<u>-</u>	<u>1,050,034</u>
<b>Cash flows from investing activities</b>				
Purchases of investments	(1,345,486)	(1,926,345)	-	(3,271,831)
Sales and maturities of investments	1,127,052	1,824,770	-	2,951,822
Drawdowns of unexpended bond proceeds	87,603	-	-	87,603
Additions to land, buildings, and equipment	(490,435)	(886,591)	-	(1,377,026)
Cash from acquisition of Long Island Community Hospital	-	86,068	-	86,068
Net cash used in investing activities	<u>(621,266)</u>	<u>(902,098)</u>	<u>-</u>	<u>(1,523,364)</u>
<b>Cash flows from financing activities</b>				
Contributions restricted for permanent investment and capital	86,290	27,319	-	113,609
Proceeds from FEMA award for future mitigation	-	1,191	-	1,191
Proceeds from finance lease incentives	-	38,870	-	38,870
Principal payments on long-term borrowings and finance leases	(105,275)	(126,344)	-	(231,619)
Decrease in funds held for others	(5,590)	-	-	(5,590)
Net cash used in financing activities	<u>(24,575)</u>	<u>(58,964)</u>	<u>-</u>	<u>(83,539)</u>
Net decrease in cash, cash equivalents, and restricted cash	(217,886)	(338,983)	-	(556,869)
<b>Cash, cash equivalents and restricted cash</b>				
Beginning of year	1,711,614	2,218,581	-	3,930,195
End of year	<u>\$ 1,493,728</u>	<u>\$ 1,879,598</u>	<u>\$ -</u>	<u>\$ 3,373,326</u>
<b>Supplemental disclosure of cash flow information</b>				
Interest paid	\$ 162,077	\$ 223,091	\$ -	\$ 385,168
Change in noncash acquisitions of land, buildings, and equipment	30,238	29,859	-	60,097
Right-of-use assets obtained				
In exchange for new operating lease obligations	53,179	196,091	-	249,270
In exchange for new finance lease obligations	-	50,243	-	50,243

The accompanying note is an integral part of these supplemental schedules.

**New York University**  
**Note to Consolidating Supplemental Schedules**  
**August 31, 2023 and 2022**

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**1. Basis of Presentation – Consolidating Supplemental Schedules**

The consolidating supplemental schedules (consolidating information) presented on pages 44-53 was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The consolidating information is presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, changes in net assets and cash flows of the individual companies within NYU and is not a required part of the consolidated financial statements. The individual reporting entities within NYU as presented within the consolidating information are disclosed within Note 1 to the consolidated financial statements.

The consolidating financial statements were prepared on an accrual basis of accounting, consistent with the consolidated financial statements (Note 2). All transactions between and amounts due to (from) the reporting entities within NYU have been eliminated within the consolidating supplemental schedules.