

**New York University**  
**Consolidated Financial Statements and**  
**Supplemental Information**  
**August 31, 2021 and 2020**

**New York University**  
**Index**  
**August 31, 2021 and 2020**

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## Report of Independent Auditors

To the Board of Trustees of  
New York University

We have audited the accompanying consolidated financial statements of New York University and its subsidiaries, which comprise the consolidated balance sheets as of August 31, 2021 and 2020, and the related consolidated statements of activities and of cash flows for the years then ended.

### ***Management's Responsibility 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; this includes 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.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on the consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements 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, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



***Opinion***

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of New York University and its subsidiaries as of August 31, 2021 and 2020, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

***Other Matter***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating 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 consolidating 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 consolidating information is fairly stated, in all material respects, in relation to the consolidated financial statements taken as a whole. 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 and is not a required part of the consolidated financial statements. Accordingly, we do not express an opinion on the financial position, changes in net assets and cash flows of the individual companies.

*PricewaterhouseCoopers LLP*

New York, New York  
December 13, 2021

**New York University**  
**Consolidated Balance Sheets**  
**August 31, 2021 and 2020**

<i>(in thousands of dollars)</i>	<b>2021</b>	<b>2020</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 3,340,195	\$ 3,220,829
Short-term investments (Note 5)	193,532	2,452
Accounts and loans receivable, net (Note 6)	758,529	703,780
Patient accounts receivable, net (Note 4)	1,059,493	847,254
Contributions receivable, net (Note 7)	638,104	404,050
Other assets (Note 8)	1,075,431	939,943
Deposits with trustees (Note 9)	866,472	991,664
Long-term investments (Note 5)	7,093,866	5,485,673
Operating right to use assets (Note 11)	2,154,999	2,585,113
Assets held for professional liabilities (Note 13)	914,127	788,821
Land, buildings, and equipment, net (Note 10)	<u>12,900,693</u>	<u>11,870,956</u>
Total assets	<u>\$ 30,995,441</u>	<u>\$ 27,840,535</u>
<b>Liabilities and Net Assets</b>		
Liabilities		
Accounts payable and accrued expenses	\$ 2,777,772	\$ 2,403,740
Deferred revenue	1,327,589	1,011,225
Operating lease liability (Note 11)	2,295,086	2,731,283
Professional liabilities (Note 13)	847,910	770,741
Debt and other obligations (Note 12)	9,640,911	9,040,426
Funds held for others (Notes 6 and 8)	533,123	429,438
Accrued benefit obligation (Note 14)	537,447	807,856
Accrued postretirement obligation (Note 14)	632,710	770,560
Asset retirement obligation	<u>353,852</u>	<u>277,003</u>
Total liabilities	<u>18,946,400</u>	<u>18,242,272</u>
Net assets		
Without donor restrictions	6,936,140	5,630,715
With donor restrictions (Note 17)	<u>5,112,901</u>	<u>3,967,548</u>
Total net assets	<u>12,049,041</u>	<u>9,598,263</u>
Total liabilities and net assets	<u>\$ 30,995,441</u>	<u>\$ 27,840,535</u>

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

**New York University**  
**Consolidated Statements of Activities**  
**Years Ended August 31, 2021 and 2020**

<i>(in thousands of dollars)</i>	<b>2021</b>	<b>2020</b>
<b>Changes in net assets without donor restrictions</b>		
Operating revenues		
Tuition and fees (net of financial aid awards of \$825,662 and \$711,990)	\$ 2,107,670	\$ 2,108,565
Grants and contracts (Note 2)	1,132,112	1,077,825
Patient care (Note 4)	8,162,916	7,248,016
Hospital affiliations (Note 15)	415,355	377,169
Insurance premiums earned	106,708	107,149
Contributions	105,084	151,394
Endowment distribution (Note 5)	185,904	174,729
Return on short-term investments (Note 5)	33,452	66,841
Auxiliary enterprises (net of financial aid awards of \$47,077 and \$59,119)	238,627	326,808
Program fees and other	911,827	968,457
Net assets released from restrictions	<u>134,916</u>	<u>160,624</u>
Total operating revenues	<u>13,534,571</u>	<u>12,767,577</u>
Expenses (Note 16)		
Salaries and fringe	7,824,432	7,391,196
Medical and pharmaceutical costs	1,356,236	1,121,406
Professional services	601,242	693,866
Facilities costs	830,384	874,520
Fees, insurance and taxes	411,055	350,658
Depreciation and amortization	902,340	878,063
Interest	368,152	344,438
Other	<u>712,357</u>	<u>934,198</u>
Total expenses	<u>13,006,198</u>	<u>12,588,345</u>
Excess of operating revenues over expenses	528,373	179,232
Nonoperating activities		
Investment return (Note 5)	573,097	204,625
Appropriation of endowment distribution (Note 5)	(59,335)	(55,762)
Pension and postretirement nonservice costs (Note 14)	6,277	(20,373)
Changes in pension and postretirement obligations (Note 14)	399,853	(20,178)
Net assets released from restrictions for capital	19,140	34,217
Non-clinical COVID costs (Note 2)	(110,482)	(16,601)
Other	<u>(51,498)</u>	<u>(5,266)</u>
Increase in net assets without donor restrictions	<u>1,305,425</u>	<u>299,894</u>
<b>Changes in net assets with donor restrictions</b>		
Contributions	606,113	324,599
Investment return (Note 5)	795,379	240,160
Appropriation of endowment distribution (Note 5)	(126,569)	(118,967)
Other	24,486	(12,549)
Net assets released from restrictions	<u>(154,056)</u>	<u>(194,841)</u>
Increase in net assets with donor restrictions	<u>1,145,353</u>	<u>238,402</u>
Increase in net assets	<u>\$ 2,450,778</u>	<u>\$ 538,296</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, 2021 and 2020

(in thousands of dollars)

	2021	2020
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 2,450,778	\$ 538,296
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	902,340	878,064
Loss on sale or disposal of land, buildings and equipment	361	268
Loss on extinguishment of debt	-	8,423
Net gain on investments and deposits with trustees	(1,328,602)	(394,125)
Bad debt expense	21,530	20,145
Pension and postretirement obligation change	(399,853)	20,178
Contributions received for permanent investment and capital	(119,739)	(135,882)
Proceeds from insurance recovery for capital or FEMA award	(4,793)	(28,893)
Amortization of operating right to use assets	267,675	271,733
Changes in operating assets and liabilities		
(Increase) decrease in accounts and loans receivable, net	(94,009)	63,009
(Increase) decrease in patient accounts receivable	(212,239)	125,931
(Increase) decrease in nonendowment and noncapital contributions receivable	(245,500)	65,067
(Increase) decrease in other assets	(30,991)	57,314
Decrease in asset retirement obligation	(980)	(17,177)
Increase in accounts payable and accrued expenses	348,851	474,590
Decrease in operating lease liability	(240,494)	(242,433)
Increase in professional liabilities	77,169	53,460
Increase (decrease) in deferred revenue	316,364	(57,210)
Decrease in accrued benefit obligation	(37,512)	(54,812)
Increase in accrued postretirement obligation	29,105	44,512
Net cash provided by operating activities	<u>1,699,461</u>	<u>1,690,458</u>
<b>Cash flows from investing activities</b>		
Purchases of investments	(4,238,859)	(3,655,751)
Sales and maturities of investments	3,667,095	2,642,196
Drawdowns of unexpended bond proceeds	376,744	383,409
Additions to land, buildings, and equipment	(1,043,429)	(912,103)
Proceeds from sale of building	-	2,704
Proceeds from insurance recovery	100	1,379
Net cash used in investing activities	<u>(1,238,349)</u>	<u>(1,538,166)</u>
<b>Cash flows from financing activities</b>		
Contributions received for permanent investment and capital	119,739	104,982
Proceeds from FEMA award for future mitigation	4,693	27,514
Proceeds from short-term borrowings	200,000	250,000
Proceeds from long-term borrowings	335,302	1,491,914
Principal payments on long-term borrowings	(276,585)	(709,238)
Line of credit repayments	(450,000)	(336,519)
Payments of deferred financing costs	(1,153)	(3,759)
Decrease in funds held for others	(5,983)	(14,890)
Net cash (used in) provided by financing activities	<u>(73,987)</u>	<u>810,004</u>
Net increase in cash	387,125	962,296
<b>Cash, cash equivalents and restricted cash</b>		
Beginning of year	<u>3,543,070</u>	<u>2,580,774</u>
End of year	<u>\$ 3,930,195</u>	<u>\$ 3,543,070</u>
<b>Supplemental disclosure of cash flow information</b>		
Interest paid	\$ 387,066	\$ 347,930
Change in noncash acquisitions of land, buildings, and equipment	(117,929)	18,219
Right-of-use assets obtained		
In exchange for new operating lease obligations	\$ 148,514	\$ 256,153
In exchange for new finance lease obligations	809,818	399,192

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

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2021 and 2020

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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 Long Island School of Medicine (collectively the NYU Schools of Medicine).

#### **The University**

The University includes twenty colleges and divisions each with its own traditions, programs and faculty. The schools, in order of founding date, are 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, Post-Graduate Medical School, Silver School of Social Work, Tisch School of the Arts, Gallatin School of Individualized Study, Rory Meyers College of Nursing, Institute for the Study of the Ancient World, NYU Abu Dhabi, Tandon School of Engineering (formerly Polytechnic University founded in 1854), and NYU 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 colleges and divisions, NYU operates NYU Shanghai, which grants NYU degrees 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 operates the Kimmel Pavilion and Tisch Hospital, two acute care facilities which together consist of 844 beds, and are major centers for specialized procedures in cardiovascular services, neurosurgery, cancer treatment, reconstructive surgery, transplantation, psychiatric services and rehabilitation. NYU Langone Hospitals also operates NYU Langone Orthopedic Hospital, a 225-bed acute care facility specializing in orthopedic, neurologic, and rheumatologic services; NYU Langone Hospital-Brooklyn, a 450-bed acute care hospital; NYU Langone Hospital-Long Island, a 591-bed acute care facility; and several ambulatory facilities, including the Laura and Isaac Perlmutter Cancer Center, the Ambulatory Care Center, the Center for Musculoskeletal Care and Hassenfeld Children's Center for Cancer and Blood Disorders. NYU Langone Hospitals is also the sole corporate member of Winthrop-University Hospital Services Corp., a real estate holding company, and various faculty, community, and hospital-based physician service organizations.

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2021 and 2020

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(in thousands of dollars)

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.

In July 2021, the Health System entered into an Affiliation Agreement with Brookhaven Memorial Medical Center Inc., d/b/a Long Island Community Hospital (LICH), a 306-bed acute care hospital located in Suffolk County, Long Island. The proposed affiliation with LICH is subject to customary closing conditions, including completion of satisfactory due diligence and receipt of regulatory approvals, which have not been finalized.

## 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 Financial Accounting Standards Board (FASB) Accounting Standards Codification (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 pension and postretirement nonservice costs, changes in pension and postretirement obligations, net assets released from restriction for capital purposes, incremental non-clinical COVID-19 related expenses, and other activity that is not part of NYU's core activities, are classified as nonoperating in the consolidated statements of activities.

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2021 and 2020

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*(in thousands of dollars)*

#### **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 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, 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 non-exchange transaction in which the funding provided is for the benefit of NYU, the funding organization's mission, or the public at large.

Revenues from non-exchange 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 non-exchange transactions and revenues are recognized when expenses are incurred. Unspent conditional contributions from grants and contracts total \$1,172,400 and \$689,495 at August 31, 2021 and 2020, respectively. Revenues from unconditional non-exchange transactions are recognized in the period awarded.

In 2021 and 2020, grants and contracts revenue recognized from U.S. governmental sources totaled \$585,304 and \$523,845 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 \$198,327 and \$173,851, respectively.

In 2014, NYU Langone Health was awarded a \$982,400 multi-year fixed capped public assistance grant from the Federal Emergency Management Agency (FEMA) for both repair and replacement of damages and hazard mitigation projects as a result of Superstorm Sandy. The hazard mitigation project portion of the award was recognized as a contribution with donor restriction (Note 17), with a corresponding FEMA receivable (Note 6). The net assets are released from restriction as the costs are incurred and totaled \$8,126 and \$12,179 for the years ended August 31, 2021 and 2020, respectively.

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2021 and 2020

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(in thousands of dollars)

#### **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 (1.87% in 2021 and 1.47% in 2020). 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.

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, 2021 and 2020.

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.

**New York University**  
**Notes to Consolidated Financial Statements**  
**August 31, 2021 and 2020**

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*(in thousands of dollars)*

**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. This does not include pooled investments with less than three months to maturity held within the long-term investment portfolio. 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. 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:

	<b>2021</b>	<b>2020</b>
Cash and cash equivalents	\$ 3,340,195	\$ 3,220,829
Cash in long-term investment pool (Note 5)	177,070	140,305
Cash in other long-term investments (Note 5)	4,078	3,443
Cash in other assets (Note 8)	332	8,796
Cash in deposits with trustees (Note 9)	382,923	141,731
Cash in assets held for professional liabilities (Note 13)	25,597	27,966
	<u>3,930,195</u>	<u>3,543,070</u>
Cash, cash equivalents and restricted cash	<u>\$ 3,930,195</u>	<u>\$ 3,543,070</u>

**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 3-10 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 non-lease 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.

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2021 and 2020

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*(in thousands of dollars)*

Lease expense for operating leases is recognized on a straight-line basis over the term of the lease. Deferred rent liability is reported as a reduction to the ROU assets within the consolidated balance sheets.

#### **Collections**

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

#### **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 deferred compensation plan liabilities (457(b)). 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.

#### **Reclassifications**

Certain amounts in the 2020 consolidated financial statements have been reclassified to conform to the current year's presentation. These reclassifications have no impact on the net assets or changes in net assets previously reported.

#### **Authoritative Pronouncements Adopted**

In February 2016, the FASB issued ASU 2016-02, *Leases*. Under the new guidance, lessees are required to recognize the following for all leases with a term of twelve months or greater at the commencement date: (a) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (b) a ROU asset, representing the lessee's right to use, or control the use of, a specified asset for the lease term. Leases are classified as either operating or finance leases (formerly referred to as capital leases). Recognition, measurement, and presentation of expenses and cash flows arising from a lease are determined by a lease's classification. NYU adopted the new standard on September 1, 2019 using the modified retrospective transition method that allows for application of the standard at the adoption date rather than at the beginning of the earliest comparative period presented in the

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2021 and 2020

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(in thousands of dollars)

consolidated financial statements. As permitted under the transition guidance, NYU elected a package of practical expedients which, among other provisions, allowed NYU to carry forward historical lease classifications. Upon adoption, NYU recognized \$2,718,449 of operating lease obligations in the consolidated balance sheet.

In August 2016, the FASB issued ASU 2016-15, *Classification of Certain Cash Receipts and Cash Payments*. ASU 2016-15 includes guidance on eight specific cash flow issues in an effort to reduce diversity in practice with the presentation or classification of certain transactions within the statements of cash flows. The standard is effective for fiscal years beginning after December 15, 2018. NYU adopted this standard in fiscal year 2020 using a retrospective approach. Adoption did not have an impact on the consolidated statements of cash flows.

In November 2016, the FASB issued ASU 2016-18, *Restricted Cash*, which addresses the presentation, disclosure, and cash flow classification of restricted cash and requires that the statements of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Entities are required to reconcile these amounts on the consolidated balance sheets to the consolidated statements of cash flows and disclose the nature of the restrictions. The standard is effective for fiscal years beginning after December 15, 2018. NYU adopted this standard in fiscal year 2020 using a retrospective approach and included the required reconciliation and disclosures in the Cash and Cash Equivalents section of Note 2.

In August 2018, the FASB issued ASU 2018-14, *Compensation-Retirement Benefits-Defined Benefit Plans*, which addresses changes to the disclosure requirements for employers that sponsor defined benefit pension or other postretirement plans. The amendments in the update remove disclosures that no longer are considered cost beneficial, clarify the specific requirements of disclosures, and add disclosure requirements identified as relevant. The standard is effective for fiscal years beginning after December 15, 2019. NYU adopted this standard in fiscal year 2021 using a retrospective approach and updated the disclosures in Note 14.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement: Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement*, which eliminates, adds and modifies certain disclosure requirements related to fair value measurement. The standard is effective for fiscal years beginning after December 15, 2019, with early adoption permissible. NYU adopted this standard in fiscal year 2021 using a retrospective approach. Adoption did not have a material impact on NYU's consolidated financial statements.

#### **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 is currently evaluating the impact of the new standard on the consolidated financial statements.

In August 2018, the FASB issued ASU 2018-15, *Intangibles – Goodwill and Other – Internal Use Software*. The new standard amends aligns the requirements for capitalizing implementation costs

# New York University

## Notes to Consolidated Financial Statements

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incurred in a hosting arrangement that is a service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal use software. This ASU is effective for fiscal years beginning after December 15, 2020. NYU is evaluating the impact of the new standard on NYU's consolidated financial statements.

In March 2020, the FASB issued ASU 2020-04, *Reference Rate Reform, Facilitation of the Effects of Reference Rate Reform on Financial Reporting*. The standard provides temporary optional guidance to ease the potential burden in accounting for reference rate reform due to the risk of cessation of the London Interbank Offered Rate ("LIBOR"). The amendments apply only to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. This standard is effective immediately and can be applied through December 31, 2022. NYU does not expect the adoption to have a material impact on the NYU's consolidated financial statements.

#### **Impact of COVID-19**

In January 2020, the World Health Organization declared the outbreak of the novel coronavirus (COVID-19) to be a pandemic. On March 7, 2020, the Governor of New York declared a state of emergency, and the Mayor of New York City made a similar emergency declaration on March 13, 2020. The pandemic impacted NYU's activities with Executive Orders issued by the Governor of New York State and related federal, state, and city law, regulations, and guidance resulting in the cancellation of elective procedures at NYU Langone Health, the transition to remote learning and closure of student residences at the campuses in New York, Abu Dhabi and Shanghai, and the discontinuance of activities at each of the global academic centers. As of August 31, 2020, NYU Langone Health has re-opened all service lines and patient service revenue has returned to pre-COVID-19 levels. For the year ended August 31, 2021, NYU's New York campus offered courses using a hybrid model with sections conducted partly or fully in-person or remote. For Fall 2021, NYU's New York campus resumed fully in-person instruction with many classes also offering remote sections.

The University incurred expenses relating to COVID-19 testing, incremental space for social distancing, and other pandemic related expenses supporting student instruction, research, and pandemic related campus services. These expenses have been recorded as non-clinical COVID costs in non-operating activity for the years ended August 31, 2021 and 2020, respectively.

#### *Coronavirus Aid, Relief and Economic Security Act*

On March 27, 2020, the Coronavirus Aid, Relief and Economic Security Act (CARES Act) was enacted. The CARES Act impacted NYU as follows for the year ended August 31, 2021 and 2020:

- The Provider Relief Fund (PRF) appropriated funding to reimburse eligible healthcare providers for expenses attributable to COVID-19 and lost revenues. NYU Langone Health received payments totaling \$570,200 which were recognized in program fees and other revenues in the consolidated statements of activities for the year ended August 31, 2020.

# New York University

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- NYU Langone Health received \$441,276 in advanced payments from the Centers for Medicare and Medicaid Services (CMS) (\$432,800 in April 2020 and \$8,476 in September 2020), for which repayment began in April 2021. As of August 31, 2021 and 2020, NYU Langone Health has a remaining Medicare advance of \$317,099 and \$432,800, respectively, which is reported in accounts payable and accrued expenses on the consolidated balance sheets.
- The Higher Education Emergency Relief Fund (HEERF) appropriated funding to the Office of Postsecondary Education. The U.S. Department of Education (DOE) awarded HEERF funds based on an institution of higher education's Pell Grant recipients and full-time enrollment. Based on these criteria, DOE awarded \$104,407 and \$25,626 to NYU for the years ended August 31, 2021 and 2020, respectively. The University recognized \$121,414 and \$6,158 in program fees and other revenues in the consolidated statement of activities for the years ended August 31, 2021 and 2020, respectively. Financial aid awards include \$69,899 and \$7,272 of COVID-related emergency grants to students supported by University funds, HEERF funds, and donations for the years ended August 31, 2021 and 2020, respectively.
- NYU deferred the deposit and payment of \$181,950 and \$116,190 related to the employer's share of Social Security taxes which are reported in accounts payable and accrued expenses on the consolidated balance sheet as of August 31, 2021 and 2020, respectively. These deferred payments are due to be paid in two equal installments on December 31, 2021 and December 31, 2022.

#### *Federal Emergency Management Agency*

For the year ended August 31, 2021, NYU Langone Health recognized \$199,661 as program fees and other in the consolidated statement of activities for reimbursement of eligible operating expenses related to NYU Langone Health's submission of COVID-19 reimbursement claims to FEMA and \$4,305 in nonoperating activities in the consolidated statement of activities related to FEMA reimbursement of capital expenditures. NYU Langone Health recognizes revenue as expenses are incurred and determined to be eligible for FEMA reimbursement. For the year ended August 31, 2021, NYU Langone Health received payments totaling \$151,475 as expedited payments from the New York State Division of Homeland Security and Emergency Services related to NYU Langone Health's submission of COVID-19 reimbursement claims to FEMA. As of August 31, 2021, NYU Langone Health has a balance due from FEMA of \$54,358 in accounts and loans receivable on the consolidated balance sheet.

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**3. Financial Assets and Liquidity Resources**

As of August 31, 2021 and 2020, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, scheduled principal payments on debt, and capital costs not financed with debt, were as follows:

	<b>2021</b>	<b>2020</b>
<b>Financial assets</b>		
Cash and short-term investments	\$ 3,533,727	\$ 3,223,281
Investments available for general purposes	1,273,620	743,208
Accounts receivable, net	236,143	188,011
Grants and contracts receivable, net	153,773	115,562
Insurance premiums receivable	105,457	114,290
Patient accounts receivable, net	1,059,493	847,254
Non-endowment pledge payments due within one year	182,239	140,741
Other assets	44,725	19,746
Subsequent year endowment distribution	198,428	188,448
	<u>6,787,605</u>	<u>5,580,541</u>
<b>Liquidity resources</b>		
Undrawn bank lines of credit (Note 12)	1,355,600	1,405,600
Funds functioning as endowment available for operations	1,849,753	1,593,729
	<u>3,205,353</u>	<u>2,999,329</u>
	<u>6,787,605</u>	<u>5,580,541</u>
Total financial assets and liquidity resources available within one year	<u>\$ 9,992,958</u>	<u>\$ 8,579,870</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 NYU'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.

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**4. Patient Care Revenue and Receivables**

Patient care revenue for NYU, net of contractual adjustments and implicit price concessions for the years ended August 31, 2021 and 2020 is as follows:

	<b>2021</b>	<b>2020</b>
NYU Langone Health gross charges	\$ 43,372,657	\$ 36,148,464
NYU Langone Health contractual adjustments and implicit price concessions	(35,253,304)	(28,936,898)
University patient care	<u>43,563</u>	<u>36,450</u>
Total patient care revenue	<u>\$ 8,162,916</u>	<u>\$ 7,248,016</u>

The University's College of Dentistry provides dental clinic services to patients as part of a student's training. Performance obligations are met and patient care revenue is recognized as services are performed.

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 service 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* which removes the requirement 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. For the years ended August 31, 2021 and

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## Notes to Consolidated Financial Statements

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2020, NYU Langone Health recorded \$154,642 and \$103,211, respectively, of implicit price concessions as a direct reduction to patient care revenue.

NYU's patient accounts receivable, after contractual adjustments and implicit price concessions is \$1,059,493 and \$847,254 at August 31, 2021 and 2020, 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 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 \$149,883 and \$146,837 at August 31, 2021 and 2020, 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' Medicare cost reports have been audited by the Medicare fiscal intermediary through August 31, 2015; however, final settlements are pending for 2003 and 2004. Prior to their merger into NYU Langone Hospitals' Medicare cost report, NYU Langone Hospital-Brooklyn and NYU Langone Hospital-Long Island filed separate stand-alone Medicare cost reports through December 31, 2015 and July 31, 2019, respectively. NYU Langone Hospital-Brooklyn's Medicare 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 August 31, 2018 and there are no final settlements pending.

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The mix of patient care revenue for the years ended August 31, 2021 and 2020 are as follows:

	2021		2020	
	Health System	NYUGSoM	Health System	NYUGSoM
Medicare	18 %	18 %	17 %	17 %
Medicaid	2	1	2	1
Medicare and Medicaid managed care	20	14	18	14
Blue Cross	26	18	26	17
Managed care and other	34	49	37	51
	<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, 2021 and 2020 are as follows:

	2021		2020	
	Health System	NYUGSoM	Health System	NYUGSoM
Medicare	9 %	13 %	10 %	13 %
Medicaid	1	1	2	1
Medicare and Medicaid managed care	19	15	18	13
Blue Cross	28	19	27	18
Managed care and other	43	52	43	55
	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>	<u>100 %</u>

NYU Langone Health's charity care policy, in accordance with the New York State Department of Health's 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. Total forgone charges for charity care totaled \$101,318 and \$102,569 for the years ended August 31, 2021 and 2020, respectively. This equated to an approximate cost of \$19,297 and \$22,103 for the years ended August 31, 2021 and 2020, respectively, which is based on a ratio of cost to charges.

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 service provided to uninsured. The funds are distributed to NYU Langone Health based on an uninsured patient methodology. Subsidy payments recognized as revenue amounted to approximately \$49,408 and \$43,554 for the years ended August 31, 2021 and 2020, respectively, and are included in patient care revenue in the consolidated statements of activities. NYU Langone Health paid \$63,004 and \$61,545 into the indigent care pool for the years ended August 31, 2021 and 2020, respectively.

## 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

# New York University

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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.

#### **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, 2021 and 2020:

	2021			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
<b>Long-term investments-investment pool</b>				
Public equity	\$ 1,442,361	\$ -	\$ -	\$ 1,442,361
Fixed income	-	377,629	-	377,629
Real assets	23,483	-	-	23,483
Cash and other	177,070	-	-	177,070
	<u>1,642,914</u>	<u>377,629</u>	<u>-</u>	<u>2,020,543</u>
Alternative investments measured at NAV as a practical expedient				<u>3,757,891</u>
Subtotal investment pool				<u>5,778,434</u>
<b>Other long-term investments</b>				
Public equity	805,368	2,780	-	808,148
Fixed income	499,746	-	-	499,746
Cash and other	4,078	-	3,460	7,538
Subtotal other long-term investments	<u>1,309,192</u>	<u>2,780</u>	<u>3,460</u>	<u>1,315,432</u>
Total long-term investments	<u>\$ 2,952,106</u>	<u>\$ 380,409</u>	<u>\$ 3,460</u>	<u>\$ 7,093,866</u>
<b>Short-term investments</b>				
Cash and other	\$ 193,532	\$ -	\$ -	\$ 193,532
Total short-term investments	<u>\$ 193,532</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 193,532</u>
	2020			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
<b>Long-term investments-investment pool</b>				
Public equity	\$ 1,140,750	\$ -	\$ -	\$ 1,140,750
Fixed income	-	358,733	-	358,733
Real assets	17,302	-	-	17,302
Cash and other	140,305	-	-	140,305
	<u>1,298,357</u>	<u>358,733</u>	<u>-</u>	<u>1,657,090</u>
Alternative investments measured at NAV as a practical expedient				<u>3,048,508</u>
Subtotal investment pool				<u>4,705,598</u>
<b>Other long-term investments</b>				
Public equity	468,752	2,744	-	471,496
Fixed income	302,201	-	-	302,201
Cash and other	3,443	-	2,935	6,378
Subtotal other long-term investments	<u>774,396</u>	<u>2,744</u>	<u>2,935</u>	<u>780,075</u>
Total long-term investments	<u>\$ 2,072,753</u>	<u>\$ 361,477</u>	<u>\$ 2,935</u>	<u>\$ 5,485,673</u>
<b>Short-term investments</b>				
Cash and other	\$ 2,452	\$ -	\$ -	\$ 2,452
Total short-term investments	<u>\$ 2,452</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,452</u>

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Level 3 activity was not significant for either of the years ended August 31, 2021 or 2020.

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, 2021 and 2020:

<b>2021</b>				
<b>Asset category</b>	<b>Redemption Frequency (if currently eligible)</b>		<b>Redemption Notice Period</b>	<b>Fair Value</b>
<b>Redeemable alternative investments</b>				
Public equity	Daily, Weekly, Monthly, Quarterly, Annually		1 to 180 days	\$ 1,733,289
Hedge funds	Monthly, Quarterly, Semi-Annual, Annual, Bi-Annual		15 to 100 days	980,005
				<u>2,713,294</u>
<b>Nonredeemable alternative investments</b>				
	<b>Remaining Life</b>	<b>Time to draw Commitment</b>	<b>Unfunded Commitments</b>	<b>Fair Value</b>
Private equity	Up to 10 years	7-14 days	\$ 517,673	\$ 579,211
Credit	Up to 8 years	7-14 days	159,553	170,280
Real assets	Up to 4 years	7-14 days	3,538	55,242
Real estate	Up to 12 years	7-14 days	157,165	239,864
			<u>\$ 837,929</u>	<u>1,044,597</u>
				<u>\$ 3,757,891</u>

<b>2020</b>				
<b>Asset category</b>	<b>Redemption Frequency (if currently eligible)</b>		<b>Redemption Notice Period</b>	<b>Fair Value</b>
<b>Redeemable alternative investments</b>				
Public equity	Daily, Weekly, Monthly, Quarterly, Annually		1 to 180 days	\$ 1,336,315
Hedge funds	Monthly, Quarterly, Semi-Annual, Annual, Bi-Annual		15 to 100 days	884,783
Credit	Quarterly		60 days	15,746
				<u>2,236,844</u>
<b>Nonredeemable alternative investments</b>				
	<b>Remaining Life</b>	<b>Time to draw Commitment</b>	<b>Unfunded Commitments</b>	<b>Fair Value</b>
Private equity	Up to 11 years	7-14 days	\$ 449,058	\$ 369,481
Credit	Up to 9 years	7-14 days	129,487	162,105
Real assets	Up to 13 years	7-14 days	30,111	75,843
Real estate	Up to 13 years	7-14 days	159,156	204,235
			<u>\$ 767,812</u>	<u>811,664</u>
				<u>\$ 3,048,508</u>

Total investment return for the years ended August 31, 2021 and 2020 is as follows:

	<b>2021</b>	<b>2020</b>
Dividends and interest	\$ 74,506	\$ 125,436
Realized and unrealized gains, net	<u>1,327,422</u>	<u>386,190</u>
Total investment return, net	<u>\$ 1,401,928</u>	<u>\$ 511,626</u>
Endowment distribution approved for spending	\$ 185,904	\$ 174,729
Return on short-term investments	33,452	66,841
Investment return without donor restriction, net of spending	513,762	148,863
Investment return with donor restrictions, net of spending	<u>668,810</u>	<u>121,193</u>
Total investment return, net	<u>\$ 1,401,928</u>	<u>\$ 511,626</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 a 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 2021 and 2020) are calculated using the prior year distribution adjusted for the change in the New York Metro Area Consumer Price Index (CPI). To preserve the endowment's purchasing power, caps may further limit spending as follows: 1) the distribution of endowment return to support activities may not exceed the prior year's distribution by more than 10%, unless the increase was the result of new gifts to the endowment, and 2) if the results of using only the average market value of either the final four quarters alone or the final eight quarters alone would be a decline in the distribution from the prior year's distribution, then the distribution may not exceed the previous year's level.

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

Accounts and loans receivable, net of allowances for uncollectable amounts consist of the following at August 31, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
Students and other	\$ 208,719	\$ 218,858
Grants and contracts	163,745	126,676
Student loans	84,278	91,262
FEMA award receivable	97,188	32,786
Housing loans and other loans to employees	67,202	67,502
Insurance premiums and recoveries (note 13)	202,568	220,282
	<u>823,700</u>	<u>757,366</u>
Allowance for uncollectible amounts	<u>(65,171)</u>	<u>(53,586)</u>
Accounts and loans receivable, net	<u>\$ 758,529</u>	<u>\$ 703,780</u>

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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Student loans consist primarily of Federal advances to the University under Perkins and other Federal loan programs which totaled \$48,226 and \$53,016 at August 31, 2021 and 2020, respectively. NYU records a liability on its consolidated balance sheets for these advances within funds held for others.

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

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, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
<b>Amounts expected to be collected in</b>		
Less than one year	\$ 274,933	\$ 226,929
One to five years	349,259	212,507
More than five years	128,984	65,664
	<u>753,176</u>	<u>505,100</u>
Discount	(27,073)	(18,879)
Allowance for uncollectible amounts	(87,999)	(82,171)
	<u>(115,072)</u>	<u>(101,050)</u>
Contributions receivable, net	<u>\$ 638,104</u>	<u>\$ 404,050</u>

Contributions receivable activity for the years ended August 31, 2021 and 2020 is as follows:

	<b>2021</b>	<b>2020</b>
<b>Contributions receivable, gross, beginning of year</b>	\$ 505,100	\$ 574,755
New pledges received	477,173	134,910
Adjustments and write-offs	(10,490)	(8,845)
Pledge payments received	(218,607)	(195,720)
	<u>753,176</u>	<u>505,100</u>
Contributions receivable, gross, end of year	753,176	505,100
Discount and allowance for uncollectible amounts	(115,072)	(101,050)
	<u>(115,072)</u>	<u>(101,050)</u>
<b>Contributions receivable, net, end of year</b>	<u>\$ 638,104</u>	<u>\$ 404,050</u>

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

Conditional promises to give are not reported in the consolidated balance sheets and consist of the following as of August 31, 2021 and 2020:

	2021	2020
Bequests	\$ 748,154	\$ 685,411
Intentions to give	103,893	88,456
Conditional promises to give	331,861	269,285
	<u>\$ 1,183,908</u>	<u>\$ 1,043,152</u>

Expenses related to fundraising activities are \$52,175 and \$55,690 for the years ended August 31, 2021 and 2020, respectively.

**8. Other Assets**

Other assets consist of the following at August 31, 2021 and 2020:

	2021	2020
Deferred compensation plan assets held for others	\$ 486,090	\$ 376,422
Prepaid expenses and deferred charges	195,761	198,905
Inventory	168,571	167,412
Intangible assets and goodwill	51,293	51,387
Third-party payor receivables	53,856	21,663
Split-interest agreements	43,008	38,131
Other	76,852	86,023
Other assets	<u>\$ 1,075,431</u>	<u>\$ 939,943</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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The following tables summarize the fair value of other assets at August 31, 2021 and 2020:

	2021			Total
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	
<b>Other financial instruments</b>				
Split-interest agreements	\$ -	\$ -	\$ 43,008	\$ 43,008
<b>Deferred compensation plan held for others</b>				
Variable annuities	\$ 142,935	\$ 63,539	\$ -	\$ 206,474
Fixed income annuity	24,037	7,825	41,675	73,537
Public equity	204,991	1,088	-	206,079
Total deferred compensation plan assets held for others	<u>\$ 371,963</u>	<u>\$ 72,452</u>	<u>\$ 41,675</u>	<u>\$ 486,090</u>
	2020			
	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)	Total
<b>Other financial instruments</b>				
Split-interest agreements	\$ -	\$ -	\$ 38,131	\$ 38,131
<b>Deferred compensation plan held for others</b>				
Variable annuities	\$ 82,142	\$ 49,110	\$ -	\$ 131,252
Fixed income annuity	26,431	7,066	34,987	68,484
Public equity	175,970	716	-	176,686
Total deferred compensation plan assets held for others	<u>\$ 284,543</u>	<u>\$ 56,892</u>	<u>\$ 34,987</u>	<u>\$ 376,422</u>

Level 3 activity was not significant for either of the years ended August 31, 2021 or 2020.

**9. Deposits with Trustees**

Deposits with Trustees consist of 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 at August 31, 2021 and 2020:

	2021	2020
Construction funds held by DASNY	\$ 849,197	\$ 970,363
Debt service funds	48	284
Debt service reserve funds	15,885	19,910
Other	1,342	1,107
	<u>\$ 866,472</u>	<u>\$ 991,664</u>

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(in thousands of dollars)

The following tables summarize the fair value of deposits with trustees at August 31, 2021 and 2020 according to the asset categories defined in Note 5.

	<b>2021</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Fixed income	\$ 483,549	\$ -	\$ -	\$ 483,549
Cash and other	382,923	-	-	382,923
Total deposits with trustees	<u>\$ 866,472</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 866,472</u>

  

	<b>2020</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Fixed income	\$ 849,933	\$ -	\$ -	\$ 849,933
Cash and other	141,731	-	-	141,731
Total deposits with trustees	<u>\$ 991,664</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 991,664</u>

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

Land, buildings, and equipment consist of the following at August 31, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
Land	\$ 384,458	\$ 384,470
Buildings and building improvements	14,137,946	13,428,981
Equipment	2,983,769	2,714,783
Finance leases	1,632,225	882,309
Construction in progress	1,429,112	1,211,399
	<u>20,567,510</u>	<u>18,621,942</u>
Less: Accumulated depreciation	<u>(7,666,817)</u>	<u>(6,750,986)</u>
Land, buildings, and equipment, net	<u>\$ 12,900,693</u>	<u>\$ 11,870,956</u>

Depreciation expense is \$924,444 and \$800,746 for the years ended August 31, 2021 and 2020, respectively.

In September 2020, NYUGSoM extended an existing lease in Manhattan for 30 years, resulting in a reclassification of the lease from an operating lease to a finance lease totaling \$743,300.

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**11. Leases**

The components of lease expense included in the statements of activities consist of the following for the years ended August 31, 2021 and 2020:

<b>Lease Cost</b>	<b>2021</b>	<b>2020</b>
Finance lease cost		
Amortization of right-of-use assets	\$ 89,283	\$ 55,833
Interest on finance lease obligations	<u>61,976</u>	<u>32,738</u>
Total finance lease cost	<u>151,259</u>	<u>88,571</u>
Operating lease cost	306,142	333,693
Short-term and variable lease costs	<u>54,248</u>	<u>60,694</u>
Total operating lease cost included in facilities costs	<u>360,390</u>	<u>394,387</u>
Total lease cost	<u>\$ 511,649</u>	<u>\$ 482,958</u>
<b>Other Information</b>		
Cash paid for amounts included in the measurement of lease obligations		
Operating cash flows for operating leases	\$ 290,549	\$ 304,482
Operating cash flows for finance leases	59,728	23,340
Financing cash flows for finance leases	69,735	52,883
Right-of-use assets obtained		
In exchange for new operating lease obligations	\$ 148,514	\$ 256,153
In exchange for new finance lease obligations (Note 10)	809,818	399,192
Weighted-average remaining lease term		
Operating leases	18.7 years	17.8 years
Operating leases excluding ground lease through 2087	11.2 years	11.7 years
Finance leases	26.6 years	26.7 years
Weighted-average discount rate		
Operating leases	2.71 %	2.66 %
Finance leases	3.83 %	4.07 %

Aggregate future minimum lease payments under operating leases as of August 31, 2021 are as follows:

2022	\$ 281,452
2023	257,221
2024	242,134
2025	234,185
2026	203,082
Thereafter	<u>2,016,672</u>
Total minimum lease payments	3,234,746
Less: Imputed interest	<u>(939,660)</u>
Total operating lease obligation	<u>2,295,086</u>
Less: Deferred rent liability	<u>(140,087)</u>
Total operating right-to-use asset	<u>\$ 2,154,999</u>

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**12. Debt and Other Obligations**

NYU has various bond issues outstanding, primarily issued through DASNY. The University and NYUGSoM are considered the legally obligated group for certain borrowings presented below as the “Total Obligated Group.”

Debt and other obligations consist of the following at August 31, 2021 and 2020:

	<b>2021</b>				
	<b>University</b>	<b>NYU Schools of Medicine</b>	<b>Total Obligated Group</b>	<b>Health System</b>	<b>Consolidated NYU</b>
<b>Issuer</b>					
Dormitory Authority of the State of New York (DASNY)	\$ 3,811,174	\$ 831,736	\$ 4,642,910	\$ 820,457	\$ 5,463,367
New York University	256,431	61,350	317,781	-	317,781
NYU Langone Hospitals	-	-	-	2,039,298	2,039,298
Nassau County Local Economic Assistance Corporation	-	-	-	33,078	33,078
Other obligations	169,410	1,281,990	1,451,400	335,987	1,787,387
Debt and other obligations	<u>\$ 4,237,015</u>	<u>\$ 2,175,076</u>	<u>\$ 6,412,091</u>	<u>\$ 3,228,820</u>	<u>\$ 9,640,911</u>
	<b>2020</b>				
	<b>University</b>	<b>NYU Schools of Medicine</b>	<b>Total Obligated Group</b>	<b>Health System</b>	<b>Consolidated NYU</b>
<b>Issuer</b>					
Dormitory Authority of the State of New York (DASNY)	\$ 3,715,509	\$ 809,663	\$ 4,525,172	\$ 845,900	\$ 5,371,072
New York University	266,981	65,395	332,376	-	332,376
NYU Langone Hospitals	-	-	-	2,039,267	2,039,267
Nassau County Local Economic Assistance Corporation	-	-	-	37,733	37,733
Other obligations	419,685	482,582	902,267	357,711	1,259,978
Debt and other obligations	<u>\$ 4,402,175</u>	<u>\$ 1,357,640</u>	<u>\$ 5,759,815</u>	<u>\$ 3,280,611</u>	<u>\$ 9,040,426</u>

In July 2021, DASNY issued \$212,695 of revenue bonds (Series 2021A) on behalf of the Obligated Group, 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. The 2021A bonds maturing in July 2046 are payable in annual sinking fund installments from July 2042 to maturity. The 2021A bonds maturing in July 2051 are payable in annual sinking fund installments from July 2047 to maturity. In July 2021, DASNY issued \$37,305 of taxable bonds (Series 2021B) on behalf of the Obligated Group with interest rates ranging from 0.25% to 2.02%. The Series 2021B bonds mature serially from July 2022 through July 2031. The proceeds from the DASNY Series 2021A and Series 2021B were used to fund improvements on the Manhattan and Brooklyn campuses and repay certain lines of credit that were incurred to refund a portion of Series 2016A.

In February 2020, DASNY issued \$424,480 of taxable revenue bonds (Series 2020B) on behalf of the Obligated Group with interest rates ranging from 1.29% to 2.77%. The Series 2020B bonds mature serially from July 2021 through July 2030. The 2020B bonds maturing in July 2035 are payable in annual sinking fund installments from July 2031 to maturity. The 2020B bonds maturing in July 2040 are payable in annual sinking fund installments from July 2036 to maturity. The 2020B

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bonds maturing in July 2043 are payable in annual sinking fund installments from July 2041 to maturity. The proceeds for the Series 2020B bonds were used to advance refund Series 2012A, 2012B, and 2013A bonds and a portion of Series 2015A.

In February 2020, DASNY issued \$466,305 of revenue bonds (Series 2020A) on behalf of NYU Langone Hospitals with interest rates ranging from 3.00% to 4.00%. The Series 2020A bonds mature serially from July 2048 through July 2053. The series 2020A bonds are payable at various dates through their maturity. The proceeds of the Series 2020A bonds were used to fund construction of and improvements to various Health System facilities.

In February 2020, NYU Langone Hospitals issued \$551,025 of taxable bonds (Series 2020B) with an interest rate of 3.38%. The Series 2020B bonds mature in July 2055 and are payable in full at maturity. A portion of the proceeds of the Series 2020B bonds were used to advance refund a portion of the Nassau County Local Economic Assistance Corporation Series 2012 bonds.

# New York University

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### August 31, 2021 and 2020

(in thousands of dollars)

The principal amounts outstanding for debt and other obligations consist of the following at August 31, 2021 and 2020:

	2021				
	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 \$1,560)	\$ 92,335	\$ -	\$ 92,335	\$ -	\$ 92,335
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 \$1,676 and \$2,007)	54,378	45,126	99,504	-	99,504
Series 2012C taxable bonds, with interest rates ranging from 1.93% to 3.62%, maturing serially through July 2027	13,590	-	13,590	-	13,590
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	22,845	-	22,845	-	22,845
Series 2014 bonds, with interest rate ranging from 2.00% to 5.00%, maturing serially through July 2032 and July 2036 (including premium of \$6,626)	-	-	-	70,001	70,001
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 \$12,547)	-	-	-	96,107	96,107
Series 2014A taxable bonds, with an interest rate of 2.59% maturing in July 2034, payable in annual sinking fund installments through July 2034	46,365	-	46,365	-	46,365
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 \$57,212)	627,887	-	627,887	-	627,887
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 \$58,361 and \$19,689)	465,701	141,899	607,600	-	607,600
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	152,000	29,970	181,970	-	181,970
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 \$18,546)	-	-	-	140,276	140,276
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 \$32,654 and \$19,089)	305,108	165,565	470,673	-	470,673
Series 2017B taxable bonds, with interest rates ranging from 1.60% to 4.15%, maturing serially to maturity in July 2032	167,299	50,406	217,705	-	217,705
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 \$30,940 and \$8,780)	298,075	78,716	376,791	-	376,791
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 \$6,301 and \$2,624)	146,440	102,053	248,493	-	248,493
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 \$76,182 and \$11,786)	595,287	87,591	682,878	-	682,878
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	33,580	170,085	-	170,085
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

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	2021				
	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 \$54,070)	-	-	-	520,374	520,374
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	375,060	37,830	412,890	-	412,890
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 \$41,737 and \$10,295)	214,797	49,930	264,727	-	264,727
Series 2021B taxable bonds, with interest rates ranging from 0.25% to 2.02%, maturing serially through July 2031	31,965	5,340	37,305	-	37,305
Deferred financing costs	(12,388)	(1,515)	(13,903)	(6,301)	(20,204)
Subtotal of DASNY bonds	<u>3,811,174</u>	<u>831,736</u>	<u>4,642,910</u>	<u>820,457</u>	<u>5,463,367</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	11,842	61,778	73,620	-	73,620
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	18,085	-	18,085	-	18,085
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	227,335	-	227,335	-	227,335
Deferred financing costs	(831)	(428)	(1,259)	-	(1,259)
Subtotal of NYU bonds	<u>256,431</u>	<u>61,350</u>	<u>317,781</u>	<u>-</u>	<u>317,781</u>
<b>NYU Langone Hospitals</b>					
Series 2012 taxable bonds, with an interest rate of 4.40%, maturing in July 2042 (including discount of \$724)	-	-	-	249,276	249,276
Series 2013 taxable bonds, with an interest rate of 5.75%, maturing in July 2043 (including discount of \$1,051)	-	-	-	348,949	348,949
Series 2014 taxable bonds, with an interest rate of 4.78%, maturing in July 2044 (including discount of \$963)	-	-	-	299,037	299,037
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 \$2,594)	-	-	-	548,431	548,431
Deferred financing costs	-	-	-	(6,395)	(6,395)
Subtotal of NYU Langone Hospitals bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,039,298</u>	<u>2,039,298</u>
<b>Nassau County Local Economic Assistance Corporation</b>					
Series 2012 taxable bonds with varying interest rates of 3.00% to 5.00%, maturing in July 2042	-	-	-	3,260	3,260
Series 2014 taxable bonds, with an interest rate of 2.99%, maturing in July 2036	-	-	-	29,818	29,818
Subtotal of Nassau County Local Economic Assistance Corporation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,078</u>	<u>33,078</u>
<b>Other obligations</b>					
Mortgage loans	-	40,730	40,730	11,562	52,292
Commercial loans	-	-	-	24,081	24,081
Lines of credit	-	44,400	44,400	-	44,400
Finance leases (Note 10)	169,410	1,196,860	1,366,270	300,344	1,666,614
Subtotal of other obligations	<u>169,410</u>	<u>1,281,990</u>	<u>1,451,400</u>	<u>335,987</u>	<u>1,787,387</u>
Total amounts outstanding	<u>\$ 4,237,015</u>	<u>\$ 2,175,076</u>	<u>\$ 6,412,091</u>	<u>\$ 3,228,820</u>	<u>\$ 9,640,911</u>

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(in thousands of dollars)

	2020				
	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 \$2,044)	\$ 105,209	\$ -	\$ 105,209	\$ -	\$ 105,209
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 \$1,826 and \$2,114)	56,083	46,506	102,589	-	102,589
Series 2012C taxable bonds, with interest rates ranging from 1.93% to 3.62%, maturing serially through July 2027	15,685	-	15,685	-	15,685
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	24,165	-	24,165	-	24,165
Series 2014 bonds, with interest rate ranging from 2.00% to 5.00%, maturing serially through July 2032 and July 2036 (including premium of \$7,070)	-	-	-	73,530	73,530
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 \$13,444)	-	-	-	110,849	110,849
Series 2014A taxable bonds, with an interest rate of 2.59% maturing in July 2034, payable in annual sinking fund installments through July 2034	49,330	-	49,330	-	49,330
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 \$61,356)	647,961	-	647,961	-	647,961
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 \$63,513 and \$20,481)	510,168	156,701	666,869	-	666,869
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	165,690	30,235	195,925	-	195,925
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 \$19,535)	-	-	-	146,105	146,105
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 \$36,511 and \$19,828)	320,421	169,303	489,724	-	489,724
Series 2017B taxable bonds, with interest rates ranging from 1.60% to 4.15%, maturing serially to maturity in July 2032	170,730	50,406	221,136	-	221,136
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 \$33,553 and \$9,112)	307,968	80,827	388,795	-	388,795
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 \$6,572 and \$2,722)	146,712	103,692	250,404	-	250,404
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 \$81,195 and \$12,282)	608,850	88,087	696,937	-	696,937
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	39,620	176,125	-	176,125
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
Series 2020A bonds, with interest rates ranging from 3.00% to 4.00% maturing serially through July 2053 (including net premiums of \$53,781)	-	-	-	520,084	520,084
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	384,355	40,125	424,480	-	424,480
Deferred financing costs	(12,248)	(1,084)	(13,332)	(4,668)	(18,000)
Subtotal of DASNY bonds	<u>3,715,509</u>	<u>809,663</u>	<u>4,525,172</u>	<u>845,900</u>	<u>5,371,072</u>

# New York University

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	2020				
	University	NYU Schools of Medicine	Total Obligated Group	Health System	Consolidated NYU
<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	12,624	65,861	78,485	-	78,485
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	19,280	-	19,280	-	19,280
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	235,990	-	235,990	-	235,990
Deferred financing costs	(913)	(466)	(1,379)	-	(1,379)
Subtotal of NYU bonds	<u>266,981</u>	<u>65,395</u>	<u>332,376</u>	<u>-</u>	<u>332,376</u>
<b>NYU Langone Hospitals</b>					
Series 2012 taxable bonds, with an interest rate of 4.40%, maturing in July 2042 (including discount of \$793)	-	-	-	249,241	249,241
Series 2013 taxable bonds, with an interest rate of 5.75%, maturing in July 2043 (including discount of \$1,147)	-	-	-	348,901	348,901
Series 2014 taxable bonds, with an interest rate of 4.78%, maturing in July 2044 (including discount of \$1,046)	-	-	-	298,996	298,996
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 \$2,179)	-	-	-	548,846	548,846
Deferred financing costs	-	-	-	(6,717)	(6,717)
Subtotal of NYU Langone Hospitals bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,039,267</u>	<u>2,039,267</u>
<b>Nassau County Local Economic Assistance Corporation</b>					
Series 2012 taxable bonds with varying interest rates of 3.00% to 5.00%, maturing in July 2042	-	-	-	6,365	6,365
Series 2014 taxable bonds, with an interest rate of 2.99%, maturing in July 2036	-	-	-	31,368	31,368
Subtotal of Nassau County Local Economic Assistance Corporation bonds	<u>-</u>	<u>-</u>	<u>-</u>	<u>37,733</u>	<u>37,733</u>
<b>Other obligations</b>					
Mortgage loans	-	41,469	41,469	16,008	57,477
Commercial loans	-	-	-	27,491	27,491
Lines of credit	250,000	44,400	294,400	-	294,400
Finance leases (Note 10)	169,685	396,713	566,398	314,212	880,610
Subtotal of other obligations	<u>419,685</u>	<u>482,582</u>	<u>902,267</u>	<u>357,711</u>	<u>1,259,978</u>
Total amounts outstanding	<u>\$ 4,402,175</u>	<u>\$ 1,357,640</u>	<u>\$ 5,759,815</u>	<u>\$ 3,280,611</u>	<u>\$ 9,040,426</u>

Interest expense on debt and other obligations totaled \$368,152 and \$344,438 for the years ended August 31, 2021 and 2020, respectively. This excludes \$14,516 and \$9,478 of interest capitalized (net of income earned on deposits with bond trustees) for the years ended August 31, 2021 and 2020, 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, 2021 and 2020, NYU is compliant with all financial and administrative covenants.

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(in thousands of dollars)

**Obligations with Financial Institutions**

At August 31, 2021 and 2020, the Obligated Group has three contractually committed bank credit agreements which total \$800,000. As of August 31, 2021, these agreements expire from May 2022 to August 2024. The interest is accrued at rates based on LIBOR and the Bloomberg Short-Term Bank Yield Index. The amounts outstanding under these agreements are \$44,400 and \$294,400 as of August 31, 2021 and 2020, respectively.

At August 31, 2021, the Health System has three unsecured lines of credit which total \$600,000 and expire from August 2023 to May 2024. At August 31, 2020, the Health System had six unsecured lines of credit which totaled \$900,000 with expiration dates from April 2021 to May 2022. The interest is accrued at rates based on LIBOR. There were no amounts outstanding as of August 31, 2021 and 2020, 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
2022	\$ 164,149	\$ 74,281	\$ 238,430
2023	161,715	121,730	283,445
2024	169,374	94,383	263,757
2025	210,299	91,772	302,071
2026	176,780	92,436	269,216
Thereafter	<u>6,652,488</u>	<u>2,401,787</u>	<u>9,054,275</u>
	7,534,805	2,876,389	10,411,194
Unamortized premiums and discounts, net	465,175	-	465,175
Unamortized deferred financing costs	(25,683)	-	(25,683)
Less: Imputed interest	-	(1,209,775)	(1,209,775)
	<u>\$ 7,974,297</u>	<u>\$ 1,666,614</u>	<u>\$ 9,640,911</u>

**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.

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(in thousands of dollars)

Professional liabilities consist of the following as of August 31, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
CCC550 professional liabilities	\$ 723,868	\$ 630,843
Self-insured liabilities	70,541	65,165
Commercially insured liabilities	53,501	74,733
Professional liabilities	<u>\$ 847,910</u>	<u>\$ 770,741</u>

NYU Langone Hospitals is self-insured for professional and general liabilities on an occurrence basis through CCC550. Beginning July 1, 2017, NYU Langone Hospital-Long Island and certain of its physicians are also self-insured through CCC550. 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.

CCC550 provides insurance coverage to certain voluntary attending physicians and other non-employed physicians serving NYUGSoM and NYU Langone Hospitals. The cost of this insurance coverage is the responsibility of such physicians.

Assets held for professional liabilities consist of the following at August 31, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
Assets held by CCC550	\$ 858,650	\$ 732,975
Self-insurance trust	55,477	55,846
Assets held for professional liabilities	<u>\$ 914,127</u>	<u>\$ 788,821</u>

The following tables summarize the fair value of assets held for professional liabilities at August 31, 2021 and 2020 according to the asset categories defined in Note 5:

	<b>2021</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Fixed income	\$ 55,477	\$ 833,053	\$ -	\$ 888,530
Cash and other	25,597	-	-	25,597
Total assets held for professional liabilities	<u>\$ 81,074</u>	<u>\$ 833,053</u>	<u>\$ -</u>	<u>\$ 914,127</u>

	<b>2020</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Fixed income	\$ 55,846	\$ 705,009	\$ -	\$ 760,855
Cash and other	27,966	-	-	27,966
Total assets held for professional liabilities	<u>\$ 83,812</u>	<u>\$ 705,009</u>	<u>\$ -</u>	<u>\$ 788,821</u>

# New York University

## Notes to Consolidated Financial Statements

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*(in thousands of dollars)*

Commercially insured liabilities primarily 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).

#### **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 \$262,571 and \$259,985 in 2021 and 2020, 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 \$199,920 and \$196,708 in 2021 and 2020, 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 \$63,001 and \$100,549 in 2021 and 2020, respectively, are reported as a reduction in the accrued benefit obligation on the consolidated balance sheets for these plans.

##### **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 \$26,133 and \$16,217 in 2021 and 2020, respectively, are reported as a reduction in the accrued postretirement obligation on the consolidated balance sheets for these plans.

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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**

	Defined Benefit Pension Plans		Postretirement Benefit Plans	
	2021	2020	2021	2020
<b>Change in benefit obligation</b>				
Benefit obligation as of beginning of year	\$ 2,806,713	\$ 2,675,658	\$ 943,159	\$ 840,698
Service cost	57,693	57,763	29,326	28,023
Interest cost	67,737	76,950	23,635	27,277
Actuarial loss (gain)	55,281	82,069	(57,811)	67,763
Benefits paid	(93,203)	(84,889)	(31,789)	(27,732)
Participant contributions	-	-	7,333	6,093
Retiree drug subsidy receipts	-	-	1,772	1,037
Administrative expenses	(1,325)	(838)	-	-
Plan amendments	-	-	(65,571)	-
Benefit obligation as of end of year	2,892,896	2,806,713	850,054	943,159
<b>Change in fair value of plan assets</b>				
Fair value of plan assets as of beginning of year	1,998,857	1,790,917	172,599	156,901
Actual return on plan assets	388,119	193,118	41,296	20,083
Employer contributions	63,001	100,549	26,133	16,217
Benefits paid	(93,203)	(84,889)	(31,789)	(27,732)
Participant contributions	-	-	7,333	6,093
Retiree drug subsidy receipts	-	-	1,772	1,037
Administrative expenses	(1,325)	(838)	-	-
Fair value of plan assets, end of year	2,355,449	1,998,857	217,344	172,599
Accrued benefit obligation	\$ 537,447	\$ 807,856	\$ 632,710	\$ 770,560
<b>Benefit obligation range of assumptions as of August 31</b>				
Discount rate	2.87% - 3.15%	2.81% - 3.06%	2.80% - 2.95%	2.75% - 2.89%
Rate of increase in compensation levels	2.91% - 5.00%	2.91% - 3.00%	N/A	N/A

The accumulated benefit obligation for the defined benefit pension plans is \$2,681,560 and \$2,623,658 at August 31, 2021 and 2020, respectively.

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**Net Periodic Benefit Cost**

	Defined Benefit Pension Plans		Postretirement Benefit Plans	
	2021	2020	2021	2020
<b>Components of net periodic benefit cost</b>				
Operating expense				
Service cost in salary and fringe	\$ 57,693	\$ 57,763	\$ 29,326	\$ 28,023
Nonoperating expense				
Interest cost	67,737	76,950	23,635	27,277
Expected return on plan assets	(137,365)	(131,654)	(10,329)	(9,420)
Amortization of prior service cost (credit)	2	2	92	(324)
Amortization of actuarial loss	37,422	42,677	10,768	14,865
One-time curtailment loss	-	-	1,761	-
Total non-service costs	(32,204)	(12,025)	25,927	32,398
Net periodic benefit cost	\$ 25,489	\$ 45,738	\$ 55,253	\$ 60,421
<b>Other changes recognized in net assets without donor restrictions</b>				
Actuarial net (gain) loss arising during period	\$ (195,473)	\$ 20,606	\$ (88,778)	\$ 56,792
Amortization of prior service (cost) credit	(2)	(2)	(2,174)	324
Amortization of actuarial loss	(37,422)	(42,677)	(10,768)	(14,865)
Prior service credit	-	-	(65,236)	-
Total changes in pension and postretirement obligations	\$ (232,897)	\$ (22,073)	\$ (166,956)	\$ 42,251
<b>Net periodic benefit cost range of assumptions</b>				
Discount rate	2.32% - 3.27%	2.74% - 3.25%	2.75% - 2.89%	3.09% - 3.15%
Rate of increase in compensation levels	2.91% - 3.00%	2.91% - 3.50%	N/A	N/A
Expected long-term rate of return on plan assets	6.00% - 7.00%	6.00% - 7.75%	6.00% - 7.00%	6.00% - 7.00%
Initial healthcare cost trend	N/A	N/A	4.75% - 7.80%	5.00% - 13.64%
Ultimate retiree health-care cost trend	N/A	N/A	4.50%	4.50%
Year ultimate trend rate is achieved	N/A	N/A	2024-2031	2024-2031

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, 2021. Actuarial losses were the result of changes in discount rates and plan experience for the year ended August 31, 2020.

Amounts not yet reflected in net periodic benefit cost and included in net assets without donor restrictions for the defined benefit pension plans totaled \$429,266 and \$740,384 for the years ended August 31, 2021 and 2020, respectively. Amounts not yet reflected in net periodic benefit cost and included in net assets without donor restrictions for the postretirement benefit plans totaled \$83,528 and \$250,163 for the years ended August 31, 2021 and 2020, respectively.

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**Plan Assets**

The following table presents the fair value of the defined benefit plan investments at August 31, 2021 and 2020 according to the asset categories defined in Note 5:

	<b>2021</b>			
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	<b>Total</b>
Public equity	\$ 1,037,161	\$ 339,858	\$ -	\$ 1,377,019
Fixed income	521,732	326,417	-	848,149
Real estate	20,865	-	-	20,865
Cash and other	108,076	-	-	108,076
	<u>\$ 1,687,834</u>	<u>\$ 666,275</u>	<u>\$ -</u>	<u>2,354,109</u>
Alternative investments measured at NAV as a practical expedient				<u>1,340</u>
				<u>\$ 2,355,449</u>
	<b>2020</b>			
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	<b>Total</b>
Public equity	\$ 939,266	\$ -	\$ -	\$ 939,266
Fixed income	448,639	159,249	-	607,888
Real estate	33,720	-	-	33,720
Cash and other	414,296	-	-	414,296
	<u>\$ 1,835,921</u>	<u>\$ 159,249</u>	<u>\$ -</u>	<u>1,995,170</u>
Alternative investments measured at NAV as a practical expedient				<u>3,687</u>
				<u>\$ 1,998,857</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.

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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. Working with our actuary, NYU management believes 6% - 7% is a reasonable estimate of long-term rates of return on plan assets for 2021 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, 2021 and 2020 according to the asset categories defined in Note 5:

	<b>2021</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Public equity	\$ 142,301	\$ -	\$ -	\$ 142,301
Fixed income	60,789	14,136	-	74,925
Cash and other	118	-	-	118
	<u>\$ 203,208</u>	<u>\$ 14,136</u>	<u>\$ -</u>	<u>\$ 217,344</u>

  

	<b>2020</b>			<b>Total</b>
	<b>Active Markets (Level 1)</b>	<b>Observable Inputs (Level 2)</b>	<b>Unobservable Inputs (Level 3)</b>	
Public equity	\$ 114,703	\$ -	\$ -	\$ 114,703
Fixed income	43,941	13,261	-	57,202
Cash and other	694	-	-	694
	<u>\$ 159,338</u>	<u>\$ 13,261</u>	<u>\$ -</u>	<u>\$ 172,599</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%.

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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 2021 and will continue to evaluate the actuarial assumptions and adjust them as necessary.

**Contributions**

NYU determines the annual contributions to the plan 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 2022 are \$47,568 and \$29,910, respectively.

**Benefit Payments**

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

<b>Year Ending August 31,</b>	<b>Defined Benefit Pension Plans</b>	<b>Postretirement Benefit Plans</b>
2022	\$ 97,652	\$ 29,854
2023	103,322	31,169
2024	109,040	32,625
2025	114,390	33,834
2026	120,225	35,541
2027-2031	676,925	203,882

**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.

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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, 2021 and 2020:

	2021	2020
1199 SEIU Health Care Employees Health & Welfare Fund	\$ 117,710	\$ 114,531
1199 SEIU Health Care Employees Pension Fund	55,369	54,072
United Federation of Teachers Welfare Fund	18,381	19,627
Local 810 United Wire, Metal & Machine Health & Welfare Fund	4,812	4,672
Local 810 United Wire, Metal & Machine Pension Fund	3,381	3,535
Local 30 Pension Fund	213	217
Local 153 Pension Fund	54	54
	<u>\$ 199,920</u>	<u>\$ 196,708</u>

The Pension Protection Act zone status indicates the 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 plan sponsor to implement a Funding Improvement Plan (FIP) or Rehabilitation Plan (RP). The following table includes information for related pension funds for the plan years ended December 31, 2020 and 2019.

Pension Plan Name	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status	Surcharge Imposed	Expiration Date of Collective-Bargaining Agreement
		2020	2019	Pending/Implemented		
1199 Pension Fund	13-3604862	Green	Green	N/A	No	September 2024
Local 810 United Wire Pension Fund	13-6596940	Red	Red	Yes	Yes	June 2024
Local 30 Pension Fund	51-6045848	Green	Green	N/A	No	June 2021
Local 153 Pension Fund	13-2864289	Red	Red	Yes	N/A	December 2020

NYU's contributions to the 1199 Pension Fund and the Local 810 United Wire Pension Fund represent greater than 5% of total plan contributions, based on the most recent Form 5500s available. NYU is in withdrawal status for the Local 153 Pension Fund with quarterly withdrawal payments continuing through 2033.

**15. Hospital Affiliations**

NYUGSoM has three affiliation agreements with the New York City Health and Hospitals Corporation to provide general care and mental health services. The three 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 and were effective from July 1, 2015 through June 30, 2020. The affiliation agreements were deemed to be extended on a month-to-month basis for the period July 1 2020 through June 30, 2021. NYUGSoM recognized revenues from these affiliation agreements of \$388,202 and \$351,095 for the years ended August 31, 2021 and 2020, 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

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Langone. NYU Langone Hospitals recognized revenue from these affiliation agreements of \$27,153 and \$26,074 for the years ended August 31, 2021 and 2020, 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. Non-clinical COVID-19 costs in non-operating activities of \$110,482 and \$16,601 are classified as institutional services for the years ended August 31, 2021 and 2020, respectively.

Expenses by functional classification for the years ended August 31, 2021 and 2020 consist of the following:

	2021						
	Instruction and Other Academic Programs	Research and Other Sponsored Programs	Patient Care	Student Services and Libraries	Auxiliary Enterprises	Institutional Services	Total
Salary and fringe	\$ 1,388,373	\$ 569,609	\$ 4,647,114	\$ 135,396	\$ 128,267	\$ 955,673	\$ 7,824,432
Medical and pharmaceutical costs	63	1,539	1,347,896	-	-	6,738	1,356,236
Professional services	119,623	31,859	228,967	15,032	47,355	158,406	601,242
Facilities costs	106,263	133,223	139,274	12,270	178,424	260,930	830,384
Fees, insurance and taxes	5,656	456	204,370	450	14,320	185,803	411,055
Depreciation and amortization expense	91,260	32,989	471,154	17,664	93,447	195,826	902,340
Interest expense	105,432	8,251	149,958	5,581	32,922	66,008	368,152
Other	97,312	163,674	182,240	45,661	9,304	214,166	712,357
	<u>\$ 1,913,982</u>	<u>\$ 941,600</u>	<u>\$ 7,370,973</u>	<u>\$ 232,054</u>	<u>\$ 504,039</u>	<u>\$ 2,043,550</u>	<u>\$ 13,006,198</u>
University	\$ 1,848,704	\$ 261,388	\$ 51,113	\$ 214,950	\$ 397,950	\$ 460,376	\$ 3,234,481
NYU Langone Health	65,278	680,212	7,319,860	17,104	111,075	1,590,167	9,783,696
	<u>\$ 1,913,982</u>	<u>\$ 941,600</u>	<u>\$ 7,370,973</u>	<u>\$ 232,054</u>	<u>\$ 509,025</u>	<u>\$ 2,050,543</u>	<u>13,018,177</u>
						Eliminations	(11,979)
							<u>\$ 13,006,198</u>

	2020						
	Instruction and Other Academic Programs	Research and Other Sponsored Programs	Patient Care	Student Services and Libraries	Auxiliary Enterprises	Institutional Services	Total
Salary and fringe	\$ 1,381,904	\$ 533,982	\$ 4,551,437	\$ 139,538	\$ 111,869	\$ 672,466	\$ 7,391,196
Medical and pharmaceutical costs	59	2,648	1,113,443	2	180	5,074	1,121,406
Professional services	129,957	32,857	281,163	16,932	56,537	176,420	693,866
Facilities costs	115,272	146,876	161,395	13,647	169,513	267,817	874,520
Fees, insurance and taxes	6,849	499	144,592	1,490	15,572	181,656	350,658
Depreciation and amortization expense	84,440	28,324	392,734	19,043	99,730	253,792	878,063
Interest expense	108,405	7,466	124,004	4,884	36,586	63,093	344,438
Other	171,193	138,889	333,804	57,019	17,920	215,373	934,198
	<u>\$ 1,998,079</u>	<u>\$ 891,541</u>	<u>\$ 7,102,572</u>	<u>\$ 252,555</u>	<u>\$ 507,907</u>	<u>\$ 1,835,691</u>	<u>\$ 12,588,345</u>
University	\$ 1,938,188	\$ 265,179	\$ 44,113	\$ 235,008	\$ 432,512	\$ 457,024	\$ 3,372,024
NYU Langone Health	59,891	626,362	7,058,459	17,547	79,865	1,384,994	9,227,118
	<u>\$ 1,998,079</u>	<u>\$ 891,541</u>	<u>\$ 7,102,572</u>	<u>\$ 252,555</u>	<u>\$ 512,377</u>	<u>\$ 1,842,018</u>	<u>12,599,142</u>
						Eliminations	(10,797)
							<u>\$ 12,588,345</u>

**New York University**  
**Notes to Consolidated Financial Statements**  
**August 31, 2021 and 2020**

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*(in thousands of dollars)*

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

Net assets with donor restrictions are available for the following purposes at August 31, 2021 and 2020:

	<b>2021</b>	<b>2020</b>
Scholarships and fellowships	\$ 1,597,392	\$ 1,210,111
Contributions and earnings for operating purposes	1,865,393	1,160,630
Faculty and staff salaries	838,654	818,516
Program support	578,566	543,505
FEMA award for mitigation	50,067	58,194
Annuity trust agreements	40,080	36,862
Contributions for buildings and equipment	34,463	35,434
Other	108,286	104,296
	<u>\$ 5,112,901</u>	<u>\$ 3,967,548</u>
Total net assets with donor restrictions		

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 \$2,565,794 and \$2,284,973 at August 31, 2021 and 2020, 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.

**New York University**  
**Notes to Consolidated Financial Statements**  
**August 31, 2021 and 2020**

(in thousands of dollars)

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, 2021 and 2020, 5 funds and 12 funds, respectively, with original gift values of \$350 and \$3,118 were underwater by \$34 and \$211.

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>2021</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Investment pool net assets, beginning of year</b>	\$ 1,593,729	\$ 3,111,869	\$ 4,705,598
Contributions	30,613	151,800	182,413
Investment pool return	395,546	791,618	1,187,164
Endowment distribution	(59,335)	(126,569)	(185,904)
Liquidations	(90,145)	(20,692)	(110,837)
Reclassification of net assets	(20,655)	20,655	-
<b>Investment pool net assets, end of year</b>	<b>\$ 1,849,753</b>	<b>\$ 3,928,681</b>	<b>\$ 5,778,434</b>
	<b>2020</b>		
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
<b>Investment pool net assets, beginning of year</b>	\$ 1,442,772	\$ 2,882,044	\$ 4,324,816
Contributions	72,393	110,273	182,666
Investment pool return	159,480	238,519	397,999
Endowment distribution	(55,762)	(118,967)	(174,729)
Liquidations	(25,154)	-	(25,154)
<b>Investment pool net assets, end of year</b>	<b>\$ 1,593,729</b>	<b>\$ 3,111,869</b>	<b>\$ 4,705,598</b>

**18. Commitments and Contingencies**

NYU Langone Hospitals provides emergency department (ED) services at the site of the former Long Island College Hospital ED pursuant to an agreement with the State University of New York (SUNY) and a real estate development company (the Company). Pursuant to the agreement with SUNY and the Company, following demolition and remediation of adjacent premises, SUNY will deed the cleared site to NYU Langone Hospitals at no cost and NYU Langone Hospitals will construct on the site a four-story medical services building including a freestanding ED. NYU

# New York University

## Notes to Consolidated Financial Statements

### August 31, 2021 and 2020

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*(in thousands of dollars)*

Langone Hospitals received the deed to the site on March 13, 2020. As of August 31, 2021, construction is underway and is expected to be completed in fiscal year 2023.

NYU has ongoing construction projects with contractual commitments totaling \$593,347 at August 31, 2021.

NYU is self-insured for workers' compensation. The University purchases an excess workers' compensation insurance policy with a retention of \$500 per claim. In connection with being self-insured, the University has maintained a surety bond in the amount of \$12,720 at August 31, 2021 and 2020. Additionally, NYU Langone Health has maintained stand-by letters of credit aggregating approximately \$63,540 and \$51,905 at August 31, 2021 and 2020, respectively.

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 13, 2021, which is the date the consolidated financial statements were issued.

**Appendix A**  
**Supplemental Schedules to the Consolidated Financial Statements**

**New York University**  
**Supplemental Schedule to the Consolidated Financial Statements**  
**(Consolidating Balance Sheet for NYU - Summary)**  
**August 31, 2021**

<i>(in thousands of dollars)</i>	2021			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<b>Assets</b>				
Cash and cash equivalents	\$ 1,476,606	\$ 1,863,589	\$ -	\$ 3,340,195
Short-term investments (Note 5)	193,532	-	-	193,532
Accounts and loans receivable, net (Note 6)	362,326	462,687	(66,484)	758,529
Patient accounts receivable, net (Note 4)	8,134	1,051,359	-	1,059,493
Contributions receivable, net (Note 7)	325,497	312,607	-	638,104
Other assets (Note 8)	294,423	781,008	-	1,075,431
Deposits with trustees (Note 9)	417,183	449,289	-	866,472
Long-term investments (Note 5)	4,441,775	2,652,091	-	7,093,866
Operating lease right to use asset (Note 11)	625,365	1,529,634	-	2,154,999
Assets held for professional liabilities (Note 13)	-	914,127	-	914,127
Land, buildings, and equipment, net (Note 10)	4,680,356	8,220,337	-	12,900,693
Total assets	<u>\$ 12,825,197</u>	<u>\$ 18,236,728</u>	<u>\$ (66,484)</u>	<u>\$ 30,995,441</u>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 455,436	\$ 2,388,820	\$ (66,484)	\$ 2,777,772
Deferred revenue	1,175,206	152,383	-	1,327,589
Operating lease liability (Note 11)	655,402	1,639,684	-	2,295,086
Professional liabilities (Note 13)	-	847,910	-	847,910
Debt and other obligations (Note 12)	4,237,015	5,403,896	-	9,640,911
Funds held for others (Notes 6 and 8)	168,944	364,179	-	533,123
Accrued benefit obligation (Note 14)	21,802	515,645	-	537,447
Accrued postretirement obligation (Note 14)	419,573	213,137	-	632,710
Asset retirement obligation	198,551	155,301	-	353,852
Total liabilities	<u>7,331,929</u>	<u>11,680,955</u>	<u>(66,484)</u>	<u>18,946,400</u>
<b>Net assets</b>				
Without donor restrictions	2,057,276	4,878,864	-	6,936,140
With donor restrictions (Note 17)	3,435,992	1,676,909	-	5,112,901
Total net assets	<u>5,493,268</u>	<u>6,555,773</u>	<u>-</u>	<u>12,049,041</u>
Total liabilities and net assets	<u>\$ 12,825,197</u>	<u>\$ 18,236,728</u>	<u>\$ (66,484)</u>	<u>\$ 30,995,441</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, 2020**

<i>(in thousands of dollars)</i>	2020			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<b>Assets</b>				
Cash and cash equivalents	\$ 1,401,155	\$ 1,819,674	\$ -	\$ 3,220,829
Short-term investments (Note 5)	2,452	-	-	2,452
Accounts and loans receivable, net (Note 6)	426,996	389,041	(112,257)	703,780
Patient accounts receivable, net (Note 4)	7,834	839,420	-	847,254
Contributions receivable, net (Note 7)	254,310	149,740	-	404,050
Other assets (Note 8)	267,198	672,745	-	939,943
Deposits with trustees (Note 9)	493,628	498,036	-	991,664
Long-term investments (Note 5)	3,573,177	1,912,496	-	5,485,673
Operating lease right to use asset (Note 11)	667,192	1,917,921	-	2,585,113
Assets held for professional liabilities (Note 13)	-	788,821	-	788,821
Land, buildings, and equipment, net (Note 10)	4,536,572	7,334,384	-	11,870,956
Total assets	<u>\$ 11,630,514</u>	<u>\$ 16,322,278</u>	<u>\$ (112,257)</u>	<u>\$ 27,840,535</u>
<b>Liabilities and Net Assets</b>				
<b>Liabilities</b>				
Accounts payable and accrued expenses	\$ 408,345	\$ 2,107,652	\$ (112,257)	\$ 2,403,740
Deferred revenue	833,494	177,731	-	1,011,225
Operating lease liability (Note 11)	689,830	2,041,453	-	2,731,283
Professional liabilities (Note 13)	-	770,741	-	770,741
Debt and other obligations (Note 12)	4,402,175	4,638,251	-	9,040,426
Funds held for others (Notes 6 and 8)	153,329	276,109	-	429,438
Accrued benefit obligation (Note 14)	88,371	719,485	-	807,856
Accrued postretirement obligation (Note 14)	507,195	263,365	-	770,560
Asset retirement obligation	188,487	88,516	-	277,003
Total liabilities	<u>7,271,226</u>	<u>11,083,303</u>	<u>(112,257)</u>	<u>18,242,272</u>
<b>Net assets</b>				
Without donor restrictions	1,650,857	3,979,858	-	5,630,715
With donor restrictions (Note 17)	2,708,431	1,259,117	-	3,967,548
Total net assets	<u>4,359,288</u>	<u>5,238,975</u>	<u>-</u>	<u>9,598,263</u>
Total liabilities and net assets	<u>\$ 11,630,514</u>	<u>\$ 16,322,278</u>	<u>\$ (112,257)</u>	<u>\$ 27,840,535</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, 2021**

	2021						
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Total Consolidated NYU
<b>Assets</b>							
Cash and cash equivalents	\$ 1,476,606	\$ 58,416	\$ -	\$ 1,535,022	\$ 1,805,173	\$ -	\$ 3,340,195
Short-term investments (Note 5)	193,532	-	-	193,532	-	-	193,532
Accounts and loans receivable, net (Note 6)	362,326	216,598	(47,137)	531,787	393,790	(167,048)	758,529
Patient accounts receivable, net (Note 4)	8,134	154,934	-	163,068	896,425	-	1,059,493
Contributions receivable, net (Note 7)	325,497	117,143	-	442,640	195,464	-	638,104
Other assets (Note 8)	294,423	408,412	-	702,835	372,596	-	1,075,431
Deposits with trustees (Note 9)	417,183	-	-	417,183	449,289	-	866,472
Long-term investments (Note 5)	4,441,775	1,315,669	-	5,757,444	1,336,422	-	7,093,866
Operating lease right to use asset (Note 11)	625,365	987,477	-	1,612,842	542,157	-	2,154,999
Assets held for professional liabilities (Note 13)	-	-	-	-	914,127	-	914,127
Land, buildings, and equipment, net (Note 10)	4,680,356	3,449,620	-	8,129,976	4,770,717	-	12,900,693
Total assets	<u>\$ 12,825,197</u>	<u>\$ 6,708,269</u>	<u>\$ (47,137)</u>	<u>\$ 19,486,329</u>	<u>\$ 11,676,160</u>	<u>\$ (167,048)</u>	<u>\$ 30,995,441</u>
<b>Liabilities and Net Assets</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ 455,436	\$ 930,761	\$ (47,137)	\$ 1,339,060	\$ 1,605,760	\$ (167,048)	\$ 2,777,772
Deferred revenue	1,175,206	37,102	-	1,212,308	115,281	-	1,327,589
Operating lease liability (Note 11)	655,402	1,053,265	-	1,708,667	586,419	-	2,295,086
Professional liabilities (Note 13)	-	-	-	-	847,910	-	847,910
Debt and other obligations (Note 12)	4,237,015	2,175,076	-	6,412,091	3,228,820	-	9,640,911
Funds held for others (Notes 6 and 8)	168,944	319,626	-	488,570	44,553	-	533,123
Accrued benefit obligation (Note 14)	21,802	-	-	21,802	515,645	-	537,447
Accrued postretirement obligation (Note 14)	419,573	119,513	-	539,086	93,624	-	632,710
Asset retirement obligation	198,551	52,193	-	250,744	103,108	-	353,852
Total liabilities	<u>7,331,929</u>	<u>4,687,536</u>	<u>(47,137)</u>	<u>11,972,328</u>	<u>7,141,120</u>	<u>(167,048)</u>	<u>18,946,400</u>
<b>Net assets</b>							
Without donor restrictions	2,057,276	718,483	-	2,775,759	4,160,381	-	6,936,140
With donor restrictions (Note 17)	3,435,992	1,302,250	-	4,738,242	374,659	-	5,112,901
Total net assets	<u>5,493,268</u>	<u>2,020,733</u>	<u>-</u>	<u>7,514,001</u>	<u>4,535,040</u>	<u>-</u>	<u>12,049,041</u>
Total liabilities and net assets	<u>\$ 12,825,197</u>	<u>\$ 6,708,269</u>	<u>\$ (47,137)</u>	<u>\$ 19,486,329</u>	<u>\$ 11,676,160</u>	<u>\$ (167,048)</u>	<u>\$ 30,995,441</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, 2020**

	2020						
<i>(in thousands of dollars)</i>	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Total Consolidated NYU
<b>Assets</b>							
Cash and cash equivalents	\$ 1,401,155	\$ 38,066	\$ -	\$ 1,439,221	\$ 1,781,608	\$ -	\$ 3,220,829
Short-term investments (Note 5)	2,452	-	-	2,452	-	-	2,452
Accounts and loans receivable, net (Note 6)	426,996	225,373	(92,429)	559,940	320,747	(176,907)	703,780
Patient accounts receivable, net (Note 4)	7,834	154,321	-	162,155	685,099	-	847,254
Contributions receivable, net (Note 7)	254,310	121,545	-	375,855	28,195	-	404,050
Other assets (Note 8)	267,198	298,737	-	565,935	374,008	-	939,943
Deposits with trustees (Note 9)	493,628	-	-	493,628	498,036	-	991,664
Long-term investments (Note 5)	3,573,177	1,037,665	-	4,610,842	874,831	-	5,485,673
Operating lease right to use asset (Note 11)	667,192	1,349,201	-	2,016,393	568,720	-	2,585,113
Assets held for professional liabilities (Note 13)	-	-	-	-	788,821	-	788,821
Land, buildings, and equipment, net (Note 10)	4,536,572	2,617,978	-	7,154,550	4,716,406	-	11,870,956
Total assets	<u>\$ 11,630,514</u>	<u>\$ 5,842,886</u>	<u>\$ (92,429)</u>	<u>\$ 17,380,971</u>	<u>\$ 10,636,471</u>	<u>\$ (176,907)</u>	<u>\$ 27,840,535</u>
<b>Liabilities and Net Assets</b>							
<b>Liabilities</b>							
Accounts payable and accrued expenses	\$ 408,345	\$ 766,849	\$ (92,429)	\$ 1,082,765	\$ 1,497,882	\$ (176,907)	\$ 2,403,740
Deferred revenue	833,494	34,973	-	868,467	142,758	-	1,011,225
Operating lease liability (Note 11)	689,830	1,435,300	-	2,125,130	606,153	-	2,731,283
Professional liabilities (Note 13)	-	-	-	-	770,741	-	770,741
Debt and other obligations (Note 12)	4,402,175	1,357,640	-	5,759,815	3,280,611	-	9,040,426
Funds held for others (Notes 6 and 8)	153,329	217,240	-	370,569	58,869	-	429,438
Accrued benefit obligation (Note 14)	88,371	-	-	88,371	719,485	-	807,856
Accrued postretirement obligation (Note 14)	507,195	152,531	-	659,726	110,834	-	770,560
Asset retirement obligation	188,487	36,542	-	225,029	51,974	-	277,003
Total liabilities	<u>7,271,226</u>	<u>4,001,075</u>	<u>(92,429)</u>	<u>11,179,872</u>	<u>7,239,307</u>	<u>(176,907)</u>	<u>18,242,272</u>
<b>Net assets</b>							
Without donor restrictions	1,650,857	730,112	-	2,380,969	3,249,746	-	5,630,715
With donor restrictions (Note 17)	2,708,431	1,111,699	-	3,820,130	147,418	-	3,967,548
Total net assets	<u>4,359,288</u>	<u>1,841,811</u>	<u>-</u>	<u>6,201,099</u>	<u>3,397,164</u>	<u>-</u>	<u>9,598,263</u>
Total liabilities and net assets	<u>\$ 11,630,514</u>	<u>\$ 5,842,886</u>	<u>\$ (92,429)</u>	<u>\$ 17,380,971</u>	<u>\$ 10,636,471</u>	<u>\$ (176,907)</u>	<u>\$ 27,840,535</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, 2021**

	2021			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 \$800,629 University; \$25,033 NYU Langone Health)	\$ 2,063,896	\$ 43,774	\$ -	\$ 2,107,670
Grants and contracts (Note 2)	579,655	552,457	-	1,132,112
Patient care (Note 4)	43,563	8,119,353	-	8,162,916
Hospital affiliations (Note 15)	-	415,355	-	415,355
Insurance premiums earned	-	106,708	-	106,708
Contributions	59,391	45,693	-	105,084
Endowment distribution (Note 5)	144,624	41,280	-	185,904
Return on short-term investments (Note 5)	4,607	28,845	-	33,452
Auxiliary enterprises (net of financial aid awards of \$47,077)	194,653	48,961	(4,987)	238,627
Program fees and other	209,876	708,943	(6,992)	911,827
Net assets released from restrictions	62,830	72,086	-	134,916
Total operating revenues	<u>3,363,095</u>	<u>10,183,455</u>	<u>(11,979)</u>	<u>13,534,571</u>
Expenses (Note 16)				
Salaries and fringe	1,961,502	5,862,930	-	7,824,432
Medical and pharmaceutical costs	-	1,356,236	-	1,356,236
Professional services	236,746	364,496	-	601,242
Facilities costs	336,813	498,558	(4,987)	830,384
Fees, insurance and taxes	42,964	368,091	-	411,055
Depreciation and amortization	260,942	641,398	-	902,340
Interest	155,781	212,371	-	368,152
Other	239,733	479,616	(6,992)	712,357
Total expenses	<u>3,234,481</u>	<u>9,783,696</u>	<u>(11,979)</u>	<u>13,006,198</u>
Excess of operating revenues over expenses	128,614	399,759	-	528,373
Nonoperating activities				
Investment return (Note 5)	341,080	232,017	-	573,097
Appropriation of endowment distribution (Note 5)	(51,076)	(8,259)	-	(59,335)
Pension and postretirement nonservice costs (Note 14)	(10,285)	16,562	-	6,277
Changes in pension and postretirement obligations (Note 14)	162,908	236,945	-	399,853
Net assets released from restrictions for capital	10,725	8,415	-	19,140
Non-clinical COVID costs (Note 2)	(110,482)	-	-	(110,482)
Other	(65,065)	13,567	-	(51,498)
Increase in net assets without donor restrictions	<u>406,419</u>	<u>899,006</u>	<u>-</u>	<u>1,305,425</u>
<b>Changes in net assets with donor restrictions</b>				
Contributions	299,776	306,337	-	606,113
Investment return (Note 5)	573,231	222,148	-	795,379
Appropriation of endowment distribution (Note 5)	(93,548)	(33,021)	-	(126,569)
Other	21,657	2,829	-	24,486
Net assets released from restrictions	(73,555)	(80,501)	-	(154,056)
Increase in net assets with donor restrictions	<u>727,561</u>	<u>417,792</u>	<u>-</u>	<u>1,145,353</u>
Increase in net assets	<u>\$ 1,133,980</u>	<u>\$ 1,316,798</u>	<u>\$ -</u>	<u>\$ 2,450,778</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, 2020**

	2020			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 \$687,068 University; \$24,922 NYU Langone Health)	\$ 2,068,912	\$ 39,653	\$ -	\$ 2,108,565
Grants and contracts (Note 2)	601,286	476,539	-	1,077,825
Patient care (Note 4)	36,450	7,211,566	-	7,248,016
Hospital affiliations (Note 15)	-	377,169	-	377,169
Insurance premiums earned	-	107,149	-	107,149
Contributions	66,701	84,693	-	151,394
Endowment distribution (Note 5)	135,927	38,802	-	174,729
Return on short-term investments (Note 5)	19,418	47,423	-	66,841
Auxiliary enterprises (net of financial aid awards of \$59,119)	262,798	68,480	(4,470)	326,808
Program fees and other	99,846	874,938	(6,327)	968,457
Net assets released from restrictions	79,021	81,603	-	160,624
Total operating revenues	<u>3,370,359</u>	<u>9,408,015</u>	<u>(10,797)</u>	<u>12,767,577</u>
Expenses (Note 16)				
Salaries and fringe	1,970,697	5,420,499	-	7,391,196
Medical and pharmaceutical costs	-	1,121,406	-	1,121,406
Professional services	262,024	431,842	-	693,866
Facilities costs	342,923	536,067	(4,470)	874,520
Fees, insurance and taxes	42,295	308,363	-	350,658
Depreciation and amortization	265,521	612,542	-	878,063
Interest	159,488	184,950	-	344,438
Other	329,076	611,449	(6,327)	934,198
Total expenses	<u>3,372,024</u>	<u>9,227,118</u>	<u>(10,797)</u>	<u>12,588,345</u>
(Deficiency) excess of operating revenues over expenses	(1,665)	180,897	-	179,232
Nonoperating activities				
Investment return (Note 5)	134,163	70,462	-	204,625
Appropriation of endowment distribution (Note 5)	(47,882)	(7,880)	-	(55,762)
Pension and postretirement nonservice costs (Note 14)	(21,190)	817	-	(20,373)
Changes in pension and postretirement obligations (Note 14)	(40,423)	20,245	-	(20,178)
Net assets released from restrictions for capital	20,725	13,492	-	34,217
Non-clinical COVID costs (Note 2)	(16,601)	-	-	(16,601)
Other	(7,224)	1,958	-	(5,266)
Increase in net assets without donor restrictions	<u>19,903</u>	<u>279,991</u>	<u>-</u>	<u>299,894</u>
<b>Changes in net assets with donor restrictions</b>				
Contributions	156,649	167,950	-	324,599
Investment return (Note 5)	172,816	67,344	-	240,160
Appropriation of endowment distribution (Note 5)	(88,045)	(30,922)	-	(118,967)
Other	(10,412)	(2,137)	-	(12,549)
Net assets released from restrictions	(99,746)	(95,095)	-	(194,841)
Increase in net assets with donor restrictions	<u>131,262</u>	<u>107,140</u>	<u>-</u>	<u>238,402</u>
Increase in net assets	<u>\$ 151,165</u>	<u>\$ 387,131</u>	<u>\$ -</u>	<u>\$ 538,296</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, 2021**

	2021						Total Consolidated NYU
<i>(in thousands of dollars)</i>	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 \$800,629 University; and \$25,033 NYU Langone Health)	\$ 2,063,896	\$ 43,556	\$ -	\$ 2,107,452	\$ 218	\$ -	\$ 2,107,670
Grants and contracts (Note 2)	579,655	528,718	-	1,108,373	23,739	-	1,132,112
Patient care (Note 4)	43,563	2,771,573	-	2,815,136	6,168,438	(820,658)	8,162,916
Hospital affiliations (Note 15)	-	388,202	-	388,202	27,153	-	415,355
Insurance premiums earned	-	-	-	-	106,708	-	106,708
Contributions	59,391	37,032	-	96,423	8,661	-	105,084
Endowment distribution (Note 5)	144,624	39,865	-	184,489	1,415	-	185,904
Return on short-term investments (Note 5)	4,607	-	-	4,607	28,845	-	33,452
Auxiliary enterprises (net of financial aid awards of \$47,077)	194,653	25,683	(4,987)	215,349	23,278	-	238,627
Program fees and other	209,876	337,173	(6,992)	540,057	679,019	(307,249)	911,827
Net assets released from restrictions	62,830	54,805	-	117,635	17,281	-	134,916
Total operating revenues	<u>3,363,095</u>	<u>4,226,607</u>	<u>(11,979)</u>	<u>7,577,723</u>	<u>7,084,755</u>	<u>(1,127,907)</u>	<u>13,534,571</u>
Expenses (Note 16)							
Salaries and fringe	1,961,502	3,198,530	-	5,160,032	2,708,229	(43,829)	7,824,432
Medical and pharmaceutical costs	-	83,887	-	83,887	1,272,349	-	1,356,236
Professional services	236,746	142,476	-	379,222	1,217,337	(995,317)	601,242
Facilities costs	336,813	265,348	(4,987)	597,174	233,210	-	830,384
Fees, insurance and taxes	42,964	229,609	-	272,573	138,482	-	411,055
Depreciation and amortization	260,942	220,015	-	480,957	421,383	-	902,340
Interest	155,781	83,560	-	239,341	128,811	-	368,152
Other	239,733	191,845	(6,992)	424,586	376,532	(88,761)	712,357
Total expenses	<u>3,234,481</u>	<u>4,415,270</u>	<u>(11,979)</u>	<u>7,637,772</u>	<u>6,496,333</u>	<u>(1,127,907)</u>	<u>13,006,198</u>
Excess (deficiency) of operating revenues over expenses	128,614	(188,663)	-	(60,049)	588,422	-	528,373
Nonoperating activities							
Investment return (Note 5)	341,080	58,211	-	399,291	173,806	-	573,097
Appropriation of endowment distribution (Note 5)	(51,076)	(8,106)	-	(59,182)	(153)	-	(59,335)
Pension and postretirement nonservice costs (Note 14)	(10,285)	(7,977)	-	(18,262)	24,539	-	6,277
Changes in pension and postretirement obligations (Note 14)	162,908	44,706	-	207,614	192,239	-	399,853
Net assets released from restrictions for capital	10,725	4,574	-	15,299	3,841	-	19,140
Non-clinical COVID costs (Note 2)	(110,482)	-	-	(110,482)	-	-	(110,482)
Other	(65,065)	35,626	-	(29,439)	(22,059)	-	(51,498)
Mission based payment	-	50,000	-	50,000	(50,000)	-	-
Increase (decrease) in net assets without donor restrictions	<u>406,419</u>	<u>(11,629)</u>	<u>-</u>	<u>394,790</u>	<u>910,635</u>	<u>-</u>	<u>1,305,425</u>
<b>Changes in net assets with donor restrictions</b>							
Contributions	299,776	86,427	-	386,203	219,910	-	606,113
Investment return (Note 5)	573,231	210,854	-	784,085	11,294	-	795,379
Appropriation of endowment distribution (Note 5)	(93,548)	(31,759)	-	(125,307)	(1,262)	-	(126,569)
Other	21,657	(15,592)	-	6,065	18,421	-	24,486
Net assets released from restrictions	(73,555)	(59,379)	-	(132,934)	(21,122)	-	(154,056)
Increase in net assets with donor restrictions	<u>727,561</u>	<u>190,551</u>	<u>-</u>	<u>918,112</u>	<u>227,241</u>	<u>-</u>	<u>1,145,353</u>
Increase in net assets	<u>\$ 1,133,980</u>	<u>\$ 178,922</u>	<u>\$ -</u>	<u>\$ 1,312,902</u>	<u>\$ 1,137,876</u>	<u>\$ -</u>	<u>\$ 2,450,778</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, 2020**

	2020						Total
(in thousands of dollars)	University	NYU Schools of Medicine	Eliminations	Subtotal	Health System	Eliminations	Consolidated NYU
<b>Changes in net assets without donor restrictions</b>							
Operating revenues							
Tuition and fees (net of financial aid awards of \$687,068 University; and \$24,922 NYU Langone Health)	\$ 2,068,912	\$ 39,231	\$ -	\$ 2,108,143	\$ 422	\$ -	\$ 2,108,565
Grants and contracts (Note 2)	601,286	434,915	-	1,036,201	41,624	-	1,077,825
Patient care (Note 4)	36,450	2,502,857	-	2,539,307	5,578,852	(870,143)	7,248,016
Hospital affiliations (Note 15)	-	351,095	-	351,095	26,074	-	377,169
Insurance premiums earned	-	-	-	-	107,149	-	107,149
Contributions	66,701	40,050	-	106,751	44,643	-	151,394
Endowment distribution (Note 5)	135,927	37,542	-	173,469	1,260	-	174,729
Return on short-term investments (Note 5)	19,418	(476)	-	18,942	47,899	-	66,841
Auxiliary enterprises (net of financial aid awards of \$59,119)	262,798	24,382	(4,470)	282,710	44,098	-	326,808
Program fees and other	99,846	403,723	(6,327)	497,242	836,981	(365,766)	968,457
Net assets released from restrictions	79,021	60,278	-	139,299	21,325	-	160,624
<b>Total operating revenues</b>	<b>3,370,359</b>	<b>3,893,597</b>	<b>(10,797)</b>	<b>7,253,159</b>	<b>6,750,327</b>	<b>(1,235,909)</b>	<b>12,767,577</b>
Expenses (Note 16)							
Salaries and fringe	1,970,697	2,917,666	-	4,888,363	2,523,634	(20,801)	7,391,196
Medical and pharmaceutical costs	-	67,812	-	67,812	1,053,594	-	1,121,406
Professional services	262,024	118,739	-	380,763	1,399,218	(1,086,115)	693,866
Facilities costs	342,923	279,239	(4,470)	617,692	256,828	-	874,520
Fees, insurance and taxes	42,295	164,485	-	206,780	143,878	-	350,658
Depreciation and amortization	265,521	183,457	-	448,978	429,085	-	878,063
Interest	159,488	62,278	-	221,766	122,672	-	344,438
Other	329,076	260,323	(6,327)	583,072	480,119	(128,993)	934,198
<b>Total expenses</b>	<b>3,372,024</b>	<b>4,053,999</b>	<b>(10,797)</b>	<b>7,415,226</b>	<b>6,409,028</b>	<b>(1,235,909)</b>	<b>12,588,345</b>
(Deficiency) excess of operating revenues over expenses	(1,665)	(160,402)	-	(162,067)	341,299	-	179,232
Nonoperating activities							
Investment return (Note 5)	134,163	18,596	-	152,759	51,866	-	204,625
Appropriation of endowment distribution (Note 5)	(47,882)	(7,731)	-	(55,613)	(149)	-	(55,762)
Pension and postretirement nonservice costs (Note 14)	(21,190)	(5,830)	-	(27,020)	6,647	-	(20,373)
Changes in pension and postretirement obligations (Note 14)	(40,423)	14,435	-	(25,988)	5,810	-	(20,178)
Net assets released from restrictions for capital	20,725	7,180	-	27,905	6,312	-	34,217
Non-clinical COVID costs (Note 2)	(16,601)	-	-	(16,601)	-	-	(16,601)
Other	(7,224)	67,231	-	60,007	(65,273)	-	(5,266)
Mission based payment	-	50,000	-	50,000	(50,000)	-	-
<b>Increase (decrease) in net assets without donor restrictions</b>	<b>19,903</b>	<b>(16,521)</b>	<b>-</b>	<b>3,382</b>	<b>296,512</b>	<b>-</b>	<b>299,894</b>
<b>Changes in net assets with donor restrictions</b>							
Contributions	156,649	102,403	-	259,052	65,547	-	324,599
Investment return (Note 5)	172,816	65,341	-	238,157	2,003	-	240,160
Appropriation of endowment distribution (Note 5)	(88,045)	(29,811)	-	(117,856)	(1,111)	-	(118,967)
Other	(10,412)	(3,587)	-	(13,999)	1,450	-	(12,549)
Net assets released from restrictions	(99,746)	(67,458)	-	(167,204)	(27,637)	-	(194,841)
<b>Increase in net assets with donor restrictions</b>	<b>131,262</b>	<b>66,888</b>	<b>-</b>	<b>198,150</b>	<b>40,252</b>	<b>-</b>	<b>238,402</b>
<b>Increase in net assets</b>	<b>\$ 151,165</b>	<b>\$ 50,367</b>	<b>\$ -</b>	<b>\$ 201,532</b>	<b>\$ 336,764</b>	<b>\$ -</b>	<b>\$ 538,296</b>

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, 2021**

	2021			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
<b>Cash flows from operating activities</b>				
Change in net assets	\$ 1,133,980	\$ 1,316,798	\$ -	\$ 2,450,778
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	260,942	641,398	-	902,340
Loss on sale or disposal of land, buildings and equipment	292	69	-	361
Net gain on investments and deposits with trustees	(882,330)	(446,272)	-	(1,328,602)
Bad debt expense	19,131	2,399	-	21,530
Pension and postretirement obligation change	(162,908)	(236,945)	-	(399,853)
Contributions received for permanent investment and capital	(83,773)	(35,966)	-	(119,739)
Proceeds from insurance recovery for capital and FEMA award for future mitigation	-	(4,793)	-	(4,793)
Amortization of operating right to use assets	105,555	162,120	-	267,675
Changes in operating assets and liabilities				
Decrease (increase) in accounts and loans receivable, net	54,587	(102,823)	(45,773)	(94,009)
Increase in patient accounts receivable	(300)	(211,939)	-	(212,239)
Increase in nonendowment and noncapital contributions receivable	(80,234)	(165,266)	-	(245,500)
Increase in other assets	(5,815)	(25,176)	-	(30,991)
Decrease in asset retirement obligation	-	(980)	-	(980)
Increase in accounts payable and accrued expenses	45,102	257,976	45,773	348,851
Decrease in operating lease liability	(98,156)	(142,338)	-	(240,494)
Increase in professional liabilities	-	77,169	-	77,169
Increase (decrease) in deferred revenue	341,712	(25,348)	-	316,364
Decrease in accrued benefit obligation	(2,633)	(34,879)	-	(37,512)
Increase in accrued postretirement obligation	11,349	17,756	-	29,105
Net cash provided by operating activities	<u>656,501</u>	<u>1,042,960</u>	<u>-</u>	<u>1,699,461</u>
<b>Cash flows from investing activities</b>				
Purchases of investments	(1,786,404)	(2,452,455)	-	(4,238,859)
Sales and maturities of investments	1,439,265	2,227,830	-	3,667,095
Drawdowns of unexpended bond proceeds	376,744	-	-	376,744
Additions to land, buildings, and equipment	(412,692)	(630,737)	-	(1,043,429)
Proceeds from insurance recovery for capital	-	100	-	100
Net cash used in investing activities	<u>(383,087)</u>	<u>(855,262)</u>	<u>-</u>	<u>(1,238,349)</u>
<b>Cash flows from financing activities</b>				
Contributions restricted for permanent investment and capital	83,773	35,966	-	119,739
Proceeds from FEMA award for future mitigation	-	4,693	-	4,693
Proceeds from short-term borrowings	200,000	-	-	200,000
Proceeds from long-term borrowings	246,932	88,370	-	335,302
Principal payments on long-term borrowings	(141,024)	(135,561)	-	(276,585)
Line of credit repayments	(450,000)	-	-	(450,000)
Payments of deferred financing costs	(1,153)	-	-	(1,153)
Decrease in funds held for others	(5,983)	-	-	(5,983)
Net cash used in financing activities	<u>(67,455)</u>	<u>(6,532)</u>	<u>-</u>	<u>(73,987)</u>
Net increase in cash	205,959	181,166	-	387,125
<b>Cash, cash equivalents and restricted cash</b>				
Beginning of year	1,505,655	2,037,415	-	3,543,070
End of year	<u>\$ 1,711,614</u>	<u>\$ 2,218,581</u>	<u>\$ -</u>	<u>\$ 3,930,195</u>
<b>Supplemental disclosure of cash flow information</b>				
Interest paid	\$ 160,531	\$ 226,535	\$ -	\$ 387,066
Change in noncash acquisitions of land, buildings, and equipment	1,989	(119,918)	-	(117,929)
Right-of-use assets obtained				
In exchange for new operating lease obligations	34,846	113,668	-	148,514
In exchange for new finance lease obligations	843	808,975	-	809,818

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, 2020**

	2020			Consolidated NYU
	University	NYU Langone Health	Eliminations	
<i>(in thousands of dollars)</i>				
<b>Cash flows from operating activities</b>				
Change in net assets	\$ 151,165	\$ 387,131	\$ -	\$ 538,296
Adjustments to reconcile change in net assets to net cash provided by operating activities				
Depreciation and amortization	265,522	612,542	-	878,064
Loss on sale or disposal of land, buildings and equipment	236	32	-	268
Loss on extinguishment of debt	7,037	1,386	-	8,423
Net gain on investments and deposits with trustees	(246,515)	(147,610)	-	(394,125)
Bad debt expense	17,108	3,037	-	20,145
Pension and postretirement obligation change	40,423	(20,245)	-	20,178
Contributions received for permanent investment and capital	(52,520)	(83,362)	-	(135,882)
Proceeds from insurance recovery for capital and FEMA award for future mitigation	-	(28,893)	-	(28,893)
Amortization of operating right to use assets	93,427	178,306	-	271,733
Changes in operating assets and liabilities				
(Increase) decrease in accounts and loans receivable, net	(36,393)	88,939	10,463	63,009
Decrease in patient accounts receivable	1,447	124,484	-	125,931
Decrease in nonendowment and noncapital contributions receivable	33,539	31,528	-	65,067
(Increase) decrease in other assets	(20,563)	77,877	-	57,314
Decrease in asset retirement obligation	-	(17,177)	-	(17,177)
Increase in accounts payable and accrued expenses	22,679	462,374	(10,463)	474,590
Decrease in operating lease liability	(89,696)	(152,737)	-	(242,433)
Increase in professional liabilities	-	53,460	-	53,460
Decrease in deferred revenue	(37,736)	(19,474)	-	(57,210)
Increase (decrease) in accrued benefit obligation	6,355	(61,167)	-	(54,812)
Increase in accrued postretirement obligation	29,984	14,528	-	44,512
Net cash provided by operating activities	185,499	1,504,959	-	1,690,458
<b>Cash flows from investing activities</b>				
Purchases of investments	(1,320,843)	(2,334,908)	-	(3,655,751)
Sales and maturities of investments	1,322,182	1,320,014	-	2,642,196
Drawdowns of unexpended bond proceeds	383,409	-	-	383,409
Additions to land, buildings, and equipment	(497,227)	(414,876)	-	(912,103)
Proceeds from sale of building	-	2,704	-	2,704
Proceeds from insurance recovery for capital	-	1,379	-	1,379
Net cash used in investing activities	(112,479)	(1,425,687)	-	(1,538,166)
<b>Cash flows from financing activities</b>				
Contributions restricted for permanent investment and capital	52,520	52,462	-	104,982
Proceeds from FEMA award for future mitigation	-	27,514	-	27,514
Proceeds from short-term borrowings	250,000	-	-	250,000
Proceeds from long-term borrowings	384,355	1,107,559	-	1,491,914
Principal payments on long-term borrowings	(464,913)	(244,325)	-	(709,238)
Line of credit repayments	-	(336,519)	-	(336,519)
Payments of deferred financing costs	(1,672)	(2,087)	-	(3,759)
Decrease in funds held for others	(14,890)	-	-	(14,890)
Net cash provided by financing activities	205,400	604,604	-	810,004
Net increase in cash	278,420	683,876	-	962,296
<b>Cash, cash equivalents and restricted cash</b>				
Beginning of year	1,227,235	1,353,539	-	2,580,774
End of year	\$ 1,505,655	\$ 2,037,415	\$ -	\$ 3,543,070
<b>Supplemental disclosure of cash flow information</b>				
Interest paid	\$ 164,841	\$ 183,089	\$ -	\$ 347,930
Change in noncash acquisitions of land, buildings, and equipment	19,540	(1,321)	-	18,219
Right-of-use assets obtained				
In exchange for new operating lease obligations	57,793	198,360	-	256,153
In exchange for new finance lease obligations	164,547	234,645	-	399,192

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

**New York University**  
**Note to Consolidating Supplemental Schedules**  
**August 31, 2021 and 2020**

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

The consolidating supplemental schedules (consolidating information) presented on pages 47-56 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.