[illegible]
[illegible]
[illegible]

[illegible]

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Yeshiva University and its subsidiaries as of June 30, 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.

PricewaterhouseCoopers LLP

New York, New York
December 23, 2021

[illegible]
[illegible] [illegible]
[illegible]

(in thousands of dollars)	[illegible]	[illegible]
[illegible]		
Cash and cash equivalents	$ 25,953	$ 26,702
Student receivables, net (Note 6)	35,825	38,018
Contribution receivables, net (Note 6)	83,063	52,295
Other assets and receivables (Note 6)	68,746	61,121
Investments, at fair value (Note 4)	646,998	498,769
Investments held for AECOM (Notes 4 and 11)	34,015	35,972
Investments held for unconsolidated organizations (Note 4)	167,396	131,307
Trusts and split-interest agreements held by others	13,742	11,241
Land, buildings and equipment, net (Note 7)	176,023	181,478
Total assets	$ 1,251,761	$ 1,036,903
[illegible]		
Liabilities		
Accounts payable and accrued expenses	$ 31,278	$ 31,086
Deferred revenue	4,986	5,074
Other liabilities	16,767	13,500
Refundable advances from the U.S. Government	3,224	4,598
Bonds payable and other debt (Note 9)	273,655	279,153
Other obligations (Note 6)	56,819	-
Asset retirement obligations (Note 10)	9,171	9,122
Due to AECOM (Note 11)	39,590	41,577
Investments held for unconsolidated organizations (Note 4)	167,396	131,307
Total liabilities	602,886	515,417
Contingencies (Note 16)		
Net assets		
Without donor restrictions	(53,877)	(47,279)
With donor restrictions (Note 15)	702,752	568,765
Total net assets	648,875	521,486
Total liabilities and net assets	$ 1,251,761	$ 1,036,903

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

[illegible]

[illegible]

[illegible]

(in thousands of dollars)		[illegible]		[illegible]
[illegible]				
Change in net assets	$	127,389	$	(33,217)
Adjustments to reconcile change in net assets to net cash used in operating activities				
Realized and unrealized gain on investments		(139,962)		(23,062)
Unrealized gain in irrevocable charitable remainder trusts		(102)		(10)
Realized and unrealized gain on investments held for unconsolidated organizations		(38,302)		(4,533)
Unrealized gain in irrevocable charitable remainder trusts held for unconsolidated organizations		(25)		(5)
Noncash contributions received		(3,065)		(136)
Proceeds from sale of donated securities		1,544		71
Depreciation, accretion, and amortization expense		13,483		13,294
Change in trusts and split-interest agreements held by others		(2,501)		403
Present value adjustments to receivables		993		(384)
Provision for uncollectible loans and receivables		2,361		13,264
Contributions restricted for long-term investment		(19,968)		(4,676)
Contributions restricted for investment in plant assets		(374)		(592)
Changes in operating assets and liabilities				
Receivables and other assets		(26,203)		(8,044)
Accounts payable and accrued expenses		642		1,057
Deferred revenue, trusts held for others, other liabilities and asset retirement obligations		38,677		282
Net cash used in operating activities		(45,413)		(46,288)

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

(in thousands of dollars)

1 [illegible]

Yeshiva University (the "University") is a private, nonprofit institution of higher education primarily based in New York City. The University was founded in 1886 as the Rabbi Isaac Elchanan Theological Seminary ("RIETS"), with which it is still affiliated, and was chartered as a separate University in 1945. The University brings together the heritage of western civilization and the ancient traditions of Jewish law and life.

The University is comprised of several colleges and schools providing undergraduate, graduate, professional, and post-doctoral education and training. The University's undergraduate education includes Jewish Studies (the Robert M. Beren Department of Jewish Studies and the Rebecca Ivry Department of Jewish Studies), Yeshiva College, Stern College for Women, Sy Syms School of Business, Katz School of Science and Health, and the S. Daniel Abraham Israel Program in Israel. Graduate and professional education is provided at the affiliated Albert Einstein College of Medicine ("Einstein") (Note 1), and at its Benjamin N. Cardozo School of Law ("Cardozo"), Sy Syms School of Business, Wurzweiler School of Social Work, Ferkauf Graduate School of Psychology ("Ferkauf"), Azrieli Graduate School of Jewish Education and Administration, Bernard Revel Graduate School of Jewish Studies, and the Katz School of Science and Health. The University provides instruction to approximately 5,400 undergraduate, graduate and professional students.

The University is accredited by the Middle States Association of Colleges and Schools, Einstein is accredited by the Liaison Committee on Medical Education, and Cardozo is accredited by the American Bar Association. The other academic programs are accredited by appropriate state and professional accrediting agencies and associations.

The University has three Manhattan campuses: the Wilf Campus located in the Washington Heights section, the Israel Henry Beren Campus located in the Murray Hill section, and the Brookdale Center located in the Greenwich Village section. Ferkauf is located in a building in the Bronx, Einstein's is on the Jack and Pearl Resnick Campus in the Bronx. The Wilf Campus, Beren Campus and the Brookdale Center, together with Ferkauf, comprise the Manhattan Campuses. The University operates a museum in New York City and is associated with programs in Israel and Canada.

The University derives its revenues principally from student tuition and fees, government appropriations, contributions, and investment earnings. Additional support is generated through auxiliary activities carried out by the University, such as dining services and residence facilities. The University spends these resources in support of its instructional and research mission.

[illegible]

Consolidated Organizations

There are several entities (the "Consolidated Organizations") that are controlled by the University for which it provides various administrative services. The financial results of the Consolidated Organizations are consolidated for financial statement reporting purposes.

The Yeshiva Endowment Foundation, Inc. (the "Foundation") was formed in 1927 as a separate not-for-profit corporation organized for the benefit of the University and its affiliate, RIETS. Control of the Foundation is vested in a Board of Directors, all of whom are members of the University's Board of Trustees (the "Board of Trustees"). The Foundation includes five wholly owned, for-profit real estate corporations.

(in thousands of dollars)

under the related state provisions. The University is subject to the unrelated business income tax on revenue generated by activities unrelated to its tax-exempt mission of education and research, primarily from income generated by certain investments. For the years ended June 30, 2021 and 2020, the University generated net unrelated trade or business income/(loss) of ($593) and ($691), respectively. As of June 30, 2021, the University

(in thousands of dollars)

as meal plans and room and board which are included in auxiliary revenue in the Consolidated Statements of Activities; however the recognition process mirrors that for tuition and fees. Tuition and fee revenues are reported net of scholarships and transfers to AECOM. Scholarships are provided to offset tuition and fees and are either merit or need based. Tuition and fees and room and board revenues are supported by separate contracts entered between the University and the individual student.

Tuition and fees and room and board revenues are recognized as operating revenue in the period in which the University satisfies its performance obligations to its students. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of accounting in ASC Topic 606. The University's performance obligations are to provide education to the student and, in certain instances, other items such as room and board. The University recognizes tuition and fees, and room and board on a straight-line basis over each academic session based on gross price, net of explicit price concessions such as financial aid grants which are applied to tuition and fees. The value that is recognized for each performance obligation is set forth in a publicly available University fee schedule and is identified in the individual contracts with each student. Individual contracts for tuition and fees, and room and board display the transaction price on a standalone basis for each service to be provided to each specific student. Additionally, the contract contains the price adjustment in the form of financial aid grants that are being awarded to the student. Given the timing of each year's academic semesters, nearly all performance obligations on behalf of the University are completed within the fiscal year.

The timing(s) of billings, cash collections and revenue recognition results in accounts receivable and deferred revenue and student deposits on the Consolidated Statements of Financial Position.

(in thousands of dollars)

to be received within one year are discounted at a risk-adjusted rate that includes a premium for credit risk, if any. In addition, provisions for uncollectible contribution receivables that are related to pledges with donor restrictions are presented under nonoperating activities.

[illegible]

Other revenue consists of government awarded grants and contracts, income from the Jack D. Weiler Hospital of Albert Einstein College of Medicine (‘WHAECOM”) lease and other program

(in thousands of dollars)

cash equivalents and restricted cash. At times, cash in banks may exceed Federal Deposit Insurance Corporation ("FDIC") insured limits. Management believes that the credit risk to these deposits is minimal.

[illegible]

Student receivables are recorded when billed to the student. Student receivables are reduced by an allowance for doubtful accounts. The process for estimating the ultimate collection of receivables involves significant assumptions and judgments. Account balances are written off against the allowance when management determines it is probable the receivable will not be recovered. Historical collection is an integral part of the estimation process related to the allowance for uncollectible accounts. Revisions in allowance for doubtful accounts estimates are recorded as an adjustment to the provision for bad debts.

[illegible]

The University manages a variety of internal loan programs. Student loans are classified as net assets with donor restrictions. Interest earned on institutional loan programs is reinvested to support additional loans. The repayment and interest rate terms of the institutional loans vary considerably.

[illegible]

The University's split-interest agreements with donors consist primarily of irrevocable charitable remainder trusts for which the University serves as trustee. The fair value of trusts and split-interest agreements are categorized as Level 3 within the fair value hierarchy. Contribution revenue is recognized at the date that the trusts are established, after recording liabilities for the present value of the estimated future payments to be made to the donors and/or other beneficiaries. The liabilities are adjusted during the term of the trusts for changes in the value of the assets, accretion of the discount, and other changes in the estimates of future benefits.

The University is the beneficiary of certain perpetual trusts and other split-interest agreements held and administered by others. The present value of the estimated future cash receipts from the trusts and agreements is recognized as an asset and as a contribution when the University is notified that the trusts or agreements have been funded. Distributions from the trusts greater than the estimated present value are recorded as contributions and the carrying value of the assets is

(in thousands of dollars)

[illegible]

Funds provided by the U.S. Government under the Federal Perkins Loan program are loaned to eligible students and may be re-loaned after collection. These funds are ultimately refundable to the U.S. Government and are presented in the Consolidated Statements of Financial Position as a liability. The Perkins Loan Program was not reauthorized by the federal government in September 2017, and therefore, collected funds will be returned to the U.S. Government and the University proportionate to their original funding.

[illegible]

The University values certain financial and nonfinancial assets and liabilities by applying the FASB pronouncement on *Fair Value Measurements.* The pronouncement defines fair value and establishes a framework for measuring fair value that includes a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (an exit price). The hierarchy has three levels based on inputs that market participants would use in valuing the asset or liability based on market data obtained from sources independent of the University as follows:

Level 1 Unadjusted quoted market prices in active markets for identical assets or liabilities.

Level 2 Unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or inputs other than quoted prices that are observable.

Level 3 Unobservable inputs for the asset or liability.

Inputs broadly refer to the assumptions that market participants use to make valuation decisions, including assumptions about risk. Inputs may include price information, volatility statistics, specific and broad credit data, liquidity statistics and other factors. The University is required by the pronouncement to maximize the use of observable inputs (Levels 1 and 2) and minimize the use of unobservable inputs (Level 3). The University considers observable data to be that market data which is readily available, regularly distributed or updated, reliable and verifiable, provided by independent sources that are actively involved in the relevant market, and not proprietary. The categorization of a financial instrument within the hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the University's perceived risk of that instrument.

Assets and liabilities are disclosed in the Notes to Consolidated Financial Statements within the hierarchy based on the lowest (or least observable) input that is significant to the measurement. The University's assessment of the significance of an input requires judgment, which may affect the valuation and categorization within the fair value hierarchy. The fair value of assets and liabilities using Level 3 inputs are generally determined by using pricing models, discounted cash flow methods or calculated Net Asset Value ("NAV"), which all require significant management judgment or estimation.

As a practical expedient, the University is permitted, under the pronouncement, to estimate the fair value of an investment in an investment company at the measurement date using the reported NAV. Adjustment is required if the University expects to sell the investment at a value other than NAV or if NAV is not calculated in accordance with GAAP. All investments for which fair value is

(in thousands of dollars)

another systematic and rational basis. Adoption did not have a material impact on the University's consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, Fair Value Measurement. The new guidance simplifies fair value measurement disclosures through the removal and modification of a number of investment related disclosure requirements. Certain disclosures are no longer required including amount of and reasons for transfers between Levels 1 and 2; policy for timing of transfers between level and valuation processes for Level 3 investments. The ASU is effective for fiscal year 2021 for the University. Adoption did not have a material impact on the University's consolidated financial statements.

[illegible]

In September 2020, the FASB issued ASU No. 2020-07, Not-for-Profit Entities (Topic 958, Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets. The ASU amends financial reporting requirements in Topic 958, Not-for-Profit Entities by providing new presentation and disclosures requirements about contributed nonfinancial assets for not-for-profit entities. This ASU is effective for fiscal years beginning after June 15, 2021. The University is evaluating the impact of the new standard on the University's consolidated financial statements.

[illegible]

Certain previously reported amounts in the fiscal year 2020 consolidated financial statements have been reclassified in order to conform to fiscal year 2021 presentation.

3 [illegible]

As part of the University's liquidity management strategy, the University structures its financial assets to be available to meet cash needs for general expenditures, liabilities, and other obligations as they come due. A significant portion of the University's annual expenditures are funded by operating revenues in the current year including tuition and fees, endowment support, auxiliary enterprises, gifts for current use and other revenues.

The University routinely monitors liquidity required to meet its ongoing operating needs and commitments while striving to maximize the investment of available resources within its investment pools.

The University's financial assets available within one year of the Consolidated Statements of Financial Position for general expenditures, such as operating expenses, scheduled principal payments on debt, and capital projects are as follows:

	[illegible]	[illegible]
[illegible]		
Cash and cash equivalents	$ 19,363	$ 19,436
Student receivables	10,400	9,300
Pledge receivables due in one year	17,911	11,861
Short term investments	64,200	36,500
Estimated spending appropriation	26,144	25,801
Total financial assets available within one year	$ 138,018	$ 102,898

(in thousands of dollars)

In addition, the University has board-designated funds of $4,996 and $4,024 at June 30, 2021 and 2020. Although the University does not intend to spend from such funds, other than amounts appropriated for general expenditure as part of its annual budget approval and appropriation process, amounts from such board-designated funds could be made available if necessary.

The University was in compliance with its bond and bank loan covenants at June 30, 2021 and 2020. Management believes that the University will have sufficient resources to meet its ongoing obligations, through June 30, 2023.

Due to the COVID-19 pandemic, Congress prov

(in thousands of dollars)

2020, respectively.

The OIFunds are managed to a shorter-term investment horizon with an emphasis on liquidity. Investments include cash and cash equivalents and fixed income securities.

Segregated Investments include investments that are donor-directed and assets held in irrevocable charitable remainder trusts. These investments include cash and cash equivalents, U.S. Government obligations, mutual funds (fixed income), corporate debt, State of Israel Bonds, corporate stocks, mutual funds (equities), investment receivables, investment payables and other investments.

At June 30, 2021 and 2020, the value of the University's interest in these groups is as follows:

	[illegible]	[illegible]
Long term pool	$ 642,343	$ 493,907
Operational investment funds	94	94
Segregated investments	4,561	4,768
Total investments, at fair value	$ 646,998	$ 498,769

Included in segregated investments are irrevocable charitable remainder trusts of $678 and $837 as of June 30, 2021 and 2020, respectively. Included in investments held for AECOM on the Consolidated Statements of Financial Position are $24,387 and $18,993 of irrevocable charitable remainder trusts as of June 30, 2021 and 2020, respectively.

The following tables present the fair value hierarchy for those assets reported at fair value in the Consolidated Statements of Financial Position as of June 30, 2021 and 2020. The fair value amounts presented below are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Consolidated Statements of Financial Position as of June 30, 2021 and 2020:

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cash and cash equivalents	$ 42,441	$ -	$ -	$ -	$ 42,441
Fixed income					
U.S. Government obligations	7,036	-	-	-	7,036
Mutual funds (fixed income)	21,259	-	-	-	21,259
Corporate debt	-	44,326	-	-	44,326
State of Israel bonds	-	260	-	-	260
Equities					
Corporate stocks	59,371	-	-	-	59,371
Mutual funds (equities)	59,174	-	-	-	59,174
Long-only equities	-	-	-	187,841	187,841
Long-short equities	-	-	-	79,768	79,768
Private equity	-	-	-	142,145	142,145
Venture capital	-	-	-	51,417	51,417
Marketable alternatives					
Multi-strategy/event-driven	-	-	-	121,313	121,313
Real assets	-	-	-	10,096	10,096
Real estate	-	-	-	18,985	18,985
Investment receivables	-	-	-	254	254
Other investments	1,005	1,718	-	-	2,723
	$ 190,286	$ 46,304	$ -	$ 611,819	848,409
Less: Unconsolidated Organizations' interests in the investments portfolio					(167,396)
Less: Investments held for AECOM					(34,015)
Total investments, at fair value					$ 646,998

[illegible]

(in thousands of dollars)

[illegible]					
Cash and cash equivalents	$ 39,622	$ -	$ -	$ -	$ 39,622
Fixed income					
U.S. Government obligations	6,394	-	-	-	6,394
Mutual funds (fixed income)	18,689	-	-	-	18,689
Corporate debt	-	9,494	-	-	9,494
State of Israel bonds	-	295	-	-	295
Equities					

(in thousands of dollars)

Details on liquidity, restrictions by strategy and type of investment are provided below as of June 30, 2021 and 2020:

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cash and cash equivalents	$ 42,441	$ -	$ -	$ -	$ -	$ 42,441	N/A
Fixed income							
U.S. Government obligations	7,036	-	-	-	-	7,036	N/A
Mutual funds (fixed income)	21,259	-	-	-	-	21,259	N/A
Corporate debt	44,326	-	-	-	-	44,326	N/A
State of Israel bonds	-	-	-	260	-	260	N/A
Equities							
Corporate stocks	59,371	-	-	-	-	59,371	N/A
Mutual funds (equities)	59,174	-	-	-	-	59,174	N/A
Long-only equities	61,049	24,523	41,947	60,322	-	187,841	10–90
Long-short equities	-	36,961	255	28,931	13,621	79,768	30–60
Private equity	-	-	-	142,145	-	142,145	N/A
Venture capital	-	-	-	51,417	-	51,417	N/A
Marketable alternatives							
Multi-strategy/event-driven	-	73,015	47,151	-	1,147	121,313	60–90
Real assets	-	-	-	10,096	-	10,096	N/A
Real estate	-	-	-	18,985	-	18,985	N/A
Investment receivables	254	-	-	-	-	254	N/A
Other investments	1,345	-	-	1,378	-	2,723	N/A
Total investments, at fair value	$ 296,255	$ 134,499	$ 89,353	$ 313,534	$ 14,768	$ 848,409	

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Cash and cash equivalents	$ 39,622	$ -	$ -	$ -	$ -	$ 39,622	N/A
Fixed income							

2[Fi)-9.6(x).9344 -1 8Tc-.01 Tw[U.)-.1(d i)020 n8.6(vesr-.009 p10.6(eor-.009 a10.6(et72 str]TJE4)9.7(2 stocJE4)9.k5(t)-.8.9(-01542,14590(3)-0.3(14590(387(5)-7648-)-4925.3(59,371)-4599.4(N)

(in thousands of dollars)

Details on unfunded commitments by investment strategy are provided below as of June 30, 2021 and 2020:

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
Private equity	$ 9,331	$ 16,675	$ 4,118	$ 30,124
Venture capital	235	300	44,213	44,748
Real assets	4,102	-	-	4,102
Real estate	2,581	1,500	10,200	14,281
	$ 16,249	$ 18,475	$ 58,531	$ 93,255

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]				
Private equity	$ 7,044	$ 8,389	$ 32,008	$ 47,441
Venture capital	531	-	58,983	59,514
Real assets	4,801	389	-	5,190
Real estate	2,581	-	14,000	16,581
	$ 14,957	$ 8,778	$ 104,991	$ 128,726

[illegible]

Net investment return for the years ended June 30, 2021 and 2020 is as follows:

	[illegible]	[illegible]
Investment income	$ 4,088	$ 5,083
Investment expenses	(1,999)	(2,056)
Net realized and unrealized gains	139,962	23,062
Net investment return	$ 142,051	26,089

(in thousands of dollars)

The University classifies as net assets with donor restrictions: (a) the original value of contributions

(in thousands of dollars)

Changes in endowment net assets for the year ended June 30, 2021 were as follows:

	[illegible]	[illegible]	[illegible]
[illegible]	$ 4,024	$ 470,484	$ 474,508
Endowment income, net of expenses	15	1,854	1,869
Net realized and unrealized gains (losses) on endowments	1,159	133,871	135,030
Net endowment return	1,174	135,725	136,899
Contributions	-	7,870	7,870
Appropriation of endowment assets	(202)	(37,840)	(38,042)
Transfers, withdrawals and other changes	-	(24)	(24)
[illegible]	$ 4,996	$ 576,215	$ 581,211

(in thousands of dollars)

endowment that differs from the University’s policies, the donors’ intent prevails. For fiscal years 2021 and 2020, the University approved an additional appropriation of approximately $1,895 and $2,431, respectively from certain accessible endowment gains in accordance with NYPMIFA guidelines, and for fiscal year 2021, the University approved a one-time special appropriation in order to repay a portion of the Manhattan Campuses prior borrowings from the LTPool of approximately $12,500.

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the original gift value, which represents the total of the initial and subsequent donor contribution amounts. When this occurs, the deficit is classified as a reduction of donor restricted net assets. Deficits existed in various donor-restricted endowment funds as of June 30, 2021 and 2020, which combined had an original gift value $22,328 and $80,748 at June 30, 2021

(in thousands of dollars)

[illegible]	$ (1,384)	$ (9,029)	$ (5,379)	$ (15,792)	$ (7,906)	$ (23,698)
Current year provisions	(130)	(963)	(584)	(1,677)	(1,090)	(2,767)
[illegible]	$ (1,514)	$ (9,992)	$ (5,963)	$ (17,469)	$ (8,996)	$ (26,465)

[illegible] r	$ (1,361)	$ (8,259)	$ (4,783)	$ (14,403)	$ (6,548)	$ (20,951)
Current year provisions	(23)	(770)	(596)	(1,389)	(1,358)	(2,747)
[illegible]	$ (1,384)	$ (9,029)	$ (5,379)	$ (15,792)	$ (7,906)	$ (23,698)

Write-offs of a student loan receivable are based primarily on the age of the receivable and an evaluation of any recent activity in the account. Overall default rates and an evaluation of general economic conditions are reviewed at least annually. The University, because of its close and continuing relationship with its students and graduates, seeks to work closely with the students and graduates to help ensure repayment.

[illegible]

Contribution receivables, net consisted of the following at June 30, 2021 and 2020:

	[illegible]	[illegible]
[illegible]		
Less than one year	$ 22,005	$ 14,733
One to five years	45,783	23,867
Greater than five years	23,911	22,822
	91,699	61,422
Less:		
Discount to present value (0.66%–6.00%)	(5,418)	(4,425)
Allowance for uncollectible amounts	(3,218)	(4,702)
Total contribution receivables, net	$ 83,063	$ 52,295

As of June 30, 2021 and 2020, 60% of gross contribution receivables were from five donors.

[illegible]

Other assets consist of grant receivables, prepaid expenses, deposits, donated fractional interests in real estate, due to/from related entities, rent receivables, and various other miscellaneous receivables. Included at fair value are the assets of the University's 457(b) deferred compensation plan (Note 8).

The University has a lease agreement with Montefiore, whereby exclusive occupation, management, and control of the Jack D. Weiler Hospital of Albert Einstein College of Medicine ('WHAECOM") is with Montefiore. As of September 9, 2015, the annual lease payment is $2,500 with increases thereafter of 2% compounded annually through 2114. The rental income on this lease is recognized evenly over the life of the lease, and accordingly, a rent receivable of $37,886

(in thousands of dollars)

Given the positive structural changes at the High Schools, the University and the High Schools agreed to reduce the due to related organization balance, within other assets and receivables in the Consolidated Statement of Financial Position at June 30, 2021 by $2,500 for previously funded working capital advances to the High Schools. This is reflected as transfers from related party in the Consolidated Statement of Activities.

7 [illegible]

Land, buildings and equipment, net consisted of the following at June 30, 2021 and 2020:

	[illegible]	[illegible]
Land	$ 13,717	$ 13,717
Buildings and improvements	404,410	398,704
Equipment, furniture and fixtures	29,788	27,863
Capitalized asbestos remediation costs	3,945	3,945
	451,860	444,229
Less: Accumulated depreciation and amortization	(275,837)	(262,751)
Total land, buildings and equipment, net	$ 176,023	$ 181,478

The Depreciation and amortization expense related to buildings and equipment for the years ended June 30, 2021 and 2020 was $13,086 and $13,038, respectively.

8 [illegible]

[illegible]

The University has several defined contribution retirement plans in which most full-time and many part-time employees participate. The University's contributions are based on specified percentages of each employee's annual salary. It is the University's policy to fund retirement plan costs currently. Total retirement plan expense for the years ended June 30, 2021 and 2020 was $4,423 and $4,168, respectively.

The University has a 457(b) deferred compensation plan, which is offered to select management employees. The employee contributions are capped at the annual federal limit for deferred compensation. The assets related to this plan are included in other assets and receivables in the Consolidated Statements of Financial Position and amounted to $17,128 and $13,586 as of June 30, 2021 and 2020, respectively. The assets primarily consist of mutual funds and a guaranteed interest account classified as Level 1 based on the fair value hierarchy described in Note 4. The assets of the mutual funds for the years ended June 30, 2021 and 2020 were $13,717 and $9,868, respectively. The contract value of the guaranteed interest account for the years ended June 30, 2021 and 2020 was $3,411 and $3,718, respectively.

Offsetting liabilities that relate to this 457(b) plan are included in other liabilities as of June 30, 2021 and 2020.

(in thousands of dollars)

The University participates in the 1199 SEIU Health Care Employees Pension Fund, a multi-employer defined benefit pension plan, for its 1199 union employees.

The University makes cash contributions to the plan under the terms of collective-bargaining agreements that cover its union employees based on a fixed rate and hours of service per week worked by the covered employees. The risks of participating in a multi-employer plan 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 the University chooses to stop participating in the multi-employer plan, the University may be required to pay an amount based on the underfunded status of the plan, referred to as a withdrawal liability.

The University contributed $1,182 and $1,029 in cash and recorded expenses for the 1199 Pension Fund for fiscal 2021 and 2020, respectively. The University's contributions to the 1199 Pension Fund represent less than 5% of its total contributions to all retirement plans.

The following table includes additional disclosure information related to the 1199 Pension Fund.

1199 Pension Fund	13-3604862/001	Green	Green	N/A	No	December 31, 2021

The Pension Protection Act zone status indicates the plan's funded status of either at least 80% funded (green) or less than 80% funded (red). A zone status of red requires the plan sponsor to implement a Funding Improvement Plan or Rehabilitation Plan.

9

Details of the bonds payable and other debt as of June 30, 2021 and 2020 are as follows:

Bonds payable - DASNY Bonds Series 2011A [a]				

(in thousands of dollars)

a. In September 2011, DASNY issued $90,000 of Revenue Bonds Series 2011A (Series 2011A Bonds) on behalf of the University. The Series 2011A Bonds bear interest rates ranging from 4% to 5% with principal payments due at various dates commencing November 1, 2014, and a

(in thousands of dollars)

Projected debt service payments on the bonds, mortgages payable and notes are as follows:

[illegible]		[illegible]		[illegible]		[illegible]
2022	$	8,151	$	12,504	$	20,655
2023		8,547		12,113		20,660
2024		8,923		11,734		20,657
2025		9,293		11,358		20,651
2026		10,930		10,910		21,840
Thereafter		231,999		41,666		273,665
		277,843	$	100,285	$	378,128
Unamortized premium		(565)				
Unamortized issuance costs		(3,623)				

-49.62 531.m.cm Tw[n68.28 Yesl6.9(o)86 -77.960w54otaour 10.024.3(0w529.62 u)(r)

(in thousands of dollars)

The following are liabilities payable to AECOM that the University has recognized as of June 30, 2021 and 2020:

	[illegible]	[illegible]
Investments held pending transfer	$ 34,015	$ 35,972
Cash and cash equivalents	384	580
Other assets and receivables		
457B Plan	2,014	1,821
Workers compensation	2,925	2,925
Faculty mortgages	252	279
Total due to AECOM	$ 39,590	$ 41,577

2 [illegible]

The accompanying Consolidated Statements of Activities report expenses by functional classification in accordance with the educational mission of the University in categories recommended by the National Association of College and University Business Officers. The University's primary program services is instruction. Expenses reported as Academic support, Student services and Auxiliary enterprises are incurred in support of this primary program services. Institutional support includes general and administrative expenses of the University.

Natural expenses attributable to more than one functional expense category are allocated using reasonable cost allocation techniques. Depreciation, operations and maintenance expense are allocated on a square footage basis. Interest expense on indebtedness is allocated to the functional categories that have benefited from the associated debt.

Expenses by functional and natural classification, after allocating operations and maintenance, depreciation, and interest, are as follows for the years ended June 30, 2021 and 2020:

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]						
Compensation and benefits	61,447	26,719	13,600	27,627	2,742	132,135
Fees for services	1,640	1,002	982	8,069	40	11,733
Study abroad expenses	13,137	9	-	-	-	13,146
Other than personnel services	10,501	5,685	2,691	17,705	1,179	37,761

[illegible]

(in thousands of dollars)

	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]						
Compensation and benefits	57,009	26,770	13,174	24,202	2,823	123,978
Fees for services	1,011	1,967	574	12,001	40	15,593
Study abroad expenses	13,116	21	-	-	-	13,137
Other than personnel services	8,537	6,368	5,636	10,184	2,064	32,789
Total direct expenses	79,673	35,126	19,384	46,387	4,927	185,497
[illegible]						
Operations and maintenance	9,909	4,491	2,478	6,208	5,887	28,973
Depreciation	4,718	2,138	1,180	2,956	1,247	12,239
Interest	5,081	2,303	1,271	3,184	1,024	12,863
Total allocated expenses	19,708	8,932	4,929	12,348	8,158	54,075
Year ended June 30, 2020	$ 99,381	$ 44,058	$ 24,313	$ 58,735	$ 13,085	239,572

(in thousands of dollars)

[illegible]

Net assets released from restrictions during June 30, 2021 and 2020 were released for the following purposes:

	[illegible]	[illegible]
Academic chairs and support	$ 615	$ 1,176
Facility maintenance	200	1,020
Fellowships	2,660	1,658
Instruction, training and lectureships	6,628	7,437

[illegible]
[illegible]
[illegible]

(in thousands of dollars)

[illegible]

	[illegible]	[illegible]	[illegible]
Academic chairs and support	$ 55,088	$ 25,459	$ 80,547

(in thousands of dollars)

[illegible]

Subsequent event guidance requires the University to evaluate subsequent events to determine whether they provide additional evidence about conditions that existed at the date of the consolidated financial statements, and to determine if those events require recognition or disclosure in the consolidated financial statements. The University has performed an evaluation of subsequent events through December 23, 2021, which is the date the consolidated financial statements were issued.