

MINUTES OF THE MEETING OF THE  
FINANCE COMMITTEE OF THE BOARD OF TRUSTEES  
OF THE UNIVERSITY OF LOUISVILLE

December 10, 2020

In Open Session

Members of the Finance Committee of the University of Louisville Board of Trustees met virtually at 2:23 p.m. on December 10, 2020 with members present and absent as follows:

Present: Ms. Diane Medley, Chair  
Mr. Scott Brinkman  
Dr. Raymond Burse  
Ms. Sabrina Collins  
Prof. David Schultz

Other Trustees

Present: Mr. Randy Bufford  
Mr. John Chilton  
Mr. Al Cornish  
Ms. Sandra Frazier  
Ms. Mary Nixon  
Ms. Diane Porter  
Mr. James Rogers  
Mr. John Smith

From the

University: Dr. Beth Boehm, Executive Vice President and University Provost  
Dr. Kevin Gardner, Executive Vice President for Research & Innovation  
Mr. Dan Durbin, Vice President for Finance and CFO  
Mr. Thomas Hoy, General Counsel  
Dr. Jasmine Farrier, Vice President for University Advancement  
Mr. Ralph Fitzpatrick, Vice President for Community Engagement  
Mr. Vince Tyra, Vice President for Athletics and Athletic Director  
Mr. Mark Watkins, Sr. Associate Vice President for Operations  
Ms. Mary Elizabeth Miles, CHRO & Assoc. Vice President for Human Resources  
Ms. Sandy Russell, Assistant Vice President for Enterprise Risk and Compliance  
Mr. John Drees, Sr. Associate Vice President for Communications & Marketing  
Dr. Beth Willey, Associate Provost for Undergraduate Education  
Mr. Walter Newell, Treasurer/Controller  
Dr. Michael Mardis, Dean of Students & Vice Provost for Student Affairs  
Ms. Amy Shoemaker, University Counsel & Assoc. Athletic Director  
Mr. David King, Sr. Associate University Counsel  
Mr. Rehan Khan, Vice Provost and Chief Information Officer  
Ms. Beverly Santamouris, Asst. Controller, Dir. of Inst. Accounting & Reporting

Dr. Patty Payette, Sr. Associate Director, Delphi Center for Teaching & Learning  
Dr. Allison Ratterman, Director of the Office of Research Integrity  
Mr. Michael Marquette, Director of Financial Analysis  
Mr. Josh Heird, Deputy Athletic Director  
Dr. Nefertiti Burton, Chair of Department of Theatre Arts  
Ms. Kim Adams, Chief Information Security Officer  
Ms. Stacie McCutcheon, Privacy Officer  
Ms. Cheri Jones, Director of Audit Services  
Ms. Jennifer Mudd, Director of Integrity and Compliance  
Mr. Il Barrow, Manager of Assessment, Delphi Center for Teaching & Learning  
Ms. Jessica Murnock, Executive Officer to the President  
Mr. Michael Wade Smith, Chief of Staff and External Affairs  
Mr. Jake Beamer, Boards Liaison and Assistant Secretary

From UofL

Health: Mr. Tom Miller, CEO

From UofL

Foundation: Mr. Keith Sherman, Executive Director

I. Call to Order

Chair Medley called the roll. Having determined a quorum present, she called the meeting to order at 2:23 p.m.

Approval of Minutes, 9-24-2020

Mr. Brinkman made a motion, which Dr. Burse seconded, to approve the minutes of the September 24, 2020 meeting. The motion passed.

II. Action Item: Approval of Quasi-endowment Liquidation

Mr. Durbin briefed the committee on the recommendation to approve the liquidation of the Bill and Lindy Street James Brown Cancer Center Quasi-endowment. He explained that upon his passing in 2018, Bill Street bequeathed a gift to UofL, the funds of which were used to create the quasi-endowment. In November 2020, Lindy Street requested the remaining balance of the quasi-endowment be liquidated to fund one-time expenses.

The Vice President for University Advancement joined the CFO and president in making this recommendation to the board.

Mr. Durbin then fielded questions from committee members.

Mr. Burse made a motion, which Mr. Brinkman seconded, to approve the

**President's recommendation that the Board of Trustees approve the liquidation of the Bill and Lindy Street James Brown Cancer Center Quasi-endowment.**

The motion passed.

III. Action Item: Ratification of Utility Tunnel Infrastructure Repair

Mr. Durbin explained that on November 14, 2020, he notified chairs Nixon and Medley of an immediate need to mitigate deteriorating structural issues in utility tunnels that run beneath the Belknap Campus. The issues included repairing utilities (e.g., leaking steam and chilled water pipes) that could lead to heating/cooling issues in several buildings on campus, and repairing sections of the tunnels that might be at risk of collapse and could threaten the safety of the Physical Plant employees when working in the tunnels.

Because of the immediacy of the project that could not be postponed until the next board and committee meetings, CFO Durbin requested from off-cycle approval of the project. It was included in the capital budget approved by the Board of Trustees on October 24, 2019, at an estimated cost of \$1.2 million. However, the firm that won the bid is already on campus constructing the new residence hall, so their mobilization costs were significantly less, resulting in a bid that is almost \$500,000 below the earlier estimate included in the capital budget.

The CFO shared the **attached** presentation with committee members, and fielded question from trustees.

Dr. Burse made a motion, which Mr. Brinkman seconded, to approve the

**President's recommendation that the Board of Trustees ratify the approval of a project to repair the infrastructure in underground utility tunnels on Belknap Campus, at an approximate cost of \$704,477.**

The motion passed.

IV. Action Item: Approval of University Retirement Plan Extension

Mr. Durbin briefed the committee on the recommendation to approve an amendment to the university's 403(b) retirement plan. The previous amendment's term expired December 31, 2020, and this recommendation would extend term through March 2021.

Mr. Durbin reminded the committee that to balance the university budget to offset the costs of the COVID-19 pandemic, the required and optional retirement contributions were both reduced to 2.5%.

The CFO then fielded questions from committee members.

Trustee Smith thanked Mr. Durbin for his transparency when discussing this recommendation with the Faculty and Staff Senates.

Dr. Burse made a motion, which Mr. Brinkman seconded, to approve the

**President's recommendation that the Board of Trustees approve an amendment to the university's 403(b) retirement plan, as described in the attached resolution.**

The motion passed.

V. Information Item: Updates from VP for Finance and CFO

Mr. Durbin summarized the university's overall financial performance, noting:

- Overall financial performance is better than prior year before and after capital revenue recognition
- Year-to-date increase in net position will gradually decrease through November and December due to cyclical revenue pattern
- Health Sciences and School of Medicine losses in the UofL Research Foundation have reversed to slightly above break-even
- UofL Athletics is margin positive through October 31, 2020, but less than prior year due to COVID-19 pandemic implications
- University increase in net position is driven by slightly higher enrollment and decreases in college/unit spending
- The balance sheet remains stable and liquidity is adequate

Using the **attached** presentation, Mr. Durbin provided financial details regarding revenues, expenses, and changes in net position.

He then fielded questions from trustees.

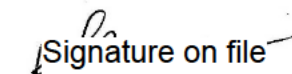
No actions were taken.

VI. Adjournment

Having no other business to come before the committee, Mr. Brinkman made a motion, which Prof. Schultz seconded, to adjourn.

The motion passed and the meeting adjourned at 2:43 p.m.

Approved by:

  
Signature on file \_\_\_\_\_  
Assistant Secretary

RECOMMENDATION TO THE  
UNIVERSITY OF LOUISVILLE BOARD OF TRUSTEES  
REGARDING THE LIQUIDATION OF A QUASI-ENDOWMENT

Finance Committee – December 10, 2020  
Executive & Compensation Committee – December 10, 2020

RECOMMENDATION:

The President recommends that the Board of Trustees approve the liquidation of the Bill and Lindy Street James Brown Cancer Center Quasi-endowment.

BACKGROUND:

Upon his passing in 2018, Bill Street bequeathed a gift to UofL, the funds of which were used to create the Bill and Lindy Street James Brown Cancer Center Quasi-endowment.

In November 2020, Lindy Street requested the remaining balance of the quasi-endowment, \$337,997.46, be liquidated to fund the following one-time expenses:

- \$150,000 to repurpose existing FDA-approved drugs for COVID-19
- \$135,000 to Understanding the Immune Landscape in Oropharyngeal Squamous Cell Carcinoma Patients Treated with Radiochemotherapy
- \$25,000 to Protein Expression Research
- \$28,000 to Cytof equipment operating and support funds (funds from this gift were previously used to purchase this piece of equipment)

The Vice President for University Advancement joins the president in making this recommendation to the Board.

COMMITTEE ACTION:

Passed   X  

Did Not Pass \_\_\_\_\_

Other \_\_\_\_\_

  
Signature on file \_\_\_\_\_  
Assistant Secretary

BOARD ACTION:

Passed   X  

Did Not Pass \_\_\_\_\_

Other \_\_\_\_\_

  
Signature on file \_\_\_\_\_  
Assistant Secretary

RECOMMENDATION TO THE BOARD OF TRUSTEES RATIFYING THE APPROVAL OF A CAPITAL PROJECT TO REPAIR A UTILITY TUNNEL

Finance Committee – December 10, 2020  
Executive & Compensation Committee – December 10, 2020

RECOMMENDATION:

The President recommends that the Board of Trustees ratify the approval of a project to repair the infrastructure in underground utility tunnels on Belknap Campus, at an approximate cost of \$704,477.

BACKGROUND:

On November 14, 2020, CFO Dan Durbin notified Board of Trustees Chair Mary Nixon and Finance Committee Chair Diane Medley of an immediate need to mitigate deteriorating structural issues in utility tunnels that run beneath the Belknap Campus. The issues included repairing utilities (e.g. leaking steam and chilled water pipes) that could lead to heating/cooling issues in several buildings on campus, and repairing sections of the tunnels that might be at risk of collapse and could threaten the safety of the Physical Plant employees when working in the tunnels.

Because of the immediacy of the project that could not be postponed until the December 10 Board of Trustees committee meetings, CFO Durbin requested from Trustees Nixon and Medley off-cycle approval of the project.

The project was included in the capital budget approved by the Board of Trustees on October 24, 2019, at an estimated cost of \$1.2 million. However, the firm that won the bid is already on campus constructing the new residence hall so their mobilization costs are significantly less, resulting in a bid that is almost \$500,000 below the earlier estimate included in the capital budget.

COMMITTEE ACTION:

Passed   X  

Did Not Pass \_\_\_\_\_

Other \_\_\_\_\_

*ls*  
Signature on file \_\_\_\_\_

Assistant Secretary

BOARD ACTION:

Passed   X  

Did Not Pass \_\_\_\_\_

Other \_\_\_\_\_

*ls*  
Signature on file \_\_\_\_\_

Assistant Secretary

RECOMMENDATION TO THE UNIVERSITY OF LOUISVILLE  
BOARD OF TRUSTEES CONCERNING AN AMENDMENT  
TO THE 403(B) RETIREMENT PLAN

Finance Committee – December 10, 2020  
Executive and Compensation Committee – December 10, 2020

RECOMMENDATION:

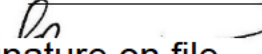
The President recommends that the Board of Trustees approve an amendment to the university's 403(b) retirement plan, as described in the [attached](#) resolution.

COMMITTEE ACTION:

Passed   X  

Did Not Pass \_\_\_\_\_

Other \_\_\_\_\_

  
Signature on file \_\_\_\_\_  
Assistant Secretary

BOARD ACTION:

Passed   X  

Did Not Pass \_\_\_\_\_

Other \_\_\_\_\_

  
Signature on file \_\_\_\_\_  
Assistant Secretary

**AMENDMENT TO THE  
UNIVERSITY OF LOUISVILLE 403(B) RETIREMENT PLAN**

**THIS AMENDMENT** by the University of Louisville (the “*University*”).

**W I T N E S S E T H:**

**WHEREAS**, the University maintains the University of Louisville 403(b) Retirement Plan (the “*Plan*”);

**WHEREAS**, the COVID-19 pandemic continues to cause unprecedented disruption of the operations of the University and has created fiscal uncertainty for the University;

**WHEREAS**, given the COVID-19 disruption, the University determined a need to modify the Plan to stop employer contributions to the Plan for a three-month period from May, 1, 2020 through July 31, 2020, enabling the university to maintain a balanced budget and meet its financial obligations;

**WHEREAS**, the University determined that it was able, consistent with prudent financial planning and budgeting, to restore a portion of the employer contributions to the Plan for the five-month period from August 1, 2020 through December 31, 2020;

**WHEREAS**, the University continues to experience fiscal uncertainty and has determined that, consistent with prudent financial planning and budgeting, it cannot further increase the employer contributions to the Plan until it is possible to better ascertain the status of the University’s future finances through the beginning of the Spring 2021 semester and to share that information with the University Budget Planning and Monitoring Committee that includes representation from the University’s students, faculty and staff; and



**WHEREAS**, under the provisions of the Plan, the University retains the right to modify, alter, amend or terminate the Plan at any time and may choose to restore all or an additional portion of the employer contribution to the Plan at any time;

**NOW, THEREFORE**, effective as of January 1, 2021, the University hereby amends the Plan as follows:

1. Section 5.01 of the Plan is completely amended and restated to provide as follows:

**5.01 Amount of University Contributions.**

- (a) Basic Contributions. The University shall make a Contribution to each Participant's Account for each Plan Year in which the Participant qualifies as an Eligible Employee under Section 2.17(a) in an amount equal to 7.5% of such Participant's Compensation for such Plan Year (or, for a period of participation less than a Plan Year, 7.5% of the Participant's Compensation for the portion of the Plan Year during which the Participant was eligible to participate), such percentage to be determined before salary reductions for amounts deferred by such Employee pursuant to an election made under sections 125, 132(f)(4) or 402(g) of the Code. Notwithstanding the foregoing, for the three month period commencing January 1, 2021, and ending March 31, 2021, the last day of the third quarter of the state fiscal year ("**SFYQ3 2021**"), the University shall make a Contribution to each Participant's Account in an amount equal to 2.5% of such Participant's Compensation, such percentage to be determined before salary reductions for amounts deferred by such Employee pursuant to an election made under sections 125, 132(f)(4) or 402(g) of the Code. The University shall have no obligation to subsequently contribute the amount that would otherwise have been contributed during SFYQ3 2021.
- (b) Matching Contributions. If a Participant makes an Elective Deferral in any amount up to 2.5% of Compensation for the same period with respect to which a Basic Contribution under subsection (a) above is made for such Participant, the University shall make a matching contribution in an amount equal to 100% of such Elective Deferral. Matching Contributions are not available to Employees who are eligible to make "Elective Deferrals" only (as defined in Section 2.17(b)).
- (c) Discretionary Contributions. The University may, in its sole discretion, make Discretionary Contributions in such amount as it may deem appropriate to the extent that such Contribution does not contravene the provisions of section 403(b) of the Code, regulations promulgated thereunder or such rulings or notices that the Secretary of Treasury may make.

2. Section 5.02(b) is amended by amending and restating item number (4) and adding a new item number (5) to provide as follows:

- (4) University Basic Contributions; and
  - (5) Discretionary Contributions.
3. This Amendment shall be effective as of January 1, 2021.

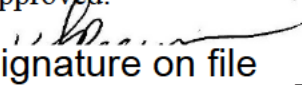
**IN WITNESS WHEREOF**, the University has caused this Amendment to be executed on the 10th day of December, 2020.

Reviewed as to Form & Legality:

\_\_\_\_\_

Recommended:

\_\_\_\_\_

Approved:  
  
Signature on file \_\_\_\_\_  
Assistant Secretary

**University of Louisville**  
**Year to Date 10/31/2020 Financial Results**  
**(Accrual-based activity)**

**Summary of Overall Financial Performance:**

- Overall financial performance is better than prior year before and after capital revenue recognition
- YTD increase in Net Position will gradually decrease through November and December due to cyclical revenue pattern
- Health Sciences/SOM historic losses in the ULRF have reversed themselves to slightly above break-even
- Athletics (ULAA) is margin positive through 10/31 but less than prior year due to COVID implications- known high risk area
- University increase in net position is driven by slightly higher enrollment and decreases in college/unit spending
- Balance Sheet remains stable- liquidity is adequate but still requires caution

**Packet Contents:**

- Summary of Revenues, Expenses, and Changes in Net Position (high level)
- Summary of Revenues, Expenses, and Changes in Net Position by University Entity (new report)
- Summary of Net Position (Balance Sheet) (high level)
- Formal Statements of Revenues, Expenses, and Changes in Net Position/ Statement of Net Position (Provides detail to support the summary statements above)

**University of Louisville and Affiliated Corporations (combined)**  
**A Component Unit of the Commonwealth of Kentucky**  
**Summary of Revenues, Expenses and Change in Net Position**  
**October 31, 2020 and 2019**

	Year to Date		<u>Change</u>	
	<u>FY 2021</u>	<u>FY 2020</u>		
<b>REVENUES</b>				
Student tuition and fees	\$ 167,852	\$ 162,201	\$ 5,651	
Clinical services and practice plan	94,773	87,784	6,989	
Grants and contracts	49,106	53,983	(4,877)	
State appropriations	70,643	70,198	445	
Intercollegiate athletics	24,742	43,888	(19,146)	COVID related impact to Athletics game
Contributions from University of Louisville Foundation, Inc.	10,456	14,031	(3,575)	
Facilities and administrative cost recoveries	9,132	9,060	72	
Capital appropriations & gifts	4,707	6,430	(1,723)	
Other revenues	<u>31,478</u>	<u>41,113</u>	<u>(9,635)</u>	
Total revenues	<u>462,889</u>	<u>488,688</u>	<u>(25,799)</u>	
<b>EXPENSES</b>				
Salaries and wages	172,200	183,079	(10,879)	Includes \$9.6 mill in reductions due to the shift of Pediatric clinical salaries to Norton Healthcare
Employee benefits	38,079	47,604	(9,525)	Partial reduction in retirement contributions and reduced Pediatric salaries expense (see above) drove this decrease
Utilities	4,839	4,856	(17)	
Scholarships and fellowships	67,701	67,216	485	
Depreciation	17,915	16,666	1,249	
Supplies and other services	71,687	91,935	(20,248)	Decrease due to \$11.8 million decrease in ULP support and related HSC support services, \$3.8 million decrease in temporary, consulting, and physical plant services, \$1.4 million decrease in catering and \$4.0 million decrease in travel due to Covid-19.
Total expenses	<u>372,421</u>	<u>411,356</u>	<u>(38,935)</u>	
<b>Increase (decrease) in net position incl Capital Revenues</b>	<b>90,468</b>	<b>77,332</b>	<b>13,136</b>	
Less: Capital appropriations & gifts	(4,707)	(6,430)	1,723	
<b>Increase (decrease) in net position excluding Capital Revenues</b>	<b>85,761</b>	<b>70,902</b>	<b>14,859</b>	

University of Louisville and Affiliated Corporations  
A Component Unit of the Commonwealth of Kentucky  
Summary of Revenues, Expenses and Change in Net Position by University Entity  
October 31, 2020 and 2019

	2021				2020			
	Consolidated	UL	ULRF	ULAA	Consolidated	UL	ULRF	ULAA
<b>REVENUES</b>								
Student tuition and fees	\$ 167,852	\$ 167,852	\$ -	\$ -	\$ 162,201	\$ 162,201	\$ -	\$ -
Clinical services and practice plan	94,773	4,590	90,183	-	87,784	4,773	83,011	-
Grants and contracts	49,106	-	49,106	-	53,983	(1)	53,984	-
State appropriations	70,643	70,643	-	-	70,198	70,198	-	-
Intercollegiate athletics	24,742	-	-	24,742	43,888	-	-	43,888
Contributions from University of Louisville Foundation, Inc.	10,456	10,456	-	-	14,031	14,031	-	-
Contributions from related entities	-	8,713	(12,057)	3,344	-	2,561	(5,121)	2,560
Facilities and administrative cost recoveries	9,132	-	9,132	-	9,060	5	9,055	-
Capital appropriations & gifts	4,707	-	-	4,707	6,430	2,368	-	4,062
Other revenues	31,478	8,598	2,743	20,137	41,113	14,323	1,779	25,011
Total revenues	462,889	270,852	139,107	52,930	488,688	270,459	142,708	75,521
<b>EXPENSES</b>								
Salaries and wages	172,200	89,140	71,511	11,550	183,079	92,908	77,973	12,198
Employee benefits	38,079	22,412	13,868	1,798	47,604	27,756	17,553	2,295
Utilities	4,839	4,610	20	209	4,856	4,591	24	242
Scholarships and fellowships	67,701	35,404	24,892	7,405	67,216	35,585	24,587	7,044
Depreciation	17,915	13,309	1,870	2,736	16,666	12,081	1,838	2,748
Supplies and other services	71,687	37,611	25,880	8,196	91,935	40,324	35,130	16,479
Total expenses	372,421	202,486	138,041	31,894	411,356	213,245	157,105	41,006
<b>Increase (decrease) in net position including Capital Revenues</b>	<b>90,468</b>	<b>68,366</b>	<b>1,066</b>	<b>21,036</b>	<b>77,332</b>	<b>57,214</b>	<b>(14,397)</b>	<b>34,515</b>
Less: Capital appropriations & gifts	(4,707)	-	-	(4,707)	(6,430)	(2,368)	-	(4,062)
<b>Increase (decrease) in net position excluding Capital Revenues</b>	<b>85,761</b>	<b>68,366</b>	<b>1,066</b>	<b>16,329</b>	<b>70,902</b>	<b>54,846</b>	<b>(14,397)</b>	<b>30,453</b>
<b>Change from prior excl capital</b>	<b>14,859</b>	<b>13,520</b>	<b>15,463</b>	<b>(14,124)</b>				

**University of Louisville and Affiliated Corporations**  
**A Component Unit of the Commonwealth of Kentucky**  
**Summary of Net Position**  
**October 31, 2020 and 2019**

	<u><b>FY 2021</b></u>	<u><b>FY 2020</b></u>
<b>ASSETS</b>		
Unrestricted cash and investments	\$ 246,800	\$ 136,585
Restricted cash	44,822	(783)
Accounts receivable, net	129,789	128,609
Due from affiliates	33,869	31,587
Investments held with ULF	5,344	11,174
Capital assets, net	1,065,137	965,485
Other assets	<u>26,831</u>	<u>27,941</u>
Total assets	1,552,592	1,300,598
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
	<u>13,687</u>	<u>8,081</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u><u>1,566,279</u></u>	<u><u>1,308,679</u></u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	86,255	68,326
Advances	24,757	6,122
Bonds and notes payable	279,322	252,071
Other liabilities	<u>104,202</u>	<u>91,667</u>
Total liabilities	494,536	418,186
<b>DEFERRED INFLOWS OF RESOURCES</b>		
	<u>65,829</u>	<u>82,129</u>
<b>NET POSITION</b>		
Net investment in capital assets	812,188	710,779
Restricted:		
Nonexpendable	1,349	4,710
Expendable	88,509	85,939
Unrestricted	<u>103,868</u>	<u>6,936</u>
Total net position	<u>1,005,914</u>	<u>808,364</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u><u>\$ 1,566,279</u></u>	<u><u>\$ 1,308,679</u></u>

**University of Louisville and Affiliated Corporations**  
**A Component Unit of the Commonwealth of Kentucky**  
**Statements of Net Position**  
**October 31, 2020 and 2019**

	<u><b>FY 2021</b></u>	<u><b>FY 2020</b></u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 102,389	\$ 136,585
Short-term investments	144,411	-
Deposit with bond trustee and escrow agent	6,257	6,208
Loans, accounts and contributions receivable, net	75,817	65,255
Due from affiliates	10,632	22,343
Inventories	6,511	5,348
Investments held with University of Louisville Foundation, Inc.	5,344	11,174
Other assets	2,044	4,336
Total current assets	<u>353,405</u>	<u>251,249</u>
Noncurrent Assets		
Restricted cash and cash equivalents	44,822	(783)
Deposit with bond trustee and escrow agent	10,803	10,892
Loans, accounts and contributions receivable, net	53,972	63,354
Due from affiliates	23,237	9,244
Other long-term investments	956	1,157
Other long-term assets	260	-
Capital assets, net	1,065,137	965,485
Total noncurrent assets	<u>1,199,187</u>	<u>1,049,349</u>
Total assets	<u>1,552,592</u>	<u>1,300,598</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	<u>13,687</u>	<u>8,081</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>1,566,279</u>	<u>1,308,679</u>
<b>LIABILITIES</b>		
Current Liabilities		
Accounts payable and accrued liabilities	86,255	68,326
Unearned compensation and wages payable	2,699	343
Advances	17,768	1,499
Bonds and notes payable	23,996	23,040
Total current liabilities	<u>130,718</u>	<u>93,208</u>
Noncurrent Liabilities		
Due to University of Louisville Foundation, Inc.	-	316
Note payable to University of Louisville Foundation, Inc.	1,000	1,000
Unearned compensation and wages payable	1,897	7,202
Deposits	1,092	2,128
Advances	6,989	4,623
Amounts due to federal government for student loan programs	17,145	15,944
Other long-term liabilities	80,369	64,734
Bonds and notes payable	255,326	229,031
Total noncurrent liabilities	<u>363,818</u>	<u>324,978</u>
Total liabilities	<u>494,536</u>	<u>418,186</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	<u>65,829</u>	<u>82,129</u>
<b>NET POSITION</b>		
Net investment in capital assets	812,188	710,779
Restricted:		
Nonexpendable	1,349	4,710
Expendable	88,509	85,939
Unrestricted	103,868	6,936
Total net position	<u>1,005,914</u>	<u>808,364</u>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 1,566,279</u>	<u>\$ 1,308,679</u>

**University of Louisville and Affiliated Corporations**  
**A Component Unit of the Commonwealth of Kentucky**  
**Statements of Net Position**  
**October 31, 2020 and 2019**

	<b>Through October</b>		
	<b>FY 2021</b>	<b>FY 2020</b>	<b>Difference</b>
<b>OPERATING REVENUES</b>			
Student tuition and fees	\$ 167,852	\$ 162,201	\$ 5,651
Clinical services and practice plan	94,773	87,784	6,989
Federal grants and contracts	22,847	24,828	(1,981)
State and local grants and contracts	2,187	2,384	(197)
Nongovernmental grants and contracts	4,149	6,990	(2,841)
Sales and services of educational departments	3,081	4,378	(1,297)
Facilities and administrative cost recoveries	9,132	9,060	72
Auxiliary enterprises	6,622	6,706	(84)
Intercollegiate athletics	24,742	43,888	(19,146)
Other operating revenue	4,193	4,421	(228)
Total operating revenue	<u>339,578</u>	<u>352,640</u>	<u>(13,062)</u>
<b>OPERATING EXPENSES</b>			
Instruction	80,092	95,920	(15,828)
Research	43,980	45,497	(1,517)
Public service	26,501	39,717	(13,216)
Academic support	49,221	51,195	(1,974)
Student services	9,488	10,394	(906)
Institutional support	28,724	32,214	(3,490)
Operation and maintenance of plant	24,330	18,927	5,403
Scholarships and fellowships	60,311	59,901	410
Auxiliary enterprises	2,701	2,667	34
Intercollegiate athletics	29,158	38,258	(9,100)
Depreciation and amortization	17,915	16,666	1,249
Total operating expense	<u>372,421</u>	<u>411,356</u>	<u>(38,935)</u>
Operating gain/(loss)	<u>(32,843)</u>	<u>(58,716)</u>	<u>25,873</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>			
State appropriations	70,643	70,198	445
Gifts and donations	20,105	25,920	(5,815)
Nonexchange grants and contracts	19,923	19,781	142
Contributions from University of Louisville Foundation, Inc.	10,456	14,031	(3,575)
Investment income	522	940	(418)
Realized and unrealized gain on investments	(19)	(60)	41
Interest on capital asset-related debt	(3,151)	(1,710)	(1,441)
Other nonoperating revenue (expense)	125	518	(393)
Net nonoperating revenue	<u>118,604</u>	<u>129,618</u>	<u>(11,014)</u>
Income (Loss) before other revenue, expense, gains and losses	<u>85,761</u>	<u>70,902</u>	<u>14,859</u>
Capital appropriations	-	2,368	(2,368)
Capital gifts	4,707	4,062	645
Total other revenue	<u>4,707</u>	<u>6,430</u>	<u>(1,723)</u>
Special Items	-	-	-
Increase (decrease) in net position	<u>90,468</u>	<u>77,332</u>	<u>13,136</u>
<b>NET POSITION</b>			
Net position - beginning of year	915,446	731,032	184,414
Cumulative effect of change in accounting principle	-	-	-
Net position - end of year	<u>\$ 1,005,914</u>	<u>\$ 808,364</u>	<u>\$ 197,550</u>