



## **WAKE FOREST UNIVERSITY**

Independent Auditor's Reports as Required by Title 2 U.S. Code of  
Federal Regulations Part 200, Uniform Administrative Requirements, Cost  
Principles, and Audit Requirements for Federal Awards (Uniform  
Guidance) and *Government Auditing Standards* and Related Information

Year Ended June 30, 2024

(With Independent Auditors' Report Thereon)

# WAKE FOREST UNIVERSITY

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## **Independent Auditors' Report**

The Board of Trustees of Wake Forest University:

### **Report on the Audit of the Consolidated Financial Statements**

#### *Opinion*

We have audited the consolidated financial statements of Wake Forest University (the University), which comprise the consolidated balance sheet as of June 30, 2024, the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

#### *Basis for Opinion*

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

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

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

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

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

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



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

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

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

#### *Report on Summarized Comparative Information*

We have previously audited Wake Forest University's 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated November 7, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023 is consistent, in all material respects, with the audited consolidated financial statements from which it has been derived

#### *Other Matter*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplementary information included in the consolidated balance sheet, consolidated statement of activities, consolidated statement of cash flows, and the accompanying notes related to the College of Arts and Sciences, Schools of Law, Business, and Divinity, and Reynolda House, Inc. (collectively, Reynolda Campus); and Wake Forest University Health Sciences (WFUHS) is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The 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 information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated October 22, 2024 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Winston-Salem, North Carolina  
October 22, 2024

**WAKE FOREST UNIVERSITY**

Consolidated Balance Sheet

June 30, 2024

(with summarized comparative financial information as of June 30, 2023)

(Dollars in thousands)

	<b>Supplementary information</b>		<b>2024</b>	<b>2023</b>
	<b>Reynolda Campus</b>	<b>WFUHS</b>		
<b>Assets:</b>				
Cash and cash equivalents	\$ 38,455	18,462	56,917	86,738
Accounts receivable, net	25,466	152,815	178,281	222,536
Patient receivables	—	111,327	111,327	84,928
Contributions receivable, net	117,609	8,013	125,622	124,710
Notes receivable, net	6,599	247	6,846	8,079
Investments	1,884,253	1,291,535	3,175,788	3,004,974
Direct investments in real estate	9,669	—	9,669	10,203
Other assets	12,387	26,975	39,362	37,158
Right-of-use assets-operating	20,512	106,932	127,444	135,001
Land, buildings, and equipment, net	757,760	358,145	1,115,905	1,081,124
<b>Total assets</b>	<b>\$ 2,872,710</b>	<b>2,074,451</b>	<b>4,947,161</b>	<b>4,795,451</b>
<b>Liabilities:</b>				
Accounts payable and accruals	\$ 51,193	393,650	444,843	411,663
Other liabilities and deferrals	137,257	174,073	311,330	370,238
Annuities payable	17,958	2,975	20,933	22,140
Operating lease obligations	19,422	110,567	129,989	138,664
Notes payable and finance leases	65,643	3,023	68,666	100,376
Bonds payable	515,820	108,479	624,299	641,933
Postretirement benefits	11,497	16,118	27,615	30,962
<b>Total liabilities</b>	<b>818,790</b>	<b>808,885</b>	<b>1,627,675</b>	<b>1,715,976</b>
<b>Net assets:</b>				
Without donor restrictions	975,591	859,190	1,834,781	1,722,587
Noncontrolling interest in affiliate	999	885	1,884	1,508
With donor restrictions	1,077,330	405,491	1,482,821	1,355,380
<b>Total net assets</b>	<b>2,053,920</b>	<b>1,265,566</b>	<b>3,319,486</b>	<b>3,079,475</b>
<b>Total liabilities and net assets</b>	<b>\$ 2,872,710</b>	<b>2,074,451</b>	<b>4,947,161</b>	<b>4,795,451</b>

See accompanying notes to consolidated financial statements.

**WAKE FOREST UNIVERSITY**

Consolidated Statement of Activities

Year ended June 30, 2024

(with summarized comparative financial information for the year ended June 30, 2023)

(Dollars in thousands)

	Without donor restrictions	With donor restrictions	2024	2023
Operating revenues:				
Student tuition and fees	\$ 357,779	—	357,779	350,623
Government grants and contracts	261,450	—	261,450	243,636
Private grants and contracts	20,689	113,064	133,753	69,733
Contributions	29,131	30,669	59,800	57,694
Investment return designated for current operations	82,395	52,318	134,713	113,102
Patient revenue	817,925	—	817,925	786,474
Other	521,673	(825)	520,848	373,772
Sales and services of auxiliary enterprises	122,020	—	122,020	122,977
Net assets released from restrictions	124,096	(124,096)	—	—
Total operating revenues	2,337,158	71,130	2,408,288	2,118,011
Operating expenses:				
Salaries and wages	1,226,086	—	1,226,086	1,123,087
Employee benefits	288,427	—	288,427	244,972
Student aid	17,799	—	17,799	13,429
Services	314,547	—	314,547	295,617
Clinical and laboratory supplies	117,850	—	117,850	111,314
Other operating expenses	184,452	—	184,452	163,456
Depreciation and amortization	87,688	—	87,688	89,650
Interest on debt	23,788	—	23,788	26,758
Total operating expenses	2,260,637	—	2,260,637	2,068,283
Operating (deficit)/excess	76,521	71,130	147,651	49,728
Nonoperating activities:				
Restricted contributions	—	46,052	46,052	13,579
Net assets released from restriction	33,378	(33,378)	—	—
Investment return in excess of/(less than) amounts designated for current operations	53,094	35,153	88,247	(1,059)
Actuarial losses on annuity obligations	—	(787)	(787)	(607)
Unrealized gains on interest rate swaps	2,289	—	2,289	4,444
Postretirement related changes other than service costs	(169)	—	(169)	902
(Losses)/Gains from affiliates, equity method	(57,133)	—	(57,133)	39,685
Equity transfer from affiliate	—	10,000	10,000	10,000
Other, net	4,214	(729)	3,485	5,801
Change from nonoperating activities	35,673	56,311	91,984	72,745
Change in net assets	112,194	127,441	239,635	122,473
Change in net assets attributable to noncontrolling interest	376	—	376	112
Net assets attributable to noncontrolling interest at beginning of year	1,507	—	1,507	1,395
Net assets at beginning of year	1,722,588	1,355,380	3,077,968	2,955,495
Net assets at end of year	\$ 1,836,665	1,482,821	3,319,486	3,079,475

See accompanying notes to consolidated financial statements.

# WAKE FOREST UNIVERSITY

## Consolidated Statement of Activities

College of Arts and Sciences, Schools of Law, Business, and Divinity, and Reynolda House, Inc.  
(Supplementary Information)

Year ended June 30, 2024

(Dollars in thousands)

	Without donor restrictions	With donor restrictions	Total
Operating revenues:			
Student tuition and fees	\$ 316,946	—	316,946
Government grants and contracts	14,984	—	14,984
Private grants and contracts	10,727	—	10,727
Contributions	25,655	27,834	53,489
Investment return designated for current operations	48,026	31,223	79,249
Other	14,580	—	14,580
Sales and services of auxiliary enterprises	122,020	—	122,020
Net assets released from restrictions	52,845	(52,845)	—
Total operating revenues	605,783	6,212	611,995
Operating expenses:			
Salaries and wages	264,413	—	264,413
Employee benefits	70,504	—	70,504
Student aid	4,555	—	4,555
Services	80,184	—	80,184
Other operating expenses	72,415	—	72,415
Depreciation and amortization	55,755	—	55,755
Interest on debt	19,495	—	19,495
Total operating expenses	567,321	—	567,321
Operating excess	38,462	6,212	44,674
Nonoperating activities:			
Restricted contributions	—	36,394	36,394
Net assets released from restriction	33,378	(33,378)	—
Investment return in excess of amounts designated for current operations	33,692	34,068	67,760
Actuarial losses on annuity obligations	—	(1,028)	(1,028)
Unrealized gains on interest rate swaps	1,995	—	1,995
Postretirement related changes other than service costs	281	—	281
Other, net	(3,978)	(169)	(4,147)
Change from nonoperating activities	65,368	35,887	101,255
Change in net assets	103,830	42,099	145,929
Change in net assets attributable to noncontrolling interest	432	—	432
Net assets attributable to noncontrolling interest at beginning of year	566	—	566
Net assets at beginning of year	871,762	1,035,231	1,906,993
Net assets at end of year	\$ 976,590	1,077,330	2,053,920

See accompanying notes to consolidated financial statements.



**WAKE FOREST UNIVERSITY**  
Consolidated Statement of Activities  
Wake Forest University Health Sciences  
(Supplementary Information)

Year ended June 30, 2024

(Dollars in thousands)

	<b>Without donor restrictions</b>	<b>With donor restrictions</b>	<b>Total</b>
Operating revenues:			
Student tuition and fees	\$ 40,833	—	40,833
Government grants and contracts	246,466	—	246,466
Private grants and contracts	9,962	113,064	123,026
Contributions	3,476	2,835	6,311
Investment return designated for current operations	34,369	21,095	55,464
Patient service revenue	817,925	—	817,925
Other	507,093	(825)	506,268
Net assets released from restrictions	71,251	(71,251)	—
Total operating revenues	<u>1,731,375</u>	<u>64,918</u>	<u>1,796,293</u>
Operating expenses:			
Salaries and wages	961,673	—	961,673
Employee benefits	217,923	—	217,923
Student aid	13,244	—	13,244
Services	234,363	—	234,363
Clinical and laboratory supplies	117,850	—	117,850
Other operating expenses	112,037	—	112,037
Depreciation and amortization	31,933	—	31,933
Interest on debt	4,293	—	4,293
Total operating expenses	<u>1,693,316</u>	<u>—</u>	<u>1,693,316</u>
Operating (deficit) / excess	<u>38,059</u>	<u>64,918</u>	<u>102,977</u>
Nonoperating activities:			
Restricted contributions	—	9,658	9,658
Investment return in excess of amounts designated for current operations	19,402	1,085	20,487
Actuarial gains on annuity obligations	—	241	241
Unrealized gains on interest rate swaps	294	—	294
Postretirement related changes other than service costs	(450)	—	(450)
Losses from affiliates, equity method	(57,133)	—	(57,133)
Equity transfer from affiliate	—	10,000	10,000
Other, net	8,192	(560)	7,632
Change from nonoperating activities	<u>(29,695)</u>	<u>20,424</u>	<u>(9,271)</u>
Change in net assets	8,364	85,342	93,706
Change in net assets attributable to noncontrolling interest	(56)	—	(56)
Net assets attributable to noncontrolling interest at beginning of year	941	—	941
Net assets at beginning of year	<u>850,826</u>	<u>320,149</u>	<u>1,170,975</u>
Net assets at end of year	<u>\$ 860,075</u>	<u>405,491</u>	<u>1,265,566</u>

See accompanying notes to consolidated financial statements.

**WAKE FOREST UNIVERSITY**

Consolidated Statement of Cash Flows

Year ended June 30, 2024

(with summarized comparative financial information for the year ended June 30, 2023)

(Dollars in thousands)

	<b>Supplementary information</b>			
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>2024</b>	<b>2023</b>
Cash flows from operating activities:				
Change in net assets	\$ 146,361	93,650	240,011	122,585
Adjustments to reconcile change in net assets to net cash provided by operating activities:				
Depreciation and amortization	50,125	31,933	82,058	88,135
Amortization of debt related costs	(132)	(1,138)	(1,270)	(2,107)
Amortization of right-of-use operating assets	4,370	26,011	30,381	38,411
Net gains on investments	(111,968)	(31,676)	(143,644)	(80,593)
Private gifts restricted for capital and long-term investment	(36,451)	(9,658)	(46,109)	(6,257)
Losses (gains) on disposals of property and equipment	3,576	(3,682)	(106)	1,022
Losses on impairment of property held for sale	4,661	—	4,661	487
Losses (gains) from equity method affiliates	—	57,133	57,133	(39,685)
Unrealized gains on interest rate swaps	(1,995)	(294)	(2,289)	(4,444)
Bad debt expense and change in allowance for contributions receivable	601	4,154	4,755	(2,084)
Changes in operating assets and liabilities:				
Accounts and patient receivables	(1,683)	15,129	13,446	(20,323)
Contributions receivable	(2,576)	1,307	(1,269)	24,746
Notes receivable	—	12	12	17
Operating lease right-of-use assets, net	(1,482)	(21,342)	(22,824)	(20,640)
Other assets and other liabilities and deferrals	17,550	(76,200)	(58,650)	161,629
Accounts payable and accruals	(1,391)	11,135	9,744	(63,441)
Operating lease liabilities	(2,938)	(5,736)	(8,674)	(18,079)
Postretirement benefits	(52)	(3,295)	(3,347)	(1,882)
Annuities payable	(966)	(241)	(1,207)	2,034
Net cash provided by operating activities	<u>65,610</u>	<u>87,202</u>	<u>152,812</u>	<u>179,531</u>
Cash flows from investing activities:				
Purchases of land, buildings, and equipment and investments in real estate	(79,500)	(42,619)	(122,119)	(89,297)
Proceeds from sale of land, buildings, and equipment	(64)	—	(64)	508
Disbursements of loans to students and other	(180)	—	(180)	(180)
Repayments of loans to students and other	1,408	—	1,408	2,168
Purchases of investments	(432,866)	(54,316)	(487,182)	(458,623)
Net proceeds from sales and maturities of investments	<u>385,597</u>	<u>40,384</u>	<u>425,981</u>	<u>399,057</u>
Net cash used in investing activities	<u>(125,605)</u>	<u>(56,551)</u>	<u>(182,156)</u>	<u>(146,367)</u>
Cash flows from financing activities:				
Proceeds from notes payable	7,319	—	7,319	1,104
Principal payments on notes payable	(2,396)	(1,208)	(3,604)	(12,030)
Principal payments on bonds payable	(6,465)	(9,195)	(15,660)	(8,400)
Bond issuance costs	—	—	—	132
Proceeds from finance lease obligations	3,117	—	3,117	3,286
Payments on finance lease obligations	(1,851)	(36,427)	(38,278)	(4,047)
Proceeds from private gifts restricted for long-term investment	36,461	9,658	46,119	6,257
Other revenue restricted for long-term investment	—	—	—	(4,774)
Net cash provided by (used in) financing activities	<u>36,185</u>	<u>(37,172)</u>	<u>(987)</u>	<u>(18,472)</u>
Net (decrease) increase in cash, cash equivalents and restricted cash	<u>(23,810)</u>	<u>(6,521)</u>	<u>(30,331)</u>	<u>14,692</u>
Cash, cash equivalents and restricted cash at beginning of year	<u>62,265</u>	<u>25,723</u>	<u>87,988</u>	<u>73,296</u>
Cash, cash equivalents and restricted cash at end of year	\$ <u>38,455</u>	<u>19,202</u>	<u>57,657</u>	<u>87,988</u>
Cash and cash equivalents	\$ 38,455	18,462	56,917	86,738
Restricted cash	—	740	740	1,250
Total cash, cash equivalents, and restricted cash	\$ <u>38,455</u>	<u>19,202</u>	<u>57,657</u>	<u>87,988</u>
Supplemental disclosures of cash flow information:				
Cash paid for interest, net of amounts capitalized	\$ 20,271	5,204	25,475	28,218
Capital expenditures included in account payable	14,352	1,462	15,814	15,676
Operating cash flows from finance leases	2,853	324	3,177	5,009
Operating cash flows from operating leases	3,938	30,274	34,212	32,541
Financing cash flows from finance leases	1,591	234	1,825	3,480
Income taxes paid	97	775	872	1,061

See accompanying notes to consolidated financial statements.

## WAKE FOREST UNIVERSITY

### Notes to Consolidated Financial Statements

June 30, 2024

(Dollars in Thousands)

#### (1) Organization and Summary of Significant Accounting Policies

##### (a) *Description of Wake Forest University*

Wake Forest University (the University) is a private, coeducational, not-for-profit institution of higher education and research located in Winston-Salem, North Carolina. The consolidated financial statements of the University include the consolidated subsidiaries of the University, such as Verger Capital Management, LLC (VCM), Reynolda House, Inc., and Wake Forest University Health Sciences (WFUHS), and all entities over which the University has control, including all of the subsidiaries of WFUHS.

**WFUHS** is a wholly owned subsidiary of the University and is a North Carolina nonprofit corporation with the University as its sole member. WFUHS operates the Wake Forest University School of Medicine, educating medical students and others, providing patient care in a variety of clinical, hospital, and other healthcare settings, and conducting biomedical research. Wholly owned affiliates of WFUHS are the Dialysis Centers of Wake Forest University, Wake Forest Innovation Quarter Development Co., Wake Forest Innovation Quarter CDC, Innovation Quarter (f/k/a Wake Forest Innovation Quarter Management Co.), WFIQ Holdings, LLC, WFIQ Holdings II, LLC, WFIQ Holdings III, LLC, Seed Stage Associates, LLC, Park IMP 1, LLC, BRF – A1, LLC, BRF Deck 1, LLC, BRF – A1a, LLC, Childress Institute for Pediatric Trauma, Wake Forest Emergency Providers, North District Owners Association, and RegenMed Development Organization.

Effective July 1, 2010, the governing boards of the University, WFUHS, North Carolina Baptist Hospital (NCBH), and Wake Forest University Baptist Medical Center (WFUBMC) approved a Medical Center Integration Agreement (MCIA) whereby an integrated academic medical center was created that combined clinical care, medical education and research under the delegated operational management and oversight of WFUBMC.

Pursuant to a health system integration agreement among the University, WFUBMC, WFUHS, NCBH, and the Charlotte Mecklenburg Hospital Authority ("CMHA"), a North Carolina hospital authority that operates a multi-state integrated healthcare system in the southeastern United States, effective on October 9, 2020, WFUBMC and CMHA became participants in a single, integrated healthcare delivery and academic system (the "Enterprise") managed and overseen by Atrium Health, Inc., a new joint operating company without members ("Atrium"). Atrium's 16 person board of directors (the "Atrium Board") initially consists of 13 CMHA designees and three WFUBMC designees. The health system integration transaction's objectives include fostering the mission of the School of Medicine through its relationship with Atrium and the continued flourishing of the Medical Center. As a result of the health system integration agreement, the MCIA was amended to include Atrium as a third member of WFUBMC and the WFUBMC Board was reconstituted to include seventeen voting directors of whom the University designates six, NCBH designates six, Atrium designates three, and the WFUBMC board elects two. Additionally, the Medical Center (including WFUHS and the School of Medicine) was established as the academic core of the Enterprise responsible for its academic and research activities.

Under this arrangement, each Enterprise participant and its affiliates will maintain its separate legal existence and continue to own its assets and retain all power, authorities, rights and remedies

## **WAKE FOREST UNIVERSITY**

### **Notes to Consolidated Financial Statements**

June 30, 2024

(Dollars in Thousands)

necessary or appropriate to allow it to comply with its pre existing debt instruments and any new debt instruments; all debt and other liabilities of each Enterprise participant will remain the debt and liabilities of such Enterprise participant regardless of when incurred (unless otherwise agreed); and no Enterprise participant assumes or guarantees the debt or other liabilities of any other Enterprise participant.

WFUBMC and CMHA delegated authority to Atrium to manage and oversee their activities and operations, subject to the authority of the University, WFUHS, and WFUBMC over academic and research matters, the exercise of certain reserved powers, and the carrying out of certain responsibilities by the WFUBMC Board and the CMHA Board of Commissioners.

The reserved powers of each Enterprise participant include the power to approve a change in its fundamental business or mission and, subject to the Atrium Board's approval, to develop its strategic plans (which will be generally consistent with those of the entire Enterprise) and its capital and operating budgets.

The School of Medicine continues as an academic unit owned and operated by the University through WFUHS. The Chief Academic Officer (CAO) reports exclusively to the President of the University on School of Medicine related academic matters and the President must consent to the appointment of the Dean of the School of Medicine by the CAO. The University, generally through the School of Medicine, continues to be responsible for, and have the authority regarding, all academic functions of the School of Medicine, including: managing research activities and support; compliance with regulatory and accreditation standards; medical curriculum and academic programs and classes; standards and processes for appointing, compensating, evaluating, promoting, granting tenure to and dismissing faculty; requirements, standards and processes relating to student admission, matriculation, conduct, evaluation/grading, promotion, and graduation (including awarding degrees in the School of Medicine); student clinical rotations, including assignments; processing and administering financial aid and student support services; administration and support of research; grant processing, and research performed by faculty, staff, and students of the School of Medicine; and other customary academic functions associated with the operation of medical schools and health science related programs. As such, the University shall continue to hold and exercise, at minimum, the degree of academic and academically related administrative authority over WFUBMC, the School of Medicine, and WFUHS that the University exercised prior to the creation of the Enterprise.

In addition to forming a unified health system, a second medical school campus of the School of Medicine will be established in Charlotte and will operate under the authority of the University as stated above and will be affiliated with Atrium. This campus is scheduled to open to first year M.D. students in 2025. The addition of the second campus is expected to approximately double the enrollment of the School of Medicine.

The University is not obligated for repayment of indebtedness issued by or for the performance of obligations of NCBH, WFUHS, the Medical Center, the School of Medicine, CMHA, Atrium or any other affiliate. The assets of the University have not been pledged to secure obligations of NCBH, WFUHS, the Medical Center, the School of Medicine, CMHA, Atrium or any other affiliate. Similarly,

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neither NCBH, WFUHS, the Medical Center, the School of Medicine, CMHA, Atrium nor any other affiliate is obligated for the repayment of indebtedness issued by or for the performance of obligations of the University.

Effective December 2022, Atrium and Advocate Aurora Health, Inc., a Delaware nonprofit corporation (Advocate Aurora), entered into a joint operating agreement to create a leading health and wellness delivery system to best meet patients' needs by redefining how, when and where care is delivered (the combination). Advocate Aurora, which serves nearly 3 million patients annually in Illinois and Wisconsin, is one of the 12 largest not-for-profit, integrated health systems in the United States and a national leader in clinical innovation, health outcomes, consumer experience and value-based care. As part of this agreement, the Enterprise and Advocate Aurora created a joint operating company known as Advocate Health, Inc. (Advocate Health). Atrium and Advocate Aurora are the sole corporate members of Advocate Health, which manages and oversees the combined organization. Advocate Health is governed by a board of directors comprising an equal number of members from the Enterprise and Advocate Aurora. The Enterprise and Advocate Aurora continue to own their respective assets. No assets were transferred as part of the combination, and the Enterprise and its related entities and Advocate Aurora and its related entities maintain their separate legal existence and licensure status of their respective facilities.

The overarching effect of the combination is that Advocate Health replaced Atrium as the management entity of the expanded Advocate Health System (including the Enterprise); but, as with the October 2020 Enterprise transaction, the University shall continue to hold and exercise, at a minimum, the degree of academic and academically-related administrative authority over WFUBMC, the School of Medicine, and WFUHS that the University exercised prior to the combination.

All significant intercompany balances and transactions have been eliminated in consolidation.

#### **(b) Basis of Presentation**

The consolidated financial statements have been prepared on the accrual basis in conformity with Generally Accepted Accounting Principles (GAAP).

Net assets are reported based on the existence or absence of donor-imposed restrictions and serve as the foundation of the accompanying consolidated financial statements.

Accordingly, net assets of the University and changes therein are classified and reported as follows:

- *Net Assets without donor restrictions* – Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization.

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- *Net Assets with donor restrictions* – Net assets subject to donor-imposed stipulations. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the University and/or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity; generally, the donors of these assets permit the University to use all or part of the income earned on related investments for general or specific purposes.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Donor-restricted contributions are reported as increases in net assets with donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases, respectively, in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. Expirations of restrictions on net assets (i.e., the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed) are reported as reclassifications from net assets with donor restrictions to net assets without donor restrictions in the consolidated statement of activities. For gifts of long-lived assets, these releases of restrictions are treated as nonoperating.

#### **(c) Operating Excess**

Revenues earned, expenses incurred, and returns made available for the University's operating purposes of teaching, research, patient care, and other programs and services are components of the operating excess or deficiency presented in the consolidated statement of activities. The University considers the following items to be nonoperating activities: restricted contributions for capital and long-term investment and the related net assets released from restriction, investment return (less than) in excess of amounts designated for current operations, actuarial gain or loss on annuity obligations, unrealized gain on interest rate swaps, postretirement related changes other than service cost, gain from affiliates (equity method), donor designation changes, estimates for one-time legal settlements and other, net.

#### **(d) Fair Value Measurements**

The fair value hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The hierarchy requires the use of observable market data when available. The three levels of the fair value hierarchy are as follows:

Level 1 – Valuations for assets and liabilities traded in active exchange markets as of the reporting date. Valuations are obtained from readily available pricing sources for market transactions involving identical assets or liabilities.

Level 2 – Valuations for assets and liabilities are determined through direct or indirect observations other than quoted market prices.

Level 3 – Valuations for assets and liabilities that are derived from other valuation methodologies including discounted cash flow models and similar techniques, and not based on market exchange, dealer or broker traded transactions.

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Net asset value (NAV) – Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy.

In the event that changes in the inputs used in the fair value measurement of an asset or liability result in a transfer of the fair value measurement to a different categorization (e.g., from Level 3 to Level 2), such transfers between fair value categories are recognized at the end of the reporting period.

#### **(e) Cash and Cash Equivalents**

Cash equivalents include highly liquid investments with original maturities at date of purchase of three months or less. Such assets, reported at fair value, primarily consist of depository account balances, and money market funds. The University maintains bank accounts at various financial institutions covered by the Federal Depository Insurance Corporation (FDIC). At various times throughout the year, the University may maintain bank accounts in excess of the FDIC-insured limit. Management believes that the risk associated with these bank accounts is minimal.

Cash and cash equivalents that are managed as part of the University's unitized endowment are reported within investments on the consolidated balance sheet and excluded from cash in the consolidated statement of cash flows as these funds are not used for operating needs.

#### **(f) Restricted Cash**

The University maintains separate accounts to hold unspent tax-exempt bond proceeds which are restricted for capital purposes and to satisfy collateral posting requirements.

#### **(g) Contributions Receivable**

Pledges that represent unconditional promises to give are recognized at fair value as contributions with donor restrictions in the period such promises are made by donors. Pledges are recorded after discounting, using rates ranging from 2.77% – 5.74% in order to derive the present value of future cash flows. An allowance for uncollectible contributions receivable is provided based upon management's judgement, considering such factors as prior collection history, type of contribution, relationship with donor, and nature of fund-raising activity.

#### **(h) Notes Receivable**

Notes receivable, which are recorded at face value, principally represent amounts due from students under the Perkins Loan Program. A general allowance is made for uncollectible student loans after considering long-term collection experience and current trends. Other notes receivable are evaluated individually for impairment, with allowances based on management's expectations given facts and circumstances related to each note.

The University assigns loans receivable from students under governmental loan programs, also carried at cost, to the federal government. The University classifies refundable advances from the federal government as liabilities in the consolidated statement of financial position. Outstanding loans cancelled under a governmental program result in a reduction of the funds available for loan and a decrease in the liability to the government.

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#### **(i) Investments**

The University's Board of Trustees created an asset management company, VCM, that provides research, advice, counsel and management with respect to the University's long-term investment portfolio. VCM manages the investment funds of Verger Capital Fund, LLC (Master Fund), Verger Fund I, LLC (Verger Fund I), and Verger Fund II, LLC (Verger Fund II). The Master Fund is controlled by the University and provides investment services for Verger Fund I and Verger Fund II. Verger Fund I was created to hold the Reynolda Campus long-term endowment and working capital pool and Verger Fund II was created to hold the WFUHS and Reynolda House long-term endowment and working capital pools. VCM also manages long-term investments for the University outside of the Verger Fund I and Verger Fund II portfolios.

Certain investments, however, are held in specific instruments outside of VCM to comply with donor restrictions or other considerations.

**Valuation** – Investments are recorded at fair value in the consolidated balance sheet. Investments in readily marketable debt and equity securities are stated at their fair values, which are determined based on quoted market prices. For shares in mutual funds, the University considers fair value based on share prices reported by the funds as of the last business day of the fiscal year. Investments in private equity and absolute return funds are generally reported at the net asset value (NAV) reported by fund managers and these values are reviewed and evaluated by the University's investment management company. Unless it is probable that all or a portion of the investment will be sold for an amount other than NAV, the University has concluded, as a practical expedient, that the NAV approximates fair value. Additionally, the University's interest in both Verger Fund I and Verger Fund II are included at NAV in investments on the consolidated balance sheet. Investments in joint ventures are accounted for using the equity method.

**Risks** – Investments are exposed to several risks, including interest rate, currency, market and credit risks. Due to the level of risk associated with certain investments, it is at least possible that changes in the values of the investments will occur in the near term and that such changes could materially affect the amounts reported in the University's consolidated financial statements.

**Reporting** – Investment transactions are accounted for on a trade date basis. Short and Intermediate term investment income is reported as investment return included in operating revenues and realized and unrealized gains (losses) are reported as nonoperating revenues. Long-term investment spending rate distribution (see Note 9) is reported as operating revenues and any excess (deficiency) of income and realized and unrealized gains (losses) earned on investments above (below) spending rate, including split-interest agreements are reported as nonoperating revenues. Investment management fees are netted against investment return.

#### **(j) Investments in Real Estate**

Investments in real estate are primarily comprised of rental properties of the University and are valued at the lower of net book value or market. The University records depreciation on rental properties over 40 years or the life of the asset. Depreciation is calculated using the straight-line method. Real estate gifts held for sale are recorded at fair value, based on periodic external appraisals.



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#### **(k) *Interests in Perpetual Trusts Held by Others and Split-Interest Agreements***

The University's split-interest agreements with donors consist primarily of irrevocable charitable remainder trusts for which the University serves as trustee and charitable gift annuities. Assets held in these trusts are stated at fair value and are included in investments. Contribution revenue is recognized at the dates the trusts are established. The University recognizes the change in value of split-interest agreements according to the fair value of assets that are associated with each trust and recalculates the liability for the present value of annuity obligations. Any change in fair value is recognized in the consolidated statement of activities.

The University is also the beneficiary of certain trusts and other assets held and administered by others. The University's share of these assets is recognized in investments at fair value.

#### **(l) *Other Assets***

Other assets are primarily comprised of prepaid expenses, intangible assets, deferred expenses, and inventories. Inventories are valued at the lower of average cost or net realizable value.

#### **(m) *Land, Buildings, and Equipment***

Land, buildings, and equipment are recorded at cost at date of acquisition or estimated fair value on the date received for donated items. Depreciation is calculated using the straight-line method over the estimated useful life of each class or component of depreciable asset. Estimated lives range from 3 to 60 years. Depreciation is not calculated on land and construction in progress. Gains or losses on the disposal of land, buildings, and equipment are included in the consolidated statement of activities. Interest cost incurred on borrowed funds during the period of construction of capital assets is capitalized as a component of the cost of constructing these assets.

#### **(n) *Impairment of Long-Lived Assets***

The University periodically assesses the realizability of its long-lived assets and evaluates such assets for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable. For assets to be held, impairment is determined to exist if estimated future cash flows, undiscounted and without interest charges, are less than the carrying amount. The University recognizes an impairment charge when the fair value of the asset or group of assets is less than the carrying value.

#### **(o) *Asset Retirement Obligations***

The University has asset retirement obligations (AROs) arising from regulatory requirements to perform certain asset retirement activities at the time that certain buildings and equipment are disposed of or renovated. The liability was initially measured at fair value and subsequently is adjusted for accretion expense and changes in the amount or timing of the estimated cash flows. The corresponding asset retirement costs are capitalized as part of the carrying amount of the related long-lived asset and depreciated over the asset's useful life. The University revalues asset retirement obligations as remediation costs are incurred or as additional cost information becomes available.

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#### **(p) Leases**

The University has operating and finance leases for real estate and equipment. The University determines if an arrangement is a lease at inception. The University has both leases under which it is obligated as a lessee and leases for which it is a lessor. Operating leases as a lessee are included in right-of-use assets operating and operating lease obligations in the consolidated balance sheet. Finance leases as a lessee are included in land, building, and equipment, net, and notes payable and finance leases in the consolidated balance sheet.

Right-of-use assets represent the University's right to use an underlying asset for the lease term. Lease obligations represent the University's liability to make lease payments arising from the lease. Operating and finance lease right-of-use assets and related obligations are recognized at the commencement date based on the net present value of lease payments over the lease term discounted using an appropriate incremental borrowing rate. As most of the University's leases do not provide an implicit rate, the University uses its incremental borrowing rate which is based on the information available at commencement date in determining the present value of lease payments. The University considers recent debt issuances, as well as publicly available data for instruments with similar characteristics when calculating its incremental borrowing rates. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise the option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. Interest expense is recognized as a component of the lease payment for finance leases.

Rental income arising from operating leases as a lessor is included in operating revenue in sales and services of auxiliary enterprises in the consolidated statement of activities.

#### **(q) Derivative Instruments**

The University holds certain interest rate swap agreements to manage the fixed/variable mix of its debt portfolio. The notional amounts of the agreements dictate the payments between the counterparties based on agreed-upon rates as determined in the agreements. The University records all derivative instruments on the consolidated balance sheet at their respective fair values. All changes in fair value are reflected in the consolidated statement of activities. Cash payments and receipts are included in interest on debt.

#### **(r) Postretirement Plans**

The University records annual amounts relating to its postretirement plans based on calculations that incorporate various actuarial and other assumptions including discount rates, mortality, retirement rates, and healthcare cost trend rates. The University reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends when it is appropriate to do so. The effect of modifications to those assumptions is recorded as a change in net assets without donor restriction and amortized to net periodic benefit cost over future periods using the corridor method. The University believes that the assumptions utilized in recording its obligations under its plans are reasonable based on its experience and market conditions. The net periodic benefit costs are recognized as employees render the services necessary to earn the postretirement benefits. The University records the service cost component of net benefit cost in the employee benefits expense line item and all other costs associated with net benefit costs are reflected in nonoperating activities.

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#### **(s) Revenue Recognition**

The University's significant revenue recognition policies are as follows:

**Student tuition and fees** – Student tuition and fees for instruction and other educational services, net of scholarships and fellowships, are substantially billed and collected prior to the end of each semester. Revenues are earned and recognized over the course of each semester as education services are delivered. Student tuition and fees received in advance of services to be rendered are recorded as deferred revenue. Student aid provided by the University is reflected as a reduction in student tuition and fee revenue up to the tuition and mandatory fees. Student financial aid in excess of the tuition and mandatory fees is reflected as a reduction in auxiliary revenue. Student aid does not include payments made to students for services rendered to the University.

**Grants and contracts** – Grants for basic research and other sponsored programs are generally subject to restrictions and conditions that must be met before the University is entitled to funding. Accordingly, advances from granting agencies are generally considered refundable in the unlikely event specified services are not performed. The University recognizes revenues on grants for basic research and other sponsored programs as the awards for such programs are expended, since expenditures in accordance with award terms typically results in the release of restrictions and conditions imposed by the grantor. Revenue from exchange contracts for applied research is recognized as the University's contractual performance obligations are substantially met. Indirect cost recovery by the University on U.S. government grants and contracts is based upon a predetermined negotiated rate and is recorded as private grants and contracts revenue and government grants and contracts revenue.

**Contributions** – Contributions, including unconditional promises to give, are recognized in the period the contributions or promise is made. Contributions of assets other than cash are recorded at their estimated fair value. Unconditional promises expected to be collected in future years are recorded at the present value of expected future cash flows discounted at an appropriate discount rate commensurate with the risks involved. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. Conditional promises to give are not recognized until they become unconditional, that is, when the conditions on which they depend are met.

**Patient revenue** – Patient revenue is reported at the amount that reflects the consideration to which WFUHS expects to be entitled for providing patient care. These amounts are due from patients, third party payers, and others, and includes variable consideration for retroactive revenue adjustments due to settlement of reviews and audits. Revenue is recognized as performance obligations are satisfied.

Performance obligations are determined based on the nature of the services provided by WFUHS. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected or actual charges. WFUHS believes that this method provides a reasonable depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients receiving inpatient acute care services. WFUHS measures the

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performance obligation from admission into the hospital to the point when it is no longer required to provide services to that patient, which is generally at the time of discharge. These services are considered to be a single performance obligation. Revenue for performance obligations satisfied at a point in time is recognized when services are provided and WFUHS does not believe it is required to provide additional services to the patient. Generally, performance obligations satisfied at a point in time relate to outpatient services and pharmacy revenue.

Because all of its performance obligations relate to contracts with a duration of less than one year, WFUHS has elected to apply the optional exemption provided in GAAP and, therefore, is not required to disclose the aggregate amount of the transaction price allocated to performance obligations that are unsatisfied or partially unsatisfied 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.

WFUHS is utilizing the portfolio approach practical expedient for contracts related to net patient service revenue. WFUHS accounts for the contracts within each portfolio as a collective group, rather than individual contracts, based on the payment pattern expected in each portfolio category and the similar nature and characteristics of the patients within each portfolio. The portfolios consist of major payer classes for inpatient revenue and outpatient revenue. Based on historical collection trends and other analyses, WFUHS has concluded that revenue for a given portfolio would not be materially different than if accounting for revenue on a contract-by-contract basis.

WFUHS has agreements with third party payers that provide for payments to WFUHS at amounts different from its established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments. For uninsured patients who do not qualify for charity care, WFUHS recognizes revenue based on established rates, subject to certain discounts and implicit price concessions as determined by WFUHS. WFUHS determines the transaction price based on standard charges for services provided, reduced by explicit price concessions provided to third party payers, discounts provided to uninsured patients in accordance with WFUHS's policy, and implicit price concessions provided to uninsured patients. Explicit price concessions are based on contractual agreements, discount policies, and historical experience. Implicit price concessions represent differences between amounts billed and the estimated consideration WFUHS expects to receive from patients, which are determined based on historical collection experience, current market conditions, and other factors.

Generally, patients who are covered by third party payers are responsible for patient responsibility balances, including deductibles and coinsurance, which vary in amount. WFUHS estimates the transaction price for patients with deductibles and coinsurance based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any explicit price concessions, discounts, and implicit price concessions. Subsequent changes to the estimate of the transaction price are generally recorded as adjustments to patient service revenue in the period of the change. Adjustments arising from a change in the

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transaction price were not significant in fiscal year 2024 or 2023. Subsequent changes that are determined to be the result of an adverse change in the patient's ability to pay are recorded as bad debt expense. Bad debt expense for the years ended June 30, 2024 and 2023 was not material to the consolidated statement of activities.

Under the Medicare and Medicaid programs, WFUHS is entitled to reimbursement for billed current procedural terminology codes at fee schedule rates determined by federal and state governments. Differences between established billing rates and reimbursements from these programs are recorded as contractual adjustments to arrive at net patient service revenue.

**Charity care** – WFUHS cares for patients who meet certain criteria under its charity care policy without charge or at amounts less than its established rates. WFUHS does not pursue collection of amounts determined to qualify as charity care, and accordingly, such amounts are not recognized as revenue.

**Sales and services of auxiliary enterprises** – Sales and services of auxiliary enterprises primarily consist of revenues from athletics, residence halls, dining services, parking, real estate, and retail stores, which furnish goods and services to students, faculty, staff, and in some cases, the general public. Fee charges are directly related to the cost of goods provided or services rendered and are recognized accordingly. Student aid provided by the University in excess of tuition and mandatory fees is reflected as a reduction of sales and services of auxiliary enterprises.

Certain auxiliary revenues arise from contracts. Revenues from intercollegiate athletics ticket sales, media rights, licensing and royalties and other contracts are received and recognized concurrent with event-based obligations or the passage of contract terms, but typically within the fiscal year. However, season ticket proceeds received prior to the report date for events scheduled in the upcoming fiscal year are recorded as deferred revenue and recognized as the associated events are completed. Charges to students for campus residence, and dining are substantially billed and collected prior to the end of each semester. Associated revenues are earned and recognized over the course of each semester as these services are delivered. Accounts receivable from students are typically insignificant at the end of each fiscal year.

#### **(t) Use of Estimates**

The University prepares its consolidated financial statements in accordance with GAAP that requires management to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items subject to such estimates and assumptions include the carrying amount of right of use assets – operating, land, buildings, and equipment, the valuation of non-readily marketable investments, investments in real estate, allowances for receivables, third-party payer settlements, and any other implicit price concessions, AROs, professional liabilities, operating lease obligations, interest rate swap obligations and obligations related to employee benefits. Actual results could differ from those estimates.

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#### **(u) Income Taxes**

The University is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code) and is generally exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. If applicable, unrelated business income is reported by all member and subsidiary organizations on IRS Form 990-T. Fiscal years ending on or after June 30, 2021 remain subject to examination by federal and state tax authorities. The University has evaluated uncertain tax positions for the year ended June 30, 2024, including a quantification of tax risks in areas such as unrelated business income and taxation of its for-profit subsidiaries. This evaluation did not identify any material items that affect the consolidated financial statements for the year ended June 30, 2024.

#### **(v) Comparative Financial Information**

The consolidated financial statements include certain prior year information for comparative purposes, which does not include sufficient detail to constitute a presentation in conformity with GAAP. Accordingly, such information should be read in conjunction with the University's consolidated financial statements for the year ended June 30, 2023 from which this information was derived.

#### **(w) New Accounting Pronouncements**

In June 2016, the FASB issued ASU 2016-13, Financial Instruments – Credit Losses (Topic 326) Measurement of Credit Losses on Financial Statements. Based on updated guidance, ASU 2016-13 is effective for fiscal years beginning after December 15, 2022. In fiscal year 2024 the University implemented the new standard and evaluated its impact. There is no material impact to the financial statements or related disclosures.

## **(2) Liquidity and Availability**

Financial assets available for general expenditure within one year of June 30 are as follows:

<b>2024</b>				
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>	<b>2023</b>
Cash and cash equivalents	\$ 38,455	18,462	56,917	83,954
Accounts receivable, net	25,466	152,815	178,281	222,536
Patient receivables	—	111,327	111,327	84,928
Investments available to be liquidated	539,101	587,217	1,126,318	1,030,366
Total financial assets available within one year	\$ 603,022	869,821	1,472,843	1,421,784

For Wake Forest University Health Sciences, the investments above include \$151,066 of endowment funds available to be liquidated.

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In addition to amounts included above, as part of the University's liquidity management, it invests cash in excess of daily requirements in short-term investments. To help manage unanticipated liquidity needs, Reynolda Campus and WFUHS have committed lines of credit with a total borrowing capacity of \$150,000 and \$300,000, respectively, at June 30, 2024 and, 2023, which could be drawn upon. Additionally, Reynolda Campus and WFUHS have board-designated endowment funds of \$261,644 and \$516,576, respectively at June 30, 2024 and \$259,831 and \$498,483 at June 30, 2023, respectively. Although the University does not intend to spend from the board-designated endowment funds other than amounts appropriated for general expenditures as part of its annual budget approval and appropriation, amounts from the board-designated endowment funds could be made available, subject to certain lock-up provisions that reduce the total investments that could be made available if necessary.

### (3) Accounts Receivable

The following is an analysis of accounts receivable at June 30, 2024 and 2023:

		2024			2023
		Reynolda Campus	WFUHS	Total	Total
Accounts receivable	\$	20,199	47,958	68,157	136,068
Grants receivable		5,921	105,949	111,870	88,106
Total accounts receivable		26,120	153,907	180,027	224,174
Less allowance for bad debts		(654)	(1,092)	(1,746)	(1,638)
Accounts receivable, net	\$	25,466	152,815	178,281	222,536

### (4) Student Services Revenue

Student services revenue consists of revenue for tuition and fees, housing, and dining. The revenue is determined based on published rates for such services less any institutional financial aid awarded by the University to qualifying students. The University's policy attributes aid first to tuition and fees and any excess to auxiliary services, for financial reporting purposes.

	2024						2023					
	Reynolda Campus			WFUHS			Reynolda Campus			WFUHS		
	Published rates	Financial aid	Net revenue	Published rates	Financial aid	Net revenue	Published rates	Financial aid	Net revenue	Published rates	Financial aid	Net revenue
Student tuition and fees	\$ 438,817	(121,871)	316,946	63,404	(22,571)	40,833	421,855	(112,622)	309,233	60,322	(18,932)	41,390
Housing and dining	53,710	(16,409)	37,301	—	—	—	51,638	(13,575)	38,063	—	—	—
Total	\$ 492,527	(138,280)	354,247	63,404	(22,571)	40,833	473,493	(126,197)	347,296	60,322	(18,932)	41,390

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**(5) Patient Revenue and Patient Receivables**

Patient revenue by major payer source, net of price concessions, is as follows for the years ended June 30:

	<b>2024</b>		<b>2023</b>	
Medicare	\$ 273,388	34 %	\$ 267,580	34 %
Medicaid	95,309	12	91,064	12
Managed care and commercial insurance	415,447	50	391,423	50
Self-pay, after insurance	1,477	—	2,691	—
Self-pay, uninsured	5,284	1	6,624	1
Other	27,020	3	27,092	3
Patient service revenue	<u>\$ 817,925</u>	<u>100 %</u>	<u>\$ 786,474</u>	<u>100 %</u>

*Concentration of Credit Risk*

WFUHS grants credit without collateral to its patients, most of whom are insured under third-party payer agreements. The mix of receivables from patients and third-party payers was as follows as of June 30:

	<b>2024</b>	<b>2023</b>
Medicare	29 %	27 %
Medicaid	20	21
Managed care and commercial insurance	29	26
Self-pay, after insurance	12	13
Self-pay, uninsured	3	5
Other	7	8
	<u>100 %</u>	<u>100 %</u>

The majority of WFUHS' provision for bad debts is recorded as a direct reduction to patient revenue instead of being presented as a separate line on the consolidated statement of activities.

WFUHS maintains records to identify and monitor the level of charity care it provides. These records include the amount of charges foregone and estimated costs incurred for services and supplies furnished under its charity care policy and equivalent service statistics. Costs incurred are estimated based on the ratio of total operating expenses to gross charges applied to charity care charges foregone. The amounts of direct and indirect costs incurred for services and supplies furnished under WFUHS' charity care policy totaled \$10,527 and \$8,274 in 2024 and 2023, respectively.



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**(6) Contributions Receivable**

The following is an analysis of the maturities of the University's contributions receivable at June 30, 2024 and 2023:

	<b>2024</b>			<b>2023</b>
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>	<b>Total</b>
One year or less	\$ 40,214	7,009	47,223	44,784
Between one and five years	58,938	2,085	61,023	58,943
More than five years	84,210	—	84,210	87,418
Contributions receivable, gross	183,362	9,094	192,456	191,145
Estimated uncollectible amounts	(8,785)	(913)	(9,698)	(9,517)
Discount to present value	(56,968)	(168)	(57,136)	(56,918)
Contributions receivable, net	\$ 117,609	8,013	125,622	124,710

Contributions receivable are discounted at a rate commensurate with the scheduled timing of receipt. Such amounts outstanding as of June 30, 2024, and 2023, were discounted at rates ranging from 2.77% to 3.14% for Reynolda Campus, respectively, and 5.74% to 5.77% for WFUHS, respectively.

Contributions receivable, net for Reynolda Campus included significant pledges from a few donors and perpetual commitments from a foundation with a long-standing history of support to the University. These long-term unconditional promises to give represented 41% and 43% of Reynolda Campus' net contributions receivable as of June 30, 2024 and 2023, respectively, a portion of which are from related parties.

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**(7) Notes Receivable**

The following is an analysis of notes receivable at June 30, 2024 and 2023:

	<b>2024</b>			<b>2023</b>
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>	<b>Total</b>
Student loans receivable	\$ 4,049	281	4,330	5,696
Other notes receivable	3,112	6	3,118	3,227
Total notes receivable	7,161	287	7,448	8,923
Less estimated uncollectible amounts	(562)	(40)	(602)	(844)
Notes receivable, net	\$ <u>6,599</u>	<u>247</u>	<u>6,846</u>	<u>8,079</u>

The University makes uncollateralized loans to students based on financial need. Student loans are funded through Federal government loan programs or institutional resources. At June 30, 2024 and 2023, student loans receivable consisted of Federal loan programs of \$3,770 and \$5,093, respectively, and institutional loan programs of \$560 and \$603, respectively. The University participates in the Perkins federal revolving loan program. Cumulative funds advanced by the Federal government of \$0 at June 30, 2024 and 2023, have been refunded to the federal government. The University is in the process of refunding the accumulated interest income related to the Federal Perkins Loan Program. The Federal Perkins Loan Program expired on September 30, 2017, and the University has implemented procedures to wind-down the program. The University plans to continue servicing the Perkins loan portfolio during the wind-down period until it is no longer administratively feasible. Based on review of the prior collection history the University has recorded an allowance for uncollectible Perkins loan amounts of \$445 for June 30, 2024 and 2023. Allowances for uncollectible institutional student loans are based on prior collection experience and current economic factors, which, in management's judgment, could influence the ability of loan recipients to repay the amounts per the loan terms. Institutional student loan balances are written off only when they are deemed to be permanently uncollectible. At June 30, 2024 and 2023, the allowance for uncollectible institutional student loan amounts was \$151 and \$155, respectively.

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**(8) Investments**

Investments at June 30, 2024 and 2023 consist of the following:

	<u>2024</u>	<u>2023</u>
Short-term investments <sup>(a)</sup>	\$ 18,499	19,348
Absolute return <sup>(b)</sup>	2,053,446	1,936,782
Commodities <sup>(c)</sup>	32,131	27,091
Fixed income: <sup>(d)</sup>		
Domestic	478,429	430,367
International	9,800	9,354
Private equity <sup>(e)</sup>	350	962
Public equity: <sup>(f)</sup>		
Domestic	76,440	63,994
International	66,871	57,396
Real estate <sup>(g)</sup>	18,851	15,732
Beneficial interest in perpetual trusts and assets held by others <sup>(h)</sup>	38,994	30,956
Other <sup>(i)</sup>	381,977	412,992
Total investments	\$ <u>3,175,788</u>	<u>3,004,974</u>

(a) Includes short duration U.S. Treasury debt securities and other short-term, higher quality debt securities, cash and money market mutual funds.

(b) Includes investments in hedge funds and hedge fund-of-funds that invest both long and short on a global basis primarily in equity securities (common stocks), credit securities (both investment grade and noninvestment grade), commodities, and currencies. In aggregate, the expectation is that the returns of this segment should not be highly correlated to the broad equity market. Includes \$2,048,626 and \$1,929,778 of funds managed by Verger valued under the NAV practical expedient in fiscal years 2024 and 2023, respectively, whose underlying investments were comprised of 55.3% and 55.0% of equities, 13.4% and 13.7% of real assets, 19.9% and 18.7% of absolute return, and 11.4% and 12.6% fixed income in fiscal years 2024 and 2023, respectively.

(c) Includes primarily funds that invest in timberland, oil and gas properties, and water rights and entitlements held through limited partnership interests. While many of the investments are U.S. focused, some are more global. The category also includes more liquid allocations made to commodity (precious metals, industrial materials, and energy) mutual funds.

(d) Includes long only, hedge strategies, and illiquid investments in various fixed income strategies (both U.S. and non-U.S.) including investment grade securities, noninvestment grade securities, mortgage backed securities, asset backed securities, Treasury Inflation Protected Securities (TIPS), distressed

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debt, senior loans, and bank loans. The long only position also includes mutual funds that have daily liquidity in U.S. and non-U.S. fixed income markets.

- (e) Includes illiquid investments primarily in buyout, growth equity, and venture capital (both U.S. and non-U.S.) held through limited partnership interests.
- (f) Includes investments primarily in U.S. and non-U.S. common stocks (including emerging markets) as well as funds that invest in U.S. and non-U.S. common stocks (including emerging markets), mutual funds, and exchange traded funds. While most of the assets are invested long only, some assets are invested on a hedged basis (both long and short).
- (g) Includes illiquid investments in commercial real estate, residential real estate, and farmland held through limited partnership interests. While many of the investments are U.S. focused, some are more global. The category also includes real estate mutual funds and exchange traded funds and real estate held for sale.
- (h) Includes trusts and certain other assets held and administered by others which the University has an unconditional right to receive all or a portion of the specified cash flows.
- (i) Includes primarily equity method investments and funds held under retirement and benefit plans which are held in readily marketable securities.

In addition to the long-term pool, the University also manages other investment portfolios. Generally, these portfolios are invested in mutual funds, U.S. Treasury debt securities, and fixed income securities with daily liquidity. Each portfolio's asset allocation is customized based upon the return and risk objectives and distribution requirements of the portfolio.

#### **(9) Endowment**

The University's unitized pooled endowment (endowment) was established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. Separately managed long-term investments, planned giving investments, beneficial interest in perpetual trusts and assets held by others, and contributions receivable are not considered components of the endowment.

The Board of Trustees has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as allowing the University to appropriate for expenditure or accumulate so much of an endowment fund as the University determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. As a result of this interpretation, the University's policy is to report as donor restricted net assets (a) the original value of gifts donated to the donor restricted endowment, (b) the original value of subsequent gifts to the donor restricted endowment, and (c) accumulations to the donor restricted endowment until those amounts meet the donor's restriction and are appropriated for expenditure.

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In accordance with UPMIFA, the board of trustees considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the University and the donor-restricted endowment fund
3. General economic conditions
4. The possible effect of inflation and deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the University
7. The investment policies of the University

The University has adopted investment and spending policies for endowment assets that support the objectives of optimizing long-term returns and providing a sustainable level of endowment income distribution to support the University's activities through the annual operating budget while preserving the real (inflation adjusted) purchasing power of the endowment. The University's primary investment objective is to maximize total return within reasonable and prudent levels of risk while maintaining sufficient liquidity to meet disbursement needs. The endowment spending rate is calculated as a percentage of the average of the previous three-year semiannual moving market value per unit and subject to a 10% maximum annual growth or decline in per-unit spending. The endowment spending rate for the years ended June 30, 2024 and 2023, was 4.5% for Reynolda Campus, and 5.3% for WFUHS.

The portfolio is constructed on a foundation of modern portfolio theory and strategic asset allocation. Under the direction of VCM the University diversifies its investments among various asset classes incorporating multiple strategies and investment advisors to help manage risk. Management and investment decisions are not made in isolation, but in the context of the portfolio of investments as a whole and as part of the overall investment strategy.

The University invests the majority of these assets in Verger Capital Fund. The University has established three individual unitized endowment pools for Reynolda Campus, Reynolda House, and WFUHS. The internal long-term pools are reported on a fair value basis, with each individual fund subscribing to or disposing of units based on the fair value per unit at the beginning of each quarter after which the transaction took place.

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Endowment net assets consist of the following at June 30, 2024 and 2023:

	2024			2023
	Without donor restriction	With donor restriction	Total	Total
Reynolda Campus:				
Donor-restricted endowment funds:				
Historical value	\$ —	543,801	543,801	521,062
Appreciation	—	334,431	334,431	304,724
Underwater endowments	—	(1,680)	(1,680)	(2,119)
Total donor-restricted endowment funds	—	876,552	876,552	823,667
Board-designated endowment funds	261,644	—	261,644	259,831
Total endowment net assets	\$ 261,644	876,552	1,138,196	1,083,498
WFUHS:				
Donor-restricted endowment funds:				
Historical value	\$ —	247,772	247,772	237,762
Appreciation	—	63,474	63,474	52,117
Underwater endowments	—	(472)	(472)	(594)
Total donor-restricted endowment funds	—	310,774	310,774	289,285
Board-designated endowment funds	516,576	—	516,576	498,483
Other non-pooled endowment funds	164	31,590	31,754	29,183
Total endowment net assets	\$ 516,740	342,364	859,104	816,951

Included above for Wake Forest University Health Sciences are endowment assets totaling \$51,697,662 received for a conditional gift which has not yet been recognized as revenue.

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Changes in endowment net assets for the years ended June 30, 2024 and 2023 are as follows:

	<b>2024</b>			<b>2023</b>
	<b>Without donor restriction</b>	<b>With donor restriction</b>	<b>Total</b>	<b>Total</b>
<b>Reynolda Campus:</b>				
Endowment, beginning of year	\$ 259,831	823,667	1,083,498	1,064,652
Investment returns, net	20,769	64,607	85,376	39,588
Contributions	228	22,422	22,650	22,762
Transfers	(8,300)	88	(8,212)	2
Appropriation for expenditure	<u>(10,884)</u>	<u>(34,232)</u>	<u>(45,116)</u>	<u>(43,506)</u>
Endowment, end of year	<u>\$ 261,644</u>	<u>876,552</u>	<u>1,138,196</u>	<u>1,083,498</u>
<b>WFUHS:</b>				
Endowment, beginning of year	\$ 498,647	318,304	816,951	755,124
Investment returns, net	41,237	24,099	65,336	35,088
Contributions	—	9,968	9,968	56,764
Transfers	2,858	—	2,858	2,946
Appropriation for expenditure	<u>(26,002)</u>	<u>(10,007)</u>	<u>(36,009)</u>	<u>(32,971)</u>
Endowment, end of year	<u>\$ 516,740</u>	<u>342,364</u>	<u>859,104</u>	<u>816,951</u>

A donor-restricted endowment fund is considered to be underwater if the fair value of the fund is less than either the original gift amount or the amount required by law. At times, the University may have individual donor-restricted endowment funds that are underwater. The University has a policy that permits spending from underwater funds depending on the degree to which the fund is underwater, unless specifically prohibited by the donor or relevant laws and regulations. At June 30, 2024, and 2023 the amount by which funds were underwater was calculated as follows:

	<b>2024</b>			<b>2023</b>
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>	<b>Total</b>
Aggregate original gift amount	\$ 16,480	4,406	20,886	32,268
Aggregate fair value	<u>14,800</u>	<u>3,934</u>	<u>18,734</u>	<u>29,555</u>
Aggregate deficiency	<u>\$ (1,680)</u>	<u>(472)</u>	<u>(2,152)</u>	<u>(2,713)</u>

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The purpose of endowed net assets as of June 30, 2024 and 2023 are as follows:

		<b>2024</b>			<b>2023</b>
		<b>Without donor restriction</b>	<b>With donor restriction</b>	<b>Total</b>	<b>Total</b>
Reynolda Campus:					
Instruction and research	\$	9,226	224,208	233,434	220,414
Student aid		24,002	589,349	613,351	574,173
Program support		228,416	62,995	291,411	288,911
Total endowment net assets	\$	<u>261,644</u>	<u>876,552</u>	<u>1,138,196</u>	<u>1,083,498</u>
WFUHS:					
Instruction and research	\$	207,349	136,479	343,828	328,424
Student aid		5,554	74,080	79,634	70,027
Healthcare services		12,431	1,768	14,199	13,322
Program support		291,406	130,037	421,443	405,178
Total endowment net assets	\$	<u>516,740</u>	<u>342,364</u>	<u>859,104</u>	<u>816,951</u>



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### (10) Fair Values of Financial Instruments

The following table summarizes the valuation of the University's financial assets and liabilities within the fair value hierarchy levels as of June 30:

	2024				
	Level 1	Level 2	Level 3	NAV	Total
Financial assets:					
Cash and cash equivalents	\$ 56,917	—	—	—	56,917
Investments:					
Short-term investments	18,499	—	—	—	18,499
Absolute return	4,820	—	—	2,048,626	2,053,446
Commodities	32,131	—	—	—	32,131
Fixed income:					
Domestic	478,429	—	—	—	478,429
International	9,800	—	—	—	9,800
Private equity	—	—	350	—	350
Public equity:					
Domestic	76,440	—	—	—	76,440
International	66,871	—	—	—	66,871
Real estate	18,851	—	—	—	18,851
Beneficial interest in perpetual trusts and assets held by others	—	—	38,994	—	38,994
Other	—	158,994	—	222,983	381,977
Total assets	\$ 762,758	158,994	39,344	2,271,609	3,232,705
Financial liabilities:					
Other liabilities and deferrals:					
Interest rate swap agreements	\$ —	5,713	—	—	5,713
Total liabilities	\$ —	5,713	—	—	5,713

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	2023				
	Level 1	Level 2	Level 3	NAV	Total
Financial assets:					
Cash and cash equivalents	\$ 86,738	—	—	—	86,738
Investments:					
Short-term investments	19,348	—	—	—	19,348
Absolute return	7,004	—	—	1,929,778	1,936,782
Commodities	27,091	—	—	—	27,091
Fixed income:					
Domestic	430,367	—	—	—	430,367
International	9,354	—	—	—	9,354
Private equity	—	—	862	100	962
Public equity:					
Domestic	63,994	—	—	—	63,994
International	57,396	—	—	—	57,396
Real estate	15,732	—	—	—	15,732
Beneficial interest in perpetual trusts and assets held by others	—	—	30,956	—	30,956
Other	—	132,653	—	280,339	412,992
Total assets	\$ 717,024	132,653	31,818	2,210,217	3,091,712
Financial liabilities:					
Other liabilities and deferrals:					
Interest rate swap agreements	\$ —	8,003	—	—	8,003
Total liabilities	\$ —	8,003	—	—	8,003

The classification of investments in the fair value hierarchy is not necessarily an indication of the risks or liquidity of each investment's underlying assets and liabilities. In general, for Level 2 and Level 3 investments, the University utilizes the investment manager to provide a valuation estimate based on disclosed techniques and processes, which have been reviewed for propriety and consistency with consideration given to type and investment strategy.

The University's policy is to recognize transfers into and out of Levels 1, 2, and 3 as of the end of the year or when a change in level becomes known. There were no transfers between Level 1 and Level 2 securities during the years ended June 30, 2024 or 2023. Transfers into and out of Level 3 are typically the result of a change in observation of significant valuation inputs required by various models.

Fair value for interest rate swaps is determined using a relative price approach, by discounting the future expected cash flows at the market discount rate. For the variable leg of a swap, the expected cash flows are based on implied market forward rates for the appropriate underlying index. A credit value adjustment is applied to the total market value of the swap and quantifies the default risk of a counterparty using a default probability assumption based on the counterparty's credit default swap pricing at year-end.

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The following tables present the reconciliation of Level 3 assets measured at fair value for the years ended June 30, 2024 and June 30, 2023, respectively. Both observable and unobservable inputs may be used to determine the fair value of positions that the University has classified as Level 3.

	<b>Balances as of June 30, 2023</b>	<b>Total realized and unrealized (losses) gains</b>	<b>Purchases</b>	<b>Sales</b>	<b>Net transfers out of Level 3</b>	<b>June 30, 2024</b>
Investments:						
Private equity	\$ 862	—	—	(512)	—	350
Beneficial interest in perpetual trusts and assets held by others	30,956	1,554	7,133	(649)	—	38,994
Total Level 3 investments	<u>\$ 31,818</u>	<u>1,554</u>	<u>7,133</u>	<u>(1,161)</u>	<u>—</u>	<u>39,344</u>
	<b>Balances as of June 30, 2022</b>	<b>Total realized and unrealized (losses) gains</b>	<b>Purchases</b>	<b>Sales</b>	<b>Net transfers out of Level 3</b>	<b>June 30, 2023</b>
Investments:						
Private equity	\$ 902	—	—	(40)	—	862
Beneficial interest in perpetual trusts and assets held by others	30,225	770	2,047	(2,086)	—	30,956
Total Level 3 investments	<u>\$ 31,127</u>	<u>770</u>	<u>2,047</u>	<u>(2,126)</u>	<u>—</u>	<u>31,818</u>

Private investments are generally made through limited partnership agreements where the University is normally one of many limited partners. Under the terms of such agreements, the University is required to provide funding, up to the total amount committed by the University, when fund managers make capital calls. These partnerships have a stated maturity date, but can provide for annual extensions for the purpose of disposing remaining portfolio positions and returning capital to investors. Alternatively, the fund may dispose of all portfolio investments and return all capital to investors before the stated maturity date. While the timing and amount of future capital calls and distributions in any particular year are inherently uncertain, the University considers these factors when allocating funds to private investments and believes that it has adequate liquidity to meet its obligations.

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As of June 30, 2024, redemption frequency and the corresponding notice period for all investments are as follows:

Category	Redemption frequency (in days) (if currently eligible)	Redemption notice period (in days)
Short-term investments	1 to 7 days	1 day
Absolute return	Daily to >365	1 to 90 days
Commodities	1 to N/A	1 to N/A
Fixed income:		
Domestic	1 to 180 days	Daily to monthly
International	N/A	N/A
Private equity	N/A	N/A
Public equity:		
Domestic	1 to 65 days	Daily to quarterly
International	90 days	Quarterly
Real estate	N/A	N/A
Beneficial interest in perpetual trusts and assets held by others	N/A	N/A
Other	N/A	N/A

### (11) Land, Buildings, and Equipment

Land, buildings, and equipment are summarized as follows at June 30, 2024 and 2023:

	2024			2023
	Reynolda Campus	WFUHS	Total	Total
Land	\$ 54,393	112,902	167,295	164,123
Buildings and other improvements	1,099,397	533,974	1,633,371	1,574,512
Equipment and furnishings	164,719	240,671	405,390	472,433
Construction in progress	75,282	36,357	111,639	84,942
	1,393,791	923,904	2,317,695	2,296,010
Less accumulated depreciation	(636,031)	(565,759)	(1,201,790)	(1,214,886)
	\$ 757,760	358,145	1,115,905	1,081,124

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Total depreciation expense on buildings, improvements, equipment, and furnishings was \$87,462 and \$89,650 for the years ended June 30, 2024 and 2023, respectively.

As of June 30, 2024, gross land, buildings, and equipment includes \$19,626 associated with land, building and equipment finance leases.

The University's policy is to capitalize interest cost incurred on debt during the construction of major projects exceeding one year. Interest cost of \$2,084 and \$1,060 was capitalized in the years ended June 30, 2024 and 2023, respectively.

The liabilities associated with AROs for the years ended June 30, 2024 and 2023 were \$3,917 and \$5,070, respectively, for Reynolda Campus, and \$2,659 and \$2,659, respectively, for WFUHS. These liabilities are reported in other liabilities and deferrals on the accompanying consolidated balance sheet.

### (12) Leases

The University has operating and finance leases for real estate and equipment. The University leases with an initial term of twelve months or less are not recorded on the consolidated balance sheet.

The following table presents the components of the lease right-of-use assets and lease liabilities and their classification in the consolidated balance sheet at June 30, 2024.

Components of lease balances	Classification in consolidated balance sheet	Reynolda Campus	WFUHS	Total	2023 Total
Assets:					
Operating lease assets	Right-of-use assets-operating	\$ 20,512	106,932	127,444	135,001
Finance lease assets	Land, buildings, and equipment, net	5,553	210	5,763	37,451
Total leased assets		<u>26,065</u>	<u>107,142</u>	<u>133,207</u>	<u>172,452</u>
Liabilities:					
Operating lease liabilities	Operating lease obligations	19,422	110,567	129,989	138,664
Finance lease liabilities	Notes payable and finance leases	5,194	131	5,325	40,750
Total lease liabilities		<u>\$ 24,616</u>	<u>110,698</u>	<u>135,314</u>	<u>179,414</u>

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<b>Components of lease expense</b>	<b>Classification in consolidated statement of activities</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>	<b>2023 Total</b>
Operating lease expense	Other operating expenses	\$ 3,649	30,274	33,923	32,151
Finance lease expense:					
Amortization of leased assets	Depreciation and amortization	1,898	230	2,128	4,140
Interest on lease liabilities	Interest on debt	134	324	458	1,826
Total finance lease expense		2,032	554	2,586	5,966
Variable and short-term lease expense	Other operating expenses	—	6,449	6,449	3,846
Total lease expense		\$ 5,681	37,277	42,958	41,963

The University is committed to minimal annual rent payments under several long-term noncancellable operating and finance leases for equipment and space through fiscal year 2032.

Other information:

	<b>2024</b>		<b>2023</b>	
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>
Weighted average remaining lease term – finance leases	3.59 years	1.16 years	3.23 years	18.01 years
Weighted average remaining lease term – operating leases	7.09 years	4.00 years	7.96 years	4.80 years
Weighted average discount rate – finance leases	2.60 %	6.39 %	1.89 %	4.55 %
Weighted average discount rate – operating leases	2.09 %	3.27 %	2.04 %	2.87 %

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Payments due include options to extend finance leases through fiscal year 2028, are summarized below as of June 30, 2024:

	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>
2025	\$ 2,127	104	2,231
2026	1,259	27	1,286
2027	1,233	—	1,233
2028	575	—	575
2029	—	—	—
In total thereafter	—	—	—
	<u>\$ 5,194</u>	<u>131</u>	<u>5,325</u>

Payments due include options to extend operating leases through fiscal year 2032, are summarized below as of June 30, 2024:

	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>
2025	\$ 2,964	28,183	31,147
2026	2,449	28,103	30,552
2027	2,523	27,071	29,594
2028	2,415	13,941	16,356
2029	2,467	6,280	8,747
In total thereafter	6,604	6,989	13,593
	<u>\$ 19,422</u>	<u>110,567</u>	<u>129,989</u>

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The University maintains rental properties and has entered into long-term operating lease agreements for this real estate providing for future rental income as follows:

	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>
Year ending June 30:			
2025	\$ 4,165	884	5,049
2026	3,717	375	4,092
2027	3,792	384	4,176
2028	3,386	349	3,735
2029	3,035	88	3,123
	<u>\$ 18,095</u>	<u>2,080</u>	<u>20,175</u>

Total income from real estate was \$5,021 and \$7,152 for Reynolda Campus and \$1,275 and \$1,132 for WFUHS for the years ended June 30, 2024 and 2023, respectively.



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### (13) Notes, Finance Leases, and Bonds Payable

Notes, finance leases, and bonds payable at June 30, 2024 and 2023 consist of the following:

Reynolda Campus	Years to nominal maturity	Interest rate at June 30, 2024		2024	2023
Notes payable and finance leases:					
Line of credit	>1	SOFR plus 0.56%	Variable	\$ 56,741	49,562
Promissory note	3	SOFR plus 0.11%	Variable	3,125	5,025
Finance leases	<1 to 5	0.37 to 3.14%	Fixed	5,195	4,192
Other installment loans	1 to 3	0.76% to 2.36%	Fixed	582	939
Total notes payable and finance leases				65,643	59,718
Bonds payable:					
2012 Series serial taxable	19	2.60% to 3.10%	Fixed	15,510	20,425
2012 Series term taxable	19	3.45% to 3.70%	Fixed	104,575	104,575
2016 Series serial tax-exempt	23	4.00% to 5.00%	Fixed	131,335	132,785
2016 Series term tax-exempt	23	2.75% to 3.00%	Fixed	22,370	22,370
2018 Series serial tax-exempt	25	4.47%	Fixed	12,000	12,100
2018 Series term tax-exempt	25	3.38% to 5.00%	Fixed	15,920	15,920
2018 Series term tax-exempt	25	3.50% to 5.00%	Fixed	69,950	69,950
2021 Series term taxable	28	2.91%	Fixed	25,000	25,000
2021 Series bullet taxable	28	3.01%	Fixed	100,000	100,000
Unamortized bond premium				22,097	23,065
Unamortized bond issuance costs				(2,937)	(3,069)
Total bonds payable				515,820	523,121
Total notes payable, finance leases, and bonds payable				\$ 581,463	582,839

The University adhered to the ISDA 2020 IBOR Fallbacks Protocol. As a result, any financing agreements which referenced LIBOR have been amended to reflect a transition to SOFR effective July 1, 2023.

Reynolda Campus entered into a restated capital projects financing agreement with Truist Bank that permits the University to borrow up to \$150,000. The line of credit is due on July 3, 2025 and bears interest at the SOFR plus 0.56%, 5.9% at June 30, 2024.

Reynolda Campus entered into a financing agreement with Truist Bank to finance the purchase and implementation of an enterprise resource planning program that permits the University to borrow up to \$12,000. The term loan is due on July 1, 2026. On March 23, 2023, the financing agreement was amended to reflect a benchmark replacement from LIBOR to SOFR. For the year ended June 30, 2024, it bears interest at one month SOFR plus 0.11%, 6.2%.

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The Series 2012 taxable bonds are evidenced by a loan agreement dated August 2, 2012, by and between the University and Truist Bank, as trustee. The Series 2012 taxable bonds have final maturities of January 15, 2027 for the serial bonds and January 15, 2042 for the term bonds. The 2012 bonds maturing on January 15, 2032 and 2042 are subject to mandatory sinking fund redemptions through 2032 and 2042 in increasing annual amounts of \$5,445 to \$6,205 and \$6,405 to \$8,830, respectively. Interest is payable each January 15 and July 15. The University's obligation under the loan agreement is an unsecured, unconditional obligation. There are no related covenants underlying the bonds.

Reynolda Campus issued \$159,100 of tax exempt North Carolina Capital Facilities Finance Agency Educational Facilities Revenue and Revenue Refunding Bonds, Series 2016. The 2016 Series bonds were issued for the purpose of the current refunding and defeasance of the Series 2009 tax exempt bonds (\$110,000) and financing the costs of acquisition, construction, renovation and installation of capital assets of the Reynolda Campus. The Series 2016 tax exempt bonds are evidenced by a loan agreement dated July 1, 2016, by and between the University and Truist Bank, as trustee. The Series 2016 tax exempt bonds have final maturities of January 1, 2039 for the series bonds and January 1, 2041 and 2046 for the term bonds. The 2016 bonds maturing on January 1, 2040 and 2046 are subject to mandatory sinking fund redemptions through 2041 and 2046 with annual amounts of \$1,720 to \$2,930 and \$1,290 to \$3,485, respectively. Interest is payable each January 1 and July 1. The University's obligation under the loan agreement is an unsecured, unconditional obligation. There are no related covenants underlying the bonds and the University has complied with all continuing disclosure requirements.

Reynolda Campus issued \$97,900 of tax-exempt North Carolina Capital Facilities Finance Agency Educational Facilities Revenue and Revenue Refunding Bonds, Series 2018. The 2018 Series bonds were issued for the purpose of repaying a portion of the line of credit and financing the costs of acquisition, construction, renovation and installation of capital assets of the Reynolda Campus. The Series 2018 tax-exempt bonds are evidenced by a loan agreement dated July 1, 2018, by and between the University and Truist Bank, as trustee. The Series 2018 tax-exempt bonds have final maturities of January 1, 2039 for the series bonds and January 1, 2043 and 2048 for the term bonds. The 2018 bonds maturing on January 1, 2043 and 2048 are subject to mandatory sinking fund redemptions through 2043 and 2048 with annual amounts of \$875 to \$8,205 and \$4,870 to \$8,940, respectively. Interest is payable each January 1 and July 1. The University's obligation under the loan agreement is an unsecured, unconditional obligation.

The Series 2021 taxable bonds are evidenced by a loan agreement dated June 1, 2021, by and between the University and Truist Bank, as trustee. The Series 2021 taxable bonds have final maturities of January 1, 2044 for the term bonds and January 1, 2051 for the bullet bond. The 2021 bonds maturing on January 1, 2044 are subject to mandatory sinking fund redemptions from 2040 through 2044 with annual amounts of \$5,000. Interest is payable each January 1 and July 1. The University's obligation under the

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loan agreement is an unsecured, unconditional obligation. There are no related covenants underlying the bonds and the University has complied with all continuing disclosure requirements.

WFUHS	Years to nominal maturity	Interest rate at June 30, 2024		2024	2023
Notes payable and finance leases:					
Loan agreement	<1 to 2	1.88%	Fixed	\$ 2,144	2,852
Loan agreement	<1 to 1	SOFR plus 1.25%	Variable	748	1,248
Finance lease	N/A	N/A	N/A	—	36,308
Finance lease	1	4.25% to 6.16%	Fixed	131	250
Total notes payable				3,023	40,658
Bonds payable:					
Series 2019 A	<1 to 9	5.00 %	Fixed	30,920	34,935
Series 2012 B	<1 to 9	2.00% to 5.00%	Fixed	66,845	72,025
Unamortized bond premium				11,401	12,611
Unamortized bond issuance costs				(687)	(759)
Total bonds payable				108,479	118,812
Total notes payable, finance leases, and bonds payable				\$ 111,502	159,470

Effective March 26, 2011, NCBH, WFUHS, and WFUBMC formed a single obligated group (Obligated Group) under the existing NCBH Master Trust Indenture (MTI). New obligations were issued to WFUHS obligation holders under the NCBH MTI. In addition, substantially all of the subsidiaries of NCBH and WFUHS were included in the single credit group as Designated Members (Combined Group). Under the new credit structure, each member of the Obligated Group is jointly and severally liable for all debt and other obligations that are evidenced and secured under the MTI.

Bonds issued under the MTI are payable solely from the Obligated Group's revenues (as defined by the MTI). Additionally, the Combined Group must remain compliant with certain covenants and restrictions required by the MTI and loan agreements underlying the bonds. The Combined Group is subject to covenants under the MTI containing restrictions or limitations with respect to indebtedness, property encumbrance, consolidation or merger or transfer of assets. In addition, the Combined Group has agreed that it will not create any lien upon its property, accounts, or revenue now owned or thereafter acquired other than "permitted liens" as described in the MTI. WFUHS believes it is in compliance with such covenants and restrictions as of June 30, 2024. As of June 30, 2024, WFUHS is jointly and severally liable for \$679,809 of bonds payable borrowed by the other members of the Obligated Group and for \$19,199 and \$14,108, respectively, under WFUBMC's line of credit and notes payable. Because WFUHS does not expect to fund repayment of any of the amounts attributed to the other members of the Obligated Group

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under the MTI, no portion of these amounts meets the criteria for liability recognition in the accompanying consolidated financial statements.

The Series 2019 Revenue Bonds represent bonds issued by Wake Forest Baptist Obligated Group, representing funds borrowed by the entities pursuant to loan agreements with the North Carolina Medical Care Commission (NCMCC). As a conduit issuer, the NCMCC loans the debt proceeds to the borrower and the bonds are issued by the NCMCC under an MTI structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group.

The Series 2019A bonds mature in full in fiscal year 2034. The fixed rate instruments bear interest at fixed coupon rates of 5.00%. Per the bond agreements, the principal payments on the bonds are due on December 1 of each year beginning in 2019 in annual amounts ranging from \$185 to \$4,505.

The Series 2012 Revenue Bonds represent bonds issued by Wake Forest Baptist Obligated Group, representing funds borrowed by the entities pursuant to loan agreements with the North Carolina Medical Care Commission (NCMCC). As a conduit issuer, the NCMCC loans the debt proceeds to the borrower and the bonds are issued by the NCMCC under an MTI structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group.

The Series 2012B bonds mature in full in fiscal year 2034. The fixed rate instruments bear interest at fixed coupon rates ranging from 2.00% to 5.00%. Per the bond agreements, the principal payments on the bonds are due on December 1 of each year beginning in 2014 and in increasing annual amounts ranging from \$3,385 to \$7,000.

WFUBMC entered into a taxable, unsecured loan agreement, with WFUHS and NCBH as Borrowers, with a fixed interest rate of 1.88% to refinance a previously outstanding loan agreement held by WFUHS and NCBH and owned subsidiaries. Principal payments and accrued interest are due monthly with a final maturity date of April 15, 2027.

Wake Forest Ambulatory Ventures, LLC entered into a notes payable obligation, with variable interest rates based on one month SOFR plus a premium of 1.05% and final maturities in 2025. The interest rate at June 30, 2024 was 6.49%.

WFUHS entered into a finance lease obligation of \$44,125 related to the Bowman Gray Center for Medical Education with an initial term of 15 years and additional renewal options. The obligation has a fixed interest rate of 4.50%. The finance lease was terminated on August 7, 2023 when WFUHS purchased the building previously leased.

Wake Forest Ambulatory Ventures, LLC entered into various finance lease obligations of \$538 related to equipment. The obligations have fixed interest rates ranging from 4.25% to 6.49% and final maturity dates through June 2025.

WFUBMC entered into an unsecured credit facility with a total borrowing capacity of \$100,000 to provide for the working capital needs of NCBH, WFUHS, and WFUBMC. The line of credit is due on June 2, 2025, and bears interest at daily simple SOFR plus 0.55%, which is 5.89% at June 30, 2024. The facility is

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structured with WFUBMC as the Borrower and NCBH and WFUHS as Co-obligors. WFUHS had no outstanding balance on the facility at June 30, 2024 and 2023.

An additional unsecured credit facility with a total borrowing capacity of \$200,000 was entered into in June 2021 to provide for the working capital needs of NCBH, WFUHS, and WFUBMC. The line of credit is due on May 23, 2025, and bears interest at the term SOFR rate plus 0.55%, which is 4.90% at June 30, 2024. The facility is structured with NCBH, WFUHS and WFUBMC as Co-borrowers. There was no outstanding balance on the facility at June 30, 2024 and 2023.

Aggregate annual maturities of notes, finance leases, and bonds payable for each of the five fiscal years subsequent to June 30, 2024 and thereafter are as follows:

	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>
2025	\$ 15,640	11,087	26,727
2026	67,350	9,179	76,529
2027	13,612	9,231	22,843
2028	14,296	8,940	23,236
2029	14,270	9,340	23,610
In total thereafter	437,135	53,011	490,146
	<u>\$ 562,303</u>	<u>100,788</u>	<u>663,091</u>

Costs related to the registration and issuance of bonds, totaling \$19,160 and \$10,714, respectively, for Reynolda Campus and WFUHS, are carried at cost less accumulated amortization and are amortized over the life of the bonds on a method that approximates the effective-interest method and are included in bonds payable on the accompanying consolidated balance sheet. Total amortization expense for issue costs and premium is included in interest expense in the consolidated statements of activities for Reynolda Campus and WFUHS totaled \$837 and \$1,138, respectively, for 2024 and \$837 and \$1,138, respectively, for 2023.

#### (14) Interest Rate Swap Agreements

To manage the fixed/variable allocation of its debt portfolio, including hedging exposure to increasing interest expense from variable rate debt, the University utilizes interest rate swap agreements. The University has only limited involvement with derivative instruments and does not use them for trading purposes.

The University has adhered to the ISDA 2020 IBOR Fallbacks Protocol. As a result, any interest rate swap agreements which referenced LIBOR have been amended to reflect a transition to SOFR effective July 1, 2023.

Parties to interest rate swap agreements are subject to market risk for changes in interest rates as well as credit loss in the event of nonperformance by the counterparty. To minimize this exposure, the University verifies that the counterparties for these swap transactions are major financial institutions that meet the

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University's criteria for financial stability and creditworthiness. Additionally, the University is exposed to tax basis risk since a change in tax rate environments will change the level of correlation between the interest rate payments made on the variable rate bonds and the percentage of SOFR payments being received from the counterparties.

The following table summarizes the general terms for each of the University's swap agreements:

	<b>Reynolda Campus</b>		<b>WFUHS</b>
	<b>October 2008</b>	<b>July 2018</b>	<b>August 2002</b>
	<b>interest rate</b>	<b>interest rate</b>	<b>interest rate</b>
	<b>swap</b>	<b>swap</b>	<b>swap</b>
Notional amount	\$ 50,000	3,125	16,279
Effective date	October 1, 2008	July 2, 2018	August 20, 2002
Maturity date	January 1, 2038	July 1, 2026	July 1, 2034
Rate received	67% of one-month SOFR	67% of one-month SOFR	67% of one-month SOFR
Rate paid	3.61 %	2.44 %	3.67 %
Collateral provisions	100% liability if > \$20,000	None	100% asset/ liability – \$250 min
Settlement frequency	Monthly	Monthly	Weekly

The University records all interest rate swap agreements in other liabilities and deferrals on the consolidated balance sheet at their respective fair values. The estimated amount the University would pay to terminate the swap agreements at the reporting date, taking into account current forward interest rates and the current forward creditworthiness of the swap counterparties, approximates the fair value of the interest rate swap. All changes in fair value are reflected as a gain or loss in nonoperating activities in the consolidated statement of activities. Periodic net cash settlement amounts with counterparties are accounted for as adjustments to interest expense on the related debt and collateral to support the swaps is included in investments on the consolidated balance sheet. Collateral held by counterparties at June 30, 2024 and 2023, was \$0 for Reynolda Campus, and \$740 and \$1,250, respectively, for WFUHS.

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The related financial information on each of these instruments is as follows:

	<b>2024</b>		<b>2023</b>	
	<u>Fair value</u>	<u>Gain (Loss)</u>	<u>Fair value</u>	<u>Gain (Loss)</u>
Reynolda Campus:				
October 2008 interest rate swap	\$ (4,929)	1,906	(6,835)	3,618
July 2018 interest rate swap	<u>(82)</u>	<u>89</u>	<u>(171)</u>	<u>(119)</u>
Total	(5,011)	1,995	(7,006)	3,499
WFUHS:				
August 2002 interest rate swap	<u>(702)</u>	<u>294</u>	<u>(996)</u>	<u>945</u>
Grand total	\$ <u><u>(5,713)</u></u>	<u><u>2,289</u></u>	<u><u>(8,002)</u></u>	<u><u>4,444</u></u>

As of June 30, 2024, the University's adjusted debt portfolio, after taking into account the aforementioned swap agreements, was approximately 100% fixed or synthetically fixed rate for both the Reynolda Campus and WFUHS.

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**(15) Net Assets**

The following is a summary of net assets at June 30:

	<b>2024</b>		
	<b>Without donor restriction</b>	<b>With donor restriction</b>	<b>Total</b>
Reynolda Campus:			
Operating	\$ 513,336	—	513,336
Endowment	261,644	876,552	1,138,196
Investment in plant, net	201,610	—	201,610
Donor pledges and gifts	—	176,988	176,988
Trust (annuity, perpetual, split-interest) and loan agreements	—	23,790	23,790
Total net assets	<u>\$ 976,590</u>	<u>1,077,330</u>	<u>2,053,920</u>
WFUHS:			
Operating	\$ 70,657	—	70,657
Endowment	516,740	295,364	812,104
Investment in plant, net	272,678	—	272,678
Donor pledges and gifts	—	88,273	88,273
Trust (annuity, perpetual, split-interest) and loan agreements	—	21,854	21,854
Total net assets	<u>\$ 860,075</u>	<u>405,491</u>	<u>1,265,566</u>



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2023			
	Without donor restriction	With donor restriction	Total
Reynolda Campus:			
Operating	\$ 429,226	—	429,226
Endowment	259,831	823,667	1,083,498
Investment in plant, net	183,271	—	183,271
Donor pledges and gifts	—	192,476	192,476
Trust (annuity, perpetual, split-interest) and loan agreements	—	19,088	19,088
Total net assets	\$ 872,328	1,035,231	1,907,559
WFUHS:			
Operating	\$ 139,450	—	139,450
Endowment	498,647	270,463	769,110
Investment in plant, net	213,670	—	213,670
Donor pledges and gifts	—	29,716	29,716
Trust (annuity, perpetual, split-interest) and loan agreements	—	19,970	19,970
Total net assets	\$ 851,767	320,149	1,171,916

### (16) Functional Expenses

Expenses are presented by functional classification in accordance with the overall mission of the University. The University's primary program services are academic, instruction and research, and health care and related services. Expenses for auxiliary enterprises, library, and student services are incurred in support of academic instruction and research, and as such are included therein. Plant operation and maintenance expense is allocated to program and supporting activities based upon direct costing or allocated using a variety of allocation techniques such as square footage. The amounts allocated in 2024 and 2023 were \$168,619 and \$159,091, respectively.

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Expenses are reported in the consolidated statements of activities in natural categories. Functional expenses for the years ended June 30, 2024 and 2023 are categorized as follows:

<b>2024</b>								
	<b>Academic, instruction, and research</b>		<b>Health care and other related services</b>		<b>Administration and other institutional support</b>		<b>Total</b>	
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>
Salaries and wages	\$ 227,980	244,494	—	713,348	36,433	3,831	264,413	961,673
Employee benefits	61,990	57,271	—	160,060	8,514	592	70,504	217,923
Student aid	4,555	13,244	—	—	—	—	4,555	13,244
Services	68,972	81,053	—	98,552	11,212	54,758	80,184	234,363
Clinical and laboratory supplies	—	18,654	—	99,196	—	—	—	117,850
Other operating expenses	70,154	37,853	—	66,233	2,261	7,951	72,415	112,037
Depreciation and amortization	50,460	8,528	—	16,146	5,295	7,259	55,755	31,933
Interest on debt	18,742	1,614	—	1,866	753	813	19,495	4,293
Total expenses	\$ 502,853	462,711	—	1,155,401	64,468	75,204	567,321	1,693,316

  

<b>2023</b>								
	<b>Academic, instruction, and research</b>		<b>Health care and other related services</b>		<b>Administration and other institutional support</b>		<b>Total</b>	
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Reynolda Campus</b>	<b>WFUHS</b>
Salaries and wages	\$ 212,494	202,274	—	672,521	31,988	3,810	244,482	878,605
Employee benefits	58,048	40,058	—	140,353	5,619	894	63,667	181,305
Student aid	4,084	9,345	—	—	—	—	4,084	9,345
Services	65,710	64,317	—	115,659	10,949	38,982	76,659	218,958
Clinical and laboratory supplies	—	18,085	—	93,229	—	—	—	111,314
Other operating expenses	69,251	31,512	—	58,439	2,717	1,537	71,968	91,488
Depreciation and amortization	46,421	12,661	—	18,426	5,762	6,380	52,183	37,467
Interest on debt	19,361	2,536	—	2,836	747	1,278	20,108	6,650
Total expenses	\$ 475,369	380,788	—	1,101,463	57,782	52,881	533,151	1,535,132

**(17) Contingencies and Other Commitments**

The estimated cost to complete construction in progress at June 30, 2024 and 2023, respectively, were \$63,562 and \$81,638 for Reynolda Campus, and \$46,301 and \$40,735 for WFUHS.

Expenditures related to federal and state grants and contracts are subject to adjustment based upon review by the granting agencies. Amounts of expenditures that granting agencies might disallow cannot be determined at this time. These amounts affect government grants and contracts revenue as well as facilities and administrative cost recovery. The University would not expect these costs to influence the consolidated financial position significantly.

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The University is self-insured for dental benefits, self-insured or fully insured for retiree medical benefits (depending on retiree benefit elections), and self-insured for active employees receiving medical benefits. The University provides an accrual for actual claims reported but not paid and a provision for incurred but not reported claims based on historical trends. Accrued employee health and dental costs, including estimated claims incurred but not reported, amounted to approximately \$2,699 and \$2,504 at June 30, 2024 and 2023, respectively, for Reynolda Campus and \$10,727 and \$8,655 at June 30, 2024 and 2023, respectively, for WFUHS and are included in other liabilities and deferrals in the accompanying consolidated balance sheet.

The University self-insures workers' compensation liability with excess commercial insurance providing per loss and aggregate annual coverage. The University provides an accrual for actual claims reported but not paid and a provision for incurred but not reported claims based on historical trends, which is included in other liabilities and deferrals on the accompanying consolidated balance sheet.

The estimated liability for self-insurance and workers' compensation claims will be significantly affected if current and future claims differ from historical trends. While management monitors reported claims closely and considers potential outcomes as estimated by its actuaries when determining its self-insurance liability accruals, the complexity of the claims, the extended period of time to settle the claims and the wide range of potential outcomes complicate the estimation. In the opinion of management, adequate provision has been made for this related risk.

Under the Health Insurance Portability and Accountability Act of 1996 (HIPPA), the federal government has authority to complete fraud and abuse investigations. HIPPA has established substantial fines and penalties for offenders. WFUHS maintains policies, procedures and requires regular training sessions to employers to monitor compliance with HIPPA, as well as other applicable local, state and federal statutes and regulations.

The University is involved in various legal matters arising in the normal course of activities. Management, after taking into consideration advice of legal counsel, believes that the matters will not have a materially adverse effect, individually or in the aggregate, upon the University's consolidated financial statements.

#### **(18) Sale-Leaseback Agreement**

In 2006, WFUHS entered into a sale-leaseback agreement to sell and lease back certain assets. The initial lease term is 20 years with four 5-year renewal options. The lease is classified as an operating lease. Operating lease expected payments in each year from 2025 to 2027 are \$8,302, \$8,385, and \$7,229, respectively.

In 2010, WFUHS entered into another sale-leaseback agreement to sell and lease back certain assets. The initial lease term is 16 years with three 5-year renewal options. The lease is classified as an operating lease. Operating lease payments are due monthly and expected payments each year from 2025 to 2027 are \$6,702, \$6,870 and \$7,041, respectively.

## WAKE FOREST UNIVERSITY

### Notes to Consolidated Financial Statements

June 30, 2024

(Dollars in Thousands)

WFUHS has a deferred gain related to the sale and leaseback of certain assets, which is amortized over the remaining lease term using the straight-line method. The deferred gain was \$5,556 and \$7,502 at June 30, 2024 and 2023, respectively, and is included in other liabilities and deferrals in the accompanying consolidated balance sheet.

#### **(19) Retirement Plans**

All employees of the University, unless they are part of an excluded class, are eligible to participate in the 403(b) Wake Forest University Retirement Plan, which is a defined contribution benefit plan. They may contribute on a pre – and/or post-tax basis immediately upon hire. Contributions for the years ended June 30, 2024 and 2023, respectively, were \$17,035 and \$16,183 for Reynolda Campus and \$67,202 and \$65,071 for WFUHS.

Certain employees of the University and WFUHS are eligible to participate in a 457(b) defined contribution plan. The Reynolda Campus and WFUHS have accrued \$22,410 and \$136,584 at June 30, 2024, respectively, and \$19,368 and \$113,285 at June 30, 2023, respectively, for liabilities associated with this plan.

Certain employees of the University are eligible to participate in other benefit plans including a defined supplemental executive retirement plan, deferred compensation arrangements, and supplemental retirement agreements. The Reynolda Campus and WFUHS have accrued \$1,577 and \$2,983 at June 30, 2024, respectively, and \$983 and \$3,474 at June 30, 2023, respectively, for liabilities associated with these plans. These liabilities are included in other liabilities and deferrals on the consolidated balance sheet.

#### **(20) Postretirement Benefits**

The University sponsors postretirement medical and dental plans that cover all of its full-time employees who elect coverage and satisfy the plans' eligibility requirements when they retire. In addition, Reynolda Campus sponsors a death benefit plan, which pays a \$2 benefit for each retiree. To be eligible, retired employees of Reynolda Campus must be at least 62 years of age with ten or more years of service or be at least 65 years of age with five or more years of service.

WFUHS sponsors a defined benefit postretirement medical and dental plan that covers all WFUHS full-time employees who elect coverage and satisfy the plan eligibility requirements when they retire. On June 2, 2011, the Board of WFUHS approved that effective as of January 1, 2012, the defined benefit postretirement plan would be discontinued for most future retirees and the minimum age required for postretirement benefits will increase from 60 to 62. However, the additional requirement of the Rule of 75 (age and years of service) remains unchanged. All current retirees and currently eligible employees previously grandfathered will continue to be eligible for benefits under this plan. Any WFUHS employee who is within 5 years of meeting the new retirement eligibility of age 62 with combined age and years of service equal to at least 75 as of January 1, 2012 will be grandfathered into this benefit.

The measurement date for the defined postretirement benefit plan is June 30.

# WAKE FOREST UNIVERSITY

## Notes to Consolidated Financial Statements

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The following table provides a reconciliation of the changes in each plan's benefit obligation, fair value of plan assets, and funded status for the years ended June 30, 2024 and 2023:

	<b>2024</b>			<b>2023</b>
	<b>Reynolda Campus</b>	<b>WFUHS</b>	<b>Total</b>	<b>Total</b>
Change in benefit obligation:				
Benefit obligation at beginning of year	\$ 11,549	19,413	30,962	32,844
Service cost	456	—	456	445
Interest cost	577	900	1,477	1,342
Participants' contributions	563	117	680	661
Actuarial (gain)	(326)	(2,371)	(2,697)	(1,266)
Benefits paid	(1,322)	(1,941)	(3,263)	(3,064)
Benefit obligation at end of year	11,497	16,118	27,615	30,962
Change in plan assets:				
Fair value of plan assets at beginning of year	—	—	—	—
Employer's contributions	759	1,824	2,583	2,403
Participants' contributions	563	117	680	661
Benefits paid	(1,322)	(1,941)	(3,263)	(3,064)
Fair value of plan assets at end of year	—	—	—	—
Total liability	\$ (11,497)	(16,118)	(27,615)	(30,962)
Amounts recognized in unrestricted net assets:				
Prior service cost	\$ (1,552)	(8)	(1,560)	(1,950)
Net actuarial (gain) loss	(6,791)	(5,693)	(12,484)	(13,031)
Total increase	\$ (8,343)	(5,701)	(14,044)	(14,981)

# WAKE FOREST UNIVERSITY

## Notes to Consolidated Financial Statements

June 30, 2024

(Dollars in Thousands)

The following table provides the components of net periodic benefit cost for the years ended June 30, 2024 and 2023:

	2024			2023
	Reynolda Campus	WFUHS	Total	Total
Service cost	\$ 456	—	456	445
Interest cost	577	900	1,477	1,342
Amortization of prior service credit	(374)	(16)	(390)	(390)
Amortization of net actuarial (gain) loss	(407)	(2,838)	(3,245)	(2,340)
Net periodic benefit cost (gain)	\$ 252	(1,954)	(1,702)	(943)

The prior service costs are amortized on a straight-line basis over the average remaining service period of active participants. Gains in excess of 10% of the greater of the benefit obligation and the market-related value of assets are amortized over the average remaining service period of active participants.

The weighted average discount rate used to determine the accumulated postretirement benefit obligation at June 30, 2024 for Reynolda Campus and WFUHS, respectively, was 5.45% and 5.57%, and at June 30, 2023 was 5.15% and 5.07%, respectively. The discount rate reflects the current yield curve results as of June 30, 2024 and 2023. Reynolda Campus used 8.70% and 8.20%, and WFUHS used 7.10% and 7.10% for 2024 and 2023, respectively, for the annual rate of increase in the per capita cost of covered healthcare benefits for the first year, and a 4.50% rate was assumed in each year as the ultimate rate.

Aggregate benefits expected to be paid by the University, net of participant contributions, for the postretirement benefits plans are as follows:

	Reynolda Campus	WFUHS	Total
2025	\$ 747	1,790	2,537
2026	779	1,744	2,523
2027	835	1,698	2,533
2028	878	1,633	2,511
2029	927	1,562	2,489
Five years thereafter	4,970	6,501	11,471

The expected benefits to be paid are based on the same assumptions used to measure the University's benefit obligation at June 30, 2024 and include estimated future employee service.

# WAKE FOREST UNIVERSITY

## Notes to Consolidated Financial Statements

June 30, 2024

(Dollars in Thousands)

### (21) Related-Party Transactions

WFUHS and NCBH each incur expenses in the course of managing WFB as an integrated academic medical center. These expenses are aggregated and allocated between WFUHS and NCBH such that each individual entity bears a share of the expenses that is proportionate to the benefit received by each entity. Additionally, WFUHS and NCBH share certain facilities, provide various services, and incur certain expenses on behalf of each other. These transactions are recorded at fair value and the costs associated with operating and maintaining jointly occupied facilities are ultimately paid by the party having beneficial occupancy.

These transactions are recorded as follows in the consolidated financial statements:

	<b>2024</b>	<b>2023</b>
Revenue from MCIA	\$ 459,085	312,774
Corporate service allocation, net	116,311	37,233
Other professional fees, net	(2,592)	45,644
Total net revenue from NCBH	<u>\$ 572,804</u>	<u>395,651</u>
Accounts receivable from NCBH	\$ 284,159	136,354

In 2015, WFUBMC entered into an unsecured, taxable line of credit with a total borrowing capacity of \$125,000 that is guaranteed by both NCBH and WFUHS. In 2019, WFUBMC exercised an accordion feature on the line of credit, bringing its total borrowing capacity to \$150,000. In 2020, the line of credit was amended to increase the borrowing capacity to \$200,000. WFUBMC's outstanding balance on the line of credit was \$19,199 as of June 30, 2024 and 2023; WFUHS had no outstanding liability under the line of credit as of June 30, 2024 and 2023.

An additional unsecured credit facility with a total borrowing capacity of \$200,000 was entered into in June 2021 to provide for the working capital needs of NCBH, WFUHS, and WFUBMC. The line of credit is due on May 23, 2025, and bears interest at the term SOFR rate plus 0.55%, which is 4.90% at June 30, 2024. The facility is structured with NCBH, WFUHS, and WFUBMC as co borrowers. There is no outstanding balance on the facility at June 30, 2024 and 2023.

## WAKE FOREST UNIVERSITY

### Notes to Consolidated Financial Statements

June 30, 2024

(Dollars in Thousands)

As part of the master agreement between the Enterprise and Advocate Aurora, CMHA contributed \$47,000 to WFUHS in fiscal year 2023 to create an academic endowment to be used to support academic enrichment activities such as recruitment of academic and research faculty, bridge funding for researchers, new or enhanced academic programs, and related development of flagship/destination clinical programs (the New Academic Endowment). The agreement stipulates that the New Academic Endowment should be invested without distribution until January 1, 2028, at which time and continuing each year thereafter, 4.75% of the prior year ending balance of the New Academic Endowment shall be made available in equal quarterly installments to WFUBMC. Additionally, the agreement has a "right of return" clause that states that if WFUBMC terminates its participation in the new Advocate Enterprise within the first ten years, the New Academic Endowment must be returned to CMHA within thirty days following the effective date of such termination. Because of this condition upon the contribution, WFUHS recorded the \$47,000 to other liabilities and deferrals upon receipt in February 2023. The funds are invested similarly to WFUHS' traditional endowments, but the \$47,000 will not be moved from other liabilities and deferrals to restricted contributions until May 2032, when the "right of return" clause will expire.

#### **(22) Professional Liability Insurance**

WFUHS maintains professional liability coverage, which included a \$6,000 per occurrence self-insured retention (no aggregate), plus \$2,000 per loss buffer layer and \$6,000 aggregate buffer layer for the year ended June 30, 2024. The primary policy's aggregate of coverage was \$10,000 with tower of coverage through nine other carriers extending up to total of \$95,000 of coverage for the year ended June 30, 2024. WFUHS estimates its professional liability on an actuarial basis. WFUHS' accrued professional liability costs, including estimated claims incurred but not reported, totaled \$26,412 and \$51,258 at June 30, 2024 and 2023, respectively, and are included in other liabilities and deferrals in the accompanying consolidated balance sheets. In the opinion of management, adequate provision has been made for the related risk.

The estimated liability for self-insurance claims will be significantly affected if current and future claims differ from historical trends. While management monitors reported claims closely and considers potential outcomes as estimated by its actuaries when determining its self-insurance liability accruals, the complexity of the claims, the extended period of time to settle the claims and the wide range of potential outcomes complicate the estimation. In the opinion of management, adequate provision has been made for this related risk.

#### **(23) Subsequent Events**

Management has evaluated subsequent events from June 30, 2024 through October 22, 2024, the date the financial statements were issued, and determined that there are no items to disclose.



WAKE FOREST UNIVERSITY  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2024

Federal grantor/pass-through grantor/program or cluster title	Federal ALN or other grant identifying no.	Pass-through entity identifying number	Passed through to subrecipients	Federal expenditures
Federal award expenditures:				
Research and Development Cluster:				
Wake Forest University Health Sciences:				
U.S. Department of Health and Human Services:				
National Institutes of Health Direct Programs:				
Family Smoking Prevention and Tobacco Control Act Regulatory Research	93.077		\$ 1,278,394	1,943,182
Environmental Health	93.113		—	116,031
Oral Diseases and Disorders Research	93.121		735,409	1,272,968
Research Related to Deafness and Communication Disorders	93.173		—	505,572
Telehealth Programs	93.211		31,240	378,395
Mental Health Research Grants	93.242		169,333	839,567
Alcohol Research Programs	93.273		228,457	7,944,095
Drug Abuse and Addiction Research Programs	93.279		1,213,239	11,653,665
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		—	472,661
Minority Health and Health Disparities Research	93.307		59,054	985,735
Trans-NIH Research Support	93.310		70,322	997,283
National Center for Advancing Translational Sciences	93.350		—	4,676,610
Research Infrastructure Programs	93.351		—	1,953,427
21st Century Cures Act - Beau Biden Cancer Moonshot	93.353		330,449	976,785
Nursing Research	93.361		556,521	2,951,611
Cancer Cause and Prevention Research	93.393		1,184,532	5,750,014
Cancer Detection and Diagnosis Research	93.394		111,589	1,460,389
Cancer Treatment Research	93.395		835,535	3,561,824
Cancer Biology Research	93.396		354,722	2,513,589
Cancer Centers Support Grants	93.397		14,244	2,170,484
Cancer Research Manpower	93.398		10,526	735,434
Cancer Control	93.399		297,123	5,378,695
Cardiovascular Diseases Research	93.837		1,294,314	8,513,948
Lung Diseases Research	93.838		27,508	333,116
Blood Diseases and Resources Research	93.839		273,570	1,784,464
Translation and Implementation Science Research for Heart, Lung, Blood Diseases, and Sleep Disorders	93.840		16,423	599,938
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		679,109	2,223,279
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		2,138,607	8,356,967
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		112,710	3,838,136
Allergy and Infectious Diseases Research	93.855		477,219	6,876,587
Biomedical Research and Research Training	93.859		44,545	1,586,357
Child Health and Human Development Extramural Research	93.865		339,105	1,065,960
Aging Research	93.866		13,321,940	43,319,362
Vision Research	93.867		223,335	3,626,708
Atherosclerosis Risk in Communities (aric) Field Center	93.UNKNOWN		—	984,264
Multi-Ethnic Study of Atherosclerosis (MESA)	93.UNKNOWN		77,174	382,407
Phase III Clinical Trial Evaluating Post-Mastectomy Chestwall and Regional Nodal XRT	93.UNKNOWN		—	544
Women Health Initiative - Regional Center	93.UNKNOWN		274,073	832,423
Subtotal National Institutes of Health Direct Programs			26,780,321	143,562,476
Family Smoking Prevention and Tobacco Control Act Regulatory Research:				
Boston University	93.077	R01CA260460	—	64,784
University of Pennsylvania	93.077	577788	—	1,750
Virginia Commonwealth University	93.077	R01DA050996	—	7,863
Total Family Smoking Prevention and Tobacco Control Act Regulatory Research			—	74,397
Environmental Health:				
University of North Carolina Chapel Hill	93.113	None Identified	—	114,272
University of North Carolina Chapel Hill	93.113	None Identified	—	96,806
University of Southern California	93.113	93343187	—	1,469
Total Environmental Health Research			—	212,547
Research Related to Deafness and Communication Disorders				
Johns Hopkins University	93.173	R01DC019408	—	41,675
Ohio State University	93.173	R01DC020715	—	12,842
Vanderbilt University Medical Center	93.173	R01DC020715	—	323,429
Total Research Related to Deafness and Communication Disorders Research			—	377,946
Research and Training in Complementary and Alternative Medicine:				
Cleveland Clinic	93.213	U01AT011005	—	137,841
National Center for Complementary and Integrative Health	93.213	R01AT011502	285,421	651,798
Total Research and Training in Complementary and Alternative Medicine			285,421	789,639

WAKE FOREST UNIVERSITY  
Schedule of Expenditures of Federal Awards  
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Federal grantor/pass-through grantor/program or cluster title	Federal ALN or other grant identifying no.	Pass-through entity identifying number	Passed through to subrecipients	Federal expenditures
Mental Health Research Grants:				
Duke University	93.242	R01MH129433	\$ —	31,984
Duke University Medical Center	93.242	R34MH124986	—	26,696
University of Florida	93.242	R21MH129682	—	7,853
University of Pittsburgh	93.242	R01MH134538	—	34,837
Vanderbilt University	93.242	None Identified	—	(734)
Virginia Polytechnic Institute and State University	93.242	412600-19541	—	332,510
Total Mental Health Research Grants			—	433,146
Drug Abuse and Addiction Research Programs:				
Duke University Medical Center	93.279	A030186	—	(12,584)
Emory University	93.279	None Identified	—	35,784
Medical University of South Carolina	93.279	MUSC18-040-8D268	—	12,326
Ohio State University	93.279	UM1DA049417	—	28,937
Sanford-Burnham Institute for Medical	93.279	FAIN# R01DA057120	—	529,123
University of California - San Diego	93.279	None Identified	—	174,761
University of N Carolina-Chapel Hill	93.279	5118065	—	22,937
University of North Carolina Chapel Hill	93.279	None Identified	—	31,616
University of Pittsburgh	93.279	None Identified	—	111,017
University of Rochester	93.279	U01DA057016	—	122,200
Virginia Commonwealth University	93.279	R01DA054694	—	324,704
Total Drug Abuse and Addiction Research Programs			—	1,380,821
Minority Health and Health Disparities Research:				
Duke University	93.307	A033206	—	10,162
Kaiser Permanente Southern California	93.307	RNG210374-WF-01	—	8,798
Medical University of South Carolina	93.307	None Identified	—	240,213
University of North Carolina Chapel Hill	93.307	R21MD019082	—	5,835
Total Minority Health and Health Disparities Research			—	265,008
Trans-NIH Research Support:				
Albert Einstein College of Medicine	93.310	311818	—	12,779
Albert Einstein College of Medicine	93.310	311818	—	225,559
University of Florida	93.310	SUB00001764	—	16,406
University of Florida	93.310	SUB00001766	15,963	464,873
University of N Carolina-Chapel Hill	93.310	UH3OD023348	—	58,215
Women & Infants Hospital	93.310	5001441	—	49,532
Ball State University	93.310	U01AR071133	—	11,481
Buck Institute for Research on Aging	93.310	1U54AG075932-01A1	—	87,706
Cedars-Sinai Medical Center	93.310	U01AR071130	—	12,444
Duke University	93.310	U24MD016258	—	78,443
National Center for Advancing Translational Sciences	93.310	R03TR004477	—	146,050
The Feinstein Institute for Medical Research	93.310	UG3OD035513	—	109,922
University of Minnesota	93.310	U54AG079754	—	11,881
University of North Carolina Chapel Hill	93.310	UG1HD107692	—	32,826
Total Trans-NIH Research Support			15,963	1,318,117
National Center for Advancing Translational Sciences:				
Duke University	93.350	WBSE: A034559, SPS-266338	—	222,191
The Rockefeller University	93.350	None Identified	—	66,566
National Center for Advancing Translational Sciences	93.350	R03TR004251	—	106,219
National Center for Advancing Translational Sciences	93.350	UG3TR004803	—	160,094
Oregon Health & Sciences University	93.350		—	21,392
Total National Center for Advancing Translational Sciences			—	576,462
21st Century Cures Act - Beau Biden Cancer Moonshot				
Dana-Farber Cancer Institute	93.353	None Identified	—	36,937
University of Alabama - Birmingham	93.353	000526841-SC005	—	40,711
University of Pennsylvania	93.353	U01CA243702	—	1,460
Total 21st Century Cures Act - Beau Biden Cancer Moonshot			—	79,108
Cancer Cause and Prevention Research:				
Alliance for Clinical Trials in Oncology	93.393	None Identified	—	(755)
Alliance for Clinical Trials in Oncology	93.393	None Identified	—	2,232
Alliance for Clinical Trials in Oncology	93.393	A011104	—	35
Alliance for Clinical Trials in Oncology	93.393	A011106	—	188
Alliance for Clinical Trials in Oncology	93.393	A071102	—	(49)
Dana-Farber Cancer Institute	93.393	1204002	—	45,741

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Schedule of Expenditures of Federal Awards  
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Federal grantor/pass-through grantor/program or cluster title	Federal ALN or other grant identifying no.	Pass-through entity identifying number	Passed through to subrecipients	Federal expenditures
Massachusetts General Hospital	93.393	232008	\$ —	881
Northwestern University	93.393	R01CA262357	—	71,703
Pennsylvania State University	93.393	R01CA249052	—	12,990
Saint Louis University	93.393	R01CA271033	—	4,676
The University of North Carolina at Chapel Hill	93.393	None Identified	—	2,721
University of Florida	93.393	None Identified	—	18,118
University of Florida	93.393	R37CA234030	—	18,118
University of Iowa	93.393	None Identified	—	38,976
University of Virginia	93.393	None Identified	—	49,747
Total Cancer Cause and Prevention Research			—	265,322
Cancer Detection and Diagnosis Research:				
ECOG-ACRIN Cancer Research Group	93.394	None Identified	—	(2,062)
Ohio State University	93.394	R01CA276301	—	263,629
Washington University - St. Louis	93.394	None Identified	—	6,654
Total Cancer Detection and Diagnosis Research			—	268,221
Cancer Treatment Research:				
Adult Brain Tumor Consortium	93.395	1601	—	(4,108)
Adult Brain Tumor Consortium	93.395	ABTC1501	—	255
Adult Brain Tumor Consortium	93.395	ABTC1603	—	(4,043)
Alliance for Clinical Trials in Oncology	93.395	None Identified	—	3
Alliance for Clinical Trials in Oncology	93.395	A051301	—	(845)
Alliance for Clinical Trials in Oncology	93.395	A051701	—	54
Alliance for Clinical Trials in Oncology	93.395	None Identified	—	86
Alliance for Clinical Trials in Oncology	93.395	None Identified	—	1,180
Canadian Cancer Trials Group	93.395	CCTG CE.7	—	715
Cancer and Leukemia Group B Foundation	93.395	5-32014	—	(1,292)
Children's Hospital of Philadelphia	93.395	None Identified	—	968
Children's Hospital Of Philadelphia	93.395	9500080215-13C	—	38,675
Children's Hospital Of Philadelphia	93.395	FP00013087_SUB206_01	—	13,528
ECOG-ACRIN Cancer Research Group	93.395	None Identified	—	(2,036)
ECOG-ACRIN Cancer Research Group	93.395	None Identified	—	(764)
ECOG-ACRIN Cancer Research Group	93.395	EA2165	—	(2,198)
ECOG-ACRIN Cancer Research Group	93.395	EA2186	—	3,190
ECOG-ACRIN Cancer Research Group	93.395	EA5142	—	(994)
ECOG-ACRIN Cancer Research Group	93.395	EA6174	—	(1,917)
ECOG-ACRIN Cancer Research Group	93.395	EA8143	—	19,365
EMMES Corporation	93.395	None Identified	—	39,081
Icahn School of Medicine at Mount Sinai	93.395	2UM1CA121947	—	145,610
John Wayne Cancer Foundation	93.395	0254-4022-4605	—	2,467
Johns Hopkins University	93.395	JVCIMSLTII	—	(1,068)
Johns Hopkins University	93.395	None Identified	—	(4,572)
Johns Hopkins University	93.395	ABTC1802	—	(2,273)
Johns Hopkins University	93.395	UM1CA186691	—	124,908
Johns Hopkins University	93.395	UM1CA186691	—	57,647
Johns Hopkins University	93.395	None Identified	—	(1,922)
Johns Hopkins University	93.395	PO#2002555394	—	(3,510)
Johns Hopkins University	93.395	None Identified	—	97
Johns Hopkins University	93.395	None Identified	—	(2,418)
Johns Hopkins University	93.395	ABTC 1701	—	(1,809)
Mt. Sinai Medical Center	93.395	P01CA108671	—	55,189
NRG Oncology	93.395	None Identified	—	(3,699)
NRG Oncology	93.395	None Identified	—	(7,554)
NRG Oncology	93.395	GU002	—	3,269
NRG Oncology	93.395	Non-CTEP IND	—	602
NRG Oncology	93.395	NRG-GI004	—	259

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Schedule of Expenditures of Federal Awards  
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Federal grantor/pass-through grantor/program or cluster title	Federal ALN or other grant identifying no.	Pass-through entity identifying number	Passed through to subrecipients	Federal expenditures
NRG Oncology	93.395	NRG-GI005	\$ —	5,818
NRG Oncology	93.395	NRG-GY005	—	138
NRG Oncology	93.395	NRG-GY006	—	(299)
NRG Oncology	93.395	NRG-LU005	—	(4,085)
NRG Oncology	93.395	None Identified	—	5,143
NRG Oncology	93.395	U10CA180868	—	2,964
Public Health Institute	93.395	U10CA180866	—	8,623
Southwest Oncology Group	93.395	None Identified	—	1,024
Southwest Oncology Group	93.395	S1826	—	5,045
Southwest Oncology Group	93.395	SWOG S1801	—	(4,669)
Southwest Oncology Group	93.395	None Identified	—	(295)
Southwest Oncology Group	93.395	S1929	—	1,856
University of Michigan	93.395	R01CA261752	—	11,857
University of North Carolina Chapel Hill	93.395	5R01CA212014	—	31,018
University of North Carolina Chapel Hill	93.395	R01CA281295	—	400,874
University of Texas at Arlington	93.395	R01CA222227	—	(770)
University of Texas Health Science Center	93.395	R01CA262041	—	101,312
University of Texas M.D. Anderson Cancer Center	93.395	None Identified	—	41,161
Total Cancer Treatment Research			—	1,066,641
Cancer Biology Research:				
Duke University	93.396	R01CA270617	—	7,068
Duke University	93.396	R01CA256158	—	5,366
Duke University	93.396	R01CA279129	—	5,302
Duke University	93.396	None Identified	—	10,969
Pennsylvania State University	93.396	6072-WF-DHHS-7261	—	(1,659)
Pennsylvania State University	93.396	6080-WF-DHHS-9700	—	14,304
Roswell Park Cancer Institute	93.396	R01CA246437	—	15,808
The Methodist Hospital Research Institute	93.396	R37CA251318	—	16,967
University of Tennessee	93.396	R01CA253329	—	29,580
University of Tennessee	93.396	U01CA272541	—	22,539
University of Texas Health Science Center	93.396	R01CA228137	—	21,628
Total Cancer Biology Research			—	147,872
Cancer Center Support Grants				
Washington University - St. Louis	93.397	U54CA284110	—	9,902
Washington University - St. Louis	93.397	U54CA284110	—	7,502
Total Cancer Center Support Grants			—	17,404
Cancer Control:				
Alliance for Clinical Trials in Oncology	93.399	None Identified	—	1,759
Alliance for Clinical Trials in Oncology	93.399	None Identified	—	(793)
Alliance for Clinical Trials in Oncology	93.399	None Identified	—	843
Alliance for Clinical Trials in Oncology	93.399	None Identified	—	(1,349)
Alliance for Clinical Trials in Oncology	93.399	A011401	—	1,680
Alliance for Clinical Trials in Oncology	93.399	A041501	—	214
Alliance for Clinical Trials in Oncology	93.399	A081801	—	1,829
Alliance NCTN Foundation	93.399	UG1CA189823	—	10,634
ECOG-ACRIN Cancer Research Group	93.399	None Identified	—	26,049
ECOG-ACRIN Cancer Research Group	93.399	None Identified	—	1,539
NRG Oncology	93.399	E4112	—	498
NRG Oncology	93.399	NSABP B-55	—	(899)
Oregon Health & Sciences University	93.399	None Identified	—	10,729
Public Health Institute	93.399	UG1CA189955	—	155,839
Southwest Oncology Group	93.399	S1605	—	(99)
Southwest Oncology Group	93.399	S1616	—	(2,368)
University of Massachusetts	93.399	None Identified	—	17,400
Total Cancer Control			—	223,505
Alzheimer's Disease Program Initiative (ADPI)				
Senior Services Inc	93.470	90ADPI0074	—	25,325
Senior Services Inc	93.470	90ADPI0074	—	13,017
Total Alzheimer's Disease Program Initiative (ADPI)			—	38,342
Cardiovascular Diseases Research:				
Beth Israel Deaconess Medical Center	93.837	R01HL153191	—	103,244
Beth Israel Deaconess Medical Center	93.837	R01HL158622	—	100,319
Brigham & Women's Hospital	93.837	122799	—	130,628

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Case Western Reserve University	93.837	RESS13068	\$ —	(305)
Des Moines University	93.837	R15HL152330	—	20,986
Duke Clinical Res Inst	93.837	R01HL155396	—	117,531
Duke University	93.837	R01HL155396	—	1,613
Duke University	93.837	R01HL155396	—	445
Elon University	93.837	R15HL159650	—	11,527
Fred Hutchinson Cancer Center	93.837	U24HL169645	—	18,103
Harvard Pilgrim Health Care	93.837	R01HL171293	—	53,294
Johns Hopkins University	93.837	2004538358	—	476,310
Johns Hopkins University	93.837	R01HL158022	—	85,849
Johns Hopkins University	93.837	R01HL159987	—	69,636
Northwestern University	93.837	None Identified	—	30,211
Northwestern University	93.837	U54HL160273	—	55,212
Northwestern University	93.837	U54HL160273	—	75,866
Northwestern University	93.837	UG3HL165065	—	23,973
NYU Grossman School of Medicine	93.837	None Identified	—	153,058
The Brigham and Women's Hospital, Inc.	93.837	225712	—	490
The Feinstein Institute for Medical Research	93.837	R01HL162912	—	232
University of Alabama-Birmingham	93.837	R01HL117323	—	12,683
University of Colorado-Denver	93.837	None Identified	—	71,524
University of Florida	93.837	R21HL159501	—	10,775
University of Minnesota	93.837	None Identified	—	(1,373)
University of North Carolina Chapel Hill	93.837	R01HL152034	—	23,633
University of North Carolina Chapel Hill	93.837	R01HL162805	—	21,876
University of Pennsylvania	93.837	R01HL155306	—	227,328
University of Texas at Arlington	93.837	R21HL167171	—	3,950
University of Texas at San Antonio	93.837	None Identified	—	78,245
University of Texas Southwestern Medical	93.837	R01HL135008	—	114,641
University of Utah	93.837	R01HL163145	—	100,305
University of Washington	93.837	UWSC10978	—	15,005
University of Washington	93.837	R21HL167126	—	24,041
Vanderbilt University Medical Center	93.837	None Identified	—	26,925
University of South Carolina	93.837	19-3841	—	123,571
Total Cardiovascular Diseases Research			—	2,381,351
Lung Diseases Research:				
Blue Marble Health	93.838	137502-Sub-03	—	51,051
Brigham & Women's Hospital	93.838	122869	—	232,083
Children's Hospital of Philadelphia	93.838	None Identified	—	68,820
Columbia University	93.838	33(GG015997-01)	—	165,344
Columbia University	93.838	8(GG015835-01)	—	13,267
Columbia University	93.838	R01HL077612	—	57,061
Duke Clinical Res Inst	93.838	R33HL147833	—	7,922
Duke Clinical Res Inst	93.838	T2HL15681201	—	20,051
Fred Hutchinson Cancer Center	93.838	None Identified	—	6,896
Fred Hutchinson Cancer Center	93.838	None Identified	—	(6,154)
Massachusetts General Hospital	93.838	None Identified	—	(2,191)
Massachusetts General Hospital	93.838	None Identified	—	(2,326)
Massachusetts General Hospital	93.838	238369	—	5,132
Massachusetts General Hospital	93.838	U01HL123009	117,644	133,807
Massachusetts General Hospital	93.838	U01HL123009	—	21,935
Massachusetts General Hospital	93.838	WFUHS Z17448	—	33
Mayo Clinic	93.838	R01HL142992	—	82,425
Texas Biomedical Research Institute	93.838	None Identified	—	76,605
Tulane University Medical Center	93.838	TUL-HSC-658022-19/20	—	36,667
University of Arizona	93.838	435611	—	9,750
University of California - San Francisco	93.838	10458sc	—	97,452
University of N Carolina-Chapel Hill	93.838	5111455	—	54,118
University of North Carolina Chapel Hill	93.838	5117256-H3WFUNIVER	—	122,934
University of Vermont - 11258	93.838	3148-01-004-SUB-0003	—	7,437
University of Vermont - 11258	93.838	32723SUB52545	—	1,789
Weill Cornell Medical College	93.838	192243-12	—	7,580
Weill Cornell Medical College	93.838	R01HL144718	—	984
Massachusetts General Hospital	93.838	None Identified	21,140	20,789
The Methodist Hospital Research Institute	93.838	None Identified	—	15,170
The Methodist Hospital Research Institute	93.838	None Identified	—	29,490
University of California - San Diego	93.838	122385854 PO S9002402	—	108,792
Total Lung Diseases Research			138,784	1,444,713
Blood Diseases and Resources Research:				
National Marrow Donor Program	93.839	None Identified	—	(1,367)
University of Alabama - Birmingham	93.839	UG3HL157401	—	23,960
University of N Carolina-Chapel Hill	93.839	None Identified	—	462
University of Tennessee	93.839	R01HL159376	—	16,642
Total Blood Diseases and Resources Research:			—	39,697
Translation and Implementation Science Research for Blood Disease				
Vanderbilt University Medical Center	93.840	None Identified	—	268,887
Vanderbilt University Medical Center	93.840	None Identified	—	7,817
Vanderbilt University Medical Center	93.840	OT2HL156812	—	432,107
Vanderbilt University Medical Center	93.840	OT2HL156812	—	184,107
Vanderbilt University Medical Center	93.840	OT2HL156812	—	120,614
Washington University - St. Louis	93.840	R01HL168766	—	10,431
Total Translation and Implementation Science Research for Blood Disease:			—	1,023,963

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Arthritis, Musculoskeletal and Skin Diseases Research:				
Duke University	93.846	R01AR082911	\$ —	7,611
Johns Hopkins University	93.846	None Identified	—	483,466
University of Buffalo - 11264	93.846	R01AR078785	—	22,358
University of Miami	93.846	R01AR081340	—	129,826
University of Michigan	93.846	U01AR073485	—	17,083
University of North Carolina Chapel Hill	93.846	None Identified	—	725,567
University of North Carolina Chapel Hill	93.846	U24AR076730	—	168,919
University of North Carolina Chapel Hill	93.846	U24AR076730	—	66,617
University of Pittsburgh - 10909	93.846	1U01AR076144	—	11,016
University of Texas at San Antonio	93.846	UC2AR082195	—	182,757
Total Arthritis, Musculoskeletal and Skin Diseases Research			—	1,815,220
Diabetes, Digestive, and Kidney Diseases Extramural Research:				
Advent Health	93.847	120322	—	36,460
Children's Hospital of Philadelphia	93.847	U01DK066174	—	2,534
Cincinnati Children's Hospital Med Center	93.847	U01DK134356	—	36,406
Connecticut Children's Medical Center	93.847	U01DK134356	—	11,602
George Washington University	93.847	None Identified	—	23,833
George Washington University	93.847	U01DK094176	—	63,909
Harvard Pilgrim Health Care	93.847	AH000650	—	10,659
Johns Hopkins University	93.847	R01DK127222	—	1,419
Johns Hopkins University	93.847	None Identified	—	27,338
Johns Hopkins University	93.847	R01DK126825	—	30,698
Mt. Sinai Medical Center	93.847	5U54DK063909	—	217,992
Northern California Institute for Research and Education	93.847	SHL2118-04	—	(63)
University of California - San Diego	93.847	R01DK128803	—	8,207
University of California - San Francisco	93.847	1R01DK120551	33,332	71,455
University of California - San Francisco	93.847	1R01DK120886-01A1 REVISED	—	23,642
University of California - San Francisco	93.847	1R01DK120886-01A1 REVISED	—	(858)
University of Michigan	93.847	R01DK131787	—	21,167
University of North Carolina Chapel Hill	93.847	5115004	—	(1,119)
University of North Carolina Chapel Hill	93.847	TL1DK139567	—	33,647
University of North Carolina Chapel Hill	93.847	TL1DK139567	—	36,874
University of North Carolina Chapel Hill	93.847	TL1DK139567	—	61,506
University of North Carolina Chapel Hill	93.847	TL1DK139567	—	42,272
University of North Carolina Chapel Hill	93.847	R01DK126666	—	37,525
University of North Carolina Chapel Hill	93.847	TL1DK139567	—	57,107
University of North Carolina Chapel Hill	93.847	U24DK132715	—	16,735
University of North Carolina Chapel Hill	93.847	U2CDK133491	—	15,215
University of North Carolina Chapel Hill	93.847	U2CDK133491	—	98,161
University of North Carolina Chapel Hill	93.847	U2CDK133491	—	2,592
University of North Carolina Chapel Hill	93.847	U2CDK133491	—	24,225
Washington University - St. Louis	93.847	None Identified	—	12,304
Total Diabetes, Digestive, and Kidney Diseases Extramural Research			33,332	1,023,444
Extramural Research Programs in the Neurosciences and Neurological Disorders:				
Duke University	93.853	1U24NS114416-01 REVISED	—	30,779
Duke University	93.853	U24NS129498	—	15,124
George Washington University	93.853	U54NS115054	—	13,688
Icahn School of Medicine at Mount Sinai	93.853	R01NS135728	—	7,821
Johns Hopkins University	93.853	None Identified	—	20,553
Johns Hopkins University	93.853	R01NS120557	—	46,707
Johns Hopkins University	93.853	U01NS122764	—	89,269
Massachusetts General Hospital	93.853	None Identified	—	8,556

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Massachusetts General Hospital	93.853	None Identified	\$ —	177,855
Massachusetts General Hospital	93.853	None Identified	—	22,417
Massachusetts General Hospital	93.853	R01NS093870	—	18,806
Massachusetts General Hospital	93.853	None Identified	—	95,308
Mayo Clinic	93.853	U01NS080168WAK-224063-01	—	21,112
Mayo Clinic	93.853	U01NS119169	—	4,488
Regents of the University of Minnesota	93.853	RF1NS127266-01	—	65,649
Stanford University	93.853	R01NS121720	—	12,363
University of Buffalo	93.853	R01NS058949	—	98,944
University of California - Davis	93.853	U19NS120384	—	268,783
University of California - Davis	93.853	A20-2531-S001	—	52,488
University of California - Los Angeles	93.853	None Identified	—	130,184
University of Cincinnati	93.853	013382-002	—	86,050
University of Cincinnati	93.853	012043-138224	—	51,198
University of Cincinnati	93.853	None Identified	—	(156)
University of Cincinnati	93.853	010785-138224	—	559
University of Cincinnati	93.853	011266-138224	—	49,709
University of Cincinnati	93.853	011337-138224	—	74,328
University of Cincinnati	93.853	012340-138224	—	1,300
University of Cincinnati	93.853	None Identified	—	66,345
University of Cincinnati	93.853	U01NS102289	—	41,388
University of Cincinnati	93.853	U01NS117450	—	119,901
University of Cincinnati	93.853	R01NS128425	—	144,740
University of Cincinnati	93.853	UG3NS125023	—	20,322
University of Cincinnati Medical Center	93.853	013215-002	—	319,621
University of Cincinnati Medical Center	93.853	U01NS117450	—	19,799
University of Florida	93.853	U01NS119562	—	4,255
University of Minnesota	93.853	None Identified	—	12,207
University of Minnesota	93.853	RF1NS135615	—	21,712
Total Extramural Research Programs in the Neurosciences and Neurological Disorders			—	2,234,172
Allergy and Infectious Diseases Research:				
Albert Einstein College of Medicine	93.855	None Identified	—	203,265
Cincinnati Children's Hospital	93.855	309362 (Admin)	—	3,147
Duke University	93.855	5UM1AI104681	—	120,832
Duke University Medical Center	93.855	A0334212U19AI067798	—	169,259
New York University School of Medicine	93.855	R01AI093504	—	355,051
Saint Louis University	93.855	R25AI170379	—	4,603
Stanford University	93.855	R01AI58569	—	39,845
Tufts University	93.855	R01AI73059	—	106,893
University of California - Los Angeles	93.855	UM1AI068636	—	775
University of North Carolina Chapel Hill	93.855	P30AI050410	—	40,555
Washington University - St. Louis	93.855	None Identified	—	3,912
Columbia University	93.855	None Identified	—	23,883
Total Allergy and Infectious Diseases Research			—	1,072,020
Child Health and Human Development Extramural Research:				
CiceroDxInc.	93.865	R44HD097750	—	17,707
Duke University	93.865	U24HD036801	—	589
Michigan State University	93.865	R21HD103039	—	29,968
Saint Louis University	93.865	UH3HD096929	—	1,786
The Eunice Kennedy Shriver National Institute of Child Health and Human Development	93.865	F31HD110224	—	57,696
The Eunice Kennedy Shriver National Institute of Child Health and Human Development	93.865	R01HD099231	415,290	588,916
The Eunice Kennedy Shriver National Institute of Child Health and Human Development	93.865	R01HD108298	—	455,888
The Eunice Kennedy Shriver National Institute of Child Health and Human Development	93.865	R01HD112028	—	530,716
The Eunice Kennedy Shriver National Institute of Child Health and Human Development	93.865	R25HD111367	—	97,786
The Eunice Kennedy Shriver National Institute of Child Health and Human Development	93.865	R01HD097990	—	52,692
University of Colorado	93.865	R01HD102170	—	85,340
University of Missouri-Columbia	93.865	R01HD095248	—	1,641
University of Pennsylvania	93.865	None Identified	—	17,716
University of Pittsburgh	93.865	R01HD097578	—	775
Washington University - St. Louis	93.865	None Identified	—	5,615
Total Child Health and Human Development Extramural Research			415,290	1,944,831

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Aging Research:				
AdventHealth	93.866	None Identified	\$ —	17,089
American Medical Group Association	93.866	U54AG063546	—	44,744
BEL Company	93.866	R44AG077965	—	103,169
Boston University	93.866	U19AG076471	—	16,043
Brigham & Women's Hospital	93.866	1R01AG067507-01 / R01AG067507	—	33,286
Brigham & Women's Hospital	93.866	R01AG070867	—	164,911
Brown University	93.866	tba	—	30,724
Brown University	93.866	None Identified	—	10,793
Brown University	93.866	U54AG063546	—	71,434
California Pacific Medical Center	93.866	None Identified	—	921,787
California Pacific Medical Center	93.866	R21AG070804	—	63,059
California Pacific Medical Center	93.866	None Identified	—	151,861
City of Hope Comprehensive Cancer Center	93.866	R33AG059206	—	34,286
Columbia University	93.866	6(GG015822-01)	—	83,617
Columbia University	93.866	6(GG015822-01)	—	165,601
Columbia University	93.866	R01AG071032	—	133,968
Cornell University	93.866	R01AG085420	—	6,317
Drexel University	93.866	R01AG072634	—	75,825
Duke Clinical Research Institute	93.866	A03-2816	—	243,399
Duke Clinical Research Institute	93.866	A03-3865	—	1,411,642
Duke Clinical Research Institute	93.866	A03-2827	137,953	1,306,767
Duke University	93.866	1U19AG065188	—	36,334
Duke University	93.866	A032814	—	47,029
Duke University	93.866	None Identified	79,334	182,475
Duke University	93.866	R01AG080048	—	29,945
Duke University Medical Center	93.866	A033976	—	39,332
Emory University	93.866	R01AG075444	—	19,720
George Washington University	93.866	U19AG078558	—	57,077
Hampton University	93.866	R01AG079388	—	12,373
Hennepin Healthcare Research Institute	93.866	15156-25-01FFS	—	37,964
Hennepin Healthcare Research Institute	93.866	RF1AG079397	—	111,446
Indiana University	93.866	None Identified	—	14,226
Indiana University	93.866	U54AG063546	—	58,522
Johns Hopkins University	93.866	RF1AG074044	—	36,361
Johns Hopkins University	93.866	R01AG074258	—	65,057
Johns Hopkins University	93.866	R01AG076518	—	286,300
Johns Hopkins University	93.866	2004070511	—	(2,143)
Johns Hopkins University	93.866	2004144882	—	38,842
Mayo Clinic	93.866	93.866	—	18,241
Mayo Clinic	93.866	RF1AG069052	—	23,941
Mayo Clinic	93.866	None Identified	—	123,542
Mayo Clinic	93.866	U54AG044170	—	10,195
Mayo Clinic	93.866	U54AG044170	—	7,340
Mayo Clinic	93.866	None Identified	—	66,278
Mount Sinai School of Medicine	93.866	U01AG073148	—	54,268
Northwestern University	93.866	None Identified	—	101,801
Northwestern University	93.866	60057255	—	3,514
Oregon Health & Sciences University	93.866	RF1AG062220	—	46,531
Pennington Biomedical Research Center	93.866	None Identified	—	12,608
Temple University School of Medicine	93.866	None Identified	—	10,068
The Regents of the University of California	93.866	10176	4,332,470	7,566,614
Tufts University	93.866	R01AG066892	—	44,613
Tulane University Medical Center	93.866	R33AG068481	—	78,938
Tulane University Medical Center	93.866	TUL-HSC-558413-20/21	—	46,661
University of Arkansas	93.866	K76AG074920	—	17,211
University of California - Davis	93.866	R01AG070647	—	14,301
University of California - Davis	93.866	R24AG073138	—	86,546
University of California - Davis	93.866	R56AG071486	—	69,911
University of California - Davis	93.866	R61AG078471	—	27,192
University of California - Davis	93.866	RF1AG063837	—	92,387
University of California - Los Angeles	93.866	None Identified	—	119,188
University of California - San Diego	93.866	RF1AG079149	—	15,224
University of California - San Diego	93.866	RF1AG074345	—	44,168
University of Connecticut Health Center	93.866	R25AG073119	—	5,716
University of Georgia	93.866	RF1AG077386	—	31,487



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University of Massachusetts Medical School	93.866	None Identified	\$ —	7,772
University of Miami	93.866	R01AG072547	—	1,001,357
University of Miami	93.866	R21AG075291	—	11,857
University of North Carolina Chapel Hill	93.866	R01AG056479	—	9,810
University of North Carolina Chapel Hill	93.866	R01AG044034	—	29,647
University of Pittsburgh - 10909	93.866	None Identified	—	86,873
University of Pittsburgh - 10909	93.866	AWD00003000(135310-9)	—	58,555
University of Pittsburgh - 10909	93.866	R01AG074971	—	593,129
University of Pittsburgh - 10909	93.866	U19AG063720	—	10,902
University of South Florida	93.866	R56AG064075	—	131,565
University of South Florida	93.866	RF1AG071762	—	9,161
University of Southern California	93.866	129211757	—	233,360
University of Southern California	93.866	133616791	—	17,762
University of Southern California	93.866	U24AG057437	—	17,823
University of Southern California	93.866	105791377	—	235,598
University of Southern California	93.866	79634982	—	54,642
University of Southern California	93.866	R01AG053798	—	3,312
University of Southern California	93.866	R01AG065248	—	14,757
University of Southern California	93.866	Subaward No. 120188648	—	99,807
University of Texas Health Science Center	93.866	R01AG080821	—	4,975
University of Texas Health Science Center	93.866	U19AG078109	—	36,770
University of Utah	93.866	10055540-02PO U000265955	—	6,614
University of Utah	93.866	R01AG074592	—	158,812
University of Washington	93.866	None Identified	—	52,710
University of Washington	93.866	UWSC12160BPO# 50982	—	20,680
University of Wisconsin	93.866	Subaward No. 0000001242R01AG070883	—	112,546
Vanderbilt University	93.866	RF1AG060754	—	25,248
Miami University	93.866	None Identified	—	(304,552)
Rush University Medical Center	93.866	None Identified	—	327,066
University of Colorado	93.866	R01AG077956	—	28,510
University of Miami	93.866	None Identified	—	715,329
University of Southern California	93.866	None Identified	—	70,770
Total Aging Research			4,549,757	18,782,833
Vision Research:				
Cincinnati Children's Hospital	93.867	None Identified	—	81,382
Columbia University	93.867	R01EY034461	—	41,832
Univ of Texas Health Sciences Ctr-SA	93.867	R01EY028949	—	151,264
University of Minnesota	93.867	R01EY030472	—	129,891
University of North Carolina Chapel Hill	93.867	R01EY032089	—	50,115
University of North Texas Health Science Center	93.867	R01EY035519	—	137,349
University of Oklahoma Health Sciences	93.867	R01EY034742	—	114,313
Virginia Commonwealth University	93.867	R01EY033477	—	178,896
Total Vision Research			—	885,042
Medical Library Assistance:				
Brigham & Women's Hospital	93.879	R01LM013204	—	81,195
National Library of Medicine	93.879	R25LM014214	—	130,154
University of North Carolina Chapel Hill	93.879	T15LM012500	—	167,621
Total Medical Library Assistance			—	378,970
Medical Reserve Corps Small Grant Program				
NC DHHS	93.008	None Identified	(4,450)	4,450
Oral Diseases and Disorders Research				
New York University School of Medicine	93.121	F7834-01	—	15,008
Human Genome Research				
Broad Institute	93.172	U01HG011723	—	24,488
National Center on Sleep Disorders Research				

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University of California - Irvine	93.233	None identified	\$ —	76,535
Alcohol Research Programs:				
National Institute on Alcohol Abuse and Alcoholism	93.273	R01AA026666	—	34,875
Discovery and Applied Research for Technological Innovations to Improve Human Health				
University of Kansas	93.286	P41EB020594	—	116,154
Research Infrastructure Programs				
Texas Biomedical Research Institute	93.351	58238	—	45,892
Nurse Education, Practice Quality and Retention Grants				
NRG Oncology	93.359	NRG-BR004	—	465
Nursing Research				
University of Washington	93.361	UG3NR020930	—	101,394
Cancer Research Manpower				
East Carolina University	93.398	R00CA248701	—	9,466
ACL National Institute on Disability, Independent Living, and Rehabilitation Research				
Craig Hospital	93.433	90DPTB0018	—	16,166
National Bioterrorism Hospital Preparedness Program				
NC DHHS	93.889	U3REP190591	5,920	511,471
Effectiveness of HA mRNA-LNP vaccines in newborn NHP				
Duke University	93.UNKNOWN	A035675	—	142,155
Lung Organ Tissue Equivalent Platform For Modeling Chlorine Gas Toxicology:				
Biomedical Advanced Research and Development Authority	93.UNKNOWN	Barda 75A50119C00058	—	5,706,359
Impact of Nicotine Reduction on Adolescent Cigarette Use:				
Southwest Oncology Group	93.UNKNOWN	SWOG S1803	—	8,106
Change in Relative Cerebral Blood Volume as a Biomarker:				
ECOG-ACRIN Cancer Research Group	93.UNKNOWN	ECOG-ACRIN GTS 48742	—	(1,912)
Randomized Phase III Study of Ibrutinib (PCI-32765)-based Therapy:				
ECOG-ACRIN Cancer Research Group	93.UNKNOWN	ECOG-ACRIN 47831	—	(6,260)
ECOG-ACRIN Cancer Research Group	93.UNKNOWN	NCI - GTS43338	—	(1,200)
Randomized Phase III Trial of Bortezomib Lenalidomide a				
ECOG-ACRIN Cancer Research Group	93.UNKNOWN	NCI - GTS43238	—	(1,162)
Optimal Perioperative Therapy For Incidental Gallbladder				
ECOG-ACRIN Cancer Research Group	93.UNKNOWN	ECOG-ACRIN GTS 51398	—	8,679
Jackson Heart Surveillance Study (JHS Surveillance):				
University of Mississippi	93.UNKNOWN	66111350819-13	—	37,912
University of Mississippi	93.UNKNOWN	66111350819-14	—	4,227
Atherosclerosis Risk in Communities (ARIC) Study - Coordinating Center:				
University of North Carolina at Chapel Hill	93.UNKNOWN	New-5130328; Old-5126692	—	62,111
AI-Based Multi-Functional Hand-Held				
Oregon Health & Sciences University	93.UNKNOWN	75A50120C000097-1	—	4,591
Randomized Master Protocol for Immune Modulators				
Duke University	93.UNKNOWN	s/Duke COVID 50663	—	412
PETAL Network International Coordinating Center for ACTIV-3 Trial Initiative				
Massachusetts General Hospital	93.UNKNOWN	237165	6,000	43,626
A Phase II Study of Inotuzmab Ozogamycin				
Alliance for Clinical Trials in Oncology	93.UNKNOWN	NCI GTS 48183	—	(1,070)
Jagosky Megan NCI				
Alliance for Clinical Trials in Oncology	93.UNKNOWN	A092107	—	507
A Randomized Phase II/III Study of Conventional				
Alliance for Clinical Trials in Oncology	93.UNKNOWN	Alliance GTS 48734	—	(2,204)
Cancer Research				
Alliance for Clinical Trials in Oncology	93.UNKNOWN	Alliance GTS 48458	—	1,178
A Multicenter Platform Evaluating Putative Therapeutics				
Social and Scientific Systems Inc.	93.UNKNOWN	s/S3 COVID 50740	—	184,545
CHS Research for the Cardiovascular Health of Older Adult				
University of Washington	93.UNKNOWN	UWSC12414BPO 52782	—	66,659
Heartshare Data - RTI International				
RTI International	93.UNKNOWN	OT2HL67310	—	227,353

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Soliman, Strong Heart Study				
University of Oklahoma Health Sciences	93.UNKNOWN	RS20180873-05	\$ —	70,693
JHS Surveillance - Renewal 8/13/23 - 8/12/25				
University of Mississippi	93.UNKNOWN	SP14837-SB14	—	52,573
NRG BN012				
NRG Oncology	93.UNKNOWN	NRG-BN012	—	886
Phase III Trial of Stereotactic Radiosurgery (SRS)				
NRG Oncology	93.UNKNOWN	NRG Oncology 51324	—	610
Phase II III Study of Paclitaxel Carboplatin				
NRG Oncology	93.UNKNOWN	NRG-GY026	—	376
Colon Adjuvant Chemotherapy Based On Evaluation Of Residual Disease				
NRG Oncology	93.UNKNOWN	PROTOCOL NRG-GI008	—	242
Klepin and Southwest Oncology Group for CTSU S2114				
NRG Oncology	93.UNKNOWN	PROTOCOL S2114	—	3,533
Multi-component CRC screening intervention effectiveness				
University of North Carolina Chapel Hill	93.UNKNOWN	AWD00001666	—	111,393
Development of a model to assess maternal antibody				
Duke University	93.UNKNOWN	AWD00001992	—	149,320
REBOA- Rahbar/Jordan TexasAM				
Texas A &M University	93.UNKNOWN	AWD00002106	—	211,012
Subcontract for Strategies and Treatments for Respiratory and Viral Emergencies Study Payments (STRIVE)				
Vanderbilt University Medical Center	93.UNKNOWN	109089 - IRB000097018	—	24,069
Impact of Nicotine Messaging on Nicotine Beliefs and Tobacco Use Behavior				
Rutgers University	93.UNKNOWN	R01EA051001	—	(3,750)
Subtotal National Institutes of Health Pass-Through Programs			5,446,017	48,622,687
Total National Institutes of Health			32,226,338	192,185,163
Food and Drug Administration Pass-Through Programs From:				
Food and Drug Administration_Research:				
University of Rochester	93.103	U01FD007702	—	4,404
Evaluating Fitness-for-Use of Electronic Health Records				
Duke University	93.UNKNOWN	250543	—	19,311
Total Food and Drug Administration			—	23,715
Substance Abuse and Mental Health Services Administration Direct Program:				
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243		192,162	1,367,723
Block Grants for Prevention and Treatment of Substance Abuse	93.959		—	491,851
Total Substance Abuse and Mental Health Services Administration			192,162	1,859,574
Health Services and Resources Administration Direct Programs:				
Maternal and Child Health Federal Consolidated Programs	93.110		—	27,630
Nurse Anesthetist Traineeship	93.124		—	57,869
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153		—	607,256
Geriatric Academic Career Awards	93.250		—	61,831
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease:	93.918		—	619,523
Special Projects of National Significance	93.924		—	15,661
Subtotal Health Services and Resources Administration Direct Programs			—	1,389,770
Health Services and Resources Administration Pass-Through Programs From:				
Area Health Education Centers:				
University of North Carolina at Chapel Hill	93.107	5,126,574	—	142,119
University of North Carolina at Chapel Hill	93.107	5129811	—	130,659
Area Health Education Centers:				
University of North Carolina at Chapel Hill	93.110	5 H30MC24046-07-00	—	13,963
Emergency Medical Services for Children				
University of Buffalo	93.127	U0333154	—	7,761
Expanding naloxone access in rural communities in North Carolina				
East Carolina University	93.912	AWD00001880	—	20,645
PPHF Geriatric Education Centers:				
University of North Carolina at Chapel Hill	93.969	5114463	—	6,620
University of North Carolina at Chapel Hill	93.969	U1Q28734	—	19,647
Subtotal Health Services and Resources Administration Pass-Through Programs			—	341,414
Total Health Services and Resources Administration			—	1,731,184
Centers for Disease Control and Prevention Direct Programs:				
Prevention of Disease, Disability, and Death by Infectious Diseases	93.084		51,777	206,657
Subtotal Centers for Disease Control and Prevention Direct Programs			51,777	206,657
Centers for Disease Control and Prevention Pass-Through Programs From:				

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Birth Defects and Developmental Disabilities – Prevention and Surveillance:				
Duke University	93.073	A03-2439	\$ —	3,724
Blood Disorder Program: Prevention, Surveillance, and Research:				
University of North Carolina at Chapel Hill	93.080	5119711	—	22,929
University of North Carolina at Chapel Hill	93.080	NU27DD000020	—	9,485
Human Centered Design Process to Identify				
Health Research & Educational Trust (HRET)	93.318	NU50CK000579	—	5,691
Mycoplasma genitalium in the US				
University of Washington	93.323	UWSC15246	—	33,664
Assistance Living - Healthy Brain Initiative				
Alzheimers Association	93.334	s/ Alzh Ass DP006912	—	75,962
Sexually Transmitted Diseases (STD) Provider Education Grants				
The Task Force for Global Health	93.421	65,405	—	48,230
University of Alabama Birmingham	93.978	000526519-SC001	—	185,982
ELC Project K8 Threat of Antibiotic-Resistant Gonorrhea:				
Guilford Co Health Department	93.UNKNOWN	36,758	—	433,244
NC CORVA SEQ Network				
University of North Carolina Chapel Hill	93.UNKNOWN	AWD00000387	—	6,579
Surveillance of Acutely Ill Adults with Respiratory Virus Sars Cov 2				
Vanderbilt University Medical Center	93.UNKNOWN	VUMC105668	—	200,853
Training and Implementation Resources for the ChiCAS				
Sentient Research	93.UNKNOWN	WX1687391964C	—	53,697
Subtotal Centers for Disease Control and Prevention Pass-Through Programs			—	1,080,040
Total Centers for Disease Control and Prevention			51,777	1,286,697
Agency for Healthcare Research and Quality Direct Programs:				
Research on Healthcare Costs, Quality and Outcomes	93.226		36,243	359,408
Agency for Healthcare Research and Quality Pass-Through Programs:				
Research on Healthcare Costs, Quality, and Outcomes:				
Ohio State University - 10622	93.226	R01HS027200	—	51,371
University of Florida	93.226	R18HS028584	—	2,959
University of Michigan	93.226	R01HS029656	—	164,156
University of N Carolina-Chapel Hill	93.226	1R18HS027078	—	8,271
Total Research on Healthcare Costs, Quality, and Outcomes			—	226,757
Total Agency for Healthcare Research and Quality			36,243	586,165
Total U.S. Department of Health and Human Services			32,506,520	197,672,498
U.S. Department of Agriculture				
U.S. Department of Agriculture Pass-Through Programs:				
Institution Capacity Building Grants				
North Carolina A&T State University	10.216	20223882137351	—	22,164
Agriculture and Food Research Initiative				
Purdue University	10.310	20226801536279	—	16,011
Beginning Farmer and Rancher Development Program				
YMCA OF NORTHWEST NORTH CAROLINA	10.331	IRB00094566	—	102,326
Subtotal U.S. Department of Agricultural Pass-Through Programs			—	140,501
Total U.S. Department of Agriculture			—	140,501
U.S. Department of Defense:				
U.S. Department of Defense Direct Programs:				
Military Medical Research and Development:				
Department of Army	12.420		896,999	4,991,093
Basic Scientific Research :				
Department of Army	12.431		94,842	417,914
Subtotal U.S. Department of Defense Direct Programs			991,841	5,409,007
U.S. Department of Defense Pass-Through Programs From:				
Naval Medical Research				
Henry Jackson Foundation	12.340	18,588	—	539,724
Total Naval Medical Research			—	539,724
Military Medical Research and Development:				
American Burn Association	12.420	W81XWH-19-2-0043	—	(25,088)

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Dartmouth University	12.420	GC10958 02	\$ —	35,575
Duquesne University	12.420	W81XWH2010854	—	81,055
Duquesne University	12.420	W81XWH-20-1-0276	—	27,821
Duquesne University	12.420	FA8650-20-2-6224	—	14,939
Duquesne University	12.420	None Identified	—	44,666
Henry M. Jackson Foundation	12.420	6019-1054652-67056	—	33,546
Johns Hopkins University	12.420	2004438039	—	(2,767)
Mayo Clinic	12.420	WAK-299485	—	39,382
Military& Health Research Foundation	12.420	SC-18-05 P.O. Number: 0087	—	475,049
RegenMed Development Organization	12.420	2017-601-001 (M)	—	(47,037)
RegenMed Development Organization	12.420	2017-601-002 (B)	—	(11,025)
RegenMed Development Organization	12.420	2017-601-003 (BIOMFG)	23,106	340,715
The Metis Foundation	12.420	S-W81XWH-20-2-0024-02	—	143,454
Univ. of California - San Diego	12.420	105647161 MP Invoice #S90032013	—	59,158
Univ. of California - San Diego	12.420	KR 705441	—	7,834
Univ. of California - San Diego	12.420	706,460	—	15,491
University of Massachusetts Medical School	12.420	SUB00000107-WF	—	405,087
University of Pittsburgh	12.420	AWD000003102 (417252-3)	—	54
University of Pittsburgh	12.420	CNVA0056666 (413614-20)	—	6,136
Vanderbilt University Medical Center	12.420	119,314	—	4,938
Total Military Medical Research and Development			23,106	1,648,983
Scientific Research - Combating Weapons of Mass Destruction				
Defense Threat Reduction Agency	12.351	HDTRA12210029	—	384,112
George Mason University	12.351	HDTRA12310003	—	21,857
Total Scientific Research Combating Weapons of Mass Destruction			—	405,969
Basic Scientific Research:				
Ohio State University	12.431	60070860	—	86,086
Total Basic Scientific Research			—	86,086
Monitoring of Chemical and Biological Threat Agents				
North Carolina A&T State University	12.630	210246A	—	679,072
Remdo ATI				
Advanced Technology International	12.UNKNOWN	ReMDO ATI Media	—	76,884
Advanced Technology International	12.UNKNOWN	ReMDO ATI Bioink	—	33,941
Advanced Technology International	12.UNKNOWN	ReMDO ATI Biomfg	—	41,671
Human Microengineered Organ Tissue Equivalents for Modeling the Effects of Chemical Agents				
Battelle Memorial Institute	12.UNKNOWN	0000884873	—	89,843
Determining The Fundamental Differences Among Tissue Org				
Defense Threat Reduction Agency	12.UNKNOWN	HDTRA11910013 47006	—	734,403
Military-Civilian Prehospital Burn Provider Education Research Program				
Louisiana State University		22-86-062	—	149,469
Partially Automated Critical Care Management PACCMAN Refinement				
Military& Health Research Foundation	12.UNKNOWN	SC1805 PO0148 W81XWH22C0044	—	54,786
Randomized Trial of Early Hemodynamic Mangement				
Oregon Health & Sciences University	12.UNKNOWN	1008339_WF_FIXED IRB00074106	—	8,378
PRagmatic Trial Examining OXYgenation prior to Intubation				
University of Colorado-Denver	12.UNKNOWN	FY22.891.014	—	20,295
Direct Versus VIdeo LaryngosCOPe Trial				
University of Colorado-Denver	12.UNKNOWN	FY22.891.016	—	17,418
Novel Topical Antibiotic Therapy				
University of Maryland	12.UNKNOWN	2,003,879	—	12,103
Chilled Platelet Study				
University of Pittsburgh	12.UNKNOWN	FY2022-17829-SVC	—	140,306
Advanced Ballistics Technology Material Development				
Temple University School of Medicine	12.UNKNOWN	273294-WFU	—	99,533
CONSORT				
Yale University	12.UNKNOWN	CON-80004814 (GR122578)	—	54,136
National Clinical Trials Network				
National Cancer Institute	12.UNKNOWN	s/DOD A011502	—	2,511
Subtotal U.S. Department of Defense Pass-Through Programs			23,106	4,895,511
Total U.S. Department of Defense			1,014,947	10,304,518

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U.S. Department of Housing and Urban Development:				
U.S. Department of Housing and Urban Development Direct Programs:				
Community Project Funding grants				
US Department of Housing and Urban Development	14.251		\$ —	3,339,233
Subtotal U.S. Department of Housing and Urban Development Direct Programs			—	3,339,233
U.S. Department of Transportation:				
U.S. Department of Transportation Direct Programs:				
Crash Injury Research and Engineering Network Center				
National Highway Traffic Safety Administration	20.614		104,215	1,016,711
Total U.S. Department of Transportation Direct Programs			104,215	1,016,711
National Aeronautics and Space Administration:				
National Aeronautics and Space Administration Direct Programs:				
Science	43.001		—	8,701
Exploration	43.003		—	43,765
In Space Manufacturing of Engineered Liver Tissue	43. UNKNOWN	NNJ13ZBG001N	—	63,388
Long-lived single- and multi-organ tissue equivalent (OTE)	43. UNKNOWN	80ARC022CA008	58,649	469,394
A Technology to Measure Gait Egress and Locomotor Pe	43. UNKNOWN	NASA GTS 49670	—	1,018
Subtotal National Aeronautics and Space Administration Direct Programs			58,649	586,266
National Aeronautics and Space Administration Pass-Through Programs From:				
Improving Cardiovascular Risk Prediction:				
Baylor College of Medicine	43.003	NNX16A069A	—	243,914
Beth Israel Deaconess Medical Center	43.003	80NSSC19K0534	—	60,793
Louisiana State University	43.003	80NSSC21K0544	—	41,522
Subtotal National Aeronautics and Space Administration Pass-Through Programs			—	346,229
Total National Aeronautics and Space Administration			58,649	932,495
National Science Foundation:				
National Science Foundation Direct Programs:				
Engineering Grants	47.041		—	149,638
Social, Behavioral, and Economic Sciences	47.075		—	59,824
Education and Human Resources	47.076		14,228	266,790
NSF Technology, Innovation, and Partnerships	47.084		37,500	167,021
Subtotal National Science Foundation Direct Programs			51,728	643,273
National Science Foundation Pass-Through Programs From:				
Engineering Grants:				
North Carolina Agricultural and Technical College	47.041	2100739	—	85,662
Winston Salem State University	47.041	AWD00000453	—	29,259
Integrative Activities				
Winston Salem State University	47.083	AWD00001730	—	62,018
Subtotal National Science Foundation Pass-Through Programs			—	176,939
Total National Science Foundation			51,728	820,212
U.S. Department of Veterans Affairs:				
U.S. Department of Veterans Affairs Direct Programs:				
Structural & Functional Neurobiology of Veterans Grants:				
VA Medical Center	64. UNKNOWN	D25007-D35003-D45006	—	38,779
Subtotal U.S. Department of Veterans Affairs Direct Programs			—	38,779
U.S. Department of Veterans Affairs Pass-Through Programs From:				
Structural & Functional Neurobiology of Veterans Grants:				
VA Portland Health Care System	64. UNKNOWN	PO# 648D23103	—	33,459
VA Medical Center	64. UNKNOWN	D45002 (replaces D35007)	—	16,827
W. G. Hefner VAMC	64. UNKNOWN	None Identified	—	20,739
W. G. Hefner VAMC	64. UNKNOWN	D35015	—	34,873
Subtotal U.S. Department of Veterans Affairs Pass-Through Programs			—	105,898
Total U.S. Department of Veterans Affairs			—	144,677
Subtotal – Wake Forest University Health Sciences			33,736,059	214,370,845

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Reynolda Campus:				
U.S. Department of Health and Human Services:				
National Institutes of Health Direct Programs:				
Aging Research	93.866		\$ 475,827	1,276,159
Allergy and Infectious Diseases Research	93.855		423,466	875,875
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		820,760	1,176,352
Blood Diseases and Resources Research	93.839		—	38,546
Biomedical Research and Research Training	93.859		—	329,942
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		21,386	331,704
Mental Health Research	93.242		—	137,790
Oral Diseases and Disorders Research	93.121		66,933	116,443
Subtotal National Institutes of Health Direct Programs			1,808,372	4,282,811
National Institutes of Health Pass-Through Programs From:				
Aging Research				
Michigan State University	93.866	RC113018C	—	12,334
Northwestern University	93.866	60062622 WFU	—	33,712
Northwestern University	93.866	60065695 WFU	—	23,434
Northwestern University	93.866	60065314 WFU	—	6,106
University of North Carolina - Chapel Hill	93.866	5,121,902	—	44,562
Subtotal Pass-Through Programs From Aging Research			—	120,148
Allergy and Infectious Disease Research				
Emory University	93.855	A321633	—	41,590
Arthritis Musculoskeletal and Skin Diseases Research				
Miami University	93.846	G03860	—	10,069
Biomedical Research and Research Training				
Ohio State University	93.859	60067614-Wake_Forest	—	10,549
Ohio State University	93.859	SPC-1000012470-GR133746	—	13,939
Subtotal Pass-Through Programs From Biomedical Research and Research Training			—	24,488
Blood Diseases and Resources Research				
University of Pittsburgh	93.839	0060113 (131944-1)	—	(763)
University of Pittsburgh	93.839	CNVA00062460	—	355
University of Pittsburgh	93.839	34,673	—	(3,097)
East Carolina University	93.839	A20-0023-S001	—	570
East Carolina University	93.839	AWD-23-0778-S002	—	10,362
University of Maryland, Baltimore	93.839	21,428	—	24,342
University of Maryland, Baltimore	93.839	21,457	—	30,338
Subtotal Pass-Through Programs From Blood Diseases and Resources Research			—	62,107
Cardiovascular Diseases Research				
Harvard University (President and Fellows of Harvard College)	93.837	111282-5116336	—	26,795
Mental Health Research Grants				
University of Denver	93.242	SC37991-01	—	23,244
Trans-NIH Research Support				
University of Florida	93.310	SUB00003573	—	42,679
Subtotal U.S. Department of Health and Human Services Pass-Through Programs			—	351,120
Total U.S. Department of Health and Human Services			1,808,372	4,633,931
U.S. Department of Defense Pass-Through Programs From:				
Assembly of Topologic				
Streamline Automation, LLC	12 UNKNOWN	1172-SC-01-R0	—	115,564
Streamline Automation, LLC	12 UNKNOWN	1192-SC-01-R0	—	96,748
Subtotal Pass-Through Programs From U.S. Department of Defense			—	212,312
National Sciences Foundation Direct Programs:				
Engineering Grants	47.041		—	346,957
Mathematical and Physical Sciences	47.049		72,222	713,167
Geosciences	47.050		—	150,076
Computer and Information Science Engineering	47.070		—	200,246
Biological Sciences	47.074		76,767	564,352
Social, Behavioral, and Economic Sciences	47.075		—	48,121
Education and Human Resources	47.076		—	149,746
Subtotal National Science Foundation Direct Programs			148,989	2,172,665

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National Sciences Foundation Pass-Through Programs:				
Engineering Grants				
University of Texas at Austin	47.041	UT AUS-SUB00000793	\$ —	7,706
University of Texas at Austin	47.041	UT AUS-SUB00000228AM1	—	1,036
University of Texas at Austin	47.041	UT AUS-SUB00000228AM1- Supplement	—	16,972
University of Texas at Austin	47.041	UT AUS-SUB00000228	—	16,544
Subtotal Pass-Through Programs: Engineering Grants			—	42,258
Computer and Information Science and Engineering				
Baylor University	47.070	1001348-03	—	2,504
Education and Human Resources				
Purdue University	47.076	10002052-019	—	26,854
University of North Carolina, Charlotte	47.076	20220025-01-WFU	—	10,806
Subtotal Pass-Through Programs: Education and Human Resources			—	37,660
Biological Sciences				
Brown University	47.074	00001545	—	180,396
Social, Behavioral, and Economic Sciences				
University Enterprises Corporation at CSUSB	47.075	SA23147	—	46,040
University of Virginia	47.075	AWD-004044.GR100560	—	64,105
Subtotal Pass-Through Programs: Social, Behavioral, and Economic Sciences			—	110,145
Subtotal National Science Foundation Pass-Through Programs			—	372,963
Total National Sciences Foundation			148,989	2,545,628
Agency for International Development Direct Programs:				
USAID Foreign Assistance for Programs Overseas	98.001		—	1,813,247
National Endowment for the Humanities Pass-Through Programs				
Promotion of the Humanities_Challenge Grants	45.130			
Fordham University		2023-2024	—	29,999
Environmental Protection Agency (EPA) Pass-Through Programs				
Gulf of Mexico Program	66.475			
University of South Alabama		A23-0136-S001	—	67,396
United States Department of Education (DOED) Pass-Through Programs				
Centers for International Business Education	84.220			
Trustees of Indiana University		9694_WF	—	481
U.S. Department of Energy Direct Programs:				
Office of Scientific Financial Assistance Program	81.049		163,041	379,577
U.S. Department of Energy Pass-Through Programs:				
Assessing Environmental and Health Impacts				
Triad National Security, LLC	81.UNKNOWN	23.043	—	19,263
Total U.S. Department of Energy			163,041	398,840
U.S. Department of Agriculture Direct Programs:				
Agriculture and Food Research Initiative	10.310		76,339	250,189
Subtotal U.S. Department of Agricultural Direct Programs			76,339	250,189
U.S. Department of Agriculture Pass-Through Programs:				
Agriculture and Food Research Initiative				
University of Georgia	10.310	SUB00002497	—	81,989
National Agricultural Library				
Vermont Law and Graduate School	10.700	USDA-NAL-58-8250-1-00	—	33,301
Subtotal U.S. Department of Agricultural Pass-Through Programs			—	115,290
Total U.S. Department of Agriculture			76,339	365,479
National Aeronautics and Space Administration Direct Programs:				
Science	43.001		—	61,123
Subtotal National Aeronautics and Space Administration Direct Programs			—	61,123
National Aeronautics and Space Administration Pass-Through Programs:				
Science				
California Institute of Technology	43.001	1,694,616	—	64,616
Trustees of Dartmouth College	43.001	R1491	—	9,080
Subtotal National Aeronautics and Space Administration Pass-Through Programs			—	73,696
Total National Aeronautics and Space Administration			—	134,819
Subtotal – Reynolda Campus			2,196,741	10,202,132
Total Research and Development Cluster			35,932,800	224,572,977
Student Financial Assistance Cluster:				
Wake Forest University Health Sciences:				
U.S. Department of Education Direct Programs:				
Federal Direct Student Loans	84.268		—	41,223,197
Subtotal U.S. Department of Education Direct Programs			—	41,223,197
Total U.S. Department of Education			—	41,223,197
Subtotal – Wake Forest University Health Sciences			—	41,223,197



WAKE FOREST UNIVERSITY  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2024

Federal grantor/pass-through grantor/program or cluster title	Federal ALN or other grant identifying no.	Pass-through entity identifying number	Passed through to subrecipients	Federal expenditures
Reynolda Campus:				
U.S. Department of Education Direct Programs:				
Federal Supplemental Educational Opportunity Grant	84.007		\$ —	675,605
Federal Direct Student Loans	84.268		—	44,629,238
Federal Work Study Program	84.033		—	704,009
Federal Perkins Loan Program	84.038		—	5,092,825
Federal Pell Grant Program	84.063		—	3,347,689
Teacher Education Assistance for College and Higher Education Grants (TEACH)	84.379		—	3,006
Subtotal U.S. Department of Education Direct Programs			—	54,452,372
Total U.S. Department of Education			—	54,452,372
Subtotal – Reynolda Campus			—	54,452,372
Total Student Financial Assistance Cluster			—	95,675,569
Training and Other Programs:				
Wake Forest University Health Sciences:				
Department Of Justice Pass Through Programs:				
Victim Assistance Program				
North Carolina Department of Public Safety	16.575	None Identified	—	216,440
Health Resources and Services Administration Pass-Through Programs:				
Coordinated Services and Access to Research for Women, Infants, Children, and Youth:				
Central Carolina Health Network	93.153	CFY2022-2023- WFMC - Part D	—	3,910
Central Carolina Health Network	93.153	CFY2023 2024 WFMC Part D	—	27,047
NC DHHS	93.917	1st yr 43307_2nd yr 45426	—	851,430
Mecklenburg County	93.917	G9685156	—	425,965
Total Coordinated Services and Access to Research for Women, Infants, Children and Youth			—	1,308,352
Subtotal Pass-Through Programs from U.S. Department of Health and Human Services:			—	1,308,352
Total Wake Forest Health Sciences Training and Other Programs			—	1,524,792
Reynolda Campus:				
Office of Personnel Management (National Science Foundation)				
Intergovernmental Personnel Act (IPA) Assignment	27.011		—	367,752
National Endowment for the Humanities - Direct Programs				
Promotion of the Humanities_Public Programs	45.149		32,202	35,012
Corporation for National and Community Service Direct Programs:				
Volunteers in Service to America	94.013		—	17,872
Corporation for National and Community Service Pass-Through Programs:				
State Commissions	94.003			
North Carolina Commission on Volunteerism and Community Service (NCCVCS)		22ACHNC0020001	—	185,747
Total for Corporation for National and Community Service			—	203,619
Institute of Museum and Library Services (IMLS) Pass-Through Programs				
Grants to States	45.310		—	
State Library of North Carolina		NC-22-630	—	2,499
State Library of North Carolina		NC-LSTA-23-60	—	2,499
Subtotal Institute of Museum and Library Services (IMLS) Pass-Through Programs			—	4,998
Library of Congress Pass-Through Programs:				
Teaching with Primary Sources				
Waynesburg University	42.010	Sub/TPS	—	2,246
U.S. Department of Education Pass-Through Programs:				
Teacher Quality Partnership Grants				
Winston Salem State University	84.336	211456A	—	48,043
CRRSA EANS I			—	
Teach NC	84.425R		—	17,234
Subtotal U.S. Department of Education Pass-Through Programs			—	65,277
Subtotal – Reynolda Campus			32,202	678,904
Total Training and Other Programs			32,202	2,203,696
Total Federal Award Expenditures			\$ 35,965,002	322,452,242

# WAKE FOREST UNIVERSITY

## Schedule of Expenditures of State Awards

Year ended June 30, 2024

State grantors/pass-through grantors/agencies	State expenditures
Wake Forest University Health Sciences:	
NC Office of State Budget and Management	\$ 8,240,753
North Carolina State Education Assistance Authority:	44,866
Forgivable Education Loans for Services (FELS)	536,360
NC National Guard Tuition Assistance Program (NCTAP)	4,360
State of NC pass-through funds from:	
North Carolina Biotechnology Center	72,510
California Inst. for Regenerative Med	213,318
Duke University	75,086
Partners Health Management	406,868
University of North Carolina at Chapel Hill	962,885
Governor's Institute on Alcohol and Substance Abuse	24,832
Subtotal – Wake Forest University Health Sciences	10,581,838
Reynolda Campus:	
Golden LEAF Scholarship Program (GOLD)	10,500
NC National Guard Tuition Assistance Program (NCTAP)	6,240
NC Veterans Scholarships (NCVET)	37,100
NC Need-Based Scholarships (NBS)	1,374,869
NC Office of State Budget and Management (Welcome Center for Reynolda Historic District)	751,223
NC Office of State Budget and Management (Wake Forest QPR Funding)	3,060
NC Department of Natural and Cultural Resources (Preservation Forsyth)	3,649
NC Attorney General's Office (EEG award)	80,004
NC Wildlife Resources Commission (Wildlife Compliance Project)	3,389
Subtotal – Reynolda Campus	2,270,034
Total State Award Expenditures	\$ 12,851,872

See accompanying notes to schedule of expenditures of federal awards and schedule of expenditures of state awards.

## WAKE FOREST UNIVERSITY

### Notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Awards

Year ended June 30, 2024

#### (1) Basis of Presentation

The accompanying schedule of expenditures of federal awards (the schedule) includes all grants, contracts, and similar agreements entered into directly between Wake Forest University (the University) and agencies and departments of the federal government and all subawards to the University by nonfederal organizations pursuant to federal grants, contracts, and similar agreements and is presented on the accrual basis of accounting. The information in the schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in the schedule may differ from amounts presented in, or used in the preparation of, the consolidated financial statements.

The accompanying schedule of expenditures of state awards includes all grants, contracts, and similar agreements entered into directly between the University and agencies and departments of the state government and all subawards to the University by nonfederal organizations pursuant to state grants, contracts, and similar agreements and is presented on the accrual basis of accounting.

#### (2) Summary of Significant Accounting Policies

Expenditures for certain federal student financial aid programs are recognized as incurred and include the federal share of students' Federal Supplemental Educational Opportunity Grant (FSEOG) program grants and Federal Work Study (FWS) program earnings, Pell grants, loan disbursements, and administrative cost allowances, where applicable.

Expenditures for other federal awards of the University's academic and other divisions are recognized following, as applicable, either the cost principles in OMB Circular A-21, *Cost Principles for Educational Institutions*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Expenditures for non-financial aid awards include indirect costs, related primarily to facilities operation and maintenance and general, divisional, and departmental administrative services, which are allocated to direct cost objectives (including federal awards) based on negotiated formulas commonly referred to as facilities and administrative cost rates. Facilities and administrative costs allocated to such awards for the year ended June 30, 2024 were based on predetermined rates negotiated with the University's cognizant federal agency, the U.S. Department of Health and Human Services. The University has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

Negative balances presented in the schedule represent programs with unfunded expenditures prior to normal close-out procedures, which were subsequently transferred to nonfederal cost centers.

## WAKE FOREST UNIVERSITY

### Notes to Schedule of Expenditures of Federal Awards and Schedule of Expenditures of State Awards

Year ended June 30, 2024

#### (3) Federal Student Financial Aid Loan Programs

The Federal Perkins Loan programs are administered directly by the University and balances and transactions relating to these programs are included in the University's consolidated financial statements. The balance of loans outstanding under the Federal Perkins Loan program was \$3,769,755 as of June 30, 2024.

The University disbursed the following amounts of new loans under the Federal Direct Student Loan Program to students of the University during the year ended June 30, 2024:

Federal Direct Student Loan Program:	
Federal subsidized stafford loans	\$ 1,860,893
Federal unsubsidized stafford loans	41,234,276
Federal PLUS loans	<u>42,757,266</u>
Total	\$ <u>85,852,435</u>

The University is responsible only for the performance of certain administrative duties with respect to the Federal Direct Student Loan Program and, accordingly, these loans are not included in its basic financial statements. It is not practicable to determine the balance of loans outstanding to students and former students of the University under these programs as of June 30, 2024.



KPMG LLP  
Suite 800  
500 W 5th St  
Winston-Salem, NC 27101

## **Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards**

The Board of Trustees of Wake Forest University:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Wake Forest University (the University), which comprise the University's consolidated balance sheet as of June 30, 2024, and the related consolidated statements of activities, and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated October 22, 2024.

### **Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

### **Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the University's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.



### **The University's Response to Findings**

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

### **Purpose of This Report**

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

KPMG LLP

Winston-Salem, North Carolina  
October 22, 2024



KPMG LLP  
Suite 800  
500 W 5th St  
Winston-Salem, NC 27101

**Independent Auditors' Report on Compliance for the Major Federal Program;  
Report on Internal Control Over Compliance; and Report on Schedule of  
Expenditures of Federal Awards Required by the Uniform Guidance and Schedule of Expenditures  
of State Awards**

The Board of Trustees  
Wake Forest University:

**Report on Compliance for the Major Federal Program**

*Opinion on the Major Federal Program*

We have audited Wake Forest University's (the University's) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on the University's major federal program for the year ended June 30, 2024. The University's major federal program is identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended June 30, 2024.

*Basis for Opinion on Each Major Federal Program*

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

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

*Other Matter - Federal Expenditures Not Included in the Compliance Audit*

The University's financial statements include the operations of RegenMed Development Organization, an affiliate, which expended federal awards which are not included in the University's schedule of expenditures of federal awards during the year ended June 30, 2024. Our compliance audit, described in the Opinion on Major Federal Program section of our report does not include the operations of RegenMed Development Organization because the affiliate engaged other auditors to perform an audit of compliance.



### *Responsibilities of Management for Compliance*

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

### *Auditors' Responsibilities for the Audit of Compliance*

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

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

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

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

### *Other Matters*

The results of our auditing procedures disclosed an instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2024-002. Our opinion on the major federal program is not modified with respect to this matter.

*Government Auditing Standards* requires the auditor to perform limited procedures on the University's response to the noncompliance finding identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The University is also responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The University's response and corrective action plan was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response or the corrective action plan.





## **Report on Internal Control Over Compliance**

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-002 to be a significant deficiency.

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

*Government Auditing Standards* requires the auditor to perform limited procedures on the University's response to the internal control over compliance finding identified in our audit described in the accompanying schedule of findings and questioned costs. The University is also responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The University's response and corrective action plan were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response or the corrective action plan.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

## **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance and the Schedule of Expenditures of State Awards**

We have audited the consolidated financial statements of the University as of and for the year ended June 30, 2024, and have issued our report thereon dated October 22, 2024 which contained an unmodified opinion on those consolidated financial statements. Our audit was performed for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The accompanying schedule of expenditures of state awards is also presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The 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 GAAS. In our opinion, the schedule of expenditures of federal awards and state awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

KPMG LLP

Winston-Salem, North Carolina  
March 31, 2025

**WAKE FOREST UNIVERSITY**  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2024

**(1) Summary of Auditors' Results**

- (a) Type of report issued on whether the consolidated financial statements were prepared in accordance with generally accepted accounting principles: **Unmodified**
- (b) Internal control deficiencies over financial reporting disclosed by the audit of the consolidated financial statements:
  - Material weaknesses: **No**
  - Significant deficiencies: **Yes – See finding 2024-001**
- (c) Noncompliance material to the consolidated financial statements: **No**
- (d) Internal control deficiencies over the major program disclosed by the audit:
  - Material weaknesses: **None reported**
  - Significant deficiencies: **Yes – See finding 2024-002**
- (e) Type of report issued on compliance for major program: **Unmodified**
- (f) Audit findings that are required to be reported in accordance with 2 CFR 200.516(a): **Yes – See finding 2024-002**
- (g) Major program:

**Research and Development Cluster – various AL numbers**
- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Auditee qualified as a low-risk auditee: **No**

**(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards***

**Finding 2024-001**

*Financial Statements*

Financial reporting related to the financial statements.

**WAKE FOREST UNIVERSITY**  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2024

*Criteria or Requirement*

The University has a responsibility for adopting sound accounting policies and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements and to provide reasonable assurance against the possibility of misstatements that are material to the consolidated financial statements including accurately recording grant revenues and receivables.

*Condition Found*

During our audit of the consolidated financial statements, we identified an overstatement of grants receivable and the related revenue approximating \$5,000,000 which was driven by an ineffective reconciliation process between the grant receivable subledger and the general ledger for WFUHS.

*Possible Asserted Cause*

WFUHS did not perform an effective reconciliation with respect to the grant receivable subledger to the general ledger as a result of a change in system. The error did not impact grant expenditures recorded nor result in any draw on a grant.

*Identification of Whether the Audit Finding is a Repeat of a Finding in the Immediately Prior Audit*

The audit finding is not a repeat of a finding in the prior year.

*Recommendation*

We recommend that the University provide additional training and education to individuals performing the impacted reconciliations.

*View of Responsible Officials*

The University agrees with the finding and is implementing the appropriate training and education for participants along with a more frequent reconciliation process between the grant receivable subledger and the general ledger. The University has confirmed that the issue was an isolated issue and did not impact any federal or state grant expenditures nor result in any draw on a grant.

**(3) Findings and Questioned Costs Relating to Federal Awards**

**Finding No. 2024-002: Procurement, Suspension and Debarment**

*Federal Program*

Research and Development Cluster (ALN 93.399)

*Federal Award Year*

July 1, 2023 to June 30, 2024

*Federal Award Agencies*

U.S. Department of Health and Human Services

*Criteria or Requirement*

Non-federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred. "Covered transactions" include contracts for goods and services

## WAKE FOREST UNIVERSITY

### Schedule of Findings and Questioned Costs

Year ended June 30, 2024

awarded under a non-procurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other criteria as specified in 2 CFR section 180.220.

When a non-federal entity enters into a covered transaction with an entity at a lower tier, the non-federal entity must verify that the entity, as defined in 2 CFR section 180.995 and agency adopting regulations, is not suspended or debarred or otherwise excluded from participating in the transaction. This verification may be accomplished by (1) checking the System for Award Management (SAM) Exclusions maintained by the General Services Administration (GSA), (2) collecting a certification from the entity, or (3) adding a clause or condition to the covered transaction with that entity (2 CFR section 180.300).

Procurement records should include the history of the procurement, including the rationale for the method of procurement, selection of contract type, basis for contractor selection, and the basis for the contract price (2 CFR section 200.318(i) and 48 CFR Part 44 and section 52.244-2). Per 2 CFR 200.303, the entity must establish and maintain effective internal control over the Federal award to provide reasonable assurance that the entity is in compliance with Federal statutes.

#### *Condition and Context*

In our testing over vendor suspension and debarment, for 1 out of 40 samples lower than \$25,000 (lower tier), we noted the University did not verify that the entity was not suspended or debarred prior to entering into a transaction. Additionally, for this same sample (1 out of 40), at the time of audit, there was not sufficient documentation to justify the lack of competition at the time of purchase.

#### *Cause and Potential Effect*

Management's control over its review of vendor suspension and debarment and over the documentation of the procurement rationale and related approval of transactions, was not operating effectively to ensure compliance with the suspension, debarment, and procurement requirements for the year ended June 30, 2024.

#### *Questioned Costs*

None identified.

#### *Statistically Valid Sample*

The sample was not intended to be not, and was, a statistically valid sample.

#### *Identification of Whether the Audit Finding is a Repeat of a Finding in the Immediately Prior Audit*

This is not a repeat finding.

#### *Recommendation*

We recommend management enhance its process level controls over procurement requirements to ensure vendors are not suspended nor debarred as well as reinforce their procurement policies and procedures to ensure that procurement records include sufficient documentation as required by 2 CFR section 200.318(i) and 48 CFR Part 44 and section 52.244-2.

**WAKE FOREST UNIVERSITY**  
Schedule of Findings and Questioned Costs  
Year ended June 30, 2024

*View of Responsible Officials*

We concur with the auditor's assessment that the suspension and debarment policies and procedures required augmentation, which has been completed as of 2024 through an updated OIG screening reconciliation and monthly review. We concur also that the procurement process' adherence to policies that confirm documentation standards as required in 2 CFR section 200.318(i) and 48 CFR section 52.244-2 were insufficient and communications programs to key individuals in 2024 and 2025 aim to mitigate any further gaps in policy.