

2021-2022

ANNUAL FINANCIAL REPORT



Stony Brook
University



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STONY BROOK UNIVERSITY BALANCE SHEET

FOR THE YEARS ENDING JUNE 30

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$527,947,322	\$606,605,194
Deposits with trustees	4,530,230	19,420,317
Short-term investments	176,591,627	170,876,684
Accounts, notes, and loans receivable, net	435,144,489	509,413,426
Interest receivable	355,801	18,459
Appropriations receivable	39,854,495	42,799,435
Grants receivable	73,305,689	49,015,282
Inventories	27,420,476	20,623,883
Other assets	22,268,786	22,711,336
Total current assets	1,307,418,915	1,441,484,016
Noncurrent Assets		
Restricted cash and cash equivalents	41,941,864	6,401,951
Deposits with trustees	13,272,284	16,427,909
Accounts, notes, and loans receivable, net	2,061,446	2,385,228
Appropriations receivable	212,551,870	230,221,004
Long-term investments	44,698,614	39,069,186
Capital assets, net	2,583,674,669	2,599,215,049
Other assets	148,000,987	26,287,253
Total noncurrent assets	3,046,201,734	2,920,007,580
Total assets	4,353,620,649	4,361,491,596
Deferred outflows of resources	246,922,438	292,236,754
Total assets and deferred outflows of resources	4,600,543,087	4,653,728,350
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable and accrued liabilities	521,502,771	508,171,698
Interest payable	17,823,820	19,884,900
Student deposits	2,414,000	2,461,275
Deposits held in custody for others	9,615,816	6,793,032
Deferred revenue	82,092,597	76,567,241
Long-term liabilities-current portion	151,800,755	155,614,728
Other liabilities	51,569,509	200,601,898
Total current liabilities	836,819,268	970,094,772
Noncurrent Liabilities		
Long-term liabilities	2,005,234,635	2,063,151,435
Refundable government loan funds	3,227,359	3,924,968
Other liabilities	4,834,292	5,889,571
Total noncurrent liabilities	2,013,296,286	2,072,965,974
Total liabilities	2,850,115,554	3,043,060,746
Deferred inflows of resources	455,801,002	446,559,832
Total liabilities and deferred inflows of resources	3,305,916,556	3,489,620,578
NET POSITION		
Invested in capital assets, net of related debt	722,340,999	709,899,175
Loans - restricted and expendable	361,335	436,108
Unrestricted	571,924,197	453,772,489
Total net position	1,294,626,531	1,164,107,772
TOTAL LIABILITIES AND NET POSITION	\$4,600,543,087	\$4,653,728,350

See accompanying notes to financial statements.

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STONY BROOK UNIVERSITY STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	FOR THE YEARS ENDING JUNE 30	
	2022	2021
OPERATING REVENUES		
Tuition and fees	\$366,689,789	\$364,682,367
Less: scholarship allowances	(96,790,191)	(102,983,768)
Net tuition and fees	269,899,598	261,698,599
Federal grants and contracts	213,892,844	186,984,427
State grants and contracts	6,166,009	7,259,956
Local grants and contracts	889,851	314,120
Private grants and contracts	68,209,031	63,254,527
University hospitals and clinics	1,937,271,245	1,784,616,432
Sales and services of auxiliary enterprises:		
Residence halls, net	82,606,704	39,570,845
Other auxiliary, net	35,264,055	29,312,084
Other operating	13,203,925	13,210,387
Total operating revenues	2,627,403,262	2,386,221,377
OPERATING EXPENSES		
Instruction	396,543,586	394,460,716
Research	152,442,740	136,359,366
Public service	30,179,094	30,099,614
Academic support	75,386,398	72,414,063
Student services	66,723,370	56,706,296
Institutional support	124,953,062	127,451,900
Operation and maintenance of plant	107,907,239	80,042,109
Scholarships and fellowships	52,672,207	46,533,467
Hospitals and clinics	1,830,448,410	1,779,671,966
Residence halls	57,228,560	54,253,120
Other auxiliary	31,691,355	26,382,305
Depreciation and amortization expense	144,150,742	134,691,813
Other operating	19,420,603	14,112,902
Total operating expenditures	3,089,747,366	2,953,179,637
Operating loss	(462,344,104)	(566,958,260)
NONOPERATING REVENUES (EXPENSES)		
State appropriations	514,052,389	466,968,396
Federal and State student financial aid	133,593,004	139,513,842
Investment income, net of investment fees	5,689,891	4,069,465
Net realized and unrealized gains	(18,884,896)	30,336,118
Gifts	2,902,666	10,403,658
Interest expense on capital related debt	(55,893,400)	(72,745,586)
Loss on disposal of plant assets	(12,872)	(90,874)
Other nonoperating expenses	(365,650)	4,982,009
Net nonoperating revenues	581,081,132	583,437,028
Income (loss) before other revenues and grants	118,737,028	16,478,768
Capital gifts and grants	11,781,731	6,410,946
Increase (decrease) in net position	130,518,759	22,889,714
Net position at the beginning of year	1,164,107,772	1,141,218,058
NET POSITION AT THE END OF YEAR	\$1,294,626,531	\$1,164,107,772

See accompanying notes to financial statements.

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STONY BROOK UNIVERSITY STATEMENT OF CASH FLOWS

FOR THE YEARS ENDING JUNE 30

	2022	2021
CASH FLOWS FROM OPERATING ACTIVITIES		
Tuition and fees	\$269,219,549	\$261,692,746
Federal grants and contracts	214,334,729	183,613,382
State and local grants and contracts	8,503,911	7,437,233
Private grants and contracts	72,391,299	64,928,020
University hospitals and clinics	1,712,077,000	1,535,644,259
Personal service payments	(1,424,864,280)	(1,312,454,314)
Other than personal service payments	(832,732,945)	(747,607,033)
Payments for fringe benefits	(338,678,195)	(271,676,898)
Payments for scholarships and fellowships	(57,026,077)	(44,180,676)
Loans issued to students	(331,313)	(77,689)
Collection of loans to students	39,242	40,326
Residence halls, net	80,490,248	39,863,836
Other auxiliary, net	30,177,696	25,278,593
Other operating	1,650,639	7,731,644
Net cash used by operating activities	(264,748,497)	(249,766,571)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State appropriations:		
Operations	141,756,760	255,904,347
Debt service	102,329,231	82,722,458
Federal and State student financial aid grants	124,321,504	146,250,010
Private gifts and grants	2,902,666	10,403,658
Repayment of short-term loans	(1,600,000)	(1,600,000)
Direct loan receipts	121,761,975	118,348,319
Direct loan disbursements	(121,761,975)	(118,348,319)
Net cash flows provided by noncapital financing activities	369,710,161	493,680,473
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Proceeds from capital debt	48,700,697	64,281,486
Capital grants and gifts received	11,741,521	8,111,946
Purchases of capital assets	(55,877,665)	(40,979,576)
Payments to contractors	(63,439,716)	(141,863,739)
Principal paid on capital debt and leases	(87,716,717)	(74,352,297)
Interest paid on capital debt and leases	(55,893,401)	(72,745,583)
Deposits with trustees	49,299,895	82,921,228
Net cash used by capital and related financing activities	(153,185,386)	(174,626,535)

See accompanying notes to financial statements.

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STONY BROOK UNIVERSITY STATEMENT OF CASH FLOWS

	FOR THE YEARS ENDING JUNE 30	
	2022	2021
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest, dividends, and realized gains on investments	5,105,763	4,168,054
Net cash provided by investing activities	5,105,763	4,168,054
Net change in cash		
	(43,117,959)	73,455,421
Cash - beginning of year	613,007,145	539,551,724
Cash - end of year	569,889,186	613,007,145
END OF YEAR CASH COMPRISED OF		
Cash and cash equivalents	527,947,322	606,605,194
Restricted cash and cash equivalents	41,941,864	6,401,951
Total cash - end of year	569,889,186	613,007,145
RECONCILIATION OF NET OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES		
Operating loss	(462,344,104)	(566,958,260)
ADJUSTMENTS TO OPERATING LOSS		
Depreciation and amortization expense	144,150,742	134,691,813
Fringe benefits and litigation costs provided by State	276,879,080	263,750,593
CHANGE IN ASSETS AND LIABILITIES		
Receivables, net	40,091,566	(249,913,045)
Inventories	(6,796,593)	(4,723,678)
Other assets	634,686	20,105,250
Accounts payable, accrued expenses, and other liabilities	(28,619,729)	269,218,816
Deferred revenue	(3,250,239)	(38,093,441)
Student deposits	(47,275)	(76,240)
Deposits held for others	(2,822,784)	(2,292,711)
Other liabilities	(222,623,847)	(75,475,668)
Net cash used by operating activities	(\$264,748,497)	(\$249,766,571)

See accompanying notes to financial statements.

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STONY BROOK UNIVERSITY COMPONENT UNITS BALANCE SHEET

FOR THE YEARS ENDING JUNE 30

	2022	2021
ASSETS		
Current Assets		
Cash and cash equivalents	\$170,619,037	\$135,003,011
Accounts receivable and notes receivable, net	6,158,221	4,687,032
Pledges receivable, net	144,140,784	97,745,497
Investments	509,103,847	520,024,547
Assets held for others	328,188	418,328
Other assets	853,669	952,063
Capital assets, net	29,282,925	31,242,578
Total assets	860,486,671	790,073,056
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts payable and accrued expenses	15,422,071	8,704,767
Deferred revenue	2,582,453	2,748,026
Deposits held for others	67,229,616	53,084,584
Other liabilities	7,205,440	12,684,415
Total liabilities	92,439,580	77,221,792
NET ASSETS		
Net assets without donor restrictions		
Board designated for:		
Fixed Assets	20,410,709	22,172,100
Campus Programs	7,751,741	2,136,664
General operations and other	64,238,165	66,862,398
Undesignated	5,726,379	14,061,839
Net assets with donor restrictions		
Scholarships and fellowships	81,001,348	78,973,919
Campus programs	306,332,002	311,697,192
Research, general operations and other	282,586,747	216,947,152
Total net assets	768,047,091	712,851,264
TOTAL LIABILITIES AND NET ASSETS	\$860,486,671	\$790,073,056

See accompanying notes to financial statements.

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STONY BROOK UNIVERSITY COMPONENT UNITS STATEMENT OF ACTIVITIES

	FOR THE YEARS ENDING JUNE 30		2022	2021
	WITHOUT DONOR RESTRICTIONS	WITH DONOR RESTRICTIONS	TOTAL	TOTAL
REVENUES				
Contributions, gifts and grants	\$367,171	\$116,363,650	\$116,730,821	\$94,304,091
Food service	29,520,191		29,520,191	23,341,136
Other auxiliary services	3,585,397		3,585,397	3,113,116
Rental income	225,088	17,026	242,114	276,305
Sales and services	1,899,172	1,145,971	3,045,143	4,660,656
Investment income, net	(4,464,952)	(6,899,549)	(11,364,501)	94,385,937
Other sources	4,471,083	(1,820)	4,469,263	2,309,823
Net assets released from restrictions	48,323,444	(48,323,444)		
Total revenues	83,926,594	62,301,834	146,228,428	222,391,064
EXPENSES				
Food service	27,830,380		27,830,380	25,619,298
Other auxiliary services	2,074,186		2,074,186	1,414,977
Program expenses	21,073,419		21,073,419	13,844,301
Payments to State University: Scholarships and fellowships	5,922,930		5,922,930	10,174,222
Payments to State University: Other	22,975,485		22,975,485	26,595,645
Real estate expenses	239,342		239,342	238,300
Management and general	6,535,549		6,535,549	6,265,106
Fundraising	4,381,310		4,381,310	3,294,407
Other expenses				8,000
Total expenses	91,032,601		91,032,601	87,454,256
Change in net assets	(7,106,007)	62,301,834	55,195,827	134,936,808
Net assets at the beginning of year	105,233,001	607,618,263	712,851,264	577,914,456
NET ASSETS AT THE END OF YEAR	\$98,126,994	\$669,920,097	\$768,047,091	\$712,851,264

See accompanying notes to financial statements.

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NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PRESENTATION

Financial Presentation

In June 2007, Stony Brook University (the University) adopted a financial statement format consistent with the State University of New York's (SUNY) audited financial statements. The University assumed this position in order to conform to GASB and FASB pronouncements. The University has relied on information provided by SUNY for the allocation of various net asset values not easily identified by the University.

Reporting Entity

For financial reporting purposes, the University is comprised of sectors which include the university centers of the main campus, Manhattan, and Southampton, health science centers (including hospitals), colleges and schools, central services and other affiliated entities determined to be includable in the University's financial reporting entity. Inclusion in the entity is based primarily on the notion of financial accountability defined in terms of a primary government (University) that is financially accountable for the organizations that make up its legal entity. Separate legal entities meeting the criteria for inclusion in the blended totals of the University reporting entity are described below.

The Research Foundation of State University of New York at Stony Brook (Research Foundation) is a separate not-for-profit educational corporation that operates as the fiscal administrator for the majority of the University's sponsored programs. The programs include research, training, and public service activities of the State-operated campuses supported by sponsored funds other than State appropriations. The activity of the Research Foundation has been included in these financial statements using GASB measurements and recognition standards. The financial activity was derived from audited financial statements of the Research Foundation for the year ended June 30, 2022 and 2021.

The State University Construction Fund (Construction Fund) is a public benefit corporation that designs, constructs, reconstructs, and rehabilitates SUNY facilities to an approved master plan. It is a separate legal entity that carries out operations which are integrally related to SUNY, and its reporting components, and therefore, the financial activity related to the University's share of Construction Fund is included in the financial statements as of the Construction Fund's fiscal year end of March 31, 2022 and 2021. To report construction fund activities related to the University, certain methodologies are used by SUNY to allocate plant fund balances by campus.

The Faculty Student Association (FSA) is a legally separate, nonprofit corporation, which as an independent contractor, operates, manages, and promotes educationally related services for the benefit of the campus community. The Stony Brook Foundation Inc. (the Foundation) is a legally separate, nonprofit, affiliated organization that receives and holds economic resources that is significant to, and entirely for the University, and is required to be included in the reporting entity using discrete presentation requirements. As a result, the combined totals of the FSA and the Foundation are separately presented as aggregate component units on financial statement pages 7 and 8 in the University's financial statements in accordance with display requirements prescribed by the Financial Accounting Standards Board (FASB). The financial data for these organizations was derived from each entity's individual audited financial statements for the years ended June 30, 2022 and 2021.

The operations of certain related but independent organizations, i.e., clinical practice management plans, alumni association and student associations, are not included in the accompanying financial statements as such organizations do not meet the definition for inclusion.

The financial statements of the University have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles as prescribed by GASB. The University reports its financial statements as a special-purpose government engaged in business-type activities, as defined by GASB. Business-type activities are those that are financed in whole or in part by fees charged to external parties for goods or services. The financial statements of the University consist of a classified balance sheet; a statement of revenues, expenses, and changes in net position, that distinguish between operating and nonoperating revenues and expenses; and a statement of cash flows, using the direct method of presenting cash flows from operations and other sources.

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NOTES TO FINANCIAL STATEMENTS

The University's policy for defining operating activities in the statement of revenues, expenses, and changes in net position are those that generally result from exchange transactions, i.e., the payments received for services and payments made for the purchase of goods and services. Certain other transactions are reported as nonoperating activities and include the University's operating and capital appropriations from the State, Federal and State financial aid grants, net investment income, gifts, and interest expense.

Resources are classified for accounting and financial reporting purposes into the following four net position categories:

Net investment in capital assets

Capital assets, net of accumulated depreciation and amortization and outstanding principal balances of debt attributable to the acquisition, construction, repair or improvement of those assets.

Restricted - nonexpendable

Net position component subject to externally imposed conditions that require the University retain in perpetuity.

Restricted - expendable

Net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of the University or by the passage of time.

Unrestricted component of net position

Included in unrestricted component of net position are amounts provided for specific use by the University's colleges, hospitals and clinics, and separate legal entities included in the University's reporting entity that are designated for those entities and, therefore, not available for other purposes.

The University has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.

Revenues

Revenues are recognized in the accounting period when earned. State appropriations are recognized when they are made legally available for expenditure. Revenues and expenditures arising from nonexchange transactions are recognized when all eligibility requirements, including time requirements, are met. Promises of private donations are recognized at fair value. Net patient service revenue for the hospitals is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors.

Tuition and fees and auxiliary sales and service revenues are reported net of scholarship discounts and allowances. Auxiliary sales and service revenue classifications were reported net of the following scholarship discount and allowance amounts for the fiscal year (in thousands):

Residence halls	\$13,222
Other auxiliary	6,914

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NOTES TO FINANCIAL STATEMENTS

Deferred Outflows and Deferred Inflows of Resources

Deferred outflows of resources are defined as a consumption of net assets by a college or university that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of net assets by the college or university that is applicable to a future reporting period. Deferred inflows and deferred outflows of resources include amounts related to changes in the net pension and OPEB liabilities of the University's cost sharing pension plans and the OPEB plans due to changes between expected and actual claims experience and changes in actuarial assumptions such as the discount rate used to determine the respective liability. Deferred outflows of resources also include losses resulting from refinancing of debt which represents the difference between the reacquisition price and the net carrying amount of the old debt and is amortized over the life of the related debt.

Compensated Absences

Employees accrue annual leave based primarily on the number of years employed up to a maximum rate of 21 days per year up to a maximum of 40 days..

Inventories

Inventories held by the University are primarily stated at the lower of cost or market value on a first-in, first-out basis.

Fringe Benefits

Employee fringe benefit costs (e.g., health insurance, worker's compensation, retirement and post-retirement benefits) are paid by the State on behalf of the University (except for the University hospitals and Research Foundation, which pay their own fringe benefit costs) at a fringe benefit rate determined by the State. The University records an expense and corresponding State appropriation revenue for fringe benefit costs based on the fringe benefit rate applied to total eligible personal service costs incurred.

Tax Status

The University and the Construction Fund are political subdivisions of the State and are, therefore, generally exempt from federal and state income taxes under applicable federal and state statutes and regulations.

The Research Foundation is a not-for-profit corporation as described in Section 501(c) (3) of the Internal Revenue Service Code and is tax-exempt on related income, pursuant to Section 501(a) of the code.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain amounts displayed in the 2021 financial statements have been reclassified to conform to the 2022 presentation.

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NOTES TO FINANCIAL STATEMENTS

2. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are defined as current operating assets that include investments with original maturities of less than 90 days, except for cash and cash equivalents held in investment pools which are included in short-term and long-term investments in the accompanying balance sheet.

Restricted cash and cash equivalents represent unspent funds under various capital financing arrangements, cash held for others, and cash restricted for loan programs.

Cash held in the State treasury beyond immediate need is pooled with other State funds for investment purposes. The pooled balances are limited to legally stipulated investments which include obligations of, or are guaranteed by, the United States, obligations of the State and its political subdivisions, and repurchase agreements. These investments are reported at cost (which approximates fair value) and are held by the State's agent in its name on behalf of the University.

The New York State Comprehensive Annual Financial Report contains the GASB No. 40 risk disclosures for deposits held in the State treasury. Deposits not held in the State treasury that are not covered by depository insurance and are: (a) uncollateralized were \$0 and (b) collateralized with securities held by a pledging financial institution were \$17.2 million at June 30, 2022.

3. DEPOSITS WITH TRUSTEES

Deposits with trustees primarily represent Dormitory Authority of the State of New York (DASNY) bond proceeds needed to finance capital projects and to establish required building and equipment replacement and debt service reserves. Pursuant to financing agreements with DASNY, bond proceeds, including interest income, are restricted for capital projects or debt service. Also included are non-bond proceeds which have been designated for capital projects and equipment.

4. INVESTMENTS

Investments of the University are recorded at fair value. Investment income is recorded on the accrual basis, and purchases and sales of investment securities are reflected on a trade date basis. Any net earnings not expended are included as increases in restricted - nonexpendable net position if the terms of the gift require that such earnings be added to the principal of a permanent endowment fund, or as increases in restricted - expendable net position as provided for under the terms of the gift, or as unrestricted.

Investments are comprised of investments of the Research Foundation. The Research Foundation maintains a diverse investment portfolio and follows an investment policy and asset guidelines approved and monitored by its board of directors. The portfolio is mainly comprised of mutual funds, exchange-traded funds and alternative investments of high quality and liquidity. Investments are held with the investment custodian in the Research Foundation's name. Investments at fiscal year end are \$221.3 million.

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NOTES TO FINANCIAL STATEMENTS

5. ACCOUNTS, NOTES AND LOANS RECEIVABLE

At June 30, 2022, accounts, notes and loans receivable are summarized as follows (in thousands):

	2022	2021
Tuition and fees	\$5,011	\$4,996
Allowance for uncollectible	(2,534)	(2,320)
Net tuition and fees	2,477	2,676
Room rent	1,538	1,183
Allowance for uncollectible	(433)	(361)
Net room rent	1,105	822
Patient fees, net of contractual allowances	836,420	882,843
Allowance for uncollectible	(416,709)	(382,709)
Net patient fees	419,711	500,134
Other, net	10,856	4,745
Total accounts receivable and notes receivable	434,149	508,377
Student loans	4,325	4,713
Allowance for uncollectible	(1,268)	(1,291)
Total student loans receivable	3,057	3,422
TOTAL, NET	\$437,206	\$511,799

6. CAPITAL ASSETS

Capital assets, net of accumulated depreciation, totaled \$2.6 billion. Capital asset activity is reflected in the table below (in thousands). Retirements represent capital assets retired and assets transferred from construction in progress for projects completed and the related capital assets placed in service.

	JUNE 30 2020	ADDITIONS	RETIREMENTS	JUNE 30 2021	ADDITIONS	RETIREMENTS	JUNE 30 2022
Land	\$220,757	\$2,488		\$223,245	\$282	\$96	\$223,431
Infrastructure and land improvements	281,606	8,088		289,694	8,805	(25)	298,524
Buildings	2,793,156	208,482	2,457	2,999,181	37,192	3,406	3,032,967
Equipment, library books and artwork	743,904	17,414	(910)	762,228	55,884	5,727	812,385
Construction in progress	207,808	78,633	103,357	183,084	58,794	30,041	211,837
Total Capital Assets	4,247,231	315,105	104,904	4,457,432	160,957	39,245	4,579,144
Less: accumulated depreciation:							
Infrastructure and land improvements	115,461	13,026		128,487	12,811		141,298
Buildings	1,008,256	96,393	533	1,104,116	88,869	4,132	1,188,853
Equipment, library books and artwork	587,892	38,798	1,077	625,613	42,045	2,340	665,318
Total accumulated depreciation	1,711,609	148,217	1,610	1,858,216	143,725	6,472	1,995,469
CAPITAL ASSETS, NET	\$2,535,622	\$166,888	\$103,294	\$2,599,216	\$17,232	\$32,773	\$2,583,675

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NOTES TO FINANCIAL STATEMENTS

7. LONG-TERM LIABILITIES

The University has entered into capital leases and other financing agreements with DASNY to finance most of its capital facilities. The University has also entered into financing arrangements with the New York Power Authority under the statewide energy services program. Equipment purchases are also made through DASNY's Tax-exempt Equipment Leasing Program (TELP), various State sponsored equipment leasing programs, and private financing arrangements. The University is responsible for lease debt service payments sufficient to cover the interest and principal amounts due under these arrangements. At June 30, 2022, other than facilities obligations, which are included as of March 31, 2022, total obligations are summarized in the table (in thousands).

	JUNE 30 2020			JUNE 30 2021			JUNE 30 2022	CURRENT PORTION
	ADDITIONS	RETIREMENTS		ADDITIONS	RETIREMENTS			
Long-term debt:								
Educational Facilities	\$1,319,670		\$86,774	\$1,232,896		\$69,490	\$1,163,406	\$39,260
Residence Hall Facilities	363,940	27,692	13,452	378,180	7,181		385,361	
Capital Leases	69,640	53,979	14,372	109,247	48,275	15,241	142,281	17,828
Right-to-use Leases	41,923			41,923	5,831	6,007	41,747	5,610
Southampton Hospital	48,972	872	7,138	42,706	426	4,773	38,359	4,489
Eastern Long Island Hospital	16,444		1,310	15,134		1,368	13,766	1,433
Other long-term debt - Gyrodyne	16,600		1,600	15,000		1,600	13,400	1,600
Other long-term debt - SUNY 2020	16,240		1,207	15,033	1,285	796	15,522	822
Total long-term debt	1,893,429	82,543	125,853	1,850,119	62,998	99,275	1,813,842	71,042
Other long-term liabilities:								
Post-employment & post-retirement	90,959	60,096	51,441	99,614	54,171	54,788	98,997	59,641
Loan from State	11,655	14		11,669	19		11,688	11,688
Litigation	271,830		34,519	237,311		19,068	218,243	5,691
Pensions	375,066	27,246	387,007	15,305		5,168	10,137	3,739
Other	2,124	2,624		4,748		619	4,129	
Total other long-term liabilities	751,634	89,980	472,967	368,647	54,190	79,643	343,194	80,759
TOTAL LONG-TERM LIABILITIES	\$2,645,063	\$172,523	\$598,820	\$2,218,766	\$117,188	\$178,918	\$2,157,036	\$151,801

Educational Facilities

The University, through DASNY, has entered into financing agreements to finance various educational facilities which have a maximum 30-year life. Athletic facility debt is aggregated with educational facility debt. Debt service is paid by, or from specific appropriations of, the State.

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Residence Hall Facilities

The University has entered into capital lease agreements for residence hall facilities. DASNY bonds for residence hall facilities, which have a maximum 30-year life, are repaid from room rentals and other residence hall revenues. Upon repayment of the bonds, including interest thereon, and the satisfaction of all other obligations under the lease agreements, DASNY shall convey to the University all rights, title, and interest in the assets financed by the capital lease agreements. Residence hall facilities revenue realized during the year from facilities from which there are bonds outstanding is pledged as a security for debt service and is assigned to DASNY to the extent required for debt service purposes. Any excess funds pledged to DASNY are available for residence hall capital and operating purposes.

In March 2013, the State enacted legislation amending the Public Authorities Law and Education Law of the State. The amendments, among other things, authorized the University to assign to DASNY all of the University's rights, title and interest in dormitory facilities revenues derived from payments made by students and others for use and occupancy of certain dormitory facilities. The amendments further authorize DASNY to issue Dormitory Facilities Revenue Bonds payable from and secured by the dormitory facilities revenues assigned to it by the University. The enacted legislation also created a special fund to be held by the State's Commissioner of Taxation and Finance on behalf of DASNY. All dormitory facilities revenues collected by the University are required to be deposited in this special fund.

Loan - State STIP Pool

In prior years, the University experienced operating cash-flow deficits precipitated by cash-flow difficulties experienced by the hospital. In connection with these cash-flow deficits, as authorized by State Finance Law, the University borrowed funds with interest from the short-term investment pool of the State. The amount outstanding under this borrowing from the State at June 30, 2022, was \$11.7 million.

8. RETIREMENT

Retirement Benefits

There are three major retirement plans for University state employees: The New York State and Local Employees' Retirement System (ERS), The New York State and Local Police and Fire Retirement System (PFRS), and the New York State Teacher's Retirement System (TRS). ERS and PFRS are cost-sharing, multiple-employer, defined benefit public plans administered by the State Comptroller. TRS is a cost-sharing, multiple-employer, defined benefit public plan separately administered by a ten member board. Substantially all full-time employees participate in the plans. The State University of New York (SUNY) is responsible for the net pension liability for employees of the University, except for the hospital's net pension liability.

Obligations of employers and employees to contribute, and related benefits, are governed by the New York State Retirement and Social Security Law (NYSRSSL) and Education Law and may only be amended by the Legislature with the Governor's approval. These plans offer a wide range of programs and benefits. ERS, PFRS and TRS benefits vary based on date of membership, years of credited service and final average salary, vesting of retirement benefits, death and disability benefits, and optional methods of benefit payments. Each plan provides a permanent annual cost-of-living increase to both current and future retired members meeting certain eligibility requirements. Participating employers are required under law to contribute to these plans on an actuarially determined rate. For ERS and PFRS this rate is determined annually by the State Comptroller.

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ERS, PFRS and TRS provide retirement benefits as well as death and disability benefits. Benefits generally vest after five years of credited service, or after ten years of service for those joining after January 1, 2010 or January 9, 2010 (PFRS). The NYSRSSL provides that all participants in ERS, PFRS and TRS are jointly and severally liable for any actuarial unfunded amounts. Such amounts are collected through annual billings to all participating employers. Employees who joined after July 27, 1976 and before January 1, 2010 (January 9, 2010 PFRS), and have less than ten years of service or membership are required to contribute 3 percent of their salary. Those joining on or after January 1, 2010 (January 9, 2010 PFRS) and before April 1, 2012 are required to contribute 3.5 percent of their annual salary for their entire working career. Those joining on or after April 1, 2012 are required to contribute between 3 percent and 6 percent, dependent upon their salary, for their entire working career. Employee contributions are deducted from their salaries and remitted on a current basis to ERS, PFRS and TRS.

ERS and PFRS - Hospital

The University recognized a net pension asset of \$124.6 million for the hospital's proportionate share of the ERS net pension assets at June 30, 2022. The University also recognized a net pension liability of \$113 thousand for its proportionate share of the PFRS net pension liability at June 30, 2022. The net pension asset and net pension liability at June 30, 2022 were measured as of March 31, 2022, and were determined by an actuarial valuation as of April 1, 2022, with update procedures used to roll forward the total pension asset and liability to March 31, 2022. For the fiscal ended June 30, 2022 the University recognized pension expense related to ERS and PFRS of \$3 million and \$46 thousand, respectively. The total contributions made to the ERS and PFRS, during 2022 were \$59.5 million and \$177.4 thousand, respectively. At June 30, 2022 the University reported deferred outflows and deferred inflows of resources related to ERS and PFRS from the following sources (in thousands):

YEARS ENDING JUNE 30, 2021	ERS		PFRS	
	DEFERRED OUTFLOW OF RESOURCES	DEFERRED INFLOW OF RESOURCES	DEFERRED OUTFLOW OF RESOURCES	DEFERRED INFLOW OF RESOURCES
Difference between expected and actual experience	\$9,439	\$12,243	\$61	
Changes of assumptions	208,011	3,510	678	
Net difference between projected and actual earnings on pension plan investments		408,146		951
Changes in proportion and differences between employer contributions and proportionate share of contributions	15,045	16,454	66	168
TOTAL	\$232,495	\$440,353	\$805	\$1,119

Amounts reported as deferred outflows of resources and deferred inflows of resources related to ERS and PFRS pensions will be recognized in pension expense as follows (in thousands):

YEARS ENDING JUNE 30	ERS	PFRS
2023	(\$33,534)	(\$92)
2024	(46,828)	(101)
2025	(106,211)	(244)
2026	(21,285)	117
2027		6
TOTAL	(\$207,858)	(\$314)

The ERS plan allows participating employers to amortize a portion of their annual pension costs. The amounts amortized will be paid back with interest over 10 years. The University participates in this program and the total pension payable included in long-term liabilities at June 30, 2022 is \$10 million.

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ORP

University employees may also participate in an Optional Retirement Program (ORP) under IRS Section 401(a) which is a multiple-employer, defined contribution plan administered by separate vendors – TIAA, Fidelity, AIG, and VOYA. ORP employer and employee contributions are dictated by State law. The ORP provides benefits through annuity contracts and provides retirement and death benefits to those employees who elected to participate in an ORP. Benefits are determined by the amount of individual accumulations and the retirement income option selected. All benefits generally vest after the completion of one year of service if the employee is retained thereafter. Employer contributions are not remitted to an ORP plan until an employee is fully vested. As such there are no forfeitures reported by these plans if an employee is terminated prior to vesting. Employees who joined an ORP after July 27, 1976, and have less than ten years of service or membership are required to contribute 3 percent of their salary. Those joining on or after April 1, 2012 are required to contribute between 3 percent and 6 percent, dependent upon their salary, for their entire working career. Employer contributions range from 8 percent to 15 percent depending upon when the employee was hired. Employee contributions are deducted from their salaries and remitted on a current basis to the respective ORP.

The Research Foundation maintains a separate non-contributory plan through TIAA for substantially all of its nonstudent employees. Employees become fully vested in contributions made by the Research Foundation after one year of service, which are allocated to individual employee accounts. Employer contributions are based on a percentage of regular salary and range from 7 percent to 15 percent, depending on date of hire.

Post-Employment and Post-Retirement Benefits

The State, on behalf of the University, provides health insurance coverage for eligible retired University state employees and their survivors through the New York State Health Insurance Plan (NYSHIP). NYSHIP offers comprehensive benefits through various providers consisting of hospital, medical, mental health, substance abuse and prescription drug programs. The State administers NYSHIP and has the authority under Article xl of Civil Service Law to establish and amend the benefit provisions offered. NYSHIP is considered a single employer defined benefit plan offered by the State to its participants. Prior to July 1, 2018, the University, as a participant in the plan, recognized the other post-employment benefit (OPEB) expenses on an accrual basis. In 2018, SUNY collectively with the University's approval, removed OPEB costs from the University's financial statements which resulted in restatements of the net position at 7/1/2018.

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Research Foundation Post-Employment and Post-Retirement Benefits

The Research Foundation sponsors a separate single employer defined benefit post-retirement plan (Plan) that covers substantially all non-student employees. The plan provides post-retirement medical benefits and is contributory for employees hired after 1985.

In fiscal years 2011 and 2013, the Research Foundation amended the plan to increase the participant contribution rates for those hired after 1985 with the specific rates to be determined based on an employee's years of service.

Contributions by the Research Foundation are made pursuant to a funding policy established by its Board of Directors. Assets are held in a Voluntary Employee Benefit Association (VEBA) trust and are considered plan assets in determining the funded status or funding progress of the plan under GASB reporting and measurement standards.

The Research Foundation's net OPEB asset was \$15.9 million for the fiscal year ended June 30, 2022. The Research Foundation's net OPEB asset at June 30, 2022 was measured as of June 30, 2022, and was determined by an actuarial valuation as of July 1, 2022, with update procedures used to roll-forward the net OPEB liability to June 30, 2022. At June 30, 2022, the Research Foundation reported deferred outflows and deferred inflows of resources related to OPEB from the following sources (in thousands):

YEARS ENDING JUNE 30, 2022	RESEARCH FOUNDATION OPEB	
	DEFERRED OUTFLOW OF RESOURCES	DEFERRED INFLOW OF RESOURCES
Difference between expected and actual expense	\$2,338	\$2,020
Changes of assumptions	1,334	0
Employer contributions subsequent to measurement date	688	8,734
TOTAL	\$4,360	\$10,754

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense as follows (in thousands):

YEARS ENDING JUNE 30	
2023	(\$4,671)
2024	(3,294)
2025	(763)
2026	2,334
TOTAL	(\$6,394)

9. COMMITMENTS AND CONTINGENCIES

The State is contingently liable in connection with claims and other legal actions involving the University, including those currently in litigation arising in the normal course of University activities. The University does not carry malpractice insurance and, instead, administers these types of cases in the same manner as all other claims against the State involving University activities in that any settlements of judgments and claims are paid by the State from an account established for this purpose. With respect to pending and threatened litigation, the medical malpractice liability includes incurred but not reported (IBNR) loss estimates. The estimate of IBNR losses is actuarially determined based on historical experience using a discounted present value of estimated future cash payments. The University has recorded a liability and a corresponding appropriation receivable of approximately \$218.2 million at June 30, 2022.

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The University is exposed to various risks of loss related to damage and destruction of assets, injuries to employees, damage to the environment or noncompliance with environmental requirements, and natural and other unforeseen disasters. The University has insurance coverage for its residence hall facilities. However, in general, the University does not insure its educational buildings, contents or related risks and does not insure its vehicles and equipment for claims and assessments arising from bodily injury, property damages, and other perils. Unfavorable judgments, claims, or losses incurred by the University are covered by the State on a self-insured basis. The State does have fidelity insurance on State employees.

10. RELATED PARTIES

The University's single largest source of revenue is State appropriations. State appropriations take the form of direct assistance, debt service on educational facility, fringe benefits for State employees, and litigation expenses for which the State is responsible. State appropriations totaled \$514 million and \$467 million and represented approximately 15.7 percent and 15.3 percent of total revenues for the 2022 and 2021 fiscal years, respectively. The University's continued operational viability is substantially dependent upon a consistent and proportionate level of ongoing State support.

11. FEDERAL GRANTS AND CONTRACTS AND THIRD-PARTY REIMBURSEMENT

Grants and contracts awarded by federal and other sponsors, which are generally considered non-exchange transactions restricted by sponsors for certain purposes, are recognized as revenue when qualifying expenditures are incurred and conditions under the agreement are met.

Substantially all federal grants and contracts are subject to financial and compliance audits by the grantor agencies of the federal government. Disallowances, if any, as a result of these audits may become liabilities of the University. University management believes that no material disallowances will result from audits by the grantor agencies.

The University's hospitals have agreements with third-party payors, which provide for reimbursement to the hospitals at amounts different from their established charges. Contractual service allowances and discounts (reflected through the University hospitals and clinics sales and services) represent the difference between the hospitals' established rates and amounts reimbursed by third-party payors. The University has made provision in the accompanying financial statements for estimated retroactive adjustments relating to third-party payors cost reimbursement items.

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NOTES TO FINANCIAL STATEMENTS

12. CONDENSED FINANCIAL STATEMENT INFORMATION OF THE RESEARCH FOUNDATION

The condensed financial statement information of the Research Foundation, contained in the combined totals of the University reporting entity in accordance with GASB accounting and reporting requirements, is shown below (in thousands):

RESEARCH FOUNDATION CONDENSED BALANCE SHEET	2022	2021
ASSETS		
Current assets	\$247,745	\$223,292
Capital assets	5,706	7,226
Other assets	48,005	42,812
Total assets	301,456	273,330
LIABILITIES		
Current liabilities	109,369	87,384
Noncurrent liabilities	9,426	25,193
Total liabilities	118,795	112,577
NET POSITION		
Invested in capital assets, net	5,706	7,226
Without donor restrictions	176,955	153,527
Total net position	182,661	160,753
TOTAL LIABILITIES AND NET POSITION	\$301,456	\$273,330

CONDENSED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

OPERATING REVENUES		
Federal grants and contracts	\$177,757	\$158,869
State grants and contracts	5,624	5,973
Private grants and contracts	29,482	18,223
Other operating revenues	(4,032)	44,049
Total operating revenues	208,831	227,114
EXPENSES		
Instruction	3,123	12,577
Research	127,445	110,496
Public service	14,049	12,585
Institutional support	38,849	35,831
Other operating expenses	5,873	7,176
Depreciation and amortization expense	1,543	1,804
Total operating expenses	190,882	180,469
Operating Income	17,949	46,645
Net nonoperating revenues/(expenses)	3,959	26,930
Increase in net position	21,908	73,575
Net position at the beginning of year	160,753	87,178
NET POSITION AT THE END OF YEAR	\$182,661	\$160,753

RESEARCH FOUNDATION CONDENSED STATEMENT OF CASH FLOWS

Cash flows used by operating activities	(1,716)	(1,741)
Cash flows used by capital and related financing activities		
Cash flows from investing activities	4,344	3,339
Net change in cash	2,628	1,598
Cash - beginning of year	3,859	2,261
CASH - END OF YEAR	\$6,487	\$3,859

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13. SUBSEQUENT EVENTS

The University considers events or transactions that occur after the statement of net position date, but before the financial statements are issued, to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. As of the date of this report compilation there are no significant events that have occurred that would require adjustments to or further disclosure in the accompanying financial statements.

14. COMPONENT UNITS

The reported totals of the discretely presented component units include the campus related Foundation and the auxiliary service entity, the Faculty Student Association (FSA). The Foundation is a nonprofit organization responsible for the fiscal administration of revenues and support received for the promotion, development and advancement of the welfare of the University, and its students, faculty, staff and alumni. The Foundation receives the majority of their support and revenues through contributions, gifts and grants and provides benefits to their campus, students, faculty, staff and alumni. The FSA is a campus-based, legally separate, nonprofit organization which, as independent contractor, operates, manages and promotes educationally related services for the benefit of the campus community.

These organizations are exempt from federal income taxes on related income pursuant to Section 501(a) of the Internal Revenue Code. All of the financial data for these organizations were derived from each entity's individual audited financial statements, reported in accordance with generally accepted accounting principles promulgated by FASB, as of June 30, 2022.

Net Asset Classifications

Net assets without donor restrictions represent resources whose uses are not restricted by donor-imposed stipulations and are generally available for the support of the University campus and affiliated entity programs and activities. Net assets with donor restrictions represent resources whose use is subjected to donor-imposed stipulations. Some of these restrictions are temporary in nature, such as those that will be met with the passage of time or are removed by specific actions. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. The income derived from net assets with donor restrictions that is permanent in nature is permitted to be spent in part or in whole, restricted only by the donor's wishes.

Investments

All investments with readily determinable fair values have been reported in the financial statements at fair value. Realized and unrealized gains and losses are recognized in the statement of activities. Gains or losses on investments are recognized as increases or decreases in net assets without donor restriction unless their use is restricted by explicit donor stipulations or by law. Investments of the University discretely presented component units were \$509 million as of June 30, 2022.

Capital Assets

Capital assets are stated at cost, if purchased, or fair value at date of receipt, if acquired by gift. Land improvements, buildings, and equipment are depreciated over their estimated useful lives using the straight-line method. Capital assets, net of accumulated depreciation, totaled \$29.2 million as of June 30, 2022. Capital asset classifications are summarized as follows (in thousands):

Land and land improvements	\$1,456
Buildings	36,929
Equipment	10,247
Artwork and library books	6,979
Construction in progress	154
Total capital assets	55,765
Less accumulated depreciation	26,482
CAPITAL ASSETS, NET	\$29,283

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Condensed Financial Statement Information

The table below displays the combined totals of the Foundation and auxiliary services corporation (FSA) (in thousands):

COMBINED BALANCE SHEETS	FOR THE YEAR ENDING JUNE 30, 2022			FOR THE YEAR ENDING JUNE 30, 2021		
	FOUNDATION	FSA	TOTAL	FOUNDATION	FSA	TOTAL
ASSETS						
Investments	\$497,349	\$11,755	\$509,104	\$506,627	\$13,397	\$520,024
Capital assets, net	11,188	18,095	29,283	11,389	19,854	31,243
Other assets	296,993	25,107	322,100	214,920	23,886	238,806
Total assets	805,530	54,957	860,487	732,936	57,137	790,073
LIABILITIES						
Other liabilities	78,392	14,048	92,440	60,353	16,869	77,222
Long-term debt/other						
Total liabilities	78,392	14,048	92,440	60,353	16,869	77,222
NET ASSETS						
Net assets without donor restrictions	57,218	40,909	98,127	64,965	40,268	105,233
Net assets with donor restrictions	669,920		669,920	607,618		607,618
Total net assets	727,138	40,909	768,047	672,583	40,268	712,851
TOTAL LIABILITIES AND NET ASSETS	805,530	54,957	860,487	732,936	57,137	790,073
COMBINED STATEMENT OF ACTIVITIES						
REVENUES						
Contributions, gifts and grants	116,731		116,731	94,304		94,304
Food and auxiliary services		33,106	33,106		26,454	26,454
Other revenue	(6,422)	2,813	(3,609)	97,782	3,851	101,633
Total revenue	110,309	35,919	146,228	192,086	30,305	222,391
EXPENSES						
Food and auxiliary services		29,905	29,905		27,034	27,034
Program expenses	21,073		21,073	13,844		13,844
Other expenses	34,681	5,373	40,054	40,836	5,740	46,576
Total expenses	55,754	35,278	91,032	54,680	32,774	87,454
Total change in net assets	54,555	641	55,196	137,406	(2,469)	134,937
Net assets at the beginning of year	672,583	40,268	712,851	535,177	42,737	577,914
NET ASSETS AT THE END OF YEAR	\$727,138	\$40,909	\$768,047	\$672,583	\$40,268	\$712,851

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Expenses are presented by functional classification in accordance with the overall service missions of the component units. Each functional classification displays all expenses related to the underlying operations by natural classification. Expenses by functional classification for the year ended June 30, 2022 consist of the following (in thousands):

FUNCTIONAL EXPENSES	FOOD SERVICE	OTHER AUXILIARY SERVICES	CAMPUS PROGRAMS	REAL ESTATE	MANAGEMENT AND GENERAL	FUNDRAISING	2022 TOTAL
EXPENSES							
Salaries and wages	\$9,878	\$679	\$4,779		\$3,672	\$1,899	\$20,907
Employee benefits	4,790	110	1,118		1,156	750	7,924
Cost of goods sold	6,016	210					6,226
Supplies and materials	1,055		1,415		190	216	2,876
Printing and postage	3	3	295		22	229	552
Travel and conferences			2,473		14	103	2,590
Rent and equipment	128	267	2,273		161	24	2,853
Repairs, maintenance and improvements	950		1,654		185	16	2,805
Insurance	143		80		305	2	530
Utilities	1,320	151	74		7		1,552
Professional and service fees	693	509	6,276		480	822	8,780
Depreciation expense	2,187	75		239	101		2,602
Interest expense					1		1
Activity and program support	165						165
Other expenses	502	70	636		242	321	1,771
Expenses	27,830	2,074	21,073	239	6,536	4,382	62,134
Support to the University							
Campus support - scholarships and fellowships							5,923
Campus support - other							22,975
TOTAL EXPENSES							\$91,032



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