

**Grant contract between the Metropolitan Government of Nashville and Davidson County and
National Network for Safe Communities Contract # _____**

**GRANT CONTRACT
BETWEEN THE METROPOLITAN GOVERNMENT**

**OF NASHVILLE AND DAVIDSON COUNTY
AND**

Research Foundation of The City University of New York o/b/o/ National Network of

Safe Communities (NNSC)

This Grant Contract issued and entered into pursuant to RS-_____, by and between the Metropolitan Government of Nashville and Davidson County by and through the Metropolitan Department of Health ("Metro"), and The Research Foundation of The City University of New York o/b/o/ National Network of Safe Communities (NNSC) at John Jay College, ("Recipient"), is for the provision of strategic advising as further defined in the "SCOPE OF PROGRAM". The Recipient's annual report and audit are incorporated herein by reference.

A. SCOPE OF PROGRAM:

A.1. The Recipient will use the funds to:

National Network for Safe Communities (NNSC) will provide intensive strategic advising to key Nashville partners and stakeholders—including law enforcement, service providers, and community leaders—to implement NNSC's Group Violence Intervention (GVI). This will include the following activities ending June 30, 2024:

- Strategic advising: NNSC will provide strategic advising to guide key Nashville partners and stakeholders—including the city administration, law enforcement partners (e.g., police, probation and parole, and prosecutors), social service providers, and community leaders—in shifting the way they share information, work toward the common goal of public safety, deliver antiviolence messaging, follow through with services as promised, and execute formal or informal sanctions as needed to reduce violence. This strategic advising will be structured with the specific intention of developing accountability processes and mechanisms that empower the project manager and other local operational partners to ultimately own fidelity of the implementation. NNSC proposes the following elements of strategic advising.
- Develop local operational support: NNSC will train and support the designated Nashville - based project manager to coordinate implementation of GVI. NNSC will work closely with the project manager to provide a comprehensive understanding of the GVI theory and the most critical components of an effective implementation, as well as guide the project manager's effective operation within law enforcement, social service, and community contexts.
- Ongoing strategic advising: A team of NNSC's advising staff will conduct dedicated regular virtual sessions with the project manager to guide the implementation of GVI in Nashville, plan and support additional investments in the comprehensive strategy, and provide expert guidance on any challenges that arise. NNSC anticipates that these sessions will occur on a weekly or bi-weekly basis at least through the first call-in and will work with the Nashville team to adjust frequency as necessary as implementation proceeds.

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- Regular implementation reviews: NNSC will introduce to Nashville the use of a comprehensive implementation review rubric that will serve as a tool for 1) regular assessment of implementation and fidelity to the GVI framework and 2) ongoing strategic planning. An early step in NNSC's strategic advising, and a periodic step thereafter, will be the review of this rubric in partnership with the project manager and core operational team in order to inform the city's implementation plan. Long term, NNSC anticipates that ownership of this regular implementation review process will rest with the project manager for the purpose of ensuring sustainable implementation beyond the life of this contract.
- Regular executive stakeholder engagement: NNSC will request periodic phone conferences with the executive stakeholders in Nashville for the purpose of discussing progress in implementation, reviewing the aforementioned rubric, and building consensus around identified short, medium, and long-term goals. NNSC anticipates facilitating this quarterly discussion at the outset of this contract but expects that management of this update and discussion process will shift long-term to the project manager, with participation and feedback from NNSC.
- Intensive strategic advising. As needed, NNSC will provide intensive strategic advising sessions to Nashville to assess implementation progress, meet with stakeholders, and guide partners through implementation challenges on the ground.
- Access to management and development tools: NNSC's decades of experience have shown that jurisdictions implementing GVI invariably benefit from ongoing development opportunities for key stakeholders. Moreover, it is equally important that jurisdictions, and project managers in particular, are equipped with a core set of tools designed to support rigorous implementation and management of their own ongoing training needs with regard to the core strategy. To this end, the NNSC will support Nashville by offering support in these areas:
 - Accountability and project management tools: Strong, ongoing project management is central to the long-term success of GVI. NNSC has thus developed a series of tools designed to support project managers and other operational leaders to bolster the durability of the intervention. These tools include a Project Management Guide (specific to the implementation of GVI) and tracking documents specific to planning call-ins, tracking messaging, and providing speaker feedback, as well as the aforementioned implementation review rubric.
 - Access to Group Violence Intervention University training modules: NNSC recognizes that there is a need among local leaders for support in providing ongoing training, refreshers, overviews, etc. to local stakeholders on a regular basis. NNSC has therefore developed a suite of Group Violence Intervention University online modules, each of which is designed to cover specific theoretical and operational topics key to the implementation of the GVI. Topics range from the Nature of Street Groups to Strategic Law Enforcement to Planning a Call-In and are meant to equip local trainers and stakeholders with both the guidance and content necessary to deliver their own trainings. NNSC will make these modules available to Nashville and will work with local leaders to adapt them where necessary to the specific conditions in Nashville.
 - Topic-specific workshops and webinars: NNSC will provide Nashville with the opportunity to participate in specialized workshops and webinars as needed on specific elements of the GVI framework, and emerging innovations, such as custom notifications, shooting reviews, community-police responses to victims of violence, etc. The intent of these workshop/webinar opportunities are to expose key

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stakeholders to the featured practice or concept for the purpose of strategic planning for local application or rollout and to engage NNSC's partner sites collaboratively in the development of new and promising practices. NNSC's intention is to conduct such workshops and/or webinars regionally where possible in order to facilitate participation from a variety of sites and foster peer dialogue.

- Provide peer support and collaborative learning opportunities. The experience of the NNSC team indicates that practitioners are more likely to embrace innovation when they learn about it from their peers. As such, we will promote virtual peer exchange opportunities between Nashville and other NNSC sites as well as opportunities for Nashville to participate in working sessions that include other members of NNSC's network. These collaborative opportunities expose sites to different methods, encourage innovations, and help build a national pool of experts in GVI and complementary strategies and innovations.

- A.2. The Recipient must spend these funds consistent with the Grant Spending Plan, attached and incorporated herein as Attachment 1. The Recipient must collect data to evaluate the effectiveness of their services and must provide those results to Metro upon request.

B. GRANT CONTRACT TERM:

- B.1. **Grant Contract Term.** The Grant will commence on the date after it has received all necessary approvals and end on June 30, 2024. Metro will have no obligation for services rendered by the Recipient that are not performed within this term, except the parties understand that Recipient has performed services prior to the commencement of this Grant Contract and Metro will pay Recipient for those services not to exceed the Maximum Liability under this Grant Contract.

C. PAYMENT TERMS AND CONDITIONS:

- C.1. **Maximum Liability.** In no event will Metro's maximum liability under this Grant Contract exceed one hundred and forty thousand dollars (\$140,000). The Grant Spending Plan will constitute the maximum amount to be provided to the Recipient by Metro for all of the Recipient's obligations hereunder. The Grant Spending Plan line items include, but are not limited to, all applicable taxes, fees, overhead, and all other direct and indirect costs incurred or to be incurred by the Recipient.

Subject to modification and amendments as provided in section D.2 of this agreement, this amount will constitute the Grant Amount and the entire compensation to be provided to the Recipient by Metro.

- C.2. **Payment Methodology.** The Recipient will only be compensated for actual costs based upon the Grant Spending Plan, not to exceed the maximum liability established in Section C.1.

Recipient may invoice for \$140,000 upon approval of the Grant Contract.

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Recipient must send all invoices to: anidolee.melville-chester@nashville.gov.

Final invoices for the contract period should be received by Metro Payment Services by July 15, 2024. Any invoice not received by the deadline date will not be processed and all remaining grant funds will expire.

- C.3. **Annual Expenditure Report.** The Recipient must submit a final grant Annual Expenditure Report, to be received by anidolee.melville-chester@nashville.gov within 45 days of the end of the Grant Contract. Said report must be in form and substance acceptable to Metro and must be prepared by a Certified Public Accounting Firm or the Chief Financial Officer of the Recipient Organization.
- C.4. **Payment of Invoice.** The payment of any invoice by Metro will not prejudice Metro's right to object to the invoice or any other related matter. Any payment by Metro will neither be construed as acceptance of any part of the work or service provided nor as an approval of any of the costs included therein.
- C.5. **Unallowable Costs.** The Recipient's invoice may be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by Metro, on the basis of audits or monitoring conducted in accordance with the terms of this Grant Contract, to constitute unallowable costs. Utilization of Metro funding for services to non-Davidson County residents is not allowed.
- C.6. **Deductions.** Metro reserves the right to adjust any amounts which are or become due and payable to the Recipient by Metro under this or any Contract by deducting any amounts which are or become due and payable to Metro by the Recipient under this or any Contract.
- C.7. **Travel Compensation.** Payment to the Recipient for travel, meals, or lodging is subject to amounts and limitations specified in Metro's Travel Regulations and subject to the Grant Spending Plan.
- C.8. **Electronic Payment.** Metro requires as a condition of this contract that the Recipient have on file with Metro a completed and signed "ACH Form for Electronic Payment". If Recipient has not previously submitted the form to Metro or if Recipient's information has changed, Recipient will have thirty (30) days to complete, sign, and return the form. Thereafter, all payments to the Recipient, under this or any other contract the Recipient has with Metro, must be made electronically.
- D. **STANDARD TERMS AND CONDITIONS:**
- D.1. **Required Approvals.** Metro is not bound by this Grant Contract until it is approved by the appropriate Metro representatives as indicated on the signature page of this Grant.
- D.2. **Modification and Amendment.** This Grant Contract may be modified only by a written amendment that has been approved in accordance with all Metro procedures and by appropriate legislation of the Metropolitan Council.
- D.3. **Termination for Cause.** Metro shall have the right to terminate this Grant Contract immediately if Metro determines that Recipient, its employees or principals have engaged in conduct or violated any federal, state or local laws which affect the ability of Recipient to effectively provide services under this Grant Contract. Should the Recipient fail to properly perform its obligations under this Grant Contract or if the Recipient violates any terms of this Grant Contract, Metro will have the right to immediately terminate the Grant Contract and the Recipient must return to Metro any and all grant monies for services or programs under the grant not performed up to and including the

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termination date. The Recipient must also return to Metro any and all funds expended for purposes contrary to the terms of the Grant Contract. Such termination will not relieve the Recipient of any liability to Metro for damages sustained by virtue of any breach by the Recipient.

- D.4. **Termination - Notice.** Metro may terminate the Grant Contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by Metro. Metro shall give the Recipient at least thirty (30) days written notice before effective termination date. Recipient may terminate the Grant Contract without cause for any reason. Recipient shall give Metro at least thirty (30) days written notice before effective termination date.

a) The Recipient shall be entitled to receive compensation for all approved noncancellable obligations, and satisfactory, authorized service completed up to and including the effective termination date, but in no event shall Metro be liable to the Recipient for compensation for any service that has not been rendered.

b) Upon such termination, the Recipient shall have no right to any actual general, special, incidental, consequential or any other damages whatsoever of any description or amount.

- D.5. **Termination - Funding.** The Grant Contract is subject to the appropriation and availability of local, State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, Metro shall have the right to terminate the Grant Contract immediately upon written notice to the Recipient. Upon receipt of the written notice, the Recipient shall cease all work associated with the Grant Contract on or before the effective termination date specified in the written notice. Should such an event occur, the Recipient shall be entitled to compensation for all satisfactory and authorized services completed up to and including the effective termination date. The Recipient shall be responsible for repayment of any funds already received in excess of satisfactory and authorized services completed as of the effective termination date.

- D.6. **Subcontracting.** The Recipient may not assign this Grant Contract or enter into a subcontract for any of the services performed under this Grant Contract without obtaining the prior written approval of Metro. Notwithstanding any use of approved subcontractors, the Recipient will be considered the prime Recipient and will be responsible for all work performed.

- D.7. **Conflicts of Interest.** The Recipient warrants that no part of the total Grant Amount will be paid directly or indirectly to an employee or official of Metro as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Recipient in connection with any work contemplated or performed relative to this Grant Contract.

- D.8. **Nondiscrimination.** The Recipient hereby agrees, warrants, and assures that no person will be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Grant Contract or in the employment practices of the Recipient on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification which is in violation of applicable laws. The Recipient must, upon request, show proof of such nondiscrimination and must post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

- D.9. **Records.** The Recipient must maintain documentation for all charges to Metro under this Grant Contract. The books, records, and documents of the Recipient, insofar as they relate to work performed or money received under this Grant Contract, must be maintained for a period of three (3) full years from the date of the final payment or until the Recipient engages a licensed independent public accountant to perform an audit of its activities. The books, records, and documents of the Recipient insofar as they relate to work performed or money received under this Grant Contract are subject to audit at any reasonable time and upon reasonable notice by Metro or its duly appointed representatives. Records must be maintained in accordance with the standards outlined in the Metro Nonprofit Grants Manual. The financial statements must be prepared in accordance with generally accepted accounting principles.

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- D.10. **Monitoring.** The Recipient's activities conducted and records maintained pursuant to this Grant Contract are subject to monitoring and evaluation by The Metropolitan Office of Financial Accountability or Metro's duly appointed representatives. The Recipient must make all audit, accounting, or financial records, notes, and other documents pertinent to this grant available for review by the Metropolitan Office of Financial Accountability, Internal Audit or Metro's representatives, upon request, during normal working hours.
- D.11. **Reporting.** The Recipient must submit an Final Program Report, to be received by anidolee.melville-chester@nashville.gov, within 45 [forty-five] days of the end of the Grant Contract. Said reports shall detail the outcome of the activities funded under this Grant Contract.
- D.12. **Strict Performance.** Failure by Metro to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this agreement is not a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Grant Contract is considered to be waived, modified, or deleted except by a written amendment by the appropriate parties as indicated on the signature page of this Grant.
- D.13. **Insurance.** The Recipient agrees to carry adequate public liability and other appropriate forms of insurance, and to pay all applicable taxes incident to this Grant Contract.
- D.14. **Metro Liability.** Metro will have no liability except as specifically provided in this Grant Contract.
- D.15. **Independent Contractor.** Nothing herein will in any way be construed or intended to create a partnership or joint venture between the Recipient and Metro or to create the relationship of principal and agent between or among the Recipient and Metro. The Recipient must not hold itself out in a manner contrary to the terms of this paragraph. Metro will not become liable for any representation, act, or omission of any other party contrary to the terms of this paragraph.
- D.16. **Indemnification and Hold Harmless.**
- (a) Recipient agrees to indemnify, defend, and hold harmless Metro, its officers, agents and employees from any claims, damages, penalties, costs and attorney fees for injuries or damages arising, in part or in whole, from the negligent or intentional acts or omissions of Recipient, its officers, employees and/or agents, including its sub or independent contractors, in connection with the performance of the contract, and any claims, damages, penalties, costs and attorney fees arising from any failure of Recipient, its officers, employees and/or agents, including its sub or independent contractors, to observe applicable laws, including, but not limited to, labor laws and minimum wage laws.
- (b) Metro will not indemnify, defend or hold harmless in any fashion the Recipient from any claims, regardless of any language in any attachment or other document that the Recipient may provide.
- (c) Recipient will pay Metro any expenses incurred as a result of Recipient's failure to fulfill any obligation in a professional and timely manner under this Contract.
- (d) Recipient's duties under this section will survive the termination or expiration of the grant.
- D.17. **Force Majeure.** "Force Majeure Event" means fire, flood, earthquake, elements of nature or acts of God, wars, riots, civil disorders, rebellions or revolutions, acts of terrorism or any other similar cause beyond the reasonable control of the party. Except as provided in this Section, any failure or delay by a party in the performance of its obligations under this Grant Contract arising from a Force Majeure Event is not a breach under this Grant Contract. The non-performing party will be excused from performing those obligations directly affected by the Force Majeure Event, and only for as long as the Force Majeure Event continues, provided that the party continues to use

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diligent, good faith efforts to resume performance without delay. Recipient will promptly notify Metro within forty-eight (48) hours of any delay caused by a Force Majeure Event and will describe in reasonable detail the nature of the Force Majeure Event.

- D.18. **Iran Divestment Act.** In accordance with the Iran Divestment Act, Tennessee Code Annotated § 12-12-101 et seq., Recipient certifies that to the best of its knowledge and belief, neither Recipient nor any of its subcontractors are on the list created pursuant to Tennessee Code Annotated § 12-12-106. Misrepresentation may result in civil and criminal sanctions, including contract termination, debarment, or suspension from being a contractor or subcontractor under Metro contracts.
- D.19. **State, Local and Federal Compliance.** The Recipient agrees to comply with all applicable federal, state and local laws and regulations in the performance of this Grant Contract. Metro shall have the right to terminate this Grant Contract at any time for failure of Recipient to comply with applicable federal, state or local laws in connection with the performance of services under this Grant Contract.
- D.20. **Governing Law and Venue.** The validity, construction and effect of this Grant Contract and any and all extensions and/or modifications thereof will be governed by and construed in accordance with the laws of the State of Tennessee. The venue for legal action concerning this Grant Contract will be in the courts of Davidson County, Tennessee.
- D.21. **Completeness.** This Grant Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Grant Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.
- D.22. **Severability.** In the event any provision of this Agreement is rendered invalid or unenforceable, said provision(s) hereof will be immediately void and may be renegotiated for the sole purpose of rectifying the error. The remainder of the provisions of this Agreement not in question shall remain in full force and effect.
- D.23. **Headings.** Section headings are for reference purposes only and will not be construed as part of this Grant Contract.
- D.24. **Metro Interest in Equipment.** The Recipient will take legal title to all equipment and to all motor vehicles, hereinafter referred to as "equipment," purchased totally or in part with funds provided under this Grant Contract, subject to Metro's equitable interest therein, to the extent of its *pro rata* share, based upon Metro's contribution to the purchase price. "Equipment" is defined as an article of nonexpendable, tangible, personal property having a useful life of more than one year and an acquisition cost which equals or exceeds \$5,000.00.

The Recipient agrees to be responsible for the accountability, maintenance, management, and inventory of all property purchased totally or in part with funds provided under this Grant Contract. Upon termination of the Grant Contract, where a further contractual relationship is not entered into, or at any time during the term of the Grant Contract, the Recipient must request written approval from Metro for any proposed disposition of equipment purchased with Grant funds. All equipment must be disposed of in such a manner as parties may agree as appropriate and in accordance with any applicable federal, state or local laws or regulations.

- D.25. **Assignment—Consent Required.** The provisions of this contract will inure to the benefit of and will be binding upon the respective successors and assignees of the parties hereto. Except for the rights of money due to Recipient under this contract, neither this contract nor any of the rights and obligations of Recipient hereunder may be assigned or transferred in whole or in part without

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the prior written consent of Metro. Any such assignment or transfer will not release Recipient from its obligations hereunder. Notice of assignment of any rights to money due to Recipient under this Contract must be sent to the attention of the Metro Department of Finance.

- D.26. **Gratuities and Kickbacks.** It will be a breach of ethical standards for any person to offer, give or agree to give any employee or former employee, or for any employee or former employee to solicit, demand, accept or agree to accept from another person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparations of any part of a program requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy in any proceeding or application, request for ruling, determination, claim or controversy or other particular matter, pertaining to any program requirement of a contract or subcontract or to any solicitation or proposal therefore. It will be a breach of ethical standards for any payment, gratuity or offer of employment to be made by or on behalf of a subcontractor under a contract to the prime contractor or higher tier subcontractor or a person associated therewith, as an inducement for the award of a subcontract or order. Breach of the provisions of this paragraph is, in addition to a breach of this contract, a breach of ethical standards which may result in civil or criminal sanction and/or debarment or suspension from participation in Metropolitan Government contracts.
- D.27. **Communications and Contacts.** All instructions, notices, consents, demands, or other communications from the Recipient required or contemplated by this Grant Contract must be in writing and must be made by facsimile transmission, or by first class mail, addressed to the respective party at the appropriate facsimile number or address as set forth below or to such other party, facsimile number, or address as may be hereafter specified by written notice.

Metro

For contract-related matters:

Holly.rice@nashville.gov
2500 Charlotte Avenue
Nashville, TN 37209
(615) 340-8900

For inquiries regarding invoices:

Nancy.uribe@nashville.gov
2500 Charlotte Avenue
Nashville, TN 37209
(615) 340-5634

Recipient

Mr. Ahmad Dowla, Director, Operations & Finance
National Network For Safe Communities at John
Jay College
757 Third Ave., 9th Floor
New York, NY 10017-2013
212-599-0100

Legal Notices:

The Research Foundation
of CUNY
Matthew R. Drost
230 West 41st Street
New York, NY 10036

- D.28. **Lobbying.** The Recipient certifies, to the best of its knowledge and belief, that:

- a. No federally appropriated funds have been paid or will be paid, by or on behalf of the Recipient, to any person for influencing or attempting to influence an officer or employee

of any agency, a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, and entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.

- b. If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this grant, loan, or cooperative agreement, the Recipient must complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- c. The Recipient will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, subcontracts, and contracts under grants, loans, and cooperative agreements) and that all subcontractors of federally appropriated funds shall certify and disclose accordingly.

D.29. Certification Regarding Debarment and Convictions.

- a. Recipient certifies that Recipient, and its current and future principals:
 - i. are not presently debarred, suspended, or proposed for debarment from participation in any federal or state grant program;
 - ii. have not within a three (3) year period preceding this Grant Contract been convicted of fraud, or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) grant;
 - iii. have not within a three (3) year period preceding this Grant Contract been convicted of embezzlement, obstruction of justice, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; and
 - iv. are not presently indicted or otherwise criminally charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in sections D.25(a)(ii) and D.25(a)(iii) of this certification.
- b. Recipient shall provide immediate written notice to Metro if at any time Recipient learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals fall under any of the prohibitions of Section D.25(a).

D.30. Effective Date. This contract will not be binding upon the parties until it has been signed first by the Recipient and then by the authorized representatives of the Metropolitan Government and has been filed in the office of the Metropolitan Clerk. When it has been so signed and filed, this contract will be effective as of the date first written above.

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RECIPIENT: The Research Foundation of the City

DS
OV

University of New York obo John Jay College

By:

DocuSigned by:
Matthew Drost
E817BC6195864C5...

Matthew R. Drost

Title:

Chief Counsel

Date 5/15/2024

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IN WITNESS WHEREOF, the parties have by their duly authorized representatives set their signatures.
METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DocuSigned by:

Director, Metro Public Health Department

5/15/2024

Date

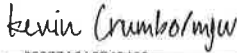
DocuSigned by:

Chair, Board of Health

5/20/2024

Date

APPROVED AS TO AVAILABILITY OF FUNDS:

DocuSigned by:

Director, Department of Finance

DS

R

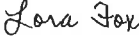
DS

AP

5/20/2024

Date

APPROVED AS TO RISK AND INSURANCE:

DocuSigned by:

Director of Risk Management Services

5/21/2024

Date

APPROVED AS TO FORM AND LEGALITY:


Metropolitan Attorney

5/21/2024

Date

FILED:

Metropolitan Clerk

Date

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Table of Contents of Attachments:

- A. Internal Revenue Service 501 (c)(3) Tax-Exempt Organization Letter
- B. Non-Profit Charter and Tennessee Secretary of State Non-Profit Confirmation
- C. Independent Audit completed by Certified Public Accountant
- D. Non-Profit Grants Manual Receipt Acknowledgement

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY GRANT SPENDING PLAN

RECIPIENT NAME:	Research Foundation of CUNY o/b/o National Network for Safe Communities (NNSC) at John Jay College
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THE FOLLOWING IS APPLICABLE TO EXPENSES PLANNED TO BE INCURRED DURING THE CONTRACT GRANT PERIOD to 06/30/24				
	EXPENSE OBJECT LINE-ITEM CATEGORY	METRO GRANT FUNDS	RECIPIENT MATCH (participation)	TOTAL PROJECT
	Salaries and Wages	\$77,831.63	\$0.00	\$77,831.63
	Benefits and Taxes	\$25,219.67	\$0.00	\$25,219.67
	Professional Fees	\$0.00	\$0.00	\$0.00
	Supplies	\$3,076.53	\$0.00	\$3,076.53
	Communications	\$0.00	\$0.00	\$0.00
	Postage and Shipping	\$0.00	\$0.00	\$0.00
	Occupancy	\$0.00	\$0.00	\$0.00
	Equipment Rental and Maintenance	\$0.00	\$0.00	\$0.00
	Printing and Publications	\$0.00	\$0.00	\$0.00
	Travel/ Conferences and Meetings	\$10,292.50	\$0.00	\$10,292.50
	Insurance	\$0.00	\$0.00	\$0.00
	Specific Assistance to Individuals	\$0.00	\$0.00	\$0.00
	Other Non-Personnel	\$23,579.67	\$0.00	\$23,579.67
	GRAND TOTAL	\$140,000.00	\$0.00	\$140,000.00

Department of the Treasury
Internal Revenue ServiceP.O. Box 2508
Cincinnati OH 45201In reply refer to: 0752879202
Jan. 12, 2023 LTR 4170C 0
13-1988190 000000 00

00044311

BODC: TE

RESEARCH FOUNDATION OF THE CITY
UNIVERSITY OF NEW YORK
230 WEST 41ST STREET
NEW YORK NY 10036-7207

006550

Person to contact: Customer Service

Dear Taxpayer:

We're responding to your request of Jan. 03, 2023, about the tax-exempt status of RESEARCH FOUNDATION OF THE CITY UNIVERSITY OF N

We issued a determination letter in June 1982, granting this organization exemption from federal income tax under Internal Revenue Code Section 501(c)(03).

Our records show this organization is not a private foundation within the meaning of Internal Revenue Code (IRC) Section 509(a) because it's described in IRC Sections 509(a)(1) and 170(b)(1)(A)(i).

Donors can deduct contributions to this organization as provided in Internal Revenue Code (IRC) Section 170. Bequests, legacies, devises, transfers, or gifts to the organization or for its use are deductible for federal estate and gift tax purposes if they meet the requirements of IRC Sections 2055, 2106, and 2522.

If an organization fails to file a required annual return or notice for three consecutive years, its tax-exempt status is revoked by operation of law. This is stated in IRC Section 6033(j)(1). The revocation is effective on the filing due date of the third annual return or notice. For more information about filing requirements, you can visit our website at www.irs.gov/eo.

If you have questions, call 877-829-5500 between 8 a.m. and 5 p.m., local time, Monday through Friday (Alaska and Hawaii follow Pacific time).

Thank you for your cooperation.

**The University of the State of New York
Education Department**

**Absolute Charter of
RESEARCH FOUNDATION OF THE CITY UNIVERSITY OF NEW YORK**

The instrument witnesseth That the Board of Regents for and on behalf of the Education Department of the State of New York has granted this absolute charter.

1. Incorporating Eugene T. Burdock, Harry J. Carman, Gladys M. Dorman, Buell G. Gallagher, Harry D. Gideonse, Arthur H. Kahn, John J. Meng, Mina Rees, Gustave G. Rosenberg, Harold W. Stoke, Ella S. Streator and Charles H. Tuttle, and their associates and successors as an educational corporation under the corporate name of Research Foundation of The City University of New York, to be located in the city, county, and State of New York.
2. The purpose for which such corporation is formed are:
 - a. To assist in developing and increasing the facilities of The City University of New York to provide more extensive educational opportunities and service to its constituent colleges, students, faculties, staffs and alumni, and to the general public, by making and encouraging gifts, grants, contributions and donations of real and personal property to or for the benefit of The City University of New York;
 - b. To receive, hold and administer gifts or grants, and to act without profit as trustee of educational or charitable trusts of benefit to and in keeping with the educational purposes and objects of The City University of New York; and
 - c. To finance the conduct of studies and research in any and all fields of intellectual inquiry of benefit to and in keeping with the educational purposes and objects of The City University of New York and/or its constituent colleges, and to enter into contractual relationships appropriate to the purposes of the Corporation
3. The persons named as incorporators shall constitute the first board of trustees. The board shall have power to adopt by laws, including therein provisions fixing the method of election and the term of office of trustees and shall have power also, by vote of two-thirds of all the members of the board of trustees, to change the number of trustees, to be not more than 25 nor less than 5.
4. The corporation hereby created shall be a non-stock corporation organized and operated exclusively for educational purposes, and no part of its earnings or net income shall inure to the benefit of any individual, and no officer, member, or employee of the corporation shall receive or be entitled to receive any pecuniary profit from the operations thereof, except reasonable compensation for services
5. The principal office of the corporation is to be located in the city, county, and State of New York.
6. The Commissioner of Education is designated as the representative of the corporation upon whom process in any action or proceeding against it may be served.

GRANTED January 24, 1963 by the Board of Regents
for and on behalf of the State Education Department,
executed under the seal of said
Department and recorded therein,
Number 8302

Edgar W. Cooper
Chancellor

James E. Allen, Jr.
President of the University and Commissioner of Education

Consolidated Financial Statements and Report of Independent Certified Public Accountants

**Research Foundation of The City University of
New York and Related Entity**

June 30, 2022 and 2021

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GRANT THORNTON LLP

757 Third Ave., 9th Floor
New York, NY 10017-2013

D +1 212 599 0100

F +1 212 370 4520

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors of the
Research Foundation of The City University of New York and Related Entity

Opinion

We have audited the consolidated financial statements of the Research Foundation of The City University of New York and related entity (collectively, "RF CUNY"), which comprise the consolidated balance sheets as of June 30, 2022 and 2021, and the related consolidated statements of activities and cash flows for the years 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 RF CUNY as of June 30, 2022 and 2021, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for opinion

We conducted our audits of the consolidated financial statements in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of RF CUNY and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 financial statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, 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 RF CUNY's ability to continue as a going concern for one year after the date the consolidated financial statements are available to be issued.

**Auditor's responsibilities for the audit of the 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 auditor's 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 US GAAS 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 US GAAS, 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 RF CUNY'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 RF CUNY'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.

Other matters*Supplementary information*

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2022 consolidating information included in pages 6 - 7 is presented for purposes of additional analysis and is not a required part of the 2022 consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2022 consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2022 consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the 2022 consolidated financial statements or to the 2022



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 2022 consolidating information is fairly stated, in all material respects, in relation to the 2022 consolidated financial statements as a whole.

Grant Thornton LLP

New York, New York
October 28, 2022

Research Foundation of The City University of New York and Related Entity

CONSOLIDATED BALANCE SHEETS
As of June 30, 2022 and 2021
(with consolidating information as of June 30, 2022)

	2022					
	Consolidating Information					
	230 West 41st					
	Foundation	Street LLC	Eliminations	Total	2021	
ASSETS						
Cash and cash equivalents	\$ 240,087,773	\$ 18,734,678	\$ -	\$ 258,822,451	\$ 198,186,898	
Restricted cash (Notes 2 and 8)	-	1,815,440	-	1,815,440	1,614,436	
Grants, contracts, and accounts receivable (net of allowance of \$2,700,000 in 2022 and \$3,700,000 in 2021)	101,707,596	-	-	101,707,596	102,301,763	
Rent receivable (net of allowance of \$0 in 2022 and \$132,193 in 2021)	-	272,559	-	272,559	1,208,375	
Prepaid expenses and other assets	3,904,319	724,375	-	4,628,694	5,694,958	
Prepaid postretirement benefits asset (Note 4)	41,113,712	-	-	41,113,712	19,633,785	
Investments, at fair value (Note 3)	44,204,494	-	-	44,204,494	50,914,594	
Investment in 230 West 41st Street LLC	25,752,984	-	(25,752,984)	-	-	
Deferred rent receivable	-	22,220,290	(4,415,276)	17,805,014	17,493,349	
Deferred costs (net of accumulated amortization of \$5,633,342 in 2022 and \$5,356,570 in 2021)	-	1,674,910	-	1,674,910	1,829,637	
Fixed assets:						
Rental property, net (Note 7)	-	40,469,826	-	40,469,826	40,425,616	
Furniture, fixtures, and equipment (net of accumulated depreciation of \$3,546,385 in 2022 and \$3,533,927 in 2021)	-	-	-	-	-	
Total assets	<u>\$ 456,772,086</u>	<u>\$ 85,912,078</u>	<u>\$ (30,168,260)</u>	<u>\$ 512,515,904</u>	<u>\$ 439,317,076</u>	
LIABILITIES AND NET ASSETS						
Liabilities:						
Accounts payable and accrued expenses (Notes 4 and 6)	\$ 84,629,853	\$ 799,684	\$ -	\$ 85,429,537	\$ 84,812,033	
Deferred revenue (Note 5)	127,365,787	9,689	-	127,375,476	88,541,289	
Grants payable to CUNY (Note 9)	4,894,276	-	-	4,894,276	4,103,081	
Deferred rent payable	4,415,276	-	(4,415,276)	-	-	
Tenant security deposits payable	-	563,377	-	563,377	407,452	
Deposits held in custody for CUNY colleges	131,016,165	-	-	131,016,165	121,518,707	
Mortgage loan payable, net (Note 8)	-	58,786,344	-	58,786,344	60,248,003	
Total liabilities	<u>352,321,357</u>	<u>60,159,094</u>	<u>(4,415,276)</u>	<u>408,065,175</u>	<u>359,630,565</u>	
Commitments and contingencies (Notes 2, 6 and 10)						
Net assets:						
Without donor restrictions:						
Postretirement benefits	41,113,712	-	-	41,113,712	19,633,785	
230 West 41st Street LLC	25,752,984	25,752,984	(25,752,984)	25,752,984	23,237,816	
Other	<u>37,584,033</u>	<u>-</u>	<u>-</u>	<u>37,584,033</u>	<u>36,814,910</u>	
Total net assets	<u>104,450,729</u>	<u>25,752,984</u>	<u>(25,752,984)</u>	<u>104,450,729</u>	<u>79,686,511</u>	
Total liabilities and net assets	<u>\$ 456,772,086</u>	<u>\$ 85,912,078</u>	<u>\$ (30,168,260)</u>	<u>\$ 512,515,904</u>	<u>\$ 439,317,076</u>	

(N0613711 1)

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

Research Foundation of The City University of New York and Related Entity

CONSOLIDATED STATEMENTS OF ACTIVITIES
For the years ended June 30, 2022 and 2021
(with consolidating information for the year ended June 30, 2022)

	2022				
	Consolidating Information				
	230 West 41st				
	Foundation	Street LLC	Eliminations	Total	2021
Grants and contracts administered for others:					
Revenue:					
Governmental	\$ 344,800,017	\$ -	\$ -	\$ 344,800,017	\$ 340,990,967
Private	139,650,184	-	-	139,650,184	127,209,230
Total grants and contracts revenue	484,450,201	-	-	484,450,201	468,200,197
Expenses:					
Research	(181,720,933)	-	-	(181,720,933)	(154,507,450)
Training	(132,413,338)	-	-	(132,413,338)	(148,761,720)
Other sponsored activity	(125,993,046)	-	-	(125,993,046)	(123,396,902)
Other institutional activity	(44,322,884)	-	-	(44,322,884)	(41,534,125)
Total grants and contracts expenses	(484,450,201)	-	-	(484,450,201)	(468,200,197)
Administrative services:					
Revenue:					
Administrative fees	34,164,717	-	-	34,164,717	31,960,299
Investment (loss) return	(167,854)	15,038	-	(152,816)	(9,727)
Rental income (Notes 6 and 9)	-	15,579,297	(4,096,544)	11,482,753	11,965,276
Other	13,760	86,530	-	100,290	71,428
Total administrative revenue	34,010,623	15,680,865	(4,096,544)	45,594,944	43,987,276
Expenses:					
Management and general	(31,510,392)	-	4,096,544	(27,413,848)	(27,963,969)
Postretirement credit (Note 4)	14,267,991	-	-	14,267,991	2,784,109
Grants to CUNY for central research initiatives (Note 9)	(2,718,650)	-	-	(2,718,650)	(2,300,000)
Operating expenses of 230 West 41st Street LLC (Note 10)	-	(6,301,214)	-	(6,301,214)	(4,524,556)
Interest expense	-	(2,914,220)	-	(2,914,220)	(2,984,189)
Real estate taxes (Note 11)	-	(1,188,821)	-	(1,188,821)	(1,374,034)
Depreciation and amortization	(12,458)	(1,761,442)	-	(1,773,900)	(1,920,501)
Total administrative expenses	(19,973,509)	(12,165,697)	4,096,544	(28,042,662)	(38,283,140)
Excess of revenue over expenses before other changes	14,037,114	3,515,168	-	17,552,282	5,704,136
Other changes:					
Change in Foundation investment in 230 West 41st Street LLC	2,515,168	-	(2,515,168)	-	-
230 West 41st Street LLC distribution to Foundation	1,000,000	(1,000,000)	-	-	-
Postretirement benefits changes other than net periodic benefit cost (Note 4)	7,211,936	-	-	7,211,936	13,783,998
Increase (decrease) in net assets	24,764,218	2,515,168	(2,515,168)	24,764,218	19,488,134
Net assets at beginning of year	79,686,511	23,237,816	(23,237,816)	79,686,511	60,198,377

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

Net assets at end of year	Research Foundation of The City University of New York and Related Entity (25,752,984)	\$ 104,450,729	\$ 79,686,511
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CONSOLIDATED STATEMENTS OF ACTIVITIES

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

Research Foundation of The City University of New York and Related Entity

CONSOLIDATED STATEMENTS OF CASH FLOWS

For the years ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Increase in net assets without donor restrictions	\$ 24,764,218	\$ 19,488,134
Adjustments to reconcile increase in net assets without donor restrictions to net cash provided by operating activities:		
Depreciation and amortization	1,817,471	2,042,303
Provision for bad debts	573,074	334,512
Postretirement benefits changes other than net periodic benefit cost	(7,211,936)	(13,783,998)
Net depreciation in fair value of investments	761,205	8,589
Changes in assets and liabilities:		
Grants, contracts, accounts, and rents receivable	956,909	(50,257)
Prepaid expenses and other assets	1,066,264	(1,216,040)
Deferred rent receivable	(311,665)	(318,895)
Accounts payable and accrued expenses, and security deposit payable	482,711	(9,762,153)
Deferred revenue	38,834,187	(680,161)
Grants payable to CUNY	791,195	841,935
Postretirement benefits payable	(14,267,991)	(2,784,109)
Deposits held in custody for CUNY colleges	9,497,458	8,590,272
Net cash provided by operating activities	57,753,100	2,710,132
Cash flows from investing activities:		
Expenditures for rental property improvements	(1,238,163)	(26,510)
Payment of deferred leasing costs	(122,045)	(6,895)
Purchases of investments	(60,857,146)	(78,290,424)
Sales and maturity of investments	66,806,041	77,324,104
Net cash provided by (used in) investing activities	4,588,687	(999,725)
Cash flows from financing activities:		
Principal payments on mortgage loan	(1,505,230)	(1,435,538)
Net cash used in financing activities	(1,505,230)	(1,435,538)
Net increase in cash, cash equivalents, and restricted cash	60,836,557	274,869
Cash, cash equivalents, and restricted cash at beginning of year	199,801,334	199,526,465
Cash, cash equivalents, and restricted cash at end of year	\$ 260,637,891	\$ 199,801,334
Supplemental cash flow disclosure:		
Cash paid for interest	\$ 2,876,608	\$ 2,946,300
Additions for rental property improvements included in accounts payable and accrued expenses	\$ 290,718	\$ 8,790

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

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2022 and 2021

NOTE 1 - ORGANIZATION AND PURPOSE

The Research Foundation of The City University of New York (the "Foundation") was chartered in 1963 to further the purposes of The City University of New York (the "University" or "CUNY") through the pursuit, acquisition, and administration of grants and gifts. The Foundation is a separate legal entity and is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code (the "Code") and similar state provisions.

230 West 41st Street LLC (the "LLC") was established on May 7, 2004 as a Delaware limited liability company and organized pursuant to the Limited Liability Operating Agreement (the "Agreement") dated July 14, 2004 between the Foundation (the Sole Member with a 100% interest in the LLC) and the LLC. The LLC was formed to acquire, own, and operate an approximately 300,000 square-foot office building located at 230 West 41st Street in New York, New York (the "Property"). The LLC is a single member limited liability company and, accordingly, is treated as a disregarded entity for federal, state, and local income tax purposes.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements, which consolidate the accounts of the Foundation and the LLC (collectively, "RF CUNY"), are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) for external financial reporting by not-for-profit organizations. All intercompany accounts and transactions have been eliminated in consolidation.

Net assets and changes in net assets are classified based on the existence or absence of donor-imposed restrictions, if any. Accordingly, net assets are classified and reported as follows:

Net Assets Without Donor Restrictions

Net assets without donor restrictions represent resources that are not restricted by donors and, therefore, are fully available at the discretion of the Foundation's Board of Directors and management in meeting its organizational mission and operational objectives. Net assets without donor restrictions may be designated for specific purposes by the Foundation's Board of Directors or may be limited by legal requirements or contractual agreements with outside parties.

Net Assets With Donor Restrictions

Net assets with donor restrictions represent resources that are subject to donor-imposed stipulations whose use is restricted by time and/or purpose. When donor restrictions expire, that is, when a purpose restriction is fulfilled or a time restriction ends, such net assets are reclassified to net assets without donor restrictions and reported in the consolidated statements of activities as net assets released from restrictions.

At June 30, 2022 and 2021, none of RF CUNY's net assets or changes therein were subject to donor-imposed restrictions and, accordingly, were classified and reported as net assets without donor restrictions.

Revenues and gains and losses on investments and other assets are reported as changes in net assets without donor restrictions unless limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in net assets without donor restrictions.

Research Foundation of The City University of New York and Related Entity**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED****June 30, 2022 and 2021*****Grants and Contracts Revenue Recognition***

RF CUNY recognizes government and private grants and contracts as either contributions or exchange transaction revenues, depending on whether the transaction is reciprocal or nonreciprocal. For contributions, revenue is recognized when a contribution becomes unconditional. Typically, grant and contract agreements contain a right of return or right of release from the respective obligation provision on the part of the grantor and RF CUNY has limited discretion over how funds transferred should be spent. As such, RF CUNY recognizes revenue for these conditional contributions when the related barrier to entitlement has been overcome.

Revenue from grants and contracts is awarded to and accepted by the Foundation and various units of the University, as joint grantees, primarily for research, training, other sponsored activity and other institutional activity. Included in private grants and contracts revenue are grants sponsored by CUNY, totaling approximately \$19,828,000 and \$19,703,000 for the years ended June 30, 2022 and 2021, respectively.

Facilities and administrative costs recovered on grants and contracts are recorded at rates negotiated by the Foundation with its federal cognizant agency or predetermined by the nonfederal sponsor. Facilities and administrative cost rates for government grants and contracts are subject to audit, and subsequent final settlements, if any, are recorded as current period adjustments. Management believes the impact of any future settlements to be immaterial to the accompanying consolidated financial statements.

The cost of operating the Foundation is covered by a fee charged on the activity it administers. Sponsored projects and all recovery account activity are included in the fee calculation. The current fee structure recognizes that services vary widely, depending on the requirements of each sponsored research project, and that there are varying costs associated with each service, driven largely by workload. The Foundation has identified six distinct areas of cost - construction, personal services, other than personal services, independent contractor agreements/MOUs, subawards and equipment grants. The fee is assessed based on actual project expenditures, not award amounts, and is generally paid with college overhead funds.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors and adjusts such estimates when facts and circumstances dictate. In the preparation of RF CUNY's consolidated financial statements, management uses significant accounting estimates with respect to the valuation of accounts receivable and postretirement benefit obligation.

Cash Equivalents

Highly liquid debt instruments with maturities at date of purchase of three months or less are classified as cash equivalents, except for those short-term investments that are managed by an external investment manager for long-term investment purposes.

Investments

Investments are reported at fair value based upon quoted market prices. Realized and unrealized gains and losses on investments are reflected in the accompanying consolidated statements of activities.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

The fair value of debt and equity securities with a readily determinable fair value is based on quotations obtained from national security exchanges. The fair value of non-U.S Treasury debt securities is determined by a nationally recognized independent pricing service.

Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based on average cost and are recorded in the consolidated statements of activities in the period in which the securities are sold. Dividends are accrued based on the ex-dividend date. Interest is recognized as earned.

Common trust funds are carried at net asset values ("NAV") as provided by the investment managers as of the reporting date.

All investment securities are exposed to various risks, such as interest risk, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities could occur in the near term and such changes could materially affect the amounts reported in the accompanying consolidated financial statements.

Rental Revenue Recognition

Base rental income relating to the LLC is recognized on a straight-line basis, rather than in accordance with lease payment schedules. Accordingly, scheduled base rent increases and the effects of rent abatements are spread evenly over the terms of the respective leases. Differences between the straight-line rents recorded and the amounts actually received are reported as deferred rent receivable in the accompanying consolidated balance sheets. Allowances are provided for uncollectible amounts, as appropriate.

Rental Property

Building and building improvements of the LLC are carried at cost and are depreciated, using the straight-line method, over their estimated useful lives of 39 years or the life of the improvements, whichever is shorter. Significant renovations or improvements that extend the economic life of the Property are capitalized. Expenditures for maintenance and repairs are expensed as incurred.

The LLC reviews the carrying amount of the Property for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment adjustments have been made as a result of this review process during 2022 or 2021.

Furniture, Fixtures and Equipment

Furniture, fixtures, and equipment and leasehold improvements are stated at cost. Depreciation of furniture, fixtures, and equipment is computed on a straight-line basis over the estimated useful lives of the assets, ranging from five to seven years. Amortization of leasehold improvements is computed on a straight-line basis over the estimated useful lives of the assets, not to exceed the remaining life of the lease.

Equipment purchased by the Foundation on behalf of various units of the University from grant and contract funds is to be used in the project for which it was purchased and is not included in the Foundation's fixed assets in the accompanying consolidated balance sheets as it is subject to return to those respective grantors.

Purchase Accounting for Acquisition of Real Estate

The fair value of the LLC's acquired rental property was allocated to the acquired tangible assets, consisting of land and building; and identified intangible assets and liabilities, consisting of the value of above-market and below-market leases, other value of in-place leases, and value of tenant relationships, based in each case on their respective fair values.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Deferred Costs

Deferred financing costs were incurred in obtaining long-term financing for the LLC's Property acquisition. Such costs are being amortized on a straight-line basis over the term of the related debt and are recorded as a component of interest expense.

Restricted Cash

Restricted cash of the LLC includes amounts to be funded for tenant improvements, repairs, real estate taxes, and insurance as required by the LLC's loan agreement. Restricted cash also includes tenant security deposits held in accordance with tenant leases and other tenant deposits held for improvements to leased space.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported in the consolidated balance sheets that sum to the same such totals shown in the consolidated statements of cash flows:

	2022	2021
Cash and cash equivalents	\$ 258,822,451	\$ 198,186,898
Restricted cash	1,815,440	1,614,436
Total cash, cash equivalents and restricted cash	\$ 260,637,891	\$ 199,801,334

Deposits Held in Custody for CUNY Colleges

Deposits held in custody for CUNY colleges reflect those resources held on behalf of the individual colleges of the University. These accounts are credited with recoveries related to facilities and administrative costs, released time and summer salary recoveries, as well as CUNY Charitable Gift Trust Annuity Funds of the respective colleges.

Fair Value Measurements

Fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as of the measurement date. RF CUNY measures the fair value of its financial assets using a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at measurement date. It prioritizes the inputs to the valuation techniques used to measure fair value by giving 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).

RF CUNY's interests in common trust funds are generally reported at NAV per share by the fund managers, which is used as a practical expedient to estimate the fair value of such investments. Those funds that use NAV as a practical expedient to estimate fair value are not categorized in the fair value hierarchy.

Income Taxes

RF CUNY is exempt from federal income tax under Section 501(a) of the Code as an organization described in section 501(c)(3), though it is subject to tax on income unrelated to its exempt purpose, unless that income is otherwise excluded by the Code.

RF CUNY follows guidance that clarifies the accounting for uncertainty in tax positions taken or expected to be taken in a tax return, including issues relating to financial statement recognition and measurement.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

This guidance provides that the tax effects from an uncertain tax position can only be recognized in the consolidated financial statements if the position is more likely than not to be sustained if the position were to be challenged by a taxing authority. The assessment of the tax position is based solely on the technical merits of the position, without regard to the likelihood that the tax position may be challenged.

New Authoritative Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-02, *Leases (Topic 842)*, which requires lessees and lessors to recognize leases on the balance sheet and disclose key information about leasing arrangements. Accounting Standards Codification ("ASC") Topic 842 ("ASC 842") establishes a right of use ("ROU") model that requires lessees and lessors to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the income statement. This ASU is effective for RF CUNY for annual periods beginning after December 15, 2021 (i.e., fiscal year ending June 30, 2023). Early adoption is permitted. RF CUNY is in the process of evaluating the new guidance and has not determined the impact this standard may have on the consolidated financial statements.

NOTE 3 - INVESTMENTS

Investments held by the Foundation consisted of the following at June 30, 2022 and 2021:

	<u>Fair Value</u>	
	<u>2022</u>	<u>2021</u>
U.S. money market	\$ 4,973,536	\$ 2,674,600
U.S. treasury bills	24,087,937	30,282,626
U.S. government agency obligations	1,266,440	1,064,068
U.S. equity securities	940,853	1,195,943
U.S. corporate bonds	<u>12,935,728</u>	<u>15,697,357</u>
Total	<u>\$ 44,204,494</u>	<u>\$ 50,914,594</u>

At June 30, 2022 and 2021, the Foundation's investments were categorized as Level 1, except for U.S. corporate bonds, which were categorized as Level 2.

NOTE 4 - PENSION AND OTHER RETIREMENT BENEFITS

Eligible employees of the Foundation and certain project personnel are covered under a defined contribution pension plan established with Teachers Insurance and Annuity Association. The Foundation's contribution to the pension plan is based on specified percentages, ranging from 8% to 14%, of each employee's annual salary. Total pension expense for the years ended June 30, 2022 and 2021 was approximately \$10,889,158 and \$12,089,000, respectively. There are no unfunded past service costs.

In addition to providing pension benefits, the Foundation also provides postemployment benefits, including salary continuance, to certain employees. The cost of these benefits is accrued over the employees' years of service. Postemployment benefits liability included in accounts payable and accrued expenses was \$3,337,084 and \$3,087,713 as of June 30, 2022 and 2021, respectively.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

The Foundation also provides certain healthcare benefits to retired employees (including eligible dependents) who have a combination of age and years of service equal to 70 with a minimum age of 62 and at least 10 years of continuous service. The Foundation accounts for postretirement medical and other nonpension benefits provided to retirees on an accrual basis during the period of their employment.

The Foundation charges grants and contracts, as well as the administrative services department for postretirement benefit costs through the application of a fringe benefit rate, an element of which is based upon the estimated amount of such costs. In addition, a charge or credit is recognized in administrative services expenses for the difference between the actuarially determined net periodic postretirement benefit cost and the amount funded (claims paid and contributions to the trust).

Information with respect to the postretirement plan follows:

	2022	2021
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 203,971,610	\$ 192,140,722
Service cost	5,561,916	5,178,361
Interest cost	5,427,969	4,829,443
Actuarial (gain) loss	(50,648,868)	7,419,892
Benefits paid and administrative expenses	(5,871,423)	(5,596,808)
Benefit obligation at end of year	158,441,204	203,971,610
Change in plan assets:		
Fair value of plan assets at beginning of year	223,605,395	195,206,400
Actual return on plan assets	(33,050,479)	28,398,995
Employer contributions	14,871,423	5,596,808
Benefits paid and administrative expenses	(5,871,423)	(5,596,808)
Fair value of plan assets at end of year	199,554,916	223,605,395
Funded status, recorded as an asset in the accompanying consolidated balance sheets	\$ (41,113,712)	\$ (19,633,785)
Components of net periodic cost:		
Service cost	\$ 5,561,916	\$ 5,178,361
Interest cost	5,427,969	4,829,443
Expected return on plan assets	(11,180,270)	(9,760,320)
Recognized prior service credit	793,817	2,565,215
Net periodic benefit cost	\$ 603,432	\$ 2,812,699
Weighted average assumptions for the years ended June 30:		
Discount rate used to determine benefit obligation	4.40%	2.70%
Discount rate used to determine net periodic benefit cost	2.70	2.55
Expected return on plan assets	5.00	5.00

For measurement purposes, increases in healthcare costs (5.75% in 2022) were assumed to decrease by 0.25% per year in years 2023 through 2030 to an ultimate rate of 3.5% in 2031 and after.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Assumed healthcare trend rates have a significant effect on the amounts reported for postretirement plans. A one percentage point change in assumed healthcare cost trend rates would have the following effects for 2022:

	1% Increase	1% Decrease
Effect on total of service and interest cost components	\$ 2,279,278	\$ (1,957,153)
Effect on postretirement benefit obligation	20,974,049	(20,366,123)

The Foundation made contributions of \$9,000,000 and \$0 to the postretirement plan in 2022 and 2021, respectively. In addition, for the years ended June 30, 2022 and 2021, the Foundation paid claims and expenses of \$5,871,423 and \$5,596,808, respectively. The Foundation expects to contribute or pay claims and expenses aggregating to approximately \$1,000,000 in 2023.

The benefits expected to be paid in each fiscal year from 2023 through 2027 and the five subsequent years are:

<u>Year Ending June 30,</u>	
2023	\$ 6,217,803
2024	6,729,685
2025	7,280,179
2026	7,851,708
2027	8,446,517
2028 - 2032	48,308,516
Total	<u>\$ 84,834,408</u>

At June 30, 2022 and 2021, the items not yet recognized as a component of net periodic benefit cost follow:

	2022	2021
Net loss	\$ 22,560,164	\$ 29,772,100

The actuarial loss that is expected to be amortized into net periodic cost in fiscal year 2023 is \$278,424.

Investment allocation and strategy decisions are generally made by management and the Foundation's Board of Directors. The postretirement plan's weighted average asset allocations at June 30, 2022 and 2021, by asset category, follow:

	Target Allocation 2022	Actual Allocation 2022	Target Allocation 2021	Actual Allocation 2021
Growth portfolio:				
Domestic equity securities	24% - 70%	56%	24% - 70%	58%
Debt securities	13% - 42%	31%	13% - 42%	25%
Commodities	0% - 7%	0%	0% - 7%	1%
International equity securities	9% - 34%	4%	9% - 34%	7%
Cash equivalents	0% - 5%	9%	0% - 5%	9%
		<u>100%</u>		<u>100%</u>

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

	Target Allocation 2022	Actual Allocation 2022	Target Allocation 2021	Actual Allocation 2021
Immunized fixed income:				
Debt securities	100%	86%	100%	93%
Cash equivalents	0%	14%	0%	7%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

The Foundation's plan assets are measured at fair value. Investments in equity securities and mutual funds with readily determinable fair values and all investments in debt securities are reported at fair value based upon quoted market prices.

The following tables present the Foundation's fair value hierarchy for postretirement assets, which are measured at fair value on a recurring basis, as of June 30, 2022 and 2021:

		2022		
	Fair Value	Level 1	Level 2	Level 3
Debt securities:				
Fixed income mutual fund	\$ 5,017,158	\$ 5,017,158	\$ -	\$ -
Corporate bonds	61,751,673	-	61,751,673	-
U.S. government obligations	10,776,720	10,776,720	-	-
Foreign bonds	10,416,263	-	10,416,263	-
Other	2,076,887	-	2,076,887	-
Total debt securities	<u>90,038,701</u>	<u>15,793,878</u>	<u>74,244,823</u>	<u>-</u>
Equity securities:				
Equity mutual funds	36,990,679	36,990,679	-	-
U.S. common stock	36,335,117	36,335,117	-	-
American depositary receipts	3,807,379	3,807,379	-	-
Foreign stock	1,869,319	1,869,319	-	-
Real estate investment trusts	932,689	932,689	-	-
Total equity securities	<u>79,935,183</u>	<u>79,935,183</u>	<u>-</u>	<u>-</u>
Short-term investments	<u>17,844,164</u>	<u>17,844,164</u>	<u>-</u>	<u>-</u>
Total	<u>187,818,048</u>	<u>\$ 113,573,225</u>	<u>\$ 74,244,823</u>	<u>\$ -</u>
Investments valued at NAV	<u>11,736,868</u>			
	<u>\$ 199,554,916</u>			

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

	Fair Value	2021		
		Level 1	Level 2	Level 3
Debt securities:				
Fixed income mutual fund	\$ 7,094,835	\$ 7,094,835	\$ -	\$ -
Corporate bonds	67,863,141	-	67,863,141	-
U.S. government obligations	10,504,721	10,504,721	-	-
Foreign bonds	11,320,414	-	11,320,414	-
Other	2,095,338	-	2,095,338	-
Total debt securities	98,878,449	17,599,556	81,278,893	-
Equity securities:				
Equity mutual funds	44,104,037	44,104,037	-	-
U.S. common stock	45,051,900	45,051,900	-	-
American depositary receipts	7,548,146	7,548,146	-	-
Foreign stock	3,115,840	3,115,840	-	-
Real estate investment trusts	1,030,205	1,030,205	-	-
Total equity securities	100,850,128	100,850,128	-	-
Short-term investments	14,677,468	14,677,468	-	-
Total	214,406,045	\$ 133,127,152	\$ 81,278,893	\$ -
Investments valued at NAV	9,199,350			
	\$ 223,605,395			

The following table summarizes investments for which fair value is measured using the NAV per share practical expedient as of June 30, 2022 and 2021:

	2022 Fair Value	2021 Fair Value	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period	Redemption Restrictions
Common trust funds ^(a)	\$11,736,868	\$ 9,199,350	None	Daily	1 Day	None

^(a) This category is comprised of investments in an equity fund, a fixed income fund and a short-term investment fund. The equity and fixed income funds are designed to provide investment results that correspond to the price and yield performance of publicly traded common stocks of large-sized and mid-sized domestic companies, respectively. The short-term investment fund is designed to invest and reinvest substantially all of its assets in short-term obligations having a stated maturity date of 365 days or less.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE 5 - DEFERRED REVENUE

At June 30, 2022 and 2021, cash advances for grants and contracts were for the following projects:

	2022	2021
Research	\$ 30,279,073	\$ 19,192,429
Training	30,240,258	23,353,530
Other sponsored activity	44,734,320	24,631,612
Other institutional activity	22,121,825	21,363,718
	<u>\$ 127,375,476</u>	<u>\$ 88,541,289</u>

NOTE 6 - COMMITMENTS

Rental Income Under Operating Leases

Future minimum rental receipts under the LLC's operating leases follow:

Year Ending June 30,	LLC	Less: Foundation Portion Eliminated in Consolidation	Total
2023	\$ 12,790,625	\$ 3,562,858	\$ 9,227,767
2024	13,044,232	3,651,929	9,392,303
2025	13,739,544	3,999,551	9,739,993
2026	13,901,193	4,110,684	9,790,509
2027	13,649,999	4,213,451	9,436,548
Thereafter	99,358,649	33,356,622	66,002,027
Total minimum rental receipts	<u>\$ 166,484,242</u>	<u>\$ 52,895,095</u>	<u>\$ 113,589,147</u>

Pursuant to the individual tenant leases, the tenants pay their proportionate share of operating the Property, including real estate taxes, certain insurance premiums, and other expenses that are not included above. CUNY's portion of the above future minimum rental receipts is approximately \$92,000,000.

Letter of Credit

In fiscal year 2008, the Foundation entered into an agreement with one of its health insurance carriers whereby the Foundation is required to pay the carrier, in advance, for claims incurred but not reported in the event of plan termination. The carrier has allowed the Foundation to retain this payment, which totals \$3,125,400 and \$3,254,913 included as a component of accounts payable and accrued expenses in the accompanying consolidated balance sheets as of June 30, 2022 and 2021, and is secured by an irrevocable letter of credit to the carrier for the same amount, which expires on December 31, 2022.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE 7 - RENTAL PROPERTY

Rental property (78% occupied as of June 30, 2022) consisted of the following at June 30:

	2022	2021
Land	\$ 9,037,040	\$ 9,037,040
Building	36,149,160	36,149,160
Building improvements	12,991,656	12,663,113
Tenant improvements	16,857,194	15,630,186
Construction-in-progress	21,720	48,391
Total	75,056,770	73,527,890
Accumulated depreciation	(34,586,944)	(33,102,274)
Rental property, net	\$ 40,469,826	\$ 40,425,616

NOTE 8 - MORTGAGE LOAN PAYABLE, NET

Outstanding mortgage loan payable as of June 30, 2022 and 2021 consisted of the following:

	2022	2021
Mortgage loan payable	\$ 59,738,927	\$ 61,244,157
Less unamortized costs of issuance	(952,583)	(996,154)
Mortgage loan payable, net	\$ 58,786,344	\$ 60,248,003

The LLC entered into a mortgage loan (the "loan") on May 12, 2014 with an original principal amount of \$70 million, which matures on June 1, 2044. The loan bears interest at a rate of 4.75%. The monthly principal and interest payments of \$365,153 began on July 1, 2014. The mortgage is amortized over 30 years, with options to be called by the bank in 10 years and then every five years thereafter until the mortgage matures. The loan is collateralized by the Property and assignment of rents and other payments from the tenants and is guaranteed by the Foundation. The LLC incurred \$1,307,121 of financing costs in connection with obtaining the loan, which are being amortized over the life of the loan.

At June 30, 2022, future minimum principal payments were as follows:

	Amount
2023	\$ 1,578,306
2024	1,654,929
2025	1,735,271
2026	1,819,516
2027	1,907,850
Thereafter	51,043,055
	\$ 59,738,927

Research Foundation of The City University of New York and Related Entity**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED****June 30, 2022 and 2021**

Included in restricted cash in the accompanying consolidated balance sheets are balances in escrow accounts, including interest earned, of approximately \$1,252,000 and \$1,207,000 as of June 30, 2022 and 2021, respectively. Under the terms of the loan, the LLC was required to deposit annual payments of \$500,000 beginning on May 15, 2015 through May 15, 2019 and an additional payment of \$198,515 on May 15, 2020 into an escrow account maintained by the mortgage bank for future tenant improvements related to CUNY's extended lease.

NOTE 9 - RELATED PARTY TRANSACTIONS

The Foundation has an agreement with the LLC to lease 66,867 square feet of space in the LLC's Property that expires in April 2034. CUNY has an agreement with the LLC to lease 122,424 square feet of space in the Property of which 8,056 expires in March 2026 and 114,368 expires in April 2034. For the years ended June 30, 2022 and 2021, rental revenue from CUNY was \$6,330,107 and \$6,175,502, respectively.

In fiscal years 2022 and 2021, the Foundation approved grants to CUNY for central research initiatives of \$2,718,650 and \$2,300,000, respectively. Grants payable to CUNY at June 30, 2022 and 2021 were \$4,894,276 and \$4,103,081, respectively.

NOTE 10 - PROPERTY MANAGEMENT FEES

The LLC has a management agreement with a third party to manage and provide leasing services to the Property. The agreement was renewed on July 1, 2020 and will expire on July 1, 2023. Such expenses are included in operating expenses in the consolidated statements of activities. Additionally, the LLC pays the property manager a commission in accordance with the terms of the management agreement if the Property manager procures a new lease or an extension, renewal, or expansion of an existing lease for space in the Property during the term of this agreement; such costs are reported as deferred costs in the accompanying consolidated balance sheets and are amortized over the life of the lease.

NOTE 11 - REAL ESTATE TAX EXEMPTION

During fiscal years 2022 and 2021, the LLC obtained a real estate tax reduction amounting to \$1,700,291 and \$1,977,987, respectively, relating to an exemption for the portions of the Property used by CUNY and the Foundation as not-for-profit, tax exempt organizations.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE 12 - NATURAL CLASSIFICATION OF EXPENSES

The Foundation's principal program service is grants administration. Expenses reported in the accompanying consolidated statements of activities as research, training, other sponsored activity and other institutional activity are directly incurred in connection with its program service. Costs are allocated and reported on a functional basis using specific identification. Expenses by natural classification for the year ended June 30, 2022 consisted of the following:

	Program Services	Administrative Expenses	Total Expenses
Salaries and fringe	\$ 289,012,023	\$ 22,679,111	\$ 311,691,134
Facilities and administrative costs	59,355,293	-	59,355,293
Subcontracts	39,757,834	-	39,757,834
Independent contractor	20,335,802	27,193	20,362,995
Stipends	20,956,057	-	20,956,057
Supplies	14,570,946	35,048	14,605,994
Laboratory fees	1,792,040	-	1,792,040
Occupancy	2,218,466	-	2,218,466
Travel	3,059,766	750	3,060,516
Insurance	197,568	1,925,840	2,123,408
Conference and meeting	1,498,329	11,136	1,509,465
Postretirement credit	-	(14,267,991)	(14,267,991)
Interest expense	-	2,914,220	2,914,220
Real estate taxes	-	1,188,821	1,188,821
Depreciation and amortization	-	1,773,900	1,773,900
All other expenses	31,696,077	11,754,634	43,450,711
Total expenses	\$ 484,450,201	\$ 28,042,662	\$ 512,492,863

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

Expenses by natural classification for the year ended June 30, 2021 consisted of the following:

	Program Services	Administrative Expenses	Total Expenses
Salaries and fringe	\$ 270,782,228	\$ 22,481,834	\$ 293,264,062
Facilities and administrative costs	55,532,433	-	55,532,433
Subcontracts	46,865,939	-	46,865,939
Independent contractor	17,425,038	-	17,425,038
Stipends	19,991,196	-	19,991,196
Supplies	11,173,734	31,516	11,205,250
Laboratory fees	760,626	-	760,626
Occupancy	8,695,808	-	8,695,808
Travel	672,718	-	672,718
Insurance	251,092	1,764,720	2,015,812
Conference and meeting	476,265	3,546	479,811
Postretirement credit	-	(2,784,109)	(2,784,109)
Interest expense	-	2,984,189	2,984,189
Real estate taxes	-	1,374,034	1,374,034
Depreciation and amortization	-	1,920,501	1,920,501
All other expenses	35,573,120	10,506,909	46,080,029
Total expenses	\$ 468,200,197	\$ 38,283,140	\$ 506,483,337

NOTE 13 - LIQUIDITY

As of June 30, 2022 and 2021, financial assets and liquidity resources available within one year for general expenditure, such as operating expenses, were as follows:

	2022	2021
Financial assets:		
Cash and cash equivalents	\$ 258,822,451	\$ 198,186,898
Grants, contracts, and accounts receivable, net	101,707,596	102,301,763
Investments	44,204,494	50,914,594
Less:		
Accounts payable	(85,429,537)	(84,812,033)
Deferred revenue	(127,375,476)	(88,541,289)
Deposits held in custody for CUNY colleges	(131,016,165)	(121,518,707)
Total financial assets available within one year	\$ 60,913,363	\$ 56,531,226

RF CUNY maintains cash balances at a level designed to ensure short-term liquidity. In addition, a suitable portion of RF CUNY's investment balances are held in instruments that can readily be converted to cash, if needed.

Research Foundation of The City University of New York and Related Entity

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED

June 30, 2022 and 2021

NOTE 14 - LINE OF CREDIT

RF CUNY entered into a line of credit agreement for \$15 million with First Republic Bank on January 6, 2021. The interest rate on the line of credit shall be equal to the Index minus one-quarter percent (0.25%) per annum but should not be adjusted to less than three percent (3%) per annum. The line of credit is secured by RF CUNY's accounts receivable with a value at June 30, 2022 of \$104 million. RF CUNY did not utilize the line of credit during fiscal 2022, and the outstanding balance at June 30, 2022 was \$0.

The terms of the line of credit require the maintenance of covenants, including financial reporting requirements and liquidity ratio minimums, which the bank may waive or modify at any time at their discretion.

NOTE 15 - SUBSEQUENT EVENTS

RF CUNY evaluated events subsequent to June 30, 2022 and through October 28, 2022, the date on which the consolidated financial statements were available to be issued, the result of which required no adjustments or disclosures to the accompanying consolidated financial statements.

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



Department of Finance
700 President Ronald Reagan Way, STE 201
Nashville, Tennessee 37210

**Metropolitan Government of Nashville and Davidson County
Recipient of Metro Grant Funding
Non-Profit Grants Manual Receipt Acknowledgement**

Recipient Name Research Foundation of CUNY o/b/o National Network for
Safe Communities (NNSC)

June 28, 2023

As a condition of receipt of this funding, the recipient acknowledges the following:

- Receipt of the Non-Profit Grants Manual, updated February 2, 2023, issued by the Division of Grants and Accountability. Electronic version can be located at the following:

www.nashville.gov/departments/finance/grants-and-accountability/grants

- The recipient has read, understands and hereby affirms that the agency will adhere to the requirements and expectations outlined within the Non- Profit Grants Manual.
- The recipient understands that if the organization has any questions regarding the Non-Profit Grants Manual or its content, they will consult with the Metro department that awarded their grant.

**Note to Organizations: Please read the Non-Profits Grants Manual carefully to ensure that you understand the requirements and expectations before signing this document.*

A handwritten signature in dark ink, appearing to read "Ahmad Dowla", is written over a horizontal line.

Signature of Authorized Representative

Name: Ahmad Dowla

Title: Director, Operations & Finance, NNSC

Agency Name: Research Foundation of CUNY o/b/o NNSC

Date: 06/28/23