



**The Howard University**  
Consolidated Financial Statements and Reports and Schedules  
Required by *Government Auditing Standards* and the Uniform Guidance  
For Fiscal Years Ended June 30, 2025 and 2024

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**OFFICE OF THE SENIOR VICE PRESIDENT  
CHIEF FINANCIAL OFFICER**

**Management's Responsibility for the Consolidated Financial Statements**

The administration of The Howard University is responsible for the preparation, accuracy, integrity and objectivity of the consolidated financial statements contained herein. Such consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America and, accordingly, include certain amounts that represent our best estimates and judgments. Actual amounts could differ from those estimates.

These consolidated financial statements have been prepared under my supervision. Based on my knowledge, these financial statements present fairly, in all material respects, the financial position, changes in net assets and cash flows of The Howard University for the periods presented herein.

Furthermore, I hereby certify that The Howard University, as Borrower under separate agreements with certain banks and lending institutions, is in compliance with the respective financial covenants as of June 30, 2025, as described in Note 14 of the accompanying consolidated financial statements.

**Wayne A.I. Frederick, M.D., MBA**  
President

**John D. Gordon, Jr. MS, CPA, CGMA**  
Controller and Chief Accounting Officer

December 17, 2025



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## **Independent Auditor's Report**

Board of Trustees  
The Howard University  
Washington, DC

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

#### ***Opinion***

We have audited the consolidated financial statements of The Howard University (the "University" or "Howard"), which comprise the consolidated statements of financial position as of June 30, 2025, and the related consolidated statement of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the University as of June 30, 2025, and the changes in its net assets and its cash flows for the year ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Report on Summarized Comparative Information***

We have previously audited the University's 2024 consolidated financial statements, and we expressed an unmodified audit opinion on those audited consolidated financial statements in our report dated December 5, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent in all material respects with the audited consolidated financial statements from which it has been derived.



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

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with 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 the University's ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

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

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

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



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

### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* (“CFR”) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2025 on our consideration of the University’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University’s internal control over financial reporting and compliance.

*BDO USA, P.C.*

December 17, 2025

**The Howard University**  
Consolidated Statements of Financial Position  
June 30, 2025 and 2024  
(In thousands)

	2025	2024
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 109,839	\$ 95,789
Operating investments	10,482	9,632
Deposits with trustees	—	14,093
Receivables, net	155,085	141,783
Healthcare contract assets, net	1,872	2,730
Inventories, prepaids and other assets	54,395	50,131
Restricted investments	56,053	57,611
Total Current Assets	387,726	371,769
<b>Long Term Assets:</b>		
Deposits with trustees	28,944	26,818
Receivables, net	35,030	32,506
Inventories, prepaids and other assets	10,135	10,679
Unexpended bond proceeds	250,941	315,096
Restricted investments	9,928	9,374
Endowment investments	1,119,926	1,032,497
Operating lease right of use assets, net	101,988	69,491
Finance lease right of use assets, net	61,108	31,118
Overfunded defined benefit pension plan	14,771	21,390
Long-lived assets, net	959,148	816,298
Total Long Term Assets	2,591,919	2,365,267
Total Assets	\$ 2,979,645	\$ 2,737,036
<b>Current Liabilities:</b>		
Accounts payable and accrued expenses	\$ 285,234	\$ 192,053
Deferred revenue	130,600	123,599
Other liabilities	43,628	32,256
Accrued post-retirement benefits	4,074	4,130
Reserve for self-insured liabilities	16,676	19,426
Line of credit	25,000	—
Notes payable	331	605
Operating lease obligations	14,913	15,542
Finance lease obligations	7,306	5,094
Bonds payable, net	24,596	13,617
Total Current Liabilities	552,358	406,322
<b>Long Term Liabilities:</b>		
Other liabilities	3,064	2,545
Accrued post-retirement benefits	34,457	35,100
Reserve for self-insured liabilities	39,363	41,100
Operating lease obligations	91,689	53,581
Finance lease obligations	50,967	22,532
Bonds payable, net	791,659	797,404
Refundable advances under Federal Student Loan Program	4,583	4,583
Total Long Term Liabilities	1,015,782	956,845
Total Liabilities	1,568,140	1,363,167
<b>Net Assets:</b>		
Without donor restrictions	407,445	464,799
With donor restrictions	1,004,060	909,070
Total Net Assets	1,411,505	1,373,869
Total Liabilities and Net Assets	\$ 2,979,645	\$ 2,737,036

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

**The Howard University**  
Consolidated Statements of Activities  
For the years ended June 30, 2025 and 2024  
(In thousands)

For the year ended June 30, 2025 (with summarized comparative information for fiscal year ended June 30, 2024)	Without Donor Restrictions	With Donor Restrictions	Total 2025	Summarized 2024
<b>Operating</b>				
<b>Revenues, support and reclassifications:</b>				
Academic services:				
Tuition and fees, net of financial aid	\$ 280,880	\$ —	\$ 280,880	\$ 255,535
Grants and contracts	92,636	—	92,636	108,661
Auxiliary services	63,331	—	63,331	51,648
Clinical services:				
Patient service - Hospital, net	273,803	—	273,803	269,687
Patient service - Faculty Practice Plan, net	23,035	—	23,035	23,118
Patient service - Dental clinic, net	1,657	—	1,657	1,595
Public support:				
Federal appropriation	250,639	73,840	324,479	279,596
Contributions of cash and other financial assets	17,966	42,692	60,658	65,520
Endowment returns made available for operations	17,053	13,965	31,018	28,580
Operating investment income, net	18,422	—	18,422	25,436
Real property	3,127	—	3,127	3,102
Other income	15,158	646	15,804	26,598
Total revenues and support	<u>1,057,707</u>	<u>131,143</u>	<u>1,188,850</u>	<u>1,139,076</u>
Net assets released from restrictions	<u>58,460</u>	<u>(58,460)</u>	<u>—</u>	<u>—</u>
Total revenues, support and reclassifications	<u>1,116,167</u>	<u>72,683</u>	<u>1,188,850</u>	<u>1,139,076</u>
<b>Expenses:</b>				
Academic and student support	389,318	—	389,318	360,346
Research	93,289	—	93,289	95,067
Healthcare services	309,942	—	309,942	318,571
Auxiliary enterprises	63,506	—	63,506	56,700
Administrative and support services	337,122	—	337,122	343,363
Total operating expenses	<u>1,193,177</u>	<u>—</u>	<u>1,193,177</u>	<u>1,174,047</u>
(Deficiency) excess of operating revenue over expenses	<u>(77,010)</u>	<u>72,683</u>	<u>(4,327)</u>	<u>(34,971)</u>
<b>Non-operating</b>				
Investment income in excess of amount designated for operations	46,292	35,426	81,718	106,834
Endowment returns made available for operations	(17,053)	(13,965)	(31,018)	(28,580)
Net unrealized gain in beneficial interest trust	—	383	383	466
Net periodic benefit cost other than service cost	(1,046)	—	(1,046)	800
Change in funded status of defined benefit pension plan	(7,463)	—	(7,463)	(1,648)
Change in obligation for post-retirement benefit plan	(1,033)	—	(1,033)	(1,373)
Change in funded status of supplemental retirement plan	(9)	—	(9)	(6)
Other non-operating items, net	(32)	463	431	(8,980)
Increase in non-operating activities	<u>19,656</u>	<u>22,307</u>	<u>41,963</u>	<u>67,513</u>
Change in net assets	<u>(57,354)</u>	<u>94,990</u>	<u>37,636</u>	<u>32,542</u>
Net assets, beginning of year	464,799	909,070	1,373,869	1,341,327
Net assets, end of year	<u>\$ 407,445</u>	<u>\$ 1,004,060</u>	<u>\$ 1,411,505</u>	<u>\$ 1,373,869</u>

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

**The Howard University**  
**Consolidated Statements of Cash Flows**  
**For the years ended June 30, 2025 and 2024**  
(In thousands)

<b>For the years ended</b>	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 37,636	\$ 32,542
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by operating activities:		
Depreciation and amortization	46,483	42,528
Amortization of premiums and discount on debt, including issuance cost	1,136	988
Reinvested investment income	(9,027)	(5,966)
Net realized gain on sale of investments	(23,047)	(32,854)
Net unrealized gain on investments	(26,232)	(48,532)
Impairment of net investment in lease	—	21,988
Stock distributions	(4,488)	(13,015)
Contributions restricted in perpetuity	(19,302)	(29,265)
Loss on sale/disposal of long-lived assets	8	130
Pension/post-retirement benefits	5,920	(553)
Reserve for self-insured liabilities	(4,487)	(669)
Changes in operating assets and liabilities:		
Decrease (increase) in assets:		
Deposits with trustees	11,967	(13,743)
Receivables (excluding notes), net of reserve for doubtful accounts	(16,181)	18,189
Healthcare contract assets	858	(329)
Inventories, prepaids and other assets	(3,720)	(3,947)
Operating lease right of use assets	24,205	21,833
Increase (decrease) in liabilities:		
Accounts payable and accrued expenses	32,598	11,355
Deferred revenue	7,001	(14)
Other liabilities	11,891	3,469
Operating lease obligations	(19,223)	(17,132)
Refundable advances under Federal Student Loan Program	—	546
Net cash provided by (used in) operating activities	<u>53,996</u>	<u>(12,451)</u>
<b>Cash flows from investing activities</b>		
Proceeds from investment sales	1,285,197	1,474,004
Purchases of investments	(1,309,678)	(1,489,773)
Return on unexpended bond proceeds	64,155	25,290
Purchases and renovations of long-lived assets	(121,345)	(120,363)
Lease restructuring disbursement	—	(22,510)
Net cash used in investing activities	<u>(81,671)</u>	<u>(133,352)</u>
<b>Cash flows from financing activities</b>		
Contributions restricted in perpetuity	19,302	29,265
Net proceeds from line of credit	25,000	—
Payments on notes payable	(274)	(264)
Proceeds from bonds payable	17,714	1,271
Payments on bonds payable	(13,616)	(12,966)
Principal payments on finance lease obligations	(6,016)	(5,601)
Change in finance lease right of use assets and finance lease obligations	(740)	—
Change in student loans collected	355	1,684
Sales-type lease proceeds	—	22,510
Net cash provided by financing activities	<u>41,725</u>	<u>35,899</u>
Increase (decrease) in cash and cash equivalents	14,050	(109,904)
Beginning cash and cash equivalents	95,789	205,693
Ending cash and cash equivalents	<u>\$ 109,839</u>	<u>\$ 95,789</u>

*Supplemental cash flow information continued on the next page*

**The Howard University**  
Consolidated Statements of Cash Flows  
For the years ended June 30, 2025 and 2024  
(In thousands)

<b>For the years ended</b>	<b>2025</b>	<b>2024</b>
<b>Supplemental cash flow information:</b>		
Cash paid for interest	\$ 37,293	\$ 37,748
<b>Supplemental non-cash investing and financing activities:</b>		
Acquisition of equipment and office space under financing leases	35,342	11,878
Acquisition of equipment and office space under operating leases	56,702	51,978
Capital expenditures incurred but not yet paid	60,583	23,575
Stock distributions	4,488	13,015
Reinvested investment income	9,027	5,966

Refer to Note 13 for supplemental disclosure of cash flow information for leases.

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

**The Howard University**  
Notes to the Consolidated Financial Statements  
June 30, 2025 and 2024  
(In thousands)

**1. University Organization**

Howard University (the "University") is a private, nonprofit institution of higher education which also operates Howard University Hospital (the "Hospital") located in Washington, D.C. The University provides academic programs at the undergraduate, graduate, and postdoctoral levels and engages in research, training, and other sponsored activities supported by grants, contracts, and similar agreements with sponsoring organizations, primarily departments and agencies of the United States government. The University also provides patient healthcare services at the Hospital and through clinical activities performed by certain University faculty as part of its academic clinical activities.

Under Public Law 87-262 (75 Stat. 542), enacted on September 21, 1961, Freedmen's Hospital was transferred to the University in furtherance of its mission in medical education and community healthcare. Effective January 1, 2024, Howard University Hospital Corporation ("HUHC") became a fully incorporated entity and continues to serve as the wholly owned Howard University Hospital and a subsidiary of the University

The consolidated financial statements also include the activities of the University's wholly owned subsidiaries: Howard University International ("HUI"), Howard University Global Initiative – Nigeria, LTD/GTE ("HUGIN"), and Howard University Global Initiative South Africa NPC ("HUGISA"). The activities and balances of these entities are reflected in the statements of activities and statements of financial position, and all intercompany balances have been eliminated in consolidation.

The Research Institute for Tactical Autonomy ("RITA") is a University Affiliated Research Center ("UARC") designated and competitively awarded to Howard University by the U.S. Department of Defense in 2023.

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**The Howard University**  
Notes to the Consolidated Financial Statements  
June 30, 2025 and 2024  
(In thousands)

## 2. Summary of Significant Accounting Policies

### (a) Basis of Presentation

The consolidated financial statements of the University have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). These consolidated statements include summarized comparative information for the prior year in total, without classification by net asset type. Such summarized information does not include all disclosures required by U.S. GAAP and should be read in conjunction with the University's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

The consolidated statements of activities present all transactions affecting net assets. Operating results reflect revenues and expenses attributable to the University's ongoing educational and institutional activities. Non-operating items include investment returns in excess of amounts appropriated for operations pursuant to the University's spending policy, unrealized gains and losses on investments, unrealized gains and losses on beneficial interests in perpetual trusts, endowment transfers, and actuarial and other adjustments associated with pension and post-retirement benefit plans.

### (b) Net Asset Classifications

U.S. GAAP requires the University to classify net assets based on whether donor-imposed restrictions limit their use.

**Without Donor Restrictions** – Net assets without donor restrictions are available to support operations at the discretion of the Board and/or management. The Board may designate amounts for specific purposes, which limits management's discretionary use of those resources.

**With Donor Restrictions** – Net assets with donor restrictions are subject to legal or donor-imposed stipulations that may be fulfilled by the passage of time, through actions taken by the University pursuant to those stipulations, or both. These net assets include endowment funds subject to the requirements of the District of Columbia Uniform Prudent Management of Institutional Funds Act of 2008 ("DC UPMIFA"), the District of Columbia's enactment of the Uniform Prudent Management of Institutional Funds Act, which governs the use, investment, and appropriation of donor-restricted endowment funds. The original gift amount, any subsequent donor contributions, and related investment returns remain classified as net assets with donor restrictions until appropriated for expenditure by the governing body or as otherwise permitted by law.

Contributions are generally recorded as revenue in the appropriate net asset category. However, contributions with donor-imposed restrictions that are met within the same fiscal year are reported as revenue without donor restrictions. When donor restrictions are satisfied (e.g., the specific purpose is achieved or the required time period has passed), funds are reclassified from net assets with donor restrictions to net assets without donor restrictions. Donor restrictions on gifts for long-lived assets are considered fulfilled when the asset is acquired or placed in service.

### (c) 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 and disclosures at the date of the consolidated financial statements. Actual results could differ from those estimates.

### (d) Income Tax

Howard University, HUHC, and the University's other wholly owned subsidiaries (collectively, the "University") are tax-exempt organizations under section 501(c)(3) of the Internal Revenue Code, except where noted below. For the years ended June 30, 2025 and 2024, there were no uncertain tax positions considered to be material.

HUHC is currently operating as a tax-exempt organization and is obtaining reinstatement of tax exempt status from the Internal Revenue Service. Management does not expect the outcome of the IRS determination process to have a material impact on the University's consolidated financial position or changes in net assets.

**The Howard University**  
Notes to the Consolidated Financial Statements  
June 30, 2025 and 2024  
(In thousands)

The Tax Cuts and Jobs Act (the Act), enacted on December 22, 2017, introduced various changes affecting the University, including excise taxes on executive compensation and net investment income, as well as new rules for calculating unrelated business taxable income. Based on guidance from the Act, the University estimated related tax expense of \$101 and \$512 for the years ended June 30, 2025 and 2024, respectively.

**(e) Cash and Cash Equivalents**

Cash and cash equivalents consist of highly liquid financial instruments with original maturities of three months or less, including U.S. Treasury securities and other short-term investments, all carried at fair value. Amounts held in the endowment fund or by investment managers are classified as investments rather than cash and cash equivalents.

The University's aggregate cash and cash equivalents held at financial institutions exceed federal insurance limits by approximately \$108,089 and \$93,789 as of June 30, 2025, and 2024, respectively. While these funds are exposed to risk, the University has not experienced any losses due to this exposure.

**(f) Investments**

Investments are categorized in the consolidated statements of financial position as operating investments, donor restricted investments, endowment investments, and deposits with trustees. All investments are reported at fair value or net asset value and are defined as follows:

**Operating Investments** – represent liquid, unrestricted short-term assets available at the discretion of the Board of Trustees to meet operational needs.

**Restricted Investments** – represent non-endowed investments with principal and/or income restricted by external sources, including liquidation constraints. These funds are not available for discretionary use by the Board or management.

**Endowment Investments** – represent the pooled endowment and the Federal matching endowment investments. The endowment investments are spread across various asset categories with the use of the income from these investments restricted based on stated donor stipulations or DC UPMIFA.

**Deposits with Trustees** – represent a debt service reserve fund consisting primarily of fixed income investments and other short-term securities (see Note 6).

The fair values of the University's investments are determined using the most relevant available and observable valuation inputs as defined in Note 8. Purchases and sales of securities are reflected on a trade-date basis. Gains and losses on sales of securities are based upon average historical value (cost of securities purchased or the fair market value at date of gift, if received by donation). Dividend and interest income are recorded on an accrual basis. Accrued but unpaid dividends, interest and proceeds from investment sales at the report date are recorded as investment receivables.

Investment income (losses) are allocated, consistent with the allocation of interest and dividends, to net assets with donor restrictions or net assets without donor restrictions (distinguished between operating and non-operating) based on donor intent or lack thereof of donor stipulations. Such amounts may be appropriated for operations subject to donor-imposed time or purpose restrictions or retained in perpetuity when required under the terms of the gift. Investment income (losses) associated with loan funds is accumulated in net assets without donor restrictions.

Operating investment income includes interest, dividends and operating investment returns.

**(g) Revenue Recognition**

The University recognizes revenue from contracts with customers based on the consideration specified in the contract. Revenue is recognized when the University satisfies its performance obligations by transferring goods or services to the customer. The University applies the five-step revenue recognition model: (i) identify the contract; (ii) identify performance obligations; (iii) determine transaction price; (iv) allocate transaction price; and (v) recognize revenue.

**The Howard University**  
Notes to the Consolidated Financial Statements  
June 30, 2025 and 2024  
(In thousands)

The University (i) evaluates other revenue streams based on whether transactions should be accounted for as contributions (nonreciprocal transactions) or as revenue from contracts with customers (reciprocal) transactions and (ii) determined whether a contribution is conditional.

The University earns revenue primarily from instructional activities, including tuition and fees, patient care, and auxiliary services provided on its Washington, D.C. campuses. These revenue sources may be disaggregated by whether they result from contracts with students, contracts with non-student, or non-contract activities. Revenue from patient care and other non-student services is recognized on the event date or when services are rendered.

The performance obligations related to contracts with students involve providing instruction, housing and dining (if applicable), and access to University facilities and services for the duration of the contract term. Consequently, these performance obligations are satisfied over time ratably throughout the contract period.

The University enters contracts that include various service components, which are generally capable of being distinct and are therefore recognized as separate performance obligations.

**Tuition and fees, net of financial aid**, are recognized as revenue in the period in which the related academic services are provided. Tuition and fees received in advance of service delivery are recorded as deferred revenue. The University awards institutional financial aid to eligible students based on demonstrated financial need or academic merit, typically as part of an aid package. Financial aid may include loans, work-study compensation, or grants and scholarship. Loans are primarily offered through U.S. government programs (direct and guaranteed loans) for which the University's obligations are limited to certain administrative responsibilities.

Institutional grants and scholarships are funded through private donor contributions, endowment income restricted for student aid, and University funding. In accordance with U.S. GAAP, this institutional aid is considered a reduction of the transaction price, as it represents consideration payable to the student. Consequently, the University presents tuition and fees, net of financial aid. Financial aid for fiscal years ended June 30, 2025 and 2024 was \$280,880 and \$255,535, respectively.

<b>TUITION AND FEES, NET</b>	<u>2025</u>	<u>2024</u>
Tuition and fees before applying financial aid*	\$ 489,235	\$ 444,744
Deduction for financial aid:		
Undergraduate	186,535	169,395
Graduate	4,222	3,833
Professional	17,598	15,981
Total reduction for financial aid	<u>208,355</u>	<u>189,209</u>
Total tuition and fees, net of financial aid	<u>\$ 280,880</u>	<u>\$ 255,535</u>

*\*Tuition and fees before applying financial aid are shown net of tuition discounts and net of the ASC 606 revenue adjustment.*

**Grants and contracts** revenue is recognized when reimbursable expenses are incurred (for cost plus contracts) or when deliverables or milestones are met (for fixed-price contracts). Grants and contracts revenues include recoveries of allowable direct and indirect costs for facilities and administration, which are determined under negotiated or prescribed rates. The University evaluates whether such agreements constitute conditional or unconditional contributions (nonreciprocal transactions) or as revenue from contracts where the government agencies are the customer, under ASC 606.

For the years ended June 30, 2025 and 2024, the University recognized \$91,496 and \$107,046 of revenue that is considered nonreciprocal, respectively, and \$1,140 and \$1,615 of revenue subject to ASC 606, respectively. Receivables under research grants and development agreements represent the amounts due from federal, state, local, private grants, contracts and other sponsors. As of June 30, 2025, and 2024, a sponsor accounted for 11% and a sponsor accounted for 10% of grants and contracts revenue, respectively.

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<b>GRANTS AND CONTRACTS REVENUE</b>	<b>2025</b>	<b>2024</b>
Reimbursement of direct expenses	\$ 79,656	\$ 95,263
Recovery of indirect costs	12,980	13,398
Total grants and contracts revenue	<u>\$ 92,636</u>	<u>\$ 108,661</u>
Indirect costs recovery as a % of direct costs	16%	14%

Grants and contracts revenue by type is detailed in the table below:

<b>GRANTS AND CONTRACTS REVENUE BY TYPE</b>	<b>2025</b>	<b>2024</b>
Research	\$ 64,878	\$ 78,078
Training	13,741	14,508
Service/other	14,017	16,075
Total grants and contracts revenue by type	<u>\$ 92,636</u>	<u>\$ 108,661</u>

**Auxiliary services** revenue is recognized when services are rendered or as activities are completed. Auxiliary revenue consists of meal plans, advertising income from the University's commercial radio station (WHUR), sponsorship agreement to support the University's athletics programs, and student housing. Advertising revenue is recognized when the advertising spots are aired. Other revenues include the University's television station (WHUT) and preschool center fees.

The University evaluates collectability, price concessions, and other forms of variable consideration in determining the transaction price for each auxiliary revenue stream.

<b>AUXILIARY SERVICES REVENUE</b>	<b>2025</b>	<b>2024</b>
Student housing	\$ 15,014	\$ 11,664
Meal plans	29,448	25,973
Royalties	7,643	—
Radio station	5,903	7,116
Bookstore	750	947
Parking fees	1,495	2,325
Other	3,078	3,623
Total auxiliary services revenue	<u>\$ 63,331</u>	<u>\$ 51,648</u>

**Net patient service revenue** arises from contracts to provide health care services to patients. Revenue is recognized when services are rendered and related performance obligations are fulfilled. Such revenue often involves third-party payors (e.g., Medicare, Medicaid, and insurance companies), with transaction prices dependent on terms governed by negotiated terms. The University estimates net revenue based on expected payments from patients and payors, considering price concessions in managed care and insurance plans as specified in contracts. Revenue from uninsured patients and insured co-payments or deductibles may reflect discounts. The University records implicit price concessions for uninsured accounts, based on historical collections.

The Hospital and the Faculty Practice Plan participate payment arrangements with third-party payors at established rates, including per-discharge, reimbursed costs, discounted charges, and per-diem payments. The University accrues retroactive adjustments based on estimates when services are rendered, adjusting them as final settlements are determined. Receivables represent amounts due for services rendered by the University's Faculty Practice and the Hospital.

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<b>NET PATIENT SERVICE REVENUE</b>	<b>2025</b>	<b>2024</b>
Gross Revenues	\$ 712,293	\$ 752,173
Third-party settlement revenue	82,570	75,093
Price concessions	(496,368)	(532,866)
Total net patient service revenue	<u>\$ 298,495</u>	<u>\$ 294,400</u>

The following revenue streams are subject to the guidance in Topic 958, *Not for Profit Entities*, unless otherwise noted:

**Federal appropriation** revenue is recognized as funds are received and expended. The University receives a federal appropriation to support its educational mission. Of this appropriation, \$73,840 is restricted: \$70,435 is designated for the construction and renovation of the Hospital, and \$3,405 is restricted for a term endowment required to be held for 20 years. For fiscal years ended June 30, 2025 and 2024, the federal appropriation accounted for 27% and 25%, respectively, of the University's total revenue support. There is a \$3,405 receivable at both June 30, 2025 and 2024, that represents the portion to be collected on the federal term endowment as defined in Note 16.

**Contribution of cash and other financial assets**, including unconditional promises to give, are recognized at fair value within the appropriate category of net assets upon receipt. Contributions with donor-imposed restrictions that are fulfilled within the same fiscal year are reported in net assets without donor restrictions. Unconditional promises to give are initially measured at fair value, considering expected future cash receipts and discounted at a risk-adjusted rate. Conditional promises to give are recognized only when the specified conditions are substantially satisfied.

Contribution revenue derived from government and private grant and contracts—generally classified as nonreciprocal transactions—is recognized as qualifying expenditures are incurred and the conditions under the agreements are met. Payments received in advance of conditions being satisfied are recorded as deferred revenue on the consolidated statements of financial positions. The University recognized approximately \$0 and \$5,364 in federal contributions from the Department of Education as part of the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) appropriations for educational institutions for the fiscal years ended June 30, 2025 and 2024, respectively.

Contributions income for fiscal years ended June 30, 2025 and 2024 is shown below:

<b>CONTRIBUTIONS INCOME</b>	<b>2025</b>	<b>2024</b>
Without donor restrictions	\$ 17,966	\$ 32,866
With donor restrictions	42,692	32,654
Total contributions income	<u>\$ 60,658</u>	<u>\$ 65,520</u>

For the year ended June 30, 2025, the University had one donor with gifts that represented greater than 10% of contribution income. For the year ended June 30, 2024, the University had two donors with gifts that each represented greater than 10% of contribution income.

Contributed works of art, historical treasures, literary works and artifacts, which are preserved for educational, research and public exhibition purposes are capitalized. Such nonfinancial gifts are recorded at their estimated fair value on the date of donation. When donor-imposed stipulations specify a required usage period, these contributions are recorded as net assets with donor restrictions; otherwise, they are recorded as net assets without donor restrictions.

**Real property** revenue is comprise income and gains from real estate activities including lease income and is recognized as revenue in the period in which it is earned and deemed collectible. Real property receivables include the net present value of the minimum lease payments from sales-type leases. Further details regarding the revenue recognition for real property lease transactions are presented in Note 13.

**Other income** comprises income from activities that are not ongoing and central to the University's core operations and is recognized as revenue in the period in which it is earned and deemed collectible. For the year ended June 30, 2025, other income consisted principally of revenue recognized from insurance proceeds, athletics, and real estate transactions in the amounts of \$2,928, \$1,265, and \$1,077, respectively. For the year ended June 30, 2024 other income consisted principally of revenue recognized from settlements, athletics, and treasuries in the amounts of \$3,000, \$2,855, and \$2,655, respectively.

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**Notes receivable** comprise loans the University extended to students through institutional resources and federal student loan programs with outstanding balances, including the Federal Perkins Loans. Management assesses the adequacy of the allowance for credit losses on student loans by performing continuous evaluations of borrower financial condition, the broader economic environment, and the level and aging of delinquent loans.

As of June 30, 2025, the University has assigned all outstanding Perkins loans to the Department of Education, and is in the process of formally liquidating its Perkins portfolio.

**(h) Inventories, Prepaids and Other Assets**

Inventories consist primarily of medical supplies and are recorded at the lower of cost or net realizable value, determined on a first-in, first-out basis. Prepaid expenses consist principally of insurance, dues, subscriptions, and other related fees and are amortized over the useful period. Other assets consist primarily of deferred health charges, intellectual property holdings, and beneficial interests in trusts.

**(i) Long-Lived Assets**

Long-lived assets comprise property, property held for expansion (including land and buildings acquired for future educational, research, and institutional use), capital improvements, equipment, software, library books, and art and historical treasures. Such assets are recorded at cost, or at fair value on the date of gift, net of accumulated depreciation and amortization, and are capitalizable when the unit cost is equal to or exceeds \$3 and has a useful life of more than one year. Work in process for Board-approved projects is capitalizable and not depreciated until assets are placed in service. Land, including land improvements and property held for expansion, is not subject to depreciation.

The University capitalizes purchased and donated works of art and historical treasures within the consolidated statement of financial position. These assets are not depreciated when their economic benefit or service potential is consumed so gradually that their estimated useful lives are considered extraordinarily long. In the event of impairment, such works are written down to fair value, with the resulting loss recognized in the consolidated statement of activities. The University's collections management policy provides that proceeds from the disposal of art and historical treasures be used exclusively for the direct care of the remaining collection. In addition, proceeds received from the loans of collection are applied to activities that maintain the quality of the collection. The University defines direct care as expenditures used to maintain the value, integrity, and quality of the collection including appraisals, insurance, security, storage with climate control, installation and related transportation, and conservation.

Depreciation for all long-lived assets is recognized using the straight-line method over the estimated useful lives of the respective assets. The useful lives applicable to the fiscal years presented are as follows:

Land improvements	1-25 years
Building and building improvements	5-40 years
Property held for expansion	40 years
Furniture and equipment	3-20 years
Library books	10 years
Software	3-10 years

Title to certain equipment purchased with funds provided by government grants or contracting agencies is vested in the University and, as such, is included in reported property balances; however these assets are subject to potential transfer or disposition by the cognizant agency. Interest eligible for capitalization comprises the costs of restricted borrowings, net of interest earned on the temporary investment of those proceeds, from the date of borrowing until the associated qualifying assets are placed in service for their intended use.

The recorded values of certain properties include the fair value of environmental remediation required to satisfy contractual or regulatory mandates. Such obligations primarily pertain to the removal and disposal of asbestos.

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**(j) Unexpended Bond Proceeds**

Unexpended bond proceeds comprise investments in government debt security funds, which are reported at amortized cost and are not subject to daily quotation. As of June 30, 2025 and 2024, unexpended bond proceeds totaled \$250,941 and \$315,096, respectively, including earnings of \$43,165 and \$29,040 from invested funds during the respective periods.

**(k) Compensated Absences**

The University recognizes a liability for future employee absences attributable to services performed in the current and prior periods, subject to prescribed carry over limits. This obligation is presented within accounts payable and accrued expenses in the consolidated statements of financial position (see Note 11).

**(l) Pension and Post-Retirement Benefits**

The funded status of the University's pension benefit (the "Plan") is actuarially determined and presented in the consolidated statements of financial position as either an asset, to reflect an overfunded status, or as a liability to reflect an underfunded status. The actuarially determined post-retirement benefit obligation is similarly recognized on the consolidated statements of financial position as a liability. Administration of the Plan is conducted in accordance with Internal Revenue Service ("IRS") requirements (see Note 15).

**(m) Reserves for Self-Insured Liabilities**

The reserve for self-insured liabilities consists primarily of amounts accrued for asserted medical malpractice and worker's compensation claims and incorporates estimates of the ultimate cost to resolve such claims (see Note 7 *Reserves for Self-insured Liabilities*). The reserve also encompasses an estimate of the cost to resolve unasserted claims that actuarial analyses deem probable of assertion in the future. Medical malpractice claim reserves are presented at undiscounted amounts.

**(n) Refundable Advances Under Federal Student Loan Program**

Funds provided by Department of Education ("ED") under the Federal Student Loan Programs are extended to qualified students and may be re-loaned after collections. The portion of these funds provided by the ED are ultimately refundable to the ED and is recognized as liabilities in the consolidated statements of financial position and as a financing activity in the consolidated statements of cash flows. Loans disbursed to students are reflected as receivables in the consolidated statements of financial position.

**(o) Leases**

The University and the Hospital are parties to a range of operating and finance leases for office space and equipment. Lease assets and lease liabilities are measured using the discount rate implicit in the lease. If that rate is unavailable or readily determinable, the University utilizes its risk-free rate. Operating lease expense, excluding short-term lease costs, is recognized on a straight-line basis. Additional disclosure regarding lease arrangements is provided in Note 13.

**(p) Measure of Operations**

The University's measure of operations comprise all revenue and expenses that are integral to its continuing core program services, with the key objective of enhancing the predictability of operating results. This measure includes the gains and losses from real estate related transactions.

**(q) Reclassifications**

Certain prior year amounts (2024) have been reclassified to conform to the current-year (2025) presentation. These reclassifications had no impact on the University's previously reported net asset balances.

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**3. Liquidity and Availability of Resources**

As of June 30, 2025 and 2024, financial assets and liquidity resources that are available within one year for general expenditures consists of the following:

<b>FINANCIAL ASSETS AND LIQUIDITY RESOURCES</b>	<b>2025</b>	<b>2024</b>
<b>Financial Assets:</b>		
Cash and cash equivalents	\$ 109,839	\$ 95,789
Operating investments	10,482	9,632
Receivables, net (excluding donor-restricted contributions)	124,453	111,325
Healthcare contract assets, net	1,872	2,730
Endowment funds appropriated for current use	34,603	31,018
Total financial assets available within one year	<u>\$ 281,249</u>	<u>\$ 250,494</u>
<b>Liquidity Resources:</b>		
Unused bank line of credit available	50,000	75,000
Total financial assets and liquidity resources available within one year	<u>\$ 331,249</u>	<u>\$ 325,494</u>

None of the financial assets listed above are subject to donor-imposed or contractual restrictions that would render them unavailable for general expenditures within one year of the consolidated statement of financial position. Receivables include time-restricted pledges expected to be collected within one year. Earnings from unspent bond proceeds of \$43,165 may be utilized for bond-related or general operating needs at management's discretion.

The University's endowment investments, which include donor-restricted and quasi-endowment assets, are subject to a Board-established spending policy of 5 percent. Except for the portion allocated for general expenditures, quasi-endowment funds may be accessed, if necessary, with Board authorization. Further disclosures regarding Board-designated quasi-endowment assets are provided in Notes 9 and 16.

To address any unanticipated liquidity needs, the University maintains a committed line of credit of \$75,000, which can be drawn upon through December 31, 2025, if needed. As of June 30, 2025, there was an outstanding balance of \$25,000 on the line of credit.

**4. Receivables, Net**

The major components of receivables, net of reserves for doubtful accounts of \$18,100 and \$15,100 as of June 30, 2025 and 2024, respectively, were as follows:

<b>RECEIVABLES</b>	<b>2025</b>	<b>2024</b>
Student	\$ 35,761	\$ 16,643
Notes	2,565	2,940
Federal appropriation	3,405	3,405
Patient receivables - HUHC	22,568	33,423
Third-party and insurance recoveries - HUHC	26,707	17,380
Patients and third-party payors - FPP	6,129	3,114
Grants and contracts	28,188	29,061
Contributions	36,241	44,649
Auxiliary services	4,247	4,259
Real property	20,944	15,017
Other	3,360	4,398
Total receivables	<u>\$ 190,115</u>	<u>\$ 174,289</u>

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As of June 30, 2025, the University had one single customer, donor, or party that represented greater than 10% of total receivables. As of June 30, 2024, the University did not have any single customer, donor, or party that represented greater than 10% of total receivables.

Student receivables comprise unpaid tuition and fees assessed in current and prior periods that originate when a student enroll through the University's formal registration process.

Patient receivables comprise unpaid health care fees for health care services provided to the patients are measured based on management's estimates of the consideration expected to be realized from patients and third-party payors.

Contributions receivable at June 30, 2025 and 2024 are expected to be received as follows:

<b>CONTRIBUTIONS RECEIVABLE</b>	<b>2025</b>	<b>2024</b>
Within one year	\$ 39,369	\$ 38,312
Between one and five years	8,315	13,900
Thereafter	9	1,201
Contributions receivable gross	47,693	53,413
Unamortized discount on contributions receivable (2%-6.5%)	(1,127)	(1,375)
Contributions receivable, net of discounts	46,566	52,038
Allowance for uncollectible contributions	(10,325)	(7,389)
Total contributions receivable, net of discounts and allowance	<u>\$ 36,241</u>	<u>\$ 44,649</u>

**Conditional Gifts**

In fiscal year 2025, the University entered into a grant agreement with The Bloomberg Family Foundation Inc. to support the medical education of enrolled students, including financial aid and wrap-around services. The total amount conditionally promised under this agreement is \$182,250, of which \$13,780 has been received as of June 30, 2025. The remaining payments are subject to the University fulfilling specified conditions including (i) the submission and approval of an investment plan and (ii) demonstrating satisfactory progress toward program objectives. Payments are scheduled to be made through December 31, 2027.

**5. Inventories, Prepaids and Other Assets**

Components of inventories, prepaids and other assets accounts as of June 30, 2025 and 2024 are as follows:

<b>INVENTORIES, PREPAIDS, AND OTHER ASSETS</b>	<b>2025</b>	<b>2024</b>
Inventories - Hospital	\$ 5,117	\$ 5,972
Prepaid expenses	14,663	20,066
Capitalized internal-use software	18,906	16,779
Beneficial interest trust	3,679	3,296
Self-insured assets	5,574	5,328
Intellectual property costs	692	778
Other	15,899	8,591
Total inventories, prepaids, and other assets	<u>\$ 64,530</u>	<u>\$ 60,810</u>

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**6. Deposits with Trustees**

<b>DEPOSITS WITH TRUSTEES (DEDICATED ASSETS)</b>	<u>2025</u>	<u>2024</u>
Debt service reserve	\$ 28,726	\$ 26,407
Advanced bond payments	—	13,681
Health insurance trust	218	823
Total deposits with trustees	<u>\$ 28,944</u>	<u>\$ 40,911</u>

**Debt Service Reserve Fund**

As required by the 2011B Revenue Bonds and 2021A bonds, the University maintains a debt service reserve fund designed to meet or exceed the Debt Service Fund Requirements of \$24,292. As of June 30, 2025 and 2024, the balance of the debt service reserve fund was \$28,726 and \$26,407, respectively. The assets comprising this reserve fund consist primarily of cash, fixed income investments, capitalized interest and other short-term securities.

In June 2024, the University made advanced payments toward upcoming bond obligations. These payments are recorded under the current portion of deposits with trustees. No advance payments were made as of June 30, 2025.

**7. Reserve for Self-insured Liabilities**

<b>RESERVE FOR SELF-INSURED LIABILITIES</b>	<u>2025</u>	<u>2024</u>
Professional liability	\$ 46,722	\$ 51,672
Workers' compensation	5,097	4,988
Health insurance trust	4,220	3,866
Total reserve for self-insured liabilities	<u>\$ 56,039</u>	<u>\$ 60,526</u>

**(a) Professional Liability**

The University is subject to various claims and litigation related to its hospital and clinical operations. Based on assessments from actuaries and legal counsel, the University has accrued professional liability reserves of \$46,722 and \$51,672, as of fiscal years ended June 30, 2025 and 2024, respectively. These reserves are intended to cover probable losses from both filed (asserted) and potential (unasserted) claims. Professional liability reserves are reported as part of self-insured liabilities in the consolidated statement of financial position.

The following tables summarizes changes in professional liability for fiscal years ended June 30, 2025 and 2024:

<b>PROFESSIONAL LIABILITY</b>	<u>2025</u>	<u>2024</u>
Beginning balance	\$ 51,672	\$ 52,104
Malpractice claims expense	(4,674)	10,661
Settlement payments	(276)	(11,093)
Ending balance	<u>\$ 46,722</u>	<u>\$ 51,672</u>

**(b) Workers' Compensation**

For fiscal years ended June 30, 2025 and 2024, the University maintained \$5,251 and \$5,221 in letters of credit, respectively, as collateral for specific insurance carriers. The University is self-insured for workers' compensation claims up to per occurrence retention of \$500, with any excess covered through commercial insurance.

Workers' compensation expenses were \$1,654 and \$1,633 for fiscal years ended June 30, 2025 and 2024, respectively, and are included in employee benefits. The total liability for future workers' compensation claims includes amounts for claims covered under existing insurance policies. Reserves are based on actuarial estimates for both asserted and unasserted claims.

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**(c) Health Insurance**

The University has established a revocable self-insured trust fund to partially fund group health benefits for its employees. The fund's assets primarily consist of money market investments. Deposits to the fund include employee payroll withholdings and University contributions, based on estimates provided by the claims administrator. Disbursements from the fund are made in accordance to the payment plan prescribed by the claims administrator.

**8. Fair Value Measurements**

U.S. GAAP defines fair value as the price that would be received to sell an asset or paid to transfer a liability, an exit price, in an orderly transaction between market participants at the measurement date. The accounting standards establish a hierarchy which consists of three-level hierarchy for fair value measurements based the nature and observability on the nature and observability of valuation inputs:

- Level 1 – Quoted market prices for identical assets or liabilities in active markets.
- Level 2 – Quoted market prices for similar assets or liabilities in active markets; quoted prices for identical or similar instruments in markets that are not active; or other than quoted prices in which all significant inputs and significant value drivers are observable in active markets either directly or indirectly.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are not observable.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The following assumptions and estimates were used to determine fair value of each class of financial instruments listed above:

- (1) Money market instruments include investments in open ended mutual funds that invest in US treasury securities, US agency bonds, certificates of deposit and corporate bonds. Funds that are quoted daily in active markets are classified as Level 1. Funds that are not quoted daily with prices based on amortized cost are classified as Level 2.
- (2) For investments in government securities, domestic fixed income and corporate bonds, fair value is based first upon quoted market prices for those securities that can be classified as Level 1. For securities where an active market is not available, fair value is determined with reference to similar securities using market prices and broker quotes for similar instruments and are classified as Level 2.
- (3) Common stocks are largely valued based on the last sales price for identical securities traded on a primary exchange. These investments are classified as Level 1. Securities that trade infrequently, or that have comparable traded assets – that trade in either active or inactive markets - are priced using available quotes and other market data that are observable as of the reporting date and are classified as Level 2.
- (4) Alternative investments include the University's limited partnership interests, hedge funds, private equity and real estate and commodity funds. Trading in this class of funds is infrequent and, as a result, market values are not readily determinable. These investments are reported at the Net Asset Value (NAV), as provided by the fund managers. The NAV is used as a practical expedient to measure fair value but is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. The fund managers use pricing models, appraisals, discounted cash flow models, and other valuation techniques to determine fair value of the underlying investments in each fund. Units held within common/collective trusts (CCTs) are valued at the NAV.
- (5) Unexpended bond proceeds include investments in government debt security funds. These funds are not quoted daily and are valued at amortized cost. These investments are classified as Level 2.
- (6) Deposits held with trustees, including workers' compensation, professional and general liability, health insurance and bond debt service deposits, are comprised primarily of money market instruments, U.S. treasury securities, mortgage-backed securities and corporate bonds. Money market investments are classified as either Level 1 or

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Level 2 based on whether their prices are quoted daily. Investments in US treasury securities are classified as Level 1 and other fixed income securities are classified as Level 2.

- (7) Other assets represent the University's beneficial interest in certain trust assets held by third parties. The underlying trust assets are comprised of a variety of investments, primarily exchange-traded funds and corporate fixed income. The fair value of this interest has been measured using the income approach as there is no active principal market trading in this interest. This interest was valued using the quoted market value for the underlying marketable securities of the Trust discounted for expected future cash flows to the University. These interests are classified as Level 3 assets as the reported fair values are based on a combination of observable and unobservable inputs.
- (8) The estimated fair value of the University's bonds is determined based on quoted market prices. As of June 30, 2025 and 2024, the estimated fair value was approximately \$738,845 and \$736,075, respectively. Fair value estimates are made at a specific point in time, are subjective in nature, and involve uncertainties and matters of judgment. The University is not required to settle its debt obligations at fair value and settlement is not possible in most cases because of the terms under which the debt was issued and legal limitations on refunding tax-exempt debt.

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The University's financial liabilities, as referenced above, are presented in Footnote 14. The University's financial assets as of June 30, 2025 and 2024 are subject to fair value accounting. Fair value as of June 30, 2025 is as follows:

<b>FAIR VALUE</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Non-investment assets</b>				
Unexpended bond proceeds (5)	\$ —	\$ 250,941	\$ —	\$ 250,941
Deposits with trustees (6)	218	28,726	—	28,944
Other assets (7)	—	—	4,002	4,002
<b>Total non-investment assets</b>	<b>\$ 218</b>	<b>\$ 279,667</b>	<b>\$ 4,002</b>	<b>\$ 283,887</b>
<b>Operating investments</b>				
Common stock (3)	10,482	—	—	10,482
Total operating investments	\$ 10,482	\$ —	\$ —	\$ 10,482
<b>Restricted investments</b>				
Money market instruments (1)	—	7,521	—	7,521
Common stock (3)	29,681	—	—	29,681
<b>Fixed income</b>				
Corporate bonds (2)	9,830	—	—	9,830
Total restricted investments	\$ 39,511	\$ 7,521	\$ —	\$ 47,032
<b>Endowment investments</b>				
Money market funds (1)	5,836	65,870	—	71,706
Common stock (3)	194,828	—	—	194,828
<b>Fixed income</b>				
Corporate bonds (2)	53,162	—	—	53,162
<b>Mutual funds investment</b>				
Domestic common stock (3)	1,628	—	—	1,628
Domestic fixed income (2)	69,928	—	—	69,928
International equity security (3)	3,145	—	—	3,145
Total endowment investments	\$ 328,527	\$ 65,870	\$ —	\$ 394,397
Investment receivables not subject to fair value reporting (8)	4,043	—	—	4,043
Investment payables not subject to fair value reporting (8)	(2,839)	—	—	(2,839)
<b>Total investments</b>	<b>\$ 379,724</b>	<b>\$ 73,391</b>	<b>\$ —</b>	<b>\$ 453,115</b>
<b>Total non-investments and investments, net of liabilities</b>	<b>\$ 379,942</b>	<b>\$ 353,058</b>	<b>\$ 4,002</b>	<b>\$ 737,002</b>
Total investments measured at the NAV as a practical expedient (4)				743,275
<b>Total assets and liabilities measured at fair value</b>				<b>\$ 1,480,277</b>

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Fair value as of June 30, 2024 is as follows:

<b>FAIR VALUE</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Non-investment assets</b>				
Unexpended bond proceeds (5)	\$ —	\$ 315,096	\$ —	\$ 315,096
Deposits with trustees (6)	14,505	26,406	—	40,911
Other assets (7)	—	—	3,620	3,620
<b>Total non-investment assets</b>	<b>\$ 14,505</b>	<b>\$ 341,502</b>	<b>\$ 3,620</b>	<b>\$ 359,627</b>
<b>Operating investments</b>				
Common stock (3)	9,632	—	—	9,632
Total operating investments	\$ 9,632	\$ —	\$ —	\$ 9,632
<b>Restricted investments</b>				
Money market instruments (1)	—	19,433	—	19,433
Common stock (3)	30,482	—	—	30,482
Total restricted investments	\$ 30,482	\$ 19,433	\$ —	\$ 49,915
<b>Endowment investments</b>				
Money market funds (1)	6,792	15,476	—	22,268
Common stock (3)	213,181	—	—	213,181
Fixed income				
Corporate bonds (2)	55,677	—	—	55,677
Mutual funds investment				
Domestic common stock (3)	9,950	—	—	9,950
Domestic fixed income (2)	58,191	—	—	58,191
Total endowment investments	\$ 343,791	\$ 15,476	\$ —	\$ 359,267
Investment receivables not subject to fair value reporting (8)	13,738	—	—	13,738
Investment payables not subject to fair value reporting (8)	(1,537)	—	—	(1,537)
<b>Total investments</b>	<b>\$ 396,106</b>	<b>\$ 34,909</b>	<b>\$ —</b>	<b>\$ 431,015</b>
<b>Total non-investments and investments, net of liabilities</b>	<b>\$ 410,611</b>	<b>\$ 376,411</b>	<b>\$ 3,620</b>	<b>\$ 790,642</b>
Total investments measured at the NAV as a practical expedient (4)				678,098
<b>Total assets and liabilities measured at fair value</b>				<b>\$ 1,468,740</b>

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Investments measured at the NAV as a practical expedient at June 30, 2025 are summarized as follows:

INVESTMENTS MEASURED AT NAV	Fair Value	Unfunded Commitments	Redemption/ Withdrawal Frequency	Redemption/ Withdrawal Notice Period
Hedge funds(a)	\$ 92,261	\$ 1,800	Monthly- Annually	45-90 days
Common stock	16,294	—	Monthly	<30 days
Real estate funds(b)	54,373	3,837	—	1-10 years
Common/collective trusts(c)	72,898	—	Monthly	—
Limited partnerships(d)	507,449	147,379	—	≤ 10 years
Total investments measured at the NAV as practical expedient	<u>\$ 743,275</u>	<u>\$ 153,016</u>		

Investments measured at the NAV as a practical expedient at June 30, 2024 are summarized as follows:

INVESTMENTS MEASURED AT NAV	Fair Value	Unfunded Commitments	Redemption/ Withdrawal Frequency	Redemption/ Withdrawal Notice Period
Hedge funds(a)	\$ 77,227	\$ 157	Monthly- Annually	45-90 days
Common Stock	43,694	—	Monthly	<30 days
Real estate funds(b)	53,838	7,222	—	1-10 years
Common/collective trusts(c)	56,788	—	Monthly	—
Limited partnerships(d)	446,551	149,950	—	≤ 10 years
Total investments measured at the NAV as practical expedient	<u>\$ 678,098</u>	<u>\$ 157,329</u>		

The tables presented above represent the University's net asset value of investments by asset class and their respective liquidity terms and unfunded commitments as of June 30, 2025 and 2024. Real estate funds and limited partnerships do not have readily ascertainable market values and may be subject to withdrawal restrictions.

The investment objectives for the investments measured using the net asset or unit value are as follows:

- (a) **Hedge Funds:** The objective of the hedge funds is to generate superior risk-adjusted returns on its assets, maximize total return on investments and achieve long-term capital appreciation. This objective is achieved through a diversified mix of strategies including long/short equity, event driven, distressed securities and credit opportunities.
- (b) **Real Estate Funds:** The University achieves its exposure to this asset class through interests in operating partnerships that invest in real estate and real estate-related assets. The various funds are made up of a portfolio of high-yield commercial real estate and real estate-related assets that utilize various structures including mezzanine debt, joint ventures and discounted notes to achieve its objectives. These funds have predetermined termination dates that range from two to ten years with optional renewal terms.
- (c) **Common/Collective Trusts (CCTs):** The University invests a portion of its assets in common collective trusts where its assets are commingled with other assets and invested through one common medium with the goal of pursuing a common strategy of higher returns.
- (d) **Limited Partnerships:** A portion of the University assets are allocated for investment in private equity. This is accomplished through ownership interests in partnerships that pursue this investment approach. The life spans of these partnerships are stated at the inception of each partnership, which as of the year ended June 30, 2025, had a maximum life span of ten years. Throughout the course of the partnership strategic decisions made by the general partners may result in return of capital to the University.

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The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement as of the reporting date.

Net investment income (loss) is summarized as follows for fiscal years June 30, 2025 and 2024:

<b>NET INVESTMENT INCOME (LOSS)</b>	<b>2025</b>	<b>2024</b>
Interest and dividends	\$ 43,916	\$ 32,317
Net realized gains	23,047	40,389
Net unrealized gains	26,205	45,292
Other investment income, net of expense	133	2
Investment expenses	(10,621)	(10,113)
Total net investment income	<u>\$ 82,680</u>	<u>\$ 107,887</u>
Current-year unrestricted operating return	986	1,875
Current-year non-operating investment return (loss):		
Without donor restriction	46,095	47,395
With donor restriction	35,599	58,617
Total current year investment return	<u>\$ 82,680</u>	<u>\$ 107,887</u>
Prior-year (earnings) designated for current operations:		
Without donor restriction	(17,053)	(14,528)
With donor restriction	(13,965)	(14,052)
Total designated for current operations	<u>\$ (31,018)</u>	<u>\$ (28,580)</u>
Net non-operating investment return:		
Without donor restriction	29,042	32,867
With donor restriction	21,634	44,565

## 9. Endowment Fund

The University's endowment consists of numerous individual accounts established to fund scholarships, professorships, student loans, general operations and other purposes. The management and investment of these funds are governed by the provisions of the DC UPMIFA.

### Interpretation of Relevant Law

Net Asset Classification - The Board of Trustees has interpreted the DC UPMIFA as requiring the preservation of the fair value of the original gift, as determined at the date of contribution, for donor-restricted endowment funds absent explicit donor instructions to the contrary. Pursuant to this interpretation, the University classifies the following as donor-restricted net assets to be maintained in perpetuity:

- (a) The original value of gifts with permanent donor-directed use restrictions; and
- (b) Accumulations that must be retained under the terms of the donor's gift instrument at the time the accumulation occurs.

Any portion of the donor-restricted gift is classified as net assets with donor restrictions until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by DC UPMIFA.

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Spending - In accordance with DC UPMIFA, the University considers the following factors in making a determination to spend or accumulate donor-restricted endowment funds:

- (a) The duration and preservation of the fund
- (b) The purposes of the University and the donor-restricted endowment fund
- (c) General economic conditions
- (d) The possible effect of inflation and deflation
- (e) The expected total return from income and appreciation of investments
- (f) Other resources of the University
- (g) The investment policies of the University

Management and Investment - In accordance with DC UPMIFA, the University considers the following factors in making investment, as well as other management decisions, regarding donor-restricted endowment funds:

- (a) General economic conditions
- (b) The possible effect of inflation and deflation
- (c) The expected tax consequences, if any
- (d) The role of an investment/action in context of the entire portfolio
- (e) The expected total income and appreciation
- (f) Other University resources
- (g) The needs to preserve capital and make distributions
- (h) An asset's special relationship or value to the University's charitable purpose.

The change in value and the composition of amounts classified as endowment as of June 30, 2025 is as follows:

<b>ENDOWMENT CHANGE IN VALUE</b>	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
Endowment net assets, beginning of year	\$ 481,711	\$ 562,100	\$ 1,043,811
Investment return:			
Investment income	14,351	21,713	36,064
Net appreciation (realized and unrealized)	30,985	11,777	42,762
Total investment return	\$ 45,336	\$ 33,490	\$ 78,826
Contributions	5,233	19,302	24,535
Appropriation of endowment assets for operations	(17,053)	(13,965)	(31,018)
Other changes:			
Transfer and other changes	32,672	(26,975)	5,697
Endowment net assets, end of year	\$ 547,899	\$ 573,952	\$ 1,121,851
Donor-restricted endowment funds	—	574,132	574,132
Underwater endowment funds	—	(180)	(180)
Board designated quasi-endowment	547,899	—	547,899
Endowment net assets, end of year	<u>\$ 547,899</u>	<u>\$ 573,952</u>	<u>\$ 1,121,851</u>

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The change in value and the composition of amounts classified as endowment as of June 30, 2024 is as follows:

<b>ENDOWMENT CHANGE IN VALUE</b>	<b>WITHOUT DONOR RESTRICTIONS</b>	<b>WITH DONOR RESTRICTIONS</b>	<b>TOTAL</b>
Endowment net assets, beginning of year	\$ 426,656	\$ 506,050	\$ 932,706
Investment return:			
Investment income	9,747	15,646	25,393
Net appreciation (realized and unrealized)	30,387	38,689	69,076
Total investment return	\$ 40,134	\$ 54,335	\$ 94,469
Contributions	10,452	29,265	39,717
Appropriation of endowment assets for operations	(14,528)	(14,052)	(28,580)
Other changes:			
Transfer and other changes	18,997	(13,498)	5,499
Endowment net assets, end of year	\$ 481,711	\$ 562,100	\$ 1,043,811
Donor-restricted endowment funds	—	562,233	562,233
Underwater endowment funds	—	(133)	(133)
Board designated quasi-endowment	481,711	—	481,711
Endowment net assets, end of year	<u>\$ 481,711</u>	<u>\$ 562,100</u>	<u>\$ 1,043,811</u>

The original gift amount and net appreciation of net assets with donor restrictions as of June 30, 2025 and 2024 is as follows:

<b>ENDOWMENT NET ASSETS WITH DONOR RESTRICTIONS</b>	<b>2025</b>	<b>2024</b>
Original gift	\$ 315,982	\$ 302,358
Net appreciation	257,970	259,742
Total endowment net assets with donor restrictions	<u>\$ 573,952</u>	<u>\$ 562,100</u>

The University's endowment net assets comprise receivables related to the federal term endowment and uninvested contributions. As these amounts have not yet been invested, they are not reflected within endowment investments. At June 30, 2025 and 2024 receivables of \$1,925 and \$11,314, respectively are recorded, and represent the difference between endowment investments reflected on consolidated statements of financial position and endowment net assets reported above.

**Funds with Deficiencies** - On Occasion, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level the donors have required the University to preserve in perpetuity. These deficiencies, described as "underwater accounts", are reported within net assets with donor restrictions and totaled \$180 and \$133 as of fiscal years ended June 30, 2025 and 2024, respectively. The University has adopted a policy allowing spending in certain situations from underwater, donor-restricted endowment funds, absent overriding provisions in donor agreements. The University's investment and spending policy is intended to conform with DC UPMIFA which allows spending in underwater endowments, in support of an endowment's purpose.

<b>FUNDS WITH DEFICIENCIES</b>	<b>2025</b>	<b>2024</b>
Fair value of underwater endowments	\$ 7,908	\$ 2,432
Original endowment gift amount	8,088	2,565
Deficiencies of underwater endowment funds	<u>\$ (180)</u>	<u>\$ (133)</u>

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**Return Objectives and Risk Parameters** - The University employs investment and spending policies for its endowment assets that seek to provide a predictable source of funding to programs supported by its endowment while managing the risks inherent in achieving such returns. Endowment assets consist of donor-restricted funds to be held in perpetuity for specified period, as well as board-designated endowment funds. Under these policies the endowment assets are invested through a diversified investment program designed to exceed the risk-adjusted performance of the market benchmark representative of each asset class over rolling five-to-seven-year periods. The University's long-term objective is to achieve an average inflation-adjusted total return that exceeds its targeted distribution rate, while sustaining a low to moderate level of investment risk. Actual returns in any individual year may vary substantially from this objective.

**Strategies Employed for Achieving Objectives** - To satisfy its long-term rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and yield (interest and dividends). The University targets a diversified asset allocation which places greater emphasis on global public equity-based investments complimented by private markets, real estate and fixed income strategies to achieve its long-term return objectives within prudent risk constraints. The endowment's long-term target asset allocation is approved by the Investment Committee of the Board of Trustees.

**Spending Policy and How the Investment Objectives Relate to Spending Policy** - The University's spending policy allows for distribution each year of up to 5 percent of its endowment fund's market value, excluding Federal term and Islamic Funds, based upon a three-year moving average with the most recent year removed. In establishing this policy, the University considered the long-term expected return on its endowment consistent with its general goal of facilitating the ability of endowments (specifically permanent and time specific endowments) to best fulfill the purposes for which they were designed.

**10. Long-Lived Assets**

<b>LONG-LIVED ASSETS</b>	<b>2025</b>	<b>2024</b>
Land and land improvements	\$ 63,547	\$ 63,547
Buildings and building improvements	1,187,354	1,043,659
Property held for expansion	45,891	45,891
Furniture and equipment	370,808	366,798
Library books	92,285	92,264
Works of art, historical treasures, literary works and artifacts	43,758	43,758
Software	109,701	109,401
Software in progress	12,135	12,135
Construction in progress	300,146	266,561
Long-lived assets, gross	2,225,625	2,044,014
Accumulated depreciation	(1,266,477)	(1,227,716)
Long-lived assets, net	<u>\$ 959,148</u>	<u>\$ 816,298</u>

For fiscal years ended June 30, 2025 and 2024, there were \$197 and \$164, respectively, in sales, disposals and retirements. There were no disposals of works of art, historical treasures, literary works and artifacts for either fiscal year presented.

Depreciation and amortization expense for the years ended June 30, 2025 and 2024 was \$46,483 and \$42,528, respectively. For fiscal years ended 2025 and 2024, net interest costs of \$8,098 and \$4,971, respectively, were incurred during construction and capitalized as part of the cost of capital projects.

Long-lived assets include property held for expansion, consisting of land and buildings acquired for future use in carrying out educational, research and other activities in line with the overall mission of the University. Depreciation for buildings commences when property is converted to use. Long-lived assets include capitalization of donated artwork that is not subject to depreciation.

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**11. Accounts Payable and Accrued Expenses**

Components of this line item at June 30, 2025 and 2024 are as follows:

<b>ACCOUNTS PAYABLE AND ACCRUED EXPENSES</b>	<b>2025</b>	<b>2024</b>
Vendor invoices	\$ 236,717	\$ 146,563
Accrued salaries and wages	24,515	22,284
Accrued employee benefits	6,168	8,052
Accrued annual leave	8,138	7,284
Accrued interest	8,097	7,706
Other	1,599	164
Total accounts payable and accrued expenses	<u>\$ 285,234</u>	<u>\$ 192,053</u>

**12. Other Liabilities and Deferred Revenue**

Other liabilities are comprised primarily of student deposits and refunds, unclaimed property, deposits held in custody for others, environmental liability, reserves for legal and other contingencies and miscellaneous items. These obligations include the following at June 30, 2025 and 2024:

<b>OTHER LIABILITIES</b>	<b>2025</b>	<b>2024</b>
Environmental liabilities	\$ 167	\$ 560
Due to third-party student housing partner	9,327	6,122
Unclaimed property	7,452	7,007
Student deposits and refunds	11,374	5,554
Reserve for legal contingencies	2,880	5,240
Deposits held in custody for others	3,064	2,545
Gifts with uncertainties regarding realizability	6,557	2,434
Miscellaneous	5,871	5,339
Total other liabilities	<u>\$ 46,692</u>	<u>\$ 34,801</u>

The University incurred costs related to remediation of environmental liabilities during fiscal years ended June 30, 2025 and 2024 of \$393 and \$959, respectively.

Deferred revenue represents cash received, but not earned as of June 30, 2025 and 2024. This is primarily composed of refundable grant revenue advances, deferred lease income and Medicare advance payment program.

<b>DEFERRED REVENUE</b>	<b>2025</b>	<b>2024</b>
Deferred tuition, room and board	\$ 7,944	\$ 8,050
Deferred grant revenue	69,846	61,202
Deferred lease income	48,613	47,756
Medicare advance payment	—	2,950
Other	4,197	3,641
Total deferred revenue	<u>\$ 130,600</u>	<u>\$ 123,599</u>

The beginning deferred revenue balance for the year ended June 30, 2024 was \$123,613.

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### 13. Leases

#### *Finance Leases*

In fiscal year 2024, the University entered a lease with Cisco Capital to refresh the existing campus wireless network by replacing access points and switches with new models from Cisco Capital. This upgrade aims to streamline and modernize the network, simplify network operations, and improve the student experience. The lease has a term of 60 months and payments of \$1,429 are made annually.

In July 2024, the University entered into a new finance lease with 2711 Georgia Ave, NW, Washington, D.C. Rock Creek – Bison LLC, on the property known as The Oliver, to lease commercial space. The lease has a 20-year lease term to provide 41,000 square feet to be used by the University for administrative purposes.

The University is also obligated under other finance leases for office, technology and medical equipment that extend through fiscal year 2096.

The University considered the likelihood of exercising renewal or termination terms in measuring its right-of-use lease assets and lease liabilities. Except for leases for certain medical equipment that will extend its useful life by the end of the lease, management reviews each lease option to modify terms on a case-by-case basis. The right-of-use assets are amortized over their estimated useful lives.

#### *Operating Leases*

The University has several non-cancelable operating leases for broadcast antennas, equipment and a vehicle fleet that extend through fiscal year 2029.

In January 2025, the University entered into two 15-year separate operating lease agreements with Jemal's Wonder LLC for property located at 641 S Street NW, Washington, D.C. The lease terms commenced on January 1, 2025, and extends through December 31, 2039. Under the first agreement, the University leased the first floor of the building which will be utilized as a temporary medical clinic. Under the second agreement, the University leased the third and fourth floors which will be used as temporary office space for University employees.

In July 2024, The University entered into a new operating lease with 2711 Georgia Ave, NW, Washington, D.C. Rock Creek – Bison LLC, on the property known as The Oliver, to lease residential space. The purpose of the lease is to lease 93 residential units, providing housing and parking for students and faculty for a 5-year lease term.

The University entered a 7-year lease for 400 Florida Ave, NE (The Lanes) with HH DC Property, LLC to lease residential housing from July 1, 2024, to June 30, 2031. The property contains 110 residential units with 32 units being vacant immediately. The University will lease the 32 vacant units and will have the option to add additional units as they become available.

The University considered the likelihood of exercising renewal or termination terms in measuring its right-of-use lease assets and lease liabilities and has included renewal periods in its assessment of lease terms. The right-of-use assets are amortized over their estimated useful lives.

The finance lease right-of-use assets and accumulated amortization, operating lease right-of-use assets and corresponding liabilities for the fiscal years ended June 30 are as follows:

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<b>LEASE RIGHT OF USE ASSETS AND OBLIGATIONS</b>	<b>2025</b>	<b>2024</b>
Finance lease right of use assets	\$ 84,213	\$ 52,990
Finance lease accumulated amortization	(23,105)	(21,872)
Finance lease right of use assets, net	\$ 61,108	\$ 31,118
Operating lease right of use asset	101,988	69,491
<b>Total right of use assets, net</b>	<b>\$ 163,096</b>	<b>\$ 100,609</b>
Finance lease obligation	\$ 58,273	\$ 27,626
Operating lease obligation	106,602	69,123
<b>Total lease obligation</b>	<b>\$ 164,875</b>	<b>\$ 96,749</b>

As of June 30, 2025, the minimum future payments were as follows:

<b>LEASE OBLIGATIONS</b>	<b>FINANCE</b>	<b>OPERATING</b>	<b>TOTAL</b>
Future principal and interest years ending June 30			
2026	\$ 10,324	\$ 19,496	\$ 29,820
2027	9,094	16,061	25,155
2028	8,304	13,501	21,805
2029	5,705	12,785	18,490
2030	4,735	9,108	13,843
2031 and thereafter	42,192	63,838	106,030
Obligation, gross	\$ 80,354	\$ 134,789	\$ 215,143
Amounts representing interest rates from 2% to 9%	(22,081)	(28,187)	(50,268)
<b>Total lease obligations, net</b>	<b>\$ 58,273</b>	<b>\$ 106,602</b>	<b>\$ 164,875</b>

Certain additional supplemental quantitative information is as follows for the fiscal years ended June 30:

<b>LEASE EXPENSE</b>	<b>2025</b>	<b>2024</b>
Finance lease expense:		
Amortization of right of use assets	\$ 7,413	\$ 4,203
Interest on lease liabilities	3,213	1,747
Total finance lease expense	\$ 10,626	\$ 5,950
Operating lease expense	28,222	24,434
Short term lease expense	13,118	8,665
<b>Total lease expense</b>	<b>\$ 51,966</b>	<b>\$ 39,049</b>

<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION FOR LEASES</b>	<b>2025</b>	<b>2024</b>
Cash paid for amounts included in the measurements of lease liabilities:		
Operating cash flows	\$ 19,223	\$ 17,132
Financing cash flows	6,016	5,601

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<b>OTHER INFORMATION</b>	<b>2025</b>	<b>2024</b>
Right of use (ROU) assets obtained in exchange for lease liabilities:		
Finance leases	\$ 37,090	\$ 11,878
Operating leases	56,702	51,978
Weighted-average remaining lease term (in years):		
Finance leases	12.53	5.94
Operating leases	10.03	8.73
Weighted-average discount rate:		
Finance leases	5.27%	6.12%
Operating leases	4.61%	4.73%

**Lessor Sales-Type Leases**

Howard Manor Lease

In fiscal year 2020, the University, as lessor, entered into a 99-year ground lease and development agreement with Manor Lessee LLC ("Manor") for the approximately 75,000 square foot building at 654 Girard Street, NW, Washington, D.C., ("Howard Manor"). The lease proceeds were a one-time payment of \$3,000 and annual rent of \$120 per year with an annual 2.25% rent escalation to the University. Under the agreement, Manor is obligated to construct an 80-unit apartment/housing complex. The University retained contractual right to repurchase Manor's lease and to regain management interest and control over the land and improvements.

In fiscal year 2024, the University exercised its repurchase rights pursuant to the original agreement, remitting a one-time payment of \$25,791 to Manor and thereby resuming control of the land and improvements. Thereafter, the University, as lessor, entered into a 31-year ground lease with Provident Group Girard Properties Inc. (PGGPI) for Howard Manor. The terms of the lease are: (i) a one-time payment of \$22,510, provided by funding PGGPI received from Amazon under their Affordable Housing Program; and (ii) annual rent payments of \$400 per year with an annual 2.25% rent escalation. The lease term was extended to 40 years subsequent to the commencement of the lease.

These leases are classified as sales-type leases pursuant to ASC 842-10-25-3, following management's assessment that the present value of the minimum lease payments approximates substantially all of the fair value of the underlying asset. As of June 30, the lease receivable for sales-type leases in reverse chronological order is as follows:

<b>SALES-TYPE LEASE PAYMENTS RECEIVABLE</b>	<b>2025</b>	<b>2024</b>
Howard Manor	\$ 8,539	\$ 4,836
Shining Star	2,668	2,752
East Towers Lot	163	—
Total sales-type lease payments receivable	<u>\$ 11,370</u>	<u>\$ 7,588</u>

As of June 30, 2025, the future minimum sales-type lease payments receivable to be received for years ending at June 30 is as follows:

<b>SALES-TYPE LEASE PAYMENTS RECEIVABLE</b>	<b>June 30</b>
2026	\$ 1,115
2027	673
2028	683
2029	693
2030	703
2031 and thereafter	7,647
Total undiscounted cash flows lease obligations, net	<u>\$ 11,514</u>
Impact of present value discount	(144)
Total sales-type lease payments receivable	<u>\$ 11,370</u>

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***Lessor Operating Leases***

**East Towers Lot Lease**

In prior years, the University, as lessor, executed a 99-year ground lease for approximately 80,392 square feet of land at 2251 Sherman Avenue, NW, Washington, D.C. and 2047 9th Street, NW, Washington, D.C., (the "East Towers Lot") for \$60,500. Lease consideration was structured in three installments: (i) \$20,000 at the June 2022 initial closing; (ii) \$22,000 upon the earlier of June 30, 2023 or 30 days following the alley closure pursuant to the agreement; and (iii) \$18,500 on the due 15 days after receipt of final approvals for alley closure. The University also retained a contingent right to 15% of net proceeds from any refinancing or disposition of the lessee's interest upon satisfaction of stipulated internal rate of return. On July 28, 2023, the University entered into a second amendment to the East Towers Lot agreement converting \$22,000 of outstanding lease receivables into variable payments through first- and second-tier project participation. Consequently, in fiscal year 2024, the University recognized an impairment on its net lease receivable, and the lease was reclassified from a sales-type to an operating lease.

**Lot 3 Lease**

In fiscal year 2023, the University, as lessor, executed a 99-year ground lease for the Lot 3 property located on Georgia Avenue, NW, Washington D.C. for \$32,402. Lease consideration was structured in four installments (i) an upfront closing payment of \$9,969; (ii) \$13,385 on or before June 30, 2023; (iii) \$8,951 by June 30, 2024; and (iv) nominal annual rent of \$1. The University is entitled to an annual participation payment equal to 1.5% of net cash flow for the prior calendar year, due no later than April 30th of each calendar year. At conclusion of the lease term, title to all improvements on the property and the tenant's leasehold interest will automatically vest in the University at no additional cost and free of all encumbrances. The lease does not include a guaranteed residual value.

**HURB-1 Lease**

In fiscal year 2022, the University, as lessor, executed a 99-year ground lease for approximately 42,750 square feet of land at 1840 7th Street, NW Washington, D.C., for (i) nominal annual rent of \$1; (ii) an upfront closing payment of \$16,240; and (iii) an annual participation payment equal to 1.5% of net cash flow for the preceding calendar year, due on or before April 30. At the termination of the lease, title to all improvements and the tenant's leasehold interest will automatically revert to the University, free of all mortgages, liens, impositions, and defects in title. No guaranteed residual value is provided under the lease.

The University maintains additional operating leases for retail and commercial spaces, with rent payments established at lease commencement. In assessing the appropriate lease term, the University evaluates the likelihood of its tenant renewal or termination, with consideration to historical renewal or extension patterns, anticipated sales and revenue performance, and other pertinent factors. Certain tenants retain the ability to renegotiate or extend their lease upon expiration. Termination provisions are clearly defined in each lease. Lease payments are governed by the contractual terms and are generally fixed, although some lease agreements provide for payment escalations based on Consumer Price Index. The University includes only consideration attributable to lease components in its measurement of lease payments.

The University's leased properties are comprise: (i) the Wonder Plaza Building; (ii) rooftop licensing on select buildings; and (iii) Barry Place ground lease. Additionally, the University leases several buildings to private entities, including (iv) a public charter school, (v) an automobile rental company, (vi) a pharmacy, (vii) student housing facilities, (viii) a cosmetic store, (ix) a restaurant and (x) a fast food chain. The University also leases Hospital space to a large private pharmacy.

The University's lease agreements do not grant tenants an option to purchase the underlying asset upon expiration of the lease term, nor do they incorporate any residual value guarantees.

The University receives rental income under these lease agreements, which have termination dates through 2023 and thereafter. The total lease income earned for fiscal years ended June 30, 2025, and 2024 was \$3,127 and \$3,102, respectively and are reported in real property revenue on the statements of activities.

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<b>LEASE INCOME</b>	<b>2025</b>	<b>2024</b>
Interest income on sales type lease	\$ 161	\$ 151
Operating lease income	2,966	2,951
Total lease income	<u>\$ 3,127</u>	<u>\$ 3,102</u>

As of June 30, 2025, the future minimum operating lease payments receivable to be received for years ending at June 30 is as follows:

<b>OPERATING LEASE PAYMENTS RECEIVABLE</b>	<b>June 30</b>
2026	\$ 1,059
2027	941
2028	876
2029	885
2030	892
2031 and thereafter	64,405
Total operating lease payments receivable	<u>\$ 69,058</u>

#### 14. Bonds Payable, Notes Payable, and Line of Credit

##### (a) Bonds Payable

The University is obligated with respect to the following bond issues at June 30:

<b>BONDS PAYABLE</b>	<b>2025</b>	<b>2024</b>
2023A Future Advance Project Funding Bonds, 3.653% to 4.755% Serial due 2026 through 2053	\$ 21,476	\$ 3,762
2022A Taxable bonds, 5.209% Serial due through 2053	300,000	300,000
2021A Taxable bonds, 3.89% to 4.76% Serial due through 2051	151,285	151,285
2020B Taxable bonds, 1.99% to 3.48% Serial due through 2041	209,085	209,085
2020A Taxable bonds, 2.52% to 3.00% Serial due through 2031	98,965	111,645
2011B Taxable bonds, 7.63% Serial due through 2035	49,325	49,325
2010 Revenue bonds, 5.05% Serial due through 2025	486	1,423
Total bonds payable, gross	<u>\$ 830,622</u>	<u>\$ 826,525</u>
Unamortized bond discount	(4,435)	(4,713)
Unamortized bond issuance costs	(9,932)	(10,791)
Total bonds payable, net	<u>\$ 816,255</u>	<u>\$ 811,021</u>

##### (1) Series 2023A Future Advance Project Funding Bonds

In January 2023, the University issued the Series 2023A Bonds ("2023A Bonds") through the Historically Black College and University Capital Loan Financing Program, a federal financing initiative administered by the Department of Education. The proceeds will be used to finance a STEM Building on the University's campus. The 2023A Bonds constitute a non-conventional bond issuance, with financing provided through a draw-down structure versus traditional bond issuances where net proceeds from closing are delivered to a designated account. The total draw-down the facility may not exceed \$224,000. Interest accrues at the applicable U.S. Treasury yield prevailing at the time of each draw is executed. The bonds mature on April 1, 2053. At fiscal year ended June 30, 2025, a total of \$21,476 had been drawn under the 2023A Bonds at interest rates between 3.653% and 4.755%. As a requirement a portion of each draw must be deposited in an escrow fund. As of June 30, 2025 the balance was \$1,074.

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**(2) Series 2022A Taxable Bonds**

In March 2022, the University issued the Series 2022A Taxable Bonds ("2022A Bonds") in the amount of \$300,000. The proceeds will be used to finance or reimburse the University for (i) capital projects expenditures, and (ii) costs of issuance related to the 2022A Bonds. The bonds bear interest at 5.209% repayable from 2022 to 2053.

**(3) Series 2021A Taxable Bonds**

In March 2021, the University issued the Series 2021A Taxable Bonds ("2021A Bonds") in the amount of \$151,285. The proceeds will be used to finance a new steam generation plant on the University's Main Campus, a distribution system, and related expenditures (the "Project"), including repayment of an outstanding \$26,000 bridge loan and accrued interest that funded portions of the Project. The bonds bear interest between 3.89% to 4.76% and are repayable between 2032 and 2051. To secure its payment obligations, the University will grant to the Trustee, for the benefit of the bondholders, a first-priority perfected lien on its Pledged Revenues. The 2024 bonds require the University to maintain a debt service fund of \$11,657. At the fiscal year ended June 30, 2025 the fund balance was \$12,699.

**(4) Series 2020B Taxable Bonds**

In July 2020, the University issued \$209,085 of Series 2020B Bonds ("2020B Bonds") to refund the 2011A bonds and to purchase securities which, along with cash, were deposited with an escrow agent to fund all future debt service obligations owed to holders of the 2011A bonds through 2041. The Series 2020B bonds bear interest between 1.99% to 3.48% and are repayable between 2025 and 2041.

**(5) Series 2020A Taxable Bonds**

In February 2020, the University issued the Series 2020A Taxable Bonds ("2020A Bonds") in the amount of \$146,900. The bonds bear interest between 2.42% to 3.00% and are repayable between 2021 and 2031. The proceeds were used to repay and settle the total outstanding principal amount of the Series 2016 Revenue Bonds. The University received a more favorable interest rate with the 2020 bonds compared to the 2016 bonds.

**(6) 2011B Taxable Bonds**

In April 2011, the University issued \$65,065 of Series 2011B Bonds ("2011B Bonds") to refund the Series 1998 and Series 2006 bonds and to finance new capital improvements. The 2011B bonds bear interest between 4.31% and 7.63% and are repayable from 2015 to 2035. The average coupon rate is 6.57%. The 2011 bonds require the University to maintain a debt service fund of \$12,634. As of June 30, 2025 the fund balance was \$14,953.

The 2011B Bonds are eligible for optional redemption prior to maturity in whole or in part on any business day at the Make-Whole Redemption Price, at the direction of the University.

**(7) 2010 Revenue Bonds**

In August 2010, the University issued \$10,400 of Series 2010 Revenue Bonds ("2010 Bonds"). The bonds bear interest at 5.05% repayable from 2010 to 2025. The proceeds were used to retire an expiring equipment note and to fund energy related projects.

**(b) Line of Credit**

As of June 30, 2025, the University has a \$75,000 JP Morgan Revolving Credit Agreement that terminates on December 31, 2025 with an outstanding balance of \$25,000 on the line of credit. There was no outstanding balance at June 30, 2024. The University is paying a quarterly non-refundable unutilized commitment fee at a rate of 1.55%.

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**Compliance with Contractual Covenants**

The Series 2011B, Series 2020A, Series 2020B, Series 2021A, Series 2022A, Series 2023A Bonds and the Revolving Credit Agreement all contain restrictive financial covenants as summarized in the table below as of June 30, 2025.

<b>COVENANT</b>	<b>INSTRUMENT</b>	<b>MEASUREMENT DATE</b>	<b>CRITERIA</b>
Debt Service Coverage Ratio	All Debt Instruments	June 30 each year	1.10:1.00
Liquidity Ratio	Revolving Credit Agreement	Quarterly	\$160 million

As of June 30, 2025 and 2024, the University was compliant with the Debt Service Coverage Ratio measurements for the Series 2011B, Series 2020A, Series 2020B, Series 2021A, Series 2022A, and Series 2023A Bonds and the Liquidity Ratio covenant under the Revolving Credit Agreement.

The University has pledged revenue for payment obligations to the Series 2020A, Series 2020B, Series 2022A, and Series 2023A bondholders. Pledged Revenues include of all gross revenues of the University (including all undergraduate and graduate schools and colleges) derived from (i) tuition, net of University funded student financial aid; and (ii) certain student fees intended to support student instruction and related administrative costs. Pledged Revenues will exclude all revenues associated with room and board, special-purpose fees such as health and wellness fees, net patient service revenue from Hospital operations. Pledged Revenues exclude all revenues generated from clinical services affiliated with the Hospital and the University's federal appropriation.

The Series 2020A, Series 2020B, and Series 2021A Bonds are further secured by the Restricted Academic Property. Restricted Academic Property is comprised of the properties located on the University's Main Campus for so long as any such property is in-use for the principal purpose of instruction, research, student activity or academic administration. The properties on the Main Campus that constitute Restricted Academic Property consist of the following:

- (1) Classroom Building #4, used primarily by the School of Business and located at 2600 6th Street, NW
- (2) Mackey Building, used primarily by the Department of Architecture and located at 2366 6th Street, NW
- (3) Downing Building, used primarily by the Department of Engineering and located at 2300 6th Street, NW

The University has pledged certain rent and lease income as collateral for the JP Morgan line of credit.

**(c) Scheduled Bond Repayments**

The scheduled principal repayments of bonds payable are as follows as of June 30, 2025:

<b>AGGREGATE ANNUAL MATURITIES</b>	<b>AMOUNT</b>
2026	\$ 24,596
2027	24,690
2028	25,510
2029	26,391
2030	27,148
2031 and thereafter	702,287
Total aggregate annual maturities	<u>\$ 830,622</u>

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**15. Retirement Plans**

**Employee Retirement Plan** - The University has a noncontributory defined benefit pension plan (the "Plan") that was available to substantially all full-time employees through June 30, 2010. In accordance with government funding regulations, the University's policy is to make annual contributions to the Plan at least equal to the minimum contribution. Based upon years of service and other factors, the Plan's benefit formula provides that eligible retirees receive a percentage of their final annual pay, based upon years of service and other factors. Plan assets consist primarily of common equity securities, U.S. Treasury securities, corporate bonds, and private investment funds. Effective July 1, 2010, the Plan no longer accrues benefits and is closed to new participants.

**Post-retirement Plan** - The University provides post-retirement medical benefits and life insurance to employees who, at the time they retire, meet specified eligibility and service requirements. The University pays a portion of the cost of such benefits depending on various factors, including employment start date, age, years of service and either the date of actual retirement or the retirement eligibility date of the participant. The post-retirement benefit plan is unfunded and has no plan assets.

**Supplemental Retirement Plan** - The University also has a supplemental retirement plan available to certain retired executives. The plan is noncontributory, unfunded and has a June 30 measurement date. The projected benefit obligation is \$476 and \$500 at fiscal years ended June 30, 2025 and 2024, respectively. The amounts not yet reflected in operating expenses, but included in net assets without donor restrictions pertain to accumulated losses of \$274 and \$266 at June 30, 2025 and 2024, respectively. The actuarial cost method and the assumption on discount rate used to determine the benefit obligation and net periodic cost in the actuarial valuation for the year ended June 30, 2025 are consistent with the method and assumptions used for the defined benefit pension plan.

**Savings Plan** - The University offers employees a defined contribution plan under Section 403(b) of the Internal Revenue Code. Eligible employees received a contribution of 6% of base salary and are also permitted to contribute up to 15% of their base pay to the plan. The administration of the plan is provided by three active financial administrators: Teachers Insurance and Annuity Association/College Retirement Equities Fund, American International Group - Variable Annuity Life Insurance Company, and Voya Financial. Effective July 1, 2011 Lincoln Financial was replaced as a financial administrator by Voya Financial. While Lincoln Financial is no longer an active financial administrator of the University, employees with investments with Lincoln are still allowed to hold their investments with Lincoln Financial. These administered plans provide additional retirement benefits including the purchase of annuity contracts for eligible employees. Total costs recognized in the consolidated statements of activities were \$29,236 and \$27,030 for fiscal years ended June 30, 2025 and 2024, respectively.

Effective July 1, 2010, the Savings Plan was modified such that the University shall automatically contribute 6% of an eligible employee's base compensation, regardless of tenure or election into the Savings Plan. The University also contributes a matching contribution of up to 2% of employee-elected contributions.

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The reconciliation of the Plan's funded status to amounts recognized in the consolidated financial statements at fiscal years ended June 30, 2025 and 2024 are as follows:

	Pension		Medical and Life Insurance		Supplemental	
	2025	2024	2025	2024	2025	2024
<b>Retirement Benefits</b>						
Change in benefit obligation						
Projected benefit obligation at beginning of year	\$ 544,179	\$ 560,938	\$ 38,730	\$ 38,466	\$ 500	\$ 529
Service cost	—	—	246	268	—	—
Interest cost	27,928	27,386	2,100	2,065	26	27
Actuarial (gain) loss	5,435	(2,339)	762	885	44	38
Benefits paid	(42,236)	(41,806)	(4,027)	(3,195)	(94)	(94)
Medicare Part D subsidy	—	—	41	—	—	—
Employee contributions	—	—	203	241	—	—
Projected benefit obligation at end of period	\$ 535,306	\$ 544,179	\$ 38,055	\$ 38,730	\$ 476	\$ 500
Change in plan assets:						
Fair value of plan assets at beginning of year	\$ 565,569	\$ 581,540	\$ —	\$ —	\$ —	\$ —
Actual return on plan assets	26,744	25,835	—	—	—	—
Employer contributions	—	—	3,783	2,954	94	94
Employee contributions	—	—	203	241	—	—
Medicare Part D subsidy	—	—	41	—	—	—
Benefits paid	(42,236)	(41,806)	(4,027)	(3,195)	(94)	(94)
Fair value of plan assets at end of period	\$ 550,077	\$ 565,569	\$ —	\$ —	\$ —	\$ —
Funded status of the plan	\$ 14,771	\$ 21,390	\$ (38,055)	\$ (38,730)	\$ (476)	\$ (500)

Components of net periodic benefit cost and other amounts recognized in net assets without donor restrictions at fiscal years ended June 30, 2025 and 2024:

	Pension		Medical and Life Insurance		Supplemental	
	2025	2024	2025	2024	2025	2024
<b>Retirement Benefits</b>						
Recognized in Statement of Activities:						
Service cost	\$ —	\$ —	\$ 246	\$ 268	\$ —	\$ —
Interest cost	27,928	27,386	2,100	2,065	26	27
Amortization of prior service cost	100	100	—	(58)	—	—
Amortization of net actuarial loss	7,231	7,035	(271)	(430)	35	32
Expected return on plan assets	(36,103)	(36,957)	—	—	—	—
Net periodic benefit cost	\$ (844)	\$ (2,436)	\$ 2,075	\$ 1,845	\$ 61	\$ 59
Net actuarial loss (gain) during the year	14,794	8,783	762	885	44	38
Amortization of prior service cost	(100)	(100)	—	58	—	—
Amortization of net actuarial loss	(7,231)	(7,035)	271	430	(35)	(32)
Total change in funded status or obligation	\$ 7,463	\$ 1,648	\$ 1,033	\$ 1,373	\$ 9	\$ 6
Total recognized in consolidated statements of activities	\$ 6,619	\$ (788)	\$ 3,108	\$ 3,218	\$ 70	\$ 65

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Amounts included in net assets without donor restrictions at fiscal years ended June 30, 2025 and 2024:

<b>Retirement Benefits</b>	<b>Pension</b>		<b>Medical and Life Insurance</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Net actuarial loss	\$ (237,136)	\$ (229,573)	\$ (3,414)	\$ (4,447)
Prior service cost	(1,601)	(1,701)	—	—
Total retirement benefits	<u>\$ (238,737)</u>	<u>\$ (231,274)</u>	<u>\$ (3,414)</u>	<u>\$ (4,447)</u>

Over the next fiscal year, an estimated net actuarial loss of \$4,818, a prior services cost/(credit) of \$100, and transition obligation of \$0, are projected to be accounted for as part of the net periodic benefit cost for the pension and post-retirement plans.

There were no contributions to the pension plan in fiscal years ended June 30, 2025 and 2024, respectively. No contributions are projected for fiscal year 2026.

The weighted average assumptions used to determine the benefit obligation in the actuarial valuations for fiscal years ended June 30, 2025 and 2024 were as follows:

<b>Actuarial Assumptions</b>	<b>Pension Benefits</b>		<b>Post-retirement Benefits</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Discount rate	5.33%	5.37%	5.54%	5.72%
Expected return on plan assets	6.50%	6.50%	—%	—%
Rate of compensation increase	—%	—%	3.50%	3.50%

The weighted average assumptions used to determine net periodic cost in the actuarial valuations for fiscal years ended June 30, 2025 and 2024 were as follows:

<b>Actuarial Assumptions</b>	<b>Pension Benefits</b>		<b>Post-retirement Benefits</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Discount rate	5.37%	5.10%	5.72%	5.65%
Expected return on plan assets	6.50%	6.50%	—%	—%
Rate of compensation increase	—%	—%	3.50%	3.50%

The overall long-term rate of return for the pension plan assets was developed by estimating the expected long-term real return for each asset class within the portfolio. A weighted average real rate of return was computed for the portfolio which reflects the Plan's targeted asset allocation. Consideration was given to the correlation between asset classes and the anticipated real rate of return and was added to the anticipated long-term rate of inflation.

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Pension plan investments as of June 30, 2025 were as follows:

<b>PENSION PLAN INVESTMENTS</b>	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>
Pension Plan Investments				
Assets:				
Money market funds (4)	\$ —	\$ 14,716	\$ —	\$ 14,716
U.S. government securities (3)	74,644	—		74,644
Common stock (1)	34,659	—	—	34,659
Fixed income	4,107	—	—	4,107
Mortgage backed securities (2)	—	23,398	—	23,398
Corporate bonds (2)	33,586	147,851	—	181,437
Obligations of foreign governments (3)	—	7,717	—	7,717
Mutual funds				
Domestic fixed income (4)	97,038	—	—	97,038
<b>Total assets</b>	<b>\$ 244,034</b>	<b>\$ 193,682</b>	<b>\$ —</b>	<b>\$ 437,716</b>
Assets/(Liabilities):				
Financial derivatives – option contracts	\$ —	\$ 10,509	\$ —	\$ 10,509
<b>Total assets/(liabilities)</b>	<b>\$ —</b>	<b>\$ 10,509</b>	<b>\$ —</b>	<b>\$ 10,509</b>
Operating asset not subjected to fair value reporting	\$ 57,770	\$ —	\$ —	\$ 57,770
Operating liabilities not subjected to fair value reporting	(112,842)	—	—	(112,842)
<b>Total pension plan investments, net of liabilities</b>	<b>\$ 188,962</b>	<b>\$ 204,191</b>	<b>\$ —</b>	<b>\$ 393,153</b>
Total investments measured at the NAV as a practical expedient				156,924
<b>Total plan assets</b>				<b>\$ 550,077</b>

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Pension plan investments as of June 30, 2024 were as follows:

<b>PENSION PLAN INVESTMENTS</b>	<b>LEVEL 1</b>	<b>LEVEL 2</b>	<b>LEVEL 3</b>	<b>TOTAL</b>
Pension Plan Investments				
Assets:				
Money market funds (4)	\$ —	\$ 6,726	\$ —	\$ 6,726
U.S. government securities (3)	71,015	—	—	71,015
Common stock (1)	27,832	—	—	27,832
Fixed income	5,521	—	—	5,521
Mortgage backed securities (2)	—	12,830	—	12,830
Corporate bonds (2)	24,628	149,771	—	174,399
Obligations of foreign governments (3)	—	4,060	—	4,060
Mutual funds				
Domestic fixed income (4)	115,017	—	—	115,017
<b>Total assets</b>	<b>\$ 244,013</b>	<b>\$ 173,387</b>	<b>\$ —</b>	<b>\$ 417,400</b>
Liabilities:				
Financial derivatives – option contracts	\$ —	\$ 1,828	\$ —	\$ 1,828
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ 1,828</b>	<b>\$ —</b>	<b>\$ 1,828</b>
Operating asset not subjected to fair value reporting	\$ 71,361	\$ —	\$ —	\$ 71,361
Operating liabilities not subjected to fair value reporting	(96,425)	—	—	(96,425)
<b>Total pension plan investments, net of liabilities</b>	<b>\$ 218,949</b>	<b>\$ 175,215</b>	<b>\$ —</b>	<b>\$ 394,164</b>
Total investments measured at the NAV as a practical expedient				171,405
<b>Total plan assets</b>				<b>\$ 565,569</b>

The asset or liability's fair value measurement level within the hierarchy is based on the lowest level of any input that is significant to the measurement. Consistent with ASC 820, valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in methodologies used at June 30, 2025 and 2024.

- (1) **Common Stock:** Valued at the closing price as reported on the relevant stock exchange.
- (2) **Corporate Bonds, Mortgage-Backed Securities:** Valued using pricing models maximizing the use of observable inputs for similar securities. This includes basing value on yields currently available on comparable securities of issuers with similar credit ratings. When quoted prices are not available for identical or similar bonds, the bond is valued under a discounted cash flows approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks or a broker quote if available.
- (3) **U.S. Government Securities and Obligations of Foreign Governments:** Valued using pricing models maximizing the use of observable inputs for similar securities.

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- (4) **Money Market Funds, Mutual Funds, and Other Registered Investments:** Represent investments with various investment managers. The mutual funds are valued at the daily closing net asset value as reported by the fund. Mutual funds held by the Plan are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded. Money market investments are short-term investments in money market mutual funds which invest in highly liquid government or corporate debt instruments. The Plan invests in a other registered investment called the PIMCO Long Duration Credit Bond Portfolio, which seeks to maximize return by investing in corporate fixed income instruments, options, futures, and swap agreements. They are comprised of units held within a portfolio of an open-end management investment company and are valued at the NAV. The portfolios are registered with the SEC, but are not publicly traded. The NAV is used as a practical expedient to estimate fair value and is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV.

Plan investments measured at the NAV as a practical expedient are summarized for fiscal year 2025 as follows:

INVESTMENTS MEASURED AT NAV	Fair Value	Unfunded Commitments	Redemption/ Withdrawal Frequency	Redemption/ Withdrawal Notice Period
Hedge funds (a)	\$ 13,339	\$ —	Monthly- Annually	45-90 days
Real estate funds (b)	19,891	1,800	—	1-10 years
Common/collective trusts (c)	15,148	—	Monthly	—
Limited partnerships (d)	109,224	20,599	—	< 10 years
Total investments measured at the NAV as practical expedient	<u>\$ 157,602</u>	<u>\$ 22,399</u>		

Plan investments measured at the NAV as a practical expedient are summarized for fiscal year 2024 as follows:

INVESTMENTS MEASURED AT NAV	Fair Value	Unfunded Commitments	Redemption/ Withdrawal Frequency	Redemption/ Withdrawal Notice Period
Common stock	\$ 6,087	\$ —	Monthly	0
Real estate funds (b)	20,630	2,234	—	1-5 years
Common/collective trusts (c)	31,577	—	Monthly	0
Limited partnerships (d)	114,927	23,910		< 10 years
Total investments measured at the NAV as practical expedient	<u>\$ 173,221</u>	<u>\$ 26,144</u>		

The tables presented above represent the University's net asset value of investments by asset class and their respective liquidity terms and unfunded commitments as of June 30, 2025 and 2024. Real estate funds and limited partnerships do not have readily ascertainable market values and may be subject to withdrawal restrictions. Refer to Note 8 – Fair Value Measurements for further explanation of investment objectives for the investments measured at net asset value.

The Plan's asset allocation is evaluated annually to determine the need for rebalancing in order to maintain an allocation that is within the allowable ranges. The investment strategy is to invest in asset classes that are negatively correlated to minimize overall risk in the portfolio. Interim targets outside of the allowable ranges were set to allow for flexibility in reaching the long-term targets in the private equity and real estate categories.

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The actual allocation of the Plan for June 30, is as follows:

<b>PENSION PLAN ASSET ALLOCATION</b>	<b>2025</b>	<b>2024</b>
Mid-Large Cap U.S. Equity	5.3%	8.3%
Small Cap U.S. Equity	3.1%	—%
International Equity - Developed	—%	2.3%
Private Equity/Venture Capital	8.7%	9.2%
Private Debt	6.4%	7.0%
Inflation Hedging	4.2%	4.1%
Real Estate	6.0%	7.3%
Liability Hedging Assets	63.1%	57.4%
Cash and Cash Equivalents	3.2%	4.4%
Total pension plan asset allocation	100.0%	100.0%

As a result of the Plan achieving fully funded status, a trigger-point methodology is used to determine the allocation for each class.

The trend rate for growth in health care costs, excluding dental, used in the calculation for fiscal years 2025 and 2024 is 6.26% and 5.31%, respectively. This growth rate was assumed to decrease gradually to 4.00% in 2046 and to remain at this level thereafter. The health care cost trend rate assumption has a significant effect on the obligations reported for the health care plans.

The following benefit payments, which reflect expected future service as appropriate, are expected to be paid over the next ten years as follows:

<b>EXPECTED FUTURE BENEFIT PAYMENTS</b>	<b>POST-RETIREMENT BENEFITS</b>			
	<b>PENSION BENEFITS</b>	<b>EXCLUDING SUBSIDY</b>	<b>SUBSIDY PAYMENTS</b>	<b>NET OF SUBSIDY</b>
Year ending June 30:				
2026	\$ 59,296	\$ 4,027	\$ 47	\$ 3,980
2027	58,141	3,884	43	3,841
2028	56,694	3,737	39	3,698
2029	55,026	3,577	35	3,542
2030	43,549	3,433	32	3,401
Years 2031-2035	188,839	15,025	116	14,909
Total expected future benefit payments	\$ 461,545	\$ 33,683	\$ 312	\$ 33,371

The mortality retirement rates base table used Pri-2012 Mortality Table without collar adjustment projected using the MP-2021 Mortality Improvement Scale.

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If eligible, participants are assumed to retire according to the following schedule:

<b>RETIREMENT AGE</b>	<b>ASSUMED RATE OF RETIREMENT</b>
55 - 60	5%
61 - 63	12%
64	16%
65	25%
66 – 69	16%
70+	100%

**16. Net Assets**

Net assets with donor restrictions are restricted for the following purposes as follows at June 30:

<b>NET ASSETS WITH DONOR RESTRICTIONS</b>	<b>2025</b>	<b>2024</b>
Restricted for specified purposes:		
Scholarships	\$ 78,001	\$ 79,909
Professorships	28,605	27,029
Student loans	3,626	3,298
General operations and other	221,462	136,215
Total subject to purpose restrictions	<u>\$ 331,694</u>	<u>\$ 246,451</u>
Total perpetual funds	<u>\$ 329,430</u>	<u>\$ 316,399</u>
Endowments subject to spending policy and appropriation:		
Scholarships	\$ 92,995	\$ 95,299
Professorships	35,389	36,474
Student loans	93	115
Federal term endowment	197,989	199,728
General operations and other	16,470	14,604
Total endowments subject to spending policy and appropriation	<u>\$ 342,936</u>	<u>\$ 346,220</u>
Total net assets with donor restrictions	<u><u>\$ 1,004,060</u></u>	<u><u>\$ 909,070</u></u>

The Federal term endowment restriction is for 20 years for each contribution beginning in 1985. The University transfers the original contribution amount, plus accumulated investment returns, to net assets without donor restrictions at the end of each 20-year period. For fiscal years ended June 30, 2025 and 2024, there were transfers of \$27,540 and 12,665, respectively.

For the fiscal years ended June 30, 2025 and 2024, net assets without donor restrictions were \$407,445 and \$464,799, respectively. Net assets without donor restrictions include board-designated and undesignated amounts. Any revenue or expense transactions funded by contributions without external donor restrictions are classified as undesignated amounts.

Net assets without donor restrictions include the following at June 30:

<b>NET ASSETS WITHOUT DONOR RESTRICTIONS</b>	<b>2025</b>	<b>2024</b>
Board-designated	\$ 407,445	\$ 464,799
Total net assets without donor restrictions	<u><u>\$ 407,445</u></u>	<u><u>\$ 464,799</u></u>

**The Howard University**  
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Release of net assets with donor restrictions due to the passage of time or by incurring expenses satisfying the restricted purpose specified by the donors as noted for the fiscal years ended June 30, 2025 and 2024 are as follows:

<b>NET ASSETS RELEASED FROM RESTRICTIONS</b>	<u><b>2025</b></u>	<u><b>2024</b></u>
Expiration of time and other restrictions	\$ 27,540	\$ 12,665
Satisfaction of purpose restrictions:		
Scholarships and fellowships	14,442	15,258
Professorships	1,424	1,228
Student loans	92	337
General operations and other	14,962	8,394
Total net assets released from restrictions	<u>\$ 58,460</u>	<u>\$ 37,882</u>

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**The Howard University**  
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**17. Consolidated Statements of Functional Expenses**

The University presents its statements of activities by program. The University allocates its expenses on a functional basis among its various programs and institutional support. Expenses that can be identified with a specific program are charged directly. Costs related to the operation and maintenance of physical plant including utilities, depreciation of fixed assets and interest expense, are allocated among programs and institutional support based upon square footage. Allocation rates are evaluated and updated annually to provide the most accurate allocation of operation and maintenance costs.

The University engages in fundraising activities in support of the University. Costs associated with fundraising for fiscal years ended June 30, 2025 and 2024 are \$13,061 and \$7,741, respectively, and are included in Administrative and Support Services.

For the year ended June 30, 2025	Program Services				Total Program Services	Administrative and Support Services	Total Operating Expenses
	Academic and Student Support	Research	Healthcare Services	Auxiliary Enterprises			
Operating expenses:							
Compensation	\$ 247,112	\$ 52,880	\$ 207,747	\$ 7,338	\$515,077	\$ 110,637	\$ 625,714
Medical and office supplies	4,929	5,270	30,367	852	41,418	3,520	44,938
Repairs and maintenance	13,958	1,590	998	2,294	18,840	8,460	27,300
Food service costs	147	7	2,543	25,534	28,231	104	28,335
Grant subcontracts	15,651	14,448	—	1	30,100	—	30,100
Insurance and risk management	11,019	—	—	—	11,019	5,689	16,708
Professional and administrative services	67,688	16,402	52,820	22,949	159,859	147,568	307,427
Other costs	11,897	1,119	5,455	1,873	20,344	12,452	32,796
Total operating expenses before net interest, depreciation, and amortization	372,401	91,716	299,930	60,841	824,888	288,430	1,113,318
Net interest expense	—	—	3,202	—	3,202	30,174	33,376
Depreciation and amortization	16,917	1,573	6,810	2,665	27,965	18,518	46,483
Net interest, depreciation, and amortization	16,917	1,573	10,012	2,665	31,167	48,692	79,859
Total operating expenses	\$ 389,318	\$ 93,289	\$ 309,942	\$ 63,506	\$856,055	\$ 337,122	\$1,193,177

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**The Howard University**  
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For the year ended June 30, 2024	Program Services				Total Program Services	Administrative and Support Services	Total Operating Expenses
	Academic and Student Support	Research	Healthcare Services	Auxiliary Enterprises			
Operating expenses:							
Compensation	\$ 226,540	\$ 49,148	\$ 203,880	\$ 7,055	\$ 486,623	\$ 111,094	\$ 597,717
Medical and office supplies	5,201	6,068	30,299	171	41,739	4,441	46,180
Repairs and maintenance	6,663	2,431	527	1,463	11,084	24,344	35,428
Food service costs	81	—	4,173	22,470	26,724	15	26,739
Grant subcontracts	15,195	20,296	—	—	35,491	72	35,563
Insurance and risk management	9,748	—	13,651	—	23,399	8,557	31,956
Professional and administrative services	63,896	13,902	52,546	20,315	150,659	123,638	274,297
Impairment of net lease investment (receivable)	—	—	—	—	—	22,151	22,151
Other costs	11,454	1,206	4,344	1,811	18,815	8,669	27,484
Total operating expenses before net interest, depreciation, and amortization	338,778	93,051	309,420	53,285	794,534	302,981	1,097,515
Net interest expense	—	—	3,208	—	3,208	30,796	34,004
Depreciation and amortization	21,568	2,016	5,943	3,415	32,942	9,586	42,528
Net interest, depreciation, and amortization	21,568	2,016	9,151	3,415	36,150	40,382	76,532
Total operating expenses	\$ 360,346	\$ 95,067	\$ 318,571	\$ 56,700	\$ 830,684	\$ 343,363	\$1,174,047

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**The Howard University**  
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**18. Estimated Third-Party Settlements**

Certain services rendered by the Hospital are reimbursed by third-party payors at cost, based upon cost reports filed after year-end. Contractual allowances are recorded based upon preliminary estimates of reimbursable costs.

Net patient service revenue recorded under cost reimbursement agreements for the current and prior years is subject to audit and retroactive adjustments by significant third-party payors for the fiscal years ending 2021, 2022, and 2023.

Final settlements and changes in estimates related to Medicare and Medicaid third-party cost reports for prior years resulted in an increase in net patient service revenues of approximately \$1,357 for fiscal year ended June 30, 2025 and a decrease of approximately \$2,507 for fiscal year ended June 30, 2024.

<b>THIRD-PARTY SETTLEMENT REVENUE</b>	<b>2025</b>	<b>2024</b>
Medicare pass-through	\$ 15,710	\$ 16,841
Disproportionate Share Hospital	11,625	39,971
Medicaid Directed Payments	37,742	—
Graduate and Indirect Medical Education	16,042	17,482
Other	1,450	799
Total third-party settlement revenue	\$ 82,569	\$ 75,093

**19. Charity Care**

The Hospital provides services to patients who meet the criteria of its charity care policy without charge, or at amounts less than established rates. The criteria for charity services are comprised of family income, net worth and eligibility at time of application. In addition the Hospital provides services to patients under the District of Columbia charity care program, DC Alliance. The total costs foregone for services furnished under the Hospital's charity care policy and the DC Alliance program were \$4,330 and \$3,209 for the years ended June 30, 2025 and 2024, respectively.

**20. Insurance and Risk Management**

The University is a subscriber in Pinnacle Consortium of Higher Education, a Vermont Reciprocal Risk Retention Group consisting of 17 peer institutions of higher education. Pinnacle provides commercial general and specific liability coverage. The University's annual payments to Pinnacle for insurance coverage are based on actuarial studies and are recorded as expenses. The University holds an approximate 6% interest in Pinnacle, classified in restricted investments. Additionally, the University has purchased liability insurance coverage exceeding primary coverage, with limits of \$125,000 from commercial insurers.

The University's self-insured program covers professional liability costs up to seven thousand five hundred dollars per occurrence, depending on the cause. Two layers of excess insurance provide additional coverage:

- (a) First layer: Coverage up to thirty five thousand dollars on a claims-made basis is purchased through the Howard University Capitol Insurance Company Ltd. (HUCIC), a captive insurance company organized under Cayman Islands law.
- (b) Second layer: Coverage up to fifty thousand dollars on a claims-made basis is provided by an independent excess insurance company. This layer also covers patient care-related general and professional liability.

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The types of insurance and risk management coverages are detailed in the table below:

<b>INSURANCE AND RISK MANAGEMENT</b>	<b>2025</b>	<b>2024</b>
Malpractice claims (recovery) expense	\$ (5,919)	\$ 9,349
Malpractice excess insurance	3,567	3,766
Student health	10,825	9,738
General and other	8,235	9,103
Totals insurance and risk management	<u>\$ 16,708</u>	<u>\$ 31,956</u>

## 21. Commitments and Contingencies

The University's commitments and contingencies reflect exposures consistent with the operating risks described in Notes 18 and 20. In addition to third-party reimbursement uncertainties and insurance related claims, the University is subject to legal, regulatory, and collective bargaining contingencies. The existing reserves and risk management programs are adequate to address these exposures.

- (a) **Federal Awards** - The University receives substantial revenues from government grants, contracts, and Federal student financial assistance programs authorized by Title IV and Title VII of the Higher Education Act of 1965. Previous compliance audits have reported certain deficiencies in the administration of both the University's Title IV and Title VII programs and its federal grants and contracts. The ultimate determination of amounts received under these programs generally is based upon allowable costs reported to and audited by the government or its designees.
- (b) **Litigation and Other Claims** - During the ordinary course of business, the University is a party to various litigation and other claims in the ordinary course of business including claims of malpractice by the Hospital and faculty physicians. It is also subject to potential future claims based on findings or accusations arising from past practices under governmental programs and regulations and tort law. In fiscal years ended June 30, 2025 and 2024, the University reserved \$2,880 and \$5,240 respectively for legal contingencies. In the opinion of management and the University's general counsel, an appropriate monetary provision has been made to account for probable losses upon ultimate resolution of these matters.
- (c) **Collective Bargaining Agreements** - The University is exposed to concentration risk related to labor subject to collective bargaining agreements (CBA). The risk is associated with the potential for labor disputes, strikes, and other labor related disruptions that could adversely affect the University's operations and financial performance. As of the balance sheet date approximately 31% of the labor force is covered by a CBA, and 20% covered by an agreement that will expire within one year.

## 22. Related Party Transactions

(a) **Howard University Charter Middle School**

The Howard University Board of Trustees founded Howard University Charter Middle School of Mathematics and Science (the Middle School), which operates from premises owned by the University. The Middle School is a separate legal entity. For fiscal years ended June 30, 2025 and 2024, the University has contributed to the Middle School as follows:

<b>RELATED PARTY TRANSACTIONS</b>	<b>2025</b>	<b>2024</b>
Cash operating support	\$ 500	\$ 500
Facility leased (market value)	1,451	1,451
Total related party transactions	<u>\$ 1,951</u>	<u>\$ 1,951</u>

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**(b) Provident Group – Bison Properties Inc. (Provident)**

On July 13, 2022, Provident Resources Group Inc., acquired all outstanding 5.91% Senior Secured Notes due June 30, 2031, from Corvias Campus Living-HU LLC, under a Note Purchase Agreement associated with a Service Concession Agreement. Provident, as the Required Holder and Approved Lender, terminated (i) the Concessionaire Account Manager; (ii) Corvias as the Concessionaire, (iii) Corvias Management, LLC as the Project Manager and Residence Life Service Provider. Provident assumed the Concessionaire role and appointed the University to temporarily oversee management and resident life services.

On December 1, 2022, the District of Columbia authorized the issuance of (i) its District of Columbia Revenue Bonds (Provident Group - Bison Properties Issue), Senior Series 2022A, in the aggregate principal amount of \$225,000, (ii) its District of Columbia Revenue Bonds, Subordinate Series 2022B-1, in aggregate principal amount of \$25,000, and (iii) its District of Columbia Revenue Bonds, Subordinate Series 2022B-2, in the aggregate principal amount of \$49,882. These bonds, maturing on July 1, 2059, facilitated a loan to Provident Group - Bison Properties and utilized to repay accrued interest on the Series 2020 loan and the principal of the Towers, Drew, and Cook Secured Note.

Repayment of the bonds is secured by revenues from the student housing facilities, including Axis (formerly Provident Group - Howard Center Inc.), Quad, Drew, Cook and Towers, which are owned by Howard University in fee simple. In connection with the issuance of the Series 2022 Bonds, The University and Provident agreed to terminate and re-execute the ground leases to align with the terms of the bonds and the loan. The University, as the ground lessor, will receive ground lease payments after all expenses and cash reserve requirements are met. The properties and associated revenues will revert to the University after the ground leases end, and debts are fully paid.

**(c) Provident Group - Howard Properties LLC (Provident)**

On February 14, 2013, the University entered a 40-year ground lease with Provident Group – Howard Properties, LLC and Provident Resources Group, Inc. (Owner). The Owner committed to the designing, constructing, and furnishing the College Hall North and College Hall South housing facilities for the University's benefit. Provident Group financed this construction by issuing \$107,965 in revenue bonds through the District of Columbia. Repayment of the bonds is secured by revenues from the student housing facilities, which are owned by Howard University in fee simple. The University, as the ground lessor, will receive ground lease payments after all expenses and cash reverses requirements are met. College Hall North and College Hall South and associated revenues will revert to the University after the ground lease end on the earlier of January 31, 2053, or the date on which the Series 2013 bonds are fully paid.

**(d) Campus Apartments Management, LLC**

On December 20, 2022, the University, acting as Manager of all student housing facilities, delegated daily operations, management, maintenance, and repair responsibilities to Campus Apartment LLC for a term of five years through a sub-management agreement.

**(e) Adventist Healthcare, Inc.**

The University signed a three-year Management Service Agreement (MSA) with Adventist Healthcare, Inc. effective January 31, 2020. The term of the agreement shall extend for three years unless terminated sooner as provided under the MSA, with an automatic renewal and extension after the initial term for additional one (1) year terms. Adventist Healthcare, Inc. commenced full performance effective February 17, 2020, under the MSA for day-to-day operations of the Hospital under the oversight of a joint Howard and Adventist Healthcare, Inc. Management Committee, while the University continues to be the licensed operator of the Hospital.

**(f) It's My Corner, LLC**

The University entered into a Participation Agreement with It's My Corner, LLC (IMC) for the transfer and development of the certain property located on Florida Avenue. HU was the owner of real property located on Florida Avenue, NW, Washington, D.C. IMC also owned real property located on Florida Avenue, NW, Washington, D.C. The properties were combined and will be developed by IMC as a mixed-use project with a new building.

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The University has received a 24% equity share in the combined properties that is subject to adjustments if the timing of the commencement of construction for the project is has not occurred within 36 calendar months after the date that the deed was recorded and if the construction is not substantially completed within 36 calendar months after commencement. With all potential adjustments, the University's equity share shall not exceed 45%.

IMC has also granted the University a right of first offer to purchase the combined properties prior to any efforts by IMC to sell or market the project.

**(g) Trustees and Officers**

Transactions between the University and any of its trustees and officers are subject to the University's conflict of interest policies, which require disclosure of conflict of interests and abstention by the conflicted persons from University decision making.

**23. Subsequent Events**

The University evaluated subsequent events through December 17, 2025, which is the date the consolidated financial statements were issued. Except as disclosed below, the University concluded that no material events have occurred that are not accounted for in the accompanying financial statements or disclosed in the accompanying notes.

- (a) In July 2025, the University entered into a multi-year dining services agreement with Aramark Higher Education to provide comprehensive food service operations across the University's dining halls, retail locations, catering services, and catering operations. The agreement outlines provisions for operating responsibilities, capital investment commitments, meal plan pricing structures, and performance expectations designed to enhance the student dining experience and modernize dining infrastructure.

Under the terms of the agreement, Aramark will manage daily dining operations; invest in facility renovations and equipment upgrades; and implement expanded meal plan options and service innovations. The University will continue to monitor financial performance and compliance with service-level expectations in accordance with the contract.

- (b) In July 2025, the federal One Big Beautiful Bill ("OB BB") was enacted, introducing new requirements impacting student health plans, federal health-related grants, and employer health-benefit programs. The OB BB also implements significant changes to Title IV federal student aid and federal student loan programs, including new annual and lifetime loan limits, elimination of Graduate PLUS loans for new borrowers beginning July 1, 2026, revised repayment options, and adjustments to Pell Grant eligibility. Management does not expect the OB BB to materially affect the University's consolidated financial position; however, certain provisions may affect future operating results as additional federal guidance is issued
- (c) In November 2025, the University completed the requirements to receive a \$182,250 contribution from Bloomberg Philanthropies of which \$168,470 will be held in an endowment fund and \$13,780 can be expended to implement the initiative. The gift is intended to support the medical education of students. The gift will be recognized as contribution revenue in the University's consolidated financial statements for the fiscal year ending June 30, 2026.
- (d) In November 2025, the University received a \$80,000 unrestricted gift from philanthropist MacKenzie Scott, representing one of the largest single contributions in the University's history. The gift consists of \$63,000 to support the University's general operations and strategic priorities and \$17,000 to support the Howard University College of Medicine. The full amount of the contribution will be recognized as contribution revenue in the University's consolidated financial statements for the fiscal year ending June 30, 2026.
- (e) In October 2025, the University drew down \$50,000 on its existing line of credit.

**Reports and Schedules Required by *Government Auditing Standards* and the Uniform Guidance**

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## **Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards***

Board of Trustees  
The Howard University  
Washington, DC

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of The Howard University (the “University”), which comprise the University’s consolidated statement of financial position as of June 30, 2025, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated December 17, 2025.

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

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the University’s consolidated financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2025-001, 2025-002, and 2025-003 to be material weaknesses.

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the in the accompanying schedule of findings and questioned costs as item 2025-004 to be a significant deficiency.



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

As part of obtaining reasonable assurance about whether the University's consolidated financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

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

## **Purpose of This Report**

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

*BDO USA, P.C.*

December 17, 2025



## Independent Auditor’s Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance Required by the Uniform Guidance

Board of Trustees  
The Howard University  
Washington, DC

### Report on Compliance for Each Major Federal Program

#### *Qualified and Unmodified Opinions*

We have audited The Howard University’s (the “University”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the University’s major federal programs for the year ended June 30, 2025. The University’s major federal programs are identified in the Summary of Opinions section of our report.

#### *Summary of Opinions*

<i>Major Federal Program</i>	<i>Type of Opinion</i>
Student Financial Assistance Cluster	Unmodified
Research and Development Cluster	Qualified
Annual Appropriation	Unmodified
Constitutional Law Chair Endowment	Unmodified
Matching Endowment	Unmodified
Law School Clinical Endowment	Unmodified
USAID Foreign Assistance for Programs Overseas	Qualified
Charles B. Rangel International Affairs Program	Qualified

#### *Qualified Opinion on the Research and Development Cluster, USAID Foreign Assistance for Programs Overseas, and Charles B. Rangel International Affairs Program*

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on the Research and Development Cluster, USAID Foreign Assistance for Programs Overseas, Charles B. Rangel International Affairs Program for the year ended June 30, 2025.

#### *Unmodified Opinion on Each of the Other Major Federal Programs*

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2025.

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***Basis for Qualified and Unmodified Opinions***

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

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

***Matter Giving Rise to Qualified Opinion on the Research and Development Cluster***

As described in the accompanying schedule of findings and questioned costs, and as identified in the table below, the University did not comply with requirements regarding the following:

Finding #	Assistance Listing #	Program (or Cluster) Name	Compliance Requirement
2025-014	Various	Research and Development Cluster	Allowable Costs/Cost Principles
2025-014	98.001	USAID Foreign Assistance for Programs Overseas	Allowable Costs/Cost Principles
2025-014	19.020	Charles B. Rangel International Affairs Program	Allowable Costs/Cost Principles

Compliance with such requirements is necessary, in our opinion, for the University to comply with the requirements applicable to that program.

***Responsibilities of Management for Compliance***

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

***Auditor’s Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion,



forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

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

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

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

### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2025-005 through 2025-018. Our opinion on each major federal program is not modified with respect to these matters.

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

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The University's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant



deficiencies in internal control over compliance and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2025-014 to be a material weakness.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-005, 2025-006, 2025-007, 2025-008, 2025-009, 2025-010, 2025-011, 2025-012, 2025-013, 2025-015, 2025-016, 2025-017 and 2025-018 to be significant deficiencies.

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

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

The University is responsible for preparing a corrective action plan to address each audit finding included in our auditor's report. The University's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on it.

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

*BDO USA, P.C.*

April 30, 2026

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
<b><u>ANNUAL APPROPRIATION</u></b>				
DEPARTMENT OF EDUCATION				
Annual Appropriation		84.915A	\$ 324,479,146	-
<b>TOTAL ANNUAL APPROPRIATION</b>			<b>324,479,146</b>	<b>-</b>
<b><u>FEDERAL ENDOWMENTS</u></b>				
DEPARTMENT OF JUSTICE				
Constitutional Law Chair Endowment		16.000	8,169,823	-
<b>SUBTOTAL FOR THE DEPARTMENT OF JUSTICE</b>			<b>8,169,823</b>	<b>-</b>
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Excellence in Health Professional Education Endowment		93.375	6,666,330	-
<b>SUBTOTAL FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>6,666,330</b>	<b>-</b>
DEPARTMENT OF EDUCATION				
Matching Endowment		84.000	217,139,211	-
Law School Clinical Endowment		84.998D	14,291,213	-
<b>SUBTOTAL FOR THE DEPARTMENT OF EDUCATION</b>			<b>231,430,424</b>	<b>-</b>
<b>TOTAL FEDERAL ENDOWMENTS</b>			<b>246,266,577</b>	<b>-</b>
<b><u>STUDENT FINANCIAL ASSISTANCE CLUSTER</u></b>				
DEPARTMENT OF EDUCATION				
Federal Supplemental Educational Opportunity Grants		84.007	929,000	-
Federal Work Study		84.033	275,071	-
Federal Pell Grant Program		84.063	27,960,538	-
Federal Direct Loans		84.268	291,628,537	-
Teacher Education Assistance for College and Higher Education Grants (TEACH)		84.379	11,316	-
<b>SUBTOTAL FOR THE DEPARTMENT OF EDUCATION</b>			<b>320,804,462</b>	<b>-</b>

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Scholarship for Disadvantaged Students		93.925	146,104	-
<b>SUBTOTAL FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>146,104</b>	<b>-</b>
<b>TOTAL FOR THE STUDENT FINANCIAL AID CLUSTER</b>			<b>320,950,566</b>	<b>-</b>
 <b><u>TRIO CLUSTER</u></b>				
<b>DEPARTMENT OF EDUCATION</b>				
Upward Bound Program		84.047M	182,387	-
<b>TOTAL FOR THE TRIO CLUSTER</b>			<b>182,387</b>	<b>-</b>
 <b><u>RESEARCH AND DEVELOPMENT CLUSTER</u></b>				
<i>Direct Research and Development Awards</i>				
<b>DEPARTMENT OF AGRICULTURE</b>				
Impact of R&D Investments and Investment		10.960	29,876	-
<b>SUBTOTAL FOR THE DEPARTMENT OF AGRICULTURE</b>			<b>29,876</b>	<b>-</b>
 <b>DEPARTMENT OF COMMERCE</b>				
National Oceanic and Atmospheric Administration				
Examining Regional Differences in Attitudes and Tendencies for Protective Action Decisions		11.459	1,346	-
Examining Regional Differences in Attitudes and Tendencies for Protective Action Decisions		11.459	25,207	-
A Multi-University Consortium for Advanced Data Assimilation Research and Education (CADRE)		11.459	45,594	-
Examining Regional Differences in Attitudes and Tendencies for Protective Action Decisions		11.459	8,733	-
			<b>80,880</b>	<b>-</b>
NOAA Cooperative Scenes Center in Atmospheric Sciences and meteorology at Howard University		11.481	127,295	-
NOAA Cooperative Scenes Center in Atmospheric Sciences and meteorology at Howard University		11.481	87,283	-
The NOAA Cooperative Science Center in Atmospheric Sciences and Metrology II		11.481	1,274,017	-
The NOAA Cooperative Science Center in Atmospheric Sciences and Metrology II		11.481	46,264	-
The NOAA Cooperative Science Center in Atmospheric Sciences and Metrology II		11.481	70,648	-
			<b>1,605,507</b>	<b>-</b>

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
Subtotal for the National Oceanic and Atmospheric Administration			1,686,387	-
<b>SUBTOTAL FOR THE DEPARTMENT OF COMMERCE</b>			<b>1,686,387</b>	<b>-</b>
<b>DEPARTMENT OF DEFENSE</b>				
Uncertainty Quantification in Plasma Physics Research		12.300	59,486	-
Growing Perfect Diamond Thin Films for Sensing and Quantum Computing Applications		12.300	3,183	-
HCA@HU: Building Research Capacity and Future ONR/DOD Workforce Skills in Human-Centered Artificial Intelligence at Howard University		12.300	5,978	-
HCA@HU: Building Research Capacity and Future ONR/DOD Workforce Skills in Human-Centered Artificial Intelligence at Howard University		12.300	5,700	-
HCA@HU: Building Research Capacity and Future ONR/DOD Workforce Skills in Human-Centered Artificial Intelligence at Howard University		12.300	30,640	-
HCA@HU: Building Research Capacity and Future ONR/DOD Workforce Skills in Human-Centered Artificial Intelligence at Howard University		12.300	59,138	-
HCA@HU: Building Research Capacity and Future ONR/DOD Workforce Skills in Human-Centered Artificial Intelligence at Howard University		12.300	6,813	-
HCA@HU: Building Research Capacity and Future ONR/DOD Workforce Skills in Human-Centered Artificial Intelligence at Howard University		12.300	1,095,106	-
HCA@HU: Building Research Capacity and Future ONR/DOD Workforce Skills in Human-Centered Artificial Intelligence at Howard University		12.300	1,141	-
Mathematical Methods for Information Measurement Involving Non-Gaussian and Super-Gaussian Data		12.300	75,055	-
Reference-free Hardware Trojan Detection in Manufactured Chips using Machine Learning-based Side channel Analyses		12.300	121,277	-
Densities Evaluation for Multivariate Random Transformations Involving Dimensional Change		12.300	26,691	-
			<b>1,490,208</b>	<b>-</b>
<b>US Army Medical Command</b>				
The Genomic Landscape of Papillary Renal Cell Carcinoma Arising In African American Patients		12.420	79,566	40,582
<b>Subtotal for the US Army Medical Command</b>			<b>79,566</b>	<b>40,582</b>
<b>US Army Materiel Command</b>				
Enabling Data Driven Communications in Terahertz Bands		12.431	12,569	-
Complexity, Intelligence, and training in Foundational Models for decision- making		12.431	105,521	16,307
ARO HBCU/MI STIR: Extreme Photonic Confinement and Quasi-BICs in Topological Non-Hermitian Cavities		12.431	38,554	-
			<b>156,644</b>	<b>16,307</b>

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
Enhanced Microstructures and Mechanical Performances of Additively Manufactured Metallic Alloys		12.630	167,679	-
Enhancing Autonomous Vehicles Research and STEM Education Through Studio and Control Equipment Acquisition		12.630	16,873	-
Center of Excellence in Artificial Intelligence and Machine Learning (CoE-AIML)		12.630	906,794	312,482
			<b>1,091,346</b>	<b>312,482</b>
Quantum Symmetries: Fusion Rules, Braids and Indicators		12.800	6,984	-
Nonlinear Multimode Transit Induced Surface Heating on Hypersonic Vehicles		12.800	124,701	-
Tuning topological superconductivity in 2M-WS2 via non-destructive methods: A first-principles approach		12.800	34,955	-
			<b>166,640</b>	<b>-</b>
Subtotal for the US Army Materiel Command			<b>1,414,630</b>	<b>328,789</b>
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U01	71,281	57,656
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U02	73,740	73,740
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U03	95,578	95,578
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U04	194,894	181,269
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U05	252,013	211,138
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U06	107,912	94,287
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U07	120,168	-
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U08	25,699	-
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U09	110,751	-
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U10	213,596	-
Tactical Autonomy Research and Development Task Order 02 (2023) Technical Requirement		12.U11	165,207	151,582
Tactical Autonomy Research and Development Task Order 03B		12.U12	44,210	-
			<b>1,475,049</b>	<b>865,250</b>
SUBTOTAL FOR THE DEPARTMENT OF DEFENSE			<b>4,459,453</b>	<b>1,234,621</b>
DEPARTMENT OF THE INTERIOR				
National Climate Adaptation Science Center Fellowship Program		15.808	16,673	-
SUBTOTAL FOR THE DEPARTMENT OF THE INTERIOR			<b>16,673</b>	<b>-</b>
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION				
Student Airborne Science Activation for MSI (SaSa)		43.001	87,904	-
22-PLANETET22-0220, Advancing the Detectability of Atmospheric Species in Terrestrial Atmospheres		43.001	20,000	-
22-PLANETET22-0222, Modeling Aerosol Microphysics in Ice Giant Atmospheres		43.001	45,250	-

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
22-NUSTAR22-0037, Extreme Particle Acceleration in the Gamma-ray Binary 1FGL J1018.6-5856		43.001	17,460	-
A NICER View of the Radiative Losses in the High-Mass Gamma-ray Binary PSR B1259-65		43.001	24,855	-
23-PLANET23-0259 - Direct Monte Carlo Simulations of Gravity Waves in the Rarefied Region of Mars and Titan Atmospheres		43.001	26,775	-
Augmented Reality Data Visualization Analog Research Campaign (ARDVARC)		43.001	144,198	94,575
A Prototype Flight for the GRAMS Project		43.001	18,826	-
21-XMNC20-0028, Probing the Superorbital Modulation in the Supergiant X-ray Binary 4U 1909+07		43.001	2,715	-
Probing Accretion Disk Structure in the Intermediate-mass X-ray binary 4U 1210-64 with NuSTAR and XMM-Newton		43.001	58,221	-
			<b>446,204</b>	<b>94,575</b>
Raman Cube Rover (R3R) for Enabling Lunar Science and Exploration: Integrating Technology Development in STEM Engagement		43.008	16,050	-
<b>SUBTOTAL FOR THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>			<b>462,254</b>	<b>94,575</b>
<b>NATIONAL ENDOWMENT FOR THE HUMANITIES</b>				
Developing an Interdisciplinary Studies Graduate Certificate in Digital Humanities		45.162	84,507	-
Instructor Replacement in Studies of Sacred Texts at Howard University		45.162	13,780	-
Exploring the Dimension of Russia and Otherness		45.162	29,758	-
			<b>128,045</b>	<b>-</b>
To Support personnel Expenses in response to and recovery from the COVID-19 pandemic		45.024	367	-
To Support a community-engaged research and interior design project for Barry Farm in Washington, D.C.		45.024	6,521	-
			<b>6,888</b>	<b>-</b>
<b>SUBTOTAL FOR THE NATIONAL ENDOWMENT FOR THE HUMANITIES</b>			<b>134,933</b>	<b>-</b>
<b>NATIONAL SCIENCE FOUNDATION</b>				
<b>Engineering Grants</b>				
CAREER: Neural Network Enhanced Electromagnetics and Multiphysics Simulation Methods for RF and Microwave Reconfigurable Devices		47.041	58,300	-
Excellence in Research : Harnessing Microbial Signals for Biofilm Control		47.041	90,199	-
Excellence in Research: Biofilm Adhesive and Kinetic Properties Under Hydrodynamic Influences		47.041	32,974	-
Collaborative Proposal: EIR : Understanding Interactions of Gold and silver Nanoparticles with Proteins to Achieve Optimum Surface Plasmon Effect.		47.041	103,064	-
<b>Subtotal for the Engineering Grants</b>			<b>284,537</b>	<b>-</b>

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
<b>Mathematical and Physical Sciences</b>				
Excellence in Research: HBCU Collision Collaboration - J/psi Peripheral Collision analysis and Detection		47.049	33,748	20,000
Excellence in Research - Collaborative: Hierarchical multilayered block copolymer dielectrics with z-gradient nanofiller for capacitive energy storage and gate dielectric		47.049	95,781	-
Collaborative Research: FuSe: High-throughput Discovery of Phase Change Materials for Co-designed Electronic and Optical Computational Devices (PHACEO)		47.049	61,508	-
CAREER: Understanding the Effects of the immediate environment on Intrinsic Properties of 2D Crystals: From Fundamental Science to Real World Applications		47.049	47,165	-
Planning PREC: Exploring a Partnership between Historically Black Universities in the District of Columbia and NSF's ChemMatCARS in Alignment with the NSF PREC Program		47.049	37,001	-
Excellence in Research: Numerical Analysis of Quasiperiodic Topology		47.049	7,447	-
REU Site in Physics at Howard University		47.049	34,265	-
Excellence in Research - Collaborative Proposal: Investigation of Quantum Effects and Nanostructures Through Research & Educational Partnership Between NCCU & Howard University		47.049	49,438	-
Collaborative Research: D3SC: CDS&E: Predictive Discovery of Porphyrin Molecules and their 2 Response Properties using Smart Objects-Enabled Machine Learning		47.049	126,578	-
Excellence in Research: Mathematical Analysis of the Prevention of HIV with PrEP and HAART Treatment		47.049	85,290	2,719
Excellence in Research: Mathematical Analysis of the Prevention of HIV with PrEP and HAART Treatment		47.049	31,077	-
Howard-Columbia Partnership for Research and Education in Superatomic and 2D Material (PRES2M)		47.049	89,145	-
Excellence in Research: Numerical analysis of Quasiperiodic Topology		47.049	54,922	-
<b>Subtotal for the Mathematical and Physical Sciences</b>			<b>753,365</b>	<b>22,719</b>
<b>Geosciences</b>				
EAGER: Full STEAM Ahead: Powering Connections Among Different Generations of Geoscientists		47.050	4,566	-
HBCU-Excellence in Research: Howard University		47.050	825	-
HBCU-Excellence in Research: Howard University		47.050	224,537	-
<b>Subtotal for the Geosciences</b>			<b>229,928</b>	<b>-</b>
<b>Computer and Information Science and Engineering</b>				
Collaborative Research: CISE-MSI: RCBP-RF: CNS: Enabling Secured and Artificial Intelligence Assisted Cell-Free Communications		47.070	92,864	-
Collaborative Research: Cybertraining: Implementation Medium: Cybertraining on Materials Genome Innovation for Computational Software (CyberMAGICS)		47.070	118,773	-
<b>Subtotal for the Computer and Information Science and Engineering</b>			<b>211,637</b>	<b>-</b>

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
<b>Biological Sciences</b>				
Collaborative Research : RESEARCH-PGR: Genome-wide quest for non-host resistance mechanisms in plants		47.074	37,771	-
Excellence in Research: The evolutionary origins of sex chromosomes in docks and sorrels (Rumex)		47.074	8,069	-
Collaborative Research: Excellence in Research: Impact of Gbx2 on neural crest cells during neuronal, craniofacial and cardiovascular development.		47.074	14,973	-
Epitranscriptomic regulation of codon biased stress response genes in Escherichia coli		47.074	20,559	-
Excellence in Research: Biophysical mechanism by which mannose and N glycans modifies and protects biological surfaces		47.074	1,201	-
Excellence in Research : Influence of Neuropeptide Regulation and the Gut Microbiota on Foraging and Food Choice		47.074	204,621	-
Excellence in Research: Analysis of Rare Mutations and Post-translational Modification in Peroxidases		47.074	146,501	-
Excellence in Research : Investigation of RECQ1 helicase in DNA transactions upon oxidative stress		47.074	43,378	-
<b>Subtotal for the Biological Sciences</b>			<b>477,073</b>	<b>-</b>
<b>Social, Behavioral, and Economic Sciences</b>				
Broadening Participation in Economics: The AEA Summer Program with Inclusive Mentoring		47.075	13,548	-
The Making of a University Hub for Basic Cultural Anthropological Research Related to Cultural and Biodiversity Conservation		47.075	114,354	-
Broadening Participation in Economics: The AEA Summer Program with Inclusive Mentoring		47.075	72,503	-
Comparative Study of Demographic Variation in Judiciaries		47.075	174,744	105,785
Collaborative Excellence in Research: Skill Acquisition, Technical Change and Differential Employment and Income Trajectories		47.075	48,667	-
Broadening Participation in Economics: The AEA Summer Program with Inclusive Mentoring		47.075	79,674	79,674
EAGER: Toward A General Framework For Optimal Experimentation in ComputationalCognition		47.075	87,402	-
Excellence in Research : The Visible Ape Project		47.075	47,288	-
Collaborative Research: The Role of Marketplaces in the Development of Complex Society		47.075	125,193	56,690
<b>Subtotal for the Social, Behavioral, and Economic Sciences</b>			<b>763,373</b>	<b>242,149</b>
<b>Education and Human Resources</b>				
EAGER: Biophysical Study of Solution Behavior and Vulnerability of Viruses with Complex N-glycans		47.076	120,523	-
Characterizing Inclusive Strategies that Retain Black Students in Computer Science to Graduation and Beyond		47.076	34,841	-
Overcoming Impediments to Computer Science Students' Understanding of Code: Scaling Up Automated Methods and Broadening Participation		47.076	45,946	-
Collaborative Research: Ideas Lab: The HBCU Ujima Collective: Building Research Capacity at HBCUs through a Grow Your Own Research Corps Model		47.076	43,667	-
Catalyst Project: Quantification of immunohistochemistry images of neuroglia		47.076	84,845	-

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
HBCU-UP Research initiation Award: In Search of Continuity: Exploring the Role of Afroculturally Responsive Pedagogy in STEM Courses at HBCUs		47.076	74,450	-
Research Initiation Award: Investigation and Design of Terahertz Communication Systems with Artificial Intelligence		47.076	36,601	-
Graduate Research Fellowship Program (GRFP)		47.076	57,783	-
Black Research Support Network: Studying Change By, With, And For Black Undergraduate Computer Science Faculty & Students at Three Institutions		47.076	86,620	-
Research Initiation Award : Investigation on Tribo-charging behavior of Agricultural Particles in the Development of Water-free Bio-separation Approach for Biomass Residues		47.076	27,086	-
Targeted Infusion Project: Advancing Computational Biology Training for Undergraduate Students at Howard University		47.076	30,940	-
Collaborative Research: Center for Research on Identity and Motivation of African American Students in STEM		47.076	41,486	-
Collaborative Research: Center for Research on Identity and Motivation of African American Students in STEM		47.076	196,480	-
Collaborative Research: Center for Research on Identity and Motivation of African American Students in STEM		47.076	27,688	-
Targeted Infusion Project: Inspiring, Engaging and Retaining Underrepresented Students in Computing Research and the Emerging Field of Data Science		47.076	53,246	-
An AGEP Historically Black Universities Model with Community College Teaching as a Platform for Advancing Underrepresented Minority STEM Doctoral Candidates in Faculty Careers		47.076	52,336	-
ExpandQISE:Track 1: Fingerprinting and engineering tunable carbon-based quantum emitters in hexagonal boron nitride		47.076	95,907	12,886
Theoretical and Computational Methods for Robust Retrieval of Effective Electromagnetic Properties of Random Composite Materials		47.076	23,235	-
Targeted Infusion Project: Providing a Data Science and Analytics approach to the Honors Curriculum at Howard University		47.076	158,139	-
Catalyst Project: Evolution and biomechanics of multifunctional structures		47.076	48,280	-
Louis Stokes Renewal STEM Pathways and Research Alliance: Washington Baltimore Hampton Roads-Louis Stokes Alliance (WBHR-LSAMP )		47.076	262,855	5,210
			<b>1,602,954</b>	<b>18,096</b>
Excellence in Research: Understanding Structural, Magnetic, and Electronic Properties of Chromium Telluride		47.083	59,570	-
MRI: Track 1 Acquisition of a 500MHZ solid/liquid-state NMR to Expand Interdisciplinary Research and Education at Howard University		47.083	694,282	-
Fault - Tolerant Energy Management for Highly Dependable Real-Time Embedded Systems		47.083	51,248	-
Collaborative Research: Ideas Lab: Advancing Research Capacity at HBCUs in Genomics and Genetic Engineering		47.083	9,863	-
Excellence in Research : Optimal Transport and Freeform Refractive Surfaces in Geometric Optics		47.083	26,235	-

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Collaborative Research: Identifying the Dynamic Structure of Diabetes with Existing Mathematical Models and its Enhancement of Diabetes Research as its Clinical Application		47.083	29,437	-
Excellence in Research: Artificial Intelligence Aided Metasurface Design and Application in Next Generation of Cellular Communication Systems		47.083	112,877	-
HBCU Excellence in Research: Research and Education Center for Investigation of Chemical Transformations in Host-Guest Systems at Extreme Conditions		47.083	4,906	-
Excellence in Research- Exploring Frontiers in Novel Material Synthesis at High Pressures Synthesis and Recovery of Superhard and High Energy-Density Polynitrides		47.083	107,061	-
Excellence In Research: PathoRadi an interactive web server for AI-assisted radiologic-pathologic image analysis, correlation and visualization		47.083	113,919	-
Excellence in Research: Microwave-Assisted In-Situ Hydrogen Generation: Experimentation, Simulation, and Optimization		47.083	16,413	16,413
			<b>1,225,811</b>	<b>16,413</b>
ExpandQISE: Track 2: A Quantum Science Education and Research Program for HBCUs: Exotic Physics and Applications of Solid-State Qubits		47.084	540,036	203,538
I-Corps: Translation potential of using artificial intelligence (AI) for an interactive and inclusive language-learning process designed for young children		47.084	7,263	-
			<b>547,299</b>	<b>203,538</b>
Subtotal for the Education and Human Resources				
Insuring Slavery: Actuarial Science and the Underwriting of the Trans-Atlantic Slave Trade in the Eighteenth Century		47.U01	63,333	-
<b>SUBTOTAL FOR THE NATIONAL SCIENCE FOUNDATION</b>			<b>6,159,310</b>	<b>502,915</b>
<b>DEPARTMENT OF ENERGY</b>				
Randomized Algorithms for Multiscale Electromagnetics and Multiphysics Problems		81.049	45,589	-
Machine-Assisted Quantum Magnetism		81.049	501,548	210,754
Modeling Impacts on the Stratocumulus-to-Cumulus Transition Associated with Southern Africa Biomass Burning				
Outflow Constrained by ARM Observations		81.049	211,489	-
Co-Designing Foundational Capabilities to Diversify the Scientific Workforce		81.049	347,168	-
Rational Design of Concentrated Electrolytes for Beyond Li-ion Batteries with Machine Learning and Quantum Calculations		81.049	57,968	-
Scale Up of Normalizing Flows for Likelihood-free Inference with Fusion Simulations		81.049	181,850	-
			<b>1,345,612</b>	<b>210,754</b>

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Application of Carboranyl Ionic Liquids for Rare Earth Element Recovery from Coal Ash		81.089	41,972	-
SUBTOTAL FOR THE DEPARTMENT OF ENERGY			<b>1,387,584</b>	<b>210,754</b>
DEPARTMENT OF EDUCATION				
Run to R1		84.116H	15,688	-
SUBTOTAL FOR THE DEPARTMENT OF EDUCATION			<b>15,688</b>	-
DEPARTMENT OF HEALTH AND HUMAN SERVICES				
<i>Oral Diseases and Disorders Research</i>				
Howard University Summer Research Education Experience Program in Oral Health		93.121	35,181	-
<i>Subtotal for the Oral Diseases and Disorders Research</i>			<b>35,181</b>	-
Centers of Excellence		93.157	490,773	-
Centers of Excellence		93.157	636,904	-
			<b>1,127,677</b>	-
National Institutes of Health				
<i>Mental Health Research Grants</i>				
Microglia-Neuron Interactions: Roles for Microglial Iba1		93.242	32,992	-
<i>Subtotal for the Mental Health Research Grants</i>			<b>32,992</b>	-
Howard University Provider's Clinical Support System		93.243	125,360	-
Howard University Mental Health Awareness and Suicide Prevention Program (MHASP)		93.243	47,169	-
Howard University Mental Health Awareness and Suicide Prevention Program (MHASP)		93.243	5,092	-
Howard University Hospital Screening, Brief Intervention and Referral to Treatment (SBIRT) Community Expansion Initiative		93.243	228,296	111,779
			<b>405,917</b>	<b>111,779</b>
<i>Alcohol Research Programs</i>				
Na+/Ca2+ Exchanger Remodeling in Alcohol Withdrawal Seizures		93.273	196,342	-
Subtotal for the Alcohol Research Programs			<b>196,342</b>	-
<i>Center for Substance abuse Prevention</i>				
Drug Free Communities Program		93.276	49,078	-
Drug Free Communities Program		93.276	47,261	-
Subtotal for Center for Substance abuse Prevention			<b>96,339</b>	-

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Drug Abuse and Addiction Research Programs				
The Role of Endothelial Injury and Myeloid Cell Migration in the Activation of Inflammasomes in HIV infection and Cocaine Exposure		93.279	47,574	-
Subtotal for the Drug Abuse and Addiction Research Programs			47,574	-
National Institute on Minority Health and Health Disparities				
Howard University Research Center for Minority Health and Health Disparities		93.307	66,005	-
Howard University Research Center for Minority Health and Health Disparities		93.307	59,316	-
Howard University Research Center for Minority Health and Health Disparities		93.307	26,152	-
Howard University Research Center for Minority Health and Health Disparities		93.307	35,152	-
Howard University Research Center for Minority Health and Health Disparities		93.307	400,133	-
Howard University Research Center for Minority Health and Health Disparities		93.307	247,720	-
Howard University Research Center for Minority Health and Health Disparities		93.307	192,802	-
Howard University Research Center for Minority Health and Health Disparities		93.307	106,174	-
Howard University Research Center for Minority Health and Health Disparities		93.307	123,480	7,525
Howard University Research Center for Minority Health and Health Disparities		93.307	16,325	-
Howard University Research Center for Minority Health and Health Disparities		93.307	4,362	-
Howard University Research Center for Minority Health and Health Disparities		93.307	101,859	-
Howard University Research Center for Minority Health and Health Disparities		93.307	3,383	-
Howard University Research Center for Minority Health and Health Disparities		93.307	208,124	37,782
Howard University Research Center for Minority Health and Health Disparities		93.307	32,691	-
Howard University Research Center for Minority Health and Health Disparities		93.307	28,983	-
Howard University Research Center for Minority Health and Health Disparities		93.307	163,894	59,196
Howard University Research Center for Minority Health and Health Disparities		93.307	24,720	-
Howard University Research Center for Minority Health and Health Disparities		93.307	17,450	-
Howard University Research Center for Minority Health and Health Disparities		93.307	197,895	-
Howard University Research Center for Minority Health and Health Disparities		93.307	4,635	-
Howard University Research Center for Minority Health and Health Disparities		93.307	435,842	-
Howard University Research Center for Minority Health and Health Disparities		93.307	110,298	-
Howard University Research Center for Minority Health and Health Disparities		93.307	26,654	-
Howard University Research Center for Minority Health and Health Disparities		93.307	158,299	-
Howard University Research Center for Minority Health and Health Disparities		93.307	96,666	-
Howard University Research Center for Minority Health and Health Disparities		93.307	56,514	-
Howard University Research Center for Minority Health and Health Disparities		93.307	55,256	-
Howard University Research Center for Minority Health and Health Disparities		93.307	87,615	-

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Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
Howard University Research Center for Minority Health and Health Disparities		93.307	31,633	-
Howard University Research Center for Minority Health and Health Disparities		93.307	16,478	-
Howard University Research Center for Minority Health and Health Disparities		93.307	946	-
Howard University Research Center for Minority Health and Health Disparities		93.307	4,335	-
Howard University Research Center for Minority Health and Health Disparities		93.307	18,353	-
Howard University Research Center for Minority Health and Health Disparities		93.307	214,984	-
Howard University Research Center for Minority Health and Health Disparities		93.307	34,880	-
Howard University Research Center for Minority Health and Health Disparities		93.307	7,713	-
Howard University Research Center for Minority Health and Health Disparities		93.307	592,462	420,570
Howard University Research Center for Minority Health and Health Disparities		93.307	36,917	-
Howard University Clinical Research Network for Health Equity		93.307	129,670	-
Howard University Clinical Research Network for Health Equity		93.307	215,571	-
<i>Subtotal for the National Institute on Minority Health and Health Disparities</i>			<b>4,392,341</b>	<b>525,073</b>
<i>Cancer Biology Research</i>				
The Role of Base Excision Repair in Regulating DNA-Mediated Inflammatory Signaling Pathways		93.396	28,602	-
<i>Subtotal for the Cancer Biology Research</i>			<b>28,602</b>	<b>-</b>
<i>National Cancer Institute</i>				
1/2 Howard -Georgetown Collaborative Partnership In Cancer Research		93.397	10,664	-
1/2 Howard -Georgetown Collaborative Partnership In Cancer Research		93.397	12,534	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	24,102	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	23,184	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	7,077	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	8,614	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	39,834	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	45,068	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	23,984	-
1/2 Howard - Hopkins Comprehensive Alliance in Cancer Research, Education, and Equity (H2CAREE)		93.397	49,464	-
<i>Subtotal for the National Cancer Institute</i>			<b>244,525</b>	<b>-</b>
<i>Cardiovascular Diseases Research</i>				
Sickle Cell Disease and Sickle Cell Trait Protection Against HIV-1infection in Africans and African Americans		93.837	630,411	100,466
<i>Subtotal for the Cardiovascular Diseases Research</i>			<b>630,411</b>	<b>100,466</b>

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<i>National Heart, Lung, and Blood Institute</i>				
The role of HGFL in the sickle cell disease nephropathy		93.839	163,897	-
The role of HGFL in the sickle cell disease nephropathy		93.839	35	-
<i>Subtotal for the National Heart, Lung, and Blood Institute</i>			<b>163,932</b>	<b>-</b>
<i>National Institute of Diabetes and Digestive and Kidney Diseases</i>				
The cellular molecular regulation of differing mechanisms of insulin resistance.		93.847	214,710	22,524
<i>Subtotal for the National Institute of Diabetes and Digestive and Kidney Diseases</i>			<b>214,710</b>	<b>22,524</b>
<i>National Institute of Neurological Diseases and Stroke</i>				
In vivo MRI Measures of Brain Metabolism in Traumatic Brain Injury		93.853	342,050	-
Digital Slide Scanner for Fluorescence and Brightfield Microscopy		93.853	249,127	-
<i>Sub total for National Institute of Neurological Diseases and Stroke</i>			<b>591,177</b>	<b>-</b>
<i>Allergy and Infectious Diseases Research</i>				
In Vitro and in Vivo Studies of Cytomegalovirus MIE Gene Regulation		93.855	419,401	-
Role of HIV glycan Shield in mucus penetration		93.855	10,750	-
Linking Defects in DNA polymerase beta to mitochondrial dysfunction and cytosolic nucleic acid sensor in Helicobacter pylori associated inflammation		93.855	140,486	-
<i>Subtotal for the Allergy and Infectious Diseases Research</i>			<b>570,637</b>	<b>-</b>
<i>Biomedical Research and Research Training</i>				
Bridges to the Baccalaureate Research Training Program at Howard University and Baltimore City Community College		93.859	154,421	-
Bridges to the Baccalaureate Research Training Program at Howard University and Baltimore City Community College		93.859	49,015	39,753
U-RISE at Howard University		93.859	195,905	-
Epitranscriptomic and post-transcriptional regulation of the RNome in gram negative and firmicute bacteria		93.859	415,988	-
Uncovering novel mechanisms of the CELF/Bruno protein ETR-1 in apoptosis		93.859	61,169	-
Enzymatic Synthesis of Sugar-Derived Biosurfactants Using Multifunctional Ionic Liquids		93.859	44,543	4,505
Multifunctional Nanotechnology Platform for Triple Negative Breast Cancer Treatment		93.859	108,642	-
<i>Subtotal for the Biomedical Research and Research Training</i>			<b>1,029,683</b>	<b>44,258</b>
<i>Eunice Kennedy Shriver national Institute of Child Health &amp; Human Development</i>				
Roles of Placental Mitochondria in the Vicious Cycle of Diabetes and Pregnancy		93.865	20,186	-
<i>Subtotal for the Eunice Kennedy Shriver national Institute of Child Health &amp; Human Development</i>			<b>20,186</b>	<b>-</b>
<i>National Institute of Aging</i>				
Mechanisms of APOE-Induced Preclinical Alzheimer's Pathophysiology in Human Olfactory System		93.866	43,178	-
The Howard University Expanding Research in Alzheimer's Disease and Related Dementias Postbaccalaureate Research Education Program (HU-ERA-PREP)		93.866	97,439	-
Advancing Aging Research Through Development of Minority Gerontologists		93.866	209,059	-

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Mechanisms of APOE-Induced Preclinical Alzheimer's Pathophysiology in Human Olfactory System		93.866	1,061,704	535,958
<i>Subtotal for the National Institute of Aging</i>			<b>1,411,380</b>	<b>535,958</b>
SUBTOTAL FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES			<b>11,239,606</b>	<b>1,340,058</b>
<i>Subtotal for the Direct Research and Development Awards</i>			<b>25,591,764</b>	<b>3,382,923</b>
<i>Pass-Through Research and Development Awards</i>				
DEPARTMENT OF COMMERCE				
Examining Regional Differences in Attitudes and Tendencies for Protective Active Decisions (The Board of Regents of the University of Oklahoma)	2024-44	11.459	48,400	-
Education, Training, and Capacity Development for Weather, Water and Climate Forecasting (ETCD) (University Corporation for Atmospheric Research )	SUBAWD004408	11.467	11,271	-
SUBTOTAL FOR THE DEPARTMENT OF COMMERCE			<b>59,671</b>	-
DEPARTMENT OF DEFENSE				
Short-range Order Materials for Neuromorphic Electronic and Photonic Devices (George Washington University)	23-S31R	12.431	21,985	-
A New Approach for Improving the Mechanical Properties of Aerospace Materials Produced via Additive Manufacturing (Ohio State University)	SPC-1000006890   GR129021	12.800	77,059	-
Modeling Photogalvanic Response of Topological Materials (Ohio State University)	SPC-1000007582/GR130587	12.800	5,540	-
			<b>82,599</b>	-
DoD Center of Excellence in AI/ML for Mentor Protege Program with Raytheon at Howard University (Raytheon Technologies Corporation)	PO 4203006214	12.U01	12,352	-
National Centers of Academic Excellence in Cybersecurity (NCAE-C) - Cybersecurity Education Diversity Initiative (Maryland Procurement Office)	H98230-20-1-0357	12.905	8,343	-
National Centers of Academic Excellence in Cybersecurity (NCAE-C) - Cybersecurity Education Diversity Initiative (Maryland Procurement Office)	H98230-20-1-0357	12.905	3,667	-
National Centers of Academic Excellence in Cybersecurity (NCAE-C) - Cybersecurity Education Diversity Initiative (Maryland Procurement Office)	H98230-20-1-0357	12.905	7,670	-
			<b>19,680</b>	-
SUBTOTAL FOR THE DEPARTMENT OF DEFENSE			<b>136,616</b>	-

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<b>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</b>				
Science				
Mapping Vulnerable Populations in California to Climate-Related Hazards (University of California Los Angeles)	1918 G LA203	43.001	11,526	-
The Trans-Iron Galactic Element Recorder for the International Space Station, TIGERISS, an Exceptional Nucleosynthesis Pioneer (Washington University)	WU-23-0277	43.001	56,907	-
Student Collaboration of the Interstellar Mapping and Acceleration Probe: Phases B to F (University of New Hampshire)	L0083	43.001	107,684	-
Student Collaboration of the Interstellar Mapping and Acceleration Probe: Phases B to F (University of New Hampshire)	L0083	43.001	12,972	-
Towards a NU-WRF-based Mega Wildfires Digital Twin Smoke Transport Impacts on Air Quality, Cardiopulmonary Disease and Regional Deforestation (University of Maryland)	NASA0098-05	43.001	81,261	-
Partnership for Heliophysics and Space Environment Research - PHaSER (Catholic University of America)	363994 Sub 1	43.001	42,378	-
Center for Research and Exploration in space Science & Technology II ( CRESST II) (University of Maryland)	97067-Z6342201	43.001	24,489	-
Center for Research and Exploration in space Science & Technology II ( CRESST II) (University of Maryland)	97067-Z6342201	43.001	36,905	-
Air Quality and Health Impact Analysis (California Institute of Technology)	1690152	43.001	8,333	-
Subtotal for the Science			<b>382,455</b>	-
19-ULI Step-B-0009 - Leading Advanced Turbine Research for Hybrid Electric Propulsion Systems (Pennsylvania State	S001846-NASA	43.002	202,418	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College Park)	97067-Z6342201	43.003	20,818	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College Park)	97067-Z6342201	43.003	8,922	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College Park)	97067-Z6342201	43.003	37,086	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	37,565	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	9,391	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	48,107	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	84,729	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	82,979	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	114,415	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	15,610	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	36,424	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland )	143912-Z6630202	43.003	46,957	-

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Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College	97067-Z6342201	43.003	78,734	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College	97067-Z6342201	43.003	19,632	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College	97067-Z6342201	43.003	4,908	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College	97067-Z6342201	43.003	24,540	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College	97067-Z6342201	43.003	36,111	-
Center for Research and Exploration in Space Science and Technology (CRESST) II (University of Maryland at College	97067-Z6342201	43.003	29,469	-
			<b>736,397</b>	-
District of Columbia Space Grant Consortium Budget Proposal for National Space Grant College and Fellowship Program: Opportunities in NASA STEM FY 2020-2024 (American University)	31590-HU-20	43.008	15,000	-
Long-Term, High Resolution Urban Aerosol Database for Research, Education and Outreach (Morgan State University)	MSUHU3M0049	43.008	57,512	-
			<b>72,512</b>	-
The Habitats Optimized for Missions of Exploration (HOME) Space Technology Research Institute for Deep Space Habitat Design (University of California)	A19-2477-S004	43.012	75,440	-
			<b>1,469,222</b>	-
SUBTOTAL FOR THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION			<b>1,469,222</b>	-
NATIONAL ENDOWMENT FOR THE HUMANITIES				
Full scope of work, outputs, and deliverables laid out in proposal submitted by Subrecipient (The Teagle Foundation)	2005580	45.162	6,615	-
SUBTOTAL FOR THE NATIONAL ENDOWMENT FOR THE HUMANITIES			<b>6,615</b>	-
NATIONAL SCIENCE FOUNDATION				
Engineering Grants				
Engineering Research Center for Power Optimization for Electro- Thermal system (POETS) (University of Illinois)	073708-14988	47.041	13,391	-
NSF Engineering Research Center for Quantum Network (CQN) (University of Arizona)	TBD 621056	47.041	10,396	-
I-Corps Hub: Mid-Atlantic Region (University of Maryland)	104754-Z3822206	47.041	42,116	-
Subtotal for the Engineering Grants			<b>65,903</b>	-
Mathematical and Physical Sciences				
Collaborative Research: National Institute for Foundations of Data Science (Massachusetts Institute of Technology)	S5211.PO#532331	47.049	41,868	-
Subtotal for the Mathematical and Physical Sciences			<b>41,868</b>	-

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<b>Geosciences</b>				
Promoting and Sustaining geoscience and related disciplines with PSU Environmentors for underserved and underrepresented minority NY, NJ, and PA Communities (GEOENV) (Penn State University)	5005168-NSF	47.050	10,150	-
The Management and Operation of the National Center for Atmospheric Research (NCAR) and Supporting Activities (University Corporation for Atmospheric Research)	SUBAWD003030	47.050	7,469	-
Subtotal for the Geosciences			<b>17,619</b>	-
<b>Computer and Information Science and Engineering</b>				
Computer and Information Science and Engineering Graduate Fellowships (CSGrad4US) - Allee Clark (Computing Research Association)	G-1B-019	47.070	26,500	-
Subtotal for the Computer and Information Science and Engineering			<b>26,500</b>	-
<b>Social, Behavioral, and Economic Sciences</b>				
Understanding the genomic basis and evolutionary history of lactase persistence and the dynamics of the associated gut microgome in pastoralist populations (University of Southern California)	SCON-00004975	47.075	21,628	-
Subtotal for the Social, Behavioral, and Economic Sciences			<b>21,628</b>	-
<b>Education and Human Resources</b>				
Race, Religion and STEM: Examining the Intersections for Black Students (University of Maryland)	115554-Z3953203	47.076	3,838	-
IUSE: EDU: Overcoming the Programming Barriers for Non-Computing Majors to Learn and Practice Data Science (Rochester Institute of Technology)	30668-02	47.076	10,078	-
NSF INCLUDES Alliance: National Data Science Alliance (NDSA) (Clark Atlanta University)	RSP-2023-215112-09-003	47.076	197,940	-
Subtotal for the Education and Human Resources			<b>211,856</b>	-
<b>Office of International Science and Engineering</b>				
Columbia University MRSEC on Precision-Assembled Quantum Materials (Columbia University)	3(GG015783-06)	47.079	120,862	-
Subtotal for the Office of International Science and Engineering			<b>120,862</b>	-
Planning GRANTED: A Consortium-Based, Stacked Mentorship Model for Building Inter-Institutional Research Capacity, Access, and Collaboration (Regents of the University of Michigan)	SUBK00021932	47.083	5,255	-
AI Institute for Societal Decision Making (AI-SDM) Carnegie Mellon University)	1123036-471080	47.084	209,103	-
<b>SUBTOTAL FOR THE NATIONAL SCIENCE FOUNDATION</b>			<b>720,594</b>	-
<b>ENVIRONMENTAL PROTECTION AGENCY</b>				
Long-term criteria and toxic pollutants trends in air quality and community exposures over the Marcellus Shale region in the U.S (George Mason University)	E2067191	66.000	9,000	-
<b>SUBTOTAL FOR THE ENVIRONMENTAL PROTECTION AGENCY</b>			<b>9,000</b>	-

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<b>DEPARTMENT OF ENERGY</b>				
Consortium Risk Evaluation with Stakeholder Participation III (Vanderbilt University)	19067-S1	81.000	14,553	-
Phase Transitions in Mesoscopic Systems (The University of Texas at Austin)	UTAUS-SUB0001414	81.049	36,454	-
HBCU Collider Consortium (Florida A&M University)	C-5205	81.049	120,132	-
Understanding the Interfaces for High-Energy Batteries Using Anions as Charge Carriers (Oregon State University)	G0211A-B	81.049	241,536	-
Co-design Center for Quantum Advantage (C2QA) (Brookhaven Science Associates, LLC)	390344	81.049	189,660	-
			<b>587,782</b>	-
Incubating Next Generation Clean Energy Scientists and Engineers Through Minority-Scholar Exchange and In-Situ Hydrogen Production Research (Texas Tech University)	21E097-01	81.089	45,442	-
FLOWMAS: Floating Offshore Wind Modeling and Simulation (National Renewable Energy Laboratory)	SUB-2024-10196	81.U01	81,505	-
An HPC Platform for Real-Time Environment Monitoring Using Machine Learning (San Jose State University Research Foundation)	23-1305-6798-Howard	81.U02	60,001	-
Novel AI Model of Performance of a Crossflow Filtration System for Tank Wastes (Pacific Northwest National Laboratory)	G-SOW-A-02558	81.U03	144,301	-
Howard University: Student Training in Applied Research (STAR) Program (National Renewable Energy Laboratory)	AGR-2023-10124	81.U04	3,730	-
Pathways to Fusion - a Collaborative Center for workforce development (Princeton University)	S230596	81.U05	27,486	-
Enhancing Hydrogen Economy Capabilities at Howard University through Professional Development and Student Projects (Electric Power Research Institute, Inc)	PO 4700012469	81.U06	7,133	-
Studying Physical Properties of Critical Rare-earth Metals (Ames National Laboratory)	SC-24-597	81.U07	1,076	-
<b>SUBTOTAL FOR THE DEPARTMENT OF ENERGY</b>			<b>973,009</b>	-
<b>DEPARTMENT OF EDUCATION</b>				
National Resource Centers Program (The Regents of the University of California)	00011428	84.015	19,645	-
<b>SUBTOTAL FOR THE DEPARTMENT OF EDUCATION</b>			<b>19,645</b>	-
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
RECOVER-SLEEP: A Platform Protocol for Evaluation of Interventions for Sleep Disturbances in Post Acute Sequelae of SARS-CoV-2 Infection (PASC) (Duke University)	383001278 (SPS 282235)	93.U01	21,979	-
Community-Engagement Research Alliance Against COVID-19 in Disproportionately Affected Communities (CEAL) - Phase 4 (Johns Hopkins University)	2006434549	93.U02	3,170	-

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Leadership Education in Neurodevelopmental and Related Disorders Training Program (Children's Research Institute)	30006604-03	93.110	7,347	-
Leadership Education in Neurodevelopmental and Related Disorders Training Program (Children's Research Institute)	30008666-03	93.110	28,274	-
			<b>35,621</b>	<b>-</b>
Research and Engagement for Action on Climate and Health (REACH) Center (George Washington University)	24-M73R	93.113	35,973	-
Examining provider bias in an underserved dental patient population: Improving health equity through a Dental School Practice-based Research Network (dsPBRN) (University of Maryland)	21570	93.121	213,888	-
Regional AIDS Education and Training Centers Program (University of Pittsburgh)	AWD00009525 (139851-1)	93.145	130,959	-
National Research Center on Poverty and Economic Mobility (University of Wisconsin)	0000004043	93.239	6,953	-
<i>Drug Abuse and Addiction Research Programs</i>				
Better Together: Integrating MOUD in African American Community Settings (University of Miami)	OS00001284	93.279	478,012	-
The National Drug Abuse Clinical Trials Network: New England Consortium Node CTN-0131 (Yale University)	CON-80005057 (GR123747)	93.279	22,027	-
Black Minoritized Populations- Great Lakes Node of the NIDA CTN (University of Illinois Chicago)	UIC1136425	93.279	108,332	-
Center to Advance Research Excellence (OPTIC) (RAND Corporation)	SCON-00000595	93.279	62,438	-
The Development and Evaluation of Enhanced-Digital-Chemosensory-Based Olfactory Training for Remote Management of Substance Use Disorders (EDITOR) (Evon Medics, LLC)	HUCM02005	93.279	7,328	-
<i>Subtotal for the Drug Abuse and Addiction Research Programs</i>				
			<b>678,137</b>	<b>-</b>
Neurotech Harbor: Our nation's first equitech ecosystem for neuromedical technologies (Johns Hopkins University)	2005680884	93.286	6	-
Neurotech Harbor: Our nation's first equitech ecosystem for neuromedical technologies (Johns Hopkins University)	2005680884	93.286	185,344	-
Neurotech Harbor: Our nation's first equitech ecosystem for neuromedical technologies (Johns Hopkins University)	2005680884	93.286	1,012,375	-
Neurotech Harbor: Our nation's first equitech ecosystem for neuromedical technologies (Johns Hopkins University)	2005680884	93.286	22,418	-
Neurotech Harbor: Our nation's first equitech ecosystem for neuromedical technologies (Johns Hopkins University)	2005680884	93.286	1,021	-
Neurotech Harbor: Our nation's first equitech ecosystem for neuromedical technologies (Johns Hopkins University)	2005680884	93.286	81,089	-
			<b>1,302,253</b>	<b>-</b>
Georgetown Howard Universities Center for Clinical and Translational Science (GHUCCTS) (Georgetown University)	426020_GR425925-HU-INF	93.350	233,149	-
Georgetown Howard Universities Center for Clinical and Translational Science (GHUCCTS) (Georgetown University)	426016_GR425930-HU-HLT	93.350	60,585	-
Georgetown Howard Universities Center for Clinical and Translational Science (GHUCCTS) (Georgetown University)	426021_GR425924-HU-ADM	93.350	101,843	-
Georgetown Howard Universities Center for Clinical and Translational Science (GHUCCTS) (Georgetown University)	426018_GR425925-HU-TE	93.350	56,671	-
Georgetown Howard Universities Center for Clinical and Translational Science (GHUCCTS) (Georgetown University)	426017_GR425929-HU-HUB	93.350	268,500	-

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Georgetown Howard Universities Center for Clinical and Translational Science (GHUCCTS) (Georgetown University)	426015 GR425931-HU-EDH	93.350	11,025	-
Georgetown Howard Universities Center for Clinical and Translational Science (GHUCCTS) (Georgetown University)	426011_GR425928-HU-RM	93.350	120,962	-
Translational Biomedical Science Training Grant (Georgetown University)	425168 GR425030-HU-TL1	93.350	3,434	-
National Center for Advancing Translational Sciences (Georgetown University)	426690_GR425935-HU-TL1	93.350	52,751	-
<i>Subtotal for the National Center for Advancing Translational Sciences</i>			<b>908,920</b>	-
The Public Health Informatics & Technology (PHIT) Workforce Development Program -- PHIT4DC (University of the District of Columbia)	90PH0007/HU-01	93.355	152,735	-
The Public Health Informatics & Technology (PHIT) Workforce Development Program -- PHIT4DC (University of the District of Columbia)	90PH0007/HU-01	93.355	129,342	-
The Public Health Informatics & Technology (PHIT) Workforce Development Program -- PHIT4DC (University of the District of Columbia)	90PH0007/HU-01	93.355	201,399	-
			<b>483,476</b>	-
Sickle Cell Treatment Demonstration Program (Johns Hopkins University)	2005359949	93.365	15,572	-
Sickle Cell Treatment Demonstration Program (Johns Hopkins University)	2005359949	93.365	5,069	-
			<b>20,641</b>	-
Inactivation of MSH3 in Colorectal Cancer and Race (University of California)	705881	93.393	154,031	-
Polygenic risk stratification combined with mpMRI to identify clinically relevant prostate cancer (Brigham and Women's Hospital, NC.)	128885	93.394	27,400	-
Maternal and Child Health Careers/Research Initiatives for Student Enhancement-Dr. James Ferguson Emerging and Infectious Disease Fellowship (Kennedy Krieger Children's Hospital, Inc)	1 NU50CD300866-01-00	93.456	17,000	-
Researching COVID To Enhance Recovery (RECOVER) Initiative (New York University)	ADU-06-21	93.838	2,778,683	-
Community-Engagement Research Alliance Against COVID-19 in Disproportionately Affected Communities (CEAL) - Phase 4 (Johns Hopkins University)	2005405130	93.838	14,885	-
			<b>2,793,568</b>	-
Sickle Cell Disease and Cardiovascular Risk- Red Cell Exchange SCD-CARRE (University of Maryland)	20790	93.839	71,263	-
dkNET Coordinating Unit : An Information network for FAIR resources and data (University of California)	705878	93.847	49,779	-

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Protective role of Neuregulin-1 against cerebral malaria-induced neuronal injury and behavioral sequelae (Morehouse School of Medicine)	370117-01	93.853	70,973	-
Neurodevelopment after postnatal Zika virus infection in infant macaques (Emory University)	A541607	93.853	28,857	-
Axonoprotection in Pediatric Cardiac Arrest (Children's Research Institute)	30005478-01	93.853	30,992	-
Junctophilin-3, Calcium Homeostasis, and Neuronal Dysfunction in HDL2 (Johns Hopkins University)	2004861051	93.853	21,481	-
			<b>152,303</b>	-
Maternal Health Research Network (MH RN) for MSIs Research Awards (The Ohio State University)	SPC-1000012561   GR133832	93.310	20,868	-
Program for AI Readiness (PAIR) at the Howard University College of Medicine (University of North Texas)	RF00280-SUB00286	93.310	43,260	-
Deciphering Multi-Modal Data for Health Equity within Machine Learning Models (University of North Texas)	RF00280-SUB00286	93.310	69,520	-
Artificial Intelligence/Machine Learning Consortium to Advance Health Equity and Researcher Diversity (AIM-AHEAD) (University of North Texas)	RF00250-2022-0043	93.310	333,300	-
Artificial Intelligence/Machine Learning Consortium to Advance Health Equity and Researcher Diversity (AIM-AHEAD) (University of North Texas)	RF00250-2022-0043	93.310	253,079	-
Artificial Intelligence/Machine Learning Consortium to Advance Health Equity and Researcher Diversity (AIM-AHEAD) (University of North Texas)	RF00250-2022-0043	93.310	90,711	-
Artificial Intelligence/Machine Learning Consortium to Advance Health Equity and Researcher Diversity (AIM-AHEAD) (University of North Texas)	RF00250-2022-0043	93.310	63,225	-
Artificial Intelligence/Machine Learning Consortium to Advance Health Equity and Researcher Diversity (AIM-AHEAD) (University of North Texas)	RF00250-2022-0043	93.310	155,185	-
			<b>1,029,148</b>	-
<i>Allergy and Infectious Diseases Research</i>				
Effects of cabotegravir exposure on placental mitochondrial functions (George Washington University)	M-0066R	93.855	14,796	-
Novel Strategy to Develop Ad-Based HIV-1 Vaccines (George Washington University)	M-0059	93.855	6,713	-
District of Columbia Center for AIDS Research (DC CFAR) (George Washington University)	20-M59R	93.855	38,601	-
Effect of environmental factors on interactions between HIV and vaginal mucin (George Washington University)	M-0068R	93.855	22,733	-
District of Columbia Center for AIDS Research (George Washington University)	24-M03R	93.855	8,430	-
DC Cohort: A Longitudinal Population-Based Cohort of People Living with HIV in Washington, DC (George Washington University)	20-M71R	93.855	69,803	-
CFAR Pathways Programs Coordinating Center (The George Washington University)	24-M39R	93.855	31,724	-
DC CFAR Pathways Programs: Developing an Inclusive Generation of HIV Researchers through Diversity and Community (George Washington University)	24-M40R	93.855	219,973	-
Effects of cART on the Heart (George Washington University)	M-0053R	93.855	5,664	-

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The DC Cohort: A Longitudinal Population-Based Cohort Study of People Living with HIV in Washington, DC (George Washington University)	20-M70R	93.855	168,512	-
Elucidating the role of B cell mediated trans infection in the establishment of the latent HIV-1 reservoir (University of Pittsburgh)	AWD00006193 (138262-1)	93.855	58,022	-
The role of H3K27me2 in regulating Culex pipiens diapause (Baylor University)	102908- 01	93.855	28,113	-
<i>Subtotal for the Allergy and Infectious Diseases Research</i>			<b>673,084</b>	<b>-</b>
<i>Minority Health and Health Disparities Research</i>				
Investigating Microbiome Characteristics in Sickle Cell Disease Patients (RCMI) (Morehouse School of Medicine)	RCC-001HU-Pilot	93.307	16,615	-
Analyses of expression and function of TRPV1 and Thermogenic proteins in human fat (Moorehouse School of Medicine)	RCC-002HU-Pilot	93.307	27,053	-
<i>Subtotal for the Minority Health and Health Disparities Research</i>			<b>43,668</b>	<b>-</b>
<i>Substance Abuse and Mental Health Services Administration</i>				
The District of Columbia's Opioid Response (DCOR) Comprehensive Care Management (DC Department of Behavioral Health)	NOGA V.7	93.788	182,151	-
District of Columbia's Opioid Response(DCOR) Comprehensive Care Management (DC Department of Behavioral Health)	PO# - P2336693	93.788	105,642	-
<i>Subtotal for the Substance Abuse and Mental Health Services Administration</i>			<b>287,793</b>	<b>-</b>
<i>Aging Research</i>				
District of Columbia Intellectual and Development Disabilities Research Center (Children's Research Institute)	30006468-02	93.865	105,948	-
Alzheimer's Clinical Trials Consortium (ACTC) (University of Southern California)	SCON-00005790	93.866	32,608	-
Combination anti-amyloid therapy for preclinical Alzheimer's disease (University of Southern California)	129139389	93.866	4,848	-
Alzheimer's Disease Neuroimaging Initiative (ADNI4) (University of Southern California)	SCON-00004549	93.866	8,616	-
Developing Evidence to Improve Racial and Ethnic Diversity in the MD-Scientist Workforce (Yale University)	CON-80004408(GR120633)	93.866	6,226	-
A Randomized Double Blind, Placebo Controlled, Parallel Group Trial to Evaluate the Safety and Efficacy of CT1812 in Early Alzheimer's Disease over 18 Months (University of Southern California)	SCON-00005718	93.866	1,500	-
Understanding Gaps in Care and Reimbursement for Diverse Populations with Alzheimer's Disease and Related Dementias: A Claims-Based Analysis (Johns Hopkins University)	2006140355	93.866	38,625	25,000
			<b>92,423</b>	<b>25,000</b>
<b>SUBTOTAL FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>9,339,378</b>	<b>25,000</b>

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<b>SOCIAL SECURITY ADMINISTRATION</b>				
Center for Financial Security, Retirement and Disability Research Consortium - Year 5 (University of Wisconsin)	0000002812	96.007	16,513	-
University of Wisconsin Madison - Howard University RDRC Training and Administrative Funding (University of Wisconsin)	0000003542	96.007	15,000	-
<b>SUB TOTAL FOR SOCIAL SECURITY ADMINISTRATION</b>			<b>31,513</b>	<b>-</b>
<i>Subtotal for the Pass-Through Research and Development Awards</i>			<b>12,765,263</b>	<b>25,000</b>
<b>TOTAL FOR THE RESEARCH AND DEVELOPMENT CLUSTER</b>			<b>38,357,027</b>	<b>3,407,923</b>
 <b><u>AIDS EDUCATION AWARDS</u></b>				
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Pragmatic Efficacy Trial of mHealth to Improve HIV Outcomes in the DC Cohort (George Washington University)	20-M88R	93.242	9,168	-
Pragmatic Efficacy Trial of mHealth to Improve HIV Outcomes in the DC Cohort (George Washington University)	20-M87R	93.242	31,770	-
			<b>40,938</b>	<b>-</b>
Reginal AIDS Education and Training Centers Program (University of Pittsburgh)	AWD00009525 (139851-1)	93.145	92,409	-
Reginal AIDS Education and Training Centers Program (University of Pittsburgh)	AWD00009525 (139851-1)	93.145	60,051	-
Reginal AIDS Education and Training Centers Program (University of Pittsburgh)	AWD00009525 (139851-1)	93.145	23,359	-
			<b>175,819</b>	<b>-</b>
<b>TOTAL FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>216,757</b>	<b>-</b>
<b>TOTAL FOR THE AIDS EDUCATION AWARDS</b>			<b>216,757</b>	<b>-</b>
 <b><u>HIV AND RYAN WHITE AWARDS</u></b>				
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
<b>Centers for Disease Control and Prevention</b>				
Delivering Comprehensive and Sustainable HIV/AIDS Clinical and Community Services to Achieve HIV Epidemic Control in Subnational Units in Nigeria under the President's Emergency Plan for AIDS Relief (PEPFAR) (Excellence Community Education Welfare Scheme)	ECEWS/CDC/SPEED/03	93.U01	72,567	-
Delivering Comprehensive and Sustainable HIV/AIDS Clinical and Community Services to Achieve HIV Epidemic Control in Subnational Units in Nigeria under the President's Emergency Plan for AIDS Relief (PEPFAR) (Excellence Community Education Welfare Scheme)	ECEWS/CDC/SPEED/03	93.U01	90,073	-
<b>Subtotal for the Centers for Disease Control and Prevention</b>			<b>162,640</b>	<b>-</b>

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Health Resources and Services Administration				
<i>HIV Emergency Relief Project Grants</i>				
FY 2022 Ryan White HIV/AIDS Program Parts A (DC - Department of Health)	HAHSTA2022-000027	93.914	107,853	-
FY 2022 Ryan White HIV/AIDS Program Parts A (DC - Department of Health)	PO660629	93.914	330,821	-
FY 2022 Ryan White HIV/AIDS Program Parts A (DC - Department of Health)	PO660629	93.914	299,216	-
FY 2022 Ryan White HIV/AIDS Program Parts A (DC - Department of Health)	HAHSTA2022-000027	93.914	112,811	-
FY 2022 Ryan White HIV/AIDS Program Parts A (DC - Department of Health)	HAHSTA2022-000027	93.914	100,752	-
Ryan White Part A-HIV Emergency Relief Project Grants ( DC Department of Health)	HAHSTA2022-000027	93.914	282,754	-
<i>Subtotal for the HIV Care Formula Grants</i>			<b>1,234,207</b>	-
<i>HIV Care Formula Grants</i>				
Ryan White Part B -HIV emergency Relief Project Grant (DC Department of Health)	PO662233	93.917	143,974	-
Ryan White Part B -HIV emergency Relief Project Grant (DC Department of Health)	PO662233	93.917	368,915	-
			<b>512,889</b>	-
Ryan White Part C Outpatient EIS Program	6 H76HA04384-20-01	93.918	287,444	-
Ryan White Part C Outpatient EIS Program	6 H76HA04384-21-01	93.918	69,971	-
			<b>357,415</b>	-
Subtotal for the Health Resources and Services Administration			<b>2,104,511</b>	-
TOTAL FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES			<b>2,267,151</b>	-
<b>TOTAL FOR THE HIV AND RYAN WHITE AWARDS</b>			<b>2,267,151</b>	-
 <b><u>OTHER FEDERAL AWARDS</u></b>				
DEPARTMENT OF AGRICULTURE				
APHIS Foreign Service Fellowship Program		10.025	6,512	-
Additive Manufacturing of Protein Snack Foods from Electrostatically Enriched Protein Fractions Prepared from Legumes and Cereals		10.307	85,575	-
2021 FAS Diversity Fellowship Program/Technical Agricultural Assistance (TPGA)		10.960	351,002	-
SUBTOTAL FOR THE DEPARTMENT OF AGRICULTURE			<b>443,089</b>	-
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
HBCU Research Center of Excellence		14.506	937,779	235,278
SUBTOTAL FOR THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<b>937,779</b>	<b>235,278</b>

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<b>DEPARTMENT OF DEFENCE</b>				
Consortium on Naval Enterprise Pathways (CoNEP) (George Washington University)	23-S20R	12.330	325,636	-
Defense Resiliency Platform Against Extreme Cold Weather (Virginia Tech)	450980-19782	12.U01	12,975	-
Defense Resiliency Platform Against Extreme Cold Weather (Virginia Tech)	450980-19782	12.U02	54,609	-
Biopolymer-Soil Amendments to Strengthen National Civil Works Water Resources Projects (Virginia Tech)	450853-19782	12.U03	23,400	-
Research Institute for Tactical Autonomy (RITA), University Affiliated Research Center (UARC)		12.U04	1,635,473	-
Visiting Professorship - US Military Academy WestPoint		12.U05	154,147	-
Optimizing Cognitive and Motor Performance Using Crowdsourced Data Collection		12.U06	5,259	-
<b>SUBTOTAL FOR THE DEPARTMENT OF DEFENCE</b>			<b>2,211,499</b>	<b>-</b>
<b>DEPARTMENT OF LABOR</b>				
DC Youth Apprenticeship Program (YAP) (DC-Department of Employment Services)	DOES240000	17.U01	20,433	-
Howard University Pharmacy Technician Program (DC Department of Employment Services)	HU-MAY000DOES-RMB-24	17.U02	124,831	-
<b>SUBTOTAL FOR THE DEPARTMENT OF LABOR</b>			<b>145,264</b>	<b>-</b>
<b>U.S. DEPARTMENT OF STATE</b>				
<i>Academic Exchange Programs</i>				
Madela-Washington Fellowship Alumni Enrichment Institutes - DC Orientation (International Research & Exchange Board, Inc)	S-ECAGD-21-CA-3082	19.009	6,751	-
2024 Thomas R. Pickering Foreign Affairs Graduate Fellowship Program		19.013	2,230,827	-
2025 Thomas R. Pickering Fellowship Program		19.013	176,979	-
2023 Thomas R. Pickering Foreign Affairs Fellowship Graduate Program		19.013	2,499,354	-
2022 Thomas R. Pickering Foreign Affairs Fellowship Graduate Program		19.013	596,716	-
			<b>5,503,876</b>	<b>-</b>
<i>Subtotal for the Academic Exchange Programs</i>			<b>5,510,627</b>	<b>-</b>
<i>Charles B. Rangel International Affairs Program</i>				
2024 Charles B. Rangel International Affairs Graduate Fellowship and Summer Enrichment Program		19.020	2,247,803	-
2022 Charles B. Rangel International Affairs Graduate Fellowship and Summer Enrichment Program		19.020	2,082,659	-
2025 Charles B. Rangel International Affairs Fellowship Program		19.020	262,129	-
2021 Charles B. Rangel International Affairs Graduate Fellowship		19.020	24,916	-
2022 Charles B. Rangel International Affairs Graduate Fellowship and Summer Enrichment Program		19.020	341,838	-
			<b>4,959,345</b>	<b>-</b>
<i>Subtotal for the Charles B. Rangel International Affairs Program</i>			<b>4,959,345</b>	<b>-</b>
<b>SUBTOTAL FOR THE U.S. DEPARTMENT OF STATE</b>			<b>10,469,972</b>	<b>-</b>

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<b>DEPARTMENT OF TRANSPORTATION</b>				
Highway Planning and Construction				
Annual Research Program Management Support FY25 (DC Department of Transportation)	PO722025	20.205	101,873	-
Evaluation of Different Curb Extension Treatments for Pedestrian Comfort and Safety at Intersections (DC Department of Transportation)	DCKA-2021-C-0031	20.205	80,941	80,941
Subtotal for the Highway Planning and Construction			<u>182,814</u>	<u>80,941</u>
Research and Education for Promoting Safety (REPS)		20.701	494,051	570,378
Center for Durable and Resilient Transportation Infrastructure (DuRe- Transp) (University of Texas)	2022GC1889	20.701	50,089	-
			<u>544,140</u>	<u>570,378</u>
Conduct the District's 2024 Annual Observational Seat Belt Study (DC Department of Transportation)	0196 2024 NHTSA	20.U01	6,800	-
Transportation and Traffic Safety Data Systems in Washington DC (DC Department of Transportation)	WD NO: 6133 PT/NO:15468	20.U02	138,750	-
<b>TOTAL FOR THE DEPARTMENT OF TRANSPORTATION</b>			<u>872,504</u>	<u>651,319</u>
<b>SMALL BUSINESS ADMINISTRATION</b>				
FY24 -Small Business Development Centers (SBDC) Program		59.037	267,445	-
Small Business Development Centers CARES Act		59.037	154,872	-
<b>SUBTOTAL FOR THE SMALL BUSINESS ADMINISTRATION</b>			<u>422,317</u>	<u>-</u>
<b>DEPARTMENT OF ENERGY</b>				
Multiphysics and Multiscale Simulation Methods for Electromagnetic Energy Assisted Fossil Fuel to Hydrogen Conversion		81.057	120,302	85,556
<b>SUBTOTAL FOR THE DEPARTMENT OF ENERGY</b>			<u>120,302</u>	<u>85,556</u>
<b>DEPARTMENT OF EDUCATION</b>				
Comprehensive National Resource Center and FLAS Institution		84.015A	218,071	-
Comprehensive National Resource Center and FLAS Institution African Studies		84.015B	122,534	-
Howard University proposes to develop authentic multimedia instructional materials at the intermediate and advanced levels for Amharic, Swahili, and Wolof languages.		84.017A	14,230	-
Center of Excellence for Veteran Student Success		84.116G	102,455	-

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
Howard University Science and Emergency Cultural Efficacy (HUSECE) Program		84.120	3,531	-
Howard University Science and Emergency Cultural Efficacy (HUSECE) Program		84.120	39,646	-
Howard University Science and Emergency Cultural Efficacy (HUSECE) Program		84.120	62,758	-
			<b>105,935</b>	<b>-</b>
Precollege Program and Access to Careers in Engineering		84.120A	102	-
Industry-Research Inclusion in STEM Education (I-RISE)		84.120A	22,012	-
Integrating Leadership Education and Development (I-LEAD) into the Minority STEM Education		84.120A	15,035	-
Integrating Leadership Education and Development (I-LEAD) into the Minority STEM Education		84.120A	40,635	-
			<b>77,784</b>	<b>-</b>
School Based Mental Health Program		84.184X	427,335	-
RTL2020-2025 Learning Neighborhood WHUT-TV (Corporation for Public Broadcasting)	35467-EDU	84.287C	3,826	-
RTL2020-2025 Learning Neighborhood WHUT-TV (Corporation for Public Broadcasting)	35467-EDU	84.287C	22,429	-
			<b>26,255</b>	<b>-</b>
Howard University Teacher Residency Program		84.336S	17,349	-
<b>SUBTOTAL FOR THE DEPARTMENT OF EDUCATION</b>			<b>1,111,948</b>	<b>-</b>
<b>DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>				
Hayes Senior Wellness Center (DC - Office of Aging)	HOW016-25	93.042	10,494	-
Hayes Senior Wellness Center (DC - Office of Aging)	HOW016-24	93.043	143,626	-
Hattie Holmes Senior Wellness Center (DC - Office of Aging)	HOU-HH-SWC-25	93.043	18,580	-
			<b>162,206</b>	<b>-</b>
Postdoctoral Training in General, pediatric and Public health Dentistry and Dental hygiene		93.059	364,764	-
Graduate Psychology Education Program		93.191	258,320	-
Howard University SES Diversity Fellowship Program (HU-SDI)		93.925	500,000	-

**The Howard University**  
**Schedule of Expenditure of Federal Awards**  
**For the year ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass-Through Entity Identifying Number	Assistance Listing Number	Total Federal Expenditures	Provided to Subrecipient
HIV Demonstration, Research, Public and Professional education Project (Meharry Medical College)	221003JH080	93.266	408,994	-
HIV Demonstration, Research, Public and Professional education Project (Meharry Medical College)	221003JH080	93.266	436,662	-
HIV Demonstration, Research, Public and Professional education Project (Meharry Medical College)	221003JH080	93.266	51,883	-
HIV Demonstration, Research, Public and Professional education Project (Meharry Medical College)	221003JH080	93.266	31,427	-
			<b>928,966</b>	<b>-</b>
Addiction Medication Fellowship		93.732	125,881	-
Bridging Gaps Recruiting Black and Asian American Participants in Clinical Trials and Creating Culturally Competent Messages. - BAA MCMWP 111		93.U01	137,209	-
All of Us Data Training and Engagement for Academic Libraries Program		93.U02	19,388	-
<b>SUBTOTAL FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			<b>2,507,228</b>	<b>-</b>
<b>AGENCY FOR INTERNATIONAL DEVELOPMENT</b>				
USAID Foreign Assistance for Programs Overseas				
Donald Payne Fellowship Program		98.001	3,814,172	-
Accelerating Control of the HIV Epidemic In Nigeria (ACE): Akwa-Ibom and Cross River States (Excellence Community Education Welfare Scheme)	72062022CA00007	98.001	260,578	-
<b>SUBTOTAL FOR THE AGENCY FOR INTERNATIONAL DEVELOPMENT</b>			<b>4,074,750</b>	<b>-</b>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>				
Jumpstart 2023-2024 (Jumpstart for Young Children, Inc.)	2840240	94.006	29,327	-
Jumpstart Program 2024-2025 (Jumpstart for Young Children, Inc.)	2840250	94.006	137,549	-
<b>SUBTOTAL FOR THE CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			<b>166,876</b>	<b>-</b>
<b>DEPARTMENT OF HOMELAND SECURITY</b>				
The Northeast Intelligence Community Centers for Academic Excellence (IC CAE) (University of New Hampshire)	PZL0248	97.U01	2,706	-
<b>SUBTOTAL FOR THE DEPARTMENT OF HOMELAND SECURITY</b>			<b>2,706</b>	<b>-</b>
<b>TOTAL FOR THE ALL OTHER FEDERAL AWARDS</b>			<b>22,613,730</b>	<b>320,834</b>
<b>TOTAL EXPENDITURES OF FEDERAL AWARDS</b>			<b>\$ 956,205,845</b>	<b>4,380,076</b>

# The Howard University

## Notes to Schedule of Expenditures of Federal Awards

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### 1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the “Schedule”) presents the expenditures of The Howard University (the “University”) under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (“Uniform Guidance”). Because the Schedule presents only a portion of the operations of the University, it is not intended to and does not present the financial position, changes in net assets, and cash flows of the University.

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between the University and agencies and departments of the federal government and all subawards made to the University by nonfederal organizations pursuant to federal grants, contracts, and similar agreements. Federal Assistance Listing Numbers (“ALN”) and pass-through entity award numbers are provided when available.

The reimbursement of indirect costs reflected in the accompanying consolidated financial statements as federal grants revenue is subject to final approval by federal grantors and could be adjusted upon the results of these reviews. Management believes that the results of any such adjustment would be immaterial to the University’s consolidated financial position or changes in net assets. The University has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance for awards dated prior to October 1, 2024, or the 15-percent rate for awards dated on or after October 1, 2024.

All of the University’s federal awards were in the form of cash assistance for the year ended June 30, 2025.

### 2. Summary of Significant Accounting Policies for Federal Award Expenditures

#### ***Basis of Presentation***

The accompanying Schedule has been prepared using the accrual basis of accounting.

#### ***Expenditures***

Expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget (“OMB”) Circular A-21, *Cost Principles for Educational Institutions*, or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Expenditures for federal student financial aid programs are recognized as incurred and include Federal Pell Grant Program awards to students, Federal Supplemental Educational Opportunity Grant awards to students and Federal Work-Study Program wages paid, certain other federal financial assistance grants for students, administrative cost allowances, and loan disbursements.

# The Howard University

## Notes to Schedule of Expenditures of Federal Awards

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### 3. Facilities and Administrative Costs (“F&A Costs”)

Expenditures for non-financial aid awards include indirect costs, relating primarily to facilities operation and maintenance, general, divisional, and departmental administrative services, which are allocated to direct cost objectives (including federal award programs) based on negotiated formulas commonly referred to as indirect cost rates, which were negotiated with the Department of Health and Human Services. A portion of indirect costs allocated to some awards for the year ended June 30, 2025 were based on individual grantor rates.

The University operates under predetermined F&A cost rates. Base rates for the other F&A cost recoveries ranged from 8% to 55% for the year ended June 30, 2025.

### 4. Federal Student Loan Programs

The University receives awards to make loans to eligible students under the Federal Perkins Loan Program and Federal Direct Student Loans Program of the Department of Education, and Health Professions and Nursing Student Loan Programs of the Department of Health and Human Services. Campus-based loan programs which include the Federal Perkins Loan Program are administered directly by the University. Balances and transactions relating to these programs are included in the University's basic financial statements. These administrative allowances related to these loan programs for the year ended June 30, 2025 were zero. Additional information regarding these programs as of June 30, 2025 is summarized below:

<b>Campus-Based Loan Programs</b>	<b>Assistance Listing Number</b>	<b>Outstanding June 30, 2025</b>
Federal Perkins Loans	84.038	\$ 390,216
Health Professional and Disadvantaged Students	93.342	1,564,800
Nursing Student Loans	93.364	85,850
<b>Total Campus-Based Loan Programs</b>		<b>\$ 2,040,866</b>

The University is responsible for the performance of certain administrative duties with respect to Federal Direct Student Loans disbursed by the Department of Education on behalf of the University's students under the Federal Direct Student Loans programs (Subsidized Stafford Loans, Unsubsidized Stafford Loans, and Parent PLUS Loans). These loan programs collectively are ALN: 84.268 and are disclosed on the Schedule in the amount of \$291,628,537. It is not practical to determine the balance of loans outstanding to students and former students of the University under these federally guaranteed loan programs at June 30, 2025.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### Section I - Summary of Auditor's Results

#### *Financial Statements*

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?   X   yes      no
- Significant deficiency(ies) identified?   X   yes      none reported

Noncompliance material to financial statements noted?      yes   X   no

#### *Federal Awards*

Internal control over major federal programs:

- Material weakness(es) identified?   X   yes      no
- Significant deficiency(ies) identified?   X   yes      none reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified for all major federal programs except for Research and Development Cluster (ALN: Various), USAID Foreign Assistance for Programs Overseas (ALN: 98.001) and Charles B. Rangel International Affairs Program (ALN: 19.020), which were qualified.

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Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

  X   yes      no



# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### Section II - Financial Statement Findings Section

This section identifies the significant deficiencies, material weaknesses, fraud, noncompliance with violations of provisions of laws, regulations, contracts and grant agreements related to the financial statements for which *Government Auditing Standards* requires reporting.

#### FINDING 2025-001

##### **Criteria:**

The University is responsible for the design, implementation, and maintenance of effective internal controls relevant to the lease accounting process.

##### **Condition:**

As a result of our testing, multiple instances were identified in which a new lease and amendments to existing leases were not appropriately accounted for. Based upon our inquiries, there was a lack of communication between the University's real estate team and the Controller's office resulting in the following:

1. During BDO's testing over the completeness of the University's lease liability balance as of June 30, 2025, we identified two unrecorded leases (Jemal's Wonder Floor 1, and Jemal's Wonder Floors 3 and 4). BDO concluded that the leases were not properly included in the University's Statement of Financial Position, resulting in an understatement of the related asset and liability balances in the Consolidated Statement of Financial Position of approximately \$32 million as of June 30, 2025.
2. The University entered into the Howard Manor lease agreement with Provident (lessee) in the prior year, and the lease was accounted for and recorded in the prior year. During our testing over the existence and accuracy of the University's lease payments receivable balance at June 30, 2025, BDO received an amended agreement executed in August 2024 that extended the term of the lease from 31 to 40 year. The amendment was not previously shared with the Controller's office. The change in the lease term triggered a need to reconsider the lease from an accounting perspective (remeasurement) when the amendment was executed, impacting the balance of the lease liability as well as the treatment of a related lease incentive and receivable balance by approximately \$3,100,000 as of June 30, 2025.
3. The University executed a Howard Manor commercial sub lease agreement in August 2024. Upon further review of the agreement and inquiry with the Controller's office, the sub lease agreement was not shared with the Controller's office and the transaction was not recorded. As a result, the lease amendment/agreements were also improperly excluded from the University's Consolidated Statement of Financial Position, resulting in an understatement of approximately \$2,800,000 as of June 30, 2025.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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***Cause:***

The University did not have appropriately designed internal controls over the lease accounting process that were operating effectively due to a lack of communication amongst relevant departments at the University.

***Effect or Potential Effect:***

The University entered into multiple lease transactions that were not appropriately accounted and/or recorded in the general ledger for during the year.

***Recommendation:***

We recommend that the University strengthen its internal controls over the lease accounting process over the lease accounting process. This should include clearly defined roles and responsibilities, enhanced procedures for identifying and assessing leases, and management review and approval controls. In addition, the University should establish formal communication protocols among relevant campus departments to ensure timely and complete identification of lease agreements and consistent application of lease accounting requirements as required.

***Views of Responsible Officials:***

Management acknowledges the auditor's observations regarding certain deficiencies in protocols related to the accounting for lease transactions, including the failure to timely identify, communicate, and account for new leases, lease amendments, and sub lease agreements. Management agrees that these deficiencies resulted in the improper exclusion of certain lease assets, liabilities, and related balances from the University's Statement of Financial Position as of June 30, 2025.

**Root Cause Assessment**

The issues identified were primarily attributable to the need to formalize a policy related to the identification of and accounting for new leases.

**Corrective Actions Taken**

Management has taken the following actions to remediate the deficiencies identified:

1. Lease Identification and Recording
  - a. Recorded the previously omitted leases, lease amendments, and sub lease agreements and adjusted the related right of use assets, lease liabilities, incentives, and receivable balances in accordance with ASC 842.
  - b. Performed a comprehensive review of the existing lease population to confirm completeness and accuracy as of year-end.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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2. Enhanced Communication Protocols
  - a. Established a formal requirement that all new leases, amendments, extensions, and sub leases be communicated to and reviewed by the Controller's Office prior to execution.
  - b. Implemented standing agenda items and documentation requirements as part of standing meetings with for REDCAM and Controller to ensure all real estate activity is captured and evaluated from an accounting perspective.
3. Strengthened Lease Completeness Procedures
  - a. Enhanced the annual lease completeness analysis to include:
    - i. Review of executed contracts from REDCAM.
    - ii. Confirmation of changes to lease terms, incentives, and renewal options.
    - iii. Cross checks against capital project activity and real estate transaction logs.
    - iv. Implemented more frequent (quarterly) lease activity confirmations rather than reliance on former annual procedures.

### Ongoing and Preventive Measures

To prevent recurrence, management has implemented or is in the process of implementing the following:

- Centralized Contract Intake: Deployment of a centralized repository and intake process for all real estate and lease related agreements, requiring Accounting review and sign off.
- Defined Ownership and Accountability: Clarified roles and responsibilities between REDCAM and the Controller's Office for lease identification, communication, and accounting.
- Training and Awareness: Targeted training for real estate, legal, and accounting personnel on ASC 842 requirements, including the accounting implications of lease amendments and sub leases.
- Monitoring and Governance: Periodic management review of lease activity and balances, with documentation maintained to support audit evidence and ongoing compliance.

### Conclusion

Management believes that the corrective actions taken and controls implemented have remediated the conditions noted and significantly strengthened the University's lease accounting control environment. Management will continue to monitor lease activity and interdepartmental communication to ensure timely and accurate financial reporting going forward.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-002

***Criteria:***

The University is responsible for the design, implementation, and maintenance of effective internal controls relevant to the accounts payable and procurement processes.

***Condition:***

During our procedures over Treasury controls, we identified a wire transfer of approximately \$20.74 million that was inappropriately released by the Treasury department without the proper invoice approvals. Per the University's documented process, all payments (including wires) should have appropriate authorization either within the system or alternatively via an appropriately approved wire request form. While the wire was ultimately accounted for correctly, the ability to execute the wire transaction without evidence of appropriate approvals is an override of the existing controls in place.

***Cause:***

The University did not have appropriately designed internal controls over the accounts payable and procurement processes that were operating effectively during the year.

***Effect or Potential Effect:***

A significant wire was released by the Treasury department without proper approval.

***Recommendation:***

We recommend that the University strengthen its internal controls over wire transfer activities by enforcing required authorization procedures in accordance with documented policies. This should include system-based controls or standardized wire request documentation to ensure all wire transfers are supported by appropriate invoice approvals prior to release. In addition, management should reinforce adherence to approval requirements, restrict the ability to override controls, and implement periodic monitoring or independent review of wire transactions to detect and prevent unauthorized payments.

***Views of Responsible Officials:***

Management acknowledges the auditor's observation related to the release of a \$20.74 million wire transfer to a vendor without documented evidence of all required invoice approvals in accordance with the University's established wire transfer control procedures. Management agrees that the execution of the wire without complete, documented authorization represents an override of existing controls, notwithstanding that the transaction was ultimately valid and properly recorded in the financial statements.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### Root Cause Assessment

The control lapse was attributable to:

- Reliance on manual, paper based approval documentation outside of Workday for certain high value or time sensitive wire transactions.
- Inadequate enforcement of evidentiary requirements prior to Treasury release when approvals were presumed but not formally verified or retained.
- Insufficient segregation between approval verification and execution under heightened operational pressure to meet contractual payment timelines.

### Corrective Actions Taken

Management has implemented the following corrective actions to remediate the issue identified:

1. Immediate Control Reinforcement
  - a. Recommunicated wire approval requirements to Accounts Payable, General Accounting, and Treasury personnel, emphasizing that no wire may be released without documented evidence of all required approvals.
  - b. Reinforced Treasury's responsibility to independently verify the completeness of approvals prior to execution, regardless of payment urgency or counterparty.
2. Enhanced Approval Documentation
  - a. Required that all wire transfers, including construction related and other high dollar payments, be supported by either:
    - i. Fully approved transactions within Workday, or
    - ii. A completed wire request form with documented invoice approval and all required management signatures.
  - b. Centralized retention of wire documentation, including approvals, invoices, and supporting materials, to ensure auditability.
3. Process and Oversight Improvements
  - a. Implemented a secondary review step for high value wire transfers above a defined dollar threshold, requiring confirmation of approval completeness prior to Treasury release.
  - b. Updated the wire log review process to include verification of approval documentation as part of management's periodic oversight.

### Ongoing and Preventive Measures

To prevent recurrence of management override and further strengthen controls, management has implemented or is in the process of implementing the following:

- Workflow Automation: Expansion of Workday based approval workflows to reduce reliance on manual wire request forms and ensure system enforced authorization prior to payment.
- Threshold Based Controls: Formalized enhanced approval and documentation requirements for large or non routine wire transactions.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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- Training and Accountability: Ongoing training for Accounts Payable, Accounting, and Treasury staff on wire controls, with clear accountability for compliance.
- Monitoring and Review: Periodic management review of wire activity, including spot checks of approval documentation, to confirm adherence to policy.

### Conclusion

Management believes that the corrective actions and preventive measures implemented have remediated the control deficiency and significantly reduced the risk of unauthorized or undocumented wire transfers. The University remains committed to maintaining strong internal controls over disbursements and will continue to monitor compliance to ensure consistent and effective control operation.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-003

#### **Criteria:**

The University is responsible for the design, implementation, and maintenance of effective internal controls relevant to the tax compliance and tax monitoring processes.

#### **Condition:**

The Howard University Hospital Corporation (the “Corporation”), a wholly owned subsidiary of the University, did not file the required IRS Form 990 or 990-N for the first three fiscal years subsequent to the recent change in its legal structure and name. As a result, the Internal Revenue Service (“IRS”) automatically revoked the Corporation’s tax-exempt status. This failure reflects a deficiency in the University’s controls related to monitoring and ensuring timely compliance with federal tax filing requirements following changes in legal entity structure.

Furthermore, there appears to be a lack of clarity regarding the assignment of responsibility for receiving and responding to IRS correspondence, which may have contributed to the delayed awareness of the revocation.

#### **Cause:**

The University did not have appropriately designed internal controls over the tax compliance and tax monitoring processes that were operating effectively during the year.

#### **Effect or Potential Effect:**

The Corporation’s tax-exempt status was automatically revoked by the IRS.

#### **Recommendation:**

We recommend that the University strengthen controls over tax compliance for affiliated entities by establishing formal procedures to monitor and ensure timely filing of all required federal tax forms following changes in legal structure or entity status. These procedures should include clearly defined roles and responsibilities for preparing, reviewing, and filing IRS Forms 990 and 990-N, as well as a compliance calendar with documented management oversight. In addition, the University should formally designate responsibility for receiving, documenting, and responding to IRS correspondence to ensure that critical communications are promptly identified, evaluated, and addressed.

#### **Views of Responsible Officials:**

Management acknowledges the importance of timely and accurate federal tax compliance and concurs with the observation noted by BDO.

During the fiscal year, Howard University Hospital Corporation (HUHC), in coordination with external tax advisors, submitted all delinquent IRS Forms 990 and completed the required reinstatement application process. The Internal Revenue Service has formally reinstated HUHC’s 501(c)(3) tax-exempt status, thereby resolving the compliance lapse identified.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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In addition to completing the reinstatement process, management has implemented the following corrective actions to prevent recurrence:

### Enhanced Governance and Oversight

Responsibility for federal and state tax compliance has been formally assigned within the finance function, with defined escalation to senior leadership.

### Control and Process Improvements

Documented filing responsibilities, and periodic management review procedures have been implemented to ensure timely preparation, review, and submission of all required filings.

### Ongoing External Support

HUHC continues to engage qualified external tax advisors to support compliance monitoring and to provide guidance on emerging regulatory requirements.

Management believes these actions adequately address the root causes of the issue and strengthen HUHC's internal controls over tax reporting and compliance.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-004

**Criteria:**

The University is responsible for the design, implementation, and maintenance of effective internal controls relevant to the information technology and system implementation processes.

**Condition:**

The University migrated its student data from Banner (legacy system) to Workday Student (new system) effective July 1, 2024. In our review and testing of the processes and controls related to the implementation, we were unable to obtain evidence of certain pre- and post-implementation data validation procedures to assess the completeness and timeliness of any procedures performed. As a result, in our inquiries with management as well as testing of student accounts receivable, there were numerous data errors noted in the Workday Student production environment that required a months-long process to investigate and manually resolve errors.

**Cause:**

The University did not have appropriately designed internal controls over the information technology and system implementation processes that were operating effectively during the year.

**Effect or Potential Effect:**

Numerous data errors noted in the Workday Student production environment were identified, which required a months-long process to investigate and manually resolve errors related to student account balances.

**Recommendation:**

We recommend that the University strengthen its internal controls over system implementations and data migrations by formally designing, documenting, and executing comprehensive pre- and post-implementation data validation procedures. These procedures should include reconciliation and completeness testing to verify that data is accurately and timely migrated from legacy systems to new platforms. In addition, management should establish clear accountability for validation activities, retain evidence of testing performed, and implement ongoing monitoring controls to promptly identify and resolve data integrity issues.

**Views of Responsible Officials:**

Management acknowledges the auditor's observation regarding the implementation of Workday Student effective July 1, 2024, and the absence of sufficiently documented pre and post implementation data validation procedures supporting completeness and timeliness of the student accounts receivable sub ledger. Management also acknowledges that data conversion and configuration issues contributed to data errors in the production environment, requiring extended investigation and manual remediation.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### Root Cause Assessment

The issues identified were primarily attributable to:

- The scale and complexity of migrating student data from Banner to Workday Student, including historical balances, registration activity, and financial aid interactions.
- Insufficient formalization and documentation of end to end data validation procedures during go live, including reconciliations between legacy and new system outputs.
- Evolving business processes and configurations during the initial production period, which delayed the stabilization of automated controls and reporting.

### Corrective Actions Taken

Management has taken the following actions to remediate the issues identified:

1. Data Cleansing and Resolution
  - a. Completed a comprehensive review of student accounts receivable balances, including identification, investigation, and resolution of data conversion and configuration related errors.
  - b. Implemented manual reconciliations during the stabilization period to ensure accuracy of student account balances while system corrections were finalized.
2. Post Implementation Reconciliations
  - a. Established recurring reconciliations between Workday Student sub ledger activity and the general ledger, with documented review and sign off by Accounting leadership.
  - b. Performed retrospective reconciliations of key student receivable populations to validate completeness and accuracy following corrective system updates.
3. System Configuration and Control Enhancements
  - a. Worked with functional and technical teams to correct root cause configuration issues impacting billing, posting, and timing of student account transactions.
  - b. Implemented additional automated system controls and exception reporting within Workday Student to identify data anomalies on a timely basis.
4. Governance and Documentation Improvements
  - a. Formalized pre and post implementation validation protocols for major system changes, including documented testing plans, reconciliation requirements, and approval checkpoints.
  - b. Enhanced cross functional coordination between Student Finance, Financial Aid, Registrar, and Accounting to ensure clear ownership and accountability for data integrity.

### Ongoing and Preventive Measures

To prevent recurrence, management has implemented or is in the process of implementing the following:

- Standardized System Change Management: Adoption of documented validation and reconciliation procedures for future system enhancements, upgrades, or data migrations.
- Enhanced Monitoring: Ongoing use of automated exception reports and periodic management review of student receivable activity.
- Training and Knowledge Transfer: Continued training for functional and accounting staff on Workday Student controls, reporting, and reconciliation processes.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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- Audit Readiness: Maintenance of clear documentation evidencing control performance and management review to support future audit procedures.

### Conclusion

Management believes that the corrective actions taken and controls implemented have remediated the conditions noted and strengthened the overall control environment surrounding the student accounts receivable sub ledger. The University will continue to monitor system performance and control effectiveness to ensure sustained data integrity and timely financial reporting.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### Section III - Federal Awards Findings and Questioned Costs Section

This section identifies the audit findings required to be reported by 2 CFR 200.516(a) (for example, significant deficiencies, material weaknesses and material instances of noncompliance, including questioned costs, and significant instances of abuse).

#### FINDING 2025-005

##### ***Federal Program Information:***

Federal Pell Grant Program (ALN: 84.063); Federal Direct Student Loans (ALN: 84.268)

##### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Tests and Provisions - Enrollment Reporting* - Institutions are required to report enrollment information under the Pell grant and the Direct and Federal Family Education Loan (“FFEL”) loan programs via the National Student Loan Data System (“NSLDS”) (OMB No. 1845-0035), although FFEL loans are no longer made or a part of the Student Financial Assistance Cluster, a student may have a FFEL loan from previous years that would require enrollment reporting for that student (Pell, 34 CFR 690.83(b)(2); FFEL, 34 CFR 682.610; Direct Loan, 34 CFR 685.309). The administration of the Title IV programs depends heavily on the accuracy and timeliness of the enrollment information reported by institutions. Institutions must review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (“NSLDSFAP”) website which the financial aid administrator can access for the auditor. The data on the institution’s Enrollment Reporting Roster, or Enrollment Maintenance page, is what NSLDS has as the most recently certified enrollment information. There are two categories of enrollment information, “Campus Level” and “Program Level,” both of which need to be reported accurately and have separate record types. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS Enrollment Reporting Process.

*Campus Level:* Institutions are responsible for accurately reporting certain significant data elements under the Campus-Level Record that the U.S. Department of Education considers high risk, including enrollment status, which is the student’s enrollment status as of the reporting date; full-time (F), three-quarter time (Q), half-time (H), less than half-time (L), leave of absence (A), graduated (G), withdrawn (W), deceased (D), never attended (X) and record not found (Z).

*Program Level:* Institutions are responsible for accurately reporting certain significant data elements under the Program Level Record that the U.S. Department of Education considers high risk, including CIP Code - The Classification of Instructional Programs (“CIP”) is a set of codes that define fields of study. CIP Codes are maintained by ED’s National Center for Education Statistics (“NCES”). They were most recently updated in 2020 and are usually updated every ten years.

Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Institutions must complete and return within 15 days the Enrollment Reporting roster file placed in their Student Aid Internet Gateway (“SAIG”) (OMB No. 1845-0002) mailboxes sent by ED via NSLDS.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### **Condition:**

The University did not submit an accurate status change notification or failed to submit timely notification to the NSLDS website for certain students who graduated, withdrew or had a change in their enrollment status (full time, half time or less than half time) during the year. Additionally, the University's fiscal year SCHER1 report, included multiple instances in which error records were not corrected within the required timeframe.

### **Cause:**

Insufficient internal controls and administrative oversight with respect to enrollment reporting requirements.

### **Effect or Potential Effect:**

The University is not in compliance with enrollment reporting requirements. Failure to promptly report accurate and timely changes in enrollment status may adversely impact the repayment status for student loan borrowers.

### **Questioned Costs:**

None.

### **Context:**

We noted the following exceptions:

- For 21 of 40 campus level records tested, the University did not certify the students' enrollment data within 60 days.
- For 4 of 40 campus level records tested, the University did not accurately report the students' enrollment effective date.
- For 22 of 40 program level records tested, the University did not certify the students' enrollment data within 60 days.
- For 8 of 40 program level records tested, the University did not accurately report one or more program enrollment data elements.
- Error records identified in Error/Acknowledgment files were not corrected within the required timeframe, resulting in multiple repeat errors during the 2025 fiscal year.

### **Identification as a Repeat Finding:**

This is a repeat of prior year Finding 2024-003.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### ***Recommendation:***

We recommend the University enhance its procedures and internal controls over enrollment reporting to ensure that significant data elements under both campus-level and program-level records are reported accurately and timely to NSLDS.

### ***Views of Responsible Officials:***

The Enrollment Reporting process is supervised by the University Registrar and the Registrar is responsible for providing enrollment files to Howard University's third-party servicer, National Student Clearinghouse (NSC), who then submit the enrollment file report to the National Student Loan Database System (NSLDS). Howard moved to Workday Student as the University's ERP beginning with the Fall 2024 semester and enrollment reporting to NSC was processed solely through Workday. As part of the transition to Workday, Howard spent several years configuring Workday to meet the needs of the institution and testing to ensure once the University went "live" there would be no configuration issues that affect compliance. It was not possible for the Registrar's Office to fully test enrollment reporting prior to "go live" due to students needing to be registered in courses to send a test file to NSC. At the start of the Fall 2024 semester, Howard worked closely with National Student Clearinghouse to troubleshoot issues that could delay the enrollment files transmission in August and September 2024. This setup of the one-time migration between Workday and NSC was not completed timely. The appropriate individuals from the Registrar's Office, Office of Financial Aid, National Student Clearinghouse are working together to enable ongoing communication and monitoring of reporting requirements. These parties will work together to confirm student enrollment statuses are reported timely and accurately. The transition to Workday Student allowed the University to review each program of study to ensure accuracy when integrating the data from Banner to Workday and certifying the correct program start date and program length are reported to NSLDS. The effective enrollment date reflected in NSLDS for the four students with the incorrect program start date was fed from the University's prior ERP, Banner, and all program start dates have now been accurately updated in Workday.

The implementation of Workday and staffing transitions in the Registrar's Office caused delays in students being cleared for graduation and then to NSC. The issue for Graduate reporting should not recur due to resolved implementation issues with Workday. Monthly enrollment reporting schedules were set up in NSC for the 2025-2026 academic year during Summer 2025. These enrollment reporting schedules will be updated each summer for the upcoming academic year. Graduation files are scheduled to be transmitted on the first of every month to National Student Clearinghouse. This will allow students cleared for graduation to be transmitted monthly and ensure the 60-day reporting timeline will be met. The Office of the Registrar is in constant communication with the representative from NSC when there are questions on reporting student enrollment statuses accurately. Bi-semester reviews by the Associate Director for Compliance will ensure any potential issues in reporting are identified and resolved timely. A review of students reported to NSC for Spring 2025 was completed with a specific focus on students who had a change in enrollment. This review discovered the Workday configuration did not pick up students who dropped courses during the semester in the enrollment file. This configuration issue in Workday has now been corrected. A review of students' enrollment status for Fall 2025 after the University's drop/add period showed students in the enrollment reporting file were reported correctly on the Fall 2025 First of Term enrollment file sent to NSC.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-006

#### ***Federal Program Information:***

Federal Work-Study Program (ALN: 84.033)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Test and Provisions - Disbursements to or on Behalf of Students - General Disbursement Criteria - Federal Work-Study Program* - In accordance with 34 CFR 675.19(b)(2)(i), the institution must establish and maintain fiscal records that include a certification by the student's supervisor, an official of the institution or off-campus agency, that each student has worked and earned the amount being paid. The certification must include or be supported by, for students paid on an hourly basis, a time record showing the hours each student worked in clock time sequence, or the total hours worked per day.

#### ***Condition:***

Certain Federal Work-Study ("FWS") payments were not adequately supported by the respective time records.

#### ***Cause:***

Administrative oversight and insufficient internal controls.

#### ***Effect or Potential Effect:***

Federal awards were not disbursed in accordance with federal regulations, and the University was not in compliance with recordkeeping requirements.

#### ***Questioned Costs:***

None.

#### ***Context:***

For 4 of 40 FWS payments tested, the FWS timesheets did not support FWS earnings for pay period tested.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-005.

#### ***Recommendation:***

We recommend the University enhance its internal controls, policies and procedures to ensure that student timesheets are appropriately reviewed.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### *Views of Responsible Officials:*

The Offices of Undergraduate Studies, Financial Aid, Human Resources, and Payroll have worked to re-configure our Enterprise Resource Planning system, Workday, to significantly reduce early time approval and minimize incorrect time attribution. We introduced new controls on May 7, 2025, and provided additional training throughout Academic Year 2024-2025.

Although we have made much progress, we are still working to minimize FWS program risks. Specifically, we have noticed that retrofitting the staff and faculty hiring system may not be an ideal solution for handling the unique needs of the Federal Work Study program.

As such, we are working with our official Workday partner to enact a distinct student hiring portal, that will also leverage Workday. We expect that this portal will be more nimble and better able to address FWS program management and controls. The expected launch date is Fall 2026.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-007

#### ***Federal Program Information:***

Student Financial Assistance Cluster (Various ALN's)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*L. Special Reporting - Fiscal Operations Report and Application to Participate ("FISAP")* - An institution is required to submit the FISAP annually by September 30, following the end of the award year, and to accurately complete all required key line items containing critical information. The deadline for submitting data corrections is December 15 of the year in which a school submits its FISAP.

#### ***Condition:***

The University was unable to provide documentation to support certain data within the submitted FISAP for purposes of our testing procedures.

#### ***Cause:***

Insufficient internal controls and administrative oversight with respect to FISAP reporting.

#### ***Effect or Potential Effect:***

The University is not in compliance with special reporting requirements.

#### ***Questioned Costs:***

None.

#### ***Context:***

The University was unable to provide documentation corroborating the amount reported for Federal Perkins Loan Program cash on hand.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-006.

#### ***Recommendation:***

We recommend the University enhance its internal controls, policies and procedures to ensure that the FISAP is completed accurately prior to submission.

#### ***Views of Responsible Officials:***

Federal Perkins Loan program records are traditionally paper based, as a result, these school records can often be inconsistent. Due to inconsistent data transfer during Howard University's move from Campus Partners to ECSI (Educational Computer Systems, Inc.) as the Perkins Loan servicer after

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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the 2013-2014 academic year, the University's Perkins disbursement data did not match the records Howard had from ECSI. In 2022, the University began to work with ECSI on converting the Howard internal records to match ECSI's records. In mid-April 2026, ECSI notified Howard that the conversion of ECSI Perkins disbursement data to Howard disbursement data was complete. Currently, the adjustments ECSI made to match Howard are being reviewed by the Associate Director for Compliance in Enrollment Management, and feedback will be provided to ECSI. Matching Perkins Loan data between Howard and ECSI will strengthen the data consistency on the FISAP.

The consistency of Perkins Loan data between ECSI and Howard University on the FISAP will also assist in strengthening internal controls for determination of the Cash on Hand amount. ECSI works with schools whose general ledger Cash on Hand does not match what is on the FISAP in Part III. It was conveyed by ECSI that it is more important to have awareness of what data does not match and why than to have parity. After the conversion of Perkins data from ECSI has been approved, the Associate Director for Compliance will meet with Director of Accounting to begin the process of reviewing Perkins wind-down procedures and the accounting related.

Howard University is in the process of liquidating the Federal Perkins Program. Due to staffing changes, the Director of Student Billing and Engagement, is now responsible for the Federal Perkins Loan liquidation process. The University is working with ECSI and the Department of Education to complete the liquidation. As part of the liquidation process, the Director of Billing and Engagement contacted the Department of Education to determine the remaining steps for Perkins liquidation. 13 Perkins Loans remaining need to be assigned. Howard is in the process of determining if these loans can be assigned to ED or if the school will need to purchase them.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-008

#### ***Federal Program Information:***

Student Financial Assistance Cluster (Various ALN's)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Tests and Provisions - Disbursements to or on Behalf of Students - Credit Balances* - An institution is required to refund credit balances on student accounts within 14 days of the creation of the credit balance. If an institution attempts to refund the credit balance by check and the check is not cashed, the institution must return the funds to ED no later than 240 days after the date the school issued the check.

#### ***Condition:***

The University did not refund credit balances to certain students within the required timeframe.

#### ***Cause:***

Insufficient internal control and administrative oversight with respect to the disbursement of federal awards.

#### ***Effect or Potential Effect:***

The University was also not in compliance with the required federal guidelines over credit balances from student financial assistance.

#### ***Questioned Costs:***

None.

#### ***Context:***

For 3 of 25 credit balances selected for testing, the credit balance created by the disbursement of Title IV awards was not refunded to the student within the required 14-day timeframe.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-007.

#### ***Recommendation:***

We recommend the University enhance its internal controls, policies and procedures to ensure that Title IV credit balances are paid timely to students.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### *Views of Responsible Officials:*

Beginning with the Fall 2024 semester, Howard University transitioned from using Ellucian Banner to Workday as the University's ERP. The Bursar's Office was not able to fully test the Title IV refunds process prior to "go live" due to the inability to disburse and create refunds to be sent to the University's bank, JP Morgan. In August 2024, the Bursar's Office identified configuration issues with JP Morgan where parents were not associated with students' IDs and addresses in delivered refund files sent to JP Morgan Chase. These Title IV checks and direct deposits could not be sent to parents until JP Morgan completely migrated to Workday, in September 2024. After this date, there have not been issues with the JP Morgan Chase configuration with Workday.

Workday is a date-driven ERP. Meal charges for Spring 2025 were placed on the students' account, the due date for payment on the referenced meal charges was put in Workday as 12/23/2025 instead of 12/23/2024. This due date is when the charge is factored into the application of payments for the Office of the Bursar. The result was that housing charges were not being applied for the Spring 2025 semester until the error was discovered by the University during reconciliation. These meal charge dates were corrected to 12/23/2024 in March 2025. Internal controls have been created where there is a second level of review of due dates for charges placed on the students' account. Due dates for charges during a semester are now reviewed by the Bursar and Housing to ensure the application of payments will pick up all charges for a semester.

There are also continuing corrective actions being taken to best capture students who were eligible for a Title IV refund and deliver Title IV credit balances to students within the 14-day timeframe, including the use of reports available in Workday. Beginning with Fall 2025 semester, the on-demand "SF Refund Review Report" in Workday is used to identify students that are eligible for a Title IV refund.

Howard University staff meet daily with Workday consultants from AVAAP to provide feedback and discuss any current issues experienced in Workday. The goal of these meetings is to have a constant flow of information on what is working effectively and what is not working effectively within Workday. There are also more Howard University staff focused on the Title IV credit balance process and more stages of approval required for the process to be completed. A list of Title IV credit balance refunds is captured from the "SF Refund Review Report," the settlement run of refunds are reviewed by the refund approver in the Office of the Bursar, then the refund listing goes to the University Bursar for approval. After approval by the University Bursar the listing of students who will receive Title IV refunds by direct deposit and/or check is sent to the Treasury Specialist for approval. Once the Treasury Specialist approves the refunds, the Cash Manager approves the transmittal of this information to JP Morgan, and the funds are then transmitted to JP Morgan for delivery to parents and students.

There has also been identification of a backup employee in the Bursar's Office and Treasury responsible for the Title IV refund process. These backups have been trained so there is no disruption to the workflow, and they are currently running the Title IV credit balance delivery process when there is a workload balance need to do so to ensure timely refunds.

Bi-semester internal reviews by the Associate Director for Compliance in Enrollment Management have taken place which complement the additional levels of review put in place by the Bursar.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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An internal review of 10 Title IV refunds sent to students for Summer 2025 was completed in July 2025. A review of 100 students who received refunds for Summer 2025 and Fall 2025 was completed in August 2025. All the students who received a refund for the Fall 2025 semester had their Title IV credit balance delivered timely. A review of 86 Title IV refunds for Fall 2025 completed in October 2025 showed that 0 students in the sample received their Title IV refund past the 14-day timeline.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-009

#### ***Federal Program Information:***

Federal Direct Student Loans (ALN: 84.268)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Tests and Provisions - Disbursements To or On Behalf of Students - Loan Disbursement Notification* - Federal regulations (34 CFR section 668.165 (a)(6)(i)) require that the institution notify the student, or parent, in writing of (1) the date and amount of the disbursement; (2) the student's right, or parent's right, to cancel all or a portion of that loan or loan disbursement and have the loan proceeds returned to the holder of that loan or the TEACH Grant payments returned to the U.S. Department of Education; and (3) the procedure and time by which the student or parent must notify the institution that he or she wishes to cancel the loan, TEACH Grant, or TEACH Grant disbursement. Institutions that implement an affirmative confirmation process (as described in 34 CFR section 668.165 (a)(6)(i)) must make this notification to the student or parent no earlier than 30 days before, and no later than 30 days after, crediting the student's account at the institution with Direct Loan, FPL funds, or TEACH Grants. The Federal Student Aid Handbook further clarifies that in general, there are two types of notifications a school must provide: (1) a general notification to parent Direct PLUS borrowers and all students receiving Federal Student Aid ("FSA") funds, and (2) a notice when FSA loan funds or TEACH Grant funds are credited to a student's account.

#### ***Condition:***

Certain loan disbursement notifications were not sent timely.

#### ***Cause:***

Insufficient internal controls and administrative oversight with respect to loan disbursement notifications.

#### ***Effect or Potential Effect:***

The University is not in compliance with loan disbursement notification requirements.

#### ***Questioned Costs:***

None.

#### ***Context:***

For 3 of 60 loan disbursements selected for testing, the notification was not sent to the borrower within the required timeframe.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-008.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### ***Recommendation:***

We recommend the University enhance its internal controls, policies and procedures over loan disbursement notifications to ensure that such notifications are sent to students and/or parents within the required timeframe.

### ***Views of Responsible Officials:***

Beginning with the Fall 2024 semester, Howard University transitioned from using Ellucian Banner to Workday as the University's ERP. As part of the transition to Workday, Howard spent several years configuring Workday to meet the needs of the institution and testing to ensure once the University went "live" in Fall 2024 there would be no configuration issues that affect compliance.

Workday was not configured to send out Parent Plus Loans, therefore, Parent Plus notifications were as the result sent out as part of a manual process through the Financial Aid email box. Research into the issue and continued discussions with Workday consultants determined that Parent Plus disbursement notifications definitively cannot be sent out automatically after disbursement in Workday as a result of a flaw in Workday's configuration capabilities. As a result, "FA CR Parent PLUS Disbursement Notification" report is run weekly out of Workday to identify all Parent Plus Loan disbursements, and a notification is sent to the parent's email address on file through the Financial Aid Loans team email box.

The three disbursement notifications that were not sent out within the 30-day timeline resulted from these Parent PLUS Loans not being shown on the "FA CR Parent PLUS Disbursement Notification" report. These disbursement notifications were originally sent to the student's email address through Workday instead of being sent to the parent's email address. While these disbursement notifications were sent timely, a compliance review of disbursement notifications discovered the Workday configuration was sending out some Parent PLUS Loan disbursement notifications to the student's email address. This left the PLUS disbursement off the "FA CR Parent PLUS Disbursement Notification." Upon discovery of this configuration error, the Loans Team worked with the University's Workday consultant to prevent any Parent PLUS Loan disbursement notifications from being sent out through Workday.

Bi-semester internal reviews by the Associate Director for Compliance in Enrollment Management are ongoing. The error with Parent PLUS Loan notifications being sent to the wrong individual in Workday was identified in the March 2025 disbursement notification compliance review. An August 2025 review of disbursement notifications for medical students resulted in there being no disbursement notifications found that were sent past the 30-day timeline and they were sent to the correct individuals. A September 2025 review of disbursement notifications was completed and resulted in enhancements to the mail merge template used to manually send out the Parent PLUS Loan disbursement notifications. An updated mail merge template was created, tested and implemented. A November 2025 disbursement notification review was completed to ensure the Parent PLUS notifications went out timely and to the parent's email address.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-010

#### ***Federal Program Information:***

Federal Pell Grant Program (ALN 84.063), Federal Direct Student Loans (ALN 84.268)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*L. Reporting - Financial Reporting* - Federal regulations (34 CFR 668.164(b)(3)(iii)) require that the University submit origination and disbursement records for students to the Common Origination and Disbursement (“COD”) system. Institutions must report student disbursement data within 15 calendar days after the institution makes a disbursement or becomes aware of the need to make an adjustment to previously reported student disbursement data or expected student disbursement data.

Items considered key in student origination records, if applicable, are: award amount, enrollment date, verification status code (when the applicate is selected for verification), transaction number, cost of attendance, and the “Academic Start Date” and “Academic End Date”.

#### ***Condition:***

For certain students identified through our testing, the University did not report disbursements through the COD website within the required timeframe. Certain origination records contained inaccurate data.

#### ***Cause:***

Administrative oversight and insufficient internal controls.

#### ***Effect or Potential Effect:***

The University was not in compliance with COD reporting requirements. Failure to submit and update COD records in a timely manner could result in improper awards of Title IV funds.

#### ***Questioned Costs:***

None.

#### ***Context:***

- For 3 of 60 disbursement records tested, the University did not timely report the disbursement to COD.
- For 4 of 60 origination records tested, the University did not accurately report all key items.

#### ***Identification as a Repeat Finding:***

No similar findings identified in the prior year.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### ***Recommendation:***

We recommend the University enhance its procedures and internal controls to ensure timely and accurate reporting of Title IV disbursements.

### ***Views of Responsible Officials:***

Beginning with the Fall 2024 semester, Howard University transitioned from using Banner to using Workday as the University's ERP. As part of the transition to Workday, Howard spent several years configuring Workday to meet the needs of the institution and testing to ensure once the University went "live" during Fall 2024 there would be no configuration issues that affect compliance. It is not possible for Financial Aid to fully test the COD disbursement reporting process prior to "go live" due to the inability to send test disbursement files to COD for reporting purposes. Once Howard disbursed loans and was able to send actual disbursement files to COD, the Enrollment Management Systems Analyst worked to identify and resolve outstanding issues.

Initial reporting of disbursements to COD began on August 6, 2025. When the first disbursement file was sent to COD, the EM Systems Analyst identified the file schema sending out disbursements from Workday to COD kept rejecting the entire file. The Systems Analyst worked with the University Workday consultants to resolve the rejections and was able to correct the issue on August 28th. The cause of the rejected files between Workday and COD was an underlying Workday system issue that was corrected an updated released by Workday.

There were issues in Workday regarding the school code that were identified which delayed a small cohort of students' disbursements from being reported to COD. The Howard University enrollment school code is 00144800 and NSC required a "dummy" school code to be used for enrollment reporting of Graduate and Professional students. This "dummy" code was 00144880. A small cohort of students had loans that were rejected due to Workday reporting the 00144880 school code to COD instead of the 00144800 school code. Reconciliation identified the students and once the enrollment code sent to COD was corrected in Workday, the loan was accepted.

The cost of attendance variance was a result of unfamiliarity with the Workday system. After a student's aid has been originated and disbursed, Workday will not automatically send the disbursement file back out to COD, which was not an issue Howard encountered when using Ellucian Banner. In Workday, when a student's cost of attendance changes due to cost of attendance increase or the student's housing status must be adjusted, there is manual intervention required. Students who have a change to their cost of attendance need to have a flag checked off in the origination record. This will allow the updated cost of attendance to be reported in COD when the next disbursement file is sent to COD. The current process is when a student's cost of attendance is manually adjusted, the flag for the record to be sent to COD is checked off in the origination record.

The Associate Director for Compliance has completed internal compliance reviews testing whether disbursements are being sent to COD within 14 days. Thus far, no issues have been found in these reviews. Files are transmitted to COD at least four times per week and rejected disbursements are worked to meet the 14-day disbursement reporting timeline. A compliance review has been initiated to ensure the cost of attendance reported out of Workday matches the cost of attendance in COD.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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Howard University staff meet daily with Workday consultants from AVAAP to provide feedback and discuss any current issues experienced in Workday. The goal of these meetings is to have a constant flow of information on what is working effectively and what is not working effectively within Workday. This process is documented and staff are trained.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-011

#### ***Federal Program Information:***

Research and Development Cluster (ALN: Various)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*I. Procurement and Suspension and Debarment* - The Uniform Guidance requires recipients of federal awards to have adequate procedures and controls in place to ensure that the procurement transactions are properly documented in the entity's files, provide full and open competition supported by a cost or price analysis, provide a vendor debarment or suspension certification, provide for retention of files, and that supporting documentation corroborates compliance with these requirements. All procurement transactions are required to be conducted in a manner to provide, to the maximum extent practical, open and free competition. Additionally, procurement records and files for purchases in excess of the small purchase threshold (\$25,000) shall include a) a basis for contractor selection, b) justification for the lack of competition when competitive bids or offers are not obtained, and c) a basis for award cost or price. Organizations are also required to be alert to any organizational conflicts of interest (2 CFR 215.40 - 215.48).

#### ***Condition:***

The University's purchasing policy and procedures are not being appropriately followed in certain cases with respect to the procurement of goods and services funded by federal awards. Certain competitive bidding documentation was not retained, and certain sole source documentation could not be provided or did not appear to give adequate reasoning for the lack of a competitive bidding process.

#### ***Cause:***

Administrative oversight and insufficient internal controls.

#### ***Effect or Potential Effect:***

The University was not in compliance with Procurement compliance requirements.

#### ***Questioned Costs:***

None.

#### ***Context:***

For 3 of 10 procurement transactions tested, the University was unable to provide adequate sole source justification or competitive bidding documentation supporting an appropriate procurement process.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-009.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### ***Recommendation:***

We recommend the University enhance its internal controls and implement formal policies and procedures to ensure that its personnel, especially those responsible for making procurement decisions, are aware of and comply with all federal purchasing rules and regulations.

### ***Views of Responsible Officials:***

While we acknowledge that this represents a repeat finding, the Corrective Action Plan conveys a multi-year remediation strategy that focuses on policy transparency, system controls, staffing capacity, training, and accountability mechanisms.

The University will continue to address the execution and adoption challenges across Accountable Units. Since the prior audit cycle, the University has strengthened preventive controls to eliminate reliance on post-transaction modifications or corrections.

The Corrective Action Plan addresses policies and procedures, OPC capacity and expertise, training and outreach, monitoring, and accountability. The Corrective Action Plan is structured to reduce reliance on detective measures and facilitate preventive compliance. Consequently, the University expects future audit cycles to yield favorable results.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-012

#### ***Federal Program Information:***

Research and Development Cluster (ALN: Various)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*F. Equipment and Real Property Management* - Equipment property records should contain the following information about the equipment: description (including serial number or other identification number), source, who holds title, acquisition date and cost, percentage of Federal participation in the cost, location, condition, and any ultimate disposition data including, the date of disposal and sales price or method used to determine current fair market value. Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, further states that equipment owned by the Federal Government shall be identified (tagged) to indicate Federal ownership.

#### ***Condition:***

Certain federally funded equipment was not appropriately tagged as required. In addition, certain property records were not properly maintained.

#### ***Cause:***

Administrative oversight and insufficient internal controls.

#### ***Effect or Potential Effect:***

The University did not comply with the requirements of Equipment and Real Property Management.

#### ***Questioned Costs:***

None.

#### ***Context:***

We noted the following exceptions:

- For 1 of 19 equipment purchases tested, the University was unable to provide documentation to support that the equipment was appropriately tagged to indicate Federal ownership.
- For 6 of 19 equipment purchases tested, the respective property record was either missing an asset identifier, or the asset identifier did not match the physical asset tag.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-010.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### ***Recommendation:***

We recommend that the University strengthen controls over federally owned equipment by ensuring all applicable equipment is promptly and appropriately tagged to indicate federal ownership in accordance with federal regulations. In addition, the University should enhance procedures for maintaining property records by ensuring that disposition information is timely, accurate, and complete. This should include clearly defined roles and responsibilities, documented review and reconciliation processes, and periodic monitoring to ensure equipment records remain current and compliant with federal property management requirements.

### ***Views of Responsible Officials:***

Since the prior audit period, the University implemented comprehensive corrective actions, including policy updates, strengthened receiving and tagging controls, enhanced supervisory review in WorkDay, and ongoing communications with Suppliers and internal stakeholders. Detective and corrective controls have been established through quarterly exception reporting, monthly equipment purchase audits, and completion of a University-wide physical inventory, and required follow-up to locate, tag, or correct asset records.

Moreover, the corrective action plan aims to establish an integrated, sustainable control environment. With documented procedures, active monitoring, customer communications, training, and management oversight, the University expects future audit cycles to yield favorable results.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-013

#### ***Federal Program Information:***

Research and Development Cluster (ALN: Various)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Tests and Provisions - Publications* - Per grant agreements between the University and multiple federal agencies, all publications (including conference presentations, promotional material, agendas and internet sites) that result from federal grant support by the grantors must include an acknowledgement of support and a disclaimer that the contents are the responsibility of the authors and not of the grantors.

#### ***Condition:***

Certain publications did not include proper acknowledgment of funding or disclaimer as required.

#### ***Cause:***

Administrative oversight and insufficient internal controls.

#### ***Effect or Potential Effect:***

The University is not properly following its policies and procedures in place to ensure that compliance is maintained with respect to the compliance requirements associated with published information resulting from federal grant support.

#### ***Questioned Costs:***

None.

#### ***Context:***

For 3 of 8 publications tested, the publication did not include the required acknowledgement of support or disclaimer.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-011.

#### ***Recommendation:***

We recommend that the University implement formal procedures and controls to verify that publications supported by federal awards appropriately acknowledge funding sources and include required disclaimers prior to release. Management should document review and approval of publications and periodically monitor compliance to ensure adherence to sponsor and federal requirements.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### *Views of Responsible Officials:*

Federal awards require that all publications resulting from federal grant support, including conference presentations, promotional materials, agendas, and internet sites, include an acknowledgment of federal support and a disclaimer that the contents reflect the authors' responsibility and not that of the sponsoring agency. As this is a repeat finding, the University has undertaken a comprehensive, multi-pronged corrective strategy to ensure sustained compliance going forward.

Responsibility for publication acknowledgment and disclaimer compliance now resides with the Sponsored Programs Office (SPO) Pre-Award, in collaboration with the University Library. Key actions completed to date include: a formal Standard Operating Procedure finalized and approved in November 2025; mandatory publication compliance training with a required 80% passing score, serving as a prerequisite for new award setup effective November 2025; a Principal Investigator (PI) Acceptance Memo requiring signature within five business days of each award kickoff meeting to reinforce PI awareness of publication responsibilities; quarterly compliance communications issued to all federally funded PIs; and a dedicated publication compliance category added to the OOR ticketing system to streamline intake and support documentation.

During Award Kickoff Meetings, acknowledgment and disclaimer requirements specific to each award are reviewed directly with the PI. SPO Pre-Award and the University Library conduct ongoing reviews of federally funded publications using available bibliometric tools, with periodic spot checks. PIs who do not meet training requirements are subject to a hold on proposal submissions until compliance is verified.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-014

#### ***Federal Program Information:***

Research and Development Cluster (various ALN #'s), USAID Foreign Assistance for Programs Overseas (ALN 98.001), Charles B. Rangel International Affairs Program (ALN 19.020)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*B. Allowable Costs/Cost Principles* - Per 2 CFR Part 200.430(g)(1)(vii), budget estimates (meaning, estimates determined before the services are performed alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that: (A) The system for establishing the estimates produces reasonable approximations of the activity performed; (B) Significant changes in the related work activity (as defined by the recipient's or subrecipient's written policies) are promptly identified and entered into the records. Short-term (such as one or two months) fluctuations between workload categories do not need to be considered as long as the distribution of salaries and wages is reasonable over the longer term; and (C) The recipient's or subrecipient's system of internal controls includes processes to perform periodic after-the-fact reviews of interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made so that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

#### ***Condition:***

The University's system of internal controls did not timely identify missing grant-related earnings certifications. In addition, documentation to support certain cost allocations could not be provided.

#### ***Cause:***

Administrative oversight and insufficient internal controls.

#### ***Effect or Potential Effect:***

Effort certifications supporting payroll costs charged to federal awards were not completed or appropriately monitored during the six-month period ended June 30, 2025.

#### ***Questioned Costs:***

None.

#### ***Context:***

- For the Research and Development Cluster, 19 of 40 employees tested did not complete a time and effort certification for the period selected.
- For the Charles Rangel Program, 9 of 10 employees tested did not complete a time and effort certification for the period selected.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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- For the USAID Program, 6 of 10 employees tested did not complete a time and effort certification for the period selected.

### ***Identification as a Repeat Finding:***

This is a repeat of prior year Finding 2024-012.

### ***Recommendation:***

We recommend that the University strengthen its internal controls over effort certifications for federally funded grants by establishing formal procedures to ensure timely completion, review, and monitoring of required certifications. This should include clearly defined roles and responsibilities, automated reminders or tracking mechanisms, periodic management review to identify missing or overdue certifications, and documented follow-up procedures to ensure compliance with federal requirements supporting payroll costs charged to federal awards as required.

### ***Views of Responsible Officials:***

The University initiated the Effort Certification process to capture the full calendar year 2025 in April 2026. This represents a one-time extended certification period designed to include previously uncertified periods that had concluded, specifically the second half of FY25 (January-June 2025) and the first half of FY26 (July-December 2025).

In May 2025, the non-accounting functions of Grants and Contracts Accounting at Howard University were transitioned to the Office of Research, Sponsored Programs Office. During this organizational transition, the University prioritized the completion and accuracy of all costing allocations to ensure payroll data was complete and reliable for effort certification purposes.

This period was also utilized to identify and resolve any backlog of costing allocations and award charges and stabilize the Office of Research. Addressing these items ensured that effort reflected complete and accurate payroll activity, thereby enabling Principal Investigators to appropriately review and certify their effort. The Sponsored Programs Office (SPO) now leads post-award financial oversight and collaborates with Human Resources (HR) and Finance to ensure designated personnel are identified and granted system access to enter costing allocations and labor cost transfers in Workday.

In addition, in response to the auditor's recommendation to enhance internal controls and ensure timely monitoring of effort reporting, Howard University has implemented the following corrective actions:

Hired Dedicated Departmental Support - Six College Research Administrators (CRAs) and an Associate Director of CRA's were hired to support high-volume research colleges. The CRAs ensure timely and accurate labor cost transfers, effort certification, and costing allocation entries during award setup and throughout the award lifecycle.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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Enhanced Effort Reporting Process - SPO will lead improvements to the effort certification process, including:

- Advance communication to PIs, CRAs, and Deans outlining certification deadlines
- Clear guidance on when labor cost transfers may occur outside the certification cycle
- Reinforcement that all effort changes must be reflected in the effort system to ensure alignment with payroll.
- Training - Targeted training will be delivered to Principal Investigators, CRAs, and other research stakeholders to support consistent application of policies and procedures.

Monitoring and Oversight - Monthly and quarterly reconciliation reports will be developed to track and validate timely and accurate payroll allocations for research personnel.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-015

#### ***Federal Program Information:***

Research and Development Cluster (various ALN #'s)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*C. Cash Management* - per 2 CFR Part 200.305(b)(3), when the reimbursement method is used, the Federal agency or pass-through entity must make payment within 30 calendar days after receipt of the payment request unless the federal agency or pass-through entity reasonably believes the request to be improper.

*M. Subrecipient Monitoring* - per 2 CFR Part 200.332(e)(1), a pass-through entity must monitor the activities of a subrecipient as necessary to ensure that the subrecipient complies with Federal statutes, regulations, and the terms and conditions of the subaward. The pass-through entity is responsible for monitoring the overall performance of a subrecipient to ensure that the goals and objectives of the subaward are achieved. In monitoring a subrecipient, a pass-through entity must review financial and performance reports.

Additionally, in accordance with 2 CFR 200.332(g), a pass-through entity must verify that a subrecipient is audited as required by Subpart F of Part 200.

#### ***Condition:***

The University's procedures failed to minimize the time elapsing between the transfer of federal funds to the subrecipient and the disbursement of such funds for program purposes by the subrecipient. The University was unable to provide documentation evidencing appropriate, annual review of its subrecipients' Single Audit reports.

#### ***Cause:***

Administrative oversight and insufficient internal controls.

#### ***Effect or Potential Effect:***

The University was not in compliance with the requirements for pass-through entities.

#### ***Questioned Costs:***

None.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### **Context:**

- For 3 of 23 subrecipient payments tested, the University was unable to provide documentation evidencing appropriate review by the principal investigator.
- For 6 of 23 subrecipients payments tested, payment was not made within the required timeframe.
- For 7 of 7 subrecipients tested, the University was unable to evidence its verification of whether an audit had been performed.

### **Identification as a Repeat Finding:**

This is a repeat of prior year finding 2024-013.

### **Recommendation**

We recommend that the University enhance subrecipient monitoring controls by implementing documented invoice review protocols and enforcing annual audit verification procedures for all subrecipients. Management should define responsibilities for these reviews, document oversight activities performed, and implement monitoring controls to ensure compliance with federal subrecipient monitoring requirements.

### **Views of Responsible Officials:**

In response to the auditor's recommendation to enhance internal controls and ensure timely review of invoice protocols and subrecipient monitoring, Howard University is implementing the following:

- The University is currently piloting a new Supplier Invoice Portal, launched jointly by the Sponsored Programs Office and the Office of Procurement, to improve invoicing efficiency and compliance. Under this new process, subrecipients will be required to submit invoices electronically in accordance with the terms and conditions of their subawards. The portal will support a streamlined review and approval process, with invoices routed through an automated workflow to ensure timely review and disbursement.
- To support completion of the University's annual audit verification requirements for subrecipients, oversight will occur at multiple stages throughout the subaward lifecycle. This includes reviewing audit reports at the proposal development stage, during which subrecipients are required to complete a Subrecipient Commitment Form (implemented September 2025) prior to proposal submission.
- At the award stage, refreshed due diligence will be conducted, including a re-review of the subrecipient's Single Audit and/or financial statements. Finally, the Post Award Compliance team will perform an annual review of subrecipients' audit reports and complete audit follow up procedures as necessary.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-016

#### ***Federal Program Information:***

USAID Foreign Assistance for Programs Overseas (ALN 98.001)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*B. Allowable Costs/Cost Principles* - Per 2 CFR Part 200.302, the recipient's and subrecipient's financial management system must provide for maintaining records that sufficiently identify the amount, source, and expenditure of Federal funds for Federal awards. These records must contain information necessary to identify Federal awards, authorizations, financial obligations, unobligated balances, as well as assets, expenditures, income, and interest. All records must be supported by source documentation.

#### ***Condition:***

Certain expenditures were not converted using an appropriate exchange rate.

#### ***Cause:***

Administrative oversight and insufficient internal control.

#### ***Effect or Potential Effect:***

Overpayment of federal funds.

#### ***Questioned Costs:***

Below reportable threshold.

#### ***Context:***

For 2 of 25 expenditures tested, the University used an inaccurate exchange rate in its reimbursement claims.

#### ***Identification as a Repeat Finding:***

No similar findings noted in the prior year.

#### ***Recommendation:***

We recommend that the University enhance review controls over reimbursement claims to ensure accurate exchange rates are consistently applied and supported by appropriate documentation.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### *Views of Responsible Officials:*

Monthly Settlement Reports are used to reconcile actual expenses. An outdated spreadsheet was previously used to convert travel expenses, which resulted in incorrect exchange rate calculations. The team has implemented an updated conversion process. Going forward, the Sponsored Program Office Team will review and approve the exchange rates to ensure they are reasonable, accurate, and applied consistently.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-017

#### ***Federal Program Information:***

Student Financial Assistance Cluster (ALN: Various), Research and Development Cluster (ALN: Various), Annual Appropriation (ALN 84.915A), Constitutional Law Chair Endowment (ALN 16.000), Matching Endowment (84.000), Law School Clinical Endowment (ALN 84.998D), USAID Foreign Assistance for Programs Overseas (ALN 98.001), Charles B. Rangel International Affairs Program (ALN 19.020)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*L. Reporting* - According to federal regulations (2 CFR 200.512(a)(1)), the audit, the data collection form, and the reporting package must be submitted within 30 calendar days after the auditee receives the auditor's report(s) or nine months after the end of the audit period (whichever is earlier).

#### ***Condition:***

The University did not submit the June 30, 2025 Single Audit to the Federal Audit Clearinghouse by the required deadline.

#### ***Cause:***

Administrative oversight and insufficient internal control.

#### ***Effect or Potential Effect:***

The University was not in compliance with Single Audit reporting deadlines.

#### ***Questioned Costs:***

None.

#### ***Context:***

The University did not submit the June 30, 2025 Single Audit to the Federal Audit Clearinghouse by the required deadline.

#### ***Identification as a Repeat Finding:***

This is a repeat of prior year finding 2024-002.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### ***Recommendation:***

We recommend that the University strengthen its internal controls over the Single Audit reporting process to ensure required audit reports are submitted to the Federal Audit Clearinghouse and respective cognizant agencies in accordance with federal deadlines. This should include establishing a formal compliance calendar, clearly defining roles and responsibilities for report submission, implementing management review and approval procedures prior to filing, and performing periodic monitoring to ensure compliance.

### ***Views of Responsible Officials:***

In response to the auditor's recommendation to strengthen internal controls and ensure timely submission of the Single Audit Report to the Federal Audit Clearinghouse, Howard University will enhance cross collaboration across the University to improve audit readiness. During the May 2025 transition from the Grants and Contracts Accounting Office to the Sponsored Awards Office, the University experienced significant staff turnover and a loss of institutional knowledge, which contributed to audit readiness challenges.

Since that time, the University has focused on stabilization efforts. The Office of Research Sponsored Programs has been restructured and is now almost fully staffed. The University will be establishing monthly check ins with key stakeholders to ensure adherence to a compliance calendar with clearly defined roles and responsibilities across core compliance areas. Additionally, the University has hired a Director of Post Award Compliance and Training to lead audit readiness efforts, strengthen internal controls, and support ongoing monitoring and compliance throughout the fiscal year.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### FINDING 2025-018

#### ***Federal Program Information:***

USAID Foreign Assistance for Programs Overseas (ALN 98.001)

#### ***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*C. Cash Management* - 2 CFR §200.305(b)(1) indicates that advance payments to a non-Federal entity must be limited to the minimum amounts needed and be timed to be in accordance with actual, immediate cash requirements of the non-Federal entity in carrying out the purpose of the approved program or project. The timing and amount of advance payments must be as close as administratively feasible to the actual disbursements by the non-Federal entity for direct program or project costs and the proportionate share of any allowable indirect costs.

#### ***Condition:***

The University was unable to fully reconcile advance payments received from the sponsor to certain expenses incurred during the year.

#### ***Cause:***

Administrative oversight and insufficient internal control.

#### ***Effect or Potential Effect:***

The University was not in compliance with cash management requirements.

#### ***Questioned Costs:***

None.

#### ***Context:***

For 4 of 25 expenditures tested, the University was unable to reconcile the expenditure to the related sponsor payments received.

#### ***Identification as a Repeat Finding:***

No similar findings noted in the prior year.

#### ***Recommendation:***

We recommend that the University enhance its procedures and internal controls over compliance to ensure that cash draws are properly reconciled to expenditures.

# The Howard University

## Schedule of Findings and Questioned Costs Year Ended June 30, 2025

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### *Views of Responsible Officials:*

The University receives advance payments from the sponsor, with the amount determined by the sponsor and adjusted as financial reports are submitted by the University. In response to the auditor's recommendation to strengthen internal controls, Howard University will implement procedures to document and reconcile all cash payments received from sponsors on a quarterly basis to actual expenses incurred. This reconciliation process will help ensure that sponsor payments are fully accounted for and appropriately matched to related expenditures, thereby enabling the University to clearly demonstrate which expenses have been reconciled to payments received.

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025**

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**FINDING 2024-001**

***Type of Finding:***

Yellow Book finding.

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

The University is responsible for the design, implementation, and maintenance of internal control relevant to the accounts payable and procurement processes, and the incurrence of institutional and federal expenditures.

***Condition:***

The University employed an “ad hoc process” as an alternative to the University’s normal procurement process that allowed for expedited payments to students, employees and/or vendors once certain approvals were obtained. During the year, management became aware of a concern with respect to certain payments that were made through the ad hoc process. Management’s initial analysis of the payments revealed that these payments were funded by institutional dollars as well as through various federal research grants. The University’s internal controls require that all ad hoc disbursement requests are appropriately approved, supported with sufficient documentation, and if applicable, allowable costs as defined by the Uniform Guidance if disbursed from a federal award. The University determined that these policies were not being followed by specific individuals, resulting in suspected misappropriation and/or unsupported disbursements. Given the facts and nature of this matter, management’s investigation is ongoing and the appropriate law enforcement authorities have been notified.

***Status of Findings as of June 30, 2025:***

No similar findings noted in the current year.

**FINDING 2024-002**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

University Transportation Centers Program (ALN 20.701)

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025**

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***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

***B. Allowable Costs*** - In order for costs to be allowable under federal awards, they must be necessary and reasonable for the performance of the federal award and be allocable thereto under the principles in 2 CFR Part 200, Subpart E, be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the non-federal entity, be accorded consistent treatment, and be determined in accordance with generally accepted accounting principles.

***L. Reporting*** - The Office of Management and Budget (“OMB”) requires recipients and subrecipients with fiscal year ends of June 30, 2023 to submit Single Audit reports to the Federal Audit Clearinghouse within the required time frame.

***Condition:***

Certain expenditures reported on the schedule of expenditures and federal awards were not allowable under federal guidelines, and were not appropriately approved nor supported by sufficient documentation.

In addition, the University did not submit the June 30, 2023 Single Audit to the Federal Audit Clearinghouse by the required deadline.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-018.

**FINDING 2024-003**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Federal Pell Grant Program (ALN: 84.063); Federal Direct Student Loans (ALN: 84.2

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025

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***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

***N. Special Tests and Provisions - Enrollment Reporting*** - Institutions are required to report enrollment information under the Pell grant and the Direct and Federal Family Education Loan (“FFEL”) loan programs via the National Student Loan Data System (“NSLDS”) (OMB No. 1845-0035), although FFEL loans are no longer made or a part of the Student Financial Assistance Cluster, a student may have a FFEL loan from previous years that would require enrollment reporting for that student (Pell, 34 CFR 690.83(b)(2); FFEL, 34 CFR 682.610; Direct Loan, 34 CFR 685.309). The administration of the Title IV programs depends heavily on the accuracy and timeliness of the enrollment information reported by institutions. Institutions must review, update, and verify student enrollment statuses, program information, and effective dates that appear on the Enrollment Reporting Roster file or on the Enrollment Maintenance page of the NSLDS Professional Access (“NSLDSFAP”) website which the financial aid administrator can access for the auditor. The data on the institution’s Enrollment Reporting Roster, or Enrollment Maintenance page, is what NSLDS has as the most recently certified enrollment information. There are two categories of enrollment information, “Campus Level” and “Program Level,” both of which need to be reported accurately and have separate record types. The NSLDS Enrollment Reporting Guide provides the requirements and guidance for reporting enrollment details using the NSLDS Enrollment Reporting Process.

***Campus Level:*** Institutions are responsible for accurately reporting certain significant data elements under the Campus-Level Record that the U.S. Department of Education considers high risk, including enrollment status, which is the student’s enrollment status as of the reporting date; full-time (F), three-quarter time (Q), half-time (H), less than half-time (L), leave of absence (A), graduated (G), withdrawn (W), deceased (D), never attended (X) and record not found (Z).

***Program Level:*** Institutions are responsible for accurately reporting certain significant data elements under the Program Level Record that the U.S. Department of Education considers high risk, including CIP Code - The Classification of Instructional Programs (“CIP”) is a set of codes that define fields of study. CIP Codes are maintained by ED’s National Center for Education Statistics (“NCES”). They were most recently updated in 2020 and are usually updated every ten years.

Institutions are responsible for timely reporting, whether they report directly or via a third-party servicer. Institutions must complete and return within 15 days the Enrollment Reporting roster file placed in their Student Aid Internet Gateway (“SAIG”) (OMB No. 1845-0002) mailboxes sent by ED via NSLDS.

***Condition:***

The University did not submit an accurate status change notification or failed to submit timely notification to the NSLDS website for certain students who graduated, withdrew or had a change in their enrollment status (full time, half time or less than half time) during the year. Additionally, the University’s fiscal year SCHER1 report, included multiple instances in which error records were not corrected within the required timeframe.

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025**

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***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-005.

**FINDING 2024-004**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Federal Work-Study Program (ALN: 84.033)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*C. Cash Management* - Institutions are permitted to draw down Title IV funds prior to disbursing funds to eligible students and parents. The institution's request must not exceed the amount immediately needed to disburse funds to students or parents. A disbursement of funds occurs on the date an institution credits a student's account or pays a student or parent directly with either student financial aid funds or institutional funds. The institution must make the disbursements as soon as administratively feasible, but no later than 3 business days following the receipt of funds. Any amounts not disbursed by the end of the third business day are considered to be excess cash and generally are required to be promptly returned to the U.S. Department of Education (the "ED") (34 CFR section 668.166(a)(1)). Excess cash includes any funds received from the ED that are deposited or transferred to the institution's Federal account as a result of an award adjustment, cancellation, or recovery. However, an excess cash balance tolerance is allowed if that balance: (1) is less than one percent of its prior-year drawdowns; and (2) is eliminated within the next 7 calendar days (34 CFR sections 668.166(a) and (b)).

***Condition:***

Certain instances during the year were identified in which Title IV funds drawn were held in excess of the allowable time frame.

***Status of Findings as of June 30, 2025:***

No similar findings noted in the current year.

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025

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**FINDING 2024-005**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Federal Work-Study Program (ALN: 84.033)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Test and Provisions - Disbursements to or on Behalf of Students - General Disbursement Criteria - Federal Work-Study Program* - In accordance with 34 CFR 675.19(b)(2)(i), the institution must establish and maintain fiscal records that include a certification by the student's supervisor, an official of the institution or off-campus agency, that each student has worked and earned the amount being paid. The certification must include or be supported by, for students paid on an hourly basis, a time record showing the hours each student worked in clock time sequence, or the total hours worked per day.

***Condition:***

Certain time records were prematurely approved by the students' supervisors prior to the performance of the work by the students being completed. In addition, an instance was identified in which a student was not paid at least once per month as required.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-006.

**FINDING 2024-006**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Student Financial Assistance Cluster (Various ALN's)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*L. Special Reporting - Fiscal Operations Report and Application to Participate ("FISAP")* - An institution is required to submit the FISAP annually by September 30, following the end of the award year, and to accurately complete all required key line items containing critical information. The deadline for submitting data corrections is December 15 of the year in which a school submits its FISAP.

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025**

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***Condition:***

The University was unable to provide documentation to support certain data within the submitted FISAP for purposes of our testing procedures.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-007.

**FINDING 2024-007**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Student Financial Assistance Cluster (Various ALN's)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Tests and Provisions - Disbursements to or on Behalf of Students - Credit Balances - An institution is required to refund credit balances on student accounts within 14 days of the creation of the credit balance. If an institution attempts to refund the credit balance by check and the check is not cashed, the institution must return the funds to ED no later than 240 days after the date the school issued the check.*

***Condition:***

The University did not refund credit balances to certain students within the required timeframe.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-008.

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025

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**FINDING 2024-008**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Federal Direct Student Loans (ALN: 84.268)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Tests and Provisions - Disbursements To or On Behalf of Students - Loan Disbursement Notification* - Federal regulations (34 CFR section 668.165 (a)(6)(i)) require that the institution notify the student, or parent, in writing of (1) the date and amount of the disbursement; (2) the student's right, or parent's right, to cancel all or a portion of that loan or loan disbursement and have the loan proceeds returned to the holder of that loan or the TEACH Grant payments returned to the U.S. Department of Education; and (3) the procedure and time by which the student or parent must notify the institution that he or she wishes to cancel the loan, TEACH Grant, or TEACH Grant disbursement. Institutions that implement an affirmative confirmation process (as described in 34 CFR section 668.165 (a)(6)(i)) must make this notification to the student or parent no earlier than 30 days before, and no later than 30 days after, crediting the student's account at the institution with Direct Loan, FPL funds, or TEACH Grants. The Federal Student Aid Handbook further clarifies that in general, there are two types of notifications a school must provide: (1) a general notification to parent Direct PLUS borrowers and all students receiving Federal Student Aid ("FSA") funds, and (2) a notice when FSA loan funds or TEACH Grant funds are credited to a student's account.

***Condition:***

Certain loan disbursement notifications were not sent timely.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-009.

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025**

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**FINDING 2024-009**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Research and Development Cluster (ALN: Various)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*I. Procurement and Suspension and Debarment* - The Uniform Guidance requires recipients of federal awards to have adequate procedures and controls in place to ensure that the procurement transactions are properly documented in the entity's files, provide full and open competition supported by a cost or price analysis, provide a vendor debarment or suspension certification, provide for retention of files, and that supporting documentation corroborates compliance with these requirements. All procurement transactions are required to be conducted in a manner to provide, to the maximum extent practical, open and free competition. Additionally, procurement records and files for purchases in excess of the small purchase threshold (\$25,000) shall include a) a basis for contractor selection, b) justification for the lack of competition when competitive bids or offers are not obtained, and c) a basis for award cost or price. Organizations are also required to be alert to any organizational conflicts of interest (2 CFR 215.40 - 215.48).

***Condition:***

The University's purchasing policy and procedures are not being appropriately followed in certain cases with respect to the procurement of goods and services funded by federal awards. Certain competitive bidding documentation was not retained, and certain sole source documentation could not be provided or did not appear to give adequate reasoning for the lack of a competitive bidding process.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-012.

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025

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**FINDING 2024-010**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Research and Development Cluster (ALN: Various)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*F. Equipment and Real Property Management* - Equipment property records should contain the following information about the equipment: description (including serial number or other identification number), source, who holds title, acquisition date and cost, percentage of Federal participation in the cost, location, condition, and any ultimate disposition data including, the date of disposal and sales price or method used to determine current fair market value. Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations, further states that equipment owned by the Federal Government shall be identified (tagged) to indicate Federal ownership.

***Condition:***

Certain federally funded equipment was not appropriately tagged as required. In addition, certain property records were not properly maintained.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-013.

**FINDING 2024-011**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Research and Development Cluster (ALN: Various)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*N. Special Tests and Provisions - Publications* - Per grant agreements between the University and multiple federal agencies, all publications (including conference presentations, promotional material, agendas and internet sites) that result from federal grant support by the grantors must include an acknowledgement of support and a disclaimer that the contents are the responsibility of the authors and not of the grantors.

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025**

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***Condition:***

The University did not properly include the appropriate disclaimer of responsibility in certain publications selected for testing.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-014.

**FINDING 2024-012**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Research and Development Cluster (various ALN #'s)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*B. Allowable Costs/Cost Principles* - Per 2 CFR Part 200.430(g)(1)(vii), budget estimates (meaning, estimates determined before the services are performed alone do not qualify as support for charges to Federal awards, but may be used for interim accounting purposes, provided that: (A) The system for establishing the estimates produces reasonable approximations of the activity performed; (B) Significant changes in the related work activity (as defined by the recipient's or subrecipient's written policies) are promptly identified and entered into the records. Short-term (such as one or two months) fluctuations between workload categories do not need to be considered as long as the distribution of salaries and wages is reasonable over the longer term; and (C) The recipient's or subrecipient's system of internal controls includes processes to perform periodic after-the-fact reviews of interim charges made to a Federal award based on budget estimates. All necessary adjustments must be made so that the final amount charged to the Federal award is accurate, allowable, and properly allocated.

***Condition:***

The University's system of internal controls did not timely identify missing grant-related earnings allocations.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-015.

Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025

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**FINDING 2024-013**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

Research and Development Cluster (various ALN #'s)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*M. Subrecipient Monitoring* - per 2 CFR Part 200.305(b), for recipients and subrecipients other than States, payment methods must minimize the time elapsing between the transfer of funds from the Federal agency or the pass-through entity and the disbursement of funds by the recipient or subrecipient regardless of whether the payment is made by electronic funds transfer or by other means.

***Condition:***

The University's procedures failed to minimize the time elapsing between the transfer of federal funds to the subrecipient and the disbursement of such funds for program purposes by the subrecipient.

***Status of Findings as of June 30, 2025:***

This finding was not fully remediated as of June 30, 2025 and is part of Finding 2025-016.

**FINDING 2024-014**

***Type of Finding:***

Federal award finding.

***Federal Program Information:***

University Transportation Centers Program (ALN 20.701)

***Criteria or Specific Requirement (Including Statutory, Regulatory or Other Citation):***

*G. Matching* - According to the grant agreement, a non-federal match of not less than 50% of the Federal funds paid by the grantor to the grant recipient under this grant is required as a condition of the grant.

**Summary Schedule of Prior Year Findings  
Year Ended June 30, 2025**

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***Condition:***

The University was unable to provide documentation showing that its cost share requirement had been met.

***Status of Findings as of June 30, 2025:***

No similar findings noted in the current year.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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**FINDING 2025-001**

***Name of Responsible Individual:***

AVP, Controller and Chief Accounting Officer  
VP of Capital Planning and Facilities Management  
Deputy Controller  
Director, Finance and Asset Management

***Corrective Action:*** Management acknowledges the auditor's observations regarding certain deficiencies in protocols related to the accounting for lease transactions, including the failure to timely identify, communicate, and account for new leases, lease amendments, and sub lease agreements. Management agrees that these deficiencies resulted in the improper exclusion of certain lease assets, liabilities, and related balances from the University's Statement of Financial Position as of June 30, 2025.

**Root Cause Assessment**

The issues identified were primarily attributable to the need to formalize a policy related to the identification of and accounting for new leases.

**Corrective Actions Taken**

Management has taken the following actions to remediate the deficiencies identified:

1. Lease Identification and Recording
  - a. Recorded the previously omitted leases, lease amendments, and sub lease agreements and adjusted the related right of use assets, lease liabilities, incentives, and receivable balances in accordance with ASC 842.
  - b. Performed a comprehensive review of the existing lease population to confirm completeness and accuracy as of year-end.
2. Enhanced Communication Protocols
  - a. Established a formal requirement that all new leases, amendments, extensions, and sub leases be communicated to and reviewed by the Controller's Office prior to execution.
  - b. Implemented standing agenda items and documentation requirements as part of standing meetings with for REDCAM and Controller to ensure all real estate activity is captured and evaluated from an accounting perspective.
3. Strengthened Lease Completeness Procedures
  - a. Enhanced the annual lease completeness analysis to include:
    - i. Review of executed contracts from REDCAM.
    - ii. Confirmation of changes to lease terms, incentives, and renewal options.
    - iii. Cross checks against capital project activity and real estate transaction logs.
    - iv. Implemented more frequent (quarterly) lease activity confirmations rather than reliance on former annual procedures.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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Ongoing and Preventive Measures

To prevent recurrence, management has implemented or is in the process of implementing the following:

- **Centralized Contract Intake:** Deployment of a centralized repository and intake process for all real estate and lease related agreements, requiring Accounting review and sign off.
- **Defined Ownership and Accountability:** Clarified roles and responsibilities between REDCAM and the Controller's Office for lease identification, communication, and accounting.
- **Training and Awareness:** Targeted training for real estate, legal, and accounting personnel on ASC 842 requirements, including the accounting implications of lease amendments and sub leases.
- **Monitoring and Governance:** Periodic management review of lease activity and balances, with documentation maintained to support audit evidence and ongoing compliance.

Conclusion

Management believes that the corrective actions taken and controls implemented have remediated the conditions noted and significantly strengthened the University's lease accounting control environment. Management will continue to monitor lease activity and interdepartmental communication to ensure timely and accurate financial reporting going forward.

***Anticipated Completion Date:*** June 30, 2026

**FINDING 2025-002**

***Name of Responsible Individual:*** Director of Cash Management

***Corrective Action:*** Management acknowledges the auditor's observation related to the release of a \$20.74 million wire transfer to a vendor without documented evidence of all required invoice approvals in accordance with the University's established wire transfer control procedures. Management agrees that the execution of the wire without complete, documented authorization represents an override of existing controls, notwithstanding that the transaction was ultimately valid and properly recorded in the financial statements.

Root Cause Assessment

The control lapse was attributable to:

- Reliance on manual, paper based approval documentation outside of Workday for certain high value or time sensitive wire transactions.
- Inadequate enforcement of evidentiary requirements prior to Treasury release when approvals were presumed but not formally verified or retained.
- Insufficient segregation between approval verification and execution under heightened operational pressure to meet contractual payment timelines.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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Corrective Actions Taken

Management has implemented the following corrective actions to remediate the issue identified:

1. Immediate Control Reinforcement
  - a. Recommunicated wire approval requirements to Accounts Payable, General Accounting, and Treasury personnel, emphasizing that no wire may be released without documented evidence of all required approvals.
  - b. Reinforced Treasury's responsibility to independently verify the completeness of approvals prior to execution, regardless of payment urgency or counterparty.
2. Enhanced Approval Documentation
  - a. Required that all wire transfers, including construction related and other high dollar payments, be supported by either:
    - i. Fully approved transactions within Workday, or
    - ii. A completed wire request form with documented invoice approval and all required management signatures.
  - b. Centralized retention of wire documentation, including approvals, invoices, and supporting materials, to ensure auditability.
3. Process and Oversight Improvements
  - a. Implemented a secondary review step for high value wire transfers above a defined dollar threshold, requiring confirmation of approval completeness prior to Treasury release.
  - b. Updated the wire log review process to include verification of approval documentation as part of management's periodic oversight.

Ongoing and Preventive Measures

To prevent recurrence of management override and further strengthen controls, management has implemented or is in the process of implementing the following:

- **Workflow Automation:** Expansion of Workday based approval workflows to reduce reliance on manual wire request forms and ensure system enforced authorization prior to payment.
- **Threshold Based Controls:** Formalized enhanced approval and documentation requirements for large or non routine wire transactions.
- **Training and Accountability:** Ongoing training for Accounts Payable, Accounting, and Treasury staff on wire controls, with clear accountability for compliance.
- **Monitoring and Review:** Periodic management review of wire activity, including spot checks of approval documentation, to confirm adherence to policy.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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Conclusion

Management believes that the corrective actions and preventive measures implemented have remediated the control deficiency and significantly reduced the risk of unauthorized or undocumented wire transfers. The University remains committed to maintaining strong internal controls over disbursements and will continue to monitor compliance to ensure consistent and effective control operation.

***Anticipated Completion Date:*** June 30, 2026

**FINDING 2025-003**

***Name of Responsible Individual:***

AVP, Controller and Chief Accounting Officer  
Assistant Treasurer  
CFO, Howard University Hospital Corporation

***Corrective Action:*** Management acknowledges the importance of timely and accurate federal tax compliance and concurs with the observation noted by BDO.

During the fiscal year, Howard University Hospital Corporation (HUHC), in coordination with external tax advisors, submitted all delinquent IRS Forms 990 and completed the required reinstatement application process. The Internal Revenue Service has formally reinstated HUHC's 501(c)(3) tax-exempt status, thereby resolving the compliance lapse identified.

In addition to completing the reinstatement process, management has implemented the following corrective actions to prevent recurrence:

Enhanced Governance and Oversight

Responsibility for federal and state tax compliance has been formally assigned within the finance function, with defined escalation to senior leadership.

Control and Process Improvements

Documented filing responsibilities, and periodic management review procedures have been implemented to ensure timely preparation, review, and submission of all required filings.

Ongoing External Support

HUHC continues to engage qualified external tax advisors to support compliance monitoring and to provide guidance on emerging regulatory requirements.

Management believes these actions adequately address the root causes of the issue and strengthen HUHC's internal controls over tax reporting and compliance.

***Anticipated Completion Date:*** June 30, 2026

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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**FINDING 2025-004**

***Name of Responsible Individual:***

Chief Information Officer  
AVP, Finance and Bursar  
Assistant Controller  
Student Account Sub Ledger System Implementation (Workday Student)

***Corrective Action:*** Management acknowledges the auditor's observation regarding the implementation of Workday Student effective July 1, 2024, and the absence of sufficiently documented pre and post implementation data validation procedures supporting completeness and timeliness of the student accounts receivable sub ledger. Management also acknowledges that data conversion and configuration issues contributed to data errors in the production environment, requiring extended investigation and manual remediation.

**Root Cause Assessment**

The issues identified were primarily attributable to:

- The scale and complexity of migrating student data from Banner to Workday Student, including historical balances, registration activity, and financial aid interactions.
- Insufficient formalization and documentation of end to end data validation procedures during go live, including reconciliations between legacy and new system outputs.
- Evolving business processes and configurations during the initial production period, which delayed the stabilization of automated controls and reporting.

**Corrective Actions Taken**

Management has taken the following actions to remediate the issues identified:

1. Data Cleansing and Resolution
  - a. Completed a comprehensive review of student accounts receivable balances, including identification, investigation, and resolution of data conversion and configuration related errors.
  - b. Implemented manual reconciliations during the stabilization period to ensure accuracy of student account balances while system corrections were finalized.
2. Post Implementation Reconciliations
  - a. Established recurring reconciliations between Workday Student sub ledger activity and the general ledger, with documented review and sign off by Accounting leadership.
  - b. Performed retrospective reconciliations of key student receivable populations to validate completeness and accuracy following corrective system updates.
3. System Configuration and Control Enhancements
  - a. Worked with functional and technical teams to correct root cause configuration issues impacting billing, posting, and timing of student account transactions.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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- b. Implemented additional automated system controls and exception reporting within Workday Student to identify data anomalies on a timely basis.
4. Governance and Documentation Improvements
    - a. Formalized pre and post implementation validation protocols for major system changes, including documented testing plans, reconciliation requirements, and approval checkpoints.
    - b. Enhanced cross functional coordination between Student Finance, Financial Aid, Registrar, and Accounting to ensure clear ownership and accountability for data integrity.

Ongoing and Preventive Measures

To prevent recurrence, management has implemented or is in the process of implementing the following:

- Standardized System Change Management: Adoption of documented validation and reconciliation procedures for future system enhancements, upgrades, or data migrations.
- Enhanced Monitoring: Ongoing use of automated exception reports and periodic management review of student receivable activity.
- Training and Knowledge Transfer: Continued training for functional and accounting staff on Workday Student controls, reporting, and reconciliation processes.
- Audit Readiness: Maintenance of clear documentation evidencing control performance and management review to support future audit procedures.

Conclusion

Management believes that the corrective actions taken and controls implemented have remediated the conditions noted and strengthened the overall control environment surrounding the student accounts receivable sub ledger. The University will continue to monitor system performance and control effectiveness to ensure sustained data integrity and timely financial reporting.

***Anticipated Completion Date:*** June 30, 2026

**FINDING 2025-005**

***Names of Responsible Individual:***

Interim Registrar & AVP for Enrollment Management  
Associate Director for Compliance, Enrollment Management  
Associate Registrar for Compliance, Records, and Graduation Services  
Records Specialist  
Associate Director for Compliance, Financial Aid

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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**Corrective Action:** The Enrollment Reporting process is supervised by the University Registrar and the Registrar is responsible for providing enrollment files to Howard University's third-party servicer, National Student Clearinghouse (NSC), who then submit the enrollment file report to the National Student Loan Database System (NSLDS). Howard moved to Workday Student as the University's ERP beginning with the Fall 2024 semester and enrollment reporting to NSC was processed solely through Workday with the Fall 2024 semester and enrollment reporting to NSC was processed solely through Workday. As part of the transition to Workday, Howard spent several years configuring Workday to meet the needs of the institution and testing to ensure once the University went "live" there would be no configuration issues that affect compliance. It was not possible for the Registrar's Office to fully test enrollment reporting prior to "go live" due to students needing to be registered in courses to send a test file to NSC. At the start of the Fall 2024 semester, Howard worked closely with National Student Clearinghouse to troubleshoot issues that could delay the enrollment files transmission in August and September 2024. This setup of the one-time migration between Workday and NSC was not completed timely.

The appropriate individuals from the Registrar's Office, Office of Financial Aid, National Student Clearinghouse are working together to enable ongoing communication and monitoring of reporting requirements. These parties will work together to confirm student enrollment statuses are reported timely and accurately. The transition to Workday Student allowed the University to review each program of study to ensure accuracy when integrating the data from Banner to Workday and certifying the correct program start date and program length are reported to NSLDS. The effective enrollment date reflected in NSLDS for the four students with the incorrect program start date was fed from the University's prior ERP, Banner, and all program start dates have now been accurately updated in Workday.

The implementation of Workday and staffing transitions in the Registrar's Office caused delays in students being cleared for graduation and then to NSC. The issue for Graduate reporting should not recur due to resolved implementation issues with Workday.

Monthly enrollment reporting schedules were set up in NSC for the 2025-2026 academic year during Summer 2025. These enrollment reporting schedules will be updated each summer for the upcoming academic year. Graduation files are scheduled to be transmitted on the first of every month to National Student Clearinghouse. This will allow students cleared for graduation to be transmitted monthly and ensure the 60-day reporting timeline will be met. The Office of the Registrar is in constant communication with the representative from NSC when there are questions on reporting student enrollment statuses accurately.

Bi-semester reviews by the Associate Director for Compliance will ensure any potential issues in reporting are identified and resolved timely. A review of students reported to NSC for Spring 2025 was completed with a specific focus on students who had a change in enrollment. This review discovered the Workday configuration did not pick up students who dropped courses during the semester in the enrollment file. This configuration issue in Workday has now been corrected. A review of students' enrollment status for Fall 2025 after the University's drop/add period showed students in the enrollment reporting file were reported correctly on the Fall 2025 First of Term enrollment file sent to NSC.

Management's Corrective Action Plan  
Year Ended June 30, 2025

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**Anticipated Completion Date:** The Workday migration with National Student Clearinghouse was completed in October 2024. The program start dates were accurately set up in Workday during the configuration of each program of study, which occurred prior to “go live” in 2024. Howard University staff meet daily with Workday consultants from AVAAP to provide feedback and discuss any current issues experienced in Workday.

Bi-semester compliance reviews of the student's enrollment status reported to NSC are ongoing and will occur at least once per semester.

The monthly reporting schedules were set up for 2025-2026 during Summer 2025 and each summer the monthly reporting schedule will be set up for the upcoming academic year. When the National Student Clearinghouse updated their enrollment file reporting portal in May 2025, the Associate Registrar met with NSC for training on how to use their new portal to upload student enrollment statuses.

**FINDING 2025-006**

***Name of Responsible Individual:***

Associate Provost  
AVP, Human Resources  
Senior Director of Payroll

**Corrective Action:** The Offices of Undergraduate Studies, Financial Aid, Human Resources, and Payroll have worked to re-configure our Enterprise Resource Planning system, Workday, to significantly reduce early time approval and minimize incorrect time attribution. We introduced new controls on May 7, 2025, and provided additional training throughout Academic Year 2024-2025.

Although we have made much progress, we are still working to minimize FWS program risks. Specifically, we have noticed that retrofitting the staff and faculty hiring system may not be an ideal solution for handling the unique needs of the Federal Work Study program.

As such, we are working with our official Workday partner to enact a distinct student hiring portal, that will also leverage Workday. We expect that this portal will be more nimble and better able to address FWS program management and controls. The expected launch date is Fall 2026.

**Anticipated Completion Date:** December 31, 2026

Management's Corrective Action Plan  
Year Ended June 30, 2025

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FINDING 2025-007

*Names of Responsible Individuals:*

Associate Director for Compliance, Enrollment Management  
AVP for Finance & Bursar  
Director of Student Billing and Engagement  
Associate Director for Compliance, Financial Aid  
Assistant Controller  
Director of Accounting

**Corrective Action:** Federal Perkins Loan program records are traditionally paper based, as a result, these school records can often be inconsistent. Due to inconsistent data transfer during Howard University's move from Campus Partners to ECSI (Educational Computer Systems, Inc.) as the Perkins Loan servicer after the 2013-2014 academic year, the University's Perkins disbursement data did not match the records Howard had from ECSI. In 2022, the University began to work with ECSI on converting the Howard internal records to match ECSI's records. In mid-April 2026, ECSI notified Howard that the conversion of ECSI Perkins disbursement data to Howard disbursement data was complete. Currently, the adjustments ECSI made to match Howard are being reviewed by the Associate Director for Compliance in Enrollment Management, and feedback will be provided to ECSI. Matching Perkins Loan data between Howard and ECSI will strengthen the data consistency on the FISAP.

The consistency of Perkins Loan data between ECSI and Howard University on the FISAP will also assist in strengthening internal controls for determination of the Cash on Hand amount. ECSI works with schools whose general ledger Cash on Hand does not match what is on the FISAP in Part III. It was conveyed by ECSI that it is more important to have awareness of what data does not match and why than to have parity. After the conversion of Perkins data from ECSI has been approved, the Associate Director for Compliance will meet with Director of Accounting to begin the process of reviewing Perkins wind-down procedures and the accounting related.

Howard University is in the process of liquidating the Federal Perkins Program. Due to staffing changes, the Director of Student Billing and Engagement, is now responsible for the Federal Perkins Loan liquidation process. The University is working with ECSI and the Department of Education to complete the liquidation. As part of the liquidation process, the Director of Billing and Engagement contacted the Department of Education to determine the remaining steps for Perkins liquidation. 13 Perkins Loans remaining need to be assigned. Howard is in the process of determining if these loans can be assigned to ED or if the school will need to purchase them.

**Anticipated Completion Date:** September 30, 2026, is the target date for the Federal Perkins Loan program to be completely liquidated at Howard University. All but 13 Federal Perkins Loans have been assigned, and the Bursar is working on sending credit balances to Accounts Payable for payment for those Perkins Loans that can be assigned.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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The conversion of ECSI records to match Howard internal records was completed in April 2026 and final will be completed by May 2026. Once the conversion is approved by Howard, the June 30, 2026 Perkins Annual Report from ECSI will match what Howard has in their Perkins records. This will enable this Perkins Annual Report to be used on the 2027-2028 FISAP due on September 30, 2026.

**FINDING 2025-008**

***Names of Responsible Individuals:***

Manager Systems & Administration (Office of the Bursar)  
Associate Director for Compliance, Enrollment Management  
Associate Vice President for Finance and University Bursar  
Director of Cash Management, Treasury Operations  
Treasury Specialist  
Systems Analyst, Enrollment Management

***Corrective Action:*** Beginning with the Fall 2024 semester, Howard University transitioned from using Ellucian Banner to Workday as the University's ERP. The Bursar's Office was not able to fully test the Title IV refunds process prior to "go live" due to the inability to disburse and create refunds to be sent to the University's bank, JP Morgan. In August 2024, the Bursar's Office identified configuration issues with JP Morgan where parents were not associated with students' IDs and addresses in delivered refund files sent to JP Morgan Chase. These Title IV checks and direct deposits could not be sent to parents until JP Morgan completely migrated to Workday, in September 2024. After this date, there have not been issues with the JP Morgan Chase configuration with Workday.

Workday is a date-driven ERP. Meal charges for Spring 2025 were placed on the students' account, the due date for payment on the referenced meal charges was put in Workday as 12/23/2025 instead of 12/23/2024. This due date is when the charge is factored into the application of payments for the Office of the Bursar. The result was that housing charges were not being applied for the Spring 2025 semester until the error was discovered by the University during reconciliation. These meal charge dates were corrected to 12/23/2024 in March 2025. Internal controls have been created where there is a second level of review of due dates for charges placed on the students' account. Due dates for charges during a semester are now reviewed by the Bursar and Housing to ensure the application of payments will pick up all charges for a semester.

There are also continuing corrective actions being taken to best capture students who were eligible for a Title IV refund and deliver Title IV credit balances to students within the 14-day timeframe, including the use of reports available in Workday. Beginning with Fall 2025 semester, the on-demand "SF Refund Review Report" in Workday is used to identify students that are eligible for a Title IV refund.

Howard University staff meet daily with Workday consultants from AVAAP to provide feedback and discuss any current issues experienced in Workday. The goal of these meetings is to have a constant flow of information on what is working effectively and what is not working effectively within Workday. There are also more Howard University staff focused on the Title IV credit balance process and more stages of approval required for the process to be completed. A list of Title IV credit

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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balance refunds is captured from the "SF Refund Review Report," the settlement run of refunds are reviewed by the refund approver in the Office of the Bursar, then the refund listing goes to the University Bursar for approval. After approval by the University Bursar the listing of students who will receive Title IV refunds by direct deposit and/or check is sent to the Treasury Specialist for approval. Once the Treasury Specialist approves the refunds, the Cash Manager approves the transmittal of this information to JP Morgan, and the funds are then transmitted to JP Morgan for delivery to parents and students.

There has also been identification of a backup employee in the Bursar's Office and Treasury responsible for the Title IV refund process. These backups have been trained so there is no disruption to the workflow, and they are currently running the Title IV credit balance delivery process when there is a workload balance need to do so to ensure timely refunds.

Bi-semester internal reviews by the Associate Director for Compliance in Enrollment Management have taken place which complement the additional levels of review put in place by the Bursar.

An internal review of 10 Title IV refunds sent to students for Summer 2025 was completed in July 2025. A review of 100 students who received refunds for Summer 2025 and Fall 2025 was completed in August 2025. All the students who received a refund for the Fall 2025 semester had their Title IV credit balance delivered timely. A review of 86 Title IV refunds for Fall 2025 completed in October 2025 showed that 0 students in the sample received their Title IV refund past the 14-day timeline.

**Anticipated Completion Date:** Both issues which created the Title IV credit balance findings for FY25 have been identified and resolved. The issue with JP Morgan's migration to Workday was identified and resolved during the Fall 2024 semester. The importance of due dates in Workday is now reinforced with a second level of staff members reviewing charge due dates in Workday.

Additional steps have also been taken to ensure compliance with the 14-day credit balance delivery timeframe. The identification of the "SF Refund Review" report as the best report to capture Title IV credit balance information was completed in July 2025. The bi-semester reviews of continuing compliance with the 14-day timeline are ongoing and will continue to be used as a tool to identify any potential compliance issues.

As of July 2025, there is identification of a backup employee in each office responsible for the Title IV refund process should there be employee turnover.

**FINDING 2025-009**

***Names of Responsible Individuals:***

Associate Director for Compliance, Enrollment Management  
Associate Director of Loans  
Systems Analyst, Enrollment Management  
Assistant Director for Compliance, Financial Aid  
Loan Coordinator

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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**Corrective Action:** Beginning with the Fall 2024 semester, Howard University transitioned from using Ellucian Banner to Workday as the University's ERP. As part of the transition to Workday, Howard spent several years configuring Workday to meet the needs of the institution and testing to ensure once the University went "live" in Fall 2024 there would be no configuration issues that affect compliance.

Workday was not configured to send out Parent Plus Loans, therefore, Parent Plus notifications were as the result sent out as part of a manual process through the Financial Aid email box. Research into the issue and continued discussions with Workday consultants determined that Parent Plus disbursement notifications definitively cannot be sent out automatically after disbursement in Workday as a result of a flaw in Workday's configuration capabilities. As a result, "FA CR Parent PLUS Disbursement Notification" report is run weekly out of Workday to identify all Parent Plus Loan disbursements, and a notification is sent to the parent's email address on file through the Financial Aid Loans team email box.

The three disbursement notifications that were not sent out within the 30-day timeline resulted from these Parent PLUS Loans not being shown on the "FA CR Parent PLUS Disbursement Notification" report. These disbursement notifications were originally sent to the student's email address through Workday instead of being sent to the parent's email address. While these disbursement notifications were sent timely, a compliance review of disbursement notifications discovered the Workday configuration was sending out some Parent PLUS Loan disbursement notifications to the student's email address. This left the PLUS disbursement off the "FA CR Parent PLUS Disbursement Notification." Upon discovery of this configuration error, the Loans Team worked with the University's Workday consultant to prevent any Parent PLUS Loan disbursement notifications from being sent out through Workday.

Bi-semester internal reviews by the Associate Director for Compliance in Enrollment Management are ongoing. The error with Parent PLUS Loan notifications being sent to the wrong individual in Workday was identified in the March 2025 disbursement notification compliance review. An August 2025 review of disbursement notifications for medical students resulted in there being no disbursement notifications found that were sent past the 30-day timeline and they were sent to the correct individuals. A September 2025 review of disbursement notifications was completed and resulted in enhancements to the mail merge template used to manually send out the Parent PLUS Loan disbursement notifications. An updated mail merge template was created, tested and implemented. A November 2025 disbursement notification review was completed to ensure the Parent PLUS notifications went out timely and to the parent's email address.

**Anticipated Completion Date:** The corrective action taken to prevent the Parent PLUS notifications from going out to the students in Workday was completed in March 2025.

Monitoring and reviewing of loan disbursements have been ongoing to ensure the Workday system is correctly identifying and transmitting Direct Loan disbursements for Subsidized, Unsubsidized and Graduate PLUS Loans. Any significant issues are identified, documented and tracked until they are resolved.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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The Loan Coordinator is responsible for sending out the Parent Plus Loan notifications on a weekly basis and training has been provided to the designated individual who will perform this function in the absence of the Loan Coordinator.

**FINDING 2025-010**

***Names of Responsible Individuals:***

Associate Director for Compliance, Enrollment Management  
Associate Director of Loans  
Systems Analyst, Enrollment Management  
Assistant Director for Compliance, Financial Aid  
Loan Coordinator

***Corrective Action:*** Beginning with the Fall 2024 semester, Howard University transitioned from using Banner to using Workday as the University's ERP. As part of the transition to Workday, Howard spent several years configuring Workday to meet the needs of the institution and testing to ensure once the University went "live" during Fall 2024 there would be no configuration issues that affect compliance. It is not possible for Financial Aid to fully test the COD disbursement reporting process prior to "go live" due to the inability to send test disbursement files to COD for reporting purposes. Once Howard disbursed loans and was able to send actual disbursement files to COD, the Enrollment Management Systems Analyst worked to identify and resolve outstanding issues.

Initial reporting of disbursements to COD began on August 6, 2025. When the first disbursement file was sent to COD, the EM Systems Analyst identified the file schema sending out disbursements from Workday to COD kept rejecting the entire file. The Systems Analyst worked with the University Workday consultants to resolve the rejections and was able to correct the issue on August 28th. The cause of the rejected files between Workday and COD was an underlying Workday system issue that was corrected and updated released by Workday.

There were issues in Workday regarding the school code that were identified which delayed a small cohort of students' disbursements from being reported to COD. The Howard University enrollment school code is 00144800 and NSC required a "dummy" school code to be used for enrollment reporting of Graduate and Professional students. This "dummy" code was 00144880. A small cohort of students had loans that were rejected due to Workday reporting the 00144880 school code to COD instead of the 00144800 school code. Reconciliation identified the students and once the enrollment code sent to COD was corrected in Workday, the loan was accepted.

The cost of attendance variance was a result of unfamiliarity with the Workday system. After a student's aid has been originated and disbursed, Workday will not automatically send the disbursement file back out to COD, which was not an issue Howard encountered when using Ellucian Banner. In Workday, when a student's cost of attendance changes due to cost of attendance increase or the student's housing status must be adjusted, there is manual intervention required. Students who have a change to their cost of attendance need to have a flag checked off in the origination record. This will allow the updated cost of attendance to be reported in COD when the next

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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disbursement file is sent to COD. The current process is when a student's cost of attendance is manually adjusted, the flag for the record to be sent to COD is checked off in the origination record. The Associate Director for Compliance has completed internal compliance reviews testing whether disbursements are being sent to COD within 14 days. Thus far, no issues have been found in these reviews. Files are transmitted to COD at least four times per week and rejected disbursements are worked to meet the 14-day disbursement reporting timeline. A compliance review has been initiated to ensure the cost of attendance reported out of Workday matches the cost of attendance in COD. Howard University staff meet daily with Workday consultants from AVAAP to provide feedback and discuss any current issues experienced in Workday. The goal of these meetings is to have a constant flow of information on what is working effectively and what is not working effectively within Workday. This process is documented and staff are trained.

**Anticipated Completion Date:** The underlying Workday system issue resulting in the COD disbursement file being rejected was internally resolved on August 28, 2024. The Fall 2024 update released by Workday in late-September/October 2024 corrected the system from the Workday side. The Systems Analyst receives an error when there is a rejected COD file, and the correction of these files is an ongoing process.

Howard staff worked with the University's Workday consultant to resolve the incorrect school code reported to COD, causing individual students' disbursements to be rejected. This incorrect school code reported to COD was resolved for the 2025-2026 academic year by changing the configuration of disbursements to ignore any school codes other than 00144800. The Associate Director for Compliance sends a list of rejected loan disbursements to the Financial Aid Loans Team so these rejects can be worked on and resolved in 5-7 business days.

The cost of attendance variance was identified in Fall 2025 and the change in the process when a student has a manual cost of attendance increase was implemented at that time as well.

The compliance reviews for cost of attendance and COD reporting will take place twice per semester and any issues identified will be resolved to avoid future findings.

**FINDING 2025-011**

**Name of Responsible Individual:** Assistant Vice President of Procurement

**Corrective Action:** While we acknowledge that this represents a repeat finding, the Corrective Action Plan conveys a multi-year remediation strategy that focuses on policy transparency, system controls, staffing capacity, training, and accountability mechanisms.

The University will continue to address the execution and adoption challenges across Accountable Units. Since the prior audit cycle, the University has strengthened preventive controls to eliminate reliance on post-transaction modifications or corrections.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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The Corrective Action Plan addresses policies and procedures, OPC capacity and expertise, training and outreach, monitoring, and accountability. The Corrective Action Plan is structured to reduce reliance on detective measures and facilitate preventive compliance. Consequently, the University expects future audit cycles to yield favorable results.

**Anticipated Completion Date:** December 31, 2026

**FINDING 2025-012**

**Name of Responsible Individual:** Assistant Vice President of Procurement

**Corrective Action:** Since the prior audit period, the University implemented comprehensive corrective actions, including policy updates, strengthened receiving and tagging controls, enhanced supervisory review in WorkDay, and ongoing communications with Suppliers and internal stakeholders. Detective and corrective controls have been established through quarterly exception reporting, monthly equipment purchase audits, and completion of a University-wide physical inventory, and required follow-up to locate, tag, or correct asset records.

Moreover, the corrective action plan aims to establish an integrated, sustainable control environment. With documented procedures, active monitoring, customer communications, training, and management oversight, the University expects future audit cycles to yield favorable results.

**Anticipated Completion Date:** December 31, 2026

**FINDING 2025-013**

**Name of Responsible Individual:** Assistant Vice President for Pre-Award

**Corrective Action:** Federal awards require that all publications resulting from federal grant support, including conference presentations, promotional materials, agendas, and internet sites, include an acknowledgment of federal support and a disclaimer that the contents reflect the authors' responsibility and not that of the sponsoring agency. As this is a repeat finding, the University has undertaken a comprehensive, multi-pronged corrective strategy to ensure sustained compliance going forward.

Responsibility for publication acknowledgment and disclaimer compliance now resides with the Sponsored Programs Office (SPO) Pre-Award, in collaboration with the University Library. Key actions completed to date include: a formal Standard Operating Procedure finalized and approved in November 2025; mandatory publication compliance training with a required 80% passing score, serving as a prerequisite for new award setup effective November 2025; a Principal Investigator (PI) Acceptance Memo requiring signature within five business days of each award kickoff meeting to reinforce PI awareness of publication responsibilities; quarterly compliance communications issued to all federally funded PIs; and a dedicated publication compliance category added to the OOR ticketing system to streamline intake and support documentation.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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During Award Kickoff Meetings, acknowledgment and disclaimer requirements specific to each award are reviewed directly with the PI. SPO Pre-Award and the University Library conduct ongoing reviews of federally funded publications using available bibliometric tools, with periodic spot checks. PIs who do not meet training requirements are subject to a hold on proposal submissions until compliance is verified.

**Anticipated Completion Date:** June 30, 2026

**FINDING 2025-014**

**Name of Responsible Individual:** Assistant Vice President for Post Award

**Corrective Action:** The University initiated the Effort Certification process to capture the full calendar year 2025 in April 2026. This represents a one-time extended certification period designed to include previously uncertified periods that had concluded, specifically the second half of FY25 (January-June 2025) and the first half of FY26 (July-December 2025).

In May 2025, the non-accounting functions of Grants and Contracts Accounting at Howard University were transitioned to the Office of Research, Sponsored Programs Office. During this organizational transition, the University prioritized the completion and accuracy of all costing allocations to ensure payroll data was complete and reliable for effort certification purposes.

This period was also utilized to identify and resolve any backlog of costing allocations and award charges and stabilize the Office of Research. Addressing these items ensured that effort reflected complete and accurate payroll activity, thereby enabling Principal Investigators to appropriately review and certify their effort. The Sponsored Programs Office (SPO) now leads post-award financial oversight and collaborates with Human Resources (HR) and Finance to ensure designated personnel are identified and granted system access to enter costing allocations and labor cost transfers in Workday.

In addition, in response to the auditor's recommendation to enhance internal controls and ensure timely monitoring of effort reporting, Howard University has implemented the following corrective actions:

Hired Dedicated Departmental Support - Six College Research Administrators (CRAs) and an Associate Director of CRA's were hired to support high-volume research colleges. The CRAs ensure timely and accurate labor cost transfers, effort certification, and costing allocation entries during award setup and throughout the award lifecycle.

Enhanced Effort Reporting Process - SPO will lead improvements to the effort certification process, including:

- Advance communication to PIs, CRAs, and Deans outlining certification deadlines
- Clear guidance on when labor cost transfers may occur outside the certification cycle
- Reinforcement that all effort changes must be reflected in the effort system to ensure alignment with payroll.

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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- Training - Targeted training will be delivered to Principal Investigators, CRAs, and other research stakeholders to support consistent application of policies and procedures.

Monitoring and Oversight - Monthly and quarterly reconciliation reports will be developed to track and validate timely and accurate payroll allocations for research personnel.

**Anticipated Completion Date:** August 30, 2026

**FINDING 2025-015**

**Name of Responsible Individual:**

Assistant Vice President of Procurement  
Director of Post Award Compliance and Training

**Corrective Action:** In response to the auditor's recommendation to enhance internal controls and ensure timely review of invoice protocols and subrecipient monitoring, Howard University is implementing the following:

- The University is currently piloting a new Supplier Invoice Portal, launched jointly by the Sponsored Programs Office and the Office of Procurement, to improve invoicing efficiency and compliance. Under this new process, subrecipients will be required to submit invoices electronically in accordance with the terms and conditions of their subawards. The portal will support a streamlined review and approval process, with invoices routed through an automated workflow to ensure timely review and disbursement.
- To support completion of the University's annual audit verification requirements for subrecipients, oversight will occur at multiple stages throughout the subaward lifecycle. This includes reviewing audit reports at the proposal development stage, during which subrecipients are required to complete a Subrecipient Commitment Form (implemented September 2025) prior to proposal submission.
- At the award stage, refreshed due diligence will be conducted, including a re-review of the subrecipient's Single Audit and/or financial statements. Finally, the Post Award Compliance team will perform an annual review of subrecipients' audit reports and complete audit follow up procedures as necessary.

**Anticipated Completion Date:** August 30, 2026

Management's Corrective Action Plan  
Year Ended June 30, 2025

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FINDING 2025-016

*Name of Responsible Individual:*

Director of Post Award Compliance and Training  
Christina Flood, Budget Analyst

**Corrective Action:** Monthly Settlement Reports are used to reconcile actual expenses. An outdated spreadsheet was previously used to convert travel expenses, which resulted in incorrect exchange rate calculations. The team has implemented an updated conversion process. Going forward, the Sponsored Program Office Team will review and approve the exchange rates to ensure they are reasonable, accurate, and applied consistently.

**Anticipated Completion Date:** June 30, 2026

FINDING 2025-017

*Name of Responsible Individual:*

Director of Post Award Compliance and Training  
Senior Associate Vice President of Financial Strategy

**Corrective Action:** In response to the auditor's recommendation to strengthen internal controls and ensure timely submission of the Single Audit Report to the Federal Audit Clearinghouse, Howard University will enhance cross collaboration across the University to improve audit readiness. During the May 2025 transition from the Grants and Contracts Accounting Office to the Sponsored Awards Office, the University experienced significant staff turnover and a loss of institutional knowledge, which contributed to audit readiness challenges.

Since that time, the University has focused on stabilization efforts. The Office of Research Sponsored Programs has been restructured and is now almost fully staffed. The University will be establishing monthly check ins with key stakeholders to ensure adherence to a compliance calendar with clearly defined roles and responsibilities across core compliance areas. Additionally, the University has hired a Director of Post Award Compliance and Training to lead audit readiness efforts, strengthen internal controls, and support ongoing monitoring and compliance throughout the fiscal year.

**Anticipated Completion Date:** March 31, 2027

**Management's Corrective Action Plan  
Year Ended June 30, 2025**

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**FINDING 2025-018**

***Name of Responsible Individual:***

Director of Post Award Compliance and Training  
Budget Analyst

***Corrective Action:*** The University receives advance payments from the sponsor, with the amount determined by the sponsor and adjusted as financial reports are submitted by the University. In response to the auditor's recommendation to strengthen internal controls, Howard University will implement procedures to document and reconcile all cash payments received from sponsors on a quarterly basis to actual expenses incurred. This reconciliation process will help ensure that sponsor payments are fully accounted for and appropriately matched to related expenditures, thereby enabling the University to clearly demonstrate which expenses have been reconciled to payments received.

***Anticipated Completion Date:*** June 30, 2026