

Rush System for Health

Consolidated Financial Statements as of and for the
Years Ended June 30, 2024 and 2023
and Independent Auditor's Report



RUSH SYSTEM FOR HEALTH

TABLE OF CONTENTS

	Pages
INDEPENDENT AUDITOR’S REPORT	1-2
CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023:	
Balance Sheets	3
Statements of Operations and Changes in Net Assets	4-5
Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7-40
SUPPLEMENTAL INFORMATION:	
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	42–43
Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with OMB Uniform Guidance	44–46
Schedule of Expenditures of Federal Awards	47–55
Schedule of Expenditures of State Awards	56
Notes to the Schedules of Expenditures of Federal Awards and State Awards	57
Schedule of Findings and Questioned Costs	58-59
Summary Schedule of Prior Audit Findings	60

The Board of Trustees of
Rush University System for Health
Chicago, IL

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of Rush System for Health and subsidiaries (the “System”), which comprise the consolidated balance sheets as of June 30, 2024 and 2023, and the related consolidated statements of operations and changes in net assets and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the System as of June 30, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the System and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the 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 financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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

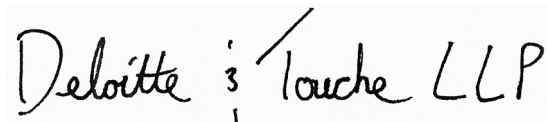
- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 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 System'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 financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the System's ability to continue as a going concern for a reasonable period of time.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 25, 2024 on our consideration of the System'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 System'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 System's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Deloitte ; Touche LLP". The signature is written in a cursive, flowing style.

Chicago, IL

October 25, 2024

RUSH SYSTEM FOR HEALTH
CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

	As of June 30,	
	2024	2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 422,806	\$ 439,952
Accounts receivable for patient services	430,151	407,284
Other accounts receivable	60,767	62,664
Self-insurance trust—current portion	57,209	57,209
Other current assets	141,496	151,168
Total current assets	1,112,429	1,118,277
ASSETS LIMITED AS TO USE AND INVESTMENTS:		
Investments—less current portion	1,556,002	1,375,233
Limited as to use by donor or time restriction or other	828,012	759,914
Self-insurance trust—less current portion	105,498	121,836
Total assets limited as to use and investments	2,489,512	2,256,983
PROPERTY AND EQUIPMENT—NET	1,893,852	1,880,229
OPERATING LEASE RIGHT-OF-USE ASSETS	99,771	100,237
POSTRETIREMENT AND PENSION BENEFIT ASSETS	35,377	7,195
OTHER NONCURRENT ASSETS	84,879	131,315
TOTAL ASSETS	<u>\$ 5,715,820</u>	<u>\$ 5,494,236</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES:		
Accounts payable	\$ 119,384	\$ 101,119
Accrued expenses	379,438	406,405
Postretirement and pension benefit liabilities	181	2,811
Estimated third-party settlements payable and advances payable	248,043	286,348
Current portion of accrued liability under self-insurance programs	66,028	69,229
Current portion of long-term debt	12,598	13,510
Current operating lease liability	25,037	26,128
Total current liabilities	850,709	905,550
LONG-TERM LIABILITIES:		
Accrued liability under self-insurance programs—less current portion	252,645	313,019
Postretirement and pension benefit liabilities	1,683	2,082
Long-term debt—less current portion	838,179	888,512
Obligations under financing leases and other financing arrangements	74,356	41,899
Long-term operating lease liabilities	79,819	78,471
Other long-term liabilities	95,694	85,227
Total long-term liabilities	1,342,376	1,409,210
Total liabilities	2,193,085	2,314,760
NET ASSETS:		
Without donor restrictions	2,373,447	2,118,371
With donor restrictions	1,149,288	1,061,105
Total net assets	3,522,735	3,179,476
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 5,715,820</u>	<u>\$ 5,494,236</u>

See notes to the consolidated financial statements.

RUSH SYSTEM FOR HEALTH
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(Dollars in thousands)

	For the Years Ended June 30,	
	2024	2023
REVENUE:		
Patient service revenue	\$ 3,170,555	\$ 2,916,374
Tuition and educational programs revenue	94,754	95,356
Research revenue and net assets released from restriction and used for research and other operations	215,623	194,507
Other revenue	<u>183,195</u>	<u>154,244</u>
Total revenue	<u>3,664,127</u>	<u>3,360,481</u>
EXPENSES:		
Salaries, wages and employee benefits	1,837,819	1,727,199
Supplies, utilities and other	1,167,909	1,091,348
Insurance	81,183	73,518
Purchased services	310,846	273,045
Depreciation and amortization	156,192	143,248
Interest and fees	<u>34,494</u>	<u>26,964</u>
Total expenses	<u>3,588,443</u>	<u>3,335,322</u>
OPERATING INCOME	<u>75,684</u>	<u>25,159</u>
NON-OPERATING INCOME (LOSS)		
Investment income (loss) and other—net	152,727	93,465
Contributions without donor restrictions	2,121	2,556
Fundraising expenses	(11,795)	(12,437)
Change in fair value of interest rate swaps	<u>971</u>	<u>3,017</u>
Total non-operating income (loss)	<u>144,024</u>	<u>86,601</u>
EXCESS (DEFICIT) OF REVENUES OVER EXPENSES	<u>\$ 219,708</u>	<u>\$ 111,760</u>

(Continued)

RUSH SYSTEM FOR HEALTH
CONSOLIDATED STATEMENTS OF OPERATIONS AND CHANGES IN NET ASSETS
(Dollars in thousands)

	For the Years Ended June 30,	
	2024	2023
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Excess (deficit) of revenues over expenses	\$ 219,708	\$ 111,760
Net assets released from restrictions used for the purchase of property and equipment	11,808	11,218
Postretirement related changes other than net periodic postretirement cost	36,837	56,408
Other	<u>(13,277)</u>	<u>8,200</u>
Increase (decrease) in net assets without donor restrictions	<u>255,076</u>	<u>187,586</u>
NET ASSETS WITH DONOR RESTRICTIONS:		
Pledges, contributions and grants	99,888	117,498
Net assets transferred or released from restrictions	(108,918)	(111,460)
Net realized and unrealized gains (losses) on investments	<u>97,213</u>	<u>75,922</u>
Increase (decrease) in net assets with donor restrictions	<u>88,183</u>	<u>81,960</u>
INCREASE (DECREASE) IN NET ASSETS	343,259	269,546
NET ASSETS—Beginning of period	<u>3,179,476</u>	<u>2,909,930</u>
NET ASSETS—End of period	<u>\$ 3,522,735</u>	<u>\$ 3,179,476</u>

See notes to the consolidated financial statements.

(Concluded)

RUSH SYSTEM FOR HEALTH
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands)

	For the Years Ended June 30,	
	2024	2023
OPERATING ACTIVITIES:		
Increase (decrease) in net assets	\$ 343,259	\$ 269,546
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Depreciation and amortization	156,192	143,248
Non-cash operating lease expense	(315)	11
Postretirement related changes other than net periodic postretirement cost	(36,837)	(56,408)
Change in fair value of interest rate swaps	(971)	(3,017)
Net unrealized and realized (gains) losses on investments	(255,736)	(160,938)
Restricted contributions	(66,833)	(26,717)
Investment (gains) losses on trustee held investments	(3,530)	(1,813)
(Gain) loss on sale of property and equipment	(24,688)	(48)
Changes in operating assets and liabilities:		
Accounts receivable for patient services	(22,867)	(36,932)
Accounts payable and accrued expenses	(9,111)	(1,369)
Estimated third-party settlements payable	(38,305)	1,322
Pension and postretirement costs	5,626	928
Accrued liability under self-insurance programs	(63,576)	50,692
Other changes in assets and liabilities	92,603	(53,319)
Net cash provided by (used in) operating activities	<u>74,911</u>	<u>125,186</u>
INVESTING ACTIVITIES:		
Additions to property and equipment	(219,903)	(333,564)
Proceeds from sale of property and equipment	86,008	-
Purchase of investments	(2,675,016)	(1,124,899)
Sale of investments	<u>2,701,754</u>	<u>1,199,064</u>
Net cash (used in) provided by investing activities	<u>(107,157)</u>	<u>(259,399)</u>
FINANCING ACTIVITIES:		
Proceeds from restricted contributions	66,833	26,717
Payment of long-term debt	(48,675)	(12,703)
Payment of obligations on finance lease liabilities	(3,058)	(1,245)
Proceeds (payments) on other financing arrangements	<u>-</u>	<u>41,398</u>
Net cash (used in) provided by provided by financing activities	<u>15,100</u>	<u>54,167</u>
NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS	(17,146)	(80,046)
CASH AND CASH EQUIVALENTS—Beginning of period	<u>439,952</u>	<u>519,998</u>
CASH AND CASH EQUIVALENTS—End of period	<u>\$ 422,806</u>	<u>\$ 439,952</u>
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Right-of-use assets obtained in exchange for new operating lease liabilities	<u>\$ 23,072</u>	<u>\$ 21,052</u>
Cash paid for interest	<u>\$ 38,074</u>	<u>\$ 31,988</u>
Noncash additions to property and equipment	<u>\$ 8,440</u>	<u>\$ 3,999</u>

See notes to consolidated financial statements.

RUSH SYSTEM FOR HEALTH
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
AS OF AND FOR THE YEARS ENDED JUNE 30, 2024 AND 2023
(Dollars in thousands)

1. ORGANIZATION AND BASIS OF CONSOLIDATION

Rush System for Health (“RUSH”) is a multihospital health system with operations that consist of several diverse activities with a shared mission of patient care, education, research, and community service. RUSH consists of an academic medical center, Rush University Medical Center (“RUMC”), two community hospitals, Rush Copley Medical Center (“RCMC”) and Rush Oak Park Hospital (“ROPH”), that each serve distinct markets in the Chicago, Illinois, metropolitan area and Rush Health, a physician hospital organization and clinically integrated network. RUMC, RCMC, and ROPH are all Illinois not-for-profit corporations exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Effective March 1, 2017, RUMC and RCMC reorganized their operations under a common corporate parent, Rush System for Health, d/b/a Rush University System for Health (the “System Parent”), an Illinois not-for-profit corporation, which is exempt from federal income taxes under Section 501(c)(3) of the Code. The System Parent, RUMC, RCMC and certain of its subsidiaries, and ROPH comprise the RUSH Obligated Group (the “RUSH Obligated Group” or the “Obligated Group”) pursuant to the Amended and Restated Master Trust Indenture, dated as of February 1, 2015, as amended and as entered into by each member of the Obligated Group (the “Master Trust Indenture”). The members of the RUSH Obligated Group are jointly and severally liable for all debt issued under the Master Trust Indenture.

Rush University Medical Center

RUMC, the largest member of RUSH, is an academic medical center comprising Rush University Hospital (“RUH”) and Rush University, located in Chicago, Illinois.

RUH—A 678-licensed bed acute care and psychiatric hospital in Chicago, Illinois. RUH also includes a faculty practice plan, Rush University Medical Group, which employed 800 physicians as of June 30, 2024.

Rush University—A graduate health sciences university that educates students in health-related fields. This includes over 2,750 students in Rush Medical College, the College of Nursing, the College of Health Sciences, and the Graduate College. Rush University also includes a research operation with \$260,696 and \$240,430 in annual research expenditures during fiscal years 2024 and 2023, respectively.

Rush Oak Park Hospital

ROPH—A 185-licensed bed acute care hospital located in Oak Park, Illinois, eight miles west of RUH. ROPH includes an employed medical group, Rush Oak Park Physicians Group (“ROPPG”), which employed 75 physicians as of June 30, 2024. Effective July 1, 2023, the corporate member of Rush Oak Park Hospital changed from RUMC to the System Parent.

Rush Copley Medical Center

RCMC is the sole corporate member of Copley Memorial Hospital, Inc. (“CMH”), Rush Copley Medical Group NFP (“RCMG”), Copley Ventures, Inc. (“Ventures”), and Rush Copley Foundation, Inc. (“Foundation”).

CMH—A 210-licensed bed hospital located in Aurora, Illinois. CMH provides inpatient, outpatient, and emergency care services for residents of Aurora and surrounding communities in the far western suburbs of Chicago, Illinois.

RCMG—Established to own, operate, control, and otherwise coordinate the activities of physician practice health and medical services and to provide certain physician billing and administrative services. As of June 30, 2024, RCMG employed 98 physicians.

Ventures—Holds title to property for rental purposes and holds ownership of the Rush Copley Healthplex, a health and fitness center.

Foundation—Solicits contributions to support health care activities in the market area, including, but not limited to, those of CMH.

Rush Health

Rush Health is RUSH's physician hospital organization and clinically integrated network that is comprised of both RUSH related and owned entities, which includes RUMC, ROPH, RCMC, and non-related independent providers such as Riverside Healthcare in Kankakee. Non-related independent providers comprise 10% of the organization's membership. Rush Health has approximately 2,500 affiliated providers. Effective August 12, 2019, the System Parent became the sole corporate member of Rush Health, an Illinois-not-for-profit taxable corporation that provides payor and employer contracting, data aggregation and analysis, care coordination, and quality and process improvement services to its members.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements have been presented in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Basis of Consolidation

Included in RUSH's consolidated financial statements are all of its wholly owned or controlled subsidiaries. All intercompany transactions have been eliminated in consolidation.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Accounting Pronouncements

Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, as amended, requires the application of a current expected credit loss ("CECL") impairment model to financial assets measured at amortized cost (including trade accounts receivable), net investments in leases, and certain off-balance-sheet credit exposures. Under the CECL model, lifetime expected credit losses on such financial assets are measured and recognized at each reporting date based on historical, current, and forecasted information. Furthermore, the CECL model requires financial assets with similar risk characteristics to be analyzed on a collective basis. The ASU did not have a material impact on the consolidated financial statements or notes thereto upon adoption on July 1, 2023.

Cash and Cash Equivalents

Cash and investments having an original maturity of 90 days or less when purchased are considered to be cash and cash equivalents. These securities are so near maturity that they present insignificant risk of changes in value.

Patient Service Revenue and Accounts Receivable for Patient Services

Patient service revenue is reported at the amount that reflects the consideration to which RUSH expects to be entitled in exchange for providing patient care. These amounts are due from patients, third-party payors (including health insurers and governmental programs), and others, and includes variable consideration for retroactive revenue adjustments due to settlement of audits, review, and other investigations. Revenue is recognized as performance obligations are satisfied. Performance obligations are determined based on the nature of the services provided by RUSH. Revenue for performance obligations satisfied over time is recognized based on actual charges incurred in relation to total expected charges. RUSH believes that this method provides a faithful depiction of the transfer of services over the term of the performance obligation based on the inputs needed to satisfy the obligation. Generally, performance obligations satisfied over time relate to patients at RUSH receiving inpatient acute care services. For outpatient services, the performance obligation is satisfied as the patient simultaneously receives and consumes the benefits provided as the services are performed. In the case of these outpatient services, recognition of the obligation over time yields the same result as recognizing the obligation at a point in time. RUSH measures the performance obligation from inpatient admission, or the commencement of an outpatient service, to the point when it is no longer required to

provide services to that patient, which is generally at the time of discharge or completion of the outpatient services. RUSH also sells certain goods to patients and customers in a retail setting. The performance obligation is satisfied at a point in time, and revenue is generally recognized when goods are provided to the customer. Any unsatisfied or partially unsatisfied performance obligations at the end of the period are primarily related to inpatient acute care services provided at the end of the reporting period. The performance obligations for these contracts are completed when the patients are discharged, which generally occurs within days or weeks of the end of the reporting period. Amounts related to health care services provided to patients which have not been billed and that do not meet the conditions of an unconditional right to payment at the end of the reporting period are contract assets. Contract asset balances consist primarily of health care services provided to patients who are still receiving inpatient care at RUSH at the end of the year. Such amounts totaled \$18,403 and \$23,268 as of June 30, 2024 and 2023, respectively, and are included within Other current assets in the accompanying consolidated balance sheets.

Consistent with RUSH's mission, care is provided to patients regardless of their ability to pay. RUSH provides care without charge or at amounts less than its established rates to patients meeting certain criteria under its charity care policy. Such amounts determined to qualify as charity care are not reported as revenue.

RUSH determines the transaction price based on standard charges for goods and services provided, reduced by explicit price concessions which consist of contractual adjustments provided to third-party payors and discounts provided to uninsured patients in accordance with RUSH's policy as well as implicit price concessions provided to patients. RUSH determines its estimates of contractual adjustments and discounts based on contractual agreements, published rates, its discount policies and historical experience. RUSH determines its estimate of implicit price concessions based on its historical collection experience. Generally, patients who are covered by third-party payors are responsible for related deductibles and coinsurance, which vary in amount. RUSH determines its estimate of implicit price concessions for patients with deductibles and coinsurance and from those who are uninsured based on historical experience and current market conditions. The initial estimate of the transaction price is determined by reducing the standard charge by any contractual adjustments, discounts and implicit price concessions. RUSH has determined it has provided implicit price concessions to uninsured patients and patients with other uninsured balances, such as copays and deductibles. The implicit price concessions included in estimating the transaction price represent the difference between amounts billed to patients and the amounts RUSH expects to collect based on its collection history with those patients. Such amounts totaled \$39,114 and \$67,303 as of June 30, 2024 and 2023, respectively.

RUSH uses a portfolio approach to account for categories of patient contracts as a collective group rather than recognizing revenue on an individual contract basis. The portfolios consist of major payor classes for inpatient revenue and major payor classes and types of services provided for outpatient revenue. Based on historical collection trends and other analysis, RUSH believes that revenue recognized by utilizing the portfolio approach approximates the revenue that would have been recognized if an individual contract approach were used.

Inventory

Medical supplies, pharmaceuticals, and other inventories are stated at the lower of cost or net realizable value and are included in Other current assets in the accompanying consolidated balance sheets.

Fair Value of Financial Instruments

Financial instruments consist of cash and cash equivalents, investments, derivative instruments, accounts receivable, accounts payable, accrued expenses, estimated third-party settlements, and debt. The fair value of cash and cash equivalents, accounts receivable, accounts payable, accrued expenses, and estimated third-party settlements approximated their financial statement carrying amount as of June 30, 2024 and 2023, because of their short-term maturity.

Assets Limited as to Use and Investments

Assets limited as to use consist primarily of investments limited as to use by donors, assets held by trustees under debt or other agreements and for self-insurance, and board designated assets set aside for a specified future use. Investments in equity and debt securities with readily determinable fair values are measured at fair value using quoted market prices or model-driven valuations.

Alternative investments consist of limited partnerships that invest primarily in funds, private equity and private debt. Alternative investments are reported at net asset value ("NAV") which approximates fair value. Transactions are recorded based on trade date except for those transactions that have not yet settled and shows as pending. They are reported within the investment balance and fair value table at the pending purchase and sale amount.

Investment income or loss (including interest, dividends, realized and unrealized gains and losses, and changes in cost-based valuations) is reported within Non-operating income (loss) within the accompanying consolidated statements of operations and changes in net assets, net of investment related expenses, unless the income or loss is restricted by donor or interpretation of law. Investment gains and losses on RUSH's endowment and trustee-held funds are recognized within Net assets with donor restrictions. Income earned on tax-exempt borrowings for specific construction projects is offset against interest expense capitalized for such projects.

Derivative Instruments

Derivative instruments, specifically interest rate swaps, are recorded in the consolidated balance sheets as either assets or liabilities at their respective fair values as further described in Note 6. The change in the fair value of derivative instruments is reflected in Non-operating income (loss) in the accompanying consolidated statements of operations and changes in net assets. Net cash settlements and payments, representing the realized changes in the fair value of the interest rate swaps, are included in Interest and fees in the accompanying consolidated statements of operations and changes in net assets and as operating cash flows in the accompanying consolidated statements of cash flows.

Property and Equipment

Property and equipment are recorded at cost or, if donated, at fair value at the date of receipt. Expenditures that substantially increase the useful life of existing property and equipment are capitalized. Routine maintenance and repairs are expensed as incurred. Depreciation expense, including amortization of finance lease assets, is recognized over the estimated useful lives of the assets using the straight-line method. Buildings and building service equipment assets have an estimated useful life of 10 to 80 years, moveable equipment assets have an estimated useful life of 5 to 10 years, and computer software and hardware assets have an estimated useful life of 3 to 15 years. RUSH evaluates its long-lived assets for impairment whenever events or changes indicate that their carrying amount may not be recoverable. If circumstances suggest that long-lived assets may be impaired, an assessment of recoverability is performed prior to any write-down of assets. An impairment charge is recorded on those assets for which the estimated fair value is below its carrying amount.

Assets derived from finance leases are included in Property and equipment with the related liability classified in either Accrued expenses or Other long-term liabilities in the accompanying consolidated balance sheets according to the expected timing of lease payments.

Operating Lease Right of Use Assets and Lease Liabilities

RUSH determines if an arrangement is a lease or contains a lease at inception through review of the underlying agreement and determination of whether an identifiable asset exists that RUSH has the right to control. Leases result in the recognition of Right-of-Use (ROU) assets and lease liabilities in the consolidated balance sheets. ROU assets represent the right to use an underlying asset for the lease term, and lease liabilities represent the obligation to make lease payments arising from the lease, measured on a discounted basis. RUSH determines lease classification as operating or finance at the lease commencement date.

At lease inception, the lease liability is measured at the present value of the lease payments over the lease term. The ROU asset equals the lease liability adjusted for any initial direct costs, prepaid or deferred rent, and lease incentives. RUSH has made a policy election to use a risk-free rate using a period comparable with the lease term for the initial and subsequent measurement of all lease liabilities. RUSH has also elected a policy to combine lease and non-lease components in its measurement of ROU assets and lease liabilities.

The lease term will include options to extend or to terminate the lease only if RUSH is reasonably certain to exercise the option. Lease expense is generally recognized on a straight-line basis over the lease term.

RUSH has elected not to record leases with an initial term of twelve months or less in the consolidated balance sheets. Lease expense on such leases as well as variable lease costs are recognized as incurred in Supplies, utilities and other in the accompanying consolidated statements of operations and changes in net assets.

Asset Retirement Obligations

RUSH recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred if a reasonable estimate of the fair value of the obligation can be made. When the liability is initially recorded, RUSH capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. The liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle an asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations and changes in net assets. Asset retirement obligations are reported in Other long-term liabilities in the accompanying consolidated balance sheets and amounted to \$27,765 and \$26,813 as of June 30, 2024 and 2023, respectively.

Ownership Interests in Other Health-Related Entities

RUSH has a majority ownership interest in a number of subsidiaries, which provide outpatient surgical services. An ownership interest of more than 50% in another health-related entity in which RUSH has a controlling interest is consolidated. As of June 30, 2024 and 2023, noncontrolling interests in consolidated subsidiaries amounted to \$5,363 and \$12,449, respectively. The amounts related to noncontrolling interests are recorded in Net assets without donor restrictions. RUSH also has affiliations with and interests in other organizations that are not consolidated. These organizations primarily provide outpatient health care and managed care contracting services. An ownership interest in another health-related entity of at least 20%, but not more than 50%, in which RUSH has the ability to exercise significant influence over the operating and financial decisions of the investee, is accounted for on the equity basis, and the income (loss) is reflected in Other revenue on the consolidated statements of operations and changes in net assets. An ownership interest in a health-related entity of less than 20%, in which RUSH does not have the ability to exercise significant influence over the operating and financial decisions of the investee, is carried at cost or estimated net realizable value and reported within Other noncurrent assets in the accompanying consolidated balance sheets.

Debt Issuance Costs

Debt issuance costs, net of amortization, are computed using the effective interest method over the life of the related debt and is reported within Long-term debt—less current portion in the consolidated balance sheets. Unamortized debt issuance costs amounted to \$4,420 and \$5,989 as of June 30, 2024 and 2023, respectively.

Other Noncurrent Assets

Other noncurrent assets include investments in joint ventures accounted for using the equity method of accounting, unconditional promises to contribute, goodwill, insurance recoveries, and other intangible assets. RUSH continually evaluates the recoverability of the carrying value of long-lived assets, such as goodwill, by assessing assets for impairment.

Other Long-Term Liabilities

Other long-term liabilities include asset retirement obligations, employee benefit plan liabilities for certain defined contribution and supplemental retirement plans other than defined benefit pension plans, liabilities for derivative instruments, and other long-term obligations.

Net Assets

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

Net Assets Without Donor Restrictions—Net assets without donor restrictions are resources available to support operations. The only limits on the use of these assets are the broad limits resulting from the nature of the organization, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of business. The net assets without donor restrictions of RUSH are primarily derived from annual excess of revenues over expenses and net assets released from donor restrictions for operations. Voluntary resolutions by the Board to designate a portion of its net assets without donor restrictions for specific purposes are presented as board designated. Because these designations are voluntary and may be reversed by the Board at any time, board-designated net assets are included under the caption “without donor restrictions.”

Net Assets With Donor Restrictions—Net assets with donor restrictions are resources that are restricted by a donor for use for a particular purpose or in a particular future period. Some donor-imposed restrictions are temporary in nature, and the restriction will expire when the resources are used in accordance with the donor’s instructions or when the stipulated time has passed. Other donor-imposed restrictions are perpetual in nature, whereby the organization must continue to use the resources in accordance with the donor’s instructions.

Contributions

Unconditional contributions and promises to contribute cash and other assets (pledge receivable) are reported at fair value at the date the promise is received. Fair value is estimated as the net present value of the estimated future cash flows of such awards. Estimated future cash flows due after one year are discounted using interest rates commensurate with the time value of money concept. Net unconditional promises to contribute within the next year are reported in Other current assets in the accompanying consolidated balance sheets and amounted to \$14,121 and \$12,450 as of June 30, 2024 and 2023, respectively. Net unconditional promises to contribute beyond one year are reported in Other noncurrent assets in the accompanying consolidated balance sheets and amounted to \$31,845 and \$33,585 as of June 30, 2024 and 2023, respectively.

Conditional contributions are recorded as revenue when the conditions are met. Contributions are conditional when there are barriers that RUSH must overcome to be entitled to the funds. RUSH has received approximately \$168,537 and \$179,343 of conditional contributions whose conditions have not been met as of June 30, 2024 and 2023, respectively. Of the fiscal 2024 amount, approximately \$116,496 relates to federal, state, and local grant awards where RUSH expects to meet the condition of incurring allowable expenditures under the various grants within the next twelve months. Another \$52,041 is related to awards from foundations and other not-for-profit organizations where RUSH expects to recognize the contribution once the conditions have been met. Of the fiscal 2023 amount, approximately \$133,921 relates to federal, state, and local grant awards where RUSH expects to meet the condition of incurring allowable expenditures under the various grants within the next twelve months. Another \$45,422 is related to awards from foundations and other not-for-profit organizations where RUSH expects to recognize the contribution once the conditions have been met.

Unconditional contributions and conditional contributions whose conditions have been met are reported as Net assets with donor restrictions if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, the restricted net assets are released as net assets without restrictions and reported in the consolidated statements of operations as Other revenue (if time restricted or restricted for operating purposes) or reported in the consolidated statements of changes in net assets as Net assets released from restrictions used for purchase of property and equipment (if restricted for capital acquisitions). Donor-restricted contributions for operating purposes whose restrictions are met within the same year as either received or the same year as the condition is met are reported as Other revenue in the accompanying consolidated statements of operations and changes in net assets.

RUSH is the beneficiary of several split-interest agreements, primarily perpetual trusts held by others, which are recorded in Assets limited as to use and investments within the accompanying consolidated balance sheets. RUSH recognizes its interest in these trusts based on either RUSH’s percentage of the fair value of the trust assets or the present value of expected future cash flows to be received from the trusts, as appropriate, based on each trust arrangement.

Excess (Deficit) of Revenues over Expenses

The consolidated statements of operations and changes in net assets include excess (deficit) of revenues over expenses as a performance indicator. Excess (deficit) of revenues over expenses includes all changes in net assets without donor restrictions, net of investment related expenses, except for contributions of (and assets released from donor restrictions related to) long-lived assets, and other items that are required by GAAP to be reported separately (such as postretirement-related changes other than net periodic postretirement costs, and the cumulative effect of changes in accounting principle).

Non-Operating Income (Loss)

Non-operating income (loss) includes items not directly associated with patient care or other core operations of RUSH. Non-operating income (loss) consists primarily of investment returns without donor restrictions, endowment investment income appropriated for use, the difference between total investment return and amount allocated to operations for investments designated for self-insurance programs, investment income or loss (including interest, dividends, and realized and unrealized gains and losses), net of investment related expenses, on all other investments unless restricted by donor or interpretation of law, changes in the fair value of interest rate swaps, gains and losses on derivative contracts, pension settlement expenses, contributions without donor restrictions, and fundraising expenses.

Consideration of Events Subsequent to the Consolidated Balance Sheet Date

RUSH has evaluated events occurring subsequent to the consolidated balance sheet date through October 25, 2024, the date the consolidated financial statements were issued. There were no significant subsequent events through this date, with the exception of the item below.

Effective July 1, 2024, Rush Medical Group, an Illinois not-for-profit corporation ("RMG"), was admitted as a Member of the Obligated Group pursuant to Master Trust Indenture. This represents the unification of the three medical group activities under the Obligated Group members. As such, the new member will include operations that were held in other entities.

3. PATIENT SERVICE REVENUE

The mix of patient service revenue recognized during the years ended June 30, 2024 and 2023, by major payor source and by lines of business, was as follows:

	June 30, 2024				
	Hospitals	Physician Groups	Clinical Joint Ventures & Other	Total	%
Medicare	\$ 501,209	\$ 56,832	\$ 6,306	\$ 564,347	17.8 %
Medicare Managed Care	264,711	41,520	28,600	334,831	10.6
Medicaid	82,693	6,333	2,185	91,211	2.8
Medicaid Managed Care	379,658	43,048	31,472	454,178	14.3
Managed Care	404,778	76,304	34,432	515,514	16.3
Blue Cross	762,449	117,249	16,298	895,996	28.3
Commercial, Self-Pay, and Other	258,909	46,443	9,126	314,478	9.9
Total Patient Service Revenue	<u>\$ 2,654,407</u>	<u>\$ 387,729</u>	<u>\$ 128,419</u>	<u>\$ 3,170,555</u>	<u>100.0 %</u>
	June 30, 2023				
	Hospitals	Physician Groups	Clinical Joint Ventures & Other	Total	%
Medicare	\$ 484,740	\$ 60,887	\$ 6,381	\$ 552,008	18.9 %
Medicare Managed Care	209,310	32,811	30,727	272,848	9.4
Medicaid	66,277	6,714	2,488	75,479	2.6
Medicaid Managed Care	346,542	41,366	32,704	420,612	14.5
Managed Care	343,082	68,630	32,992	444,704	15.2
Blue Cross	712,330	106,095	16,197	834,622	28.6
Commercial, Self-Pay, and Other	259,888	47,722	8,491	316,101	10.8
Total Patient Service Revenue	<u>\$ 2,422,169</u>	<u>\$ 364,225</u>	<u>\$ 129,980</u>	<u>\$ 2,916,374</u>	<u>100.0 %</u>

Agreements with third-party payors typically provide for payments at amounts less than established charges. A summary of the payment arrangements with major third-party payors follows:

Medicare and Medicare Managed Care: Certain inpatient acute care services are paid at prospectively determined rates per discharge based on clinical, diagnostic, and other factors. Certain services are paid based on cost-reimbursement methodologies subject to certain limits. Physician services are paid based upon established fee schedules. Outpatient services are paid using prospectively determined rates.

Medicaid and Medicaid Managed Care: Medicaid services are generally paid at prospectively determined rates per discharge, per occasion of service.

Blue Cross, Managed Care, Commercial, and Other: Payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations provide for payment using prospectively determined rates per discharge, discounts from established charges, and prospectively determined daily rates.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations, specifically those relating to the Medicare and Medicaid programs, can be subject to review and interpretation, as well as regulatory actions unknown and unasserted at this time. Federal government activity continues with respect to investigations and allegations concerning possible violations of regulations by health care providers, which could result in the imposition of significant fines and penalties, as well as significant repayment of previously billed and collected revenues from patient services. Management believes that RUSH is in substantial compliance with current laws and regulations.

Laws and regulations governing payment programs are complex and subject to interpretation. Settlements with third-party payors for retroactive adjustments due to audits, reviews or investigations are considered variable consideration and are included in the determination of the estimated transaction price for providing patient care using the most likely outcome

method. These settlements are estimated based on the terms of the payment agreements with the payor, correspondence from the payor and historical settlement activity, including an assessment to ensure that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the retroactive adjustment is subsequently resolved. Estimated settlements are adjusted in future periods as new information becomes available or as years are settled or are no longer subject to such audits, reviews and investigations. As a result, there is a reasonable possibility that recorded estimated third-party settlements could change by a material amount.

RUSH has filed formal appeals relating to the settlement of certain prior year Medicare cost reports. The outcome of such appeals cannot be determined at this time. Any resulting gains will be recognized in the consolidated statements of operations and changes in net assets when realized.

4. CHARITY CARE

RUSH has an established charity care policy and maintains records to identify and monitor the level of charity care it provides.

RUMC patients with a family income between 200% and 400% of the current federal poverty level are eligible to apply for charity care and receive a discount of 100%. Additionally, uninsured patients with family income between 201% and 600% of the current federal poverty level automatically receive an 80% discount while uninsured patients with a family income above 600% of the current federal poverty level receive a 50% discount. RUMC also provides free care to all uninsured patients whose family income is 200% or less of the current federal poverty level.

RCMC provides free care to all patients who apply and provide documents supporting income and asset levels of less than 300% of the current-year federal poverty level, a 30% discount to all uninsured patients regardless of ability to pay, and discounts balances to patients under 600% of the poverty level. Interest-free payment plans are also provided.

Charity care includes the estimated cost of unreimbursed services provided and supplies furnished under its charity care policy and the excess of cost over reimbursement for Medicaid patients. The estimated cost of charity care provided is determined using a ratio of cost to gross charges and multiplying that ratio by the gross unreimbursed charges associated with providing care to charity patients.

In December 2008, the Centers for Medicare and Medicaid Services approved the Illinois Hospital Assessment Program (the "Program") to improve Medicaid reimbursement for Illinois hospitals. This Program increased patient service revenue in the form of additional Medicaid payments and increased expense through a tax assessment from the State of Illinois. The net benefit to RUSH from the Program was \$107,113 and \$86,733 during the years ended June 30, 2024 and 2023, respectively. For the years ended June 30, 2024 and 2023, the Medicaid payment of \$195,064 and \$168,660 was included in Patient service revenue, representing 6.2% and 5.8% of the patient service revenue for fiscal years 2024 and 2023, respectively, and the tax assessment of \$87,951 and \$81,927, respectively, was included in Supplies, utilities, and other expenses within the consolidated statements of operations and changes in net assets.

The following table presents the level of charity care and unreimbursed Medicaid services provided for the years ended June 30, 2024 and 2023:

	2024	2023
Excess of allocated cost over reimbursement for services provided to hospital Medicaid patients—net of net benefit under the Program	\$ 152,385	\$ 186,247
Estimated costs and expenses incurred to provide charity care in the hospitals	<u>37,593</u>	<u>28,704</u>
Total	<u>\$ 189,978</u>	<u>\$ 214,951</u>

Beyond the cost to provide charity care and unreimbursed services to hospital Medicaid patients, RUSH also provides substantial additional benefits to the community, including educating future health care providers, supporting research into new treatments for disease, and providing subsidized medical services in response to community and health care needs, as well as other volunteer services. These community services are provided free of charge or at a fee below the cost of providing them.

5. ASSETS LIMITED AS TO USE AND INVESTMENTS

Assets limited as to use and investments consist primarily of equity and debt securities, which are held in investment pools to satisfy the investment objectives for which the assets are held or to satisfy donor restrictions. RUSH also holds certain investments in alternative investments consisting of hedge funds, private equity, and private debt.

Following is a summary of the composition of assets limited as to use and investments as of June 30, 2024 and 2023:

	2024	2023
Marketable securities and short-term investments	\$ 11,991	\$ 28,857
Fixed income securities	346,432	471,143
Public equity securities	707,977	475,685
Mutual funds	797,893	606,959
Alternative investments	632,342	695,454
Other	<u>13,769</u>	<u>3,307</u>
Total investments	2,510,404	2,281,405
Beneficial interest in trusts	<u>36,317</u>	<u>32,787</u>
Total assets limited as to use and investments	2,546,721	2,314,192
Less amount reported as current assets	<u>(57,209)</u>	<u>(57,209)</u>
Assets limited as to use and investments—noncurrent	<u>\$ 2,489,512</u>	<u>\$ 2,256,983</u>

It is RUMC's intent to maintain a long-term investment portfolio to support its self-insurance program. Accordingly, the total return on investments restricted for the self-insurance program is reported in the consolidated statements of operations and changes in net assets in three separate line items. The investment return allocated to operations, reported in Other revenue, is determined by a formula designed to provide a consistent stream of investment earnings to support the self-insurance provision reported in Insurance expense in the accompanying consolidated statements of operations and changes in net assets. This allocated return, 4.5% for the years ended June 30, 2024 and 2023, approximates the real return that RUSH expects to earn on its investments over the long term and totaled \$7,705 and \$7,612 for the years ended June 30, 2024 and 2023, respectively. The difference between the total investment return and the amount allocated to operations is reported in Non-operating income (loss) and totaled \$8,010 and \$4,813 for the years ended June 30, 2024 and 2023, respectively. There is no guarantee that the investment return expected by management will be approximately 9.9% and 7.2%, respectively.

The composition and presentation of investment income and the realized and unrealized gains and losses on all investments, net of investment related expenses, for the years ended June 30, 2024 and 2023, are as follows:

	2024	2023
Interest and dividends	\$ 60,931	\$ 41,832
Net realized gains (losses) on sales of securities	134,506	5,020
Unrealized gains (losses)—without donor restrictions	58,687	77,189
Unrealized gains (losses)—with donor restrictions	<u>5,802</u>	<u>54,201</u>
	<u>\$ 259,926</u>	<u>\$ 178,242</u>
Reported as:		
Other revenue	\$ 9,986	\$ 8,855
Non-operating income (loss)	152,727	93,465
Net assets with donor restrictions—net realized and unrealized gains (losses) on investments	<u>97,213</u>	<u>75,922</u>
	<u>\$ 259,926</u>	<u>\$ 178,242</u>

6. FAIR VALUE MEASUREMENTS

As of June 30, 2024 and 2023, RUSH held certain assets and liabilities that are required to be measured at fair value on a recurring basis, including marketable securities and short-term investments, certain restricted, trustee and other investments, derivative instruments, and beneficial interests in trusts.

Valuation Principles

Under FASB Accounting Standard Codification 820, *Fair Value Measurement*, fair value is defined as an exit price, representing the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The valuation techniques used to measure fair value are based upon observable and unobservable inputs. Observable inputs generally reflect market data from independent sources and are supported by market activity, while unobservable inputs are generally unsupported by market activity. The three-level valuation hierarchy, which prioritizes the inputs used in measuring fair value of an asset or liability at the measurement date, includes:

Level 1 Inputs—Quoted prices (unadjusted) for identical assets or liabilities in active markets. Securities typically priced using Level 1 inputs include listed equities and exchange-traded mutual funds.

Level 2 Inputs—Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets and liabilities in nonactive markets, and model-driven valuations whose inputs are observable for the asset or liability, either directly or indirectly. Securities typically priced using Level 2 inputs include government bonds (including US treasuries and agencies), corporate and municipal bonds, collateralized obligations, interest rate swaps, commercial paper, currency options, and pending transactions.

Level 3 Inputs—Unobservable inputs for which there is little or no market data available are based on the reporting entity's own judgment or estimation of the assumptions that market participants would use in pricing the asset or liability. The fair values for securities typically priced using Level 3 inputs are determined using model-driven techniques, which include option-pricing models, discounted cash flow models, and similar methods. The Level 3 classification includes beneficial interests in trusts and other privately held investments.

Marketable Securities and Short-Term Investments—Marketable securities and short-term investments classified as Level 1 are invested in a short-term collective fund that serves as an investment vehicle for cash reserves. Fair value was determined using market rates as of the valuation dates. These funds are invested in high quality and short-term money market instruments with daily liquidity.

Fixed Income Securities—Fixed income securities consist primarily of U.S. government and agency securities, corporate bonds, and asset-backed securities, all of which are classified as Level 2. The fair value of investments in U.S. government and agency

securities and corporate bonds was primarily determined using techniques consistent with the market approach, including matrix pricing and significant observable inputs of institutional bids, trade data, broker and dealer quotes, discount rates, issues spreads, and benchmark yield curves. The asset-backed securities encompass collateralized bond obligations, collateralized loan and mortgage obligations any other asset-backed securities. The fair value of these securities was determined using techniques consistent with market and income approach, such as discount cash flows and matrix pricing. Repurchase agreements are valued using a market-based approach and are carried at amortized cost, which approximates fair value.

Public equity securities—Public equity securities consists of common and preferred stock. The fair values of common and preferred stock are determined by obtaining quoted prices from a nationally recognized exchange (Level 1 inputs). Other preferred stocks are valued based on recent bid prices or average of recent bid and asked prices when available (Level 2 inputs), and, if not available, they are valued through matrix pricing models developed by sources considered by management to be reliable.

Mutual Funds—The fair values of mutual fund investments are determined by obtaining quoted prices on nationally recognized securities exchanges (Level 1 inputs). The fair values of the mutual fund investments that are based on their net asset values, as reported by the managers and as supported by the unit prices of actual purchase and sale transactions occurring as of or close to the financial statement date (Level 2 inputs). Investments in the collective trust fund can be redeemed immediately at net assets value per share.

Alternative Investments—Investments within this category consist primarily of hedge fund of funds, private equity partnerships, and private debt. The hedge fund of funds consists of diversified investments including equity long/short, credit long/short, event-drive, relative value, global opportunities, and other multi-strategy funds. Hedge fund of funds investments are valued based on RUSH's ownership interest in the NAV of the respective fund as estimated by the general partner, which approximates fair value. Private equity and private debt partnerships are valued based on the estimated fair values of the nonmarketable private equity and private debt partnerships in which it invests, which is an equivalent of NAV.

Derivative Liabilities—Derivatives, including interest rate swaps and other, are fair valued according to their classification as either exchange-traded or over-the-counter (OTC). The derivatives consist of OTC interest rate swaps. These derivatives are fair valued under Level 2 using third-party services. Observable market inputs include yield curves (as of June 30, 2024, the Secured Overnight Financing Rate and as of June 30, 2023, the London Interbank Offered Rate swap curve and applicable basis swap curves), counterparty credit risk and other related data. Credit valuation adjustments are required to reflect both our own nonperformance risk and the respective counterparty's nonperformance risk. These adjustments are determined generally by applying a credit spread as appropriate to the total expected exposure of the derivative.

Fair Value Measurements at the Consolidated Balance Sheet Date

The following tables present RUSH's fair value hierarchy for its financial assets and liabilities measured at fair value or NAV, which approximates fair value, on a recurring basis as of June 30, 2024 and 2023:

Fair Value Measurements as of June 30, 2024	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 11,991	\$ -	\$ -	\$ 11,991
Fixed Income Securities:				
U.S. Government and Agency securities	-	223,216	-	223,216
Corporate Bonds	-	73,259	-	73,259
Asset backed securities and other	-	43,947	6,010	49,957
Public Equity Securities	707,319	658	-	707,977
Mutual Funds	788,679	9,214	-	797,893
Other assets	-	-	45,831	45,831
Total assets at fair value	<u>\$ 1,507,989</u>	<u>\$ 350,294</u>	<u>\$ 51,841</u>	\$ 1,910,124
Investments Valued at NAV				\$ 632,342
Pending Trades				(1,221)
Accrued Income				5,476
Total assets				\$ 2,546,721
Liabilities				
Obligations under interest rate swap agreements	\$ -	\$ (2,329)	\$ -	\$ (2,329)
Derivative liabilities	-	(599)	-	(599)
Total liabilities at fair value	<u>\$ -</u>	<u>\$ (2,928)</u>	<u>\$ -</u>	<u>\$ (2,928)</u>
Fair Value Measurements as of June 30, 2023	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 29,055	\$ -	\$ -	\$ 29,055
Fixed Income Securities:				
U.S. Government and Agency securities	-	306,766	-	306,766
Corporate Bonds	107	62,118	-	62,225
Asset backed securities and other	-	91,620	6,157	97,777
Public Equity Securities	472,326	3,359	-	475,685
Mutual Funds	557,411	7,837	-	565,248
Other assets	-	-	35,608	35,608
Total assets at fair value	<u>\$ 1,058,899</u>	<u>\$ 471,700</u>	<u>\$ 41,765</u>	\$ 1,572,364
Investments Valued at NAV				\$ 741,540
Pending Trades				(9,876)
Total assets				\$ 2,304,028
Liabilities				
Obligations under interest rate swap agreements	\$ -	\$ (3,764)	\$ -	\$ (3,764)
Derivative liabilities	194	(509)	-	(315)
Total liabilities at fair value	<u>\$ 194</u>	<u>\$ (4,273)</u>	<u>\$ -</u>	<u>\$ (4,079)</u>

Level 3 Rollforward

A rollforward of the amounts in the consolidated balance sheets for financial instruments classified by RUSH within Level 3 of the fair value hierarchy is as follows:

	Total
Fair value—June 30, 2022	\$ 36,996
Actual return on investments—Realized and unrealized gains and (losses)	1,904
Purchases	2,865
Sales	<u>-</u>
Fair value—June 30, 2023	41,765
Actual return on investments—Realized and unrealized gains and (losses)	3,599
Purchases	6,477
Sales	<u>-</u>
Fair value—June 30, 2024	<u>\$ 51,841</u>

During the fiscal year 2024 and 2023, there were no transfers in Level 3 investments.

Investments in Entities that Report Fair Value Using NAV

Included within the fair value table above are investments in certain entities that report fair value using a calculated NAV or its equivalent. These investments consist of common collective trusts, hedge funds, private equity, and private debt. The NAV instruments listed in the fair value measurement tables use the following valuation techniques and inputs as of the valuation date:

Common Collective Trusts—Commingled funds formed from the pooling of investments under common management. Unlike a mutual fund, these investments are not registered investment companies and therefore are exempt from registering with the Securities and Exchange Commission. Underlying investments within this category consist of public equity securities. The fair value of common collective trusts classified at NAV are primarily determined using the calculated NAV at the valuation date under a market approach.

Alternative Investments—Investments within this category consist primarily of hedge funds, private equity and private debt. Hedge fund investments are valued based on RUSH's ownership interest in the NAV of the respective fund as estimated by the general partner, which approximates fair value. Private equity and private debt partnerships are valued based on the estimated fair values of the nonmarketable private equity and private debt partnerships in which it invests, which is an equivalent of NAV.

The following table summarizes RUSH's investments and unfunded commitments that report fair value using NAV as of June 30, 2024 and 2023:

Entities that Report Fair Value Using NAV	Fair Value at June 30, 2024	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Common Collective Trusts	\$ 317,067	None	Daily/Monthly	1-15 days
Alternative Investments:				
Hedge Funds	47,458	None	Quarterly	65-95 days
Private Equity	<u>267,817</u>	<u>92,980</u>	Not currently redeemable	N/A
Total	<u>\$ 632,342</u>	<u>\$ 92,980</u>		

Entities that Report Fair Value Using NAV	Fair Value at June 30, 2023	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Common Collective Trusts	\$ 392,041	None	Daily/Monthly	1-15 days
Alternative Investments:				
Hedge Funds	71,385	None	Quarterly	65-95 days
Private Equity	<u>278,114</u>	<u>107,593</u>	Not currently redeemable	N/A
Total	<u>\$ 741,540</u>	<u>\$ 107,593</u>		

7. ENDOWMENT FUNDS

RUSH's endowment consists of more than 500 individual funds, which are established for a variety of purposes. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

Interpretation of Relevant Law

RUSH has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring preservation of the original value of the gift as of the gift date absent explicit donor stipulations to the contrary. As a result of this interpretation, RUSH classifies as net assets with donor restrictions (a) the original value of gifts donated to the permanent endowment, (b) the original value of any subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable gift instrument at the time the accumulation is added to the fund. In accordance with UPMIFA, RUSH considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

- The duration and preservation of the fund
- The purposes of the organization and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the organization
- The investment policies of the organization

Endowment Investment and Spending Policies

RUSH has adopted endowment investment and spending policies to preserve purchasing power over the long term and provide stable annual support to the programs supported by the endowment, including professorships, research and education, free care, student financial aid, scholarships, and fellowships. Approximately 15% and 16% of RUSH's endowment is available for general purposes for the years ended June 30, 2024 and 2023.

The System Investment Committee (the “Committee”) of the System Parent’s Board of Directors (the “System Board”) is established by the System Board for the primary purpose of assisting the System Board in the oversight of the asset pools of RUSH and its subsidiary hospitals, RUMC, ROPH and RCMC (collectively “Subsidiary Hospitals” and each a “Subsidiary Hospital”). To fill its advisory oversight responsibilities, the Committee shall review and recommend to the investment policies of RUSH and its Subsidiary Hospitals, including investment objectives and asset allocation targets.

The asset allocation policy reflects the objective with allocations structured for capital growth and inflation protection over the long term. The current asset allocation targets and ranges as well as the asset allocation as of June 30, 2024 and 2023, are as follows:

Asset Class	Target Allocation and Range	Percentage of Endowment Assets	
		2024	2023
Public Equity	60% (+/- 10%)	61 %	63 %
Fixed Income	15% (+/- 10%)	15	7
U.S. Treasuries	10% (+/- 10%)	5	10
Private Equity	15% (+/- 10%)	19	20
Cash	-	-	-

To achieve its long-term rate of return objectives, RUSH relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current income (interest and dividends). The expected long-term rate of return target of the endowment given its current asset allocation structure is approximately 7.0%. Actual returns in any given year may vary from this amount. RUSH has established market-related benchmarks to evaluate the endowment fund’s performance on an ongoing basis.

The System Parent Board of Trustees approves the annual spending policy for program support. In establishing the annual spending policy, RUSH’s main objectives are to provide for intergenerational equity over the long term, the concept that future beneficiaries will receive the same level of support as current beneficiaries on an inflation-adjusted basis, and to maximize annual support to the programs supported by the endowment. The spending rate was 4.5% for the fiscal years ended June 30, 2024 and 2023, and income from the endowment fund provided \$38,703 and \$27,138 of support for RUSH’s programs during the fiscal years ended June 30, 2024 and 2023, respectively.

Composition of Endowment Fund and Reconciliation

The endowment net asset composition by type of fund as of June 30, 2024, consisted of the following:

	Without Restrictions	With Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 896,436	\$ 896,436
Board-designated endowment funds	<u>9,361</u>	<u>-</u>	<u>9,361</u>
Total funds	<u>\$ 9,361</u>	<u>\$ 896,436</u>	<u>\$ 905,797</u>

Changes in endowment net assets for the fiscal year ended June 30, 2024, consisted of the following:

	Without Restrictions	With Restrictions	Total
Endowment net assets—June 30, 2023	<u>\$ 8,933</u>	<u>\$ 826,129</u>	<u>\$ 835,062</u>
Contributions	-	3,810	3,810
Net investment return	689	96,916	97,605
Transfer of endowment/appreciation	(261)	(43,830)	(44,091)
Endowment income reclass	<u>\$ -</u>	<u>13,411</u>	<u>13,411</u>
Endowment net assets—June 30, 2024	<u>\$ 9,361</u>	<u>\$ 896,436</u>	<u>\$ 905,797</u>

The endowment net asset composition by type of fund as of June 30, 2023, consisted of the following:

	Without Restrictions	With Restrictions	Total
Donor-restricted endowment funds	\$ -	\$ 826,129	\$ 826,129
Board-designated endowment funds	<u>8,933</u>	<u>-</u>	<u>8,933</u>
Total funds	<u>\$ 8,933</u>	<u>\$ 826,129</u>	<u>\$ 835,062</u>

Changes in endowment net assets for the fiscal year ended June 30, 2023, consisted of the following:

	Without Restrictions	With Restrictions	Total
Endowment net assets—June 30, 2022	<u>\$ 13,605</u>	<u>\$ 774,181</u>	<u>\$ 787,786</u>
Contributions	-	8,472	8,472
Net investment return	594	75,855	76,449
Transfer of endowment/appreciation	<u>(5,266)</u>	<u>(32,379)</u>	<u>(37,645)</u>
Endowment net assets—June 30, 2023	<u>\$ 8,933</u>	<u>\$ 826,129</u>	<u>\$ 835,062</u>

Fund Deficiencies

RUSH monitors the accumulated losses on investments within net assets with donor restriction to be maintained in perpetuity to determine whether the endowment corpus has been impaired. The endowment funds are invested in an investment pool, which also includes investments with net assets restricted by donors for a specific time period or purpose and investments within net assets without donor restrictions. Endowments were not impaired for the fiscal year ended June 30, 2024 and 2023.

8. PROPERTY AND EQUIPMENT—NET

Property and equipment—net as of June 30, 2024 and 2023 consisted of the following:

	2024	2023
Land and buildings	\$ 2,725,322	\$ 2,697,915
Equipment	1,113,169	1,037,451
Construction in progress	<u>167,000</u>	<u>162,383</u>
Total	4,005,491	3,897,749
Less accumulated depreciation	<u>(2,111,639)</u>	<u>(2,017,520)</u>
Property and equipment—net	<u>\$ 1,893,852</u>	<u>\$ 1,880,229</u>

Property and equipment—net includes financing leases of \$12,617 and \$5,041 in equipment as of June 30, 2024 and 2023, respectively. Accumulated depreciation on leased equipment amounted to \$3,456 and \$2,131 as of June 30, 2024 and 2023, respectively.

RUSH continues to make campus improvements and has a number of construction projects planned with a Master Facility Plan that began in fiscal year 2017. As of June 30, 2024 and 2023, RUSH had construction commitments outstanding of \$111,585 and \$121,848, respectively.

9. LONG-TERM DEBT AND CREDIT ARRANGEMENTS

RUSH's long-term debt is issued under a Master Trust Indenture, which established the Obligated Group composed of the System Parent, RUMC, RCMC and certain of its subsidiaries, and ROPH. The Obligated Group is jointly and severally liable for the obligations issued under the Master Trust Indenture. Each Obligated Group member is expected to pay its allocated share of the debt issued on its behalf. As of June 30, 2024 and 2023, such issuances are secured by a pledge of gross receipts, as defined, of the Obligated Group members.

A summary of RUSH's long-term debt as of June 30, 2024 and 2023, is as follows:

Illinois Finance Authority Revenue Bonds	Interest Rates	Final Maturity Date	Amount Outstanding at June 30,	
			2024	2023
Fixed-rate revenue bonds: Series 2015 A/B	5.00%	November 15, 2039	<u>\$ 406,590</u>	<u>\$ 417,705</u>
Variable-rate revenue bonds: Series 2016	Average of 4.42% and 3.83% in FY2024 and FY2023, respectively	November 1, 2045	<u>50,000</u>	<u>50,000</u>
Total tax-exempt debt			<u>456,590</u>	<u>467,705</u>
Other debt:				
2020 Taxable Bonds	3.92%	November 15, 2029	330,000	330,000
Rush Oak Brook Orthopaedic Center, LLC Series 2019	4.75%	March 5, 2026	-	36,575
	1.78%	September 1, 2049	<u>32,914</u>	<u>33,899</u>
Total par value of debt			819,504	868,179
Less current portion of long-term debt			(12,598)	(13,510)
Debt issuance costs			(4,420)	(5,989)
Less unamortized premium			<u>35,693</u>	<u>39,832</u>
Long-term debt			<u><u>\$ 838,179</u></u>	<u><u>\$ 888,512</u></u>

Under its various indebtedness agreements, the Obligated Group is subject to certain financial covenants, including maintaining a minimum historical debt service coverage and maximum annual debt service coverage ratios; maintaining minimum levels of days cash on hand; limitations on selling, leasing, or otherwise disposing of Obligated Group property; and certain other nonfinancial covenants. Management believes the Obligated Group was in compliance with its financial covenants as of June 30, 2024 and 2023.

Annual maturities of outstanding long-term debt are as follows:

<u>Years Ending June 30</u>	
2025	\$ 12,598
2026	19,746
2027	20,720
2028	21,749
2029	22,838
Thereafter	<u>721,853</u>
Total	<u><u>\$ 819,504</u></u>

Lines of Credit Arrangements

During fiscal year 2024, RUSH renegotiated and amended the existing three-year line by increasing the limit to \$150,000 and extending the maturity date to February 2027. As of June 30, 2024 and 2023, no amounts were drawn or outstanding on this line of credit and the full amount of the line of credit was available for use. The line of credit fee for the years ended June 30, 2024 and 2023, was \$152 and \$134, respectively, and included in Interest and fees within the accompanying consolidated statements of operations and changes in net assets.

10. DERIVATIVES

Derivatives Policy

The Obligated Group uses derivative instruments, specifically interest rate swaps, to manage its exposure to changes in interest rates on variable rate borrowings. The use of derivative instruments exposes the Obligated Group to additional risks related to the derivative instrument, including market, credit, and termination, as described below, and the Obligated Group has defined risk management practices to mitigate these risks.

Market risk represents the potential adverse effect on the fair value and cash flow of a derivative instrument due to changes in interest rates or rate spreads. Market risk is managed through ongoing monitoring of interest rate exposure based on set parameters regarding the type and degree of market risk that the Obligated Group will accept. Credit risk is the risk that the counterparty on a derivative instrument may be unable to perform its obligations during the term of the contract. When the fair value of a derivative contract is positive (an asset to the Obligated Group), the counterparty owes the Obligated Group, which creates credit risk. Credit risk is managed by setting stringent requirements for qualified counterparties at the date of execution of a derivative transaction and requiring counterparties to post collateral in the event of a credit rating downgrade or if the fair value of the derivative contract exceeds a negotiated threshold. Termination risk represents the risk that the Obligated Group may be required to make a significant payment to the counterparty if the derivative contract is terminated early. Termination risk is assessed at onset by performing a statistical analysis of the potential for a significant termination payment under various scenarios designed to encompass expected interest rate changes over the life of the proposed contract. The test measures the ability to make a termination payment without a significant impairment to the Obligated Group's ability to meet its debt or liquidity covenants.

Board approval is required to enter or modify any derivative transaction. Management periodically reviews existing derivative positions as its risk tolerance and cost of capital changes over time.

Interest Rate Swap Agreements

The Obligated Group has two interest rate swap agreements (the "Swap Agreements"), which were designed to synthetically fix the interest payments on its Series 2006A Bonds. Under the Swap Agreements, the Obligated Group makes fixed-rate payments equal to 3.945% to the swap counterparties and receives variable-rate payments. The variable-rate payment is equal to 68% of the Secured Overnight Financing Rate as of June 30, 2024 (3.717%) and is equal to 68% of the London InterBank Offered Rate as of June 30, 2023 (3.548%) from the swap counterparties, each calculated on the notional amount of the Swap Agreements. As of June 30, 2024 and 2023, the Swap Agreements had a notional amount of \$54,270 and \$58,850, respectively, (\$27,135 and \$29,425 in notional amount with each counterparty, respectively). Following the refinancing of the Series 2006A Bonds into the Series 2016 Bonds, the Obligated Group used \$50,000 in notional amount of the Swap Agreements to synthetically fix the interest on the Series 2016 Bonds. The Swap Agreements each expire on November 1, 2035 and amortize annually commencing in November 2012. The Swap Agreements are secured by obligations issued under the Master Trust Indenture.

The Swap Agreements also require either party to post collateral in the form of cash and certain cash equivalents to secure potential termination payments. The amount of collateral that is required to be posted is based on the relevant party's long-term credit rating. Based on its current rating, the Obligated Group is required to post collateral with the swap counterparties in the event that the market value of the Swap Agreements exceeds \$(30,000) or \$(15,000) for each Swap Agreement. As of June 30, 2024 and 2023, the Obligated Group had no collateral posted under Swap Agreements.

The fair value of the Swap Agreements as of June 30, 2024 and 2023, was as follows:

		June 30	
		2024	2023
	Reported As		
Obligations under Swap Agreements	Other long-term liabilities	\$ (2,329)	\$ (3,764)

The fair value of the Swap Agreements reported in RUSH's consolidated balance sheets in Other long-term liabilities as of June 30, 2024 and 2023, includes an adjustment for the Obligated Group's credit risk and may not be indicative of the termination value that RUSH would be required to pay upon early termination of the Swap Agreements.

Management has not designated the Swap Agreements as hedging instruments. Amounts recorded in the accompanying consolidated statements of operations and changes in net assets for the Swap Agreements allocated to RUSH were as follows:

		Fiscal Years Ended June 30	
		2024	2023
	Reported As		
Change in fair value of interest rate swaps	Non-operating income (loss)	\$ 971	\$ 3,017
Net cash payments on interest rate swaps	Interest and fees	111	748

11. LEASES AND OTHER FINANCING ARRANGEMENTS

RUSH has entered into the following lease arrangements:

Finance Leases

RUMC is party to certain financing leases and long-term financing arrangements relating to medical and office equipment and buildings. Expiration of leases ranges from 2024 to 2030. Assets acquired under financing lease arrangements are included in Property and equipment—net in the accompanying consolidated balance sheets. Termination of leases generally is prohibited unless there is a violation under the lease agreement.

Total financing lease liabilities in the consolidated balance sheets were \$7,924 and \$3,702 on June 30, 2024 and 2023, respectively.

Operating Leases

RUSH leases office space and medical space that expire in various years through 2033. These leases generally contain renewal options for periods ranging from 5 to 10 years and require RUSH to pay all executory costs (property taxes, maintenance, and insurance). Lease payments generally have an escalating fee schedule, which range from a 1.0% to 3.0% increase each year and are recognized within Supplies, utilities and other in the accompanying statement of operations and changes in net assets. Termination of these leases is generally prohibited unless there is a violation under the lease agreement. A portion of the leased space is subleased under leases expiring over the next five years.

Total operating lease right-of-use assets in the consolidated balance sheets were \$99,771 and \$100,237 on June 30, 2024 and 2023, respectively. Total operating lease liabilities in the consolidated balance sheets were \$104,856 and \$104,599 on June 30, 2024 and 2023, respectively.

Short-Term Leases

RUSH leases certain equipment, medical space, and office space with a lease term of less than twelve months. Short-term lease expense is not material to RUSH and is recognized when paid within Supplies, utilities, and other in the accompanying statements of operations and changes in net assets.

All Leases

RUSH's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As of June 30, 2024, RUSH has not entered into any additional operating and finance leases for equipment, office space or medical space that have not yet commenced.

Lease cost and other required information related to operating leases for the years ended June 30, 2024 and 2023, are as follows:

	<u>2024</u>	<u>2023</u>
Lease cost:		
Operating lease cost	\$ 30,427	\$ 29,521
Short-term and variable lease cost	<u>25,716</u>	<u>20,519</u>
Total operating, short-term, and variable lease cost	<u>\$ 56,143</u>	<u>\$ 50,040</u>
Other information:		
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ (30,667)	\$ (29,366)
Right-of-use assets obtained in exchange for new operating lease liabilities	23,072	21,052
Operating leases		
Weighted-average remaining lease term - years	13.81	5.12
Weighted-average discount rate	7.53 %	2.25 %

Future maturities of operating lease liabilities are as follows:

<u>Years Ending June 30</u>	<u>Operating Leases</u>
2025	\$ 25,037
2026	21,865
2027	20,211
2028	13,651
2029	6,964
Thereafter	<u>22,592</u>
Total future undiscounted lease payments	110,320
Less interest	<u>5,464</u>
Lease liabilities	<u>\$ 104,856</u>

Other Financing Arrangements

In November 2022, RSH Property Ventures, LLC, a 50/50 real estate joint venture with Select Illinois Holdings, Inc ("Select"), closed on a \$75,000 financing with Wintrust Bank, N.A. The financing consists of a 5-year construction and term loan, fully guaranteed by the RUSH Obligated Group until certain conditions are met. Amount of the note payable is \$69,900 and \$39,600 as of June 30, 2024 and 2023, respectively, and is included in Obligations under financing leases and other financing arrangements in the accompanying consolidated balance sheets.

12. PENSION AND OTHER POSTRETIREMENT BENEFIT PLANS

RUMC maintains a defined benefit pension plan, defined contribution plans, and other postretirement benefit plans that together cover substantially all of RUMC's employees.

Prior to January 1, 2012, RUMC had two defined benefit pension plans, the Retirement Pension Plan and the Pension Plan (collectively, the "Defined Benefit Pension Plans"), covering substantially all of its employees. Benefits are based on the years of service and the employee's final average earnings, as defined. Plan assets and obligations are measured as of June 30 (the "Measurement Date") each year.

Effective as of the close of business on December 31, 2011, the Pension Plan, representing certain union employees, was amended to freeze benefit accruals for all participants. No additional benefits will accrue, and no additional individuals will become plan participants in the Pension Plan as of January 1, 2012. Also, effective December 31, 2011, the Pension Plan was merged into the Retirement Pension Plan with all accrued benefits of the Pension Plan participants preserved as part of the merger. Effective January 1, 2012, the Retirement Pension Plan was amended to include eligible union members previously covered by the Pension Plan.

Effective January 1, 2015 (the "Effective Date"), a new defined benefit plan was established. This new plan (the "Pre-2015 Separations Plan" or the "Pre-2015 Plan") was a spin-off of the Retirement Pension Plan. The Retirement Pension Plan's benefit obligation and assets attributable to participants who terminated employment prior to January 1, 2015, with a vested benefit were transferred to the Pre-2015 Plan as of the Effective Date.

Effective at the close of business December 31, 2022, the Retirement Pension Plan merged into the Pre-2015 Separations Plan and all participants in the Retirement Pension Plan become participants in the Pre-2015 Separations Plan on January 1, 2023. The Pre-2015 Separations Plan was renamed the RUSH Retirement Plan and all participation and benefit accruals continue under the Plan. As a result of the merger, pension assets and liabilities were remeasured at the merger date and the net pension benefit cost was updated for the period January 1, 2023 through June 30, 2023.

Effective December 31, 2023 (the "Freeze Date"), the RUSH Retirement Plan was frozen to all existing plan participants, thus eliminating all future benefit accruals (the "Plan Freeze"). Pension assets and liabilities have been remeasured at the Freeze Date and the Net Periodic Benefit Cost updated for the period January 1, 2024 through June 30, 2024, resulting in a net curtailment gain of \$33,538 included within Post-retirement related changes other than net periodic postretirement cost in the accompanying consolidated statements of operations and changes in net assets.

In addition to the pension programs, RUMC also provides postretirement health care benefits for certain employees (the "Postretirement Healthcare Plans"). Further benefits under the Postretirement Healthcare Plans have been curtailed since 2010.

Obligations and Funded Status

For the RUSH Retirement Plan, the funded status of the qualified pension plan increased by \$28,182 between June 30, 2023 and June 30, 2024. Other comprehensive income changed from (\$207,461) at June 30, 2023 to (\$172,575) at June 30, 2024. The contributing factors to the change include the following:

- Plan assets earned a return of \$37,000, against the expected return of \$48,700, resulting in an increase in the net actuarial loss of \$11,700.
- An increase in the prescribed Code Section 417(e) lump sum segment rates and mortality resulted in an increase in benefit obligation of \$500.
- The discount rate increased by 10 basis points from 5.65% to 5.75% resulting in a decrease in benefit obligation of \$7,900.
- The interest crediting rate was updated for 2024 from 4.01% to 4.51% increasing the benefit obligation by \$1,100.
- The commencement age and form of payment for terminated vested participants with a cash balance benefit was updated. The change resulted in a decrease in benefit obligation of \$5,300.
- The plan incorporated new census data in the valuation which increased the benefit obligation by \$5,700.
- Curtailment gain of \$33,500 was recognized as a result of the Plan Freeze described above.
- Amortization of previously recorded actuarial losses of \$7,200.

The funded status of the aforementioned qualified pension plan increased by \$52,000 between June 30, 2022 and June 30, 2023. Accumulated other comprehensive income changed from (\$263,000) at June 30, 2022 to (\$207,500) at June 30, 2023. The contributing factors to the change included the following:

- Plan assets earned a return of \$39,800, against the expected return of \$50,000.
- An increase in the prescribed Code Section 417(e) lump sum segment rates and mortality resulted in an increase in benefit obligation of \$2,100.
- The discount rate increased by 80 basis points from 4.90% to 5.70% resulting in a decrease in benefit obligation of \$62,500.
- The plan incorporated new census data in the valuation which increased the benefit obligation by \$6,900.

The tables below set forth the accumulated benefit obligation, the change in the projected benefit obligation, and the change in the plan assets of the Defined Benefit Pension Plans and Postretirement Healthcare Plans (collectively, the “Plans”). The tables also reflect the funded status of the Plans as of the Measurement Date and amounts recognized in the accompanying consolidated balance sheets as of June 30, 2024 and 2023.

Obligations and Funded Status Year ended June 30, 2024	Defined Benefit Pension Plans			
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	Postretirement Healthcare Plan
Actuarial present value of benefit obligations—accumulated benefit obligation	\$ -	\$ 489	\$ 848,709	\$ 1,570
Change in projected benefit obligations:				
Projected benefit obligation—beginning of measurement period	\$ -	\$ 1,679	\$ 879,813	\$ 4,113
Service costs	-	-	12,155	117
Interest costs	-	58	48,015	230
Plan curtailments	-	-	(33,538)	-
Employee contributions	-	-	-	58
Plan settlements	-	(1,249)	-	-
Actuarial (gain) loss	-	1	(5,844)	(2,543)
Benefits paid	-	-	(51,892)	(405)
Projected benefit obligation—end of measurement period	\$ -	\$ 489	\$ 848,709	\$ 1,570
Change in plan assets:				
Fair value of plan assets—beginning of measurement period	\$ -	\$ -	\$ 887,008	\$ -
Actual return on plan assets	-	-	36,970	-
Employer contributions	-	1,249	12,000	346
Plan participant contributions	-	-	-	58
Plan settlements	-	(1,249)	-	-
Plan combinations	-	-	-	-
Benefits paid	-	-	(51,892)	(404)
Fair value of plan assets—end of measurement period	\$ -	\$ -	\$ 884,086	\$ -
Accrued benefit liability (asset)	\$ -	\$ 489	\$ (35,377)	\$ 1,571

Obligations and Funded Status Year ended June 30, 2023	Defined Benefit Pension Plans			
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	Postretirement Healthcare Plan
Actuarial present value of benefit obligations—accumulated benefit obligation	\$ -	\$ 1,679	\$ 846,580	\$ 4,113
Change in projected benefit obligations:				
Projected benefit obligation—beginning of measurement period	\$ 562,496	\$ 3,827	\$ 350,839	\$ 4,896
Service costs	12,167	-	11,540	135
Interest costs	13,599	136	31,929	235
Employee contributions	-	-	-	62
Special termination benefits	-	-	-	-
Plan settlements	-	(2,040)	-	-
Plan combinations	(542,297)	-	542,297	-
Actuarial (gain) loss	(33,445)	(244)	(20,034)	(821)
Benefits paid	(12,520)	-	(36,758)	(394)
Projected benefit obligation—end of measurement period	\$ -	\$ 1,679	\$ 879,813	\$ 4,113
Change in plan assets:				
Fair value of plan assets—beginning of measurement period	\$ 472,105	\$ -	\$ 396,421	\$ -
Actual return on plan assets	(2,803)	-	42,563	-
Employer contributions	13,980	2,040	14,020	332
Plan participant contributions	-	-	-	62
Plan settlements	-	(2,040)	-	-
Plan combinations	(470,762)	-	470,762	-
Benefits paid	(12,520)	-	(36,758)	(394)
Fair value of plan assets—end of measurement period	\$ -	\$ -	\$ 887,008	\$ -
Accrued benefit liability (asset)	\$ -	\$ 1,679	\$ (7,195)	\$ 4,113

The actuarial cost method used to compute the Defined Benefit Pension Plans liabilities and expenses is the projected unit credit method.

The components of net periodic pension cost for the Plans were as follows:

Components of Net Periodic Pension Cost Year Ended June 30, 2024	Defined Benefit Pension Plans			
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	Postretirement Healthcare
Net periodic pension cost comprised of the following:				
Service cost	\$ -	\$ -	\$ 12,155	\$ 117
Interest cost on projected benefit obligation	-	58	48,015	230
Expected return on plan assets	-	-	(48,698)	-
Recognized actuarial loss (gain)	-	-	7,232	(665)
Recognized settlement loss	-	3	-	-
Net periodic pension cost (credit)	\$ -	\$ 61	\$ 18,704	\$ (318)

Components of Net Periodic Pension Cost Year Ended June 30, 2023	Defined Benefit Pension Plans			Postretirement Healthcare Plan
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	
Net periodic pension cost comprised of the following:				
Service cost	\$ 12,167	\$ -	\$ 11,540	\$ 135
Interest cost on projected benefit obligation	13,599	136	31,929	235
Expected return on plan assets	(14,722)	-	(35,235)	-
Amortization of prior service cost and other actuarial amounts	-	-	-	-
Recognized actuarial loss (gain)	3,140	-	9,737	(548)
Special termination benefit recognized	-	-	-	-
Recognized settlement loss	-	5	-	-
Net periodic pension cost (credit)	<u>\$ 14,184</u>	<u>\$ 141</u>	<u>\$ 17,971</u>	<u>\$ (178)</u>

The tables below set forth the change in the accrued benefit liability of the Plans:

Accrued Benefit Liability As of June 30, 2024	Defined Benefit Pension Plans			Postretirement Healthcare Plan
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	
Accrued benefit liability—beginning of measurement period	\$ -	\$ 1,679	\$ (7,195)	\$ 4,113
Fiscal year activity:				
Net periodic pension cost	-	61	18,704	(318)
Employer contributions	-	(1,249)	(12,000)	(346)
Postretirement-related changes and other net periodic postretirement costs:				
Net (gain) loss	-	1	(27,654)	(2,543)
Reclassification adjustment for gains (losses) reflected in periodic expense	-	-	(7,232)	665
Settlement gain (loss) recognized	-	(3)	-	-
Plan combinations	-	-	-	-
Accrued benefit liability (asset)—end of measurement period	<u>\$ -</u>	<u>\$ 489</u>	<u>\$ (35,377)</u>	<u>\$ 1,571</u>
Recognized in the consolidated balance sheets as follows:				
Noncurrent assets	\$ -	\$ -	\$ (35,377)	\$ -
Current liabilities:				
Postretirement and pension benefit liabilities	-	181	-	-
Accrued expenses	-	-	-	196
Noncurrent liabilities	-	308	-	1,375
Total	<u>\$ -</u>	<u>\$ 489</u>	<u>\$ (35,377)</u>	<u>\$ 1,571</u>

	Defined Benefit Pension Plans			Postretirement Healthcare Plan
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	
Accrued Benefit Liability As of June 30, 2023				
Accrued benefit liability—beginning of measurement period	\$ 90,392	\$ 3,827	\$ (45,582)	\$ 4,896
Fiscal year activity:				
Net periodic pension cost	14,184	141	17,971	(178)
Employer contributions	(13,980)	(2,040)	(14,020)	(332)
Postretirement-related changes and other net periodic postretirement costs:				
Net (gain) loss	(15,920)	(244)	(27,362)	(821)
Reclassification adjustment for (gains) losses reflected in periodic expense	(3,141)	-	(9,737)	548
Settlement (gain) loss recognized	-	(5)	-	-
Plan combinations	<u>(71,535)</u>	<u>-</u>	<u>71,535</u>	<u>-</u>
Accrued benefit liability (asset)—end of measurement period	<u>\$ -</u>	<u>\$ 1,679</u>	<u>\$ (7,195)</u>	<u>\$ 4,113</u>
Recognized in the consolidated balance sheets as follows:				
Noncurrent assets	\$ -	\$ -	\$ (7,195)	\$ -
Current liabilities	-	1,277	-	327
Noncurrent liabilities	<u>-</u>	<u>402</u>	<u>-</u>	<u>3,786</u>
Total	<u>\$ -</u>	<u>\$ 1,679</u>	<u>\$ (7,195)</u>	<u>\$ 4,113</u>

In accordance with FASB guidance regarding accounting for defined benefit pension and other postretirement plans, all previously unrecognized actuarial gains and losses and prior service costs are reflected in the accompanying consolidated balance sheets. The postretirement-related changes other than net periodic postretirement cost related to the Defined Benefit Pension Plans and Postretirement Healthcare Plans are included as a separate increase to net assets without donor restrictions and total \$36,837 and \$56,408 for fiscal years 2024 and 2023, respectively. For fiscal year 2024, this amount includes actuarial net gains arising during the year of \$30,267 and a reclassification adjustment for losses reflected in periodic expense in fiscal year 2024 of \$6,570. For fiscal year 2023, this amount includes actuarial losses arising during the year of \$44,346 and a reclassification adjustment for losses reflected in periodic benefit expense of \$12,330.

The Defined Benefit Pension Plans and Postretirement Healthcare Plans items not yet recognized as a component of periodic pension and postretirement medical plan expense, but included within net assets without donor restrictions as of and for the years ended June 30, 2024 and 2023, are as follows:

	Defined Benefit Pension Plans			Postretirement Healthcare Plan
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	
Year ended June 30, 2024				
Unrecognized prior service credit	\$ -	\$ -	\$ -	\$ -
Unrecognized net actuarial (loss) gain	<u>-</u>	<u>(1)</u>	<u>(172,575)</u>	<u>3,523</u>
Total	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (172,575)</u>	<u>\$ 3,523</u>
	Defined Benefit Pension Plans			Postretirement Healthcare Plan
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement Plan (f/k/a Retirement Plan Pre 2015)	
Year ended June 30, 2023				
Unrecognized prior service credit	\$ -	\$ -	\$ -	\$ -
Unrecognized net actuarial (loss) gain	<u>-</u>	<u>(4)</u>	<u>(207,461)</u>	<u>1,645</u>
Total	<u>\$ -</u>	<u>\$ (4)</u>	<u>\$ (207,461)</u>	<u>\$ 1,645</u>

Assumptions

The actuarial assumptions used to determine benefit obligations at the measurement date and net periodic benefit cost for the Plans are as follows:

Assumptions Used to Determine Benefit Obligations and Net Periodic Benefit Cost

As of June 30, 2024	Defined Benefit Pension Plans			Postretirement Healthcare Plan
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement (f/k/a Retirement Pre 2015)	
Discount rate—benefit obligation	N/A	5.75%	5.75%	5.75%
Discount rate—pension expense	N/A	5.65	5.65 / 5.45	5.65
Rate of increase in compensation levels	N/A	N/A	5.57 / N/A	N/A
Expected long-term rate of return on plan assets	N/A	N/A	6.00 / 5.25	N/A
Health care cost trend rate (initial)	N/A	N/A	N/A	6.50 / 6.00
Health care cost trend rate (ultimate)	N/A	N/A	N/A	4.00 / 4.00
Year the rate reaches ultimate trend rate	N/A	N/A	N/A	2046

Assumptions Used to Determine Benefit Obligations and Net Periodic Benefit Cost

As of June 30, 2023	Defined Benefit Pension Plans			Postretirement Healthcare Plan
	Retirement Pension Plan	Supplemental Pension Plan	RUSH Retirement (f/k/a Retirement Pre 2015)	
Discount rate—benefit obligation	N/A	5.65%	5.65%	5.65%
Discount rate—pension expense	4.85%	4.85	4.85 / 5.55	4.85
Rate of increase in compensation levels	5.57	N/A	5.57	N/A
Expected long-term rate of return on plan assets	6.4	N/A	4.35 / 6.50	N/A
Health care cost trend rate (initial)	N/A	N/A	N/A	6.50 / 6.00
Health care cost trend rate (ultimate)	N/A	N/A	N/A	4.00 / 4.00
Year the rate reaches ultimate trend rate	N/A	N/A	N/A	2046

The discount rate used is based on a spot interest rate yield curve based on a broad group of corporate bonds rated AA or better as of the Measurement Date. RUMC uses this yield curve and the estimated payouts of the Plans to develop an aggregate discount rate. The estimated payouts are the sum of the payouts under the Defined Benefit Pension Plans and the Postretirement Healthcare Plans. For fiscal years 2024 and 2023, the discount rate was estimated under a bond model approach, which is based on a hypothetical bond portfolio whose cash flow from coupons and maturities match the year-by-year Plans' cash flows using bonds rated AA or better.

For the years ended June 30, 2024 and 2023, the actual rate of return on plan assets was 4.93% and 5.24%, respectively.

Plan Assets

RUMC's investment objective for its Defined Benefit Pension Plans is to achieve a total return on plan assets that meets or exceeds the return on the plan's liability over a full market cycle with consideration of the plan's current funded status. Investment risk is effectively managed through diversification of assets for a mix of capital growth and capital protection across various investment styles. The asset allocation policy reflects this objective with allocations to return generating assets (e.g., public equity securities and private equity and interest rate hedging assets (e.g., fixed-income securities).

All of the plan's assets are measured at fair value. Fair value methodologies used to assign plan assets to levels of FASB's valuation hierarchy are consistent with the inputs described in Note 6. Fair value methodologies used to value interests in common collective trusts and private equity limited partnerships are based on RUMC's ownership interest in the NAV of the respective fund as estimated by the general partner, which approximates fair value. RUMC routinely monitors and assesses methodologies and assumptions used in valuing these interests.

The fair value of the Defined Benefit Pension Plan assets as of June 30, 2024 and 2023, is as follows:

Fair Value Measurements as of June 30, 2024	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 21,597	\$ 1,165	\$ -	\$ 22,762
Fixed Income Securities:				
U.S. Government and Agency securities	-	169,154	-	169,154
Corporate Bonds	-	314,076	-	314,076
Asset Backed Securities and Other	-	109,551	-	109,551
Public Equity Securities	56,921	1,642	175	58,738
Mutual Funds	9,073	129,978	-	139,051
Other assets	-	4,447	-	4,447
Total assets at fair value	<u>\$87,591</u>	<u>\$730,013</u>	<u>\$ 175</u>	<u>\$817,779</u>
Investments Valued at NAV				137,693
Pending trades				(75,478)
Accrued income				6,442
Total assets				<u>\$886,436</u>
Liabilities				
Derivative liabilities	\$ -	\$ (2,350)	\$ -	\$ (2,350)
Total liabilities at fair value	<u>\$ -</u>	<u>\$ (2,350)</u>	<u>\$ -</u>	<u>\$ (2,350)</u>
Fair Value Measurements as of June 30, 2023	Level 1	Level 2	Level 3	Total Fair Value
Assets				
Marketable securities and short-term investments	\$ 7,353	\$ 45,544	\$ -	\$ 52,897
Fixed Income Securities:				
U.S. Government and Agency securities	-	157,218	-	157,218
Corporate Bonds	-	278,103	-	278,103
Asset Backed Securities and Other	-	62,264	-	62,264
Public Equity Securities	64,945	1,589	187	66,721
Mutual Funds	9,086	85,466	-	94,552
Other assets	-	11,632	-	11,632
Total assets at fair value	<u>\$81,384</u>	<u>\$641,816</u>	<u>\$ 187</u>	<u>\$723,387</u>
Investments at NAV				191,030
Pending trades				(20,784)
Total assets				<u>\$893,633</u>
Liabilities				
Derivative liabilities	\$ -	\$ (11,745)	\$ -	\$ (11,745)
Total liabilities at fair value	<u>\$ -</u>	<u>\$ (11,745)</u>	<u>\$ -</u>	<u>\$ (11,745)</u>

As of both June 30, 2024 and 2023, the defined benefit pension plan's commitments for additional contributions to alternative investments totaled \$5,028.

Entities that Report Fair Value Using NAV	Fair Value at June 30, 2024	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Common Collective Trusts	\$ 126,693	None	Daily/Monthly	1-15 days
Alternative Investments: Private Equity	<u>11,000</u>	<u>5,028</u>	Not currently redeemable	N/A
Total	<u>\$ 137,693</u>	<u>\$ 5,028</u>		

Entities that Report Fair Value Using NAV	Fair Value at June 30, 2023	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Common Collective Trusts	\$ 180,244	None	Daily/Monthly	1-15 days
Alternative Investments: Private Equity	<u>10,786</u>	<u>5,028</u>	Not currently redeemable	N/A
Total	<u>\$ 191,030</u>	<u>\$ 5,028</u>		

Cash Flows

RUMC expects to make estimated contributions to and benefit payments from its Defined Benefit Pension Plans and Postretirement Healthcare Plans for the years ending June 30 as follows:

	Defined Benefit Pension Plans	Postretirement Healthcare Plans
Expected contributions in 2025	<u>\$ 181</u>	<u>\$ 197</u>
<u>Estimated Benefit Payments</u>		
<u>Year ending June 30:</u>		
2025	\$ 81,162	\$ 197
2026	72,811	195
2027	71,674	191
2028	70,554	185
2029	70,278	176
2030 through 2034	<u>326,625</u>	<u>726</u>
Total	<u>\$ 693,104</u>	<u>\$ 1,670</u>

Other Postretirement Benefit Plans

Both RUMC and RCMC maintain a voluntary tax-deferred retirement savings plan. Under these defined contribution plans, employees may elect to contribute a percentage of their salary, which may be matched in accordance with the provisions of the plans. Other provisions of the plans may provide for employer contributions to the plans based on eligible earnings, regardless of whether the employee elects to contribute to the plan. Maximum annual contributions are limited by federal regulations. Employer contributions to these plans were \$52,046 and \$33,371 for the years ended June 30, 2024 and 2023, respectively.

RUMC sponsors a noncontributory defined contribution plan covering selected employees (“457(b) Plan”). Contributions to the 457(b) Plan are based on a percentage of qualifying compensation up to certain limits as defined by the provisions of the 457(b) Plan. The 457(b) Plan assets and liabilities totaled \$48,292 and \$40,350 as of June 30, 2024 and 2023, respectively, and are included in Investments—less current portion and Other long-term liabilities in the accompanying consolidated balance sheets. The assets of the 457(b) Plan are subject to the claims of the general creditors of RUMC.

Both RUMC and RCMC sponsor supplemental retirement plans for certain management employees (the “Plans”). The RUMC plans include a supplemental plan, which was frozen as of December 31, 2014, and replaced with the Executive Retirement Plan. The Plans are noncontributory and annual benefits are credited to each participant’s account based on a percentage of qualifying compensation, as defined by the provisions of the plan. Assets set aside to fund the supplemental plans amounted to \$11,491 and \$9,263 as of June 30, 2024 and 2023, respectively, and are included in Investments—less current portion in the accompanying consolidated balance sheets. These supplemental retirement plans are currently funded at 92% of benefits accrued.

RUMC maintains a frozen nonqualified supplemental defined benefit retirement plan for certain management employees, which is unfunded. Benefits under the supplemental defined benefit plan, which were curtailed as of December 31, 2004, are paid when incurred from operating funds.

It is RUSH’s policy to meet the requirement of the Employee Retirement Income Security Act of 1974 and the RUMC’s policy to meet the requirements of the Pension Protection Act of 2006.

13. CONCENTRATION OF CREDIT RISK

RUSH grants credit without collateral to its patients, most of whom are local residents and are insured under third-party payor agreements. The mix of accounts receivable for patient services from patients and third-party payors as of June 30, 2024 and 2023, was as follows:

	2024	2023
Medicare	14 %	15 %
Medicare Managed Care	11	11
Medicaid	2	2
Medicaid Managed Care	13	13
Managed Care	22	23
Blue Cross	33	31
Commercial	3	3
Self-pay	2	2
	<u>100 %</u>	<u>100 %</u>
Total		

14. COMMITMENTS AND CONTINGENCIES

Professional Liability

RUSH maintains insurance programs, including both self-insured and purchased insurance arrangements, for certain professional liability claims. Self-insured risks are retained in varying amounts according to policy year and entity. For fiscal years from 2023 and a portion of 2024, RUMC maintained a general liability self-insurance risk of \$5,000 each and every claim and a professional liability self-insurance retention of \$10,000 each and every claim, with a \$15,000 annual aggregate buffer, excess of the \$10,000 retention for each and every claim. During fiscal year 2024, as of December 15, 2023, the RUSH self-insured retention for professional liability claims was increased to \$15,000 each and every claim, followed by a \$15,000 buffer layer subject to a \$20,000 aggregate. Self-insured retentions are uniform across RUSH, with RCMC paying its own self-insured retention as part of this overall self-insured retention, as described below. RUSH also maintains excess liability insurance coverage through a commercial reinsurance program with combined reinsured limits of \$150,000 per occurrence and in the aggregate for general liability, professional liability, and other lines of liability coverage. RUMC has an established irrevocable trust fund to pay claims and related costs, which is recorded within the Self-insurance trust in the accompanying consolidated balance sheets.

Starting on January 1, 2010, RCMC implemented a self-insurance program for professional and general liability claims, which was transferred into the RUSH self-insurance program in 2018. RCMC self-insured risks are retained at \$2,000 per claim and \$10,000

annual aggregate with a \$1,000 aggregate buffer. RCMC liability coverage in excess of these limits is covered within the RUMC self-insurance program in accordance with the above-specified self-insured retention for each and every claim and buffer layer.

RUSH has employed an independent actuary to estimate the ultimate costs of claim settlements. Self-insured professional liabilities are based on the actuarial estimate of losses using RUSH's actual payout patterns and various other assumptions. RUSH's self-insured professional liabilities of \$310,037 and \$372,753 as of June 30, 2024 and 2023, respectively, are recorded as noncurrent and current liabilities in the accompanying consolidated balance sheets, as appropriate, and based on the estimated present value of self-insured claims that will be settled in the future. If the present value method was not used, RUSH's liability for self-insured claims would be approximately \$36,498 and \$27,473 higher than the amounts recorded in the accompanying consolidated balance sheets as of June 30, 2024 and 2023, respectively. The discount rates used in calculating the present value by RUSH was 4% for both fiscal years ended June 30, 2024 and 2023. Insurance recoveries are presented separately within noncurrent and current assets in the accompanying consolidated balance sheets, as appropriate.

Senate Bill 72 was signed and passed into law imposing a prejudgment interest on all personal injury and wrongful death cases in Illinois, effective July 1, 2021 at a rate of 6% per year. RUSH's self-insured professional liabilities include Senate Bill 72 reserves of \$15,099 and \$15,888 for fiscal years ended June 30, 2024 and 2023, respectively.

RUSH is subject to various other regulatory investigations, legal proceedings, and claims that are incidental to its normal business activities. In the opinion of management, the amount of ultimate liability with respect to professional liability matters and other actions will not have a material adverse effect on the consolidated financial position or results of operations of RUSH.

15. UNCONDITIONAL PROMISES TO CONTRIBUTE

Unconditional promises to contribute included within Other current assets and Other noncurrent assets in the accompanying consolidated balance sheets as of June 30, 2024 and 2023, consist of the following:

	<u>2024</u>	<u>2023</u>
Unconditional promises to contribute before unamortized discount and allowance for uncollectibles	\$ 54,066	\$ 55,138
Less unamortized discount	(4,033)	(3,129)
Less allowance for uncollectibles	<u>(4,189)</u>	<u>(5,974)</u>
Net unconditional promises to contribute	<u>\$ 45,844</u>	<u>\$ 46,035</u>
Amounts due in:		
Less than one year	\$ 20,134	\$ 20,112
One to five years	32,547	33,342
More than five years	<u>1,385</u>	<u>1,684</u>
Total unconditional promises to contribute	<u>\$ 54,066</u>	<u>\$ 55,138</u>

16. NET ASSETS

Net assets without donor restrictions as of June 30, 2024 and 2023, consist of the following:

	<u>2024</u>	<u>2023</u>
Non-Board designated	\$ 2,364,086	\$ 2,109,438
Board designated	<u>9,361</u>	<u>8,933</u>
Total net assets without donor restrictions	<u>\$ 2,373,447</u>	<u>\$ 2,118,371</u>

Net assets with donor restrictions as of June 30, 2024 and 2023, were available for the following purposes:

	<u>2024</u>	<u>2023</u>
Restricted for specified purpose:		
Construction and purchase of equipment	\$ 4,355	\$ 10,940
Health education	21,102	21,546
Research, charity and other	704,109	615,723
Unappropriated endowment appreciation available for operations	<u>80,468</u>	<u>76,628</u>
Total funds designated for specified purpose	<u>\$ 810,034</u>	<u>\$ 724,837</u>
Endowments, perpetual in nature, the income from which is expendable for the following specified purposes:		
Health education	\$ 203,831	\$ 202,130
Research, charity and other	98,249	93,745
Operations	<u>37,174</u>	<u>40,393</u>
Total endowment net assets	<u>339,254</u>	<u>336,268</u>
Total net assets with donor restrictions	<u>\$ 1,149,288</u>	<u>\$ 1,061,105</u>

During fiscal years 2024 and 2023, net assets were released from donor restrictions for purchasing property and equipment of \$11,808 and \$11,218, respectively, and incurring expenses of \$112,563 and \$98,715, respectively, both of which satisfied the restricted purposes of the donors. Net assets released from restriction used in operations are included in Other revenue in the accompanying consolidated statements of operations and changes in net assets.

17. JOINT VENTURES AND OTHER AFFILIATIONS

Investments in unconsolidated joint ventures, accounted for using the equity method, totaled \$17,649 and \$12,068 as of June 30, 2024 and 2023, respectively, and are included in Other noncurrent assets in the accompanying consolidated balance sheets. Income recognized from these joint ventures, reported in Other revenue, was \$5,191 and \$5,947 during the years ended June 30, 2024 and 2023, respectively.

18. FUNCTIONAL EXPENSES

The accompanying consolidated financial statements present certain expenses that are attributed to more than one program or supporting function. Operating expenses directly attributable to a specific functional area are reported as expenses of those functional areas. Certain expenses are attributable to more than one functional area and are therefore allocated on a reasonable basis that is consistently applied. Employee benefits are allocated based on factors of either salary expenses or hours worked. General and administrative expenses primarily include legal, finance, and human resources activities. Overhead costs that include items such as professional services, office expenses, information technology, interest, insurance, occupancy and other similar expenses are allocated on a variety of factors, including relative costs, square footage, full-time equivalents, and direct labor costs among others.

The expenses reported in the accompanying consolidated statement of operations and changes in net assets for the year ended June 30, 2024, supported the following programs and functions:

	Healthcare Services	Academic & Research Activity	General & Administrative Support	Total
Salaries, wages and employee benefits	\$ 1,453,449	\$ 217,129	\$ 167,241	\$ 1,837,819
Supplies, utilities and other	989,783	127,835	50,291	1,167,909
Insurance	81,071	-	112	81,183
Purchased services	235,461	20,930	54,455	310,846
Depreciation and amortization	154,533	-	1,659	156,192
Interest and fees	33,147	-	1,347	34,494
Total	<u>\$ 2,947,444</u>	<u>\$ 365,894</u>	<u>\$ 275,105</u>	<u>\$ 3,588,443</u>

The expenses reported in the accompanying consolidated statement of operations and changes in net assets for the year ended June 30, 2023, supported the following programs and functions:

	Healthcare Services	Academic & Research Activity	General & Administrative Support	Total
Salaries, wages and employee benefits	\$ 1,366,175	\$ 198,867	\$ 162,157	\$ 1,727,199
Supplies, utilities and other	915,958	124,028	51,362	1,091,348
Insurance	70,413	-	3,105	73,518
Purchased services	201,594	22,588	48,863	273,045
Depreciation and amortization	141,683	-	1,565	143,248
Interest and fees	25,117	-	1,847	26,964
Total	<u>\$ 2,720,940</u>	<u>\$ 345,483</u>	<u>\$ 268,899</u>	<u>\$ 3,335,322</u>

19. GOODWILL

The changes in the carrying amount of goodwill, included in Other noncurrent assets in the accompanying consolidated balance sheets, for the years ended June 30, 2024 and 2023, were as follows:

	2024	2023
Beginning balance	\$ 19,835	\$ 19,835
Acquisition of goodwill	-	-
Impairment charge	-	-
Ending balance	<u>\$ 19,835</u>	<u>\$ 19,835</u>

There was no goodwill impairment charge during the years ended June 30, 2024 and 2023.

20. LIQUIDITY

RUSH's financial assets available within one year of the consolidated balance sheet date for general expenditures are as follows:

	<u>2024</u>	<u>2023</u>
Financial assets at June 30:		
Cash and cash equivalents	\$ 422,806	\$ 439,952
Accounts receivable for patient services	430,151	407,284
Other accounts receivable	60,767	62,664
Self-insurance trust—current portion	57,209	57,209
Other current assets	141,496	151,168
Investments—less current portion	1,556,002	1,375,233
Limited as to use by donor or time restriction or other	828,012	759,914
Self-insurance trust—less current portion	<u>105,498</u>	<u>121,836</u>
Total financial assets	<u>3,601,941</u>	<u>3,375,260</u>
Less amounts not available for general expenditures within one year:		
Contributions receivable due in more than one year or restricted by donor with time or purpose restrictions	95,588	107,256
Grant and loan receivables	23,745	30,217
Employee retirement plans	63,745	62,284
Self-insurance (current and non-current)	162,707	179,045
Donor restricted funds, net of appropriation for the following fiscal year	151,377	158,499
Limited as to use by donor or time restriction or other	<u>828,012</u>	<u>759,914</u>
Total financial assets not available to meet general expenditures within one year	<u>1,325,174</u>	<u>1,297,215</u>
Total financial assets available to meet general expenditures within one year	<u>\$ 2,276,767</u>	<u>\$ 2,078,045</u>

RUSH has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. Certain other current assets within the accompanying consolidated balance sheets have been excluded from the liquidity table above due to the inability to either liquidate those assets or use them for general expenditures and other obligations, such as prepaid assets, grant related receivables, and tuition loan receivables. As described in Note 7, RUSH's endowment consists of donor restricted funds established for a variety of purposes, with income from endowments being restricted for specific purposes. The Finance Committee of the Board of Trustees for RUMC and ROPH and the Finance Committee for RCMC approves the annual endowment spending rate to be used for general purposes for each entity, respectively. As described in Note 9, RUSH also has a \$150,000 line of credit available for working capital.

SUPPLEMENTAL INFORMATION

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*

Independent Auditor's Report

To the Board of Trustees of Rush System for Health

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 (*Government Auditing Standards*), the consolidated financial statements of Rush System for Health (the "System", "RUSH"), which comprise the consolidated balance sheets as of June 30, 2024, and the related consolidated statements of operations, changes in net assets and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 25, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the consolidated financial statements, we considered the RUSH'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 RUSH's internal control. Accordingly, we do not express an opinion on the effectiveness of the RUSH's internal control.

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

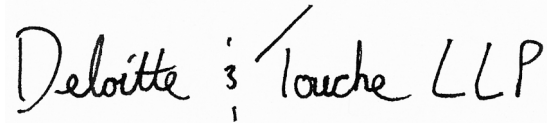
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the RUSH'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*.

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 RUSH's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Deloitte ; Touche LLP". The signature is written in a cursive, flowing style. The word "Deloitte" is followed by a semicolon and the word "Touche", which is followed by "LLP".

Chicago, IL
October 25, 2024

Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

Independent Auditor's Report

To the Board of Trustees of Rush System for Health:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Rush System for Health's (the "System", "RUSH") 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 RUSH's major federal programs for the year ended June 30, 2024. RUSH's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 RUSH and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of RUSH's compliance with the compliance requirements referred to above.

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 RUSH'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 RUSH'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 RUSH'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 RUSH's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of RUSH'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 RUSH'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.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

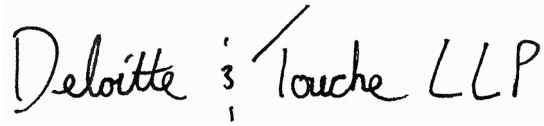
Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of RUSH as of and for the year ended June 30, 2024, and have issued our report thereon dated October 25, 2024, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards as required by the Uniform Guidance and the schedule of expenditures of

state awards are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and schedule of expenditures of state awards are fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Deloitte ; Touche LLP". The signature is written in a cursive, flowing style. The word "Deloitte" is followed by a semicolon and the word "Touche", which is followed by "LLP".

March 21, 2025

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
Research and Development:				
U.S. Department of Health and Human Services:				
National Institute of Health	93.RD		\$ 76,249,177	\$ 17,488,669
National Institute of Health:COVID				
A new therapeutic approach against kidney damage in LN and COVID-19	93.847	1F31DK129006	22,918	
Covid-19 induced worsening of glomerular diseases	93.847	1R01DK133330	328,762	
Microbiota-Mediated Bidirectional Interactions Between Alcohol Misuse and Post-Covid-19 Syndrome	93.273	1R01AA029859	285,159	110,785
Alcohol misuse: An independent risk factor that increases the incidence and severity of COVID-19	93.273	3R24AA026801	116,864	
Increased risk of STI and HIV among adolescent girls and young women due to COVID-19 and pandemic mitigation: Biological, behavioral, and psychosocial mediators	93.865	7R01HD106822	714,197	477,300
Mitigating COVID-19 transmission in U.S. jails	93.855	3R01AI146079	140,184	
Covid 19 cytokine storm	93.847	1R01DK129522	536,365	
Impact of COVID-19 on AD Occurrence: A Biracial Intergenerational Population Study	93.866	1R01AG073627	2,707,079	377,566
Passed through Beth Israel:				
Establishing Sleep Apnea as a non-cognitive phenotype of brainstem ADRD pathologies in older adults	93.866	R01AG071638	531,056	
Using polygenic risk scores and omics to study how suboptimal sleep accelerates cognitive aging in diverse populations	93.866	R01AG080598	4,897	
Using polygenic risk scores and omics to study how suboptimal sleep accelerates cognitive aging in diverse populations	93.866	R01AG080598	1,094	
Wake-sleep Circuitry in Neurodegenerative Dementias	93.866	R01AG082016	63,969	
Passed through Argus Cognitive Inc:				
ARGUS-MDS: Automated, Quantitative and Scalable System for Social Processes in Behavioral Health	93.242	R44MH121965	99,922	
Passed through University of Alabama:				
Social and Emotional Learning Study Groups for Educators of Students with Emotional and Behavioral Disorders (SELSG+)	84.423	S423A200114	33,597	
Identifying therapeutic targets that confer synaptic resilience to Alzheimer's disease	93.866	R01AG061800	(4,128)	
Passed through Banner Health:				
Neurobiology of Mild Cognitive Impairment in the Elderly	93.866	P01AG014449	63,833	
Passed through Case Western:				
Learning Skills Together: A Randomized Controlled Trial of Complex Care Skills Intervention to Improve ADRD Caregiver Self-Efficacy	93.866	R01AG077554	41,399	
Passed through Children's Hospital:				
Impact of Well-Timed vs. Mis-timed Sleep Extension on Adolescents' Dietary Intake	93.837	R01HL147915	33,316	
Passed through Duke University:				
RECOVER-VITAL: A Platform Protocol for Evaluation of Interventions for Viral Persistence, Viral Reactivation, and Immune Dysregulation in Post-Acute Sequelae of SARS-CoV-2 Infection (PASC)	93.837	T2HL156812	247,600	
RECOVER-NEURO: A Platform Protocol for Evaluation of Interventions for Cognitive Dysfunction in Post-Acute Sequelae of SARS-CoV-2 Infection (PASC) "Study"	93.837	T2HL156812	114,100	
RECOVER-AUTONOMIC: A Platform Protocol for Evaluation of Interventions for Autonomic Dysfunction in Post-Acute Sequelae of SARS-CoV-2 Infection (PASC) "Study"	93.837	T2HL156812	40,500	
Coronary Artery Calcium in PRagmatic Evaluation of eVENTs And Benefits of Lipid-lowering in oldEr adults (CAC PREVENTABLE Ancillary Study)	93.837	1R01HL155396-01A1	15,850	
PRagmatic Evaluation of eVENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE) Data Coordinating Center	93.866	U19AG065188	2,728	
Feasibility and Utility of Robust Antibiotic use Risk-adjustment in Antimicrobial Stewardship Program Assessments	93.084	U54CK000616-01-01	12,640	
PRagmatic Evaluation of eVENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE) - Clinical Sites Core	93.866	U19AG065188	33,246	
PRagmatic Evaluation of eVENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE) - Administration & Trial Management	93.866	U19AG065188	16,185	
Passed through University of Minnesota:				
Soluble aSyn is a modulator of AD pathophysiology	93.866	RF1AG044342	12,407	
Passed through New York University:				
Surveillance and Treatment to Prevent Fetal Atrioventricular Block Likely to Occur Quickly (STOPBLOQ)	93.865	R01HD100929	1,570	
Optimizing the use of ketamine to reduce chronic postsurgical pain	93.279	4UH3CA261067	37,703	
Developmental Origins of Kidney Function in Early Life and Environmental Risks.	93.113	R01ES032214	452	
Passed through Purdue University:				
Childhood Misfortune and Adult Health among Black, White, and Hispanic Americans	93.866	R01AG043544	10,279	
Disparities in the Life Course Origins of Cognitive Decline	93.866	RF1AG068388	7,167	
Whole food fibers for support of key gut bacteria for human health	10.310	2023-67017-40013	6,896	
Passed through University of Pennsylvania:				
Modulation of Inflammation in Osteoarthritis via CD14-mediated pattern recognition	93.846	R01AR075737	97,670	
Impact of Daytime vs. Delayed Eating Schedule on Weight and Metabolic Markers Among Obese Persons: An Examination of Circadian Mechanisms.	93.847	5R01DK117488	10,018	
CONNECT - TBI	93.853	U54NS115322	15,203	

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
Passed through Wake Forest University Health:				
The PREVENTABLE Physical Performance Ancillary Study	93.866	R01AG071807	1,550	
The PREVENTABLE Physical Performance Ancillary Study	93.866	R01AG071807	20,200	
The POINTER Neurovascular Ancillary Study	93.866	R01AG066910	20,861	
Alzheimer's Gut Microbiome Project	93.RD	U19AG063744	1,884	
US POINTER Imaging Ancillary Study	93.866	R01AG062689	553,900	
POINTER-zzz: Sleep Ancillary to U.S. Study to Protect Brain Health through Lifestyle Intervention to Reduce Risk of Alzheimer's Disease	93.866	R01AG064440	37,735	
Coupling Epi-transcriptomics to Molecular Disease Mechanisms and Nucleic Acid Therapeutics in Persistent Residual HIV Infection	93.855	R61AI169661	55,797	
PRagmatic EVALuation of eVENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE) - Trial Implementation Phase	93.866	U19AG065188	17,711	
Alzheimer Diagnosis in older Adults with Chronic Conditions ADACC Network	93.866	U24AG082930	2,239	
Alzheimer Diagnosis in older Adults with Chronic Conditions ADACC Network	93.866	U24AG082930	26,986	
PRagmatic EVALuation of eVENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE) - Trial Implementation Phase	93.866	U19AG065188	28,775	
Passed through University of Texas/University of North Texas/University of Texas Southwestern Medicine				
Education and Cognitive Functioning in Later Life: The Nation's High School Class of 1972	93.866	R01AG078533	97,569	
Clinical Pathological Study of Cognitive Impairment in Essential Tremor	93.853	R01NS086736	15,782	
The Health and Aging Brain Study - Health Disparities	93.866	U19AG078109	3,591	
The Health and Aging Brain Study - Health Disparities	93.866	U19AG078109	16,365	
Targeting bone marrow to treat renal disease	93.847	R01DK132072	221,527	
Passed through Hektoen:				
MACS/WIHS Combined Cohort Study; Cook County Clinical Research Site (CC_CRS)	93.837	U01HL146245	60,102	
MACS/WIHS Combined Cohort Study; Cook County Clinical Research Site (CC_CRS)	93.837	U01HL146245	108,789	
MACS/WIHS combined cohort study; cook county clinical research site (CC_CRS)	93.837	U01HL146245	223,608	
MACS/WIHS Combined Cohort Study; Cook County Clinical Research Site (CC_CRS)	93.837	U01HL146245	33,601	
Passed through University of Hawaii:				
Profiling genome-wide circulating ncRNAs for the early detection of lung cancer	93.394	R01CA223490	(889)	
Passed through University of Mississippi:				
Jackson Heart Study Coordinating Center	93.RD	HHSN268201800010I	(677)	
Passed through University of Maryland:				
Prevention Epicenters Program: Protecting Patients from Infections, Antibiotic Resistance and Other Adverse Events	93.RD	CK000615	73,865	
Cooling to Help Injured Lungs (CHILL Phase IIb Randomized Control Trial of Therapeutic Hypothermia in Patients with ARDS	12.420	W81XWH2010432	16,034	
Passed through University of Virginia:				
Systems Genetics of Bone Regeneration	93.846	IR01AR079179-01A1	516,548	
Passed through Ohio State University:				
Parent training for parents of toddlers born very premature: A factorial design to test web delivery and telephone coaching	93.865	R01HD104072	95,608	
Passed through Edgewater Safety Systems:				
Development of Memesto, a wearable repetitive message and music therapy device that senses and reduces agitation in persons with AD/ADRD.	93.866	R43AG074725	3,802	
Passed through University of Utah:				
Circadian and sleep pathways to cardiometabolic disease risk: role of neurobehavioral processes	93.233	R01HL141706	14,338	
Passed through Loyola University:				
METS-Sleep: Sleep timing, gut microbiota and cardiometabolic risk across the Epidemiologic Transition	93.233	R01HL148271	23,212	
Passed through Dignity Health:				
Neurobiology of Mild Cognitive Impairment in the Elderly	93.866	P01AG014449	30,315	
Passed through DePaul University:				
Preventing Suicide in African American Adolescents	93.242	IR01MH118382	282,912	
Passed through Heartland Health Center:				
Advanced Nursing Education Nurse Practitioner Residency	93.247	T14HP33133	18,593	
Passed through University of Kentucky:				
Role of impaired cognitive states & risk factors in conversion to mixed dementias	93.866	R01AG038651	59,861	
Passed through Wistar Institute:				
SialicAcid Modulation of HIV-associated Chronic Inflammaging	93.866	R01AG062383	10,190	
Glycomic Modulation of Gut Microbiome During HIV Infection	93.847	R01DK123733	230,114	
BEAT-HIV: Delaney Collaboratory to Cure HIV-1 Infection by Combination Immunotherapy	93.855	A1164570	13,752	
Passed through Hennepin Healthcare Research:				
ASpirin in Reducing Events in the Elderly eXTension ASPREE	93.866	U19AG062682	205,027	25,001
ASpirin in Reducing Events in the Elderly eXTension ASPREE	93.866	U19AG062682	32,525	
Passed through CDC:				
Wastewater surveillance approaches for antimicrobial resistant genes and organisms in healthcare settings within the Central U.S. Region	93.RD	75D30121D12772	393,097	194,493
Innovative Support for Patients with SAR SARSCOV2 Infections(INSPIRE) Registry	93.RD	75D30120C08008	1,335,396	
Innovative Support for Patients with SAR SARSCOV2 Infections(INSPIRE) Registry	93.RD	75D30120C08008	784,858	784,858
Innovative Support for Patients with SAR SARSCOV2 Infections(INSPIRE) Registry	93.RD	75D30120C08008	665,175	785,112

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
Passed through Columbia University:				
Mitochondrial Energetics, Circuits and Cognitive Decline in the Aging Human Brain	93.866	RF1AG076821	50,192	
Metformin in Alzheimer's dementia Prevention (MAP)	93.866	R01AG062624	20,434	
Metformin in Alzheimer's dementia Prevention (MAP)	93.866	R01AG062624	20,121	
Alzheimer variants: Propagation of shared functional changes across cellular networks	93.866	5U01AG072572	694	
National Institute of Aging Alzheimer's Disease Family-Based Study (NIA-AD FBS)	93.866	U24AG056270	41,892	
Identifying cell type-specific autonomous and non-autonomous interactions in AD	93.866	RF1AG072167	26,922	
Microglia antigen presentation in the CNS of Alzheimer's disease	93.866	R01AG067581	37,103	
Multi-omic network directed proteoform discovery, dissection and functional validation to prioritize novel AD therapeutic targets	93.866	U01AG061356	111,607	
Interrogation of a human microglia phenotype associated with Alzheimer's disease	93.866	RF1AG072471	76,357	
Multi-omic network directed proteoform discovery, dissection and functional validation to prioritize novel AD therapeutic targets	93.866	U01AG061356	410,654	
Discovery and validation of genetic variants affecting microglial activation in Alzheimer's disease	93.866	RF1AG070438	225,383	
Metformin in Alzheimer's dementia Prevention (MAP)	93.866	R01AG062624	420,200	
Defining the effect of Alzheimer pathologies on the aged brain in 3 dimensions	93.866	U19AG074862	17,041	
Defining the effect of Alzheimer pathologies on the aged brain in 3 dimensions	93.866	U19AG074862	11,628	
Defining the effect of Alzheimer pathologies on the aged brain in 3 dimensions	93.866	U19AG074862	11,628	
Defining the effect of Alzheimer pathologies on the aged brain in 3 dimensions	93.866	U19AG074862	6,123	
Alzheimer variants: Propagation of shared functional changes across cellular networks	93.866	U01AG072572	18,594	
National Institute of Aging Alzheimer's Disease Family-Based Study (NIA-AD FBS)	93.866	U24AG056270	5,300	
Metformin in Alzheimer's dementia prevention (MAP)	93.866	R01AG062624	123,050	
Passed through Northwestern University:				
Food Allergy Management and Outcomes Related to Racial/Ethnic Differences from Infancy through Adolescence: The FORWARD Study	93.855	R01AI130348	142,208	
Trauma, the gut, and the brain: the gut microbiota-microglia axis in traumatic brain injury	93.853	R01NS127865	43,663	
Safety Assessment of Perioperative Pain Medications for Children (SAPPhire)	93.865	R21HD104078	366	
Chicago Kidney Urology Hematology network FOR city-Wide reseArch tRaining and career Development (Chicago KUH FORWARD)	93.847	U2CDK129917	(2,765)	
Study in Parkinson Disease of Exercise Phase 3 Clinical Trial: SPARX3	93.853	U01NS113851	8,645	
Functionally Defining HIV-Host Interactions During the Early HIV-1 Lifecycle	93.855	R01AI150998	182,746	
Glutamate receptor signaling pathways in the circuit integration of adult-born neurons.	93.853	R01 NS115471	(8,890)	
Technology Enabled Services for Coordinated Care of Depression in Healthcare settings	93.242	P50MH119029	(8,783)	
Myocardial Vulnerability to Ischemia-Induced Dysfunction and Heart Failure: The Impact of HIV/SIV, ART and Targeted Immunotherapy	93.837	R01HL154862	13,712	
Genetic modifiers of the Mediterranean-DASH dieton MRI Amongst a Diverse Population with Cognitive Complaint Intervention for Neurodegenerative Delay (MIND) response	93.866	R01AG065398	126,576	
Molecular mechanisms underlying behavioral and psychological symptoms in Alzheimers disease	93.866	R01AG062249	70,738	
A Family- Genetic Study of Autism and Fragile X Syndrome	93.242	R01 MH91131	60,763	
Resource Core	93.846	P30AR072579	3,803	
A Family-Genetic Study of Language in Autism	93.173	R01DC010191	24,091	
NRSA Training Core	93.847	TL1DK132769	44,461	
Chicago Kidney Urology Hematology network FOR city-Wide reseArch tRaining and career Development (Chicago KUH FORWARD)	93.847	U2CDK129917	3,975	
Technology Enabled Services for Coordinated Care of Depression in Healthcare settings	93.242	P50MH119029	19,570	
Lupus Intervention Fatigue Trial (LIFT)	93.846	R01AR071091	4,688	
Passed through University of Chicago:				
Effects of mRNA m6A methylation and its YTHDF reader proteins on human AD mRNA homeostasis	93.172	3RM1HG008935-08S1	49,382	
Chicago Chronic Condition Equity Network (C3EN)	93.307	5P50MD017349-02	22,250	
CTSA Grant	93.350	KL2TR002387	1,250	
CTSA Grant	93.350	UL1TR002389	55,618	
CTSA Grant	93.350	UL1TR002389	4,413	
CTSA Grant	93.350	UL1TR002389	299	
CTSA Grant	93.350	UL1TR002389	1,491	
CTSA Grant	93.350	UL1TR002389	11,746	
CTSA Grant	93.350	UL1TR002389	8,828	
CTSA Grant	93.350	UL1TR002389	1,369	
CTSA Grant	93.350	UL1TR002389	274	
Implementation and Dissemination of Evidence-Based Interventions to Improve PrEP Care Continuum Outcomes Among Women in Community Health Clinics in the Southern U.S.	93.242	R01MH128051	19,165	
ITM 2.0: Advancing Translational Science in Metropolitan Chicago	93.350	TL1TR002388	19,320	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349-01	417,972	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349-01	213,918	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349-01	506,048	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349-01	667,797	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349-01	29,128	
NIH Community Engagement Alliance (CEAL) Against COVID-19 Disparities	93.838	OT2HL156812	105,211	
Genotype-Guided therapy for atrial fibrillation	93.837	R01 HL 148444	715	
Targeted Healthcare Engineering for Systems Interventions In Stroke (THESIS)	93.226	R18HS027264	31,557	
Illinois Precision Medicine Consortium	93.368	OT2OD026557	71,157	

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349	32,426	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349	79,000	
Chicago Chronic Condition Equity Network (C3EN) preaward extension to 3/31/24 (executed contract only through 6/30/23)	93.307	P50MD017349	94,800	
Illinois Precision Medicine Consortium	93.368	OT2OD036445	344,415	
Adaptive Testing of Cognitive Function based on multi-dimensional Item Response Theory	93.866	R56AG084070	48,554	
Chicago Chronic Conditions Equity Network (C3EN)	93.307	P50MD017349	524	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349	11,957	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349	67,398	
ARCH: A home-delivered, community-embedded outreach intervention grounded in behavioral activation Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349	497,913	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349	3,125	
Chicago Chronic Condition Equity Network (C3EN)	93.307	P50MD017349	47,921	
CTSA Grant	93.350	KL2TR002387	163,277	
CTSA Grant	93.350	UL1TR002389	297,601	
CTSA Grant	93.350	UL1TR002389	256,512	
CTSA Grant	93.350	UL1TR002389	21,759	
CTSA Grant	93.350	UL1TR002389	83,722	
CTSA Grant	93.350	UL1TR002389	280,007	
CTSA Grant	93.350	UL1TR002389	289,222	
CTSA Grant	93.350	UL1TR002389	42,031	
CTSA Grant	93.350	UL1TR002389	105,560	
ITM 2.0: Advancing Translational Science in Metropolitan Chicago	93.350	TL1TR002388	93,130	
Passed through University of Illinois/UIC				
Hippocampal neurogenesis in cognitive function and dysfunction in Alzheimer's disease	93.866	R01AG076940	46,683	
State Maternal Health Innovation Program	93.110	U7AMC33720	15,939	
The Role of Mid-life Psychosocial Stressors, Social Resources and Physiological Dysregulation	93.866	R21AG065654	50	
Leadership Education in Neurodevelopmental and Related Disabilities Training Program	93.110	T73 MC11047-09-00	4,980	
Clinically Relevant Biomarkers for Niemann-Pick Type C	93.103	U01FD008126	44,104	
Great Lakes Node of the Drug Abuse Clinical Trials Network	93.279	UG1DA049467	10,738	
Integration and Interoperability of Complex Data and Tissues from the Human Brain	93.350	UG3TR004501	10,195	
Genotype-Guided therapy for atrial fibrillation	93.837	R01HL148444	38,957	
Project COPES - Creating Opportunities for Personal Empowerment in School Health Centers	93.493	H79FG001062	508,205	
The Gut Microbiome and Serum Metabolites as a Biological Mechanism Underlying Pain in Kidney Transplantation (Biome-KT)	93.847	R01DK135574	18,779	
iCardia4HF: A multi-component mHealth app and tailored text-messaging intervention to promote self-care adherence and improve outcomes in patients with chronic heart failure	93.837	R01HL168376	152,806	
Leadership Education in Neurodevelopmental and Related Disorders Training Program (IL LEND)	93.110	T73MC11047-14-00	10,000	
Passed through Westat Inc:				
NICHHD International and domestic Pediatric and Maternal HIV Studies Coordinating Center	93.RD	HHSN275201300003C HHSN275201800001I	98,990	
Passed through Yale University:				
Molecular Networks Underlying Resilience to Alzheimer's Disease Among APOE E4 Carriers	93.866	R01AG057912	19,135	
A non-viral CRISPR-mediated genome editing delivery platform as a potential therapy for neurogenetic diseases	93.310	UG3TR004713	13,065	
YALE/NIDA Neuroproteomics Center	93.279	P30DA018343	9,665	
Passed through University of California: USC, UC Davis, California Institute of Technology, Children Hosp LA, UCLA				
Elucidating microvascular contributions to cognitive impairment at single-cell resolution	93.853	R01NS128909	777	
Brain cPLA2 as a mechanism for neuroinflammation in AD/ADRD with and without APOE4	93.866	RF1AG076124	148,264	
A Cognitive Test Battery for Intellectual Disabilities	93.865	R01HD076189	43,491	
AIDS Clinical Trial Group Laboratory Center (ACTG LC)	93.855	UM1A1106701	29,627	
Unraveling the intersection of synaptic biology, lifestyle, and cognitive resilience	93.866	R01AG072475	60,689	
Combination anti-amyloid therapy for preclinical Alzheimer's disease	93.866	R01AG061848	63,200	
The A3 Study: Ante-Amyloid prevention of Alzheimer's disease	93.866	R01AG054029	19,000	
The A3Study: Ante-Amyloid prevention of Alzheimer's disease	93.866	5R01AG054029	308	
Lifecourse exposure to community violence and risk of cognitive decline, Alzheimer's Disease, and related dementias among African-Americans	93.866	R01AG067525	8,106	
The Clinical Significance of Incidental White Matter Lesions on MRI Amongst a Diverse Population with Cognitive Complaint (INDEED)	93.853	U19NS120384	34,189	
A Cognitive Test Battery for Intellectual Disabilities	93.865	R01HD076189	161,846	
The Clinical Significance of Incidental White Matter Lesions on MRI Amongst a Diverse Population with Cognitive Complaint	93.853	U19NS120384	(13,978)	
Ethnic-specific Effects of Mitochondrial DNA Variants and Environmental Factors on Cognitive Functioning and Dementia	93.866	R01AG068405	49,886	
Alzheimer's Disease Cooperative Study - A4 Study	93.866	U19 AG010483	375	
Racial Differences in Decision Making among Older Adults	93.866	R01AG055430	287,617	
Alzheimer's Clinical Trial Consortium (ACTC)	93.866	U24AG057437	(192)	
Alzheimer's Clinical Trials Consortium (ACTC)	93.866	U24AG057437	37,926	
Alzheimer's Clinical Trials Consortium (ACTC)	93.866	U24AG057437	234,641	
Sex-differences in HIV persistence and Immune Dynamics during Reproductive Aging	93.855	R01A1181655	6,448	

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
The Clinical Significance of Incidental White Matter Lesions on MRI Amongst a Diverse Population with Cognitive Complaint	93.853	U19NS120384	312,394	
Study of Healthy Aging in African Americans	93.866	R01AG050782	30,236	
Use and Impact of Novel and Repurposed Therapeutics for Alzheimer's Disease and Related Dementia in Diverse Populations	93.866	R61AG081811	133,009	
AIDS Clinical Trial Group Network	93.855	A1068636	109,777	
AIDS Clinical Trials Group for Research on Therapeutics for HIV and Related Infections ACTG LOC: Spec Lab A5369/A5371	93.855	UM1A1068636	40,624	
Global Alzheimer's Platform Trial-Ready Cohort for Preclinical/Prodromal Alzheimer's Disease	93.866	R01AG053798	6,250	
AHEAD Plasma Extension (APEX)	93.866	R01AG053798	7,000	
Alzheimer's Disease Neuroimaging Initiative (ADNI4)	93.866	U19AG024904	22,810	
A Randomized Double Blind, Placebo Controlled, Parallel Group to Evaluate the Safety and Efficacy of CT1812 in Early Alzheimer's Disease over 18 Months	93.866	R01AG065248	18,750	
Longitudinal Follow-up of Clinical Trial Participants For Brain Donation	93.866	U24AG057437	1,450	
AHEAD Plasma Extension (APEX)	93.866	R01AG053798	2,250	
Passed through University of Washington:				
Literacy Development for Preschoolers with Hearing Loss	93.172	R01DC017984	58,332	
AIDS and Aging Research Platform (AARP)	93.866	R33AG067069	11,663	
Passed through Emory University:				
A brain multi-omic approach to identify key molecular drivers of neuropsychiatric	93.394	R01AG072120	42,636	
Novel Bayesian statistical tools for integrating multi-omics data to help elucidate the genomic etiology of complex phenotypes	93.859	R35GM138313	19,733	
The Mechanism of Arenavirus Entry into Cells	93.855	R01AI053668	55,160	
Prevention Epicenter of Emory and Collaborating Healthcare Facilities (PEACH II)	93.084	U54CK000601	70,082	
Passed through Albert Einstein College of Medicine:				
Immunophenotyping for precision medicine for cardiovascular disease in people living with HIV	93.837	R01HL148094	989	
Multi-omic Signatures of Gut Dysbiosis and Cardiovascular Comorbidities Associated with HIV Infection	93.837	R01HL170904	1,927	
Passed through Johns Hopkins:				
LOC - IMPAACT Leadership Group	93.855	UM1 A1068632	37,319	
ADalimumab Vs. conventional Immunosuppression for uveitis (ADVISE) Trial	93.867	UG1EY028091	18,500	
A Placebo-Controlled Effectiveness in INPH Shunting (PENS) Trial	93.853	U01NS122764	63,059	
LOC - IMPAACT Leadership Group	93.855	UM1 A1068632	65,584	
Passed through Brigham and Women's Hospital:				
Towards Precision Nutrition for Alzheimer's Dementia Prevention: A Prospective Study of Dietary Patterns, the Gut Microbiome and Cognitive Function	93.866	IR01AG077489	100,250	
Food Timing to Mitigate Adverse Consequences of Night Work	93.837	IR01HL153969	46,561	
Integrative Motor Activity Biomarker for the Risk of Alzheimer's Risk	93.866	RF1AG064312	91,937	
Alliance for Clinical Trials in Oncology Operations Center	93.395	U10CA180821	79,401	
Molecular and cellular underpinnings of limbic-predominant age-related TDP-43 encephalopathy neuropathological change (LATE-NC)	93.866	R01AG080667	35,585	
The Gut Microbiome and Personalized Mediterranean Diet Interventions for Cardiometabolic Disease Prevention	93.361	R01NR019992	8,989	
Passed through Massachusetts General Hospital:				
Improving Multimodal Physical Function in Adults with Heterogeneous Chronic Pain: Multi-site Feasibility RCT	93.213	R01AT012069	151,975	
Prospective Study of the Gut Microbiome in Aging	93.886	RF1AG067744	49,238	
Phase II/III Trial of Pre-Operative Image Guided Intensity Modulated Proton Radiation Therapy (IMPT) or Photon (IMRT) with Simultaneously Integrated Boost to the High Risk Margin for Retroperitoneal Sarcomas	93.RD	218209	6,600	
Randomized Trial to Prevent Vascular Events in HIV - REPRIEVE	93.837	U01 HL23336	500	
Passed through Great Lakes Hemophilia:				
Regional Program	93.184	H30 MC24052	34,575	
Public Health Surveillance for Bleeding Disorders	93.080	NU27 DD001155-01-00	28,077	
Passed through University of Florida:				
Genome-wide profiling of brain 6mA methylome in AD	93.866	R01AG064786	165,548	
Brain glycosphingolipids and Alzheimer's disease	93.866	R01AG083902	19,285	
Brain lipids and AD	93.866	R01AG081375	70,716	
Passed through University of Pittsburgh:				
The Study of Women's Health Across the Nation (SWAN): The Impact of Midlife and the Menopause Transition on Health and Functioning in Early Old Age	93.866	3U19AG063720-02S2	25,992	
The Study of Women's Health Across the Nation (SWAN): The Impact of Midlife and the Menopause Transition on Health and Functioning in Early Old Age	93.866	U19AG063720	424,608	
Ketamine to reduce postpartum depression and pain after cesarean delivery	93.242	R01MH134538	8,988	
The Study of Women's Health Across the Nation (SWAN): The Impact of Midlife and the Menopause Transition on Health and Functioning in Early Old Age	93.866	U19AG063720	161,392	
Passed through University of Michigan/Michigan State:				
Role of SuPAR in the Intersection between Cardiovascular and Kidney Disease	93.837	R01HL153384	257	
Genomic methods for studying microbial transmission in healthcare settings	93.855	R01AI175227	57,742	
Barriers to Participation in CDC's Cooperative Agreement for the Sudden Unexpected Infant Death (SUID) and Sudden Death in the Young (SDY) Case Registry	93.421	NU38OT000303-05-01	86,500	

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
Passed through Vanderbilt University:				
Sex-Specific Genetic Drivers of Alzheimer's Disease Endophenotypes	93.866	1R01AG073439	44,824	
Stress and Opioid Misuse Risk: The Role of Endogenous Opioid and Endocannabinoid Mechanisms	93.279	1R01DA050334-01A1	58,700	
BRAIN-ICU 2 Study: Bringing to light the risk factors and incidence of neuropsychological dysfunction (dementia) in ICU Survivors, 2nd study	93.866	R01AG058639	60,142	
Genetic Drivers of Resilience to Alzheimer's Disease	93.866	R01AG059716	29,399	
Neuroprotective Effects of Vascular Endothelial Growth Factor in Alzheimer's Disease	93.866	R01AG061518	21,825	
A randomized, double-blind, placebo-controlled trial of urate-elevating inosine treatment to slow clinical decline in early Parkinson disease.	93.866	R01AG058639	594,474	71,505
Proteomics of Hypertension and Alzheimer's Disease in African American	93.866	R01AG064950	86,668	
Longitudinal Study of HIV and Aging in Brazil	93.866	R01AG071439	15,102	
Passed through Sunnybrook Research Institute:				
Sleep, Circadian Rhythms, and Mechanisms of Cognitive Decline in the Human Brain	93.866	R01AG052488	280,356	
Passed through Washington University:				
Bidirectional interactions between sleep and Alzheimer's disease: Functional dissection of the brain transcriptome in humans and Drosophila	93.866	RF1AG070436	71,198	
Exploiting Integrin Signaling to Overcome Resistance to Immunotherapy	93.395	R01CA244938	77,736	
Passed thru University of North Carolina at Chapel Hill/South Carolina:				
Oxidative Stress and the Development of Osteoarthritis	93.866	R01 AG044034	25,386	
Role of DNA damage and cellular senescence in osteoarthritis pathophysiology	93.866	R01AG081734	38,638	
Blood Pressure and AD/DR in African Americans: the Jackson Heart Study	93.866	R01AG066134	12,783	
Autonomic and Sensory Dysfunctions in FMR1 Condition - Administrative Supplement PO 2000065272 / USC 10013357	93.310	R01HD106652	18,796	
Passed thru Harvard School of Public Health:				
Targeting REST in Alzheimer's Disease	93.866	R01AG069042	38,811	
Safety and Healthcare Epidemiology Prevention Research Development (SHEPheRD) Program		200-2011-24037/2011-N-13526	23,474	
Child and adult Metal exposures, gene expression and neuropathologically confirmed Alzheimer's Disease	93.866	R56AG083897	93,822	
Passed thru University of Indiana:				
National Cell Repository for Alzheimer's Disease (NCRAD)	93.866	U24 AG021886	27,712	
Passed through Baylor College of Medicine:				
Mechanisms of couplon-linked skeletal muscle myopathies	93.846	R01AR072602	50,023	
Experimental effects of light and content from evening screen media use on children's sleep, executive functioning, and emotion regulation	93.865	R01HD112349	10,123	
Passed through Boston University/Boston Childrens Hospital:				
The Influence of Structural Racism on Incidence of Alzheimer's Disease and Related Dementias (AD/DR) in Black women	93.866	1R01AG077948	25,303	
Skeletal and non-skeletal roles for osteocalcin	93.846	1R01AR080740	20,883	
Air Pollution and Alzheimer's Dementia: Neuropathologic and Olfactory Mechanisms in Multi-Ethnic Longitudinal Cohorts	93.866	R01AG067497	157,253	
Air pollution and noise exposures in relation to dementia:from brain imaging markers to clinical disease				
	93.866	R01AG065359	92,105	
	93.846	R01AR080740	3,829	
Skeletal and non-skeletal roles for osteocalcin				
Development of Synaptopathies Associated with TSC, PTEN, SHANK3 Mutations (PMS; Cost reimbursable)	93.853	U54NS092090	21,967	
Strengthened Community Partnerships for More Holistic Approaches to Interoperability (Part 2)	93.421	6NU38OT000288	122,827	
Lifetime stressors and Alzheimer's Disease genetic variants and biomarkers in relation to cognitive decline among Black Women's Health Study participants	93.866	R01AG082046	13,631	
Passed through Boston Childrens Hospital:				
Development of Synaptopathies Associated with TSC, PTEN, SHANK3 Mutations	93.853	2U54NS092090	3,555	
Development of Synaptopathies Associated with TSC, PTEN, SHANK3 Mutations	93.853	2U54NS092090	120,038	
Passed through Oregon Health and Science Institute:				
Personality and Health: A Longitudinal Study	93.866	R01AG020048	5,144	
Passed through Rutgers University:				
Unmet Needs of Mental Health Care among Older Asian Americans with Cardiometabolic Diseases	93.307	P50MD017356	7,791	
Passed through Lurie Childrens Hospital:				
Project PrOVIDE: PrEP Optimisation Via Implementation, Dissemination, and Evaluation	93.941	U01PS005270	1,126	
Pandemic Preparedness Network	93.110	U1145814	4,267	
Passed through NCI-NCTN (ECOG, ALLIANCE, NRG, SWOG)				
A Randomized, Phase III trial to Evaluate the Efficacy and Safety of MK-3475 as Adjuvant Therapy for Triple Receptor Negative Breast Cancer with >1 CM Residual Invasive Cancer or Positive Lymph Nodes After Neoadjuvant Chemotherapy	93.RD	S1418	360	
FORTE Five or Ten Year Colonoscopy for 1-2 Non-Advanced Adenomatous Polyps	93.RD	NRG-CC005	10,500	
A NON-RANDOMIZED PROSPECTIVE CLINICAL TRIAL COMPARING THE NON-INFERIORITY OF SALPINGECTOMY TO SALPINGO-OOPHORECTOMY TO REDUCE THE RISK OF OVARIAN CANCER AMONG BRCA1 CARRIERS [SOROC]	93.RD	NRG-CC008	9,600	
Randomized Phase II trial of niraparib with standard combine radiotherapy and androgen deprivation therapy (ADT) in high risk prostate cancer	93.RD	NRG-GU007	16,200	
Parallel Phase III Randomized Trials for High Risk Prostate Cancer Evaluating De-Intensification for Lower Genomic Risk and Intensification of Concurrent Therapy for Higher Genomic Risk with Radiation (PREDICT-RT*)	93.RD	NRG-GU009	12,000	
Parallel Phase III Randomized Trials of Genomic-risk Stratified Unfavorable Intermediate Risk Prostate Cancer: De-intensification and Intensification Clinical Trial Evaluation (GUIDANCE)	93.RD	NRG-GU010	10,800	
Randomized Phase II/III Trial of Sentinel Lymph Node Biopsy Versus Elective Neck Dissection for Early-Stage Oral Cavity Cancer	93.RD	NRG-HN006	12,000	

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
Passed through IIT:				
Clinical Test of an Intracortical Visual Prosthesis System	93.853	UH3NS095557	130,263	
In-vivo MRI-based prediction of TDP43 pathology in aging	93.866	R01AG064233	324,369	
Passed through Tufts University:				
Vitamins D and K and Neuropathologically-Defined Alzheimer and Other Dementias in Older Persons	93.866	R01AG051641	272,494	
Passed through Mt. Sinai:				
A multiscale investigation of the living human brain	93.866	R01AG069976	(56,348)	
Elucidating Genetic and Environmental Second Hits in Racial and Ethnic Minorities with APOL1 High-Risk Genotypes	93.847	R01DK127139	3,630	
Peripheral and Brain Levels of Advanced Glycation End Products AGEs and Incident Alzheimers Disease and Neuropathy	93.866	R01AG053446	174,125	
Leveraging Existing Aging Research Networks to Investigate TBI and AD/ADRD risk (LEARN TBI & AD)	93.866	R01AG061028	102,629	
A multiscale investigation of the living human brain	93.866	R01AG069976	32,724	
Passed through University of Wisconsin:				
Data Driven Strategies for Substance Misuse Identification in Hospitalized Patients	93.279	R01DA051464	370,791	
Harnessing adaptive NK cell transfer to deplete viral reservoirs	93.855	R01AI161816	211,927	
The Neighborhoods Study: Contextual Disadvantage and Alzheimer's Disease and Related Dementias (ADRD)	93.866	R01AG070883	43,918	
ADRC Consortium for Clarity in ADRD Research Through Imaging (CLARiTi)	93.866	U01AG082350	97,695	
Adults with Fragile X Syndrome: Health and Life Course Trajectories	93.865	R01HD082110	5,898	
Passed through Medical College of Wisconsin:				
Environmental Sound Recognition Before and After Cochlear Implantation in Adults	93.173	R21DC018871	45,989	
Passed through Duke University:				
ACTIV-6: COVID-19 Outpatient Randomized Trial to Evaluate Efficacy of Repurposed Medications	93.350	U24TR001608	50,000	
A Phase 2b, Multicenter, Randomized, Open-Label, Assessor Blinded Superiority Study to Compare the Efficacy and for the Completion of Treatment of Patients with Complicated S. aureus Bacteremia	93.855	5UM1AI104681	60,000	
PRagmatic Evaluation of evENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE) -Administration & Trial Management	93.866	5U19AG065188	1,917	
PRagmatic Evaluation of evENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE) - Clinical Sites Core	93.866	5U19AG065188	6,165	
Metabolomic signatures for disease sub-classification and target prioritization in AMP-AD	93.866	U01AG061359	10,002	
Alzheimer's Gut Microbiome Project	93.866	U19AG063744	195,636	
PRagmatic Evaluation of evENTs And Benefits of Lipid-lowering in oldEr Adults (PREVENTABLE)	93.866	U19AG065188	32,955	
Passed through University of Cincinnati:				
AtRial Cardiopathy and Antithrombotic Drugs in prevention After cryptogenicstroke ARCADIA	93.853	U01NS095869	10,570	
Sleep for Stroke Management and Recovery Trial (Sleep SMART) Stroke Trial	93.853	U01NS099043	11,694	
Anticoagulation in ICH Survivors for Prevention and Recovery (ASPIRE) "Study"	93.853	U01NS106513	14,353	
Comparison of Anti-coagulation and anti-Platelet Therapies for Intracranial Vascular Atherosclerosis	93.853	U01NS117450	8,400	
StA Tins Use in intRacerebral hemorrhage patieNts (SATURN) "Study"	93.853	U01NS102289	7,675	
Passed through Batelle Memorial Institute/PNNL:				
Reduce Cesium Irradiator Replacement Project--Comparison Studies	93.RD	DE-AC05-76RL01830	10,027	
Passed through Esperanza Health Centers:				
Teaching Health Center Graduate Medical Education Program	93.530	22T9CHP46043C6	30,388	
Teaching Health Center Graduate Medical Education Program	93.530	22T9CHP46043C6	1,364,800	
Passed through Florida State:				
I/3 Effectiveness Trial of the Early Social Interaction (ESI) Model using Mobile Technology for Toddlers with Autism Identified from Early Screening in Primary Care	93.242	R01MH121627	58,886	
Passed through Hido Technologies:				
Preventing Medication Mismanagement in People Living with Dementia through Automated Medication Dispensing with Facial Recognition and Video Observation	93.866	R43AG077737	2,073	
Passed through University of Iowa:				
Clinical Coordinating Center for the Acute to Chronic Pain Signatures Program: Administrative Supplement	93.310	U24NS112873	6,755	
Clinical Coordinating Center for the Acute to Chronic Pain Signatures Program: Administrative Supplement	93.279	U24NS112873	118,160	
Passed through Medical University of South Carolina:				
The Impact of Circadian Misalignment on Colonic Barrier Homeostasis in Ulcerative Colitis	93.847	R01DK124280	179,907	
Chronotherapy of 5-Aminosalicylic Acid in Ulcerative Colitis: A Randomized Crossover Trial	93.847	R01DK128085	103,262	
Passed through University of Missouri:				
Supplement to Prebiotics Intervention to Reduce Alzheimer's Disease Risk via Brain-Gut Axis in an APOE4 Mouse Model	93.866	RF1AG062480	103,091	
Passed through Southern Illinois University:				
Coupling Epitranscriptomics to Molecular Disease Mechanisms and Nucleic Acid Therapeutics in Persistent Residual HIV Infection	93.855	R61AI16966	8,896	
Passed through University of South Carolina:				
Aging Symptom Trajectories in Mother Carriers of the FMR1 Premutation PO 2000066037 / USC 10011955	93.866	R01AG073374	17,927	
Autonomic and Sensory Dysfunctions in FMR1 Conditions: Development, Mechanisms and Consequences PO 2000065272 / USC 10011938	93.865	R01HD106652	32,280	
Aging Symptom Trajectories in Mother Carriers of the FMR1 Premutation	93.866	R01AG073374	36,993	
Passed through University of Miami:				
The Role of Vascular Calprotectin in Arteriovenous Fistula Maturation	93.847	R01DK132888	8,196	
Passed through Leland Stanford Junior University:				
Epigenetic Histone Landscape Profiles in HIV	93.855	R21AI172061	4,426	

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024**

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
Passed through Suny Research Foundation: Identifying the origins of resilience through human single cell molecular networks, then testing them in diverse resilient human IPS lines	93.866	R01AG061798	806,611	
Passed through Jaeb Center for Health Research: Randomized Trial Comparing Immediate versus Deferred Surgery for Symptomatic Epiretinal Membranes.	93.867	UG1EY014231	2,500	
Study: Genetics in Retinal Diseases Project for the DRCR Retina Network (DRCR)	93.867	UG1EY014231	25,058	
Passed through Arizona State: Smart Walk A culturally tailored smartphone delivered physical activity intervention to reduce cardiometabolic disease risk among African American women	93.837	R01HL168170	9,879	
Smart Walk A culturally tailored smartphone delivered physical activity intervention to reduce cardiometabolic disease risk among African American women	93.837	R01HL168170	376	
Passed through Cedars Sinai Medical Center: Alzheimer's Disease Hallmark Pathology and Associated Inflammation in the Retina	93.866	R01AG055865	19,246	
Passed through Drexel University: LEGENDS: Linking Epidemiology and Genetics of Neurodevelopmental and Neurodegenerative Disorders Study	93.853	R01NS131433	12,113	
LEGENDS: Linking Epidemiology and Genetics of Neurodevelopmental and Neurodegenerative Disorders Study	93.853	R01NS131433	1,824	
Passed through Gerontological Society of America: Resource Centers for Minority Aging Research National Coordinating Center (RCMARs NCC)	93.866	U24AG083253	15,089	
Passed through Icahn School of Medicine: Chinese language versions of the National Alzheimer's Coordinating Center's Uniform Data Set version 4: a linguistic and cultural adaptation study	93.866	R01AG083840	24,698	
Passed through University of Louisville Research Foundation: High Impact Models of Early Intervention Support: Accelerating Child Outcomes and Systems Policies	84.324	R324A230160	37,537	
Passed through Marquette University: Computer-guided Action Planning to Support Physical Activity (CAPPA) for Employees with Chronic Knee Symptoms	93.846	R21AR081007	17,436	
Computer-guided Action Planning to Support Physical Activity (CAPPA) for Employees with Chronic Knee Symptoms	93.846	R21AR081007	10,877	
Passed through Northeastern University: Intra-cartilage depot delivery of electrically-charged IL-1RA for targeting osteoarthritis-associated inflammation and catabolism in multiple joint tissues	93.846	R01AR075121	21,269	
Passed through Rhode Island Hospital: Advancing Hemiarthroplasty: Predicting in vivo performance of cartilage bearing systems through benchtop and ex vivo testing	93.846	R01AR082898	164,363	
Passed through Rowan University School of Osteopathic Medicine Differential clearance of pyroglutamate alpha through arachnoid and meningeal lymphatics in AD	93.866	R01AG064226	147,901	
Passed through Scripps Research Institute: Determinants of HIV-1 Innate Immune Sensing and its Role in Shaping the Lymphoid Environment	93.855	R01AI177265	98,819	
Passed through Temple University: Evaluation of a Remotely-Delivered Behavioral Intervention for Post-Bariatric Surgery Weight Regain	93.847	R01DK133264	59,538	
Passed through Triangle Biotechnology: Culture-Free Microbial enrichment for diagnosis and Characterization of antimicrobial resistance	93.083	R43IP001232	18,273	
Passed through University at Buffalo: Building Research Capacity to Study Periodontitis and Associated Systemic Comorbidities in the Caribbean	93.989	D43DE033474	7,257	
Passed through Parkinson's Disease Foundation: Trial of Parkinson's and Zoledronic Acid (TOPAZ)	93.866	R01AG059417	6,000	
Passed through University of Rochester: His-Bundle Corrective Pacing in Heart Failure URF AWD00005566	93.837	R01HL160795	1,975	
Passed through Memorial Sloan Kettering: OPTIMIZING TOBACCO TREATMENT FOR SMOKERS SEEKING LUNG CANCER SCREENING	93.393	R01CA207442	2,000	
Passed through University of Montreal: Exploring the role of IL-32 as a potential biomarker and therapeutic target in premature cardio-vascular diseases during HIV-infection	93.866	R01AG054324	50,723	
Passed through Cleveland Clinic: Dementia with Lewy Bodies Consortium	93.853	U01NS100610	12,061	-
Total U.S. Department of Health and Human Services			109,607,247	20,315,288
U.S. Army Medical Research Acquisition Activity: Preventing the Development of Chronic Pain: Treating PTSD at Acute Pain Onset	12.420	DOD W81XWH2210739	243,509	
Preventing the Development of Chronic Pain: Treating PTSD at Acute Pain Onset	12.420	DOD W81XWH2210739	46,482	
Rational Targeting of TTK/MPS1 in HER2-Negative Breast Cancer	12.420	W81XWH-22-1-0134	217,676	
(2R, 6R) - Hydroxynorketamine a Novel Therapeutic Analgesic for the Treatment of Neuropathic Pain	12.420	HT94252310834	9,279	
Passed through NASA: REACH for Information Technology Training	43.009	80NSSC22K0881	70,059	
Single-Source, Biomarkers as Predictors of Resiliency and Susceptibility to Stress in Space Flight	43.003	80NSSC20K0243	234,566	
Total U.S. Army Medical Research Acquisition/NASA/NSF			821,571	-
Department of Education: Validation of a Spanish-Language Social Reasoning Assessment for Spanish-Speaking English Language Learners	84.305	R305A200463	196,957	15,085
Web-based assessment of social-emotional skills in middle school	84.305	R305A200220	369,906	
Total Department of Education			566,863	15,085
TOTAL RESEARCH AND DEVELOPMENT			110,995,681	20,330,373

(Continued)

RUSH UNIVERSITY MEDICAL CENTER

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-through Grantor/Program or Cluster Title	Federal ALN Number	Federal Grantor/ Pass-through Grantor's Number	Federal Expenditures	Sub recipients
FEMA:				
FEMA-Emergency Protective Measures (COVID-19) V4	97.036	697311	1,243,854	
			1,243,854	-
Student Financial Assistance:				
U.S. Department of Education:				
Stafford Loan	84.268	P268K5336	39,694,877	
Grad Plus	84.268	P268K5336	32,513,746	
Parent Loans for Undergraduate Students	84.268	P268K5336	45,691	
Perkins Loan	84.038	P038A031271	-	
Perkins Loan-outstanding loan bal. at measurement date	84.038		401,473	
Pell Grant Program	84.063	P063P125336	254,473	
Supplemental Educational Opportunity Grant	84.007	P007A121271	90,002	
Federal Work Study	84.033	P033A121271	353,157	
Total U.S. Dept of Education			73,353,419	-
U.S. Department of Health and Human Services:				
Loans for Disadvantaged Students-outstanding loan bal. at measurement date	93.342		280,319	
Nursing Student Loan-Undergraduate-outstanding loan bal. at measurement date	93.364		16,383	
Nursing Student Loan-Graduate-outstanding loan bal. at measurement date	93.364		257,929	
Primary Care Loan/HPSL-outstanding loan bal. at measurement date	93.342		57,196	
Nurse Faculty Loan Program-outstanding loan bal. at measurement date-ARRA	93.408		43,567	
Nurse Faculty Loan Program-outstanding loan bal. at measurement date	93.264		617,286	
Nursing Student Loan	93.364	E4 DHP19180	-	
Nurse Faculty Loan Program	93.264	E01 HP28838	146,048	
			1,418,728	-
Total U.S. Department of Health and Human Services				
			74,772,147	-
TOTAL STUDENT FINANCIAL ASSISTANCE				
Other Federal Assistance:				
U.S. Department of Housing and Urban Development (HUD):				
Older Adults Home Modification Grant Program	14.921		241,786	73,902
U.S. Department of Health and Human Services:				
Nurse Anesthetist Traineeships	93.124		42,923	
Passed through State of Illinois Department of Human Services:				
Opioid SOR Program	93.788	43CBC03497	1,223,084	
Opioid SOR 2 Program	93.788	43CBC03652	1,288,896	
Passed through Cook County/JAC:				
Violence Prevention and Reduction Grant	21.019	1205-NT897C3-13	269,933	
Passed through City of Chicago-Chicago Department of Public Health:				
Health and Wellness Promotion	14.218	PO 182641	10,303	
Health Promotions Services for Older Adults	93.043/93.044	PO 210126	5,177	
Health Promotions Services for Older Adults	93.043/93.044	PO 210126	540	
Health Promotions Services for Older Adults	93.043/93.044	PO 182894	39,456	
Health Promotions Services for Older Adults	93.043/93.044	PO 182894	60,059	
Regional Innovative Public Health Laboratory (RIPHL)	93.323	6 NU50CK000556-01-04	2,262,813	
CDPH-DATAHUB	93.323	PO 140117	1,308,793	
ELC Program Contact Tracing	93.323	PO 241840/Release 256896	837,512	
ELC Program Contact Tracing	93.323	PO 200015/Release 215038	104,802	
Healthy Chicago Equity Zone	93.391	PO 241580	22,891	
Healthy Chicago Equity Zone	93.391	PO 241270	45,085	
Expanded HIV Testing for Disproportionately affected populations	93.940	30597	49,088	
Expanded HIV Testing for Disproportionately affected populations	93.940	30597	19,875	
Family Connects Chicago: Cohorts	21.027	PO 200908/Release 260894	274,845	
Family Connects Chicago: Cohorts	21.027	PO 200908/Release 222014	288,149	
CDPH-Testing and vaccination at Congregate and Other Settings	93.323	PO 207560	2,160,085	
Passed through State of Illinois Department of Public Health:				
School Based Health Center	93.994	46380024L	175,000	
Family Planning Program	93.217	46180059L	166,024	
Regional Perinatal Network	93.994	46380061L	370,377	
TOTAL OTHER FEDERAL ASSISTANCE			11,267,496	73,902
TOTAL EXPENDITURES OF FEDERAL AWARDS			\$ 198,279,178	\$ 20,404,275

(Concluded)

RUSH UNIVERSITY MEDICAL CENTER**SCHEDULE OF EXPENDITURES OF STATE AWARDS
YEAR ENDED JUNE 30, 2024**

State Grantor/Pass-through Grantor/Program or Cluster Title	State Grantor/ Pass-through Grantor's Number	State Expenditures
Passed through the Illinois Department of Public Health:		
Dementia Caregiver Program	24-0084	15,000
Family Planning Program	46180059L	53,282
School Based Health Center	46380024L	275,000
Genetic Counseling/Clinical Services	43788110L	129,452
Sickle Cell Program	43788305L	48,840
Total Illinois Department of Public Health		521,574
Passed through the Illinois Department of Human Services:		
Child Care Restoration Grant Program	B25232	28,000
Early Intervention Services	FCSCO05147	4,948,443
Total Illinois Department of Human Services		4,976,443
Passed through the Illinois Department of Transportation:		
State and Community Highway Safety	HS-24-0242	338,084
		338,084
TOTAL EXPENDITURES OF STATE AWARDS		5,836,101
TOTAL EXPENDITURES FEDERAL AND STATE AWARDS		\$ 204,115,279

RUSH SYSTEM FOR HEALTH

NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE AWARDS FOR THE YEAR ENDED JUNE 30, 2024

1. BASIS OF PRESENTATION

The accompanying Schedules of Expenditures of Federal Awards and State Awards (the "Schedules") include the federal and state grant activity of Rush System for Health (the "System" or "Rush"). The information in the Schedules is presented in accordance with the requirements of U.S. Office of Management and Budget Uniform Guidance, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award.

2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Expenditures reported on the Schedules are presented on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in OMB Uniform Guidance in 2 CFR Part 200 wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through entity identifying numbers are presented where available. Rush did not elect to utilize the de minimis indirect cost rate as allowed under Uniform Guidance.

3. LOANS WITH CONTINUING REQUIREMENTS

The outstanding balances as of June 30, 2024 for those loan programs for which the Federal Government imposes continuing compliance requirements are as follows:

Perkins Loan	\$ 401,473
Loans for Disadvantaged Students	280,319
Nursing Student Loan-Undergraduate	16,383
Nursing Student Loan-Graduate	257,929
Primary Care Loan/HPSL	57,196
Nurse Faculty Loan Program—ARRA	43,567
Nurse Faculty Loan Program	617,286

4. NONCASH ASSISTANCE

Rush did not receive any noncash federal awards or in-kind contributions during fiscal year 2024. In addition, Rush did not have any federal insurance in effect during the year ended June 30, 2024, to specifically cover federal expenditures.

RUSH SYSTEM FOR HEALTH

SCHEDULE OF FINDINGS AND QUESTIONED COSTS FOR THE YEAR ENDED JUNE 30, 2024

Part I—Summary of Auditors' Results

Financial Statements

Type of auditor's report issued: unmodified Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ Yes X none reported
- Noncompliance material to consolidated financial statements noted? _____ Yes X no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ Yes X no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? _____ Yes X none reported

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

unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516 of OMB Uniform Guidance?

_____ Yes X no

Identification of major programs:

ALN Numbers	Name of Federal Program or Cluster
Various	Research and Development Cluster

Dollar threshold used to distinguish between type A and type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

 X Yes _____ no

Part II—Financial Statement Findings

None noted

Part III—Federal Award Findings and Questioned Costs

None noted

RUSH SYSTEM FOR HEALTH

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE YEAR ENDED JUNE 30, 2024

Part II—Financial Statement Findings

None noted.

Part III—Federal Award Findings and Questioned Costs

None noted.