ALUMNI ASSOCIATION OF THE UNIVERSITY OF VIRGINIA

Financial Statements

June 30, 2022 and 2021

(With Independent Auditors’ Report Thereon)
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Independent Auditors’ Report

The Board of Managers
Alumni Association of the University of Virginia:

Opinion

We have audited the financial statements of the Alumni Association of the University of Virginia (the Association), which comprise the statements of financial position as of June 30, 2022 and 2021, and the related statements of activities, cash flows, and functional expenses for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Association as of June 30, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Association 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 U.S. generally accepted accounting principles, 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 Association’s ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditors’ 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 auditors’ report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 financial statements.
In performing an audit in accordance with GAAS, 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 Association’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 Association’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.

Richmond, Virginia
October 31, 2022
## ALUMNI ASSOCIATION OF THE UNIVERSITY OF VIRGINIA

**Statements of Financial Position**

**June 30, 2022 and 2021**

<table>
<thead>
<tr>
<th>Assets</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents (note 4)</td>
<td>$30,393,072</td>
<td>40,905,219</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>220,236</td>
<td>367,943</td>
</tr>
<tr>
<td>Contributions and other receivables, net (note 3)</td>
<td>4,150,684</td>
<td>5,101,963</td>
</tr>
<tr>
<td>Beneficial interest in trusts (note 4)</td>
<td>5,097,064</td>
<td>5,717,880</td>
</tr>
<tr>
<td>Investments (note 4)</td>
<td>513,216,964</td>
<td>526,125,360</td>
</tr>
<tr>
<td>Property, net (note 6)</td>
<td>3,541,367</td>
<td>3,821,596</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td><strong>$556,619,387</strong></td>
<td><strong>582,039,961</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Liabilities and Net Assets</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liabilities:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>$1,024,037</td>
<td>776,100</td>
</tr>
<tr>
<td>Due to University of Virginia and related organizations (note 7)</td>
<td>155,644,988</td>
<td>155,012,372</td>
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<tr>
<td>Annuity and life income obligations (note 4)</td>
<td>1,983,643</td>
<td>1,875,787</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>3,762,080</td>
<td>3,716,152</td>
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<tr>
<td><strong>Total liabilities</strong></td>
<td><strong>162,414,748</strong></td>
<td><strong>161,380,411</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Net assets:</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Without donor restrictions (note 11)</td>
<td>103,492,377</td>
<td>113,513,787</td>
</tr>
<tr>
<td>With donor restrictions (note 10)</td>
<td>290,712,262</td>
<td>307,145,763</td>
</tr>
<tr>
<td><strong>Total net assets</strong></td>
<td><strong>394,204,639</strong></td>
<td><strong>420,659,550</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Total liabilities and net assets</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>$556,619,387</strong></td>
<td><strong>582,039,961</strong></td>
<td></td>
</tr>
</tbody>
</table>
ALUMNI ASSOCIATION OF THE UNIVERSITY OF VIRGINIA

Statement of Activities

Year ended June 30, 2022

<table>
<thead>
<tr>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public support and revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public support – contributions (notes 3, 11, and 12)</td>
<td>$ 1,212,317</td>
<td>46,861,649</td>
</tr>
<tr>
<td>Revenues:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income (losses) and gains (losses), net of fees (notes 4, 5, and 11)</td>
<td>(5,834,288)</td>
<td>(20,448,814)</td>
</tr>
<tr>
<td>Lifetime and annual memberships</td>
<td>310,053</td>
<td>23,230</td>
</tr>
<tr>
<td>Support from the University of Virginia</td>
<td>2,473,376</td>
<td>—</td>
</tr>
<tr>
<td>Administrative service fees (note 7)</td>
<td>1,983,264</td>
<td>—</td>
</tr>
<tr>
<td>Special events</td>
<td>1,865,773</td>
<td>26,759</td>
</tr>
<tr>
<td>Change in fair value of beneficial interest in trusts (notes 4 and 11)</td>
<td>(52,140)</td>
<td>(544,887)</td>
</tr>
<tr>
<td>Change in value of trusts and annuities (notes 4 and 11)</td>
<td>—</td>
<td>(430,057)</td>
</tr>
<tr>
<td>Net assets released from restrictions (note 10)</td>
<td>41,921,381</td>
<td>(41,921,381)</td>
</tr>
<tr>
<td>Total revenues</td>
<td>42,667,419</td>
<td>(63,295,150)</td>
</tr>
<tr>
<td>Total public support and revenues</td>
<td>43,879,736</td>
<td>(16,433,501)</td>
</tr>
<tr>
<td>Expenses:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program activities (note 1):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and scholarships</td>
<td>41,891,329</td>
<td>—</td>
</tr>
<tr>
<td>Alumni relations</td>
<td>6,812,165</td>
<td>—</td>
</tr>
<tr>
<td>UVA Fund</td>
<td>1,132,500</td>
<td>—</td>
</tr>
<tr>
<td>Total program activities expenses</td>
<td>49,835,994</td>
<td>—</td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership development</td>
<td>332,999</td>
<td>—</td>
</tr>
<tr>
<td>Management and general</td>
<td>2,808,454</td>
<td>—</td>
</tr>
<tr>
<td>Fundraising</td>
<td>923,699</td>
<td>—</td>
</tr>
<tr>
<td>Total supporting services expenses</td>
<td>4,065,152</td>
<td>—</td>
</tr>
<tr>
<td>Total expenses</td>
<td>53,901,146</td>
<td>—</td>
</tr>
<tr>
<td>Change in net assets</td>
<td>(10,021,410)</td>
<td>(16,433,501)</td>
</tr>
<tr>
<td>Net assets:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>113,513,787</td>
<td>307,145,763</td>
</tr>
<tr>
<td>End of year</td>
<td>$ 103,492,377</td>
<td>290,712,262</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
**ALUMNI ASSOCIATION OF THE UNIVERSITY OF VIRGINIA**

Statement of Activities
Year ended June 30, 2021

<table>
<thead>
<tr>
<th>Without donor restrictions</th>
<th>With donor restrictions</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Public support and revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public support – contributions (notes 3, 11, and 12)</td>
<td>$4,083,542</td>
<td>46,304,892</td>
</tr>
<tr>
<td><strong>Revenues:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment income and gains, net of fees (notes 4, 5, and 11)</td>
<td>34,810,008</td>
<td>129,430,250</td>
</tr>
<tr>
<td>Lifetime and annual memberships</td>
<td>403,227</td>
<td>8,594</td>
</tr>
<tr>
<td>Support from the University of Virginia</td>
<td>2,422,182</td>
<td>—</td>
</tr>
<tr>
<td>Administrative service fees (note 7)</td>
<td>1,601,908</td>
<td>—</td>
</tr>
<tr>
<td>Special events</td>
<td>957,878</td>
<td>26,250</td>
</tr>
<tr>
<td>Change in fair value of beneficial interest in trusts (notes 4 and 11)</td>
<td>64,728</td>
<td>1,266,341</td>
</tr>
<tr>
<td>Change in value of trusts and annuities (notes 4 and 11)</td>
<td>—</td>
<td>72,973</td>
</tr>
<tr>
<td>Net assets released from restrictions (note 10)</td>
<td>75,688,277</td>
<td>(75,688,277)</td>
</tr>
<tr>
<td><strong>Total revenues</strong></td>
<td>115,948,208</td>
<td>55,116,131</td>
</tr>
<tr>
<td><strong>Total public support and revenues</strong></td>
<td>120,031,750</td>
<td>101,421,023</td>
</tr>
<tr>
<td><strong>Expenses:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Program activities (note 1):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grants and scholarships</td>
<td>75,420,305</td>
<td>—</td>
</tr>
<tr>
<td>Alumni relations</td>
<td>5,520,045</td>
<td>—</td>
</tr>
<tr>
<td>UVA Fund</td>
<td>1,073,915</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total program activities expenses</strong></td>
<td>82,014,265</td>
<td>—</td>
</tr>
<tr>
<td>Supporting services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership development</td>
<td>344,368</td>
<td>—</td>
</tr>
<tr>
<td>Management and general</td>
<td>2,693,952</td>
<td>—</td>
</tr>
<tr>
<td>Fundraising</td>
<td>1,053,943</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total supporting services expenses</strong></td>
<td>4,092,263</td>
<td>—</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>86,106,528</td>
<td>—</td>
</tr>
<tr>
<td>Change in net assets</td>
<td>33,925,222</td>
<td>101,421,023</td>
</tr>
<tr>
<td><strong>Net assets:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Beginning of year</td>
<td>79,588,565</td>
<td>205,724,740</td>
</tr>
<tr>
<td><strong>End of year</strong></td>
<td>$113,513,787</td>
<td>307,145,763</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
# ALUMNI ASSOCIATION OF THE UNIVERSITY OF VIRGINIA

## Statements of Cash Flows

Years ended June 30, 2022 and 2021

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in net assets</td>
<td>$(26,454,911)</td>
<td>135,346,245</td>
</tr>
<tr>
<td><strong>Adjustments to reconcile change in net assets to net cash used in operating activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation</td>
<td>316,338</td>
<td>355,103</td>
</tr>
<tr>
<td>Net realized and unrealized gains (losses) on investments</td>
<td>25,814,860</td>
<td>(164,371,200)</td>
</tr>
<tr>
<td>Contribution of beneficial interest in trusts</td>
<td>—</td>
<td>(501,931)</td>
</tr>
<tr>
<td>Distributions of beneficial interest in trusts</td>
<td>—</td>
<td>136,667</td>
</tr>
<tr>
<td>Contributions restricted for endowment</td>
<td>(18,082,954)</td>
<td>(15,416,595)</td>
</tr>
<tr>
<td>Change in fair value of beneficial interest in trusts</td>
<td>620,816</td>
<td>(1,313,257)</td>
</tr>
<tr>
<td>Change in value of trusts and annuities</td>
<td>430,057</td>
<td>(72,974)</td>
</tr>
<tr>
<td>Change in note payable</td>
<td>—</td>
<td>(1,520,700)</td>
</tr>
<tr>
<td><strong>Change in assets and liabilities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions and other receivables, net</td>
<td>951,280</td>
<td>(1,805,372)</td>
</tr>
<tr>
<td>Prepaid expenses and other assets</td>
<td>147,707</td>
<td>(80,814)</td>
</tr>
<tr>
<td>Accounts payable and accrued expenses</td>
<td>247,937</td>
<td>15,451</td>
</tr>
<tr>
<td>Due to University of Virginia and related organizations</td>
<td>632,616</td>
<td>36,421,890</td>
</tr>
<tr>
<td>Annuity and life income obligations</td>
<td>(123,580)</td>
<td>616,862</td>
</tr>
<tr>
<td>Other liabilities</td>
<td>45,927</td>
<td>1,273,197</td>
</tr>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td>(15,453,907)</td>
<td>(10,917,428)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(36,110)</td>
<td>(31,011)</td>
</tr>
<tr>
<td>Proceeds from sales of investments</td>
<td>14,832,844</td>
<td>18,557,695</td>
</tr>
<tr>
<td>Purchases of investments</td>
<td>(27,739,308)</td>
<td>(23,824,663)</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(12,942,574)</td>
<td>(5,297,979)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributions restricted for endowment</td>
<td>18,082,954</td>
<td>15,416,595</td>
</tr>
<tr>
<td>Payments of annuity obligations</td>
<td>(198,620)</td>
<td>(389,758)</td>
</tr>
<tr>
<td><strong>Net cash provided by financing activities</strong></td>
<td>17,884,334</td>
<td>15,026,837</td>
</tr>
<tr>
<td><strong>Decrease in cash and cash equivalents</strong></td>
<td>(10,512,147)</td>
<td>(1,188,570)</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at beginning of year</strong></td>
<td>40,905,219</td>
<td>42,093,789</td>
</tr>
<tr>
<td><strong>Cash and cash equivalents at end of year</strong></td>
<td>$30,393,072</td>
<td>40,905,219</td>
</tr>
<tr>
<td><strong>Supplemental disclosure of noncash transactions:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contribution of beneficial interest in trusts</td>
<td>$</td>
<td>501,931</td>
</tr>
<tr>
<td>Donated investments converted immediately to cash</td>
<td>5,691,688</td>
<td>9,000,567</td>
</tr>
<tr>
<td>Other gifts in-kind</td>
<td>230,848</td>
<td>729,250</td>
</tr>
</tbody>
</table>

See accompanying notes to financial statements.
## ALUMNI ASSOCIATION OF THE UNIVERSITY OF VIRGINIA

### Statement of Functional Expenses

#### Year ended June 30, 2022

<table>
<thead>
<tr>
<th>Program activities</th>
<th>Grants and scholarships</th>
<th>Alumni relations</th>
<th>UVA Fund</th>
<th>Supporting services</th>
<th>Membership development</th>
<th>Management and general</th>
<th>Fundraising</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support to University Community</td>
<td>$41,891,329</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>41,891,329</td>
<td></td>
</tr>
<tr>
<td>Salaries and wages</td>
<td>—</td>
<td>2,876,662</td>
<td>640,202</td>
<td>138,010</td>
<td>1,136,973</td>
<td>474,017</td>
<td>5,265,864</td>
<td></td>
</tr>
<tr>
<td>Employee benefits</td>
<td>—</td>
<td>913,224</td>
<td>268,503</td>
<td>51,689</td>
<td>566,344</td>
<td>111,497</td>
<td>1,911,257</td>
<td></td>
</tr>
<tr>
<td>Contractual services</td>
<td>—</td>
<td>36,000</td>
<td>37,775</td>
<td>—</td>
<td>318,668</td>
<td>36,000</td>
<td>428,443</td>
<td></td>
</tr>
<tr>
<td>Professional services</td>
<td>—</td>
<td>5,425</td>
<td>36,223</td>
<td>5,056</td>
<td>407,219</td>
<td>—</td>
<td>453,923</td>
<td></td>
</tr>
<tr>
<td>Merchant services</td>
<td>—</td>
<td>—</td>
<td>68,887</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>68,887</td>
<td></td>
</tr>
<tr>
<td>Legal fees</td>
<td>—</td>
<td>33,993</td>
<td>—</td>
<td>—</td>
<td>17,883</td>
<td>1,045</td>
<td>52,921</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>—</td>
<td>23,968</td>
<td>30,884</td>
<td>1,703</td>
<td>112,444</td>
<td>4,819</td>
<td>173,818</td>
<td></td>
</tr>
<tr>
<td>Printing</td>
<td>—</td>
<td>342,572</td>
<td>1,728</td>
<td>25,964</td>
<td>565</td>
<td>53,969</td>
<td>424,798</td>
<td></td>
</tr>
<tr>
<td>Postage</td>
<td>—</td>
<td>229,984</td>
<td>3,257</td>
<td>19,903</td>
<td>580</td>
<td>33,850</td>
<td>287,574</td>
<td></td>
</tr>
<tr>
<td>Copying, computer, and office supplies</td>
<td>—</td>
<td>93,089</td>
<td>9,645</td>
<td>3,271</td>
<td>27,061</td>
<td>2,435</td>
<td>135,501</td>
<td></td>
</tr>
<tr>
<td>Production expenses</td>
<td>—</td>
<td>126,284</td>
<td>3,235</td>
<td>1,208</td>
<td>19,361</td>
<td>3,899</td>
<td>153,987</td>
<td></td>
</tr>
<tr>
<td>Marketing and promotions</td>
<td>—</td>
<td>118,450</td>
<td>—</td>
<td>14,993</td>
<td>354</td>
<td>9,380</td>
<td>143,177</td>
<td></td>
</tr>
<tr>
<td>Travel and entertainment</td>
<td>—</td>
<td>20,069</td>
<td>180</td>
<td>4,649</td>
<td>984</td>
<td>10,579</td>
<td>36,461</td>
<td></td>
</tr>
<tr>
<td>Event expense</td>
<td>—</td>
<td>1,618,439</td>
<td>—</td>
<td>15,928</td>
<td>19,121</td>
<td>107,721</td>
<td>1,761,209</td>
<td></td>
</tr>
<tr>
<td>Facility expense</td>
<td>—</td>
<td>342,482</td>
<td>31,649</td>
<td>26,013</td>
<td>173,601</td>
<td>73,749</td>
<td>647,494</td>
<td></td>
</tr>
<tr>
<td>Bad debt expense</td>
<td>—</td>
<td>20,030</td>
<td>—</td>
<td>24,535</td>
<td>2,085</td>
<td>—</td>
<td>46,650</td>
<td></td>
</tr>
<tr>
<td>Other expenses/(reimbursements and refunds)</td>
<td>—</td>
<td>11,492</td>
<td>332</td>
<td>78</td>
<td>5,213</td>
<td>738</td>
<td>17,853</td>
<td></td>
</tr>
</tbody>
</table>

| Total expenses by function | $41,891,329 | 6,812,163 | 1,132,500 | 333,000 | 2,808,456 | 923,698 | 53,901,146 |

See accompanying notes to financial statements.
| Support to University Community | $75,420,305 | — | — | — | — | $75,420,305 |
| Salaries and wages | — | 2,829,460 | 660,149 | 133,392 | 1,285,489 | 634,420 | 5,542,910 |
| Employee benefits | — | 1,043,800 | 240,654 | 45,059 | 571,614 | 211,248 | 2,112,375 |
| Contractual services | — | — | 566 | 25 | 283,723 | — | 284,314 |
| Professional services | — | 41,413 | 38,997 | — | 217,093 | — | 297,503 |
| Merchant services | — | — | 53,353 | — | — | — | 53,353 |
| Legal fees | — | 14,163 | 1,365 | — | 22,624 | — | 38,152 |
| Insurance | — | 27,535 | 23,339 | 1,264 | 99,799 | 3,543 | 155,480 |
| Printing | — | 365,956 | 2,365 | 18,805 | 759 | 44,313 | 432,198 |
| Postage | — | 326,437 | 4,095 | 21,241 | 682 | 30,378 | 382,833 |
| Copying, computer, and office supplies | — | 65,067 | 8,304 | 2,236 | 43,689 | 3,573 | 122,869 |
| Production expenses | — | 119,731 | 7,270 | 1,881 | 26,422 | 9,317 | 164,621 |
| Marketing and promotions | — | 63,226 | — | 21,485 | 2,105 | 165 | 86,981 |
| Travel and entertainment | — | 22,024 | 415 | 925 | 549 | 3,927 | 27,840 |
| Event expense | — | 335,697 | — | 5,202 | (137) | 36,074 | 376,836 |
| Facility expense | — | 268,769 | 32,651 | 27,156 | 136,128 | 76,985 | 541,689 |
| Bad debt expense | — | 4,000 | — | 61,260 | — | — | 65,260 |
| Other expenses/(reimbursments and refunds) | — | (7,233) | 392 | 4,437 | 3,413 | — | 1,009 |
| Total expenses by function | $75,420,305 | 5,520,045 | 1,073,915 | 344,368 | 2,693,952 | 1,053,943 | 86,106,528 |

See accompanying notes to financial statements.
(1) **Organization and Programs**

The Alumni Association of the University of Virginia (the Association) is a not-for-profit corporation originally formed as the Society of Alumni of the University of Virginia in 1838. The Society of Alumni was incorporated by legislative act on February 6, 1873. The Society was re-incorporated as the General Alumni Association of the University of Virginia, a nonstock corporation in the Commonwealth of Virginia, on March 7, 1903. The charter of the corporation was amended July 5, 1922, and the name changed to the Alumni Association of the University of Virginia.

The purpose of the Association is to provide services to all alumni of the University of Virginia (the University), thereby assisting the University and its students, faculty and administration in attaining the University’s highest priorities of developing responsible citizen leaders and professionals; advancing, preserving, and disseminating knowledge; and providing world-class patient care. The Association operates in accordance with the University of Virginia’s Board of Visitors Policy on University Associated Organizations and is subject to an annual certification of compliance to the University’s Board of Visitors.

**Program Activities**

(a) **Alumni Relations**

The Association partners with the University to create collaborative institution-wide alumni engagement programs. These programs serve to enhance the University’s ability to build and maintain ties with an increasingly diverse community of alumni and also to offer alumni opportunities for ongoing relationships with the University. Alumni Hall is the hub of alumni-relations activities on the Grounds. Through a series of events held throughout the year, the Association welcomes thousands of alumni back to the University in meaningful, often educational ways, to strengthen the bond between alumni and their alma mater. The Association serves as a center of communications, both incoming and outgoing, between the University and its alumni. The award-winning University of Virginia Magazine is published quarterly and distributed to all alumni, students, faculty, and parents. This publication is supplemented by websites, social media, electronic communications and videos. In addition, the Association provides a wide variety of alumni programs targeted to support alumni and build a strong bond between the University and its alumni. These activities are reported as Alumni relations in the accompanying statements of activities and functional expenses. The University provides some funding to the Association to undertake a number of alumni-relations programs that benefit the University. Other program support includes membership, philanthropy, investment income, and cost recovery fees for services.

(b) **UVA Fund**

The UVA Fund was first organized in 1928 at the request of the University as a way for friends and alumni to support the University. The UVA Fund continues that rich tradition of service by supporting the fundraising efforts of the Alumni Association and various University-related organizations as well as providing financial and endowment management and banking services that are not otherwise available within the University community. The delivery of service is tailored to the unique needs of the community and is designed to provide a full suite of financial tools to support each client throughout the business cycle, from receipt of gifts to use of funds. The UVA Fund supports numerous student scholarships, operating accounts, emergency loan funds and annual grants for projects that enhance the University as a preeminent global institution of higher learning; it serves approximately 600 student organizations, 150 alumni clubs, 13 associated organizations/foundations, and hundreds of specific
purpose accounts for organizations and units across the University. Some amounts held by the UVA Fund for investment and management are reported as liabilities to the University of Virginia in the accompanying statements of financial position. UVA Fund services are reported as the UVA Fund in the accompanying statements of activities and functional expenses.

(c) Grants and Scholarships

Gifts accepted by the Association on behalf of University-related organizations are reported as public support and distributions are recognized as Grants and scholarships expense on the accompanying statements of activities.

Included in Grants and scholarships is The Jefferson Trust (the Trust), a flagship initiative of the Association. The Trust is a charitable foundation, the income from which is used exclusively for charitable and educational purposes. The Trust was formed as a single member limited liability company on October 25, 2006. The Association is the sole member of the Trust. The Trust manages a grant program that provides funding to various University constituencies to enhance the University’s margin of excellence consistent with the founder’s vision and its national and international reputation. Since inception, the Jefferson Trust has grown to more than $45 million in total assets and has awarded more than $11.3 million in grants. During the 2021-2022 academic year, the Trust awarded grants totaling $1,446,486 for new initiatives spanning a broad range of schools, departments, student groups and academic centers at the University. The activities of the Trust are reported as Grants and scholarships and Fundraising in the accompanying statements of activities and functional expenses.

Also included in Grants and scholarships is the increase in the Due to University of Virginia and related organizations. During the fiscal years ended June 30, 2022, and 2021, the change in the Due to University of Virginia and related organizations included in the Grants and scholarships line item of the statement of activities was $632,617 and $38,103,310, respectively.

Supporting Services

Supporting services include membership development, management and general expenses, and fundraising. Membership development encompasses solicitation and payment processing; development of member affinity programs; and business development including advertising and sponsorships. Management and general includes administrative support activities not directly identifiable with one or more programs or fundraising. Fundraising services include solicitation of donations for the annual fund as well as specific programs and initiatives of the Association. In addition to its core services, the Association has historically served as a launching platform, incubating new programs to support the University such as the Jefferson Scholars Program and the Virginia Athletics Fund.

(2) Summary of Significant Accounting Policies

(a) Basis of Accounting

The accompanying financial statements have been prepared using the accrual method of accounting in accordance with U.S. generally accepted accounting principles.
(b) **Basis of Presentation**

The accompanying financial statements have been prepared in accordance with the Financial Accounting Standards Board (FASB) in its Accounting Standards Codification (ASC) No. 958, *Not-for-Profit Entities*.

(c) **Use of Estimates**

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

(d) **Revenue Recognition**

The Association reports contributions as support when they are received or unconditionally pledged by the donor. The Association reports contributions as without donor restrictions or with donor restrictions depending on the existence and/or nature of any donor restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or a purpose restriction is accomplished, net assets with donor restrictions are reclassified as net assets without donor restrictions and reported in the statements of activities as net assets released from restrictions.

Contributions of long-lived assets with no donor-imposed time or purpose restrictions are reported as without donor restrictions. Contributions of cash and other assets restricted to the acquisition of long-lived assets are reported as increases in net assets with donor restrictions. Those restrictions expire when the long-lived assets are placed into service.

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their expected future cash flows. The discounts on those amounts are computed using risk-free interest rates adjusted for credit risk determined in the year in which the promises are received. Amortization of the discounts is included in contribution revenue.

Investment income is reported as changes in the appropriate net asset class based on donor stipulations, if any, as to the use of such income. In addition, for donor restricted funds reported income is deemed to be subject to a time restriction until such amounts have been appropriated for expenditure and the time period for expenditure has been reached.

(e) **Functional Allocation of Expenses**

The statements of functional expenses present the natural classification detail of expenses by function. Certain costs that are attributable to one or more programs have been allocated among the program and supporting services benefited. Expenses related to the facility are allocated based on square foot usage. Expenses related to shared services are allocated based on estimates of time and effort.

(f) **Cash Equivalents**

For purposes of reporting cash flows, cash equivalents include all demand instruments with an initial maturity of three months or less at date of purchase. Cash and cash equivalents in the accompanying
statements of financial position include operating cash and donor restricted funds held for UVA Fund clients.

\( g \) Property

Buildings, building improvements, and furniture, fixtures, and equipment are reported by the Association at purchase price or construction cost or, if donated to the Association, at fair value at the time of gift, less accumulated depreciation. Land is reported by the Association at purchase price or, if donated to the Association, at fair value at the time of gift. Realized gains or losses from the sale of property are recorded as proceeds received less the book value on the date of the sale. There were no such realized gains or losses for the years ended June 30, 2022 and 2021.

The Association computes depreciation using the straight-line method over the estimated useful lives of capitalized property, as follows:

<table>
<thead>
<tr>
<th></th>
<th>Years</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buildings</td>
<td>30</td>
</tr>
<tr>
<td>Building improvements</td>
<td>15</td>
</tr>
<tr>
<td>Furniture, fixtures, and equipment</td>
<td>4–7</td>
</tr>
</tbody>
</table>

\( h \) Income Taxes

The Association is exempt from federal income taxes as defined by Section 501(c)(3) of the Internal Revenue Code (the Code) and is classified as a public charity under 509(a)(1) of the Code.

The Association is required to recognize the effect of a tax position taken or expected to be taken on a tax return based on a 'more likely than not' of being sustained by a taxing authority threshold. The Association does not believe it has any uncertain tax positions required to be recognized in the financial statements.

\( i \) Fair Value Measurements

Please refer to note 4 for discussion of accounting policies surrounding fair value measurements, including investment holdings.

\( 3 \) Contributions and Other Receivables

Contributions receivable include contributing memberships, the Jefferson Trust, scholarships, and other program support funds. All amounts recorded in the accompanying financial statements represent donors’ unconditional promises to make financial contributions to the Association.

During 2022, previously reserved life memberships in the amount of $92,182 were written off against the allowance for doubtful accounts as they were deemed uncollectible. The allowance for doubtful accounts at June 30, 2022 and 2021 was $239,836 and $333,469, respectively.

Other receivables include accounts receivable from departments of the University of Virginia, persons and organizations affiliated with the University, advertisers, and student loans receivable. These accounts and loans receivable bear interest at various rates from 0% to 5.0%.
The following shows the expected collection periods of these receivables and the related allowance for uncollectible amounts at June 30, 2022 and 2021:

### 2022

<table>
<thead>
<tr>
<th></th>
<th>Less than 1 year</th>
<th>1–5 years</th>
<th>Greater than 5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership and other</td>
<td>$166,126</td>
<td>228,638</td>
<td>875</td>
<td>395,639</td>
</tr>
<tr>
<td>Jefferson Trust</td>
<td>804,643</td>
<td>1,125,890</td>
<td>—</td>
<td>1,930,533</td>
</tr>
<tr>
<td>Scholarships and other</td>
<td>247,207</td>
<td>386,213</td>
<td>—</td>
<td>633,420</td>
</tr>
<tr>
<td>Other trade</td>
<td>1,473,994</td>
<td>—</td>
<td>—</td>
<td>1,473,994</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td><strong>$2,691,970</strong></td>
<td>1,740,741</td>
<td>875</td>
<td><strong>4,433,586</strong></td>
</tr>
</tbody>
</table>

Less:

- Allowance for uncollectible receivables $(239,836)$
- Discount to present value (rates from 0.5% to 5.0%) $(43,066)$

Contributions and other receivables, net $4,150,684

### 2021

<table>
<thead>
<tr>
<th></th>
<th>Less than 1 year</th>
<th>1–5 years</th>
<th>Greater than 5 years</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Membership and other</td>
<td>$179,459</td>
<td>382,437</td>
<td>5,025</td>
<td>566,921</td>
</tr>
<tr>
<td>Jefferson Trust</td>
<td>797,610</td>
<td>1,593,159</td>
<td>—</td>
<td>2,390,769</td>
</tr>
<tr>
<td>Scholarships and other</td>
<td>297,878</td>
<td>571,842</td>
<td>—</td>
<td>869,720</td>
</tr>
<tr>
<td>Other trade</td>
<td>1,658,848</td>
<td>—</td>
<td>—</td>
<td>1,658,848</td>
</tr>
<tr>
<td><strong>Total receivables</strong></td>
<td><strong>$2,933,795</strong></td>
<td>2,547,438</td>
<td>5,025</td>
<td><strong>5,486,258</strong></td>
</tr>
</tbody>
</table>

Less:

- Allowance for uncollectible receivables $(333,469)$
- Discount to present value (rates from 0.5% to 5.0%) $(50,826)$

Contributions and other receivables, net $5,101,963

(Continued)
(4) **Fair Value Measurements**

Assets and liabilities are classified under a three-level hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). If the inputs used to measure the assets or liabilities fall within different levels of the hierarchy, the classification is based on the lowest level input that is significant to the fair value measurement of the asset or liability.

Classification of assets and liabilities within the hierarchy considers the markets in which the assets and liabilities are traded and the reliability and transparency of the assumptions used to determine fair value. The hierarchy requires the use of observable market data when available.

The levels of the hierarchy are defined as follows:

- **Level 1** – Inputs to the valuation methodology are quoted or published prices (unadjusted) in active markets for identical assets or liabilities as of the reporting date.

- **Level 2** – Inputs to the valuation methodology include quoted or published prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability and market-corroborated inputs.

- **Level 3** – Inputs to the valuation methodology are unobservable for the asset or liability and are significant to the fair value measurement.

The Association’s valuation methodologies are described below:

**(a) Investments**

The Association reports investments at estimated fair value based on quoted market prices if available, or for hedge funds and fund of funds, the Association’s percentage ownership of the net asset values of the funds. The net asset value is utilized as a practical expedient estimate of fair value. The Association recognizes unrealized and realized gains and losses as components of investment income (losses).

The Association’s investment portfolio consists of the following at June 30, 2022 and 2021:

<table>
<thead>
<tr>
<th>Description</th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>UVIMCO (see note 4(c))</td>
<td>$479,725,240</td>
<td>500,779,486</td>
</tr>
<tr>
<td>Hedge fund</td>
<td>—</td>
<td>5,648</td>
</tr>
<tr>
<td>Charitable trusts and gift annuities</td>
<td>2,288,087</td>
<td>2,557,534</td>
</tr>
<tr>
<td>Investments in certificates of deposit and public debt and equities</td>
<td>30,589,437</td>
<td>22,123,392</td>
</tr>
<tr>
<td>Investment in real estate</td>
<td>614,200</td>
<td>659,300</td>
</tr>
<tr>
<td><strong>Total investments</strong></td>
<td><strong>$513,216,964</strong></td>
<td><strong>526,125,360</strong></td>
</tr>
</tbody>
</table>
At June 30, 2022 and 2021, the Association has invested its long-term portfolio principally in the University of Virginia Investment Management Company (UVIMCO). UVIMCO is a not-for-profit corporation organized to invest funds on behalf of the Rector and Visitors of the University of Virginia and University associated organizations.

Assets held in the UVIMCO investment pool are commingled with other long-term funds of the Rector and Visitors of the University of Virginia and University associated organizations in a unitized investment vehicle.

The Association had the ability to deposit on a monthly basis after providing 5 days’ notice and withdraw on a quarterly basis after providing 120 days’ notice. Quarterly withdrawals are limited to 4% of the value of the Association’s total interest in the pool as reflected in the most recent shareholder report, typically the last day of the prior month. On the last day of any calendar month the Association will be entitled to request a special redemption up to 20% of the total number of shares held on the notice date. Any special redemption request will be effective on or prior to the twelve-month anniversary of any such request. The Association records its portion of the net asset value and investment income of UVIMCO’s investment pool in the accompanying financial statements.

UVIMCO values direct investments in publicly traded debt and equity securities at quoted market prices where readily available. Exchange traded securities are stated at the last reported sales price on the day of valuation. Securities traded in the over-the-counter market are valued using the mean of the last quoted bid and ask prices. Independent third-party sources are used to value all publicly traded securities. Due to variations in trading volumes and the lack of quoted market prices for fixed maturities, the fair value of fixed income securities is derived from recent reported trades for identical or similar securities, matrix pricing or model process, where future cash flow expectations are developed based upon collateral performance and discounted at an estimated market rate or dealer quotes. Quoted prices are not adjusted.

UVIMCO has investments in limited partnership hedge funds, private equity, and venture capital investment vehicles. These investments do not actively trade through established exchanges and are valued at estimated fair value based on UVIMCO’s interest in the investee as determined and reported by the external manager of the investment. Because of the inherent uncertainty of such valuations, these estimated values may differ from the values that would have been used had a ready market for the investments existed, and the differences could be material.

The Association’s other investments include real estate, fixed maturity securities such as certificates of deposit and government and corporate bonds, public equities, and similar investment vehicles. The real estate is valued at estimated fair value of the discounted cash flow of future royalty income generated by the Association’s partial ownership in the petroleum production from four leases located on the land. The Association values direct investments in publicly traded debt and equity securities at quoted market prices where readily available. Independent third-party sources are used to value all publicly traded securities.

While the Association believes the above valuation methods are appropriate and consistent with those used by other market participants, the use of different methodologies, assumptions, changes in the economic environment, financial markets and any other parameters used to determine the fair value of certain estimated values may differ significantly from the values that would have been used had a
readily available market for such investment existed, or had such investments been liquidated, and these differences could be material to the financial statements. Investments are exposed to several risks, such as interest rate, currency, market and credit risks.

(b) Charitable Trusts, Gift Annuities and Beneficial Interest in Trusts

The Association is the trustee of several charitable gift annuity trusts. Under the trust agreements, the grantor contributes assets to the Association. For the remainder of the grantor’s life, the Association pays an annuity to the grantor. The payout is a fixed amount based on a percentage of the original gift, as defined by the trusts.

The Association is also the trustee of several charitable remainder unitrust agreements. Under trust agreements, unitrusts generally pay annual benefits to the trust grantors throughout their lives based on a percentage of the fair value of the trust’s assets each year, as defined by the trusts.

The Association is also the trustee under several charitable remainder annuity trust agreements. The terms of these trusts are similar to those of the unitrusts except that the annual payout to the donors is a fixed amount.

The fair value of the assets received under these trust agreements is included in cash and cash equivalents and investments in the accompanying statements of financial position. Contribution revenue is recognized to the extent that the fair value of the trust’s assets exceeds the present value of the estimated future payments to the trust grantors. At June 30, 2022, the total fair value of assets held under the trust agreements included cash and cash equivalents of approximately $122,000 and investments of approximately $2,288,000. At June 30, 2021, the total fair value of assets held under the trust agreements included cash and cash equivalents of approximately $129,000 and investments of approximately $2,558,000. The present value of the future payouts to the donors at June 30, 2022 and 2021, which approximates fair value, is recorded in the accompanying statements of financial position as annuity and life income obligations in the amount of $1,983,643 and $1,875,787, respectively. At June 30, 2022 and 2021, the present value of the future payments is based on the following actuarial assumptions:

<table>
<thead>
<tr>
<th>Item</th>
<th>Assumption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated life of trust</td>
<td>The 2012 Individual Annuity Reserving Tables in accordance with Treasury Reg. Sec. 1.72-9, as amended</td>
</tr>
<tr>
<td>Discount rate</td>
<td>Range from 3.67% to 8.23%</td>
</tr>
</tbody>
</table>

The Association has an irrevocable beneficial interest in split interest agreements such as perpetual trusts and charitable remainder trusts for which third party entities are the trustees. The Association has no control over these assets and only realizes the interest upon a termination event as defined by the agreement. These interests are initially recorded as contribution revenue at their fair value with subsequent changes in the fair value recorded as change in fair value of beneficial interest in trusts on the statement of activities. Fair value is calculated as the Association’s share of the fair value of the underlying assets in trusts as of the reporting date.
For the year ended June 30, 2021, the Association received new split interest agreements held by third party trustees in the amount of $501,931.

(c) Other Financial Instruments

The carrying amounts of cash and cash equivalents, prepaid expenses and other assets, accounts payable and accrued expenses, due to University of Virginia related organizations, note payable, and other liabilities approximate fair value because of the short maturity of these instruments. Management has estimated the net realizable value of contributions and other receivables, evaluated collection history and has concluded the carrying amounts approximate the fair values.

The following tables present the balances of assets measured at fair value on a recurring basis as of June 30, 2022 and 2021, by level within the fair value hierarchy:

<table>
<thead>
<tr>
<th>2022</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>NAV¹</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash equivalents</td>
<td>$10,461,268</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>10,461,268</td>
</tr>
<tr>
<td>Investment in UVIMCO</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>479,725,240</td>
<td>479,725,240</td>
</tr>
<tr>
<td>Securities held (private entity)</td>
<td>—</td>
<td>—</td>
<td>28,940</td>
<td>—</td>
<td>28,940</td>
</tr>
<tr>
<td>Investment in real estate</td>
<td>—</td>
<td>—</td>
<td>614,200</td>
<td>—</td>
<td>614,200</td>
</tr>
<tr>
<td>Beneficial interest in trusts</td>
<td>—</td>
<td>—</td>
<td>5,097,064</td>
<td>—</td>
<td>5,097,064</td>
</tr>
<tr>
<td>Investment in trusts held – debt securities</td>
<td>182,429</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>182,429</td>
</tr>
<tr>
<td>Investment in trusts held – U.S. equity securities</td>
<td>2,105,657</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>2,105,657</td>
</tr>
<tr>
<td>Investment in mutual funds fixed income</td>
<td>1,808,961</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1,808,961</td>
</tr>
<tr>
<td>Investment in mutual funds equity</td>
<td>1,193,797</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>1,193,797</td>
</tr>
<tr>
<td>Fixed maturity securities – certificates of deposit</td>
<td>—</td>
<td>5,685,751</td>
<td>—</td>
<td>—</td>
<td>5,685,751</td>
</tr>
<tr>
<td>Fixed maturity securities – government bonds</td>
<td>10,943,744</td>
<td>7,759,674</td>
<td>—</td>
<td>—</td>
<td>18,703,418</td>
</tr>
<tr>
<td>Fixed maturity securities – corporate bonds – investment grade</td>
<td>—</td>
<td>3,168,571</td>
<td>—</td>
<td>—</td>
<td>3,168,571</td>
</tr>
<tr>
<td>Total</td>
<td>$26,695,856</td>
<td>16,613,996</td>
<td>5,740,204</td>
<td>479,725,240</td>
<td>528,775,296</td>
</tr>
</tbody>
</table>

¹ Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statements of Financial Position.
Cash and cash equivalents of $30,393,072 from the Statement of Financial Position is a combination of cash equivalents above of $10,461,268 and cash of $19,931,804 as of June 30, 2022.

<table>
<thead>
<tr>
<th>2021</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>NAV</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assets:</td>
<td>$22,934,203</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>22,934,203</td>
</tr>
<tr>
<td>Cash equivalents</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>500,779,486</td>
<td>500,779,486</td>
</tr>
<tr>
<td>Investment in UVMCO</td>
<td>—</td>
<td>—</td>
<td>5,648</td>
<td>5,648</td>
<td></td>
</tr>
<tr>
<td>Investment in hedge fund</td>
<td>—</td>
<td>—</td>
<td>28,940</td>
<td>28,940</td>
<td></td>
</tr>
<tr>
<td>Securities held (private entity)</td>
<td>—</td>
<td>—</td>
<td>659,300</td>
<td>659,300</td>
<td></td>
</tr>
<tr>
<td>Investment in real estate</td>
<td>—</td>
<td>—</td>
<td>5,717,880</td>
<td>5,717,880</td>
<td></td>
</tr>
<tr>
<td>Beneficial interest in trusts</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td>Investment in trusts held – debt securities</td>
<td>199,935</td>
<td>—</td>
<td>—</td>
<td>199,935</td>
<td></td>
</tr>
<tr>
<td>Investment in trusts held – U.S. equity securities</td>
<td>2,357,600</td>
<td>—</td>
<td>—</td>
<td>2,357,600</td>
<td></td>
</tr>
<tr>
<td>Investment in mutual funds fixed income</td>
<td>1,870,350</td>
<td>—</td>
<td>—</td>
<td>1,870,350</td>
<td></td>
</tr>
<tr>
<td>Investment in mutual funds equity</td>
<td>1,618,494</td>
<td>—</td>
<td>—</td>
<td>1,618,494</td>
<td></td>
</tr>
<tr>
<td>Fixed maturity securities – certificates of deposit</td>
<td>—</td>
<td>5,488,143</td>
<td>—</td>
<td>—</td>
<td>5,488,143</td>
</tr>
<tr>
<td>Fixed maturity securities – government bonds</td>
<td>2,009,450</td>
<td>7,939,445</td>
<td>—</td>
<td>—</td>
<td>9,948,895</td>
</tr>
<tr>
<td>Fixed maturity securities – corporate bonds – investment grade</td>
<td>—</td>
<td>3,168,570</td>
<td>—</td>
<td>—</td>
<td>3,168,570</td>
</tr>
<tr>
<td>Total</td>
<td>$30,990,032</td>
<td>16,596,158</td>
<td>6,406,120</td>
<td>500,785,134</td>
<td>554,777,444</td>
</tr>
</tbody>
</table>

1 Certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the Statements of Financial Position.

Cash and cash equivalents of $40,905,219 from the Statement of Financial Position is a combination of cash equivalents above of $22,934,203 and cash of $17,971,016 as of June 30, 2021.
The following table summarizes changes in Level 3 assets measured at fair value on a recurring basis:

<table>
<thead>
<tr>
<th></th>
<th>Beneficial interests in Securities</th>
<th>Real estate</th>
<th>Total assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>trusts</td>
<td>held</td>
<td></td>
</tr>
<tr>
<td>Level 3 assets:</td>
<td>$4,039,359</td>
<td>28,940</td>
<td>542,000</td>
</tr>
<tr>
<td>Ending balances as of</td>
<td>June 30, 2020</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$4,039,359</td>
<td>28,940</td>
<td>542,000</td>
</tr>
<tr>
<td>Total net appreciation (depreciation) included in:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in fair value of net assets</td>
<td>1,313,257</td>
<td>—</td>
<td>117,300</td>
</tr>
<tr>
<td>Contributions</td>
<td>501,931</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Distributions and maturities</td>
<td>(136,667)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Ending balances as of</td>
<td>June 30, 2021</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>5,717,880</td>
<td>28,940</td>
<td>659,300</td>
</tr>
<tr>
<td>Total net appreciation (depreciation) included in:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Change in fair value of net assets</td>
<td>(620,816)</td>
<td>—</td>
<td>(45,100)</td>
</tr>
<tr>
<td>Contributions</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Distributions and maturities</td>
<td>—</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Ending balances as of</td>
<td>June 30, 2022</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$5,097,064</td>
<td>28,940</td>
<td>614,200</td>
</tr>
</tbody>
</table>

The Association did not have any assets or liabilities measured at fair value on a nonrecurring basis during the years ended June 30, 2022 and 2021. During the years ended June 30, 2022 and 2021, there were no transfers into or out of Levels 1, 2 or 3.
The Association holds shares of the UVIMCO Long-Term Pool as well as directly held investments. The composition of the total portfolio of investments at June 30, 2022 and 2021 is as follows:

**2022**

<table>
<thead>
<tr>
<th></th>
<th>UVIMCO Long-term pool</th>
<th>Directly held investments</th>
<th>Total investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public equity</td>
<td>$ 117,606,046</td>
<td>5,124,886</td>
<td>122,730,932</td>
</tr>
<tr>
<td>Long/short equity</td>
<td>56,884,485</td>
<td>28,940</td>
<td>56,913,425</td>
</tr>
<tr>
<td>Buyout</td>
<td>20,272,620</td>
<td>—</td>
<td>20,272,620</td>
</tr>
<tr>
<td>Growth equity</td>
<td>60,196,470</td>
<td>—</td>
<td>60,196,470</td>
</tr>
<tr>
<td>Venture capital</td>
<td>54,895,386</td>
<td>—</td>
<td>54,895,386</td>
</tr>
<tr>
<td>Real estate</td>
<td>22,839,234</td>
<td>614,200</td>
<td>23,453,434</td>
</tr>
<tr>
<td>Absolute return and credit resources – oil, energy and natural resources</td>
<td>47,179,515</td>
<td>—</td>
<td>47,179,515</td>
</tr>
<tr>
<td>Bonds</td>
<td>29,059,761</td>
<td>22,037,947</td>
<td>51,097,708</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>—</td>
<td>5,685,751</td>
<td>5,685,751</td>
</tr>
<tr>
<td>Cash and accruals</td>
<td>15,456,699</td>
<td>—</td>
<td>15,456,699</td>
</tr>
<tr>
<td><strong>Total investments</strong></td>
<td><strong>$ 479,725,240</strong></td>
<td><strong>33,491,724</strong></td>
<td><strong>513,216,964</strong></td>
</tr>
</tbody>
</table>

**2021**

<table>
<thead>
<tr>
<th></th>
<th>UVIMCO Long-term pool</th>
<th>Directly held investments</th>
<th>Total investments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public equity</td>
<td>$ 149,941,054</td>
<td>5,864,243</td>
<td>155,805,297</td>
</tr>
<tr>
<td>Long/short equity</td>
<td>85,153,515</td>
<td>34,588</td>
<td>85,188,103</td>
</tr>
<tr>
<td>Buyout</td>
<td>17,052,477</td>
<td>—</td>
<td>17,052,477</td>
</tr>
<tr>
<td>Growth equity</td>
<td>64,279,376</td>
<td>—</td>
<td>64,279,376</td>
</tr>
<tr>
<td>Venture capital</td>
<td>50,791,980</td>
<td>—</td>
<td>50,791,980</td>
</tr>
<tr>
<td>Real estate</td>
<td>15,909,548</td>
<td>659,300</td>
<td>16,568,848</td>
</tr>
<tr>
<td>Marketable alternatives and credit resources – oil, energy and natural resources</td>
<td>49,785,531</td>
<td>—</td>
<td>49,785,531</td>
</tr>
<tr>
<td>Bonds</td>
<td>19,524,612</td>
<td>13,299,600</td>
<td>32,824,212</td>
</tr>
<tr>
<td>Certificates of deposit</td>
<td>—</td>
<td>5,488,143</td>
<td>5,488,143</td>
</tr>
<tr>
<td>Cash and accruals</td>
<td>14,120,118</td>
<td>—</td>
<td>14,120,118</td>
</tr>
<tr>
<td><strong>Total investments</strong></td>
<td><strong>$ 500,779,486</strong></td>
<td><strong>25,345,874</strong></td>
<td><strong>526,125,360</strong></td>
</tr>
</tbody>
</table>
(5) **Net Investment Income**

Investment income (loss) consists of the following for the years ended June 30, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest and dividends</td>
<td>$650,385</td>
<td>622,500</td>
</tr>
<tr>
<td>Net realized losses</td>
<td>(639)</td>
<td>(50,990)</td>
</tr>
<tr>
<td>Net unrealized gains</td>
<td>(25,814,221)</td>
<td>164,422,190</td>
</tr>
<tr>
<td>Investment expenses</td>
<td>(1,118,627)</td>
<td>(753,442)</td>
</tr>
<tr>
<td><strong>Net investment income (loss)</strong></td>
<td>$ (26,283,102)</td>
<td>164,240,258</td>
</tr>
</tbody>
</table>

Investment expenses for the years ended June 30, 2022 and 2021 related to UVMCO were $1,092,430 and $727,480, respectively. UVMCO’s fees are incurred retrospectively and consist of incentive fees, management fees, management fee rebates, and reimbursements for any long-term pool expenses allocated on a per share basis.

(6) **Property**

Property consists at June 30, 2022 and 2021 of the following:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alumni Hall land, building, and improvements</td>
<td>$8,158,537</td>
<td>8,158,537</td>
</tr>
<tr>
<td>Furniture, fixtures, and equipment</td>
<td>2,350,865</td>
<td>2,314,756</td>
</tr>
<tr>
<td>Other real estate</td>
<td>675,620</td>
<td>675,620</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>11,185,022</td>
<td>11,148,913</td>
</tr>
<tr>
<td>Less accumulated depreciation</td>
<td>(7,643,655)</td>
<td>(7,327,317)</td>
</tr>
<tr>
<td><strong>Property, net</strong></td>
<td>$3,541,367</td>
<td>3,821,596</td>
</tr>
</tbody>
</table>

(7) **Due to University of Virginia and Related Organizations**

The Association serves the University and related organizations in a number of ways, including through its management of the UVA Fund. Assets managed by the Association for the UVA Fund are pooled for investment purposes with other Association funds. Fees earned by the UVA Fund for endowment management services are included in administrative service fees on the statement of activities. The UVA Fund also processes gifts for the Association and UVA Fund clients.
The composition of Due to University of Virginia and related organizations at June 30, 2022 and 2021 consists of the following:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Due to the University of Virginia Commerce School</td>
<td>$60,826,700</td>
<td>$55,670,378</td>
</tr>
<tr>
<td>Due to the University of Virginia and other related organizations</td>
<td>$94,818,288</td>
<td>$99,341,994</td>
</tr>
<tr>
<td>Total due to University of Virginia and related organizations</td>
<td>$155,644,988</td>
<td>$155,012,372</td>
</tr>
</tbody>
</table>

(8) Retirement Plan

The Association provides for a defined contribution retirement plan, which covers substantially all employees once the eligibility requirements of the plan are met. Contributions by the Association to the plan totaled approximately $510,000 and $562,000 during the years ended June 30, 2022 and 2021, respectively.

(9) Liquidity and Availability

The Association has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. As part of its liquidity management, the Association invests cash in excess of daily requirements in various short-term (available within one year) investments. The Association Board of Managers has designated a portion of its net assets without donor restrictions for specific use. These are not included in this disclosure. In addition, the Association maintains a committed line of credit in the amount of $750,000 that it could draw upon in the event of an unanticipated liquidity need.

Financial assets held for the benefit of others are not available to support Association operations and are excluded from this disclosure.

Financial assets available for general expenditure by the Association within one year at June 30:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash, cash equivalents and investments liquid within 1 day</td>
<td>$6,625,334</td>
<td>$4,923,462</td>
</tr>
<tr>
<td>Contributions and other receivables, net</td>
<td>1,570,987</td>
<td>1,737,420</td>
</tr>
<tr>
<td>Investment at UVIMCO liquid within 12 months</td>
<td>18,203,059</td>
<td>19,693,553</td>
</tr>
<tr>
<td>Total</td>
<td>$26,399,380</td>
<td>$26,354,435</td>
</tr>
</tbody>
</table>
(10) _Net Assets with Donor Restrictions_

As of June 30, 2022 and 2021, assets with donor restrictions were available for the following purposes:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>University-related organizations</td>
<td>$234,368,152</td>
<td>$249,745,852</td>
</tr>
<tr>
<td>Scholarships and other</td>
<td>45,654,265</td>
<td>46,200,784</td>
</tr>
<tr>
<td>Alumni Association programs</td>
<td>10,689,845</td>
<td>11,199,127</td>
</tr>
<tr>
<td><strong>Total net assets with donor restrictions</strong></td>
<td><strong>$290,712,262</strong></td>
<td><strong>307,145,763</strong></td>
</tr>
</tbody>
</table>

Net assets with donor restrictions subject to expenditures for specified purposes are $288,006,518 and $304,495,131 at June 30, 2022 and 2021 respectively. Net assets with donor restrictions subject to the passage of time are $2,705,744 and $2,650,631 at June 30, 2022 and 2021 respectively.

Determinations to appropriate or accumulate the approximately 3,400 donor-restricted funds held by the UVA Fund on behalf of clients are made by the clients. Determination to appropriate or accumulate donor-restricted funds held by the Association is made by the Association. In all cases, donor restrictions accepted by the Association are honored unless the donor consents or when a change is permitted by the gift instrument or applicable law.

Net assets were released from donor restrictions by the passage of time or by incurring expenses or making distributions satisfying the restricted purposes as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Distributions to University-related organizations</td>
<td>$40,309,983</td>
<td>74,482,079</td>
</tr>
<tr>
<td>Adjustment to allowance for uncollectible receivables</td>
<td>24,535</td>
<td>60,868</td>
</tr>
<tr>
<td>Other program expenses</td>
<td>1,586,863</td>
<td>1,145,330</td>
</tr>
<tr>
<td><strong>Total net assets released from restrictions</strong></td>
<td><strong>$41,921,381</strong></td>
<td><strong>75,688,277</strong></td>
</tr>
</tbody>
</table>

(11) _Net Assets without Donor Restrictions_

The Association has historically designated the majority of its assets without donor restriction to function as endowments. Net assets without donor restrictions also include funds designated by the Board for the Operating Reserve and the Building and Capital Reserve. The Operating Reserve is intended to provide an internal source of funds for situations such as a sudden unexpected increase in expenses, one-time unbudgeted expenses, unanticipated loss in funding, or uninsured losses. The Building and Capital Reserve is intended to provide a source of funds for repair, expansion, or acquisition of buildings, leaseholds, furniture, fixtures, and equipment necessary for the effective operation of the Association and its programs. Most assets without donor restrictions are pooled for investment purposes (note 4a).
Net assets without donor restriction consist of the following at June 30, 2022 and 2021:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Funds designated by the board to function as endowment</td>
<td>$ 98,332,902</td>
<td>$ 108,241,220</td>
</tr>
<tr>
<td>Operating reserve</td>
<td>1,454,243</td>
<td>1,507,609</td>
</tr>
<tr>
<td>Building and capital asset reserve</td>
<td>3,705,232</td>
<td>3,764,958</td>
</tr>
<tr>
<td>Total net assets without donor restrictions</td>
<td>$ 103,492,377</td>
<td>$ 113,513,787</td>
</tr>
</tbody>
</table>

Changes in funds designated to function as endowment for the years ended June 30, 2022 and 2021 are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2022</th>
<th>2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net assets beginning of year</td>
<td>$ 108,241,221</td>
<td>$ 74,565,829</td>
</tr>
<tr>
<td>Investment, dividend income and gains, net of fees</td>
<td>(5,721,197)</td>
<td>34,560,177</td>
</tr>
<tr>
<td>Contributions</td>
<td>1,212,317</td>
<td>4,083,542</td>
</tr>
<tr>
<td>Change in beneficial interest in trusts</td>
<td>(52,140)</td>
<td>64,728</td>
</tr>
<tr>
<td>Expenditures</td>
<td>(11,979,767)</td>
<td>(10,418,249)</td>
</tr>
<tr>
<td>Other program revenue</td>
<td>6,632,466</td>
<td>5,385,195</td>
</tr>
<tr>
<td>Net assets end of year</td>
<td>$ 98,332,900</td>
<td>$ 108,241,222</td>
</tr>
</tbody>
</table>

(a) The Association considers the following factors in making a determination to appropriate or accumulate funds designated to function as endowment:

1) The duration and preservation of the assets
2) The purposes of the Association
3) General economic conditions
4) The possible effect of inflation and deflation
5) The expected total return from income and the appreciation of investments
6) Other resources of the Association
7) The investment policies of the Association
(b) Return Objectives and Risk Parameters
The Association has adopted investment and spending policies for assets expected to function as endowments that attempt to provide a predictable stream of funding to supported programs while seeking to maintain the purchasing power of the assets over the long term. To achieve this objective, the Board has adopted the investment objectives and strategy of UVIMCO. UVIMCO attempts to manage the long-term pool to provide real returns over time that compare favorably with the returns of endowments of other outstanding schools in its peer group which consists of the Colleges & Universities Over $1 billion Universe, as reported by Cambridge Associates. The Board has determined that UVIMCO’s risk tolerance is appropriate given the Association’s tolerance for volatility in spending.

(c) Strategies Employed for Achieving Objectives
To satisfy its long-term rate-of-return objectives, the Association relies on UVIMCO’s traditional policy portfolio benchmark comprised of public market indices. For the fiscal years ending June 30, 2022 and 2021 the policy benchmark was 75% equity and 25% fixed income. The strategic asset allocation is prudently diversified across asset classes and lies near the efficient frontier of portfolios that provide the highest expected return per unit of risk and the lowest risk per unit of expected return. The Board relies on the risk controls employed by UVIMCO based on the Pool’s tolerance for volatility, but also to ensure adequate liquidity.

(d) Spending Policy and How the Investment Objectives Relate to Spending Policy
The Association has adopted a policy discipline consistent with University policy, which calls for a percentage increase in the annual distribution, unless such increase causes the distribution to fall outside a range of 4% to 6% of the three-year average market value of the pooled funds. In establishing this policy, the Association considered the expected return on its investments in the UVIMCO long-term pool. Accordingly, the Association expects the current spending policy to allow its assets functioning as endowments to maintain purchasing power by growing at the anticipated rate of inflation. Additional real growth will be provided through new gifts and any excess investment return.

(12) Financing Activities
The Association has a revolving line of credit agreement for $750,000 with Truist Bank. There were no borrowings against the line at or during the years ended June 30, 2022 and 2021. The line bears interest equal to the 30 day average SOFR rate plus 1.07% per annum. The line is reviewed annually and secured by deposits held at the bank.

(13) Subsequent Events
The Association has evaluated the effects of events that have occurred subsequent to period end June 30, 2022, through October 31, 2022, which is the date the financial statements were available for issue. During this period, there have been no material events that would require recognition in the financial statements or disclosure in the notes thereto.