

Consolidated Statements of Activities

Years Ended June 30, 2017 and 2016 *(in thousands of dollars)*

Revenue	2017	2016
Gross tuition and fees	\$ 830,550	\$ 780,083
Less: Student aid	(405,833)	(384,309)
Net tuition and fees	424,717	395,774
Government grants and contracts	367,577	364,940
Private gifts, grants, and contracts	229,526	219,857
Endowment payout	454,220	466,478
Patient service	2,128,591	1,746,208
Auxiliaries	216,622	217,420
Other income	393,729	373,089
Net assets released from restrictions	140,293	73,432
Total Operating Revenue	4,355,275	3,857,198
Expenses		
Compensation Expenses		
Academic salaries	590,246	549,422
Staff salaries	1,279,412	1,133,161
Benefits	475,024	430,000
Total Compensation Expenses	2,344,682	2,112,583
Other Operating Expenses		
Utilities, alterations, and repairs	85,109	77,732
Depreciation	321,327	280,768
Interest	166,571	145,667
Supplies, services, and other	1,409,963	1,173,741
Total Other Operating Expenses	1,982,970	1,677,908
Total Operating Expenses	4,327,652	3,790,491
Excess of Operating Revenue over Expenses	\$ 27,623	\$ 66,707

Changes in Unrestricted Net Assets from Nonoperating Activities	2017	2016
Investment gains (losses)	\$ 105,275	\$ (251,114)
Net periodic benefit cost other than service cost	(16,485)	(22,831)
Defined benefit pension plan curtailment (partial)	64,241	45,926
Other post-retirement benefit changes	34,669	(142,939)
Changes in fair value of derivative instruments	67,401	(74,139)
Loss on debt refinancing	(27,028)	(16,946)
Contribution of Ingalls Health System net assets	309,740	—
Other	(32,175)	(82,502)
Change in Unrestricted Net Assets	(505,638)	(544,545)
Decrease in Unrestricted Net Assets	(533,261)	(477,838)
Changes in Restricted Net Assets		
Private gifts	\$ 334,589	\$ 323,303
Endowment payout	923	1,990
Investment gains (losses)	212,306	(388,516)
Contribution of Ingalls Health System net assets	13,122	—
Other	26,544	11,225
Net assets released from restrictions	(140,293)	(73,432)
Increase (Decrease) in Restricted Net Assets	447,191	(125,430)
Increase (Decrease) in Net Assets	980,452	(603,268)
Net Assets at Beginning of Year	7,438,783	8,042,051
Net Assets at End of Year	\$ 8,419,235	\$ 7,438,783