



COLEMAN & WILLIAMS, LTD.  
*A Professional Services Firm*

MARQUETTE UNIVERSITY 403 (b) RETIREMENT PLAN  
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE  
AS OF DECEMBER 31, 2021 AND 2020 AND FOR THE YEARS ENDED  
DECEMBER 31, 2021 AND 2020



MARQUETTE UNIVERSITY  
403 (b) RETIREMENT PLAN  
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE  
YEARS ENDED DECEMBER 31, 2021 AND 2020

Table of Contents

Contents	Page
Independent Auditor's Report	1
Financial Statements	
Statements of Net Assets Available for Benefits as of December 31, 2021 and 2020	5
Statements of Changes in Net Assets Available for Benefits for the years ended December 31, 2021 and 2020	6
Notes to Financial Statements	7
Supplemental Schedule	
Schedule H, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2021*	18

\*Note: Other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 as amended, have been omitted because they are not applicable.



## INDEPENDENT AUDITORS' REPORT

To the Participants and Administrator of the  
Marquette University Employees' Retirement Plan:

### Scope and Nature of the ERISA Section 103(a)(3)(C) Audit

We have performed audits of the accompanying financial statements of Marquette University Employees' Retirement Plan (the "Plan"), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C). The financial statements comprise the statements of net assets available for benefits as of December 31, 2021 and 2020, and the related statement of changes in net assets available for benefits for the year ended December 31, 2021, and the related notes to the financial statements.

Management, having determined it is permissible in the circumstances, has elected to have the audits of the Plan's financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audits need not extend to any statements or information related to assets held for investment of the plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained certifications from a qualified institution as of December 31, 2021 and 2020, and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 3 to the financial statements, is complete and accurate.

### Opinion

In our opinion, based on our audits and on the procedures performed as described in the Auditors' Responsibilities for the Audit of the Financial Statements section—

- the amounts and disclosures in the financial statements referred to above, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.
- the information in the financial statements referred to above related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



## **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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 Plan 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 ERISA Section 103(a)(3)(C) 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. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

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 Plan's ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments; administering the plan; and determining that the plan's transactions that are presented and disclosed in the financial statements are in conformity with the plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

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

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit section of our report, 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 generally accepted 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 financial statements.

In performing an audit in accordance with generally accepted 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 Plan'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 Plan's ability to continue as a going concern for a reasonable period of time.

Our audits did not extend to the certified investment information, except for obtaining and reading the certification, comparing the certified investment information with the related information presented and disclosed in the financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of accounting principles generally accepted in the United States of America.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

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.

### **Supplemental Schedules Required by ERISA**

The supplemental schedules of Schedule of Assets (HELD AT END OF YEAR) are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. 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 included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audits 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 generally accepted auditing standards. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment



information, including their form and content, are presented in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion—

- the form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA.
- the information in the supplemental schedules related to assets held by and certified to by a qualified institution agrees to, or is derived from, in all material respects, the information prepared and certified by an institution that management determined meets the requirements of ERISA Section 103(a)(3)(C).



Milwaukee, Wisconsin  
September 1, 2022



MARQUETTE UNIVERSITY  
403 (b) RETIREMENT PLAN  
STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS

ASSETS	Year Ended December 31,	
	2021	2020
Investments at fair value:		
Investments at fair value	\$ 670,688,625	\$ 596,989,382
Non Fully benefit-responsive investments (Guaranteed investment contracts)	190,499,777	189,745,462
<b>Total investments at fair value</b>	<b>861,188,402</b>	<b>786,734,844</b>
Investments, at contract value:		
Fully benefit-responsive investments	34,159,974	34,756,805
<b>Total investments at contract value</b>	<b>34,159,974</b>	<b>34,756,805</b>
Receivables:		
Participant Loans	1,578,441	1,148,129
<b>Total receivables</b>	<b>1,578,441</b>	<b>1,148,129</b>
<b>Net assets available for benefits</b>	<b>\$ 896,926,817</b>	<b>\$ 822,639,778</b>

See notes to financial statements



MARQUETTE UNIVERSITY  
403 (b) RETIREMENT PLAN  
STATEMENT OF CHANGES NET ASSETS AVAILABLE FOR BENEFITS

	Year Ended December 31,	
	2021	2020
<b>ADDITIONS</b>		
Additions to net assets attributed to:		
Investment income		
Net appreciation in		
fair value of investments	\$ 82,652,743	\$ 81,131,819
Other investment income	19,164,790	12,044,214
Revenue Credit	1,037,338	784,294
Total investment income	102,854,871	93,960,327
Participant Loans Issuance fees	4,300	2,025
Contributions:		
Employee	13,715,843	13,667,166
Employer	9,084,719	6,062,417
Rollovers	1,722,358	3,871,741
Total contributions	24,522,920	23,601,323
<b>Total additions</b>	127,382,091	117,563,675
<b>DEDUCTIONS</b>		
Deductions from net assets attributed to:		
Distributions and withdrawals	49,784,344	32,849,385
Annuity Settlement Option	3,543,292	2,270,155
<b>Total deductions</b>	53,327,636	35,119,540
<b>Increase</b>	74,054,455	82,444,135
Transfers	232,584	52
<b>Total Plan Transfers</b>	232,584	52
Net increase	74,287,039	82,444,187
Net assets available for benefits, beginning of year	822,639,778	742,566,720
Net assets available for benefits, end of year	\$ 896,926,817	\$ 822,639,778

See notes to financial statements





MARQUETTE UNIVERSITY  
403 (b) RETIREMENT PLAN  
FINANCIAL STATEMENTS AND SUPPLEMENTAL SCHEDULE  
YEARS ENDED DECEMBER 31, 2021 AND 2020

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NOTE 1 – DESCRIPTION OF THE PLAN

The following description of Marquette University Employees' Retirement Plan (the "Plan") provides only general information. Participants should refer to the Plan document provided to all participants for a more complete description of the Plan's provisions.

GENERAL

The Plan is a 403(b) retirement plan covering employees of Marquette University ("the University"). The plan is offered to full-time and part-time regular employees, age 21 and over, who work a regular schedule of 1,000 hours per year or teach six credits per semester for a minimum of two consecutive semesters.

CONTRIBUTIONS

Employees are eligible for the employer match to the plan on the first day of the month following their second-year anniversary from their date of hire. Employees who, at any period in their employment history, work for an eligible non-profit and either research or educational institution for 2 years, may be eligible to waive out of part or all of the 2-year waiting period. The specifics of this eligibility are determined by the Marquette University Benefits Department.

Participating employees may make voluntary before-tax or Roth contributions up to \$19,500 as defined by the Plan. In addition, catch-up contributions are available to participants who are age 50 or older at the end of the plan year.

Employees electing to participate who make a minimum monthly contribution of 5% are eligible for an additional 8% employer match.

INVESTMENT OPTIONS

Participants may direct the investment of their account balances in whole percentages to any of the defined investment options. Participants may change their investment options at any time.

PAYMENT OF BENEFITS

At retirement, death or termination, participants or their beneficiaries are entitled to receive partial distributions, installment payments, or lump sum benefits equal to their vested account balances.



## NOTE 1 – DESCRIPTION OF THE PLAN (CONTINUED)

### VESTING

At all times, participants have a fully vested and non-forfeitable interest in all before-tax, after-tax and employer matching contributions, and earnings thereon, and may withdraw the total of such amount in accordance with the provisions of the Plan.

### LOANS

During calendar year 2019, the University converted from a Plan Loan format to a Participant Loan format. Participant loans are made available to participants by allowing them to borrow directly from their own account and pay themselves back through after-tax payroll deductions. No funds are required to be held as collateral as the loan comes directly from the participant's account. Participant loans are made available from the participant's mutual fund pre-tax or rollover investment balances and, if insufficient to fund the requested loan, the participant may transfer funds to the extent available from annuity contract options to mutual fund investment options. Because the participant loan relationship is between the participant and the plan, the participant loans are considered plan assets. Both the Schedule of Assets Held for Investment and Statement of Changes to Net Assets reflect participant loans. They are also reported on the Form 5500 and included in the plan's financial statements.

Generally, the minimum loan amount that participants may take is \$1,000 and the maximum loan amount is \$50,000. The maximum amount participants may borrow may be less, however, depending on two factors: 1) the amount of participant's accumulation under the Plan, and 2) whether the participant has taken other loans from any of the plans within the last year. If the participant has not had a plan loan in the previous year, the maximum loan cannot be greater than one-half of the vested participant's account balance or \$50,000, whichever is less. If the participant has had another loan, the \$50,000 maximum is reduced by the highest outstanding loan balance in the 12-month period prior to the new loan. See Note 11 for details on COVID-19 related modifications to the Plan.

On December 31, 2021 and 2020, the plan loans totaled \$454,413 and \$1,003,370, respectively. In 2021 and 2020, these were made up of 220 and 292 active accounts, respectively. There were thirteen plan loans in default totaling \$35,460 in 2021 and eleven in 2020 totaling \$71,283.

On December 31, 2021 and 2020, the balance of participant loans totaled \$1,578,441 and \$1,148,129. In 2021 and 2020, these loans were made up of 137 and 106 active participant loan accounts, respectively, of which 56 originated in 2021 and 53 originated in 2020. The notes receivable from participants are measured at their unpaid principal balances plus accrued, but unpaid interest. Should a participant fail to make a loan payment when due (including retirement or termination), the participant is given a grace period to cure the delinquency through the end of the calendar quarter following the calendar quarter in which the default arose. If the participant fails to cure the delinquency, a deemed distribution occurs in accordance with the provisions of the Plan document. The Plan has not made a provision for uncollectible loans as there are none. There is no impact on the Plan if a participant defaults on the loan.



## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### BASIS OF ACCOUNTING

The financial statements of the Plan have been prepared on the accrual basis of accounting and in conformity with accounting principles generally accepted in the United States of America.

### USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

### INCOME RECOGNITION

Interest income is recorded as earned on the accrual basis. Dividends are recorded on the ex-dividend date.

### INVESTMENT VALUATION

The Plan's investments are stated at fair value. Mutual funds are stated at fair value as determined by quoted market prices, which represents the net asset value of shares held by the plan at year end.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Accounting principles generally accepted in the United States of America define fair value as 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. Accounting principles generally accepted in the United States of America also establish a three-level fair value hierarchy that prioritizes information used in developing assumptions when pricing an asset or liability as follows:

- Level 1: Observable inputs such as quoted prices in active markets;
- Level 2: Inputs, other than quoted prices in active markets, that are observable either directly or indirectly; and
- Level 3: Unobservable inputs where there is little or no market data, which requires the reporting entity to develop its own assumptions.



## NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### INVESTMENT VALUATION (CONTINUED)

Accounting principles generally accepted in the United States of America require the use of observable market data, when available, in making fair value measurements. When inputs used to measure fair value fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

Following is a description of the valuation methodologies used for assets measured at fair value:

Money Market Funds – Valued at the Net Asset Value (NAV) as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern Standard Time.

Mutual Funds – Valued at the Net Asset Value (NAV) as of the close of business of the New York Stock Exchange (NYSE), normally 4:00 p.m. Eastern Standard Time.

Equity Funds and Fixed Income Funds – Primarily valued using market quotations or prices obtained from independent pricing sources that employ various pricing methods to value the investments including matrix pricing. Each Account determines its unit value each day.

Real Estate Funds - Value is principally derived from the market value of the underlying real estate holdings or other real estate-related investments. Real estate holdings are valued principally using external appraisals, which are estimates of property values based on a professional's opinion.

Guaranteed Investment Contract – Valued at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the creditworthiness of the issuer.

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



NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET APPRECIATION/ (DEPRECIATION) IN FAIR VALUE OF INVESTMENTS

Net appreciation/ (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year. Net realized and unrealized appreciation/ (depreciation) is recorded in the accompanying statement of changes in net assets available for benefits as net appreciation/ (depreciation) in fair value of investments.

Brokerage fees are added to the acquisition costs of assets purchased and subtracted from the proceeds of assets sold.

PAYMENT OF BENEFITS

Benefits are recorded when paid.

DATE OF MANAGEMENT'S REVIEW

Management has evaluated subsequent events through September 1, 2022, the date the financial statements were available to be issued.



### NOTE 3 - INVESTMENTS

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan Administrator instructed the Plan's independent auditor not to perform any auditing procedures with respect to the following information certified by the custodian of the Plan (TIAA) except for comparing such information to the information included in the Plan's financial statements and supplemental schedule as of December 31, 2021 and 2020, and for the year ended December 31, 2020.

- Investments as shown in the Statements of Net Assets Available for Benefits as of December 31, 2021 and 2020
- Net appreciation in fair value and contract value of investments and interest and dividends as shown in the Statement of Changes in Net Assets Available for Benefits for the year ended December 31, 2021
- Schedule H, Part IV, Line 4i – Schedule of Assets (Held at End of Year) as of December 31, 2021.

The Plan's independent auditor did not perform auditing procedures with respect to this information, except for comparing such information to the related information included in the financial statements and supplemental schedule. The Trustee of the Plan executed all investment transactions and certified the assets of the plan as of December 31, 2021 and 2020.

All investment information disclosed in the accompanying financial statements and supplemental schedule, including investments held at December 31, 2021 and 2020, net appreciation/ (depreciation) in fair value of investments, investment income and investment expenses for the year then ended, was obtained or derived from the information supplied to the Plan administrator and certified as complete and accurate by the Trustee.

### NOTE 4 – INVESTMENT CONTRACT WITH INSURANCE COMPANY

The Plan invests in unallocated guaranteed fixed annuity contracts with TIAA. As part of the contracts, the Insurance Company maintains a portion of the contributions in a "guaranteed account," called the Traditional Annuity. The account is credited with earnings on the underlying investments and charged for withdrawals and administrative expenses charged by the Insurance Company. The guaranteed minimum rate of interest is based on a formula established by the Insurance Company and is between 1% and 3%. Any additional interest is not guaranteed.



NOTE 4 – INVESTMENT CONTRACT WITH INSURANCE COMPANY (CONTINUED)

Certain Traditional Annuity individual annuity contracts are considered to be non-benefit-responsive. These contracts are included in the financial statements at fair value by discounting the related cash flows based on current yields of similar instruments with comparable durations considering the credit worthiness of the issuer. These contracts are subject to a minimum 10-year withdrawal period. Upon termination of the contracts, the amount of each transfer payout annuity payment will be determined as of the annuity starting date for the transfer payout annuity by the amount of the Traditional Fixed Account accumulation and the interest rates in the rate schedules under which any premiums, additional amounts, and internal transfers were applied to the account. The portion of investment contracts with TIAA that is non-benefit-responsive was \$ 190,499,777 and \$189,745,462 on December 31, 2021 and 2020, respectively.

Certain Traditional Annuity individual annuity contracts with TIAA meet the fully benefit-responsive criteria and therefore are reported at contract value. Contract value is the relevant measure for fully benefit-responsive investment contracts because this is the amount received by participants if they were to initiate permitted transactions under the terms of the Plan. Upon termination of the investment contract, the lump sum liquidation value of the guaranteed account portion of the participant's accumulation value shall be equal to the product of (a) the participant's guaranteed account accumulation value of the liquidation date, reduced by the liquidation charge applicable on the liquidation date and (b) a market value adjustment percentage. There are no reserves against contract value for credit risk of the contract issuer or otherwise. This portion of the investment contract is included in the financial statements at contract value as reported to the Plan by TIAA at \$34,159,974 and \$34,756,805 on December 31, 2021 and 2020, respectively.

Certain events limit the ability of the plan to transact at contract value with the issuers. Such events include (1) amendments to the plan documents (including complete or partial plan termination or merger with another plan); (2) changes to the plan's prohibition on competing investment options; (3) bankruptcy of the plan sponsor or other plan sponsor events (for example, divestitures or spin-offs of a subsidiary) that significantly affect the plan's normal operations; (4) the failure of the plan to qualify for exemption from federal income taxes or any required prohibited transactions exemption under ERISA. The plan administrator believes that no events are probable to occur that might limit the ability of the plan to transact at contract value with the contract issuer, and that also would limit the ability of the plan to transact at contract value with the participants.

The guaranteed investment contract does not permit TIAA to terminate the agreement prior to the scheduled maturity date.



## NOTE 5 – FAIR VALUE MEASUREMENTS

The following table set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2021 and 2020:

<b>Assets at Fair Value as of December 31, 2021</b>				
	<b><i>Level 1</i></b>	<b><i>Level 2</i></b>	<b><i>Level 3</i></b>	<b><i>Total</i></b>
Money Market Funds	\$10,443,166	\$ -	\$ -	\$10,443,166
Real Estate Funds	37,508,083	-	-	37,508,083
Fixed Income Funds	48,846,371	-	-	48,846,371
Mutual Funds	169,733,220	-	-	169,733,219
Equity Funds	404,157,786	-	-	404,157,786
Guaranteed Investment Contract	-	-	190,499,777	190,499,777
Total assets at fair value	<b><u>\$670,688,626</u></b>	<b><u>\$ -</u></b>	<b><u>\$190,499,777</u></b>	<b><u>\$861,188,402</u></b>

<b>Assets at Fair Value as of December 31, 2020</b>				
	<b><i>Level 1</i></b>	<b><i>Level 2</i></b>	<b><i>Level 3</i></b>	<b><i>Total</i></b>
Money Market Funds	\$14,036,635	\$ -	\$ -	\$14,036,635
Real Estate Funds	31,658,727	-	-	31,658,727
Fixed Income Funds	50,015,126	-	-	50,015,126
Mutual Funds	148,654,668	-	-	148,654,668
Equity Funds	352,624,226	-	-	352,624,226
Guaranteed Investment Contract	-	-	189,745,462	189,745,462
Total assets at fair value	<b><u>\$596,989,382</u></b>	<b><u>\$ -</u></b>	<b><u>\$189,745,462</u></b>	<b><u>\$786,734,844</u></b>

The following table reconciles the beginning and ending fair value balances of the Plan's Level 3 investments for the year ended December 31, 2021:

<b><u>Guaranteed Investment Contracts</u></b>	<b><u>2021</u></b>
Balance, beginning of year	\$ 189,745,462
Contributions	1,999,111
Realized gains	4,414,287
Unrealized gains	2,276,408
Deductions, distributions, withdrawals	(10,416,331)
Net Transfer-in (net Transfers-out)	2,480,840
Balance, end of year	<b><u>\$ 190,499,777</u></b>





## NOTE 5 – FAIR VALUE MEASUREMENTS (CONTINUED)

The following table represents the Plan's level 3 financial instruments, the valuation techniques used to measure the fair value of those financial instruments, and the significant unobservable inputs and the range of values for those inputs as of December 31, 2021 and 2020:

### December 31, 2021

Instrument	Fair Value	Valuation Technique	Unobservable inputs	Rate Range
Non-Fully Benefit Responsive Investments	\$ 190,499,777	Discounted Cash Flow	Discounted Rate Duration	2%-4%

### December 31, 2020

Instrument	Fair Value	Valuation Technique	Unobservable inputs	Rate Range
Non-Fully Benefit Responsive Investments	\$189,745,462	Discounted Cash Flow	Discounted Rate Duration	3%-5%

## NOTE 6– TAX STATUS

The Internal Revenue Service (IRS) is yet to establish a process for issuing determination and opinion letters for 403(b) plans. Therefore, the Plan Administrator is not required to request a determination. However, since this is an IRS pre-approved plan, the Plan administrator believes the Plan, as amended effective January 1, 2009, is being operated in compliance with Internal Revenue Code (IRC) section 403(b).

## NOTE 7 – PARTY-IN-INTEREST TRANSACTIONS

Certain plan investments are shares of funds managed by TIAA. TIAA is the trustee of the Plan as defined by the plan and therefore, these transactions qualify as party-in-interest transactions. These transactions are not considered prohibited transactions under 29 CFR 408(b) of the ERISA regulations. Fees paid by the Plan for fund management services amounted to \$2,337,524 and \$2,371,129 for the years ended December 31, 2021 and 2020, respectively.



## NOTE 8 – RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

## NOTE 9 –RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

As of December 31, 2021 fees per the financial statements were zero and per the 5500 were \$2,337,524. Restated 2020 fees per the financial statements were zero and the form 5500 were \$2,371,129.

## NOTE 10 – ROTH CONVERSIONS

Beginning December 1, 2020, the Marquette 403(b) plan has allowed participants to convert eligible pretax contributions plus earnings to a designated Roth option.

## NOTE 11 - COVID-19

Marquette University managed its financial position in the face of serious financial challenges posed by the COVID-19 pandemic. Such challenges were met with actions taken by management, philanthropic support, and investment results. While the pandemic disrupted many areas, including academics, student housing and dining, athletics, and clinical services, the university effectively navigated the unprecedented environment through thoughtful planning, collaboration, and sound fiscal strategy and management, achieving solid operating results.

The COVID–19 pandemic resulted in revenue declines due to lower student enrollment, de-densification of residence halls, and a reduction in athletic revenues, as well as higher costs to take appropriate health and safety measures. These economic challenges were mitigated by temporary suspensions of merit increases and 403(b) employer matching contributions, decreases in leadership and basketball coaches' salaries, reduction of discretionary expenses, and state and federal emergency relief aid. To manage the long-term impacts of the challenges facing higher education, the university also made changes to realign its structure to the expected enrollment levels going forward, including reducing the number of staff and faculty positions and decreasing the level of operational spending.

The Board of Trustees along with university's management continue to monitor the pandemic and potential financial impact and are prepared to take measures to protect the health of the campus community and promote the continuity of the university mission.



COLEMAN & WILLIAMS, LTD.  
*A Professional Services Firm*

## SUPPLEMENTAL SCHEDULE



**MARQUETTE UNIVERSITY**  
**SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS (HELD AT END OF YEAR)**  
**PLAN #001, EIN: 39-0806251**  
**December 31, 2021**

(a)	(b) Identity of Issue	(c) Description of Investment	(d) Cost	(e) Market Value
*	Fixed Annuity Contract	TIAA Traditional	**	\$ 190,499,777
*	Equities	CREF Stock R2	**	170,393,577
*	Money Market	CREF Money Market R2	**	5,402,587
*	Mutual Fund	CREF Social Choice R2	**	30,565,102
*	Fixed Income	CREF Bond Market R2	**	21,527,559
*	Equities	CREF Global Equities R2	**	41,154,087
*	Equities	CREF Growth R2	**	51,331,490
*	Equities	CREF Equity Index R2	**	26,630,411
*	Fixed Income	CREF Inflation-Linked Bond R2	**	7,474,139
*	Real Estate	TIAA Real Estate	**	37,508,083
*	Equities	TIAA-CREF Gr & Inc-Inst	**	19
*	Mutual Fund	TIAA-CREF Lfcyle Rtmt Inc-Inst	**	1,742,857
*	Mutual Fund	TIAA-CREF Lifecycle 2010-Inst	**	1,791,249
*	Mutual Fund	TIAA-CREF Lifecycle 2015-Inst	**	2,928,447
*	Mutual Fund	TIAA-CREF Lifecycle 2020-Inst	**	8,089,286
*	Mutual Fund	TIAA-CREF Lifecycle 2025-Inst	**	12,555,635
*	Mutual Fund	TIAA-CREF Lifecycle 2030-Inst	**	20,616,396
*	Mutual Fund	TIAA-CREF Lifecycle 2035-Inst	**	23,577,276
*	Mutual Fund	TIAA-CREF Lifecycle 2040-Inst	**	34,336,985
*	Mutual Fund	TIAA-CREF Lifecycle 2045-Inst	**	16,993,540
*	Mutual Fund	TIAA-CREF Lifecycle 2050-Inst	**	12,052,643
*	Mutual Fund	TIAA-CREF Lifecycle 2055-Inst	**	4,040,231
*	Equities	TIAA-CREF Mid-Cap Gr-Inst	**	10
*	Money Market	TIAA-CREF Money Market-Inst	**	5,040,579



	Equities	DFA US Targeted Val Port Inst	**	18,383,468
	Equities	Vanguard Ttl Intl Stk Idx Inst	**	18,561,472
	Fixed Income	Vanguard Ttl Bd Mkt Idx Inst	**	8,421,824
	Equities	Vanguard Ttl Stk Mkt Idx Inst	**	70,310,443
	Mutual Fund	TIAA-CREF Lifecycle 2060-Inst	**	361,600
	Fixed Income	Metropolitan West TotRet Bnd I	**	8,388,618
	Equities	Lazard Intern Strat Eq Port I	**	7,392,808
	Fixed Income	MFS Emerging Markets Debt R6	**	1,968,070
	Fixed Income	DFA Inflation ProtSecPortInst	**	1,066,161
	Mutual Fund	PIMCOCmmdtiesPLUSStrtg-InstSh	**	81,973
				<u>\$ 861,188,402</u>
<b>Fully Benefit-Responsive Investment Contracts</b>				
*	Fixed Annuity Contract	TIAA Traditional	**	34,159,974
<b>Participant Loans</b>				
*	Participant Loan Fund	Secured by participant's vested and accrued benefits at 5%-6% rate	**	<u>1,578,441</u>
<b>Net Assets</b>				<u><u>896,926,817</u></u>

\* A party-in-interest as defined by ERISA

\*\* Note: Cost information is not required for participant-directed investments and is, therefore, not included.