

Cornell University

**Reports on Federal Awards in
Accordance with OMB Circular A-133**

June 30, 2013

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Cornell University

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Independent Auditor's Report

To the Board of Trustees
Cornell University

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Cornell University, which comprise the consolidated statement of financial position as of June 30, 2013, and the related consolidated statements of activities and of cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to Cornell University's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Cornell University as of June 30, 2013 and results of their changes in net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



Other Matters

Emphasis of Matter

We have previously audited Cornell University's 2012 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 25, 2012. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2012, is consistent in all material respects, with the audited financial statements from which it has been derived.

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2013 is presented for purposes of additional analysis as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 24, 2013 on our consideration of Cornell University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2013. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Cornell University's internal control over financial reporting and compliance.

A handwritten signature in dark ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

October 24, 2013

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2013 (in thousands)

(WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2012)

	2013	2012
Assets		
1 Cash and cash equivalents	\$ 256,438	\$ 262,654
2 Accounts receivable, net (note 2-A)	338,051	319,289
3 Contributions receivable, net (note 2-B)	834,462	863,459
4 Inventories and prepaid expenses	55,926	41,282
5 Student loans receivable, net (note 2-C)	69,393	69,441
6 Investments (note 3)	6,303,793	5,916,833
7 Land, buildings, and equipment, net (note 4)	3,544,465	3,321,898
8 Funds held in trust by others (note 5)	103,291	105,557
9 Total assets	<u>\$ 11,505,819</u>	<u>\$ 10,900,413</u>
Liabilities		
10 Accounts payable and accrued expenses	\$ 605,906	\$ 623,396
11 Deferred revenue and other liabilities (note 8-D)	223,366	205,973
12 Obligations under split interest agreements (note 5)	116,344	115,063
13 Deferred benefits (note 6)	445,650	443,639
14 Funds held in trust for others (note 7)	115,514	90,047
15 Bonds and notes payable (note 8)	1,855,405	1,896,558
16 Government advances for student loans	49,201	48,067
17 Total liabilities	<u>3,411,386</u>	<u>3,422,743</u>
Net assets (note 11)		
18 Unrestricted	2,750,515	2,409,552
19 Temporarily restricted	2,776,621	2,616,355
20 Permanently restricted	2,567,297	2,451,763
21 Total net assets	<u>8,094,433</u>	<u>7,477,670</u>
22 Total liabilities and net assets	<u>\$ 11,505,819</u>	<u>\$ 10,900,413</u>

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

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR-ENDED JUNE 30, 2013 (in thousands)

(WITH SUMMARIZED INFORMATION FOR THE YEAR-ENDED JUNE 30, 2012)

	Unrestricted	Temporarily Restricted
Operating revenues		
1 Tuition and fees	\$ 886,178	\$ -
2 Scholarship allowance	(349,143)	-
3 Net tuition and fees	537,035	-
4 State and federal appropriations	152,190	-
5 Grants, contracts and similar agreements		
6 Direct	449,445	-
7 Indirect cost recoveries	139,135	-
8 Contributions	62,855	173,858
9 Investment return, distributed	208,268	96,413
10 Medical Physician Organization	751,957	-
11 Auxiliary enterprises	166,520	-
12 Educational activities and other sales and services	463,489	-
13 Net assets released from restrictions	211,947	(211,947)
14 Total operating revenues	<u>3,142,841</u>	<u>58,324</u>
Operating expenses (note 10)		
15 Compensation and benefits	2,023,326	-
16 Purchased services	151,967	-
17 Supplies and general	646,141	-
18 Utilities, rents and taxes	110,662	-
19 Interest expense (note 8)	92,465	-
20 Depreciation	207,631	-
21 Total operating expenses	<u>3,232,192</u>	<u>-</u>
22 Change in net assets from operating activities	<u>(89,351)</u>	<u>58,324</u>
Nonoperating revenues and (expenses)		
23 State appropriations for capital acquisitions	69,684	-
24 Contributions for capital acquisitions, trusts and endowments	7,347	58,413
25 Investment return, net of amount distributed	127,058	150,819
26 Change in value of split interest agreements	9,058	2,832
27 Pension and postretirement changes other than net periodic costs	24,608	-
28 Change in value of interest rate swaps	99,173	-
29 Other	(7,313)	-
30 Net asset released for capital acquisitions and reclassifications	100,699	(110,122)
31 Change in net assets from nonoperating activities	<u>430,314</u>	<u>101,942</u>
32 Change in net assets	340,963	160,266
33 Net assets, beginning of the year	2,409,552	2,616,355
34 Net assets, end of the year	<u>\$ 2,750,515</u>	<u>\$ 2,776,621</u>

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

Permanently Restricted	2013 Total	2012 Total	
\$ -	\$ 886,178	\$ 842,204	1
-	(349,143)	(333,873)	2
<hr/>	<hr/>	<hr/>	
-	537,035	508,331	3
-	152,190	150,469	4
-			5
-	449,445	457,454	6
-	139,135	147,277	7
-	236,713	338,368	8
-	304,681	298,164	9
-	751,957	679,938	10
-	166,520	153,408	11
-	463,489	428,563	12
-	-	-	13
<hr/>	<hr/>	<hr/>	
-	3,201,165	3,161,972	14
-			
-	2,023,326	1,938,620	15
-	151,967	142,002	16
-	646,141	637,050	17
-	110,662	107,734	18
-	92,465	86,201	19
-	207,631	203,587	20
<hr/>	<hr/>	<hr/>	
-	3,232,192	3,115,194	21
<hr/>	<hr/>	<hr/>	
-	(31,027)	46,778	22
-			
-	69,684	61,089	23
110,812	176,572	272,819	24
(10,713)	267,164	(255,202)	25
6,012	17,902	10,201	26
-	24,608	2,727	27
-	99,173	(166,496)	28
-	(7,313)	(5,241)	29
9,423	-	-	30
<hr/>	<hr/>	<hr/>	
115,534	647,790	(80,103)	31
115,534	616,763	(33,325)	32
2,451,763	7,477,670	7,510,995	33
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\$ 2,567,297	\$ 8,094,433	\$ 7,477,670	34

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR-ENDED JUNE 30, 2013 (in thousands)

(WITH COMPARATIVE INFORMATION FOR THE YEAR-ENDED JUNE 30, 2012)

	2013	2012
Cash flows from operating activities		
1 Change in net assets	\$ 616,763	\$ (33,325)
Adjustments to reconcile change in net assets to net cash provided/(used) by operating activities		
2 Contributions for capital acquisitions, trusts and endowments	(168,459)	(269,152)
3 Depreciation	207,631	203,587
4 Net realized and unrealized (gain)/loss on investments	(506,958)	68,518
5 Pension and postretirement changes other than net periodic costs	(24,608)	(2,727)
6 Change in value of interest rate swaps	(99,173)	166,496
7 Loss on disposals of land, building, and equipment	2,638	21,330
8 Other adjustments	(8,338)	(4,006)
Change in assets and liabilities		
9 Accounts receivable, net	(18,762)	(41,270)
10 Contributions receivable, net	28,997	(278,976)
11 Inventories and prepaid expenses	(14,644)	6,445
12 Accounts payable and accrued expenses	60,067	81,247
13 Deferred revenue and other liabilities	17,393	(12,513)
14 Change in obligations under split interest agreements	3,547	7,464
15 Deferred benefits	26,619	14,802
16 Net cash provided/(used) by operating activities	<u>122,713</u>	<u>(72,080)</u>
Cash flows from investing activities		
17 Proceeds from the sale and maturities of investments	7,447,077	8,807,724
18 Purchase of investments	(7,327,078)	(8,444,848)
19 Acquisition of land, buildings, and equipment (net)	(403,180)	(387,726)
20 Student loans granted	(9,499)	(9,366)
21 Student loans repaid	9,844	9,439
22 Change in funds held in trust for others	25,467	(21,106)
23 Net cash used by investing activities	<u>(257,369)</u>	<u>(45,883)</u>
Cash flows from financing activities		
Contributions restricted to		
24 Investment in endowments	152,878	109,504
25 Investment in physical plant	8,720	154,950
26 Investment subject to living trust agreements	6,861	4,698
27 Principal payments of bonds and notes payable	(41,153)	(45,578)
28 Proceeds from issuance of bonds and notes payable	-	10,000
29 Government advances for student loans	1,134	973
30 Net cash provided by financing activities	<u>128,440</u>	<u>234,547</u>
31 Net change in cash and cash equivalents	(6,216)	116,584
32 Cash and cash equivalents, beginning of year	262,654	146,070
33 Cash and cash equivalents, end of year	<u>\$ 256,438</u>	<u>\$ 262,654</u>
Supplemental disclosure of cash flow information		
34 Cash paid for interest	\$ 103,397	\$ 97,336
35 Increase/(decrease) in construction payables, non-cash activity	\$ 21,616	\$ 8,493

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

1. SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Organization

Founded in 1865, Cornell University (“the University”) is dedicated to a mission of teaching, research, and public engagement. Cornell is the federal land-grant institution of New York State, a private endowed university, a member of the Ivy League, and a contract college of the State University of New York. It has been described as the first truly American university because of its founders’ revolutionarily egalitarian and practical vision of higher education, and is dedicated to its land-grant mission of outreach and public engagement. Cornell’s community includes nearly 22,000 students, more than 2,500 faculty, and more than 250,000 alumni who live and work across the globe.

The University comprises colleges and schools in Ithaca, New York (seven undergraduate units and four graduate and professional units), New York City (two medical graduate and professional units as part of Weill-Cornell), and Doha, Qatar (the Weill Cornell Medical College in Qatar). In addition, the University’s newest campus, “Cornell NYC Tech,” offers graduate programs for entrepreneurial technologists.

The University is subject to the common administrative authority and control of the Cornell University Board of Trustees. The University is prohibited from using funds attributable to the contract colleges (i.e., those colleges operated by the University on behalf of New York State) for other units of the University. Except as specifically required by law, the contract and endowed colleges at Ithaca are, to the extent practicable, governed by common management principles and policies determined at the private discretion of the University. In addition to the activities of the endowed university, Contract Colleges, and Weill Cornell Medical College, the University’s subsidiaries and certain affiliated organizations are included in the consolidated financial statements. All significant intercompany transactions and balances are eliminated in the accompanying consolidated financial statements.

B. Basis of Presentation

The accompanying consolidated financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP). Net assets, revenues, gains, and losses are categorized based on the existence or absence of donor-imposed restrictions.

The University’s Board of Trustees, with consideration of the actions, reports, information, advice, and counsel provided by its duly constituted committees and appointed officers of the University, including University Counsel, has instructed the University to preserve the historical dollar value of donor-restricted (true) endowment funds, absent explicit donor direction to the contrary. As a result, the University classifies as permanently restricted net assets the original gift value of true endowments, plus any subsequent gifts and accumulations made in accordance with the directions of the applicable gift instruments. In accordance with accounting standards, the portion of the true endowment fund not classified as permanently restricted net assets is classified as temporarily restricted net assets except when the fair value of the endowment fund is less than its historical dollar value. For these “underwater” funds, the difference between historic dollar value and fair value is reflected in unrestricted net assets.

Temporarily restricted net assets also include gifts and appropriations from the endowment that can be expended, but for which the donors’ purpose restrictions have not yet been met, as well as net assets with explicit or implied time restrictions, such as pledges and split interest agreements. Expiration of donor restrictions is reported in the consolidated statement of activities as a reclassification from temporarily restricted net assets to unrestricted net assets on the net assets released from restriction lines.

Unrestricted net assets are the remaining net assets of the University.

C. Cash and Cash Equivalents

Cash and cash equivalents include cash on hand and in bank accounts, money market funds, and other temporary investments held for working capital purposes with an original maturity term of ninety days or less. The carrying amount of cash equivalents approximates fair value because of their short terms of maturity. Cash that is part of the University's investment portfolio and awaiting investment is reported as investments and included in Note 3.

D. Contributions

Contributions, including unconditional promises to give (pledges), are recognized as revenues in the appropriate categories of net assets in the periods received. A pledge is recorded at present value of estimated future cash flows, based on an appropriate discount rate determined by management at the time of the contribution. Amortization of this discount in subsequent years is included in contribution revenue. A contribution of assets other than cash is recorded at its estimated fair value on the date of the contribution. Contributions for capital projects, endowments, and similar funds are reported as non-operating revenues. Conditional promises to donate to the University are not recognized until the conditions are substantially met.

Temporarily restricted net assets include contributions to the University and to the Cornell University Foundation ("the Foundation"), an affiliated entity that is included in the consolidated financial statements. The Foundation maintains a donor-advised fund for which the donors can make recommendations to the fund's trustees regarding distributions to the University or other charitable organizations. Distributions from the Foundation to external charitable organizations are recorded as non-operating expenses.

E. Investments

The University's investments are recorded in the consolidated financial statements at fair value. The values of publicly traded securities are based on quoted market prices and exchange rates, if applicable. The fair value of non-marketable securities is based on valuations provided by external investment managers. These investments are generally less liquid than other investments, and the values reported by the general partner or investment manager may differ from the values that would have been reported, had a ready market for these securities existed. The University exercises due diligence in assessing the policies, procedures, and controls implemented by its external investment managers, and believes the carrying amount of these assets is a reasonable estimate of fair value.

Investment income is recorded on an accrual basis, and purchases and sales of investment securities are reflected on a trade-date basis. Realized gains and losses are calculated using average cost for securities sold.

Investment return included in operating revenues consists of amounts appropriated by the Board of Trustees from the pooled endowment, as well as income and realized gains and losses on investments from working capital and non-pooled endowments and similar funds. Unrealized gains and losses on investments, any difference between total return and amounts appropriated from the pooled endowment, and income and realized gains reinvested per donor restrictions are reported as non-operating activities.

F. Fair-Value Hierarchy

The University values certain financial and non-financial assets and liabilities, on a recurring basis, in accordance with a hierarchy that categorizes and prioritizes the sources used to measure and disclose fair value. Fair value is defined as the price associated with an orderly transaction between market participants at the measurement date. This fair-value hierarchy is broken down into three levels based on inputs that market participants would use in valuing the financial instruments, which is based on market data obtained from sources independent of the University. The hierarchy of inputs used to measure fair value, and the primary valuation methodologies used by the University for assets and liabilities measured at fair value, are disclosed below.

The fair value of Level 1 securities is based upon quoted prices in accessible active markets for identical assets. Market price data is generally obtained from exchange or dealer markets. The University does not adjust the quoted price for such assets.

Fair value for Level 2 is based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data. Inputs are obtained from various sources, including market participants, dealers, and brokers. In determining fair value of financial instruments, the University considers factors such as interest rate yield curves, duration of the instrument, and counterparty credit risk.

The fair value of Level 2 instruments is determined using multiple valuation techniques including the market approach, income approach, or cost approach.

The fair value of Level 3 securities is based upon valuation techniques that use significant unobservable inputs.

Inputs used in applying the various valuation techniques refer to the assumptions that are used to make valuation decisions. Inputs may include price information, credit data, liquidity statistics, and other factors. A financial instrument's level within the fair-value hierarchy is based on the lowest level of any input that is significant to the fair-value measurement. The University considers observable data to be market data that readily available and reliable and provided by independent sources. The categorization of a financial instrument within the fair-value hierarchy is, therefore, based upon the pricing transparency of the instrument, and does not correspond to the University's perceived risk of that instrument.

G. Derivative Instruments

The University has approved the use of derivatives by outside investment managers, based on investment guidelines negotiated at the time of a manager's appointment. The derivatives are used to adjust fixed income durations and rates, to create "synthetic exposures" to certain types of investments, and to hedge foreign currency fluctuations. The University records the fair value of a derivative instrument within the applicable portfolio. The change in the fair value of a derivative instrument held for investment is included in non-operating investment return in the consolidated statement of activities.

In addition, the University holds other derivatives to manage its current and/or future long-term debt. These instruments are recorded at fair value as either prepaid or accrued expenses in the consolidated statement of financial position, and the change in fair value is recorded as other non-operating activity in the consolidated statement of activities.

Derivatives involve counterparty credit exposure. To minimize this exposure, the University carefully monitors counterparty credit risk and requires that investment managers use only those counterparties with strong credit ratings for these derivatives.

H. Land, Buildings, and Equipment

Land, buildings, and equipment are stated in the consolidated statement of financial position at cost on the date of acquisition or at fair value on the date of donation, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the asset, and is reflected as an operating expense. Expenditures associated with the construction of new facilities are recorded as construction in progress until the projects are completed.

The University's collections, whether paintings, rare books, or other property, have been acquired through purchases and contributions since the University's inception. They are recognized as capital assets and are reflected, net of accumulated depreciation, in the consolidated statement of financial position. A collection received as a gift is recorded at fair value as an increase in net assets in the year in which it is received.

I. Split Interest Agreements

The University's split interest agreements with donors consist primarily of charitable gift annuities, pooled income funds, and charitable trusts for which the University serves as trustee. Assets held in trust are either separately invested or included in the University's investment pools in accordance with the agreements. Contributions of split interest agreements, net of related liabilities, increase temporarily restricted net assets or permanently restricted net assets. Liabilities associated with charitable gift annuities and charitable remainder trusts represent the present value of the expected payments to the beneficiaries based on the terms of the agreements. Pooled income funds are recognized at the net present value of the net assets expected at a future date. Gains or losses resulting from changes in fair value, changes in assumptions, and amortization of the discount are recorded as changes in value of split interest agreements in the appropriate restriction categories in the non-operating section of the consolidated statement of activities.

J. Funds Held in Trust by Others

Funds held in trust by others represent resources that are not in the possession or under the control of the University. These funds are administered by outside trustees, with the University receiving income or residual interest. Funds held in trust by others are recognized at the estimated fair value of the assets or the present value of the future cash flows due to the University when the irrevocable trust is established or the University is notified of its existence. Gains or losses resulting from changes in fair value are recorded as non-operating activities in the consolidated statement of activities.

K. Endowments

To ensure full compliance with the New York Prudent Management of Institutional Funds Act (NYPMIFA), a supplemental statement to the University's investment policy was adopted and approved by the Board of Trustees in September 2010. The responsibility for accepting, preserving, and managing the funds entrusted to Cornell rests, by law, with the Board of Trustees; however, the Trustees have delegated authority for investment decisions to the Investment Committee of the Board of Trustees. The Committee determines investment policy, objectives, and guidelines, including allocation of assets between classes of investments.

The University's investment objective for its endowment assets is to maximize total return within reasonable risk parameters, specifically to achieve a total return, net of expenses, of at least five percent in excess of inflation, as measured by the Consumer Price Index over rolling five-year periods. The achievement of favorable investment returns enables the University to distribute increasing amounts from the endowment over time so that present and future needs can be treated equitably in inflation-adjusted terms. Diversification is a key component of the University's standard for managing and investing endowment funds, and asset allocation targets are subject to ongoing reviews by the Investment Committee of the Board of Trustees.

The University applies the "prudent person" standard when making its decision whether to appropriate or accumulate endowment funds and considers the following factors: the duration and preservation of the endowment fund, the purposes of the institution and the endowment fund, general economic conditions including the potential effect of inflation or deflation, the expected total return of the fund, other resources of the University, the needs of the University and the fund to make distributions and preserve capital, and the University's investment policy.

The Board authorizes an annual distribution, or payout, from endowment funds that is within a target range of 3.65 percent to 5.15 percent of a 12-quarter rolling average of the unit fair value. The Trustees may occasionally make step adjustments, either incremental or decremental, based on prior investment performance, current market conditions, or any of the factors for prudent judgment described above.

Total distributions, or spending, reflected on the consolidated statement of activities includes payout, investment expenses, and service charges that support the general and stewardship costs of the University endowment.

NYPMIFA also established a new requirement related to appropriations from endowments for which the fair value falls below the historic dollar value (i.e., "underwater"). The University, in compliance with NYPMIFA, notified available donors who had established endowments prior to September 17, 2010 of the new law, and offered these donors the option of requiring the University to maintain historical dollar value for their endowment funds. A minority of donors requested this option; for those who did, the University has designed procedures to ensure that the University maintains historical dollar value by not expending the payout on any underwater fund.

L. Sponsored Agreements

Revenues under grants, contracts, and similar agreements are recognized at the time expenditures are incurred. These revenues include the recovery of facilities and administrative costs, which are recognized according to negotiated predetermined rates. Amounts received in advance and in excess of incurred expenditures are recorded as deferred revenues.

M. Medical Physician Organization

The Medical Physician Organization provides the management structure for the practice of medicine in an academic medical center. In addition to conducting instructional and research activities, physician members generate clinical practice income from their professional services to patients. Also reflected as University revenues are Medical Physician Organization fees. Expenses of the clinical practice, including physician compensation, administrative operations, and provision for uncollectible accounts, are reflected as University expenses. Net assets resulting from the activities of the Medical Physician Organization are designated for the respective clinical departments of the Medical College.

N. 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, liabilities, revenues, and expenses during the reporting period. Management's assumptions are primarily related to the appropriate discount rate for the purposes of fair-value calculations, to allowances for doubtful accounts, and to self-insured risks. Actual results may differ from those estimates.

O. Comparative Financial Information

The consolidated statement of activities includes prior-year information in summary form, rather than by restriction class. Such information does not include sufficient detail to constitute a presentation of prior-year data in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the University's consolidated financial statements for the prior fiscal year, from which the summarized information was derived.

P. Accounting Pronouncements

Effective as of the fiscal year ending June 30, 2013, the University has enhanced its disclosures as required by Accounting Standards Update (ASU) 2011-04: *Fair Value Measurements (Topic 820): Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards (IFRS)*. The Notes now include enhanced information about the valuation techniques and inputs for Level 2 and 3 assets, in addition to quantifiable information about the unobservable inputs used in Level 3 fair value measurements. The enhanced disclosures are reflected in Notes 3, 5 and 6.

Effective as of the fiscal year ending June 30, 2012, the University has modified disclosures required by ASU 2010-06: *Improvements to Disclosures about Fair Value Measurements*. The modified disclosures are reflected in the tables that summarize Level 3 activity within Note 3 and Note 6. The tables now separately disclose sales, purchases, and, when applicable, issuances and settlements.

Effective as of the fiscal year ending June 30, 2012, the University complied with the requirements of ASU 2010-24: *Presentation of Insurance Claims and Related Insurance Recoveries*. The ASU requires that potential insurance recoveries are reflected as assets and the insurance claims as liabilities. The netting of the recoveries and estimated liabilities is no longer acceptable.

Q. Reclassifications

Certain prior-year amounts have been reclassified to conform to the current-year presentation.

R. Income Taxes

The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from income taxes on related income pursuant to the appropriate sections of the Internal Revenue Code. In accordance with the accounting standards, the University evaluates its income tax position each fiscal year to determine whether it is more likely than not to be sustained if examined by the applicable taxing authority. This review had no material impact on the University's consolidated financial statements.

2. RECEIVABLES**A. Accounts Receivable**

The University's receivables from the sources identified in the table below are reviewed and monitored for aging and other factors that affect collectability.

Accounts receivable from the following sources were outstanding as of June 30:

<u>SUMMARY OF ACCOUNTS RECEIVABLE</u>		
	<u>2013</u>	<u>2012</u>
Grants and contracts	\$ 81,729	\$ 88,480
New York Presbyterian Hospital and other affiliates	31,641	37,179
Patients (net of contractual allowances)	109,485	89,944
Reinsurance Receivable	79,301	70,257
Student accounts	5,341	6,193
Other	64,455	56,416
Gross accounts receivable	<u>\$ 371,952</u>	<u>\$ 348,469</u>
Less: allowance for doubtful accounts	<u>(33,901)</u>	<u>(29,180)</u>
Net accounts receivable	<u>\$ 338,051</u>	<u>\$ 319,289</u>

The patient accounts receivable for medical services was comprised of the following at June 30, 2013 and 2012, respectively: commercial third parties 56.3 percent and 60.5 percent; federal/state government 18.3 percent and 15.9 percent; and patients 25.3 percent and 23.7 percent. For fiscal years ending June 30, 2013 and 2012, patient accounts receivable also includes potential insurance recoveries of \$79.3 million and \$70.2 million, respectively. The corresponding reinsurance payables are reflected as other liabilities.

Other accounts receivable include receivables from other government agencies, matured bequests, and receivables from other operating activities.

B. Contributions Receivable

Unconditional promises to give, or pledges, are recorded in the consolidated financial statements at present value using discount rates ranging from 1.7 percent to 7.0 percent. Contributions are expected to be realized as follows:

SUMMARY OF CONTRIBUTIONS RECEIVABLE

	<u>2013</u>	<u>2012</u>
Less than one year	\$ 326,715	\$ 299,374
Between one and five years	505,547	568,458
More than five years	<u>147,504</u>	<u>160,342</u>
Gross contributions receivable	\$ 979,766	\$ 1,028,174
Less: unamortized discount	(72,842)	(92,233)
Less: allowance for uncollectible amounts	<u>(72,462)</u>	<u>(72,482)</u>
Net contributions receivable	\$ 834,462	\$ 863,459

Contributions receivable as of June 30 are intended for the following purposes:

EXPECTED PURPOSE OF CONTRIBUTIONS RECEIVABLE

	<u>2013</u>	<u>2012</u>
Support of University operations	\$ 403,860	\$ 369,243
Capital purposes	244,966	308,360
Endowments and similar funds	<u>185,636</u>	<u>185,856</u>
Net contributions receivable	\$ 834,462	\$ 863,459

At June 30, 2013, conditional promises not reflected in the consolidated financial statements, which consist primarily of bequest intentions and conditional promises with significant requirements, were \$505,703.

C. Student Loans Receivable

In keeping with Ezra Cornell's vision, the University has a "need-blind" policy of admission. Many students receive financial aid that consists of scholarship/fellowship grants, work-study opportunities and, when appropriate, student loans.

Student loan programs are funded by donor contributions, other institutional sources, and governmental programs, primarily the Federal Perkins Loan Program. The amounts received from the federal government's portion of the Perkins program are ultimately refundable to the federal government and are reported as a liability on the University's consolidated statement of financial position as government advances for student loans.

Credit worthiness is not a factor when granting a student a loan from institutional or federal resources; it is based on financial need. However, once the loan is in repayment status, the University monitors, no less than quarterly, the aging of the student loans receivable. If a loan is 75 days past due, the University generally will not release a transcript and/or diploma. If the loan is 180 days past due, the University evaluates whether to assign the account to an external agency for collection.

The University Bursar is required to authorize any write-off of a student loan receivable; such write-offs are based primarily on the aging report and an evaluation of any recent activity in the account. Overall default rates and an evaluation of general economic conditions are reviewed at least annually. The University, because of its close and continuing relationship with its students and graduates, seeks to work closely with the students to help ensure repayment. At June 30, 2013, the average default rate approximates 11.9 percent, with a rate of approximately 4.2 percent on the federal revolving loan portfolio.

Student loans are considered to be in default status when over 150 days past due. The average rate includes both the federal loans and the institutional loans. Institutional loans are generally provided to students with unusual financial needs.

Student loans are often subject to unique restrictions and conditions and, therefore, it is not practical to determine their fair values. The allowance for doubtful accounts is for all loans, whether in repayment status or not.

The two tables below provide additional information about the student loan receivables and the allowances associated with federal and institutional loan programs.

SUMMARY OF STUDENT LOANS RECEIVABLE

	2013		2012	
	Receivable	Allowance	Net receivable	Net receivable
Federal revolving loans	\$ 41,629	\$ (1,838)	\$ 39,791	\$ 39,909
Institutional loans	32,228	(2,626)	29,602	29,532
Total student loans receivable	\$ 73,857	\$ (4,464)	\$ 69,393	\$ 69,441

CHANGE IN STUDENT LOAN ALLOWANCE

	2013			2012
	Federal revolving	Institutional	Total allowance	Total allowance
Allowance at beginning of year	\$ (2,233)	\$ (2,529)	\$ (4,762)	\$ (5,192)
Current year provisions	395	(540)	(145)	22
Current year write-offs	-	443	443	408
Current year recoveries	-	-	-	-
Allowance at end of year	\$ (1,838)	\$ (2,626)	\$ (4,464)	\$ (4,762)

3. INVESTMENTS

A. General Information

The University's investments are overseen by the Investment Committee of the Board of Trustees. The University's investment strategy incorporates a diversified asset allocation approach and maintains, within defined limits, exposure to the movements of the world equity, fixed income, commodities, real estate, and private equity markets. Based on guidelines established by the Investment Committee, the University's Investment Office directs the investment of endowment and trust assets, certain working capital, and temporarily invested expendable funds.

Additional information about the University's investment return for the fiscal years ending June 30 is presented in the following table:

SUMMARY OF INVESTMENT RETURN

	2013	2012
Interest and dividends, net of investment fees	\$ 64,887	\$ 111,480
Net realized gain/(loss)	196,482	124,911
Net unrealized gain/(loss)	310,476	(193,429)
Total investment return	\$ 571,845	\$ 42,962

B. Fair Value

The University's investment holdings as of June 30, categorized in accordance with the fair-value hierarchy, are summarized in the following table:

INVESTMENTS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	2013 Total	2012 Total
Cash and cash equivalents	\$ 381,118	\$ 32,616	\$ -	\$ 413,734	\$ 263,846
Derivatives	(11,967)	802	-	(11,165)	(3,055)
Equity					
Domestic equity	389,267	156,830	11,551	557,648	468,597
Foreign equity	441,230	172,718	41,389	655,337	553,365
Hedged equity	-	406,780	137,212	543,992	505,441
Private equity	-	-	1,114,779	1,114,779	1,066,971
Fixed income					
Asset backed fixed income	-	39,948	773	40,721	35,151
Corporate bonds	-	347,496	-	347,496	392,415
Equity partnership	-	3,716	244,227	247,943	310,298
International	43,017	116,073	6,566	165,656	195,234
Municipals	-	35,450	-	35,450	28,589
Mutual funds (non-equity)	-	50,583	-	50,583	53,927
Preferred/convertible	4,670	10,179	5,827	20,676	17,574
Other fixed income	-	208	-	208	1,855
US government	189,644	184,250	-	373,894	348,091
Marketable alternatives	-	110,469	630,167	740,636	712,985
Real assets	-	-	980,194	980,194	917,652
Receivable for investments sold	23,642	-	-	23,642	138,515
Payable for investments purchased	(59,586)	-	-	(59,586)	(168,197)
Other	-	-	61,955	61,955	77,579
Total investments	\$ 1,401,035	\$ 1,668,118	\$ 3,234,640	\$ 6,303,793	\$ 5,916,833
Securities not included in investment portfolio					
Cash and cash equivalents	\$ 178,781	\$ -	\$ -	\$ 178,781	\$ 210,052

Level 1 investments consist of cash and cash equivalents, equity, and fixed-income securities with observable market prices. Fair value is readily determinable based on quoted prices in active markets. Unsettled trade receivable and payable valuations are reflective of cash settlements subsequent to the fiscal year-end and are also categorized as Level 1. The University does not adjust the quoted price for such instruments, even in situations where the University holds a large position and a sale of all its holdings could reasonably impact the quoted price.

Investments that are classified as Level 2 include domestic, foreign and hedged equities, and fixed income securities that trade in markets that are not considered to be active. Fair value is based on observable inputs for similar instruments in the market, and obtained by various sources including market participants, dealers, and brokers; the University's custodian secures pricing for these assets. The fair value of derivative investments is based on market prices from the financial institution that is the counterparty to the derivative.

Level 3 investments have significant unobservable inputs, as they trade infrequently or not at all. The inputs into the determination of fair value are based upon the best information in the circumstance and may require significant management judgment. Investments included in Level 3 consist primarily of the University's ownership in alternative investments (principally limited partnership interests in hedge, private equity, real estate, and other similar funds).

SUMMARY OF LEVEL 3 INVESTMENT ACTIVITY

	Fair value at June 30, 2012	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value at June 30, 2013
Equity							
Domestic equity	\$ 194	\$ 92	\$ 842	\$ 14,427	\$ (5,004)	\$ 1,000	\$ 11,551
Foreign equity	57,082	223	4,025	28,421	(26,615)	(21,747)	41,389
Hedged equity	178,240	2,696	17,560	-	(5,220)	(56,064)	137,212
Private equity	1,066,971	100,498	46,232	104,473	(203,847)	452	1,114,779
Fixed income							
Asset backed fixed income	1,036	-	-	-	(263)	-	773
Equity partnership	300,310	10,986	(1,070)	30,781	(96,780)	-	244,227
International	-	8	(187)	6,794	(49)	-	6,566
Preferred/convertible	5,082	4	45	3,968	(3,272)	-	5,827
Other	1,750	-	-	-	-	(1,750)	-
Marketable alternatives							
Real assets	570,264	1,160	71,819	-	(13,076)	-	630,167
Other	917,652	16,564	65,209	93,806	(113,037)	-	980,194
Other	77,579	7	2,004	5,258	(224)	(22,669)	61,955
Total level 3 investments	\$ 3,176,160	\$ 132,238	\$ 206,479	\$ 287,928	\$ (467,387)	\$ (100,778)	\$ 3,234,640

All net realized and unrealized gains/(losses) in the table above are reflected in the accompanying consolidated statement of activities. Net unrealized gains/(losses) relate to those financial instruments held by the University at June 30, 2013.

Transfers into Level 2 from Level 1 include \$74,174 of foreign equity. This is a result of movement of the investment from a custodied managed account to a commingled vehicle that is valued at net asset value (NAV). Transfers out of Level 3 consist of transfers to Level 2, reclassification of investment assets, and reclassification within Level 3 investment categories. There were transfers out of Level 3 into Level 2, including \$101,506 of hedged equity and \$21,747 of foreign equity, these transfers are a result of increased liquidity due to class roll-ups and expiration of redemption lockups on the underlying assets. Assets classified as Level 3 investments in the prior years were reclassified to different financial statement line items from "other fixed income" and "other" for the amounts of \$1,750 and \$21,217, respectively. Gifted assets received at the end of the prior fiscal year were reclassified from "other" to "domestic equity" and "private equity" for the amounts of \$1,000 and \$452 respectively. There were transfers into Level 3 from Level 2, including \$45,442 of hedged equity. Transfers into Level 3 were the result of less favorable liquidity terms of the underlying assets.

The fair value of certain alternative investments represents the ownership interest in the NAV of the respective partnership. The NAV of these investments is determined by the general partner, and is based upon appraisal or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by the general partner, taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate. The University has performed significant due diligence around these investments to ensure that NAV is an appropriate measure of fair value as of June 30.

As a practical expedient, the University uses its ownership interest in the NAV to determine the fair value of all alternative investments that do not have a readily determinable fair value, and have financial statements consistent with the measurement principles of an investment company or have the attributes of an investment company. Investments that can be redeemed at NAV by the University on the measurement date or in the near term (90 days or less) are classified as Level 2. Investments that cannot be redeemed on the measurement date or in the near term are classified as Level 3. The following tables list investments in investment companies (in partnership or equivalent format) by major category:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands)

SUMMARY OF ALTERNATIVE INVESTMENTS MEASURED USING NET ASSET VALUE

Asset class	Strategy	NAV in funds	Remaining life	Unfunded commitments	Timing to draw commitments
Private equity	Buyout	\$ 360,289		\$ 107,141	
	Special situation	322,356		93,450	
	Venture capital	413,315		86,178	
	Total private equity	\$ 1,095,960	1 to 10 years	\$ 286,769	1 to 10 years
Real assets	Real estate	689,698		124,363	
	Natural resource	273,586		216,712	
	Total real assets	\$ 963,284	1 to 8 years	\$ 341,075	1 to 8 years
Fixed income	Distressed	163,162		60,791	
	Leveraged loans	8,605		-	
	Mezzanine	70,622		8,630	
	Multi-strategy	64,458		1,500	
	Total fixed income	\$ 306,847	1 to 10 years	\$ 70,921	1 to 10 years
Foreign equity	Emerging markets	97,446			
	Global equity	102,813			
	Total foreign equity	\$ 200,259			
Hedged equity	Global equity long/short	169,156			
	U.S. equity long/short	374,836			
	Total hedged equity	\$ 543,992			
Marketable alternatives	Event driven	85,616			
	Global macro	73,337			
	Multi-strategy	141,183			
	Relative value	79,222			
	Special opportunity	361,097			
	Total marketable alternatives	\$ 740,455			
Domestic equity	Indexed	86,892			
	Total domestic equity	\$ 86,892			
Total for alternative investments using NAV		\$ 3,937,689		\$ 698,765	

REDEMPTION INFORMATION FOR ALTERNATIVE INVESTMENTS MEASURED USING NET ASSET VALUE

Asset class	Redemption terms	Redemption restrictions*
Private equity	n/a **	n/a
Real assets	n/a **	n/a
Fixed income	Annual redemption with 90 days notice***	No lock up provisions
Foreign equity	Ranges between monthly redemption with 10 days notice, to annual redemption with 60 days notice	18% of NAV has remaining lock up provisions of 6 months
Hedged equity	Ranges between quarterly redemption with 30 days notice, to triennial redemption with 45 days notice	23% of NAV has remaining lock up provisions ranging from 6 months to 18 months
Marketable alternatives	Ranges between monthly redemption with 10 days notice, to triennial redemption with 90 days notice	10% of NAV has remaining lock up provisions ranging from 6 months to 18 months
Domestic equity	Daily redemption with 2 days notice	No lock up provisions

* Represents initial investment lock up restriction. No other material redemption restrictions, such as redemption gates, were in place at year end.

**These funds are in private equity structure, with no ability to be redeemed.

***97% of NAV is in private equity structure, with no ability to be redeemed. Redemption provisions for the remaining 3% are shown above.

Of the Level 3 domestic, foreign, hedged, and private equities, 98 percent are valued at NAV, as described above. Other equities not priced by qualified third parties (e.g., brokers, pricing services, etc.) are valued using discounted cash flow, taking into account various factors including nonperformance risk, counterparty risk, and marketability. Start-up assets, held by the University's student-run venture fund, are maintained at or near initial investment amounts due to the nature of the activity.

Of the Level 3 fixed income assets, 98 percent are valued at NAV, as described above. Asset-backed fixed income investments are valued using discounted cash flows. Preferred/convertible fixed income investments are valued using discounted cash flows or a market approach using a dividend multiplier. Investments in start-up companies, as described above, are valued at or near initial investment amounts.

Level 3 real assets represent directly owned real estate, real estate interests held through limited partnerships, and oil or mineral rights. The fair value of real estate held through limited partnerships is based on NAV and represents 92 percent of real asset investments. To the extent feasible, third party appraisals are used to value real estate directly owned by the University. If current appraisals are not available, fair value is based on the capitalization rate valuation model, corroborated by local market data, if available. Oil and mineral rights are valued based on industry standard revenue multiplier methodologies.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands)

The following table provides additional information related to the valuation of the investments classified by the University as Level 3.

QUANTITATIVE INFORMATION ABOUT LEVEL 3 FAIR VALUE MEASUREMENT

	Level 3 fair value	Valuation technique(s)	Unobservable input	Range (weighted average)
Equity				
Domestic equity	\$ 11,434	Third-party pricing		
	117	Start-up valuation	Initial purchase price	
	<u>11,551</u>			
Foreign equity	41,389	NAV		
	<u>41,389</u>			
Hedged equity	137,212	NAV		
	<u>137,212</u>			
Private equity	1,096,013	NAV		
	14,441	Discounted cash flow	Discount rate	3.9% - 5.0% (4.1%)
	4,176	Third-party pricing		
	149	Start-up valuation	Initial purchase price	
	<u>1,114,779</u>			
Fixed income				
Asset backed fixed income	773	Discounted cash flow	Discount rate	24.3% - 26.7% (25.3%)
	<u>773</u>			
Equity partnership	244,227	NAV		
	<u>244,227</u>			
International	5,513	Discounted cash flow	Discount rate	18.4% - 20.8% (19.6%)
	1,053	NAV		
	<u>6,566</u>			
Preferred convertible	5,062	Market Comparable	Dividend multiple	2.3x - 20.8x (19.6x)
	650	NAV		
	115	Start-up valuation	Initial purchase price	
	<u>5,827</u>			
Marketable alternatives	630,167	NAV		
	<u>630,167</u>			
Real Assets	963,283	NAV		
	13,244	Cap rate valuation model	Capitalization rate	7.1% - 15% (10.7%)
	3,220	Third-party pricing		
	447	Market comparable	Revenue multiplier	5x
	<u>980,194</u>			
Other	49,403	Third-party pricing		
	11,549	Cap rate valuation model	Capitalization rate	5.28%
	693	Discounted cash flow	Discount rate	5.1%
	310	Present Value Calculation	Discount rate	5.3%
	<u>61,955</u>		Years to maturity	14
Total level 3 investments	<u>\$ 3,234,640</u>			

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

C. Derivative Holdings

The use of certain financial derivative instruments is governed by either the University's written investment policy, specific manager guidelines, or partnership/fund agreement documents. Specifically, financial derivative instruments may be used to manage foreign currency exposure, to obtain commodity exposure, to create synthetic exposure, or to obtain protection against increases in interest rates. These derivatives, based on definitions in GAAP, are not designated as hedging instruments.

As part of its overall diversification strategy, the University allocates a percentage of its assets to investment managers specializing in securities whose prices are denominated in foreign currencies. The investment guidelines provide discretion to these managers to adjust the foreign currency exposure of their investment portfolios by using derivative instruments. The derivatives are used for buying or selling foreign currency under a short-term contract to lock in the dollar cost of a specific pending purchase or sale of a foreign security, and selling foreign currency under a longer-term contract to hedge against a general decline in the dollar value of foreign security holdings.

As part of its overall investment strategy, the University's investment managers manage a diversified portfolio of commodity futures under strict investment guidelines. These commodity futures are fully collateralized and are denominated in U.S. dollars.

Some investment managers have discretion, limited by overall investment guidelines, to use derivative instruments to create investment exposures that could not be created as efficiently with other types of investments. These synthetic exposures in the University's portfolio consist of four types: 1) forward contracts used to increase exposure to a foreign currency beyond the level of underlying security investments in that currency; 2) futures contracts used to create exposures to assets where the futures market provides a more efficient investment than the underlying securities; 3) swap contracts, also used to provide a more efficient means to gain exposure than the underlying securities; and 4) option contracts used to adjust the exposure of the long-term portfolio to interest rate volatility.

The University entered into option contracts on interest rates swaps as a way to mitigate the impact of a significant rise in interest rates in the future. Under terms of certain option contracts on interest rate swaps, the University is obligated to make future premium payments. At June 30, 2013 and 2012, the University had unfunded premium payment commitments of \$17,588 and \$22,772, respectively. The University's premium payment schedule is as follows: \$5,184 for the year ended June 30, 2014; \$4,809 for the year ended June 30, 2015; \$2,474 for the year ended June 30, 2016; \$1,024 annually for the years ended June 30, 2017 and 2018; and \$3,073 thereafter.

The following tables provides detailed information on the derivatives included in the investment portfolio as of June 30. All the derivatives have been deemed Level 2 in the fair-value hierarchy.

FAIR VALUE OF DERIVATIVE HOLDINGS IN STATEMENT OF FINANCIAL POSITION

Location	Derivative type	2013			2012		
		Notional amount	# of Contracts	Level 2 fair value	Notional amount	# of Contracts	Level 2 fair value
Investments							
	Foreign currency	\$ -	73	\$ 376	\$ -	67	\$ 1,385
	Commodity	278,961	56	(13,151)	314,893	53	3,563
	Synthetic	(26,732)	75	438	(23,198)	41	153
	Interest rate	444,703	4	1,172	444,703	4	(8,156)
	Total fair value	\$ 696,932	208	\$ (11,165)	\$ 736,398	165	\$ (3,055)

EFFECT OF DERIVATIVE HOLDINGS ON STATEMENT OF ACTIVITIES

Location	Derivative Type	2013	2012
		Unrealized gain/(loss)	Unrealized gain/(loss)
Investment return, net of amount distributed			
	Foreign currency	\$ 376	\$ 1,385
	Commodity	(13,151)	3,563
	Synthetic	462	372
	Interest rate	(12,954)	(17,678)
	Total unrealized gain/(loss)	\$ (25,267)	\$ (12,358)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands)

The unrealized gain/loss from derivative holdings affects temporarily restricted net assets for LTIP shares in the permanent endowment; otherwise, the gain/loss affects unrestricted net assets. The net unrealized gain/loss is reported in the operating section of the consolidated statement of cash flow as net realized and unrealized gain/loss on investments.

4. LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment are detailed as follows:

LAND, BUILDINGS, AND EQUIPMENT

	Book value at June 30, 2013	Book value at June 30, 2012
Land, buildings, and equipment	\$ 4,152,905	\$ 3,838,992
Furniture, equipment, books, and collections	1,125,890	1,173,675
Construction in progress	711,897	578,063
Total before accumulated depreciation	\$ 5,990,692	\$ 5,590,730
Accumulated depreciation	(2,446,227)	(2,268,832)
Net land, buildings, and equipment	\$ 3,544,465	\$ 3,321,898

Certain properties to which the University does not have title are included in physical assets at net book values, as follows: (1) land, buildings, and equipment of the Contract Colleges aggregating \$671,241 and \$607,441 at June 30, 2013 and 2012, respectively, the acquisition cost of which was borne primarily by New York State and (2) land, buildings, and equipment for which titles rest with government and corporate agencies aggregating \$471 and \$384 at June 30, 2013 and 2012, respectively.

The future commitments on capital projects in progress, excluding projects funded by New York State, for the fiscal years ending June 30, 2013 and 2012, are \$129,523 and \$139,118, respectively.

5. OBLIGATIONS UNDER SPLIT-INTEREST AGREEMENTS AND FUNDS HELD IN TRUST BY OTHERS

The University reports its obligations under split-interest agreements at fair value. The fair value of the obligation is calculated annually and considered Level 3 in the fair-value hierarchy. The discount rate is based on average return of investment grade corporate bonds, weighted using a schedule of actuarial estimates of the lives of the income beneficiaries and the relative value of the agreements.

The University's interest in funds held in trust by others is considered Level 3, based on unobservable inputs, in the fair-value hierarchy. Trusts in which the University has an income interest are valued annually using estimated cash flows based on average actual income over three years. Remainder interests are based on annual valuation reports received from the funds' trustees. The discount rates used to estimate present value are based on the average return of investment grade corporate bonds, weighted according to a schedule of actuarial estimates.

The tables below summarize the fair values and activity of funds held in trust by others and obligations under split-interest agreements.

SPLIT INTEREST AGREEMENTS AT FAIR VALUE AND LEVEL 3 QUANTITATIVE INFORMATION

	Valuation Methodologies	Unobservable Inputs	Range (weighted average)	2013 Total	2012 Total
Funds held in trust by others					
Remainder	Present Value Calculation	Discount Rate Years to maturity	4.10% 0-60 (11)	\$ 56,687	\$ 57,097
Lead and perpetual	Discounted Cash Flow	Discount Rate	5.00%	46,604	48,460
Total funds held in trust by others				\$ 103,291	\$ 105,557
Obligations under split interest agreements	Discounted Cash Flow	Discount Rate Years to maturity	3.50% 0-63 (13)	\$ 116,344	\$ 115,063

SUMMARY OF LEVEL 3 SPLIT INTEREST AGREEMENT ACTIVITY

	Fair value at June 30, 2012	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value at June 30, 2013
Funds held in trust by others							
Remainder	\$ 57,097	\$ 299	\$ (709)	\$ -	\$ -	\$ -	\$ 56,687
Lead and perpetual	48,460	(1,857)	1	-	-	-	46,604
Total funds held in trust by others	\$ 105,557	\$ (1,558)	\$ (708)	\$ -	\$ -	\$ -	\$ 103,291
Obligations under split interest agreements	\$ 115,063	\$ -	\$ 1,281	\$ -	\$ -	\$ -	\$ 116,344

6. DEFERRED BENEFITS

A. General Information

Accrued employee benefit obligations as of June 30 include:

SUMMARY OF DEFERRED BENEFITS

	2013	2012
Postemployment benefits	\$ 28,469	\$ 28,417
Pension and other postretirement benefits	229,272	235,359
Other deferred benefits	187,909	179,863
Total deferred benefits	\$ 445,650	\$ 443,639

Other deferred benefits include primarily vacation accruals, deferred compensation, and medical benefit claims incurred but not yet reported. Accrued postemployment benefits include workers' compensation and medical continuation benefits for those on long-term disability. The University also provides various benefits to former or inactive employees after employment, but before retirement, that are recognized when they are earned.

B. Pension and Postretirement Plans

The University's employee pension plan coverage is provided by two basic types of plan: one based on a predetermined level of funding (defined contribution), and the other based on a level of benefit to be provided (defined benefit).

The primary defined contribution plans for Endowed Ithaca and for exempt employees (those not subject to the overtime provisions of the Fair Labor Standards Act) at the Medical College are carried by the Teachers Insurance and Annuity Association, the College Retirement Equities Fund, the Vanguard Group (Medical College only), and Fidelity Investments (Endowed Ithaca only), all of which permit employee contributions. Total pension costs of the Endowed Ithaca and Medical College plans for the fiscal years ending June 30, 2013 and 2012 amounted to \$92,466 and \$86,273, respectively.

The Medical College maintains the University's only defined benefit plan. The participants include non-exempt employees at the Medical College who meet the eligibility requirements for participation. The plan was frozen in 1976 for exempt employees at the Medical College and the accrued benefits were merged with the active non-exempt retirement plan in 1989. In accordance with Employee Retirement Income Security Act (ERISA) requirements for the defined benefit plans, the University must fund annually with an independent trustee an actuarially determined amount that represents normal costs plus amortization of prior service costs over a forty-year period that began on July 1, 1976.

The University also provides health and life insurance benefits for eligible retired employees and their dependents. Although there is no legal obligation for future benefits, the cost of postretirement benefits must be accrued during the service lives of employees. The University elected the prospective transition approach and is amortizing the transition obligation over 20 years, through fiscal year 2012-13.

C. Obligations and Funded Status

The following table sets forth the pension and postretirement plans' obligations and funded status as of June 30:

SUMMARY OF OBLIGATIONS AND FUNDED STATUS

	Pension benefits		Other postretirement	
	2013	2012	2013	2012
Change in plan assets				
Fair value of plan assets at beginning of year	\$ 60,557	\$ 55,614	\$ 172,631	\$ 168,229
Actual return on plan assets	9,216	1,337	24,640	(2,022)
Employer contribution	2,910	6,205	3,295	9,272
Benefits paid	(2,730)	(2,599)	(3,296)	(2,849)
Fair value of plan assets at end of year	\$ 69,953	\$ 60,557	\$ 197,270	\$ 172,630
Change in benefit obligation				
Benefit obligation at beginning of year	\$ 81,194	\$ 73,912	\$ 387,352	\$ 381,785
Service cost (benefits earned during the period)	5,431	5,233	17,879	15,427
Interest cost	4,074	4,605	18,880	21,068
Actuarial (gain)/loss	2,735	43	(5,122)	(16,781)
Gross benefits paid	(2,730)	(2,599)	(13,474)	(16,675)
Less: federal subsidy on benefits paid	-	-	276	2,528
Projected benefit obligation at end of year	\$ 90,704	\$ 81,194	\$ 405,791	\$ 387,352
Funded status	\$ (20,751)	\$ (20,637)	\$ (208,521)	\$ (214,722)
Amounts recognized in the consolidated statement of financial position	\$ (20,751)	\$ (20,637)	\$ (208,521)	\$ (214,722)
Amounts recorded in unrestricted net assets not yet amortized as components of net periodic benefit cost				
Net transition obligation	\$ -	\$ -	\$ -	\$ 3,644
Prior service cost	(783)	(875)	(138)	(214)
Net actuarial (gain)/loss	7,653	10,170	13,718	32,333
Amount recognized as reduction in unrestricted net assets	\$ 6,870	\$ 9,295	\$ 13,580	\$ 35,763

The accumulated benefit obligation for the pension plans was \$79,583 and \$70,715 at June 30, 2013 and 2012, respectively. The accumulated benefit obligation differs from the projected benefit obligation in the table above in that it includes no assumptions about future compensation levels. It represents the actuarial present value of future payments to plan participants using current and past compensation levels. For postretirement plans other than pensions, the accumulated benefit obligation is the same as the projected benefit obligations because the liabilities are not compensation-related.

D. Net Periodic Benefit Cost

Net benefit expense related to the pension and postretirement plans for the fiscal years ending June 30 includes the following components:

NET PERIODIC BENEFIT COST

	Pension benefits		Other postretirement	
	2013	2012	2013	2012
Service cost (benefits earned during the period)	\$ 5,431	\$ 5,233	\$ 17,879	\$ 15,427
Interest cost	4,074	4,605	18,880	21,068
Expected return on plan assets	(4,282)	(4,007)	(12,602)	(12,485)
Amortization of initial transition obligation	-	-	3,644	3,644
Amortization of prior service cost	(92)	(92)	(76)	(76)
Amortization of net (gain)/loss	318	24	1,454	-
Net periodic benefit cost	\$ 5,449	\$ 5,763	\$ 29,179	\$ 27,578

The amounts of transition obligation, prior service costs, and actuarial gains/losses that will be amortized into net periodic benefit cost for the year ending June 30, 2014 are estimated as follows:

ESTIMATED COMPONENTS OF NET PERIODIC BENEFIT COST

	<u>Pension benefits</u>	<u>Other postretirement</u>
Prior service cost	\$ (92)	\$ (76)
Net actuarial (gain)/loss	-	-
Total	\$ (92)	\$ (76)

E. Actuarial Assumptions

Assumptions used in determining the pension and postretirement plan's benefit obligations and net periodic costs are:

SUMMARY OF ACTUARIAL ASSUMPTIONS

	<u>Pension benefits</u>		<u>Other postretirement</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Used to calculate benefit obligations at June 30				
Discount rate	5.20%	4.70%	5.04% / 4.89%	4.56% / 4.39%
Rate of compensation increase	3.00%	3.00%		
Used to calculate net periodic cost at July 1				
Discount rate	4.70%	5.90%	4.56% / 4.39%	5.75% / 5.60%
Expected return on plan assets	7.00%	7.00%	7.30%	7.30%
Rate of compensation increase	3.00%	6.10%		
Assumed health care cost trend rates				
Health care cost trend rate assumed for next year	n/a	n/a	7.00%	7.50%
Ultimate trend rate	n/a	n/a	4.50%	4.50%
Years to reach ultimate trend rate	n/a	n/a	5	6

The health care cost trend rate assumption has a significant effect on the amounts reported for other postretirement (health care) plans. Increasing the health care cost trend rate by 1 percent in each future year would increase the benefit obligation by \$66,663 and the annual service and interest cost by \$7,588. Decreasing the health care cost trend rate by 1 percent in each future year would decrease the benefit obligation by \$51,785 and the annual service and interest cost by \$5,846.

F. Plan Assets

The University's overall investment objectives for the pension plan and postretirement medical benefit plan assets are broadly defined to include an inflation-adjusted rate of return that seeks growth commensurate with a prudent level of risk. To achieve this objective, the University has established fully discretionary trusts with JP Morgan as trustee and investment manager for the Medical College's defined benefit pension plan and the postretirement medical benefit plan for the University's endowed employees on the Ithaca campus. Under those trust agreements, JP Morgan establishes investment allocations and implements those allocations through various investment funds in order to carry out the investment objectives. JP Morgan has also been appointed as investment manager for the Medical College's postretirement medical benefit plan with full discretion as to investment allocations in specific named funds managed by JP Morgan.

The University's Retirement Plan Oversight Committee (RPOC) provides guidance and oversight for the University's retirement plans, including oversight of asset allocation and the performance of both the defined benefit pension plan and the postretirement medical benefit plans. The RPOC, along with its outside consultant CAPTRUST, has reviewed the asset allocation and related performance of the trust assets, and has determined that both are appropriate given current institutional objectives. The RPOC regularly reviews the investment strategies, along with evolving institutional objectives, and will make recommendations regarding possible changes to asset allocation and investment managers accordingly.

Risk mitigation is achieved by diversifying investments across multiple asset classes, investing in high quality securities, and permitting flexibility in the balance of investments in the recommended asset classes. Market risk is inherent in any portfolio,

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(dollars in thousands)

but the investment policies and strategies are designed to avoid concentration of risk in any one entity, industry, country, or commodity. The funds in which the plan assets are invested are well-diversified and managed to avoid concentration of risk.

The expected rate of return assumptions are based on the expertise provided by investment managers at the trustee bank. The factors that impact the expected rates of return for various asset types includes assumptions about inflation, historically based real returns, anticipated value added by investment managers, and expected average asset allocations. The expected return on plan assets by category for the fiscal year ending June 30, 2013 are similar the prior fiscal year: 7.7 percent on equity securities, 4.6 percent on fixed income securities, and 6.5 percent on real estate compared to 8.2 percent, 3.9 percent and 7 percent, respectively.

The fair value of the pension plan assets and postretirement medical benefit plan assets are categorized according to the fair-value hierarchy. Both the pension plan and postretirement medical benefit plans invest in funds to meet their investment objectives. The asset allocation is based on the underlying assets of the various funds. The fair-value level is based upon each fund as the unit of measure. The fair value of the plans' assets as of June 30 and the rollforward for Level 3 assets are disclosed in the tables below.

SUMMARY OF PLAN ASSETS

	Target allocation	Pension benefits		Other postretirement	
		2013	2012	2013	2012
Percentage of plan assets					
Equity securities	39-85%	65.0%	64.0%	74.0%	73.0%
Fixed income securities	15-55%	29.0%	30.0%	26.0%	27.0%
Real estate	0-5%	6.0%	6.0%	0.0%	0.0%
Total		100.0%	100.0%	100.0%	100.0%

PENSION PLAN ASSETS AT FAIR VALUE

	Level 1	Level 2	Level 3	2013	2012
	fair value	fair value	fair value	Total	Total
Cash and cash equivalents					
Cash	\$ -	\$ -	\$ -	\$ -	\$ 1
Money market	193	-	-	193	181
Equity securities					
U.S. small cap	-	5,834	-	5,834	4,178
U.S. large cap	-	24,198	-	24,198	21,559
U.S. REITS	-	1,770	-	1,770	1,574
Emerging markets	-	4,267	-	4,267	3,331
International equity	-	9,702	-	9,702	8,054
Fixed income securities					
U.S. high yield bonds	-	3,514	-	3,514	3,936
Corporate bonds	-	10,581	-	10,581	9,704
Mortgage-backed securities	-	1,825	2,382	4,207	2,712
International fixed income	-	1,331	-	1,331	1,518
Other types of investments					
Real estate	-	-	4,356	4,356	3,809
Total assets	\$ 193	\$ 63,022	\$ 6,738	\$ 69,953	\$ 60,557

SUMMARY OF LEVEL 3 PENSION PLAN ACTIVITY

	Fair value, June 30, 2012	Realized gain/(loss)	Unrealized gain/(loss)	Purchases	Sales	Transfers in/(out) of Level 3	Fair value, June 30, 2013
	Mortgage-backed securities	\$ 1,192	\$ -	\$ 80	\$ 1,110	\$ -	\$ -
Real estate	3,809	203	344	-	-	-	4,356
Total Level 3 assets	\$ 5,001	\$ 203	\$ 424	\$ 1,110	\$ -	\$ -	\$ 6,738

POSTRETIREMENT PLAN ASSETS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	2013 Total	2012 Total
Cash and cash equivalents					
Money market	\$ 223	\$ 5,335	\$ -	\$ 5,558	\$ 2,476
Equity securities					
U.S. small cap	-	22,518	-	22,518	16,535
U.S. large cap	-	62,188	-	62,188	57,300
Emerging markets	-	22,508	-	22,508	19,245
International equity	-	34,191	-	34,191	29,000
U.S. REITS	-	5,222	-	5,222	4,495
Fixed income securities					
U.S. high yield bonds	-	8,306	-	8,306	7,662
Corporate bonds	-	32,772	-	32,772	35,917
Emerging markets debt	-	4,007	-	4,007	-
Total assets	\$ 223	\$ 197,047	\$ -	\$ 197,270	\$ 172,630

G. Expected Contributions and Benefit Payments

The expected annual contributions and benefit payments that reflect anticipated service are as follows:

EXPECTED CONTRIBUTIONS AND BENEFIT PAYMENTS

	Pension benefits	Other postretirement	
		Employer paid	Government subsidy
University contributions			
2014	\$ 5,500	\$ 11,136	n/a
Future benefit payments			
2014	\$ 3,739	\$ 17,096	\$ 1,777
2015	3,650	18,368	1,969
2016	3,928	19,946	2,164
2017	4,338	21,636	2,381
2018	4,584	23,253	2,614
2019-2023	25,709	142,067	16,780

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 established a prescription drug benefit known as “Medicare Part D” that also established a federal subsidy to sponsors of retiree healthcare benefit plans. The estimated future government subsidy amounts are reflected in the table above.

H. Contract College Employees

Employees of the Contract Colleges are covered under the New York State pension plans. Contributions to the state retirement system and other employee benefit costs are paid directly by the state. The amounts of the direct payments applicable to the University as revenue and expenditures are not currently determinable and are not included in the consolidated financial statements. The University reimburses the state for employee benefit costs on certain salaries, principally those associated with externally sponsored programs. The amounts reimbursed to the state during the fiscal years ending June 30, 2013 and 2012 were \$20,074 and \$19,269, respectively, and were included in operating expenses.

7. FUNDS HELD IN TRUST FOR OTHERS

The University, in limited instances, invests funds as a custodian for other closely related parties. Independent trustees are responsible for the funds and for the designation of income distribution. The value of the funds is included in the consolidated statement of financial position within Investments, which total \$203,171 and \$190,421 for the fiscal years ending June 30, 2013 and 2012, respectively. The University recognizes an offsetting liability for funds held in trust for others, with one adjustment described below.

The New York Hospital-Cornell Medical Center Fund, Inc. (Center Fund), which benefits the Weill Cornell Medical College and the New York-Presbyterian Hospital, is the major external organization invested in the University's long-term investment portfolio with assets and an offsetting liability of \$162,501 and \$153,273 for the fiscal years ending June 30, 2013 and 2012, respectively. Because the Medical College holds a significant beneficial interest in the assets of the Center Fund, the liability is reduced by \$87,657 and \$100,374, for the fiscal years ending June 30, 2013 and 2012, respectively, representing the future income stream that will benefit the Medical College.

8. BONDS AND NOTES PAYABLE**A. General Information**

Bonds and notes payable as of June 30 are summarized as follows:

SUMMARY OF BONDS AND NOTES PAYABLE

	<u>2013</u>	<u>2012</u>	<u>Interest rates</u>	<u>Final maturity</u>
Dormitory Authority of the State of New York (DASNY)				
Revenue Bond Series				
1990B-fixed rate	\$ 42,820	\$ 45,440	4.00 to 5.00%	2025
2000A-variable rate/weekly	47,025	49,100	0.06 to 0.22	2029
2000B-variable rate/weekly	63,705	66,140	0.06 to 0.22	2030
2004-variable rate/weekly	76,725	79,200	0.05 to 0.23	2033
2006-fixed rate	173,490	184,735	4.00 to 5.00	2035
2008B&C-fixed rate	120,470	122,980	4.00 to 5.00	2037
2009-fixed rate	293,705	299,470	3.00 to 5.00	2039
2010-fixed rate	285,000	285,000	4.00 to 5.00	2040
Tax-exempt commercial paper	54,390	57,500	0.12 to 0.21	2037
Tompkins County Industrial Development Agency (TCIDA)				
2002A-variable rate/weekly	38,985	40,495	0.05 to 0.21	2030
2002B-variable rate/weekly	15,390	15,390	0.05 to 0.21	2015
2008A-fixed rate	65,705	67,170	3.00 to 5.00	2037
Bond Series 1987B-fixed rate	-	725	11.11	2013
Urban Development Corporation	2,000	2,125	-	2029
2009 Taxable-fixed rate	500,000	500,000	4.35 to 5.45	2014/2019
Taxable commercial paper	73,500	78,500	0.18 to 0.26	-
Other	2,495	2,588	6.63	2029
Total bonds and notes payable	<u>\$ 1,855,405</u>	<u>\$ 1,896,558</u>		

The University's bonds and notes payable had carrying amounts of \$1,855,405 and \$1,896,558 at June 30, 2013 and 2012, respectively, compared to estimated fair values of approximately \$1,967,483 and \$2,092,452 at June 30, 2013 and 2012, respectively. Estimated fair value of bonds is based on quoted market prices for the same or similar issues. The market

prices utilized reflect the amounts a third party would pay to purchase the bonds, and are not considered an additional liability to the University. The University's debt is classified as Level 2 in the fair-value hierarchy.

The following table provides the amounts of interest paid for the fiscal years ending June 30.

SUMMARY OF INTEREST EXPENSE

	<u>2013</u>	<u>2012</u>
Interest expense to bondholders and other debt	\$ 73,352	\$ 75,343
Interest expense paid on swap agreements	30,291	23,115
Capitalized interest on capital assets	<u>(11,178)</u>	<u>(12,257)</u>
Total interest expense	\$ 92,465	\$ 86,201

Debt and debt service related to borrowings by New York State for the construction and renovation of facilities of the Contract Colleges are not included in the consolidated financial statements because they are not liabilities of the University.

Under the DASNY Revenue Bond Series 1990B agreement, the bonds are a general obligation of the University and are secured by a pledge of revenue. The University is not required to pledge revenue on other bonds outstanding.

The University maintains tax-exempt and taxable commercial paper programs. Tax-exempt commercial paper is used to finance qualified capital projects and equipment purchases for the Ithaca and Medical College campuses. Taxable commercial paper is also used for these purposes, and can be used to finance short-term working capital needs. The maximum authorized amount of each commercial paper program is \$200,000.

Scheduled principal and interest payments on bonds and notes for the next five fiscal years and thereafter are shown below:

ANNUAL DEBT SERVICE REQUIREMENTS

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 289,540	\$ 108,633	\$ 398,173
2015	49,452	101,349	150,801
2016	35,239	92,945	128,184
2017	36,671	85,318	121,989
2018	38,185	79,384	117,569
Thereafter	<u>1,406,318</u>	<u>795,449</u>	<u>2,201,767</u>
Total	\$ 1,855,405	\$ 1,263,078	\$ 3,118,483

The University estimates future interest payments on variable-rate debt based on the five-year Securities Industry and Financial Markets Association (SIFMA) swap rate for tax-exempt debt and the five-year London Interbank Offered Rates (LIBOR) swap rate for taxable debt.

B. Interest Rate Swaps

The University approved the use of interest rate swaps to mitigate interest rate risk for its variable-rate debt portfolio. The swap agreements cover current variable-rate debt as well as future debt exposure. Interest rate swaps are derivative instruments; however, their use by the University is not considered to be hedging activity, based on definitions in generally accepted accounting principles.

Through the use of interest rate swap agreements, the University is exposed to the risk that counterparties will fail to meet their contractual obligations. To mitigate risk, the University maintains a \$400 million dollar-limit swap exposure for each counterparty. Master agreements with counterparties include netting arrangements that permit the University to net amounts due to the counterparty with amounts due from the counterparty. Utilizing netting arrangements reduces the maximum loss in the event of counterparty default.

The University's swap agreements contain a credit-rating-contingent feature in which the counterparties can request collateral on agreements in net liability positions. The University could be required to post collateral if the University's credit rating is downgraded to A1 or A+. At June 30, 2013 and 2012, the University did not post collateral on deposit with any counterparty.

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(dollars in thousands)

The University's interest rate swaps are valued by an independent third party that uses the mid-market levels, as of the close of business, to value each agreement. The valuations provided are derived from proprietary models based upon well-recognized financial principles and reasonable estimates about relevant future market conditions and the University's credit worthiness. The University's interest rate swaps are classified as Level 2 in the fair-value hierarchy.

At June 30, 2013, the University had seven interest rate swap agreements to exchange variable-rate cash flows for fixed-rate cash flows without the exchange of the underlying principal amount. Net payments or receipts under six of these swap agreements are recorded as adjustments to interest expense and the incremental interest expense is disclosed in the table below. One swap agreement is a forward-starting swap that commences net payments in July, 2014. During the fiscal year ending June 30, 2013, the University terminated a swap with Morgan Stanley Capital Services, LLC that had an outstanding notional amount of \$79,200. The Change in the value of the swap on the Statement of Activity represents a \$16,915 loss on the termination of the swap and the increase in the market value resulting in a total change of \$99,173. The interest expense related to these swaps is included in the interest expense on the Statement of Activity. In all agreements in effect at June 30, 2013, the counterparty pays a variable interest rate equal to a percentage of the one-month London Interbank Offered Rates (LIBOR).

The following table provides detailed information on the interest rate swaps at June 30, 2013, with comparative fair values for June 30, 2012. The swaps are reported based on notional amount.

FAIR VALUE OF INTEREST RATE SWAPS IN STATEMENT OF FINANCIAL POSITION

Location	Notional amount	Interest rate	Commencement	Termination date	Basis	2013 Level 2 fair value	2012 Level 2 fair value
Accounts payable and accrued expenses							
	\$ 99,100	2.99 %		October 1, 2015	LIBOR	\$ (5,909)	\$ (8,184)
	40,495	4.52		July 1, 2030	LIBOR	(15,803)	(12,646)
	65,600	4.63		July 1, 2030	LIBOR	(8,967)	(22,037)
	79,200	3.51		April 23, 2013	LIBOR	-	(18,422)
	98,100	3.92		July 1, 2038	LIBOR	(20,236)	(30,657)
	275,000	3.88		July 1, 2040	LIBOR	(71,363)	(109,204)
	200,000	3.48		July 1, 2041	LIBOR	(34,106)	(54,741)
	200,000	3.77	July 1, 2014	July 1, 2044	LIBOR	(34,610)	(51,190)
Total fair value						\$ (190,994)	\$ (307,081)

Activity related to interest rate swaps affects unrestricted net assets, and in the consolidated statement of cash flows, is presented on the change in value of interest rate swaps line in the operating activities section.

C. Standby Bond Purchase Agreements

The University has standby bond purchase agreements with various financial institutions to purchase any of the University's variable-rate demand bonds in the event that the bonds cannot be remarketed. In the event that the bonds covered by these standby bond purchase agreements cannot be remarketed and the agreements are not otherwise renewed, the University would be required to redeem the bonds or refinance the bonds in a different interest rate mode. In the event that the bonds cannot be remarketed and the University did not redeem, the Annual Debt Service Requirements table would be increased by \$83,000 for fiscal year 2014, \$21,935 for fiscal year 2015, \$102,850 for fiscal year 2016, and \$34,045 for fiscal year 2017. Detailed information about the standby purchase agreements is shown in the following table:

SUMMARY OF STANDBY PURCHASE AGREEMENTS

Series	Provider	Expiration
2000A	JP Morgan Chase	Jul-16
2000B	JP Morgan Chase	Jul-16
2002A	Northern Trust	Jun-17
2002B	Northern Trust	Jul-15
2004A&B	HSBC Bank	Apr-14

D. Lines of Credit

The University records the working capital lines of credit activity and outstanding balances as other liabilities in the consolidated statement of financial position. The two \$100 million lines of credit have annual expiration dates of December 31 and April 1. As of June 30, 2013 and 2012, the University had not borrowed against the lines of credit.

9. OPERATING LEASES

Although the University generally purchases, rather than leases, machinery and equipment, the University does enter operating lease agreements for the use of real property. Total lease expenses were \$25,108 and \$27,218 for the fiscal years ending June 30, 2013 and 2012, respectively. The future annual minimum lease payments in the following table are payments under operating leases expiring at various dates through June 30, 2060.

ANNUAL MINIMUM OPERATING LEASE PAYMENTS	
Year	Payments
2014	\$ 23,624
2015	21,944
2016	20,259
2017	20,222
2018	17,840
Thereafter	117,557
Total minimum operating lease payments	\$ 221,446

10. FUNCTIONAL EXPENSES AND STUDENT AID

Total expenses by functional categories for the fiscal years ending June 30 are as follows:

FUNCTIONAL EXPENSES		
	2013	2012
Instruction	\$ 727,990	\$ 690,493
Research	539,638	552,878
Public service	122,543	115,283
Academic support	234,204	220,835
Student services	143,783	138,542
Medical services	815,166	755,193
Institutional support	395,334	405,820
Enterprises and subsidiaries	253,534	236,150
Total expenses	\$ 3,232,192	\$ 3,115,194

The expenses for operations and maintenance of facilities, depreciation, and interest related to capital projects are allocated to functional categories based on square footage. The amounts allocated for operations and maintenance were approximately \$234,907 and \$219,384 for the fiscal years ending June 30, 2013 and 2012, respectively.

Student financial assistance is shown as a component of instruction expense unless the assistance is for tuition and mandatory fees. If the assistance is for tuition and mandatory fees, the amounts are recorded as scholarship allowance, which reduces tuition revenue. Total financial assistance amounts classified as instruction expense were \$46,265 and \$42,699 for the fiscal years ending June 30, 2013 and 2012, respectively.

11. NET ASSETS**A. General Information**

The University's net assets as of June 30 are as follows:

SUMMARY OF NET ASSETS

	Unrestricted	Temporarily restricted	Permanently restricted	2013 Total	2012 Total
Endowment					
True endowment	\$ (28,644)	\$ 1,389,986	\$ 2,150,233	\$ 3,511,575	\$ 3,219,984
Funds functioning as endowment (FFE)	1,301,183	327,457	-	1,628,640	1,579,330
Total true endowment and FFE	\$ 1,272,539	\$ 1,717,443	\$ 2,150,233	\$ 5,140,215	\$ 4,799,314
Funds held by others, perpetual	-	-	132,013	132,013	147,640
Total University endowment	\$ 1,272,539	\$ 1,717,443	\$ 2,282,246	\$ 5,272,228	\$ 4,946,954
Other net assets					
Operations	(718,522)	234,546	-	(483,976)	(467,855)
Student loans	10,077	113	41,201	51,391	50,621
Facilities and equipment	2,186,421	66,739	-	2,253,160	1,929,953
Split interest agreements	-	67,388	40,845	108,233	96,246
Funds held by others, other than perpetual	-	41,566	17,369	58,935	58,292
Contributions receivable, net	-	648,826	185,636	834,462	863,459
Total net assets	\$ 2,750,515	\$ 2,776,621	\$ 2,567,297	\$ 8,094,433	\$ 7,477,670

Unrestricted net asset balances for operations are primarily affected by operating activities and strategic decisions to invest expendable balances in funds functioning as endowment and capital projects.

B. Endowment

Of the endowment assets held at the University, 96 percent were invested in the Long Term Investment Pool (LTIP) at both June 30, 2013 and June 30, 2012. The LTIP is a mutual-fund-like vehicle used for investing the University's true endowment funds, funds functioning as endowment, and other funds that are not expected to be expended for at least three years. The University employs a unit method of accounting for the LTIP. Each participating fund enters into and withdraws from the pooled investment account based on monthly unit fair values.

At June 30, 2013, 783 of 6,416 true endowment funds invested in the LTIP had a total historic dollar value of \$373,308 and a fair value of \$344,664, resulting in these endowments being underwater by a total of \$28,644. The University holds significant appreciation on endowments to offset these temporary decreases in value. The University has maintained these true endowment funds at their historical book value.

Changes in the endowment net assets, exclusive of funds held in trust by others, for the fiscal years ending June 30 are presented below:

SUMMARY OF ENDOWMENT ACTIVITY

	Unrestricted	Temporarily restricted	Permanently restricted	2013 Total	2012 Total
True endowment and FFE, beginning of year	\$ 1,201,481	\$ 1,570,459	\$ 2,027,374	\$ 4,799,314	\$ 4,928,070
Investment return					
Net investment income	20,779	49,692	-	70,471	58,856
Net realized and unrealized gain/(loss)	159,941	287,108	206	447,255	(68,079)
Total investment return	\$ 180,720	\$ 336,800	\$ 206	\$ 517,726	\$ (9,223)
New gifts	1,010	34,158	107,531	142,699	107,392
Amounts appropriated for expenditure/reinvestment	(71,260)	(183,629)	3,278	(251,611)	(234,616)
Other changes and reclassifications	(39,412)	(40,345)	11,844	(67,913)	7,691
Total true endowment and FFE, end of year	\$ 1,272,539	\$ 1,717,443	\$ 2,150,233	\$ 5,140,215	\$ 4,799,314

12. CONTINGENT LIABILITIES

The University is a defendant in various legal actions, some of which are for substantial monetary amounts, that arise out of the normal course of its operations. Although the final outcome of the actions cannot be foreseen, the University's administration is of the opinion that eventual liability, if any, will not have a material effect on the University's financial position.

The University retains self-insurance for property, general liability, and certain health benefits, and has an equity interest in a multi-provider captive insurance company.

13. SUBSEQUENT EVENTS

The University has performed an evaluation of subsequent events through October 24, 2013, the date on which the consolidated financial statements were issued and determined no material impact on the University's consolidated financial statements.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
<u>Student Financial Assistance Cluster:</u>				
U. S. Department of Education Awards				
84.007	Federal Supplemental Educational Opportunity Grants	-	-	\$ 2,570,541
84.033	Federal Work-Study Program	-	-	3,335,551
84.038	Federal Perkins Loan Program	-	-	4,755,797
84.063	Federal Pell Grant Program	-	-	9,829,970
84.268	US Dept of Education, Federal Direct Student Loans	-	-	110,577,962
84.375	Academic Competitiveness Grants	-	-	(2,800)
84.376	National Science & Mathematics Access to Retain Talent (SMART) Grants	-	-	(4,000)
	Total U. S. Department of Education Awards			\$ 131,063,021
U. S. Department of Health and Human Services Awards				
93.342	Health Professionals Student Loans (HPSL)	-	-	451,933
	Total U. S. Department of Health and Human Services Awards			\$ 451,933
	Total Student Financial Assistance Cluster			\$ 131,514,954
<u>Research and Development Program Cluster:</u>				
U.S. Department of Agriculture Direct Awards				
10	Department of Agriculture, Other	-	-	17,313
10.001	Agricultural Research_Basic and Applied Research	-	-	3,896,206
10.020	Department of Agriculture, Other	-	-	24,914
10.025	Plant and Animal Disease, Pest Control, and Animal Care	-	-	483,216
10.162	Inspection Grading and Standardization	-	-	76,728
10.200	Grants for Agricultural Research, Special Research Grants	-	-	2,013,605
10.202	Cooperative Forestry Research	-	-	177,798
10.203	Payments to Agricultural Experiment Stations Under the Hatch Act	-	-	5,478,247
10.206	Grants for Agricultural Research_Competitive Research Grants	-	-	837,802
10.207	Animal Health and Disease Research	-	-	124,258
10.210	Food and Agricultural Sciences National Needs Graduate Fellowship Grants	-	-	152,959
10.215	Sustainable Agriculture Research and Education	-	-	(3)
10.217	Higher Education Challenge Grants	-	-	938
10.219	Biotechnology Risk Assessment Research	-	-	212,482
10.220	Higher Education Multicultural Scholars Program	-	-	(3,000)
10.253	Food Assistance and Nutrition Research Programs (FANRP)	-	-	694,350
10.303	Integrated Programs	-	-	767,520
10.304	Homeland Security_Agricultural	-	-	607,403
10.305	International Science and Education Grants	-	-	50,725
10.307	Organic Agriculture Research and Extension Initiative	-	-	1,339,270
10.309	Specialty Crop Research Initiative	-	-	3,049,827
10.310	Agriculture and Food Research Initiative (AFRI)	-	-	6,840,939
10.311	Beginning Farmer and Rancher Development Program	-	-	76,749

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Agriculture Direct Awards (continued)				
10.320	Sun Grant Program	-	-	340,709
10.500	Cooperative Extension Service	-	-	759,113
10.652	Forestry Research	-	-	52,408
10.664	Cooperative Forestry Assistance	-	-	3,275
10.675	Urban and Community Forestry Program	-	-	34,384
10.678	Forest Stewardship Program	-	-	5,364
10.680	Forest Health Protection	-	-	40,429
10.683	National Fish and Wildlife Foundation	-	-	(84)
10.907	Snow Survey and Water Supply Forecasting	-	-	35,661
10.912	Environmental Quality Incentives Program	-	-	107,280
10.960	Technical Agricultural Assistance	-	-	79,240
10.961	Scientific Cooperation and Research	-	-	1,350
	Total U.S. Department of Agriculture Direct Awards			<u>\$ 28,379,375</u>
U.S. Department of Agriculture Pass-Through Awards				
10.001	Agricultural Research_Basic and Applied Research	Cooperative For Assistance And Relief Everywhere,	12-CA-11132762-184	21,276
10.001	Agricultural Research_Basic and Applied Research	University Of Nebraska	58-5442-2-209	1,000
10.025	Plant and Animal Disease, Pest Control, and Animal Care	American Public Gardens Association	12-8100-1519-CA	45,565
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NYS Department of Ag & Markets	-	12,000
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NYS Department of Ag & Markets	11-8236-0860-CA	33,203
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NYS Department of Ag & Markets	12-8236-0857-CA	46,572
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NYS Department of Ag & Markets	11-8236-0857-CA	48,999
10.170	Specialty Crop Block Grant Program - Farm Bill	NYS Department of Ag & Markets	-	36,989
10.170	Specialty Crop Block Grant Program - Farm Bill	NYS Department of Ag & Markets	11-8236-0860-CA	10,000
10.170	Specialty Crop Block Grant Program - Farm Bill	NYS Department of Ag & Markets	12-25-B-0940	105,311
10.170	Specialty Crop Block Grant Program - Farm Bill	NYS Department of Ag & Markets	12-25-B-1085	139,846
10.170	Specialty Crop Block Grant Program - Farm Bill	NYS Department of Ag & Markets	12-25-B-1245	139,405
10.170	Specialty Crop Block Grant Program - Farm Bill	NYS Department of Ag & Markets	12-25-B-1478	41,954
10.170	Specialty Crop Block Grant Program - Farm Bill	University Of California Davis	12-25-B-1448	5,683
10.170	Specialty Crop Block Grant Program - Farm Bill	University Of California Davis	SCB11072	137,664
10.200	Grants for Agricultural Research, Special Research Grants	Connecticut Agricultural Experiment Station	2012-34103-19748	1,622
10.200	Grants for Agricultural Research, Special Research Grants	North Carolina State University	2011-34381-30764	44,666
10.200	Grants for Agricultural Research, Special Research Grants	Oregon State University	2011-38832-31174	3,518
10.200	Grants for Agricultural Research, Special Research Grants	Pennsylvania State Univ	2010-34103-21274	25,153
10.200	Grants for Agricultural Research, Special Research Grants	Pennsylvania State Univ	2010-41530-21275	13,115
10.200	Grants for Agricultural Research, Special Research Grants	Rutgers, State University of New Jersey	2011-34383-30564	307
10.200	Grants for Agricultural Research, Special Research Grants	Rutgers, State University of New Jersey	2012-34383-19724	14,666
10.200	Grants for Agricultural Research, Special Research Grants	University Of California Davis	2009-34442-20247	1,917
10.200	Grants for Agricultural Research, Special Research Grants	University Of California Davis	2010-34442-21101	129,857
10.200	Grants for Agricultural Research, Special Research Grants	University Of Maine	2010-34141-21166	(3,425)
10.200	Grants for Agricultural Research, Special Research Grants	University Of Maine	2011-34141-30731	33,489
10.200	Grants for Agricultural Research, Special Research Grants	University Of Maine	2012-34141-20183	27,710
10.206	Grants for Agricultural Research_Competitive Research Grants	Michigan State University	2008-55300-04757	1,391
10.206	Grants for Agricultural Research_Competitive Research Grants	Pennsylvania State Univ	2008-55620-18710	43,125
10.212	Small Business Innovation Research	Agdia, Inc.	-	(186)

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Agriculture Pass-Through Awards (continued)				
10.212	Small Business Innovation Research	Cycloptics	2010-33610-21389	(5)
10.215	Sustainable Agriculture Research and Education	Pennsylvania State Univ	LNE 10-296	29,094
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2009-38640-19631	50,687
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2010-38640-20820	70,116
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2011-38640-30418	92,230
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2012-38640-19543	18,973
10.216	1890 Institution Capacity Building Grants	West Virginia State University	2010-38821-21476	8,268
10.253	Food Assistance and Nutrition Research Programs (FANRP)	Brigham Young University	59-5000-0-0077	1,693
10.290	Agricultural Market and Economic Research	Duke University	58-0111-12-008	6,086
10.303	Integrated Programs	Kansas State University	2010-51110-21083	103,868
10.303	Integrated Programs	Texas Tech University	2010-51110-20057	18,993
10.303	Integrated Programs	University Of Idaho	2007-51130-03992	3,310
10.303	Integrated Programs	University Of Rhode Island	2008-51130-19504	31,488
10.303	Integrated Programs	University Of Wisconsin Madison	2008-51106-19463	60,668
10.303	Integrated Programs	Washington State University	2010-51110-21131	118,843
10.307	Organic Agriculture Research and Extension Initiative	Ohio State University	2009-51300-05512	125,927
10.307	Organic Agriculture Research and Extension Initiative	Oregon State University	2009-51300-05585	171,102
10.307	Organic Agriculture Research and Extension Initiative	West Virginia University Research Corporation	2012-51300-20320	5,208
10.309	Specialty Crop Research Initiative	Carnegie-Mellon University	2008-51180-04890	3,794
10.309	Specialty Crop Research Initiative	Connecticut Agricultural Experiment Station	2010-51181-21599	23,611
10.309	Specialty Crop Research Initiative	Michigan State University	2009-51181-05808	52,364
10.309	Specialty Crop Research Initiative	Michigan State University	2011-51181-30860	135,421
10.309	Specialty Crop Research Initiative	Michigan State University	2011-51181-31037	40,006
10.309	Specialty Crop Research Initiative	North Carolina State University	2010-51181-21192/G-1414-1	46,329
10.309	Specialty Crop Research Initiative	Rutgers, State University of New Jersey	2011-51181-30646	28,241
10.309	Specialty Crop Research Initiative	University Of Maryland College Park	2009-51181-05768	74,367
10.309	Specialty Crop Research Initiative	University Of Massachusetts Amherst	2011-51181-30673	4,022
10.309	Specialty Crop Research Initiative	University Of Minnesota	2010-51181-21159	6,867
10.309	Specialty Crop Research Initiative	University Of Wisconsin Madison	2012-51181-20001	28,667
10.309	Specialty Crop Research Initiative	Virginia Polytechnic Institute & State University	2010-51181-21599	200,827
10.310	Agriculture and Food Research Initiative (AFRI)	Boyce Thompson Institute	2012-67013-19350	76,166
10.310	Agriculture and Food Research Initiative (AFRI)	Michigan State University	2009-85606-05673	116,053
10.310	Agriculture and Food Research Initiative (AFRI)	New Jersey Inst. Of Technology	2012-67019-19348	47,097
10.310	Agriculture and Food Research Initiative (AFRI)	Pennsylvania State Univ	2010-65206-20723	183
10.310	Agriculture and Food Research Initiative (AFRI)	Pennsylvania State Univ	2011-68004-30057	121,965
10.310	Agriculture and Food Research Initiative (AFRI)	Pennsylvania State Univ	2011-85204-30025	22,286
10.310	Agriculture and Food Research Initiative (AFRI)	Pennsylvania State Univ	2012-68005-19703	128,598
10.310	Agriculture and Food Research Initiative (AFRI)	Texas A&M University	2009-65104-05959	4
10.310	Agriculture and Food Research Initiative (AFRI)	Texas A&M University	2011-34103-30809	22,959
10.310	Agriculture and Food Research Initiative (AFRI)	Texas A&M University	2013-68004-20361	28,889
10.310	Agriculture and Food Research Initiative (AFRI)	University Of California Davis	2011-68002-30029	162,537
10.310	Agriculture and Food Research Initiative (AFRI)	University Of California Davis	2012-68004-20166	55,237
10.310	Agriculture and Food Research Initiative (AFRI)	University Of California Riverside	2011-88004-30154	435,437
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Delaware	2011-68003-30005	115,043
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Florida	2010-65110-20372	12,999

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Agriculture Pass-Through Awards (continued)				
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Georgia	2010-65116-20458	28,798
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Massachusetts Amherst	2010-65121-20649	140,804
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Missouri	2011-68006-30815	42,513
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Wyoming	2011-68004-30074	178,727
10.310	Agriculture and Food Research Initiative (AFRI)	Yale University	2009-65200-05920	19,533
10.312	Biomass Research and Development Initiative Competitive Grants Program (BRDI)	Cellana Corporation	-	243,099
10.312	Biomass Research and Development Initiative Competitive Grants Program (BRDI)	Cellana Corporation	2011-10006-30361	122,165
10.500	Cooperative Extension Service	Kansas State University	2012-39575-20317	60,330
10.500	Cooperative Extension Service	Pennsylvania State Univ	2011-47001-2122 (ENE12-122)	6,484
10.500	Cooperative Extension Service	Rutgers, Agriculture Research and Extension Center	2011-41530-30566	4,568
10.500	Cooperative Extension Service	University Of Massachusetts Amherst	2010-39559-21860	2,075
10.500	Cooperative Extension Service	University Of Vermont	2009-47001-05350	17,588
10.500	Cooperative Extension Service	University Of Vermont	2011-38640-30418	13,309
10.500	Cooperative Extension Service	University Of Vermont	2011-47001-30421	20,993
10.500	Cooperative Extension Service	University Of Vermont	2011-47011-30421	16,977
10.500	Cooperative Extension Service	University Of Vermont	2012-47001-19544	41,680
10.579	Child Nutrition Discretionary Grants Limited Availability	Washington State University	CN-CGP-11-0047	204,528
10.652	Forestry Research	Cary Institute Of Ecosystem Studies	09-DG-11242307-056	4,773
10.652	Forestry Research	University Of New Hampshire	11-DG-11242307-047	31,625
10.652	Forestry Research	University Of Vermont	08-DG-11242307-044	20,164
10.652	Forestry Research	University Of Vermont	09-DG-11242307-026	7,443
10.664	Cooperative Forestry Assistance	Virginia Polytechnic Institute & State University	12-CA-11330152-093	695
10.678	Forest Stewardship Program	Pennsylvania State Univ	10 DG-11420004-287	10,462
10.680	Forest Health Protection	Pennsylvania State Univ	09-DG-11420004-330	678
10.680	Forest Health Protection	Suny Research Foundation	10-DG-11420004-304	154
10.680	Forest Health Protection	University Of Massachusetts Amherst	09-CA-11420004-052-05	9,863
10.762	Solid Waste Management Grants	Syracuse University	SWM GRANT 2011	5,980
10.912	Environmental Quality Incentives Program	National Fish And Wildlife Foundation	2008-0116-030	40,358
10.912	Environmental Quality Incentives Program	Pennsylvania State Univ	69-3A75-12-243	18,567
10.912	Environmental Quality Incentives Program	Research Fdn Of The Suny - Brockport	692C311204	19,376
10.926	Chesapeake Bay Watershed Program	Tioga County Soil & Water Conservation District	69-2C31-1-207	35,691
Total U.S. Department of Agriculture Pass-Through Awards				\$ 5,438,910
Total U.S. Department of Agriculture Awards				\$ 33,818,285
U.S. Department of Commerce Direct Awards				
11	Department of Commerce, Other	-	-	627,051
11.008	NOAA Mission-Related Education Awards	-	-	47,205
11.417	Sea Grant Support	-	-	1,815
11.431	Climate and Atmospheric Research	-	-	103,753
11.439	Marine Mammal Data Program	-	-	404,417
11.449	Independent Education and Science Projects and Programs	-	-	48,605
Total U.S. Department of Commerce Direct Awards				\$ 1,232,846

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Commerce Pass-Through Awards				
11.417	Sea Grant Support	Lake Champlain Sea Grant Of The University Of Verm	NA00AR4170063	679
11.417	Sea Grant Support	New York Sea Grant Institute, Stony Brook	NA10OAR4170064	130,889
11.417	Sea Grant Support	Ohio State University	NA12OAR4170059	10,614
11.417	Sea Grant Support	Ohio State University	NA12OAR4170140	6,245
11.417	Sea Grant Support	Sea Grant Program, University Of Wisconsin	NA10OAR4170070	3,187
11.452	Unallied Industry Projects	Department Of Marine Resources	NA10NMF4520291	22,441
11.463	Habitat Conservation	National Fish And Wildlife Foundation	-	112,316
11.472	Unallied Science Program	Partnership For Mid Atlantic Fisheries Science	-	7,777
11.472	Unallied Science Program	Partnership For Mid Atlantic Fisheries Science	NA10NMF4720402	42,578
11.609	Measurement and Engineering Research and Standards - ARRA	International Business Machines	60NANB10D003	103,460
11.609	Measurement and Engineering Research and Standards - ARRA	University Of Delaware	60NANB10D016	161,344
Total U.S. Department of Commerce Pass-Through Awards				<u>\$ 601,530</u>
Total U.S. Department of Commerce Awards				<u>\$ 1,834,376</u>
U.S. Department Of Defense Direct Awards				
12	Department of Defense, Other	-	-	825,199
12.300	Basic and Applied Scientific Research	-	-	6,329,697
	Navy Command, Control, Communications, Computers, Intelligence, Surveillance, and			
12.335	Reconnaissance	-	-	90,659
12.351	Basic Scientific Research - Combating Weapons of Mass Destruction	-	-	325,501
12.420	Military Medical Research and Development	-	-	4,918,728
12.431	Basic Scientific Research	-	-	6,148,408
12.630	Basic, Applied, and Advanced Research in Science and Engineering	-	-	(2,546)
12.800	Air Force Defense Research Sciences Program	-	-	4,310,048
12.901	Mathematical Sciences Grants Program	-	-	105,390
12.910	Research and Technology Development	-	-	2,656,098
Total U.S. Department of Defense Direct Awards				<u>\$ 25,707,182</u>
U.S. Department Of Defense Pass-Through Awards				
12	Department of Defense, Other	Agave Biosystems	-	96,495
12	Department of Defense, Other	Astraspace	FA9453-12-M-0035	21,925
12	Department of Defense, Other	ATC-NY Inc.	N00014-13-C-0048	33,994
12	Department of Defense, Other	Audubon Center At Riverlands	-	7,940
12	Department of Defense, Other	Carnegie-Mellon University	2009-CT-2047	39,866
12	Department of Defense, Other	Celltraffix Inc.	W81XHW-10-C-0035	72,590
12	Department of Defense, Other	Charles River Analytics Inc.	N00014-11-C-0489	100,272
12	Department of Defense, Other	Coherent Technologies, Inc.	FA-9302-12-M0010	38,385
12	Department of Defense, Other	Combustion Science And Engineering, Inc.	FA8650-11-C-2188	117,438
12	Department of Defense, Other	Decisive Analytics Corporation	-	22,258
12	Department of Defense, Other	Defense Electronics Corporation	-	13,372
12	Department of Defense, Other	ITT Communications Systems	W9110X-12-C-0037	118,140
12	Department of Defense, Other	Morton Photonics	91CRB-10-C-0099	702
12	Department of Defense, Other	Northrop Grumman Corporation	W91278-10-D-0104	64,290
12	Department of Defense, Other	Numerex	FA9550-12-C-0063	20,690
12	Department of Defense, Other	Objectvideo	FA8650-12-C-7212	140,181

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department Of Defense Pass-Through Awards (continued)				
12	Department of Defense, Other	Quanterion Solutions Incorporated	FA8075-12-D-0001	67,803
12	Department of Defense, Other	SAIC, Science Applications International Corp	FA8650-12-C-7213	191,726
12	Department of Defense, Other	Scitor Corporation	2009-1116321-000	95,292
12	Department of Defense, Other	Sentient Corporation	W911W6-12-C-0020	19,479
12	Department of Defense, Other	Ues Inc.	FA8650-10-D-5226	17,398
12.300	Basic and Applied Scientific Research	Pennsylvania State Univ	N00014-11-1-0665	120,873
12.300	Basic and Applied Scientific Research	Stanford University	N00014-13-1-0419	4,934
12.300	Basic and Applied Scientific Research	Structured Materials Industries Inc.	FA9550-10-C-0186	12,432
12.300	Basic and Applied Scientific Research	University of Illinois, Chicago	N00014-13-1-0404	6,106
12.300	Basic and Applied Scientific Research	University Of Pennsylvania	N00014-12-1-0757	248,713
12.351	Basic Scientific Research - Combating Weapons of Mass Destruction	Vanderbilt University	HDTRAI-09-0013	118,142
12.420	Military Medical Research and Development	Massachusetts Eye And Ear Infirmary	W81XWH-12-2-0108	100,017
12.420	Military Medical Research and Development	Michael Stern Parkinson	W81XWH-09-1-0381	600,835
12.420	Military Medical Research and Development	NY Presbyterian Hospital	W81XWH-11-1-0423	582,940
12.420	Military Medical Research and Development	Research Foundation For Mental Hygiene Suny Downstate	W81XWH-12-1-0258	16,387
12.420	Military Medical Research and Development	Sarentis, Inc.	W81XWH-11-2-0064	(16,765)
12.431	Basic Scientific Research	California Institute Of Technology	W911NF-11-2-0055	493,817
12.431	Basic Scientific Research	Clemson University	W911NF-12-1-0332	9,533
12.431	Basic Scientific Research	Massachusetts Institute Of Technology	W911NF-11-1-0202	335,890
12.431	Basic Scientific Research	Ohio State University	W911NF-08-1-0238	99,182
12.431	Basic Scientific Research	Rice University	W911NF-07-1-0464	8,806
12.431	Basic Scientific Research	Rice University	W911NF-13-1-0018	38,864
12.431	Basic Scientific Research	University Of California, Santa Barbara	W911NF-10-2-0114	87,388
12.431	Basic Scientific Research	University Of Pennsylvania	W911NF-07-1-0216	118,022
12.431	Basic Scientific Research	University Of Pennsylvania	W911NF-12-1-0509	29,802
12.630	Basic, Applied, and Advanced Research in Science and Engineering	University Of Arizona	FA9550-10-1-0561	56,379
12.630	Basic, Applied, and Advanced Research in Science and Engineering	Wildlife Conservation Society	W9132T-10-2-0051	5,824
12.800	Air Force Defense Research Sciences Program	Brown University	FA9550-09-1-0613	345,848
12.800	Air Force Defense Research Sciences Program	Carnegie-Mellon University	FA9550-08-1-0356	282,184
12.800	Air Force Defense Research Sciences Program	Carnegie-Mellon University	FA9550-10-1-0213	186,464
12.800	Air Force Defense Research Sciences Program	Columbia University	FA9550-09-1-0705	670,097
12.800	Air Force Defense Research Sciences Program	Ladish Forging	FA8650-10-2-5219	35,134
12.800	Air Force Defense Research Sciences Program	Princeton University	FA9550-12-1-0200	194,564
12.800	Air Force Defense Research Sciences Program	Stanford University	29182900-51677-B	208,919
12.800	Air Force Defense Research Sciences Program	Stanford University	FA9550-09-1-0704	164,088
12.800	Air Force Defense Research Sciences Program	Ues Inc.	FA8650-10-D-5226	527,589
12.800	Air Force Defense Research Sciences Program	University of Illinois	FA8650-10-C-7022	211,343
12.800	Air Force Defense Research Sciences Program	University Of Pittsburgh	FA9550-10-1-0524	92,365
12.800	Air Force Defense Research Sciences Program	University Of Virginia	FA8750-11-C-0080	89,638
12.800	Air Force Defense Research Sciences Program	University Of Virginia	FA9550-09-1-0611	162,422
12.910	Research and Technology Development	BAE Systems	HR001-09-C-0099	107,921
12.910	Research and Technology Development	Boyce Thompson Institute	-	4,711
12.910	Research and Technology Development	Columbia University	DARPA HR0011-10-10080	160,234
12.910	Research and Technology Development	Georgia Institute Of Technology	W31P4Q-09-1-0012	399,754
12.910	Research and Technology Development	IBM, San Jose	HR0011-09-C-0002	454,059

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department Of Defense Pass-Through Awards (continued)				
12.910	Research and Technology Development	Oregon State University	HR0011-11-C-0074	24,069
12.910	Research and Technology Development	Princeton University	N66001-11-1-4110	135,724
12.910	Research and Technology Development	University Of California, Los Angeles	FA8650-11-1-7149	1,610
12.910	Research and Technology Development	University Of Michigan	FA9550-10-1-0327	360,812
Total U.S. Department Of Defense Pass-Through Awards				<u>\$ 9,197,906</u>
Total U.S. Department Of Defense Awards				<u>\$ 34,905,088</u>
Central Intelligence Agency Direct Awards				
13	Central Intelligence Agency, Other	-	-	121,158
Total Central Intelligence Agency Awards				<u>\$ 121,158</u>
Department of Housing and Urban Development Pass-Through Awards				
14.319	Multifamily Energy Innovation Fund	Community Environmental Center	FR-5505-N-01	33,613
Total Department of Housing and Urban Development Awards				<u>\$ 33,613</u>
Department of the Interior Direct Awards				
15	Department of the Interior, Other	-	-	218,060
15.426	Coastal Impact Assistance Program (CIAP)	-	-	174,991
15.620	African Elephant Conservation Fund	-	-	31,419
15.628	Multistate Conservation Grant Program	-	-	71,550
15.630	Coastal Program	-	-	3,368
15.647	Migratory Bird Conservation	-	-	20,816
15.650	Research Grants (Generic)	-	-	(755)
15.655	Migratory Bird Monitoring, Assessment and Conservation	-	-	33,136
15.805	Assistance to State Water Resources Research Institutes	-	-	147,734
15.808	U.S. Geological Survey_ Research and Data Collection	-	-	223,597
15.812	Cooperative Research Units Program	-	-	196,207
15.944	Natural Resource Stewardship	-	-	45,954
15.945	Cooperative Research and Training Programs Resources of the National Park System	-	-	89,537
Total Department of the Interior Direct Awards				<u>\$ 1,255,614</u>
Department of the Interior Pass-Through Awards				
15	Department of the Interior, Other	Manomet Center For Conservation Sciences	-	1,697
15	Department of the Interior, Other	Normandeau Associates Inc.	M10PC00101	547,187
15	Department of the Interior, Other	Virginia Polytechnic Institute & State University	D12PC00337	329,040
15.634	State Wildlife Grants	Ohio State University	FORMULA FUNDS T-2-6	19,357
15.635	Neotropical Migratory Bird Conservation	Community Cloud Forest Conservation	-	9,698
15.664	Fish and Wildlife Coordination and Assistance Programs	Wildlife Management Institute	-	49,082
15.807	Earthquake Hazards Reduction Program	University Of California Berkeley	G12AP20034	29,300
Total Department of the Interior Pass-Through Awards				<u>\$ 985,361</u>
Total Department of the Interior Awards				<u>\$ 2,240,975</u>
Department of Justice Direct Awards				
16	Department of Justice, Other	-	-	159,286
16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	-	-	42,516
Total Department of Justice Direct Awards				<u>\$ 201,802</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
Department of Justice Pass-Through Awards				
16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	Advocates For Human Potential, Inc	2010-MU-FX-0005	13,602
16.560	National Institute of Justice Research, Evaluation, and Development Project Grants	Police Foundation	2012-IJ-CX-0009	36,480
	Total Department of Justice Pass-Through Awards			<u>\$ 50,082</u>
	Total Department of Justice Awards			<u>\$ 251,884</u>
U.S. Department of State Pass-Through Awards				
19	U.S. Department of State, Other	United States-India Educational Foundation	-	20,554
	Total U.S. Department of State Awards			<u>\$ 20,554</u>
Department of Transportation Direct Awards				
20.761	Biobased Transportation Research	-	-	852,619
	Total Department of Transportation Direct Awards			<u>\$ 852,619</u>
Department of Transportation Pass-Through Awards				
20	Department of Transportation, Other	City University Of New York	-	43,849
20.505	Metropolitan Transportation Planning	City University Of New York	C030561	115,676
20.701	University Transportation Centers Program	City University Of New York	DTRT07-G-0002	45,189
	Total Department of Transportation Pass-Through Awards			<u>\$ 204,714</u>
	Total Department of Transportation Awards			<u>\$ 1,057,333</u>
National Aeronautics and Space Administration Direct Awards				
43	National Aeronautics and Space Administration, Other	-	-	516,287
43.001	Aerospace Education Services Program	-	-	4,263,933
43.003	Exploration	-	-	366,054
43.009	Cross Agency Support	-	-	129,952
	Total National Aeronautics and Space Administration Direct Awards			<u>\$ 5,276,226</u>
National Aeronautics and Space Administration Pass-Through Awards				
43	National Aeronautics and Space Administration, Other	Arizona State University	NNG07EK00C	10,156
43	National Aeronautics and Space Administration, Other	ATC-NY Inc.	NNX12CD04P	5,164
43	National Aeronautics and Space Administration, Other	ATC-NY Inc.	NNX13CL03C	17,462
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	711043	98,473
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	-	186,095
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NAS7-03001	193,498
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NM0710846	67,037
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NM0711036	18,230
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NM0711043	61,518
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NM0711123	603,133
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NM071112312	120,334
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NMO711043	103,618
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NNN12AA01C	3,753
43	National Aeronautics and Space Administration, Other	Jet Propulsion Laboratory	NNN13D137T	4,860
43	National Aeronautics and Space Administration, Other	Malin Space Science Systems	NMO710846	194,994
43	National Aeronautics and Space Administration, Other	Space Telescope Science Inst.	-	19,652

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
National Aeronautics and Space Administration Pass-Through Awards (Continued)				
43	National Aeronautics and Space Administration, Other	Space Telescope Science Inst.	HST-GO-12614.02-A	1,152
43	National Aeronautics and Space Administration, Other	Space Telescope Science Inst.	NAS5-26555	40,070
43	National Aeronautics and Space Administration, Other	University Of Arizona	1272218	4,205
43	National Aeronautics and Space Administration, Other	University Of Maryland College Park	1395228	97
43	National Aeronautics and Space Administration, Other	University Of Maryland College Park	NCC3989	56,443
43	National Aeronautics and Space Administration, Other	University Of Maryland College Park	NNM07AA99C	1,968
43	National Aeronautics and Space Administration, Other	University Of Maryland College Park	RSA1464707	13,390
43.001	Aerospace Education Services Program	Ithaca College	08521 016	47,939
43.001	Aerospace Education Services Program	Jet Propulsion Laboratory	NMO0710777	1,589
43.001	Aerospace Education Services Program	Jet Propulsion Laboratory	NMO710782	1,348,079
43.001	Aerospace Education Services Program	Makel Engineering Inc.	NNX11CB41C	89,558
43.001	Aerospace Education Services Program	Malin Space Science Systems	NMO710947	17,070
43.001	Aerospace Education Services Program	Smithsonian Astrophysical Observatory	NAS8-03060	128,627
43.001	Aerospace Education Services Program	Southwest Research Institute	NNM06AA75C	91,776
43.001	Aerospace Education Services Program	Universities Space Research Assoc	NAS2-97001	977,890
43.001	Aerospace Education Services Program	University System Of Maryland	NNX11AK83G	39,852
43.001	Aerospace Education Services Program	Wellesley College	NNX11AD83G	954
Total National Aeronautics and Space Administration Pass-Through Awards				\$ 4,568,636
Total National Aeronautics and Space Administration Awards				\$ 9,844,862
National Foundation on the Arts and the Humanities Direct Awards				
45.149	Promotion of the Humanities_Division of Preservation and Access	-	-	33,341
45.161	Promotion of the Humanities_Research	-	-	386
Total National Foundation on the Arts and the Humanities Direct Awards				\$ 33,727
National Foundation on the Arts and the Humanities Pass-Through Awards				
45.312	National Leadership Grants	Purdue University	LG-07-11-0232-11	9,127
45.313	Laura Bush 21st Century Librarian Program	Syracuse University	LG-05-09-0061-09	10,494
Total National Foundation on the Arts and the Humanities Pass-Through Awards				\$ 19,621
Total National Foundation on the Arts and the Humanities Awards				\$ 53,348
National Science Foundation Direct Awards				
47	National Science Foundation, Other	-	-	14,556
47.041	Engineering Grants	-	-	22,237,390
47.049	Mathematical and Physical Sciences	-	-	50,419,129
47.050	Geosciences	-	-	4,561,735
47.070	Computer and Information Science and Engineering	-	-	10,838,413
47.074	Biological Sciences	-	-	15,393,348
47.075	Social, Behavioral, and Economic Sciences	-	-	2,111,254
47.076	Education and Human Resources	-	-	12,521,468
47.079	International Science and Engineering (OISE)	-	-	158,956
47.080	Office of Cyberinfrastructure	-	-	351,201
47.082	Trans-NSF Recovery Act Research Support - ARRA	-	-	5,955,384
Total National Science Foundation Direct Awards				\$ 124,562,834

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
National Science Foundation Pass-Through Awards				
47	National Science Foundation, Other	Institute For Clinical Research	M38-CO-065-0910-4	25,394
47	National Science Foundation, Other	Optofluidics Inc.	-	9,993
47	National Science Foundation, Other	Synthezyme, Llc	1058511	52,128
47	National Science Foundation, Other	Universities Space Research Assoc	124-000013	19,411
47.041	Engineering Grants	California Institute Of Technology	1137269	80,934
47.041	Engineering Grants	California Institute Of Technology	EFRI-1137269	209,131
47.041	Engineering Grants	Columbia University	UAY-503160	115,345
47.041	Engineering Grants	Massachusetts Institute Of Technology	EFRI-0735953	26,533
47.041	Engineering Grants	Norfolk State University	DGE-0986188	172,572
47.041	Engineering Grants	Purdue University	CMMI-0927178	534,673
47.041	Engineering Grants	Rochester Inst Of Technology	IIP-1127728	18,593
47.041	Engineering Grants	Sarentis, Inc.	IIP-1152561	75,337
47.041	Engineering Grants	University Of California Berkeley	CCF-0424422	612,564
47.041	Engineering Grants	University Of California, Los Angeles	EEC-1160504	421,145
47.041	Engineering Grants	University Of Massachusetts Amherst	EFRI-1240441	49,861
47.041	Engineering Grants	University Of Pennsylvania	EFR-1038215	93,324
47.049	Mathematical and Physical Sciences	Association Of Universities For Research In Astron	CSA AST-0936648	410,359
47.049	Mathematical and Physical Sciences	Howard University	DMR-1205608	33,877
47.049	Mathematical and Physical Sciences	Natl Radio Astronomy Observ	-	11,041
47.049	Mathematical and Physical Sciences	Natl Radio Astronomy Observ	AST-0836064	21,299
47.049	Mathematical and Physical Sciences	Norfolk State University	DMR-1205457	38,392
47.049	Mathematical and Physical Sciences	Pennsylvania State Univ	DMR-0820404	61,411
47.049	Mathematical and Physical Sciences	Princeton University	PHY-1120138	51,244
47.049	Mathematical and Physical Sciences	University Of Minnesota	CHE-1136607	135,761
47.049	Mathematical and Physical Sciences	University Of Oregon	PHY-0529471	(2)
47.049	Mathematical and Physical Sciences	University Of Oregon	PHY-0929284	21,932
47.049	Mathematical and Physical Sciences	University Of Wisconsin Madison	DMR-1121288	97,526
47.050	Geosciences	Boston University	ATM-0934739	15,297
47.050	Geosciences	Rutgers, State University of New Jersey	733275	20,631
47.050	Geosciences	University Of California, San Diego	EAR-1141934	18,756
47.070	Computer and Information Science and Engineering	Computing Research Association	1019343	15,934
47.070	Computer and Information Science and Engineering	Computing Research Association	-	12,812
47.070	Computer and Information Science and Engineering	Dartmouth College	CNS-1058753	12,846
47.070	Computer and Information Science and Engineering	Northeastern University	IIS-1017793	56,951
47.070	Computer and Information Science and Engineering	Rutgers, State University of New Jersey	IIS-1142251	13,045
47.070	Computer and Information Science and Engineering	University Of California Davis	CNS-0904239	19,555
47.074	Biological Sciences	American Museum Of Nat'L History	DBI-0956388	49,198
47.074	Biological Sciences	Auburn University	DEB-1023403	18,084
47.074	Biological Sciences	Boyce Thompson Institute	IOS-0820405	1,284
47.074	Biological Sciences	Cold Spring Harbor Laboratory	DBI-0703908	183,258
47.074	Biological Sciences	Donald Danforth Plant Science Center	IOS-1126950	925
47.074	Biological Sciences	Iowa State University	IOS-1022452	58,882
47.074	Biological Sciences	Iowa State University	IOS-1238189 (KSU #S13031)	94,257
47.074	Biological Sciences	Michigan State University	IOS-0922493	110,699

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
National Science Foundation Pass-Through Awards (continued)				
47.074	Biological Sciences	NY Botanical Garden	EF-1206197	25,586
47.074	Biological Sciences	Oregon State University	DBI-0822201	31,296
47.074	Biological Sciences	University Of California Riverside	EF-0623632	11,622
47.074	Biological Sciences	University Of California Riverside	IOS-1027542	72,249
47.074	Biological Sciences	University Of Delaware	1127076	138,421
47.074	Biological Sciences	University Of Georgia	MCB-1229956	175,763
47.074	Biological Sciences	University Of Massachusetts Amherst	EF-1115191	26,823
47.074	Biological Sciences	University Of Oregon	DBI-0922560	391,644
47.074	Biological Sciences	University Of Wyoming	MCB-1052051	139,252
47.074	Biological Sciences	Yale University	DBI-0701736	(1,169)
47.074	Biological Sciences	Yale University	IOS-1127017	725,439
47.075	Social, Behavioral, and Economic Sciences	Depaul University	1139554	22,205
47.075	Social, Behavioral, and Economic Sciences	Loyola University	BCS-1151323	11,084
47.075	Social, Behavioral, and Economic Sciences	National Institute Of Statistical Sciences	SES-1237602	89,524
47.075	Social, Behavioral, and Economic Sciences	University Of Cincinnati	SES-1226958	5,781
47.075	Social, Behavioral, and Economic Sciences	University of Texas, El Paso	OCI-0753415	51,016
47.076	Education and Human Resources	American Museum Of Nat'L History	DRL-1020909	3,334
47.076	Education and Human Resources	Association Of Science-Technology Centers	DRL-0813135	120,882
47.076	Education and Human Resources	Clark Atlanta University	HRD-1137751	59,447
47.076	Education and Human Resources	George Mason University	DUE-1043235	7,775
47.076	Education and Human Resources	Hobart & William Smith Colleges	833675	1,801
47.076	Education and Human Resources	Rochester Inst Of Technology	HRD-1127955	23,546
47.076	Education and Human Resources	Structured Materials Industries Inc.	IIP-0930419	73,122
47.076	Education and Human Resources	Syracuse University	HRD-0703452	23,270
47.076	Education and Human Resources	Syracuse University	HRD-1202480	37,540
47.076	Education and Human Resources	Tuskegee University	-	55,928
47.076	Education and Human Resources	University Of Virginia	DRL-1030865	27,307
47.078	Polar Programs	Ohio State University	ARC-1111882	37,146
47.078	Polar Programs	San Diego State University Research Foundation	ARC-0808604	31,256
47.079	International Science and Engineering (OISE)	West Virginia University	OISE-0968296	153,094
47.080	Office of Cyberinfrastructure	Johns Hopkins University	830976	33,032
47.080	Office of Cyberinfrastructure	University of Illinois, Urbana-Champaign	OCI-1053575	767,886
47.080	Office of Cyberinfrastructure	University Of New Mexico	OCI-0830944	15,080
47.080	Office of Cyberinfrastructure	University of Texas, Austin	OCI-0622780	636,743
47.080	Office of Cyberinfrastructure	University of Texas, Austin	OCI-1134872	146,246
47.082	Trans-NSF Recovery Act Reasearch Support - ARRA	Suny Stony Brook	CCF-0926190	73,531
47.082	Trans-NSF Recovery Act Reasearch Support - ARRA	University Of Michigan	SES-0847175	241,571
Total National Science Foundation Pass-Through Awards				<u>\$ 8,588,265</u>
Total National Science Foundation Awards				<u>\$ 133,151,099</u>
Department of Veterans Affairs Pass-Through Awards				
64	Department of Veterans Affairs, Other	NYS Office of Children and Family Services	-	48,493
Total Department of Veterans Affairs Awards				<u>\$ 48,493</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
Environmental Protection Agency Direct Awards				
66.039	National Clean Diesel Emissions Reduction Program	-	-	2,717
66.469	Great Lakes Program	-	-	275,505
66.509	Science To Achieve Results (STAR) Research Program	-	-	235,270
66.516	P3 Award: National Student Design Competition for Sustainability	-	-	36,869
66.716	Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	-	-	68,491
66.951	Environmental Education Grants	-	-	19,614
	Total Environmental Protection Agency Direct Awards			\$ 638,466
Environmental Protection Agency Pass-Through Awards				
66	Environmental Protection Agency, Other	Minnesota Department Of Health	-	145,250
66.466	Chesapeake Bay Program	Pennsylvania State Univ	2009-0055-024	17,261
66.466	Chesapeake Bay Program	Tioga County Soil & Water Conservation District	-	5,411
66.466	Chesapeake Bay Program	Tioga County Soil & Water Conservation District	2009-0055-001	(46)
66.469	Great Lakes Program	NYS Dept of Environmental Conservation	-	70,625
	Total Environmental Protection Agency Pass-Through Awards			\$ 238,501
	Total Environmental Protection Agency Awards			\$ 876,967
U.S. Department of Energy Direct Awards				
81	Department of Energy, Other	-	-	293,872
81.049	Office of Science Financial Assistance Program	-	-	6,973,020
81.049	Office of Science Financial Assistance Program - ARRA	-	-	4,293,290
81.086	Conservation Research and Development	-	-	370,838
81.086	Conservation Research and Development - ARRA	-	-	565,014
81.087	Renewable Energy Research and Development	-	-	420,492
81.112	Stewardship Science Grant Program	-	-	2,481,517
81.135	Advanced Research and Projects Agency – Energy Financial Assistance Program	-	-	398,532
	Total U.S. Department of Energy Direct Awards			\$ 15,796,575
U.S. Department of Energy Pass-Through Awards				
81	Department of Energy, Other	Advanced Energy Systems	-	10,457
81	Department of Energy, Other	Advanced Resources International Inc	DE-FE0004633	100,303
81	Department of Energy, Other	Arizona State University	-	2,848
81	Department of Energy, Other	Arizona State University	DE-FC-09NT43321	476,054
81	Department of Energy, Other	Battelle-Pacific Northwest	DE-AC05-76RL01830	31,031
81	Department of Energy, Other	Brookhaven National Lab	DE-AC02-98CH10886	788,876
81	Department of Energy, Other	Fermi National Accelerator Laboratory	-	540,149
81	Department of Energy, Other	Fermi National Accelerator Laboratory	DE-AC02-07CH11359	47,801
81	Department of Energy, Other	Krell Institute	-	7,859
81	Department of Energy, Other	Lawrence Livermore National Laboratory	DE-AC52_07NA27344	11,693
81	Department of Energy, Other	Muons Inc.	90047S09-I	11,798
81	Department of Energy, Other	Nanomaterials Innovation Center	DE-SC0009672	9,089
81	Department of Energy, Other	Natl Renewable Energy Lab	DE-AC36-08GO28308	201,958
81	Department of Energy, Other	Oak Ridge Associated Universities	-	10,000
81	Department of Energy, Other	Pacific Northwest National Laboratory	DE-AC05-76RLO1830	1,157
81	Department of Energy, Other	Radiabeam Technologies	-	9,592

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Energy Pass-Through Awards (continued)				
81	Department of Energy, Other	Sandia Laboratories	-	19,534
81	Department of Energy, Other	Sandia Laboratories	DE-AC04-94AL85000	292,785
81	Department of Energy, Other	Tech-X	DE-SC0006246	58,099
81	Department of Energy, Other	Thomas Jefferson National Accelerator Facility	DE-AC05-06OR23177	3,827
81	Department of Energy, Other	Uchicago Argonne, Llc	DE-AC02-06CH11357	14,213
81	Department of Energy, Other	Ultramet	DE-SC0007489	38,615
81	Department of Energy, Other	University Of California, Berkeley	AC02-05 CH11231	15,000
81	Department of Energy, Other	UT-Battelle LLC	DE-AC05-00OR22725	181,717
81	Department of Energy, Other - ARRA	Natl Renewable Energy Lab	DE-AC36-08G028308	103,381
81.049	Office of Science Financial Assistance Program	Carnegie Institution Of Washington	DE-SC0001057	140,025
81.049	Office of Science Financial Assistance Program	Johns Hopkins University	DE-SC0002509	45,791
81.049	Office of Science Financial Assistance Program	Lehigh University	DE-FG02-07ER46463	81,390
81.049	Office of Science Financial Assistance Program	Natl Renewable Energy Lab	DE-AC36-99GO10337	55,476
81.049	Office of Science Financial Assistance Program	New York State Energy Research And Development Aut	-	230,780
81.049	Office of Science Financial Assistance Program	Princeton University	DE-SC0001198	139,188
81.049	Office of Science Financial Assistance Program	University Of Houston	DE-SC0005032	162,295
81.049	Office of Science Financial Assistance Program	University Of Wisconsin Madison	DE-FC02-07ER64494	32,139
81.049	Office of Science Financial Assistance Program	Washington State University	DE-SC0001728	45,197
81.079	Regional Biomass Energy Programs	Mississippi State Univ	3TG162	1,979
81.079	Regional Biomass Energy Programs	South Dakota State University	DE-FC36-05GO85041	89,498
81.087	Renewable Energy Research and Development	Natl Renewable Energy Lab	DE-AC36-08G028308	24,862
81.087	Renewable Energy Research and Development	South Dakota State University	DE-FC36-05GO8504	10,084
81.087	Renewable Energy Research and Development	University Of Nevada Reno	DE-EE0003063	36,095
81.087	Renewable Energy Research and Development - ARRA	Potter Drilling	DE-EE0002746	(100,640)
81.087	Renewable Energy Research and Development - ARRA	Southern Methodist University	DE-EE0002852	160,427
81.087	Renewable Energy Research and Development - ARRA	West Virginia University Research Corporation	DE-EE0002745	143,376
81.129	Commercialization	Syracuse University	DE-EE0002121	18,102
81.135	Advanced Research and Projects Agency – Energy Financial Assistance Program	Navitasmax Llc	DE-AR0000170	116,710
Total U.S. Department of Energy Pass-Through Awards				\$ 4,420,610
Total U.S. Department of Energy Awards				\$ 20,217,185
U.S. Department Of Education Direct Awards				
84.022	Overseas Programs - Doctoral Dissertation Research Abroad	-	-	128,280
84.133	National Institute on Disability and Rehabilitation Research	-	-	207,321
Total U.S. Department Of Education Direct Awards				\$ 335,601
U.S. Department Of Education Pass-Through Awards				
84.051	Career and Technical Education -- National Programs	University Of Louisville	V051A070003	8,929
84.133	National Institute on Disability and Rehabilitation Research	City University Of New York	H133B080012	19,342
84.133	National Institute on Disability and Rehabilitation Research	Henry H. Kessler Foundation	H133B120005	25,776
84.133	National Institute on Disability and Rehabilitation Research	Henry H. Kessler Foundation	H133B120006-12B	26,570
84.133	National Institute on Disability and Rehabilitation Research	Hunter College	H133B100011	18,661
84.133	National Institute on Disability and Rehabilitation Research	University Of New Hampshire	H133B100030	110,203
Total U.S. Department Of Education Pass-Through Awards				\$ 209,481
Total U.S. Department Of Education Awards				\$ 545,082

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Direct Awards				
93	Department of Health and Human Services, Other	-	-	1,427,956
93.103	Food and Drug Administration_Research	-	-	357,403
93.113	Environmental Health	-	-	501,489
93.121	Oral Diseases and Disorders Research	-	-	551,033
93.172	Human Genome Research	-	-	1,694,214
93.173	Research Related to Deafness and Communication Disorders	-	-	897,167
93.213	Research and Training in Complementary and Alternative Medicine	-	-	150,617
93.225	National Research Service Awards_Health Services Research Training	-	-	357,419
93.226	Research on Healthcare Costs, Quality and Outcomes	-	-	179,485
93.233	National Center on Sleep Disorders Research	-	-	207,278
93.242	Mental Health Research Grants	-	-	12,523,795
93.250	Geriatric Academic Career Awards	-	-	153,797
93.273	Alcohol Research Programs	-	-	972,483
93.279	Drug Abuse and Addiction Research Programs	-	-	7,102,110
93.279	Drug Abuse and Addiction Research Programs - ARRA	-	-	1,364,668
93.281	Mental Health Research Career/Scientist Development Awards	-	-	195,812
93.282	Mental Health National Research Service Awards for Research Training	-	-	40,458
93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	-	-	45,819
93.286	Discovery and Applied Research for Technological Innovations to Improve Human Health	-	-	1,764,538
93.307	Minority Health and Health Disparities Research	-	-	495,479
93.310	Trans-NIH Research Support	-	-	6,529,565
93.350	National Center for Advancing Translational Sciences	-	-	8,198,914
93.351	Research Infrastructure Programs	-	-	4,208,202
93.361	Nursing Research	-	-	810,323
93.389	National Center for Research Resources	-	-	5,159,849
93.393	Cancer Cause and Prevention Research	-	-	3,056,194
93.394	Cancer Detection and Diagnosis Research	-	-	1,361,561
93.395	Cancer Treatment Research	-	-	2,247,607
93.396	Cancer Biology Research	-	-	4,464,065
93.397	Cancer Centers Support Grants	-	-	2,787,727
93.398	Cancer Research Manpower	-	-	1,345,062
93.583	Refugee and Entrant Assistance_Wilson/Fish Program	-	-	302,883
93.670	Child Abuse and Neglect Discretionary Activities	-	-	703,115
93.701	Trans-NIH Recovery Act Research Support	-	-	636,426
93.701	Trans-NIH Recovery Act Research Support - ARRA	-	-	512,837
93.837	Cardiovascular Diseases Research	-	-	11,453,019
93.838	Lung Diseases Research	-	-	3,284,326
93.839	Blood Diseases and Resources Research	-	-	3,326,462
93.846	Arthritis, Musculoskeletal and Skin Diseases Research	-	-	1,129,074
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	-	-	8,923,902
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research - ARRA	-	-	247
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	-	-	15,017,598
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders - ARRA	-	-	6,797
93.855	Allergy, Immunology and Transplantation Research	-	-	22,827,527
93.856	Microbiology and Infectious Diseases Research	-	-	1,858,663

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Direct Awards (continued)				
93.856	Microbiology and Infectious Diseases Research - ARRA	-	-	22,991
93.859	Biomedical Research and Research Training	-	-	28,935,425
93.865	Child Health and Human Development Extramural Research	-	-	7,763,933
93.866	Aging Research	-	-	2,538,764
93.867	Vision Research	-	-	4,519,788
93.867	Vision Research - ARRA	-	-	(5,632)
93.989	International Research and Research Training	-	-	733,040
	Total U.S. Department of Health and Human Services Direct Awards			\$ 185,643,274
U.S. Department of Health and Human Services Pass-Through Awards				
93	Department of Health and Human Services, Other	Brigham and Women's Hospital	HHSF22300830058C	(21,380)
93	Department of Health and Human Services, Other	Calgb Foundation	5N02-CM-97024	2,493
93	Department of Health and Human Services, Other	CNI Technical Services	HHSF223201110172C	774,590
93	Department of Health and Human Services, Other	Columbia University	HHSN2628200900017C	6,903
93	Department of Health and Human Services, Other	Columbia University	WFUHS33000 - HHSN2682011000	120,511
93	Department of Health and Human Services, Other	Feinstein Institue For Med Reseach	HHSN271200900019C	146
93	Department of Health and Human Services, Other	Johns Hopkins University	HHSN266200500001C	9,981
93	Department of Health and Human Services, Other	Lutheran Family Health Centers	-	11,984
93	Department of Health and Human Services, Other	Lutheran Family Health Centers	1 YEPMP090034-01-00	1,016
93	Department of Health and Human Services, Other	Montefiore Medical Center	5N01-CM17103-08	197,194
93	Department of Health and Human Services, Other	NYS Developmental Disabilities Planning Council	-	30,229
93	Department of Health and Human Services, Other	Oregon Health And Science University	FEDERAL CONTRACT	204,859
93	Department of Health and Human Services, Other	Research Triangle Institute	HHSN268201000048C	314,169
93	Department of Health and Human Services, Other	Roswell Park Cancer Institute	-	721
93	Department of Health and Human Services, Other	Social & Scientific Systems, Inc.	TO4-CRB-DCR01-S-09-00309	24,436
93	Department of Health and Human Services, Other	The Institute For Family Health	020808-407796-IFH-1	28,002
93	Department of Health and Human Services, Other	Trophogen Inc.	5R44-DK-076302-04	8,988
93	Department of Health and Human Services, Other	University Of California, San Francisco	-	11,765
93	Department of Health and Human Services, Other	University Of Pennsylvania	7R01EY006855-27	171,074
93	Department of Health and Human Services, Other	University Of Rochester	HHSN266200700008C	508,483
93	Department of Health and Human Services, Other	University Of Texas, MD Anderson Cancer Center	5N01-CN35159-07	93,137
93	Department of Health and Human Services, Other	University Of Texas, MD Anderson Cancer Center	N01 CN035159	3,411
93	Department of Health and Human Services, Other	University Of Texas, MD Anderson Cancer Center	NCI 501-CN35159	19,288
93	Department of Health and Human Services, Other	University Of Toledo	HHSN261200433000C-W11-B	38,708
93	Department of Health and Human Services, Other	University Of Washington	HHSF223200910061/HHSF223010	8,507
93	Department of Health and Human Services, Other	Yale University	-	24,118
93	Department of Health and Human Services, Other - ARRA	Social & Scientific Systems, Inc.	CRB-DCR01-S-09-00309	8,222
93.048	Special Programs for the Aging_Title IV_and Title II_Discretionary Projects	University Of California, San Francisco	-	11,913
93.067	Global AIDS	Les Centres Gheskio	5U2GGH000541-02	100,995
93.067	Global AIDS	Les Centres Gheskio	5U2GGH000545-02	107,683
93.069	Public Health Emergency Preparedness	Dartmouth College	CDC-RFA-TP08-802	23,874
93.103	Food and Drug Administration_Research	Columbia University	1 R01 FD003702-01	4,984
93.110	Maternal and Child Health Federal Consolidated Programs	Health Research, Inc.	5U22 MC0395607	(88)
93.110	Maternal and Child Health Federal Consolidated Programs	Mount Sinai School Of Medicine	5 H30 MC 00019-21-00	49,004
93.110	Maternal and Child Health Federal Consolidated Programs	University Of California, Los Angeles	UA3 MC11055	35,829

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Pass-Through Awards (continued)				
93.113	Environmental Health	University Of California, Santa Cruz	1R01ES018990-01	77,457
93.121	Oral Diseases and Disorders Research	University Of Pittsburgh	1R01DC0022055-01A1	109,699
93.145	AIDS Education and Training Centers	Columbia University	H4A HA00071-11	195,368
93.145	AIDS Education and Training Centers	University Of Washington	5U91 HA06801-07	313,403
93.172	Human Genome Research	Geospiza Inc.	5 R44 HG005297-03	112,734
93.172	Human Genome Research	Sloan-Kettering Institute For Cancer Research	1 R01 HG006798-01	273,583
93.172	Human Genome Research	Stanford University	5U01HG005715-02	32,422
93.173	Research Related to Deafness and Communication Disorders	Binghamton University	2R01 DC6914-08	39,972
93.173	Research Related to Deafness and Communication Disorders	North Shore LJJ Health System	5U01 DC7946-05	1
93.173	Research Related to Deafness and Communication Disorders	Vanderbilt University	5R01 DC007694	(3,343)
93.226	Research on Healthcare Costs, Quality and Outcomes	NYC DOHMH	R18 HS018275	20,347
93.226	Research on Healthcare Costs, Quality and Outcomes	University Of Pittsburgh	5R18 HS018151	3,017
93.226	Research on Healthcare Costs, Quality and Outcomes	University Of Pittsburgh	R18HS018167	2,917
93.226	Research on Healthcare Costs, Quality and Outcomes	Visiting Nurse Service Of New York	1 R01 HS020648-02	12,726
93.226	Research on Healthcare Costs, Quality and Outcomes	Visiting Nurse Service Of New York	5 R01 HS020648-02	55,168
93.239	Policy Research and Evaluation Grants	Bowling Green State University	5U01AE000001-0S	10,877
93.239	Policy Research and Evaluation Grants	University Of Wisconsin Madison	1H79AE000102-01	18,478
93.242	Mental Health Research Grants	Centre For Addiction And Mental Health	1 R01 MH099167-01	4,929
93.242	Mental Health Research Grants	Columbia University	5 P50 MH090966-03	11,646
93.242	Mental Health Research Grants	Columbia University	5R01 MH040695-21	73,139
93.242	Mental Health Research Grants	Columbia University	5R01 MH093637-02	77,916
93.242	Mental Health Research Grants	Dartmouth College	5T32 MH073553-09	117,782
93.242	Mental Health Research Grants	Duke University	1U01 HL80383-02	8,056
93.242	Mental Health Research Grants	Duke University	1U10 HL80413-01	1,681
93.242	Mental Health Research Grants	Johns Hopkins University	-	24,474
93.242	Mental Health Research Grants	Mount Sinai School Of Medicine	1 R01 MH095807-01	83,606
93.242	Mental Health Research Grants	NYU School of Medicine	1 R01 MH 096899-01A1	61,337
93.242	Mental Health Research Grants	President And Fellows Of Harvard College	R01 MH087328	32,151
93.242	Mental Health Research Grants	Prometheus Research	1 R43 MH 099826-01	9,792
93.242	Mental Health Research Grants	Research Foundation For Mental Hygiene	5R01 MH079397-03	81,661
93.242	Mental Health Research Grants	Research Foundation For Mental Hygiene	5R01 MH85921-04	162,678
93.242	Mental Health Research Grants	Research Foundation For Mental Hygiene	R01 MH54137	59,928
93.242	Mental Health Research Grants	Research Foundation Of Cuny	1 R21 MH096255-01	73,636
93.242	Mental Health Research Grants	Scripps Research Institute	R21 MH096258-02	67,321
93.242	Mental Health Research Grants	Universidad Central Del Caribe	R01MH099557	65,601
93.242	Mental Health Research Grants	University Of California, Davis	R01MH081757	214,488
93.242	Mental Health Research Grants	University Of Pennsylvania	1 R01 MH093415-01A1	514,237
93.242	Mental Health Research Grants	University Of Pennsylvania	5U01MH068844-05	61,720
93.279	Drug Abuse and Addiction Research Programs	Albert Einstein College	1 R01 DA034086-01	67,065
93.279	Drug Abuse and Addiction Research Programs	Boston Medical Center	5R01DA031059-02	18,865
93.279	Drug Abuse and Addiction Research Programs	Columbia University	5R01 DA017293-09	170,076
93.279	Drug Abuse and Addiction Research Programs	Johns Hopkins University	9R01 DA26652	5,547
93.279	Drug Abuse and Addiction Research Programs	RF of SUNY Downstate Medical Center	5R01 DA29512-04	69,586
93.279	Drug Abuse and Addiction Research Programs	Rockefeller University	3P60DA005130-25S1	125,583

The accompanying notes are an integral part of the Schedule of Federal Awards.

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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Pass-Through Awards (continued)				
93.279	Drug Abuse and Addiction Research Programs	Rockefeller University	RU 5P60 DA05130-25	1,401
93.279	Drug Abuse and Addiction Research Programs	University Of California, San Francisco	5R21 DA30272-02	6,635
93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	Assoc. Of American Medical Colleges	5U36 CD319276	59,121
93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	Mount Sinai School Of Medicine	5U27 DD000862	25,682
93.286	Discovery and Applied Research for Technological Innovations to Improve Human Health	iFyber, LLC	1R41EB015843-01	43,798
93.350	National Center for Advancing Translational Sciences	Rockefeller University	3 UL1 TR000043-07S1	127,058
93.361	Nursing Research	Columbia University	R01 NR010821	41,412
93.361	Nursing Research	NYU School of Medicine	5R01 NR10730-04	11,984
93.389	National Center for Research Resources	Research Foundation Of Cuny	2 G12 RR003037-26A1	25,350
93.389	National Center for Research Resources	University Of Washington	5R24 RR032341-02	81,447
93.393	Cancer Cause and Prevention Research	Boston Medical Center	-	(46,798)
93.393	Cancer Cause and Prevention Research	Colorado State University	4R01CA095056-09	7,567
93.393	Cancer Cause and Prevention Research	Miami University Of Ohio	5R21CA149796-02	105,923
93.393	Cancer Cause and Prevention Research	University Of Texas, MD Anderson Cancer Center	5 P01 CA077837-12	332,679
93.394	Cancer Detection and Diagnosis Research	American College Of Radiology Imaging Network	-	4,162
93.394	Cancer Detection and Diagnosis Research	Beth Israel Deaconess Medical Center	5U01 CA113913-08	125,172
93.394	Cancer Detection and Diagnosis Research	Memorial Sloan Kettering Cancer Center	1R01 CA161280-01A1	116,907
93.394	Cancer Detection and Diagnosis Research	University Of Michigan	5U01 CA111275-07	288,612
93.395	Cancer Treatment Research	Children's Hospital Philadelphia	5U10 CA98543-06	11,186
93.395	Cancer Treatment Research	Massachusetts General Hospital	1R01CA164311-01A1	13,355
93.395	Cancer Treatment Research	Mount Sinai School Of Medicine	2P01 CA108671-05	70,768
93.395	Cancer Treatment Research	Mount Sinai School Of Medicine	5R03 CA136056-02	1,200
93.395	Cancer Treatment Research	Mount Sinai School Of Medicine	7P01 CA108671-03	16,355
93.395	Cancer Treatment Research	The Emmes Corporation	2U01 CA121947-04	53,802
93.395	Cancer Treatment Research	The Emmes Corporation	5U01 CA121947-0	24,926
93.395	Cancer Treatment Research	University Of Chicago	U10 CA31946	92,644
93.396	Cancer Biology Research	Dana-Farber Cancer Institute, Inc.	U01 CA162148-01A1	52,387
93.396	Cancer Biology Research	Sloan-Kettering Institute For Cancer Research	5R01 CA102774-08	50,044
93.396	Cancer Biology Research	Sloan-Kettering Institute For Cancer Research	5R01 CA107429-07	408,845
93.396	Cancer Biology Research	Sloan-Kettering Institute For Cancer Research	5U01 CA105492-07	17,302
93.396	Cancer Biology Research	University Of Rochester	1R01 CA138249	2,713
93.397	Cancer Centers Support Grants	Methodist Hospital Research Institute	-	34,648
93.397	Cancer Centers Support Grants	Methodist Hospital Research Institute	U54 CA149196	51,418
93.397	Cancer Centers Support Grants	Sloan-Kettering Institute For Cancer Research	3P30CA008748-45S2	43,149
93.397	Cancer Centers Support Grants	Sloan-Kettering Institute For Cancer Research	5U54CA163167-02	218,233
93.398	Cancer Research Manpower	Columbia University	5K07 CA132892-05	13,394
93.399	Cancer Control	University Of Chicago	U10 CA37447	1,397
93.399	Cancer Control	University Of Texas, MD Anderson Cancer Center	5U01 CA114657-05	4,847
93.399	Cancer Control	University Of Washington	5P50CA148110-03	60,372
93.701	Trans-NIH Recovery Act Research Support	Beth Israel Deaconess Medical Center	1R21 NS65260-02	(3,618)
93.701	Trans-NIH Recovery Act Research Support	Columbia University	5U54 AI057158-09	104,131
93.701	Trans-NIH Recovery Act Research Support	Northern Ca Inst For Resc & Edu	5P41 RR023953-05	59,443
93.701	Trans-NIH Recovery Act Research Support	University Of California, San Diego	5RC2 DA29475-02	109,982
93.701	Trans-NIH Recovery Act Research Support	University Of Michigan	5 R01 MH089390-02	11,335
93.701	Trans-NIH Recovery Act Research Support - ARRA	Beth Israel Deaconess Medical Center	1R21 NS65260-02	(482)

The accompanying notes are an integral part of the Schedule of Federal Awards.

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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Pass-Through Awards (continued)				
93.701	Trans-NIH Recovery Act Research Support - ARRA	Cold Spring Harbor Laboratory	5RC2 HL101846-03	9,927
93.701	Trans-NIH Recovery Act Research Support - ARRA	Columbia University	5R01 MH77144-02	3,747
93.701	Trans-NIH Recovery Act Research Support - ARRA	The Florida State University Sponsored Research Services	5R01 HD065272	23,662
93.701	Trans-NIH Recovery Act Research Support - ARRA	University Of Florida	5U24 RR29822-02	14,089
93.701	Trans-NIH Recovery Act Research Support - ARRA	University Of Florida	U01 AG022376	37,470
93.701	Trans-NIH Recovery Act Research Support - ARRA	University Of Texas System	5 RC2 HL102419-02	7,641
93.701	Trans-NIH Recovery Act Research Support - ARRA	Vanderbilt University	1RC2DA028981-02 REVISED	(15,294)
93.715	Recovery Act – Comparative Effectiveness Research - AHRQ - ARRA	Massachusetts General Hospital	5R01 HS19371-03	241,556
93.721	Health Information Technology Professionals in Health Care - ARRA	Columbia University	-	(2,533)
93.721	Health Information Technology Professionals in Health Care - ARRA	Columbia University	1T15 OC000060-01	125,276
93.779	Centers for Medicare and Medicaid Services (CMS) Research, Demonstrations and Evaluations	Brigham and Women's Hospital	-	345,516
93.837	Cardiovascular Diseases Research	Beth Israel Deaconess Medical Center	5R01 HL94555-03	51,865
93.837	Cardiovascular Diseases Research	Children's Hospital Boston	5R34HL108758-02	40,791
93.837	Cardiovascular Diseases Research	Columbia University	5R25 HL108014-02	68,229
93.837	Cardiovascular Diseases Research	Columbia University	5U01 HL68290-02	32,222
93.837	Cardiovascular Diseases Research	Kaiser Permanente	1R01HL107899	7,107
93.837	Cardiovascular Diseases Research	New England Research Institutes	1U01 HL72268-08	6,523
93.837	Cardiovascular Diseases Research	Transonic Systems, Inc	5 R44 HL061994-06	12,887
93.837	Cardiovascular Diseases Research	University Of California, Irvine	R01 HL079275-08	100,235
93.837	Cardiovascular Diseases Research	University Of California, Los Angeles	2R01HL087228	45,945
93.837	Cardiovascular Diseases Research	University Of California, Los Angeles	P01 HL090553	303,146
93.837	Cardiovascular Diseases Research	University Of Connecticut	P01 HL70694	457,993
93.837	Cardiovascular Diseases Research	University Of Iowa	5P01HL084207-05	1,810
93.837	Cardiovascular Diseases Research	University Of Pennsylvania	1 U54 HL117798	137,289
93.837	Cardiovascular Diseases Research	University Of Pittsburgh	5R01 HL114082-02	21,649
93.837	Cardiovascular Diseases Research	University Of Rochester	5 U01 H096607-03	(1,339)
93.837	Cardiovascular Diseases Research	University Of Rochester	UR 5R01 HL77478-05	10,006
93.837	Cardiovascular Diseases Research	University Of Vermont	5P01HL095488	114,665
93.837	Cardiovascular Diseases Research	University Of Washington	5R01 HL101186-05	139,568
93.837	Cardiovascular Diseases Research	University Of Washington	5R01 HL93086-04	72,516
93.838	Lung Diseases Research	Beth Israel Deaconess Medical Center	1R01HL111430-01A1	161,392
93.838	Lung Diseases Research	Duke University	NHLBI-4379-001	660
93.839	Blood Diseases and Resources Research	Burke Medical Research Institute	5R01HL082511-07	43,901
93.839	Blood Diseases and Resources Research	National Marrow Donor Program	-	179
93.839	Blood Diseases and Resources Research	New England Research Institutes	1 U01 HL65238-01	998
93.839	Blood Diseases and Resources Research	New England Research Institutes	1U01 HL65238-01	3,299
93.839	Blood Diseases and Resources Research	New England Research Institutes	1U01 HL72268-08	35,284
93.839	Blood Diseases and Resources Research	New England Research Institutes	U01 HL072268	11,940
93.839	Blood Diseases and Resources Research	New York Blood Center, Inc.	5 R01 HL096497-04	44,927
93.839	Blood Diseases and Resources Research	University Of Rochester	2P01 HL018208-36	318,788
93.839	Blood Diseases and Resources Research	University Of Rochester	R01GM101023	23,685
93.839	Blood Diseases and Resources Research	University Of Washington	5 U01 HL088476-03	433
93.846	Arthritis, Musculoskeletal and Skin Diseases Research	Hospital For Special Surgery	5R01 AR056802-04	58,760
93.846	Arthritis, Musculoskeletal and Skin Diseases Research	Hospital For Special Surgery	R01AR014225	100,050
93.846	Arthritis, Musculoskeletal and Skin Diseases Research	Scor In Systemic Lupus Erythematosu	5P50 AR42588-04	(1)

The accompanying notes are an integral part of the Schedule of Federal Awards.

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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Pass-Through Awards (continued)				
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	Beth Israel Deaconess Medical Center	1R01DK098002-01	28,208
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	Case Western Reserve University	5N01 DK66203-15	1,705
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	Case Western Reserve University	DK094157/ RES506683	299,557
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	Columbia University	1 R56 DK097399-01	38,014
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	Columbia University	U01 DK066667	342,531
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	Kent State University	R56 DK075119	9,211
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	New York Medical College	2R01 DK045462-15	28,926
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	RFMH, Inc	5R01 DK075119-02	22,113
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	St. Louis University	1R01DK095112-01A1	88,733
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	St. Luke's Roosevelt Institute for Health Science	2 R01 DK072507-05	4,747
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	University Of Michigan	5R01 DK081841-05	(19,967)
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	University Of North Carolina	R01DK053347	139,773
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	University Of South Florida	HHSN267200700014C	83,971
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	University Of Washington	5 R01 DK083391-02	22,959
93.847	Diabetes, Digestive, and Kidney Diseases Extramural Research	Vanderbilt University	2U01DK072473-08	192,955
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Beth Israel Deaconess Medical Center	1R21 NS075653-01	33,785
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Columbia University	5U01NS047537-07	17,372
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Columbia University	5U10NS077267-02	10,406
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Georgia Health Sciences University	7 R01 NS060885-05	21,221
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Medical University Of South Carolina	5U01 NS58728-05	91,780
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	NY Presbyterian Hospital	1U10 NS59062-01	(469)
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Ohio State Medical Center	1R01 LM11116-01A1	35,218
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Rockefeller University	2 R56 NS 034389-16	39,665
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	Rutgers State University	5R01 NS070173-02-04	228,244
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	St. Joseph's Hospital	5U01 NS52478-04	4,536
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	University Of California San Francisco	R01 NS067420	4,936
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	University Of California, Los Angeles	2 P50 NS044378-06	23,528
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	University Of Minnesota	N001257705	38,698
93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	University Of Pittsburgh	2R01NS032385	42,627
93.855	Allergy, Immunology and Transplantation Research	Albert Einstein College	1 R56 AI093220-01A1	35,017
93.855	Allergy, Immunology and Transplantation Research	Beth Israel Deaconess Medical Center	5U01 AI55801-05	4,330
93.855	Allergy, Immunology and Transplantation Research	Brigham and Women's Hospital	5 UM1 AI068636-08	83,948
93.855	Allergy, Immunology and Transplantation Research	Brigham and Women's Hospital	5R37 AI55357	34,548
93.855	Allergy, Immunology and Transplantation Research	Brigham and Women's Hospital	5R37 AI55357-10	(46)
93.855	Allergy, Immunology and Transplantation Research	Brigham and Women's Hospital	7UM1 AI068636-07	37,159
93.855	Allergy, Immunology and Transplantation Research	Children's Hospital Boston	1 R01 AI099204-01	96,991
93.855	Allergy, Immunology and Transplantation Research	Columbia University	1R21AI098654-01	7,804
93.855	Allergy, Immunology and Transplantation Research	Columbia University	5U54 A1057158-09	10,422
93.855	Allergy, Immunology and Transplantation Research	Columbia University	5U54 AI57158-08	238,234
93.855	Allergy, Immunology and Transplantation Research	Family Health International	UM1 AI068619	58,052
93.855	Allergy, Immunology and Transplantation Research	Federal Univ. Of Bahia	5P50 AI30639-19	16,380
93.855	Allergy, Immunology and Transplantation Research	Fox Chase Cancer Center	1 U19 AI083008-01	14,849
93.855	Allergy, Immunology and Transplantation Research	Institut Pasteur	5R01AI042361-11	89,675
93.855	Allergy, Immunology and Transplantation Research	Institute For Clinical Research	-	(62)
93.855	Allergy, Immunology and Transplantation Research	Institute For Clinical Research	U01 AI068641 M38-CO-065-0910-4	14,629

The accompanying notes are an integral part of the Schedule of Federal Awards.

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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Pass-Through Awards (continued)				
93.855	Allergy, Immunology and Transplantation Research	Les Centres Gheskio	5U01 AI58257-07	39,625
93.855	Allergy, Immunology and Transplantation Research	Les Centres Gheskio	5U01 AI69421-07	320,085
93.855	Allergy, Immunology and Transplantation Research	Massachusetts General Hospital	-	32,532
93.855	Allergy, Immunology and Transplantation Research	Michigan State University	U19AI089683-04	166,811
93.855	Allergy, Immunology and Transplantation Research	Montefiore Medical Center	5U01 AI035004	22,956
93.855	Allergy, Immunology and Transplantation Research	New England Biolabs Inc.	1R41A1092969-01A1	62,870
93.855	Allergy, Immunology and Transplantation Research	Progenics Pharmaceuticals, Inc	5P01 AI82362	(70,869)
93.855	Allergy, Immunology and Transplantation Research	Rheonix, Inc.	1 UO1 AI082448-01	68,019
93.855	Allergy, Immunology and Transplantation Research	Stanford University	5U01 AI55795-06	32,564
93.855	Allergy, Immunology and Transplantation Research	Trustees Of The Univ. Of Pennsylvania	5U01 AI063589-07	2
93.855	Allergy, Immunology and Transplantation Research	University Of Pennsylvania	5U01 AI063589-05S1	(591)
93.855	Allergy, Immunology and Transplantation Research	University Of Tennessee	1R56AI090095-01A1	12,170
93.855	Allergy, Immunology and Transplantation Research	Vanderbilt University	5R01 AI77505-03	30,398
93.855	Allergy, Immunology and Transplantation Research	Vanderbilt University	5U01 AI69923-07	56,841
93.855	Allergy, Immunology and Transplantation Research	Yale University	1 R21 AI100696-01A1	4,595
93.855	Allergy, Immunology and Transplantation Research	Yale University	M11A10980 (A08070)	(890)
93.856	Microbiology and Infectious Diseases Research	Gheskio, Haiti: Gheskio Hiv Clinica	5U01 AI69421-04	(51,439)
93.856	Microbiology and Infectious Diseases Research	Virginia Polytechnic Institute & State University	HHSN272200900040C	199,564
93.859	Biomedical Research and Research Training	Boyce Thompson Institute	1R01GM088290-01A1	11,546
93.859	Biomedical Research and Research Training	Columbia University	5U54 AI057158	30,247
93.859	Biomedical Research and Research Training	Gladstone Institutes J David	R01 GM082901	25,775
93.859	Biomedical Research and Research Training	Glycobia, Inc.	R44GM088905	216,444
93.859	Biomedical Research and Research Training	Mitegen, Llc	R41 TM075361	19,066
93.859	Biomedical Research and Research Training	Novasterilis	R44GM096573	116,910
93.859	Biomedical Research and Research Training	Pennsylvania State Univ	5R01GM080533-06	94,024
93.859	Biomedical Research and Research Training	Sloan-Kettering Institute For Cancer Research	GM052470-18	207,932
93.859	Biomedical Research and Research Training	Tufts University	1 R01 GM042219-01	147,886
93.859	Biomedical Research and Research Training	University Of Chicago	3U54 GM087519	23,798
93.859	Biomedical Research and Research Training	University Of Chicago	U54 GM87519	131,032
93.859	Biomedical Research and Research Training	University Of Michigan	5-P50-GM0655509-10	131,621
93.859	Biomedical Research and Research Training	University Of Minnesota	5R01GM059604	84,407
93.859	Biomedical Research and Research Training	University Of Utah	2 R01 GM064664	(89,365)
93.859	Biomedical Research and Research Training	Virginia Polytechnic Institute & State University	1R01GM105245-01	73,467
93.859	Biomedical Research and Research Training	Virginia Polytechnic Institute & State University	5R01GM076121-05	20,617
93.859	Biomedical Research and Research Training	Virginia Polytechnic Institute & State University	R01GM099450	63,605
93.865	Child Health and Human Development Extramural Research	3-C Institute For Social Development Inc.	1R43HD071660-01A1	43,569
93.865	Child Health and Human Development Extramural Research	Columbia University	5P01HD032062-19	32,248
93.865	Child Health and Human Development Extramural Research	Columbia University	5R01HD067287-02	36,776
93.865	Child Health and Human Development Extramural Research	Columbia University	5R01HD069178-03	125,039
93.865	Child Health and Human Development Extramural Research	Jackson Laboratory	P01HD042137	230,568
93.865	Child Health and Human Development Extramural Research	Johns Hopkins University	5 U01 HD074542-02	75,041
93.865	Child Health and Human Development Extramural Research	University Of California San Francisco	P01HD059454	21,608
93.865	Child Health and Human Development Extramural Research	University Of California, Los Angeles	5 R01 HD073975-02	294,377
93.865	Child Health and Human Development Extramural Research	University Of California, San Francisco	5K12 HD849-24	18
93.865	Child Health and Human Development Extramural Research	University Of Georgia	5R01HD03058819	38,956

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Health and Human Services Pass-Through Awards (continued)				
93.865	Child Health and Human Development Extramural Research	University of Medicine & Dentistry Of NJ	5P01 HD23315-05	244,238
93.865	Child Health and Human Development Extramural Research	University of Medicine & Dentistry Of NJ	5P01 HD23315-25	11,868
93.865	Child Health and Human Development Extramural Research	University Of Utah	2U01 HD049934-08	5,994
93.865	Child Health and Human Development Extramural Research	Yale University	R01 HD065794	(15)
93.865	Child Health and Human Development Extramural Research	Yale University	R01HD067364	(15)
93.866	Aging Research	Burke Medical Research Institute	1 R01 NS077897-01A1	15,574
93.866	Aging Research	Burke Medical Research Institute	5P01 AG14930 - 13	345,000
93.866	Aging Research	Burke Medical Research Institute	5P01 AG14930-12	334,975
93.866	Aging Research	Columbia University	R01 AG017761	23,980
93.866	Aging Research	National Research Opinion Center - University Of C	1R01AG033903-01	19,808
93.866	Aging Research	NYU School of Medicine	5R01 AG035137-02	136,719
93.866	Aging Research	NYU School of Medicine	5R01 AG13616-21	153,928
93.866	Aging Research	Purdue University	R01AG018869	52,728
93.866	Aging Research	Rockefeller University	5P01 AG016765-13	38,412
93.866	Aging Research	Rockefeller University	5R21 AG39850-02	28,281
93.866	Aging Research	University Of California, San Diego	5U01 AG10483-21	3
93.866	Aging Research	University Of Michigan	5R01AG040787-03	57,950
93.866	Aging Research	University Of Pittsburgh	5R01 AG023629-06	10,339
93.866	Aging Research	University Of Washington	1 R21 AG042637-01A1	8,194
93.866	Aging Research	University Of Washington	5 P01 AG001751-30	145,837
93.867	Vision Research	Johns Hopkins University	5U01 EY08057-20	56,607
93.867	Vision Research	Johns Hopkins University	5U10 EY08057-19	1,006
93.867	Vision Research	Johns Hopkins University	5U10 EY08057-25	285,467
93.867	Vision Research	Oregon Health And Science University	R01EY019474	41,512
93.867	Vision Research	St. Luke's Roosevelt Institute for Health Science	U10EY017281	2,739
93.989	International Research and Research Training	Johns Hopkins University	5U2R TW006885-09	24,413
93.989	International Research and Research Training	Les Centres Gheskio	5U2R TW006896	147,488
93.989	International Research and Research Training	Vanderbilt University	-	17,243
93.989	International Research and Research Training	Vanderbilt University	1R25TW009337-01	73,127
93.999	Department of Health and Human Services, Other	Johns Hopkins University	5U01 AI075115-05	16,873
Total U.S. Department of Health and Human Services Pass-Through Awards				<u>\$ 20,625,064</u>
Total U.S. Department of Health and Human Services Awards				<u>\$ 206,268,338</u>
Social Security Administration Pass-Through Awards				
96	Social Security Administration, Other	University Of Michigan	RRC08098401	54,993
96.007	Social Security_Research and Demonstration	Boston College	6 RRC08098402-04-01	45,000
Total Social Security Administration Awards				<u>\$ 99,993</u>
Department of Homeland Security Direct Awards				
97.108	Homeland Security, Research, Testing, Evaluation, and Demonstration of Technologies	-	-	207,939
Total Department of Homeland Security Direct Awards				<u>\$ 207,939</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
Department of Homeland Security Pass-Through Awards				
97.061	Centers for Homeland Security	Texas Agrilife Research Of The Texas A&M Universit	2010-ST-061-AG0002	62,702
Total Department of Homeland Security Pass-Through Awards				<u>\$ 62,702</u>
Total Department of Homeland Security Awards				<u>\$ 270,641</u>
United States Agency for International Development Direct Awards				
98.001	USAID Foreign Assistance for Programs Overseas	-	-	4,100,217
Total United States Agency for International Development Direct Awards				<u>\$ 4,100,217</u>
United States Agency for International Development Pass-Through Awards				
98	Agency for International Development, Other	Michigan State University	EDH-A-00-07-00005	26,142
98	Agency for International Development, Other	Purdue University	12065162	350
98	Agency for International Development, Other	Purdue University	12065162 G#205786	8,277
98	Agency for International Development, Other	University Of California Davis	-	13,798
98.001	USAID Foreign Assistance for Programs Overseas	Higher Education For Development	AEG-A-00-05-00007-00	44,010
98.001	USAID Foreign Assistance for Programs Overseas	University Of California Davis	-	28,297
98.001	USAID Foreign Assistance for Programs Overseas	University Of California Davis	AEG-A-00-08-00008	301,273
98.001	USAID Foreign Assistance for Programs Overseas	University of Illinois, Urbana-Champaign	AID-OAA-L-10-00003	14,340
98.001	USAID Foreign Assistance for Programs Overseas	World Vision, Inc.	-	31,031
98.012	USAID Development Partnerships for University Cooperation and Development	Natl Academy Of Sciences	AID-OAA-A-11-00012	9,166
98.012	USAID Development Partnerships for University Cooperation and Development	University Of Georgia	ECGA00070000100	1,001
Total United States Agency for International Development Pass-Through Awards				<u>\$ 477,685</u>
Total United States Agency for International Development Awards				<u>\$ 4,577,902</u>
Total Research and Development Program Cluster				<u>\$ 450,237,176</u>
SNAP Cluster Pass-Through Awards				
10.551	Supplemental Nutrition Assistance Program	NYS Office of Temporary and Disability Assistance	-	92,642
10.551	Supplemental Nutrition Assistance Program	Off Of Domestic Violence & Emergency Intervention	-	3,188,365
Total SNAP Cluster				<u>\$ 3,281,007</u>
Highway Planning and Construction Cluster Direct Awards				
20.205	Highway Planning and Construction	-	-	(8,345)
Total Highway Planning and Construction Cluster				<u>\$ (8,345)</u>
TRIO Cluster Direct Awards				
84.047	TRIO_Upward Bound	-	-	239,780
84.217	TRIO_McNair Post-Baccalaureate Achievement	-	-	193,153
Total TRIO Cluster				<u>\$ 432,933</u>
Temporary Assistance for Needy Families Cluster Direct Awards				
93.558	Temporary Assistance for Needy Families	-	-	38,685
Total Temporary Assistance for Needy Families Cluster Direct Awards				<u>\$ 38,685</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
Temporary Assistance for Needy Families Cluster Pass-Through Awards				
93.558	Temporary Assistance for Needy Families	NYS Office of Children and Family Services	-	801,239
93.558	Temporary Assistance for Needy Families	Suny Buffalo State	Formula Funds DHHS to NYS	70,510
Total Temporary Assistance for Needy Families Cluster Pass-Through Awards				<u>871,749</u>
Total Temporary Assistance for Needy Families Cluster				<u>\$ 910,434</u>
<u>Other Awards:</u>				
U.S. Department of Agriculture Direct Awards				
10.001	Agricultural Research_Basic and Applied Research	-	-	137,851
10.025	Plant and Animal Disease, Pest Control, and Animal Care	-	-	129,174
10.163	Market Protection and Promotion	-	-	209,088
10.168	Farmers' Market Promotion Program	-	-	27,036
10.200	Grants for Agricultural Research, Special Research Grants	-	-	6
10.203	Payments to Agricultural Experiment Stations Under the Hatch Act	-	-	1,112,944
10.215	Sustainable Agriculture Research and Education	-	-	849
10.303	Integrated Programs	-	-	737,942
10.304	Homeland Security_Agricultural	-	-	189,284
10.500	Cooperative Extension Service	-	-	13,166,359
10.600	Foreign Market Development Cooperator Program - ARRA	-	-	(12,942)
10.606	Food for Progress	-	-	1,578,741
10.664	Cooperative Forestry Assistance	-	-	9,116
10.777	Norman E. Borlaug International Agricultural Science and Technology Fellowship	-	-	(1,738)
10.912	Environmental Quality Incentives Program	-	-	23,529
10.950	Agricultural Statistics Reports	-	-	89,135
10.962	Cochran Fellowship Program-International Training-Foreign Participant	-	-	35,307
Total U.S. Department of Agriculture Direct Awards				<u>\$ 17,431,681</u>
U.S. Department of Agriculture Pass-Through Awards				
10.025	Plant and Animal Disease, Pest Control, and Animal Care	NYS Department of Ag & Markets	09-9636-0939-CA	180,827
10.170	Specialty Crop Block Grant Program - Farm Bill	NYS Department of Ag & Markets	12-25-B-0940	20,973
10.200	Grants for Agricultural Research, Special Research Grants	Pennsylvania State Univ	2011-34103-30711	64,053
10.200	Grants for Agricultural Research, Special Research Grants	Pennsylvania State Univ	2012-34103-19828	16,904
				<u>80,957</u>
10.215	Sustainable Agriculture Research and Education	Ulster County Cooperative Extension	2011-38640-30418	3,112
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2010-38640-20820	13,184
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2010-38640-20920	20,153
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2011-38640-30418	43,829
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2012-38640-18543	12,138
10.215	Sustainable Agriculture Research and Education	University Of Vermont	2012-38640-19543	647
				<u>93,063</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of Agriculture Pass-Through Awards (continued)				
10.303	Integrated Programs	Pennsylvania State Univ	2007-51120-18446	137,310
10.303	Integrated Programs	University Of Florida	2009-51110-20174	<u>778</u>
				138,088
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Florida	2010-85605-20537	19,325
10.310	Agriculture and Food Research Initiative (AFRI)	University Of Nebraska	2011-67003-30206	<u>47,226</u>
				66,551
10.446	Rural Community Development Initiative	Mississippi State Univ	RBS-10-39	4,436
10.500	Cooperative Extension Service	University Of Arizona	2011-48745-31186	154,677
10.500	Cooperative Extension Service	University Of Delaware	2010-49200-06201	6,337
10.500	Cooperative Extension Service	University Of Vermont	26-6365-0001-351	<u>7,186</u>
				168,200
	Total U.S. Department of Agriculture Pass-Through Awards			<u>\$ 753,095</u>
	Total U.S. Department of Agriculture Awards			<u>\$ 18,184,776</u>
U.S. Department of Commerce Direct Awards				
11.431	Climate and Atmospheric Research	-	-	197,394
	Total U.S. Department of Commerce Direct Awards			<u>\$ 197,394</u>
U.S. Department of Commerce Pass-Through Awards				
11.417	Sea Grant Support	Illinois/Indiana Sea Grant, University of Illinois	NA11OAR4170052	6,037
11.417	Sea Grant Support	New York Sea Grant Institute, Stony Brook	NA10OAR4170064	850,633
11.417	Sea Grant Support	University of Illinois, Urbana-Champaign	NA11OAR4170052	<u>10,684</u>
				867,354
11.429	Marine Sanctuary Program	University of Illinois, Urbana-Champaign	NA12NOS4290059	17,709
11.473	Coastal Services Center	Ohio State University	NA08NOS4730407	3,496
11.478	Center for Sponsored Coastal Ocean Research_Coastal Ocean Program	Suny Stony Brook	NA10NOS4780140	<u>7,087</u>
	Total U.S. Department of Commerce Pass-Through Awards			<u>\$ 895,646</u>
	Total U.S. Department of Commerce Awards			<u>\$ 1,093,040</u>
Department of Defense Direct Awards				
12	Department of Defense, Other	-	-	143,239
12.431	Basic Scientific Research	-	-	<u>14,952</u>
	Total Department of Defense Awards			<u>\$ 158,191</u>
U.S. Department of the Interior Direct Awards				
15.622	Sportfishing and Boating Safety Act	-	-	38,624
15.929	Save America's Treasures	-	-	<u>82,614</u>
	Total U.S. Department of Interior Direct Awards			<u>\$ 121,238</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department of the Interior Pass-Through Awards				
15	Department of the Interior, Other	National Fish And Wildlife Foundation	-	43,525
15.608	Fish and Wildlife Management Assistance	Sea Grant, University of Minnesota	F10AP00050	11,963
15.622	Sportfishing and Boating Safety Act	Oswego County Soil And Water Conservation District	F12AP00499	79,981
15.640	Wildlife Without Borders- Latin America and the Caribbean	Society For The Conservation And Study Of Caribbe	-	14,390
	Total U.S. Department of Interior Pass-Through Awards			<u>\$ 149,859</u>
	Total U.S. Department of Interior Awards			<u>\$ 271,097</u>
Department Of Justice Direct Awards				
16.726	Juvenile Mentoring Program	-	-	6,026
	Total Department Of Justice Direct Awards			<u>\$ 6,026</u>
Department Of Justice Pass-Through Awards				
16.726	Juvenile Mentoring Program	National 4-H Council	2011-MU-MU-026	131,754
16.726	Juvenile Mentoring Program	National 4-H Council	2012-JU-FX-0016	11,857
	Total Department Of Justice Pass-Through Awards			<u>\$ 143,611</u>
	Total Department Of Justice Awards			<u>\$ 149,637</u>
U.S. Department Of Labor Direct Awards				
17.720	Disability Employment Policy Development	-	-	1,646,352
	Total U.S. Department Of Labor Awards			<u>\$ 1,646,352</u>
Department of State Direct Awards				
19.010	Academic Exchange Programs - Humphrey Fellowship Program	-	-	16,660
	Total U.S. Department of State Direct Awards			<u>\$ 16,660</u>
Department of State Pass-Through Awards				
19.010	Academic Exchange Programs - Humphrey Fellowship Program	Institute Of International Education	S--ECAAS-12-CA-005(DT)	183,040
	Total U.S. Department of State Pass-Through Awards			<u>\$ 183,040</u>
	Total U.S. Department of State Awards			<u>\$ 199,700</u>
U.S. Department Of Transportation Direct Awards				
20.215	Highway Training and Education	-	-	12,000
	Total U.S. Department Of Transportation Awards			<u>\$ 12,000</u>
National Aeronautics and Space Administration Direct Awards				
43	National Aeronautics and Space Administration, Other	-	-	211,126
	Total National Aeronautics and Space Administration Direct Awards			<u>\$ 211,126</u>
National Aeronautics and Space Administration Pass-Through Awards				
43.001	Aerospace Education Services Program	Smithsonian Astrophysical Observatory	NNX11AH28G	2,278
	Total National Aeronautics and Space Administration Pass-Through Awards			<u>\$ 2,278</u>
	Total National Aeronautics and Space Administration Awards			<u>\$ 213,404</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
National Foundation on the Arts and the Humanities Direct Awards				
45.024	Promotion of the Arts_Grants to Organizations and Individuals	-	-	40,378
45.301	Museums for America	-	-	23,620
45.312	National Leadership Grants	-	-	188,363
	Total National Foundation on the Arts and the Humanities Direct Awards			<u>\$ 252,361</u>
National Foundation on the Arts and the Humanities Pass-Through Awards				
45.129	Promotion of the Humanities_Federal/State Partnership	New York Council For The Humanities	-	3,000
	Total National Foundation on the Arts and the Humanities Pass-Through Awards			<u>\$ 3,000</u>
	Total National Foundation on the Arts and the Humanities Awards			<u>\$ 255,361</u>
Environmental Protection Agency Direct Awards				
66	Environmental Protection Agency, Other	-	-	7,132
66.437	Long Island Sound Program	-	-	169,526
66.456	National Estuary Program	-	-	28,891
66.463	Water Quality Cooperative Agreements	-	-	(22)
66.514	Science To Achieve Results (STAR) Fellowship Program	-	-	15,598
66.714	Pesticide Environmental Stewardship Regional Grants	-	-	12,634
66.716	Research, Development, Monitoring, Public Education, Training, Demonstrations, and Studies	-	-	5,227
66.950	National Environmental Education Training Program	-	-	1,543,840
	Total Environmental Protection Agency Direct Awards			<u>\$ 1,782,826</u>
Environmental Protection Agency Pass-Through Awards				
66.469	Great Lakes Program	Pennsylvania State Univ	00E00550	10,136
66.469	Great Lakes Program	Sea Grant, University of Minnesota	GL-00E00813	14,033
66.469	Great Lakes Program	Suny Buffalo State	GL-00E00498-0	42
	Total Environmental Protection Agency Pass-Through Awards			<u>\$ 24,211</u>
	Total Environmental Protection Agency Awards			<u>\$ 1,807,037</u>
Nuclear Regulatory Commission Direct Awards				
77	Nuclear Regulatory Commission, Other	-	-	39,879
	Total Nuclear Regulatory Commission Awards			<u>\$ 39,879</u>
Department of Energy Direct Awards				
81.041	State Energy Program - ARRA	-	-	52,764
81.049	Office of Science Financial Assistance Program	-	-	(45)
	Total Department of Energy Direct Awards			<u>\$ 52,719</u>
Department of Energy Pass-Through Awards				
81.049	Office of Science Financial Assistance Program	University of Illinois, Urbana-Champaign	DE-SC0009322	6,804
	Total Department of Energy Pass-Through Awards			<u>\$ 6,804</u>
	Total Department of Energy Awards			<u>\$ 59,523</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
U.S. Department Of Education Direct Awards				
84	Department of Education, Other	-	-	281,660
84.015	National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program	-	-	1,897,005
84.022	Overseas Programs - Doctoral Dissertation Research Abroad	-	-	(18,448)
84.133	National Institute on Disability and Rehabilitation Research	-	-	2,037,582
84.170	Javits Fellowships	-	-	138,174
84.184	Safe and Drug-Free Schools and Communities_National Programs	-	-	98,165
	Total U.S. Department of Education Direct Awards			\$ 4,434,138
U.S. Department Of Education Pass-Through Awards				
84	Department of Education, Other	Coming-Painted Post School District	U215X90519	(744)
84	Department of Education, Other	Fallsburg Central School District	U215X100418	17,299
84	Department of Education, Other	Northern Illinois University	P337A090018	1,380
84.048	Career and Technical Education -- Basic Grants to States	NYS Department of Education	-	101,518
84.116	Fund for the Improvement of Postsecondary Education	Iowa State University	P116J100069	5,966
	Total U.S. Department Of Education Pass-Through Awards			\$ 125,419
	Total U.S. Department Of Education Awards			\$ 4,559,557
United States Institute of Peace Direct Awards				
91.001	Annual Grant Competition	-	-	14,810
	Total United States Institute of Peace Awards			\$ 14,810
U.S. Department of Health and Human Services Direct Awards				
93.069	Public Health Emergency Preparedness	-	-	6,968
93.103	Food and Drug Administration_Research	-	-	8,750
93.351	Research Infrastructure Programs	-	-	318,535
93.389	National Center for Research Resources	-	-	315,406
93.865	Child Health and Human Development Extramural Research	-	-	(62)
93.994	Maternal and Child Health Services Block Grant to the States	-	-	181,655
	Total U.S. Department of Health and Human Services Direct Awards			\$ 831,252
U.S. Department of Health and Human Services Pass-Through Awards				
93	Department of Health and Human Services, Other	NYS Department of Education	-	54,324
93	Department of Health and Human Services, Other	NYS Developmental Disabilities Planning Council	-	190,217
93.768	Medicaid Infrastructure Grants To Support the Competitive Employment of People with Disabilities	Research Foundation For Mental Hygiene Inc.	1QACMS030318/01	65,254
93.865	Child Health and Human Development Extramural Research	University of Texas, Medical Branch	5R24HD065702-03	172,330
	Total U.S. Department of Health and Human Services Pass-Through Awards			\$ 482,125
	Total U.S. Department of Health and Human Services Awards			\$ 1,313,377
Corporation for National and Community Service Direct Awards				
94.013	Volunteers in Service to America	-	-	25,333
	Total Corporation for National and Community Service Direct Awards			\$ 25,333

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Schedule of Expenditures of Federal Awards
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CFDA No.	Description	Pass-Through Entity	Pass - Through Entity ID	Federal Expenditures
Corporation for National and Community Service Pass-Through Awards				
94.006	AmeriCorps	NYS Office of Children and Family Services	-	13,406
94.007	Program Development and Innovation Grants	University Of Wisconsin System	12MKNWI001	11,500
	Total Corporation for National and Community Service Pass-Through Awards			<u>\$ 24,906</u>
	Total Corporation for National and Community Service Awards			<u>\$ 50,239</u>
Social Security Administration Pass-Through Awards				
96.008	Social Security - Work Incentives Planning and Assistance Program	NYS Office of Temporary and Disability Assistance	-	373,326
96.009	Social Security State Grants for Work Incentives Assistance to Disabled Beneficiaries	Booz Allen Hamilton	SS00-10-60103	103,660
	Total Social Security Administration Awards			<u>\$ 476,986</u>
Department of Homeland Security Pass-Through Awards				
97.039	Hazard Mitigation Grant	NYS Emergency Management Office	-	13,707
97.039	Hazard Mitigation Grant	NYS Emergency Management Office	FEMA-4031-DR-NY	42,017
	Total Department of Homeland Security Awards			<u>\$ 55,724</u>
United States Agency for International Development Direct Awards				
98.001	USAID Foreign Assistance for Programs Overseas	-	-	1,518,320
	Total United States Agency for International Development Awards			<u>\$ 1,518,320</u>
	Total Other Awards			<u>\$ 32,079,010</u>
	Total Federal Award Expenditures			<u>\$ 618,447,169</u>

The accompanying notes are an integral part of the Schedule of Federal Awards.

Cornell University
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Cornell University (the University) and is presented on the accrual basis of accounting. Negative amounts represent current year adjustments of amounts reported in prior years, CFDA and pass-through entity numbers are included when available. The information in the schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.

2. Facilities and Administrative Costs

Certain expenditures include a portion of costs associated with general university activities (Facilities and Administrative Costs), which are allocated to awards under negotiated formulas commonly referred to as Facilities and Administrative (F&A) cost rates (formerly known as indirect cost rates).

Ithaca Campus

F&A cost rates for the Ithaca Campus have been finalized through fiscal year 2016 as predetermined rates pursuant to the Department of Health and Human Services (DHHS) rate agreement dated September 12, 2013. Provisional rates have been established for fiscal year 2017 and beyond.

Weill Cornell Medical College

F&A cost rates for the Weill Cornell Medical College (WCMC) have been finalized through fiscal year 2015 as predetermined rates pursuant to the DHHS rate agreement dated March 25, 2013. Provisional rates have been established for fiscal year 2016 and beyond.

3. Student Loan Programs

The University had the following loan balances outstanding at June 30, 2013. These balances are not included in the federal expenditures presented in the schedule.

	CFDA Number	Amount Outstanding
Federal Perkins Loan Program	84.038	\$ 35,227,670
Health Professions Student Loan Program, including Primary Care Loans and Loans for Disadvantage Students	93.342	6,179,250
Grand Total		<u>\$ 41,406,920</u>

The loan programs noted above are administered directly by the University and balances and transactions relating to these programs are included in the University's basic consolidated financial statements. Loan cancellations, under CFDA Number 84.037, for the year ended June 30, 2013 were \$82,539. The schedule of expenditures of federal awards includes loan expenditures and disbursements to students and administrative costs of the loan programs for the year ended June 30, 2013.

The University issued the following amounts of new loans under the Federal Direct Loan Program to students of the University during the year ended June 30, 2013.

Cornell University
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2013

	<u>CFDA Number</u>	<u>Amount Issued</u>
Federal Direct Loan Program (FDLP):		
Federal Direct Student Loans, PLUS Total		\$ 46,668,255
Federal Direct Student Loans, Subsidized Total		13,597,607
Federal Direct Student Loans, Unsubsidized Total		<u>50,312,100</u>
 Grand Total	 84.268	 <u>\$ 110,577,962</u>

The University is responsible only for the performance of certain administrative duties with respect to the Federal Direct Loan programs and, accordingly, these loans are not included in the University's basic consolidated financial statements. It is not practical to determine the balance of loans outstanding under these programs at June 30, 2013.

4. Subrecipients

The University has 779 research and development cluster subcontracts of its federal funds, which have been issued to subrecipients that total approximately \$60.2 million. Due to the large number of programs and sponsors, it is not practical to disclose the amount of payments to each research and development cluster subrecipient. The University has 100 non-research subcontracts of its federal funds, which have been issued to subrecipients that total approximately \$4.5 million. Refer to the table below for the amount provided to subrecipients under each CFDA number.

<u>CFDA No.</u>	<u>Description</u>	<u>Amount provided to subrecipients</u>
10.168	Farmers' Market Promotion Program	9,327
10.170	Specialty Crop Block Grant Program - Farm Bill	9,421
10.215	Sustainable Agriculture Research and Education	2,090
10.303	Integrated Programs	236,761
10.500	Cooperative Extension Service	143,563
10.606	Food for Progress	1,038,182
12	Department of Defense, Other	65,636
16.726	Juvenile Mentoring Program	118,074
17.720	Disability Employment Policy Development	313,559
45.312	National Leadership Grants	60,049
66.950	National Environmental Education Training Program	917,643
84.015	National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program	418,468
84.048	Career and Technical Education -- Basic Grants to States	12,296
84.133	National Institute on Disability and Rehabilitation Research	37,493
93	Department of Health and Human Services, Other	84,171
93.351	Research Infrastructure Programs	35,167
93.994	Maternal and Child Health Services Block Grant to the States	138,404
94.007	Program Development and Innovation Grants	8,500
98.001	USAID Foreign Assistance for Programs Overseas	804,389
	Total Non Research Subrecipients	<u>\$ 4,453,193</u>



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

To the Board of Trustees
Cornell University

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Cornell University, which comprise the consolidated statement of financial position as of June 30, 2013, and the related consolidated statements of activities and of cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 24, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Cornell University's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cornell University's internal control. Accordingly, we do not express an opinion on the effectiveness of Cornell University's internal control.

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

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

Compliance and Other Matters

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



Purpose of this Report

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

PricewaterhouseCoopers LLP

October 24, 2013



**Independent Auditor's Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program and on Internal Control Over
Compliance in Accordance with OMB Circular A-133**

To the Board of Trustees
Cornell University

Report on Compliance for Each Major Federal Program

We have audited Cornell University's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Cornell University's major federal programs for the year ended June 30, 2013. Cornell University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Cornell University's major federal programs based on our audit of the types of compliance requirements referred to above. We did not audit Cornell University's compliance with the billings, cash receipts, due diligence, and portfolio management compliance requirements specified by the Federal Perkins Loan Program and described in the *OMB Circular A-133 Compliance Supplement*. Compliance with these requirements was audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to Cornell University's compliance with those requirements, is based solely on the report of the other auditors. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cornell University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Cornell University's compliance.

Opinion on Each Major Federal Program

In our opinion, based on our audit and the report of other auditors, Cornell University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.



Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2013-001. Our opinion on each major federal program is not modified with respect to these matters.

Cornell University's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Cornell University's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of Cornell University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, except as noted in the following paragraph, we considered Cornell University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Cornell University's internal control over compliance.

We did not consider internal control over compliance with the billings, cash receipts, due diligence, and portfolio management compliance requirements specified by the Federal Perkins Loan program and described in the OMB Circular A-133 *Compliance Supplement*. Internal control over these compliance requirements was considered by the other auditors referred to above; and our report, insofar as it relates to the Cornell University's internal control over those compliance requirements, is based solely upon the report of the other auditors.

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

Our consideration and the other auditors' consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. Also, the report of the other auditors did not identify any deficiencies in internal control over compliance that they consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

PricewaterhouseCoopers LLP

March 27, 2014

Cornell University
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Section I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ Yes X No

Federal Awards

Internal control over major programs:

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

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? X Yes _____ No

Identification of major programs:

<i>CFDA Number(s) or Grantor ID No.</i>	<i>Name of Federal Program or Cluster</i>
Various	Research and Development Cluster
Various	Student Financial Aid Cluster
10.551	Supplemental Nutrition Assistance Program Cluster
98.001	Agency for International Development

Dollar threshold used to distinguish between Type A and Type B programs: \$ 3,000,000

Auditee qualified as low-risk auditee? X Yes _____ No

Cornell University
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Section II – Financial Statement Findings

None noted in the current year

Cornell University
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Section III – Federal Award Findings and Questioned Costs

2013 - 001 Non - Compliance with Calculation of Return of Title IV Funds

CFDA 84.038 Federal Perkins Loan Program

CFDA 84.268 Federal Direct Loan Program

Criteria:

In accordance with 34 CFR 668.22 (a)(1) when a recipient of Title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of Title IV grant or loan assistance that the student earned as of the student's withdrawal date. In accordance with 34 CFR section 668.173(b), returns of Title IV funds are required to be returned to the Education Department (ED) or the appropriate FFEL lender as soon as possible, but no later than 45 days after the date the institution determines that the student withdrew. Returns by check are late if the check is issued more than 45 days after the institution determined the student withdrew or the date on the canceled check shows the check was endorsed more than 60 days after the date the institution determined that the student withdrew.

Condition:

We examined a sample size of 60 students (57 - Ithaca Campus and 3 - Weill Medical Campus), see table below, who withdrew from the University and received Title IV funding:

<u>School</u>	<u>Population</u>	<u>PwC Sample</u>
Undergraduate	597	32
Graduate	50	5
Law School	24	5
Veterinary School	19	8
Johnson School of Management	27	7
Weill Medical College	18	3
Total	735	60

Within the Law School and the Veterinary School, we noted two instances in which the calculation of the unearned funds to be returned was not appropriately performed per 34 CFR section 668.22 (e).

As part of their routine follow-up effort on their prior internal control recommendations related to this matter, University Audit subsequently tested an additional sample of refunds within the Law School, Veterinary School, Johnson School of Management and Weill Medical College to determine whether the refund calculations were correctly performed for each student who withdrew. Based on their testing results, University Audit identified five additional student's refunds were not calculated appropriately.

As a result of the incorrect calculations we noted the funds were not returned within the 45-day requirement per 34 CFR section 668.173(b).

Questioned Costs:

\$21,497

Cornell University
Schedule of Findings and Questioned Costs
Year Ended June 30, 2013

Cause:

We noted the incorrect calculation of Title IV refunds was a result of the individuals performing the calculations not understanding the appropriate method to determine an accurate withdrawal date in order to calculate the refund due as well as mathematical errors in the calculations in certain situations. In addition, the University did not have appropriate oversight of these individuals sufficient to recognize that the calculations were incorrect. We note the calculations were performed prior to the implementation of management's corrective action plan in response to the prior year finding 2012-2.

Effect:

The incorrect returns of unearned funds resulted in a non - compliance with the Code of Federal Regulations.

Recommendation:

We recommend the University continue to monitor the return of Title IV funds in accordance with the corrective action plan put in place as a result of the finding identified in the prior year.

Management's Response:

See Management Views and Corrective Action Plan

Cornell University
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2013

2012 - 001 Net Assets Classification - Weill Cornell Medical College

Condition:

During the previous year audit of contributions revenue and net assets released from restriction, exceptions were identified which resulted in two audit adjustments being recorded as follows:

- **Cash Contributions** - During the audit team's testing of contributions, it was identified that certain contributions with donor restrictions were inappropriately recorded as unrestricted ("UR") net assets. While WCMC abides by the policy of simultaneous release for any temporarily restricted ("TR") gifts where the purpose restriction is met and the funds are spent within the same fiscal year, several of the audit teams testing selections did not meet the simultaneous release criteria however had been recorded as UR contribution revenue during fiscal 2012. Upon further review by us of the entire population of contributions, fiscal year 2012 gifts were identified as being improperly recorded as UR net assets. Based on the audit team's findings, we adjusted the consolidated financial statements for fiscal year 2012 to decrease UR contribution revenue and increased TR contribution revenue.
- **Net assets released from restriction** - During the audit team's testing of net assets released from restriction, it was identified certain releases relating to permanently restricted ("PR") endowment gifts were incorrectly recorded. The audit team brought these exceptions to the attention of management, who then identified the cause of these improper releases. The issue was the result of endowed gifts initially being incorrectly recorded as TR net assets within WCMC's SAP general ledger system prior to being transferred off the WCMC books to Ithaca (where all endowment assets reside). For each of these transactions SAP calculated an improper release from restriction to UR net assets, thereby overstating UR net assets and understating TR net assets. We reviewed the entire population of fiscal year 2012 net assets released from restriction in order to identify a full population of amounts improperly released, which resulted in an audit adjustment. Additionally, as these improper releases were triggered by the SAP system, we also went back to review and identify the total improper release amounts from fiscal year 2009- fiscal year 2011 (as SAP was implemented on January 1, 2009), which resulted in an additional audit (and out-of-period) adjustment. In total, we recorded an adjustment to decrease net assets released from restriction in fiscal year 2012 (effectively decreasing UR net assets and increasing TR net assets).

Status:

No issues were identified in 2013.

2012 - 002 Non - Compliance with Calculation of Return of Title IV Funds

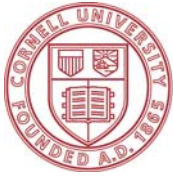
Condition:

During the audit team's testing of return of Title IV funds in which they examined a sample size of 60 students (55 - Ithaca Campus and 5 - Weill Medical Campus) who withdrew from the University and received Title IV funding, three instances of non-compliance were identified in which the calculation of the unearned funds to be returned was not appropriately performed per 34 CFR section 668.22 (e). These instances were noted within the Law School and Johnson Graduate School of Management. In addition, as a result of the findings above PwC noted the funds were not returned within the 45-day requirement per 34 CFR section 668.173(b).

Cornell University
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2013

Status:

Based on testing by the audit team and internal audit in the current year it was identified that there were several instances in which the calculation of Title IV refunds were performed incorrectly. Refer to current year audit finding 2013 – 001 for further information.



Management Views and Corrective Action Plan Year Ended June 30, 2013

The following finding was noted during the audit of Federal programs in accordance with OMB Circular A-133. Management of Cornell University agrees with this finding and proposes the following Corrective Action Plan:

Finding Number 2013–1: Non-Compliance with Calculation of Return of Title IV Funds

Summary of Finding:

In accordance with 34 CFR 668.22 (a)(1) when a recipient of title IV grant or loan assistance withdraws from an institution during a payment period or period of enrollment in which the recipient began attendance, the institution must determine the amount of title IV grant or loan assistance that the student earned as of the student's withdrawal date. In accordance with 34 CFR section 668.173(b), returns of Title IV funds are required to be returned to the Education Department (ED) or the appropriate FFEL lender as soon as possible, but no later than 45 days after the date the institution determines that the student withdrew. Returns by check are late if the check is issued more than 45 days after the institution determined the student withdrew or the date on the canceled check shows the check was endorsed more than 60 days after the date the institution determined that the student withdrew.

In examining a sample size of 60 students (57 - Ithaca Campus and 3 - Weill Medical Campus), PWC noted one instance each within the Law School and the College of Veterinary Medicine, in which the calculation of the unearned funds to be returned was not appropriately performed per 34 CFR section 668.22 (e). As a result of the incorrect calculations PWC noted the University returned federal aid in excess of the amount required for both instances. The excess amounts were \$145 and \$902.

Additionally, as part of their routine follow-up effort on their prior internal control recommendations related to this matter, University Audit subsequently tested an additional sample of refunds within the Law School, Veterinary School, Johnson School of Management and Weill Medical College to determine whether the refund calculations were correctly performed for each student who withdrew. Based on their testing results, University Audit identified five additional student's refunds which were not calculated appropriately.

PWC noted the incorrect calculation of title IV refunds was a result of the individuals performing the calculations not understanding the appropriate method to determine an accurate withdrawal date in order to calculate the refund due as well as mathematical errors in the calculations in certain situations. In addition, the University did not have appropriate oversight of these individuals sufficient to recognize that the calculations were incorrect. PWC notes these calculations were all performed prior to

the implementation of management's corrective action plan in response to the prior year finding 2012-2. PWC recommends the University continue to monitor the return of title IV funds in accordance with the corrective action plan put in place as a result of the finding identified in the prior year.

Corrective Action Plan:

As noted, this finding was originally identified during the fieldwork of the FY12 A-133 audit (finding 2012-2), and corrective action was immediately commenced. Although additional instances where the University miscalculated the refund to the government were identified in FY13, none were identified that occurred after the corrective action outlined for the FY12 response was taken. Accordingly, management agrees to continue the plan identified for 2012-2, as follows:

- The University will work with the Department of Education to make repayments and adjust loan balances as appropriate and consistent with the updated calculations.
- The University will work with the Department of Education to determine if a Letter of Credit needs to be maintained.
- The University formed a task force to consider the findings and related federal loan compliance issues, which developed a set of recommendations approved by university leadership. The Office of Financial Aid and Student Employment is working with each of the schools to ensure the recommendations are being fully implemented and adjusted as needed.

Responsible Individuals: University Controller and Associate Vice Provost for Enrollment

Signed,



Aimee L. Turner
Associate Vice President and University Controller