
**Reports on the Audit of
Federal Award Programs
In Accordance with OMB Circular A-133**

**The Pennsylvania State University
Fiscal Year Ended June 30, 2012**

University Park, Pennsylvania

THE PENNSYLVANIA STATE UNIVERSITY
REPORTS ON THE AUDIT OF
FEDERAL AWARDS
IN ACCORDANCE WITH OMB CIRCULAR A-133
FISCAL YEAR ENDED JUNE 30, 2012

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Joseph J. Doncsez
Associate Vice President for Finance and Corporate Controller

The Pennsylvania State University
408 Old Main
University Park, PA 16802-1505

March 22, 2013

Federal Audit Clearinghouse
1201 E. 10th Street
Jeffersonville, IN 47132

To Whom It May Concern:

The Pennsylvania State University's financial, internal control and compliance reports for the fiscal year ended June 30, 2012 are presented on the accompanying pages. The reports have been issued in accordance with U.S. Office of Management and Budget (OMB) Circular A-133. Also enclosed are The Pennsylvania State University's schedule of findings and questioned costs.

Sincerely,

A handwritten signature in black ink that reads "Joseph J. Doncsez". The signature is written in a cursive style with a long, sweeping underline.

Joseph J. Doncsez
Associate Vice President for Finance and Corporate Controller

JJD:vad

Enclosures

Audited Financial Statements

The Pennsylvania State University
Fiscal Year Ended June 30, 2012



Deloitte & Touche LLP

INDEPENDENT AUDITORS' REPORT

1700 Market Street
Philadelphia, PA 19103-3984
USA

To the Board of Trustees of
The Pennsylvania State University
University Park, PA

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We have audited the accompanying consolidated statements of financial position of The Pennsylvania State University and subsidiaries (the "University") as of June 30, 2012 and 2011, and the related consolidated statements of activities and cash flows for the years then ended. These financial statements are the responsibility of the management of the University. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, such financial statements present fairly, in all material respects, the financial position of the University, as of June 30, 2012 and 2011, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic 2012 consolidated financial statements of the University, taken as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2012 is presented for the purpose of additional analysis as required by U.S. 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 basic consolidated financial statements. This schedule is the responsibility of the management of the University. Such information has been subjected to the auditing procedures applied in our audit of the basic 2012 consolidated financial statements and, in our opinion, is fairly stated in all material respects when considered in relation to the basic consolidated financial statements taken as a whole.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2012, on our consideration of the 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. 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with the *Government Auditing Standards* and should be considered in assessing the results of our audits.

October 26, 2012

THE PENNSYLVANIA STATE UNIVERSITY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
ASSETS
JUNE 30, 2012 AND 2011
(in thousands)

| | <u>June 30, 2012</u> | <u>June 30, 2011</u> |
|---|--------------------------|-------------------------|
| Current assets: | | |
| Cash and cash equivalents | \$ 1,599,863 | \$ 1,569,015 |
| Short-term investments | 256,882 | 219,483 |
| Deposits held by bond trustees | - | 54,905 |
| Deposits held for others | 26,016 | 24,453 |
| Accounts receivable, net of allowances of \$62,217 and \$48,096 | 383,173 | 365,308 |
| Contributions receivable, net | 67,038 | 69,610 |
| Loans to students, net of allowances of \$486 and \$369 | 10,317 | 7,364 |
| Inventories | 30,769 | 36,045 |
| Prepaid expenses and other assets | 94,562 | 89,565 |
| Investments held under securities lending program | - | 219,524 |
| Total current assets | 2,468,620 | 2,655,272 |
| Noncurrent assets: | | |
| Deposits held by bond trustees | 2,551 | 4,746 |
| Contributions receivable, net | 117,375 | 157,459 |
| Loans to students, net of allowances of \$2,247 and \$2,384 | 47,693 | 47,630 |
| Deferred bond costs, net | 6,241 | 6,748 |
| Total investment in plant, net | 3,547,803 | 3,372,005 |
| Beneficial interest in perpetual trusts | 12,891 | 12,843 |
| Investments | 3,794,668 | 3,443,905 |
| Other assets | 23,147 | - |
| Total noncurrent assets | 7,552,369 | 7,045,336 |
| Total assets | \$ 10,020,989 | \$ 9,700,608 |

See notes to consolidated financial statements.

THE PENNSYLVANIA STATE UNIVERSITY
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
LIABILITIES AND NET ASSETS
JUNE 30, 2012 AND 2011
(in thousands)

| | <u>June 30, 2012</u> | <u>June 30, 2011</u> |
|--|----------------------|----------------------|
| Current liabilities: | | |
| Accounts payable and other accrued expenses | \$ 524,705 | \$ 508,426 |
| Deferred revenue | 244,104 | 233,132 |
| Long-term debt | 44,671 | 43,016 |
| Present value of annuities payable | 5,536 | 5,397 |
| Accrued postretirement benefits | 42,470 | 37,601 |
| Liability under securities lending program | - | 219,524 |
| Total current liabilities | <u>861,486</u> | <u>1,047,096</u> |
| Noncurrent liabilities: | | |
| Deposits held in custody for others | 47,556 | 52,618 |
| Deferred revenue | 9,487 | 12,004 |
| Long-term debt | 1,108,035 | 1,146,642 |
| Present value of annuities payable | 37,631 | 39,028 |
| Accrued postretirement benefits | 1,822,429 | 1,441,442 |
| Refundable United States Government student loans | 44,478 | 43,764 |
| Other liabilities | 222,889 | 141,908 |
| Total noncurrent liabilities | <u>3,292,505</u> | <u>2,877,406</u> |
| Total liabilities | <u>4,153,991</u> | <u>3,924,502</u> |
| Net assets: | | |
| Unrestricted - | | |
| Undesignated | 1,617 | 1,591 |
| Designated for specific purposes | 2,193,627 | 2,195,213 |
| Net investment in plant | 2,044,408 | 1,913,962 |
| Total unrestricted - The Pennsylvania State University | <u>4,239,652</u> | <u>4,110,766</u> |
| Noncontrolling interest | 774 | 694 |
| Total unrestricted | 4,240,426 | 4,111,460 |
| Temporarily restricted | 482,208 | 555,375 |
| Permanently restricted | 1,144,364 | 1,109,271 |
| Total net assets | <u>5,866,998</u> | <u>5,776,106</u> |
| Total liabilities and net assets | <u>\$ 10,020,989</u> | <u>\$ 9,700,608</u> |

See notes to consolidated financial statements.

THE PENNSYLVANIA STATE UNIVERSITY
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
(in thousands)

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|--|---------------------|---------------------------|---------------------------|---------------------|
| Operating revenues and other support: | | | | |
| Tuition and fees, net of discounts of \$121,979 | \$ 1,508,843 | \$ - | \$ - | \$ 1,508,843 |
| Commonwealth of Pennsylvania - | | | | |
| Appropriations | 261,046 | - | - | 261,046 |
| Special contracts | 67,949 | - | - | 67,949 |
| Department of General Services projects | 28,142 | - | - | 28,142 |
| United States Government grants and contracts | 476,987 | - | - | 476,987 |
| Private grants and contracts | 173,401 | - | - | 173,401 |
| Gifts and pledges | 80,765 | 9,927 | - | 90,692 |
| Endowment spending | 70,843 | - | - | 70,843 |
| Other investment income | 59,303 | 553 | - | 59,856 |
| Sales and services of educational activities | 60,297 | - | - | 60,297 |
| Recovery of indirect costs | 151,452 | - | - | 151,452 |
| Auxiliary enterprises | 377,375 | - | - | 377,375 |
| Medical Center revenue | 1,261,690 | - | - | 1,261,690 |
| Other sources | 28,438 | - | - | 28,438 |
| Net assets released from restrictions | 55,669 | (55,669) | - | - |
| Total operating revenues and other support | <u>4,662,200</u> | <u>(45,189)</u> | <u>-</u> | <u>4,617,011</u> |
| Operating expenses: | | | | |
| Educational and general - | | | | |
| Instruction | 1,234,581 | - | - | 1,234,581 |
| Research | 777,752 | - | - | 777,752 |
| Public service | 101,683 | - | - | 101,683 |
| Academic support | 355,795 | - | - | 355,795 |
| Student services | 176,398 | - | - | 176,398 |
| Institutional support | 314,307 | - | - | 314,307 |
| Total educational and general | 2,960,516 | - | - | 2,960,516 |
| Auxiliary enterprises | 387,120 | - | - | 387,120 |
| Medical Center expense | 1,195,695 | - | - | 1,195,695 |
| Total operating expenses | <u>4,543,331</u> | <u>-</u> | <u>-</u> | <u>4,543,331</u> |
| Increase/(decrease) in net assets from operating activities | 118,869 | (45,189) | - | 73,680 |
| Nonoperating activities: | | | | |
| Gifts and pledges | - | - | 33,653 | 33,653 |
| Current year investment returns | 49,555 | (27,795) | 5,125 | 26,885 |
| Endowment appreciation utilized | (33,131) | - | - | (33,131) |
| Changes in funds held by others in perpetuity | - | 375 | 51 | 426 |
| Write-offs and disposals of assets | (6,407) | - | - | (6,407) |
| Actuarial adjustment on annuities payable | - | (558) | (3,736) | (4,294) |
| Increase/(decrease) in net assets from nonoperating activities | <u>10,017</u> | <u>(27,978)</u> | <u>35,093</u> | <u>17,132</u> |
| Increase/(decrease) in net assets - The Pennsylvania State University | 128,886 | (73,167) | 35,093 | 90,812 |
| Noncontrolling interest: | | | | |
| Excess of revenues over expenses | 80 | - | - | 80 |
| Increase in net assets noncontrolling interest | <u>80</u> | <u>-</u> | <u>-</u> | <u>80</u> |
| Increase/(decrease) in total net assets | 128,966 | (73,167) | 35,093 | 90,892 |
| Net assets at the beginning of the year | <u>4,111,460</u> | <u>555,375</u> | <u>1,109,271</u> | <u>5,776,106</u> |
| Net assets at the end of the year | <u>\$ 4,240,426</u> | <u>\$ 482,208</u> | <u>\$ 1,144,364</u> | <u>\$ 5,866,998</u> |

See notes to consolidated financial statements.

THE PENNSYLVANIA STATE UNIVERSITY
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011
(in thousands)

| | Unrestricted | Temporarily Restricted | Permanently Restricted | Total |
|---|---------------------|---------------------------|---------------------------|---------------------|
| Operating revenues and other support: | | | | |
| Tuition and fees, net of discounts of \$116,588 | \$ 1,432,398 | \$ - | \$ - | \$ 1,432,398 |
| Commonwealth of Pennsylvania - | | | | |
| Appropriations | 333,863 | - | - | 333,863 |
| Special contracts | 65,919 | - | - | 65,919 |
| Department of General Services projects | 46,801 | - | - | 46,801 |
| United States Government grants and contracts | 450,710 | - | - | 450,710 |
| Private grants and contracts | 170,890 | - | - | 170,890 |
| Gifts and pledges | 76,141 | 81,916 | - | 158,057 |
| Endowment spending | 65,964 | - | - | 65,964 |
| Other investment income | 50,958 | 284 | - | 51,242 |
| Sales and services of educational activities | 63,737 | - | - | 63,737 |
| Recovery of indirect costs | 145,855 | - | - | 145,855 |
| Auxiliary enterprises | 363,781 | - | - | 363,781 |
| Medical Center revenue | 1,181,732 | - | - | 1,181,732 |
| Other sources | 24,928 | - | - | 24,928 |
| Net assets released from restrictions | 40,145 | (40,145) | - | - |
| Total operating revenues and other support | <u>4,513,822</u> | <u>42,055</u> | <u>-</u> | <u>4,555,877</u> |
| Operating expenses: | | | | |
| Educational and general - | | | | |
| Instruction | 1,105,503 | - | - | 1,105,503 |
| Research | 725,306 | - | - | 725,306 |
| Public service | 98,965 | - | - | 98,965 |
| Academic support | 318,771 | - | - | 318,771 |
| Student services | 160,006 | - | - | 160,006 |
| Institutional support | 270,982 | - | - | 270,982 |
| Total educational and general | 2,679,533 | - | - | 2,679,533 |
| Auxiliary enterprises | 316,617 | - | - | 316,617 |
| Medical Center expense | 1,144,462 | - | - | 1,144,462 |
| Total operating expenses | <u>4,140,612</u> | <u>-</u> | <u>-</u> | <u>4,140,612</u> |
| Increase in net assets from operating activities | 373,210 | 42,055 | - | 415,265 |
| Nonoperating activities: | | | | |
| Gifts and pledges | - | - | 77,867 | 77,867 |
| Current year investment returns | 162,243 | 177,541 | 6,190 | 345,974 |
| Endowment appreciation utilized | (28,539) | - | - | (28,539) |
| Changes in funds held by others in perpetuity | - | 712 | 1,419 | 2,131 |
| Write-offs and disposals of assets | (4,853) | - | - | (4,853) |
| Actuarial adjustment on annuities payable | - | (2,503) | (10,926) | (13,429) |
| Increase in net assets from nonoperating activities | <u>128,851</u> | <u>175,750</u> | <u>74,550</u> | <u>379,151</u> |
| Increase in net assets - The Pennsylvania State University | 502,061 | 217,805 | 74,550 | 794,416 |
| Noncontrolling interest: | | | | |
| Excess of revenues over expenses | 37 | - | - | 37 |
| Increase in net assets noncontrolling interest | <u>37</u> | <u>-</u> | <u>-</u> | <u>37</u> |
| Increase in total net assets | 502,098 | 217,805 | 74,550 | 794,453 |
| Net assets at the beginning of the year | <u>3,609,362</u> | <u>337,570</u> | <u>1,034,721</u> | <u>4,981,653</u> |
| Net assets at the end of the year | <u>\$ 4,111,460</u> | <u>\$ 555,375</u> | <u>\$ 1,109,271</u> | <u>\$ 5,776,106</u> |

See notes to consolidated financial statements.

THE PENNSYLVANIA STATE UNIVERSITY
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011
(in thousands)

| | <u>June 30, 2012</u> | <u>June 30, 2011</u> |
|---|----------------------|----------------------|
| Cash flows from operating activities: | | |
| Increase in net assets | \$ 90,892 | \$ 794,453 |
| Adjustments to reconcile change in net assets to net cash provided by operating activities: | | |
| Actuarial adjustment on annuities payable | 4,294 | 13,428 |
| Contributions restricted for long-term investment | (97,224) | (156,224) |
| Interest and dividends restricted for long-term investment | (23,206) | (32,233) |
| Net realized and unrealized gains on long-term investments | (37,231) | (352,737) |
| Depreciation expense | 242,531 | 223,642 |
| Amortization expense | 505 | 563 |
| Loss on early extinguishment of debt | 567 | 803 |
| Write-offs and disposals of assets | 6,407 | 4,961 |
| Contributions of land, buildings and equipment | (2,755) | (2,787) |
| Buildings and equipment provided by Pennsylvania Department of General Services | - | (16) |
| Contribution to government student loan funds | 154 | 154 |
| Provision for bad debts | 57,555 | 56,920 |
| (Increase)/decrease in deposits held for others | (1,563) | 1,520 |
| Increase in receivables | (44,410) | (44,620) |
| (Increase)/decrease in inventories | 4,821 | (4,171) |
| Increase in prepaid expenses and other assets | (4,164) | (10,815) |
| Increase/(decrease) in accounts payable and other accrued expenses | 125,353 | (1,328) |
| Increase in deferred revenue | 8,424 | 7,961 |
| Increase in accrued postretirement benefits | 385,855 | 188,256 |
| Net cash provided by operating activities | 716,805 | 687,730 |
| Cash flows from investing activities: | | |
| Purchase of land, buildings and equipment | (402,654) | (424,404) |
| Decrease in deposits held by bond trustees | 57,100 | 138,366 |
| Advances on student loans | (10,482) | (7,809) |
| Collections on student loans | 7,025 | 7,881 |
| Decrease in investments held under securities lending program | 219,524 | 30,435 |
| Decrease in liability under securities lending program | (219,524) | (30,435) |
| Purchase of investments | (34,460,283) | (40,211,674) |
| Proceeds from sale of investments | 34,056,053 | 40,047,416 |
| Net cash used in investing activities | (753,241) | (450,224) |
| Cash flows from financing activities: | | |
| Contributions restricted for long-term investment | 95,934 | 156,224 |
| Interest and dividends restricted for long-term investment | 23,206 | 32,233 |
| Payments of annuity obligations | (5,558) | (5,419) |
| Proceeds from issuance of bonds | 26,256 | 39,276 |
| Bond issuance costs | (301) | (399) |
| Principal payments on notes, bonds and capital leases | (72,864) | (94,516) |
| Proceeds related to government student loan funds, net of collection costs | 611 | 624 |
| Net cash provided by financing activities | 67,284 | 128,023 |
| Net increase in cash and cash equivalents | 30,848 | 365,529 |
| Cash and cash equivalents at the beginning of the year | 1,569,015 | 1,203,486 |
| Cash and cash equivalents at the end of the year | \$ 1,599,863 | \$ 1,569,015 |

Supplemental disclosures of cash flow information (Note 2)

See notes to consolidated financial statements.

THE PENNSYLVANIA STATE UNIVERSITY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED JUNE 30, 2012 AND 2011

1. THE UNIVERSITY AND RELATED ENTITIES

The Pennsylvania State University (“the University”), which was created as an instrumentality of the Commonwealth of Pennsylvania (“the Commonwealth” or “Pennsylvania”), is organized as a non-profit corporation under the laws of the Commonwealth. As Pennsylvania’s land grant university, the University is committed to improving the lives of the people of Pennsylvania, the nation and the world through its integrated, tri-part mission of high-quality teaching, research and outreach.

Basis of Presentation

The financial statements of the University include, on a consolidated basis, the combined financial statements of The Milton S. Hershey Medical Center (“TMSHMC” or “Medical Center”), a not-for-profit corporation and Penn State Hershey Health System, Inc. (“Health System”) and The Corporation for Penn State and its subsidiaries (“the Corporation”). See Note 11 for additional information about TMSHMC and the Health System. The Corporation is a non-profit member corporation organized in 1985 for the exclusive purpose of benefiting and promoting the interests of the University, the Corporation’s sole member. The Corporation’s financial statements consist primarily of the assets and revenues of The Pennsylvania College of Technology (“Penn College”), a wholly-owned subsidiary of the Corporation. All significant transactions between the University, TMSHMC and the Corporation have been eliminated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The University’s consolidated financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP). The Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) is the source of authoritative GAAP.

The University’s consolidated financial statements include statements of financial position, activities and cash flows. In accordance with FASB ASC requirements, net assets and the changes in net assets are classified as permanently restricted, temporarily restricted or unrestricted.

Permanently restricted net assets consist primarily of the historical amounts of endowed gifts. Additionally, contributions receivable and remainder interests, which are required by donors to be permanently retained, are included at their estimated net present values.

Temporarily restricted net assets consist of contributions receivable and remainder interests whose ultimate use is not permanently restricted. In addition, the excess of current market value over the historical cost of permanently restricted endowments is classified as temporarily restricted net assets.

Unrestricted net assets are all the remaining net assets of the University. Net unrealized losses on permanently restricted endowment funds for which historical cost exceeds market value are recorded as a reduction to unrestricted net assets.

Revenue from temporarily restricted sources is reclassified as unrestricted revenue when the circumstances of the restriction have been fulfilled. Donor-restricted revenues whose restrictions are met within the same fiscal year are reported as unrestricted income.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts on the financial statements and the disclosure of contingencies and commitments. Actual results could differ from those estimates.

Revenue Recognition

Tuition revenue is recognized in the fiscal year in which the substantial portion of the educational term occurs. Institutional financial aid provided by the University for tuition and fees is reflected as a reduction of tuition and fee revenue. Revenues for auxiliary enterprises are recognized as the related goods and services are delivered and rendered. Grant revenues are recognized as the eligible grant activities are conducted. Payments received in advance for tuition, goods and services are deferred.

Unconditional promises to give are recognized as revenues and receivables in the year made and consist of written or oral promises to contribute to the University in the future. Contributions receivable are recorded with the revenue assigned to the appropriate category of restriction. The amounts are present valued based on timing of expected collections.

TMSHMC and Health System have agreements with third-party payors that provide for payments to TMSHMC and Health System at amounts different from their established rates. Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges and per diem payments. Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors. Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted in future periods as final settlements are determined or such estimates change.

TMSHMC provides care to patients who meet certain criteria under its charity care policy without charge or at amounts less than established rates. The Medical Center does not pursue collection of amounts determined to qualify as charity care, they are not reported as net patient service revenue. The amounts of direct and indirect costs for services and supplies furnished under the Medical Center's charity care policy totaled approximately \$17.6 million and \$12.5 million for the years ended June 30, 2012 and 2011, respectively and is based on a ratio of the Medical Center's operational costs to its gross charges. The amount of charges forgone for services and supplies furnished under the Medical Center's charity policy during 2012 and 2011 totaled approximately \$51.7 million and \$35.4 million, respectively.

Fair Value of Financial Instruments

The University has provided fair value estimates for certain financial instruments in the notes to the financial statements. Fair value information presented in the financial statements is based on information available at June 30, 2012 and 2011. The carrying amounts of cash and cash equivalents, accounts receivable and accounts payable and other accrued expenses approximate fair value because of the terms and relatively short maturity of these financial instruments. The carrying values of the University's loans to students are also reasonable estimates of their fair value, as the total outstanding loans to students as of June 30, 2012 and 2011 have been made at the rates available to students for similar loans at such times. Investments are reported at fair value as disclosed in Note 3. The fair value of the University's bonds payable is disclosed in Note 7. See Note 5 for further discussion of fair value measurements.

Cash Flows

The following items are included as supplemental disclosure to the statements of cash flows for the years ended June 30:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|--|-------------|-------------|
| Interest paid | \$ 48,569 | \$ 50,862 |
| Taxes paid | 1,500 | 102 |
| Non-cash acquisitions of land, buildings and equipment | 11,638 | 10,371 |

Cash and cash equivalents include certain investments in highly liquid instruments with initial maturities of 90 days or less, except for such assets held by the University's investment managers as part of their long-term investment strategies. Short-term investments include other current investments held for general operating purposes with maturities greater than three months but less than 12 months.

Accounts Receivable

Accounts receivable, net at June 30 consists of the following:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|--|-------------------|-------------------|
| Grants and contracts, net of allowance of \$1,241 and \$1,260 | \$ 149,397 | \$ 141,503 |
| Patient accounts receivable, net of allowance of \$51,544 and \$39,142 | 146,034 | 133,145 |
| Student receivables, net of allowance of \$5,418 and \$4,258 | 42,805 | 34,053 |
| Investment and interest receivable | 16,967 | 30,558 |
| Other, net of allowance of \$4,014 and \$3,436 | 27,970 | 26,049 |
| Total accounts receivable, net | <u>\$ 383,173</u> | <u>\$ 365,308</u> |

The University maintains allowances for doubtful accounts to reflect management's best estimate of probable losses inherent in receivable balances. Management determines the allowances for doubtful accounts based on known factors, historical experience, and other currently available evidence. Receivables are written off when management determines they will not be collected.

Related to patient accounts receivable associated with services provided to patients who have third-party coverage, management analyzes contractually due amounts and provides an allowance for doubtful accounts (for example, for expected uncollectible deductibles and copayments or for payors who are known to be having financial difficulties that make the realization of amounts due unlikely). For receivables from self-pay patients the Medical Center and Health System records a provision for bad debts in the period of service on the basis of its past experience, which indicates that many patients are unable or unwilling to pay the portion of their bill for which they are financially responsible. In estimating the allowance for doubtful accounts, account age is taken into consideration. The difference between the standard rates (or the discounted rates if negotiated) and the amounts actually collected after all reasonable collection efforts have been exhausted is charged off against the allowance for doubtful accounts. The increase in the allowance for doubtful accounts for patient accounts receivable for 2012 reflects a higher volume of services to self-pay patients, as well as a deterioration in the collection rate of self-pay accounts. For the years ended June 30, 2012 and 2011, revenues from third-party payors and self-pay patients represents approximately 98% and 2%, respectively, of patient service revenues net of contractual allowances.

Loans to Students

Loans to students are disbursed to qualified students based on need and include loans granted by the University from institutional resources and under federal government loan programs. Students have a grace period until repayment is required based upon the earlier of graduation or no longer achieving at least half-time enrollment status. The grace period varies depending on the type of loan. Loans accrue interest after the grace period and are repaid directly to the University. Loans to students are uncollateralized and carry default risk. At June 30, 2012 and 2011, respectively, student loans represent 0.6% of total assets.

The availability of funds for loans under federal government revolving loan programs is dependent on reimbursements to the pool from repayments of outstanding loans. Funds advanced by the federal government of \$44.5 million and \$43.8 million at June 30, 2012 and 2011, respectively, are ultimately refundable to the government and are classified as liabilities in the consolidated statements of financial position. Outstanding loans cancelled under the program result in a reduction of the funds available to loan and a decrease in the liability to the federal government.

At June 30, 2012 and 2011, loans to students consisted of the following:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|--|------------------|------------------|
| Loans to students: | | |
| Federal government loan programs: | | |
| Perkins loan program | \$ 42,294 | \$ 41,508 |
| Health Professions Student Loans and Loans for Disadvantaged Students | <u>285</u> | <u>377</u> |
| Federal government loan programs | 42,579 | 41,885 |
| Institutional loan programs | <u>18,164</u> | <u>15,862</u> |
| | 60,743 | 57,747 |
| Less allowance for doubtful accounts: | | |
| Balance, beginning of year | (2,753) | (3,043) |
| Provision for doubtful accounts | <u>20</u> | <u>290</u> |
| Balance, end of year | <u>(2,733)</u> | <u>(2,753)</u> |
| Loans to students, net | <u>\$ 58,010</u> | <u>\$ 54,994</u> |

Allowances for doubtful accounts are established based on prior collection experience and current economic factors which, in management's judgment, could influence the ability of loan recipients to repay the amounts according to the terms of the loan. Further, the University does not evaluate credit quality of student loans receivable after the initial approval of the loan. Loans to students are considered past due when payment is not received by the due date, and interest continues to accrue until the loan is paid in full or written off. When loans to students are deemed uncollectible, an allowance for doubtful accounts is established.

The University considers the age of the amounts outstanding in determining the collectability of loans to students. The aging of the loans to students based on days delinquent and the related allowance for doubtful accounts at June 30, 2012 and 2011 are as follows:

(in thousands of dollars)

| | <u>30 days or less</u> | <u>31-60 days</u> | <u>61-90 days</u> | <u>Over 91 days</u> | <u>Total</u> |
|---------------------------------------|----------------------------|-------------------|-------------------|-------------------------|------------------|
| <u>2012</u> | | | | | |
| Loans to students: | | | | | |
| Federal government loan programs | \$ 41,069 | \$ 506 | \$ 111 | \$ 893 | \$ 42,579 |
| Institutional loan programs | <u>17,781</u> | <u>173</u> | <u>28</u> | <u>182</u> | <u>18,164</u> |
| Total loans to students | <u>58,850</u> | <u>679</u> | <u>139</u> | <u>1,075</u> | <u>60,743</u> |
| Allowance for doubtful accounts: | | | | | |
| Federal government loan programs | | | | | (1,562) |
| Institutional loan programs | | | | | <u>(1,171)</u> |
| Total allowance for doubtful accounts | | | | | <u>(2,733)</u> |
| Total loans to students, net | | | | | <u>\$ 58,010</u> |

(in thousands of dollars)

| | <u>30 days or less</u> | <u>31-60 days</u> | <u>61-90 days</u> | <u>Over 91 days</u> | <u>Total</u> |
|---------------------------------------|----------------------------|-------------------|-------------------|-------------------------|------------------|
| <u>2011</u> | | | | | |
| Loans to students: | | | | | |
| Federal government loan programs | \$ 40,470 | \$ 603 | \$ 48 | \$ 764 | \$ 41,885 |
| Institutional loan programs | <u>15,358</u> | <u>273</u> | <u>42</u> | <u>189</u> | <u>15,862</u> |
| Total loans to students | <u>55,828</u> | <u>876</u> | <u>90</u> | <u>953</u> | <u>57,747</u> |
| Allowance for doubtful accounts: | | | | | |
| Federal government loan programs | | | | | (1,771) |
| Institutional loan programs | | | | | <u>(982)</u> |
| Total allowance for doubtful accounts | | | | | <u>(2,753)</u> |
| Total loans to students, net | | | | | <u>\$ 54,994</u> |

Inventories

Inventories are stated at the lower of cost or market, generally on the first-in, first-out basis..

Investments

The University's noncurrent investments represent the University's endowment and other investments held for general operating purposes. The University's investments are reported at fair value in the accompanying financial statements. Investments in equity securities with readily determinable fair values and all investments in debt securities are reported at fair values with gains and losses included in the consolidated statements of activities. In the management of investments, the University authorizes certain investment managers to purchase derivative securities to attain a desired market position; and the University may directly invest in derivative securities to attain a desired market position. The University does not trade or issue derivative financial instruments other than through the investment management practices noted above. The University records derivative securities at fair value with gains and losses reflected in the consolidated statements of activities.

The estimated fair value amounts for marketable debt, equity and fixed income securities held by the University have been reviewed by the University and determined using available market information as supplied by the various financial institutions that act as trustees or custodians for the University. For non-liquid holdings, generally limited partnership investments in private real estate, venture capital, private equity, natural resources, and private debt, estimated fair value is determined based upon financial information provided by the general partner. This financial information includes assumptions and methods that were reviewed by University management. The University believes that the estimated fair value is a reasonable estimate of market value as of June 30, 2012 and 2011. Because the limited partnerships are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market existed, and such differences could be material.

Income on operating investments and income used for the annual distribution under the annual spending policy for endowments are reported in operating revenues within the consolidated statement of activities.

Beneficial Interest in Perpetual Trusts

The University is the beneficiary of certain perpetual trusts held and administered by outside trustees. The fair value of these trust assets has been recorded as permanently restricted net assets and related beneficial interest in perpetual trusts in the consolidated financial statements.

Investment in Plant

Total investment in plant as of June 30 is comprised of the following:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|-----------------------------------|---------------------|---------------------|
| Land | \$ 115,127 | \$ 110,409 |
| Buildings | 4,740,770 | 4,449,942 |
| Improvements other than buildings | 534,029 | 502,542 |
| Equipment | <u>1,032,923</u> | <u>979,857</u> |
| Total plant | 6,422,849 | 6,042,750 |
| Less accumulated depreciation | <u>(2,875,046)</u> | <u>(2,670,745)</u> |
| Total investment in plant, net | <u>\$ 3,547,803</u> | <u>\$ 3,372,005</u> |

The value of land, buildings, and equipment is recorded at cost or, if received as gifts, at fair value at date of gift. The University does not capitalize the cost of library books. Depreciation is computed over the estimated useful lives of the assets using the straight-line method. Useful lives range from 10 to 50 years for buildings, 10 to 20 years for improvements other than buildings, and 3 to 20 years for equipment. Depreciation expense was \$242.5 million and \$223.6 million for the fiscal years ended June 30, 2012 and 2011, respectively. The University has certain building and equipment lease agreements in effect which are considered capital leases that are included as long-term debt in the statements of financial position. These leases have been capitalized at the net present value of the minimum lease payments. Buildings and equipment held under capital leases are amortized on a straight-line basis over the shorter of the lease term or the estimated useful life of the asset. The capitalized cost and accumulated depreciation of the leases at June 30, 2012 and 2011 was \$108.3 million and \$33.4 million, and \$101.8 million and \$27.6 million, respectively.

Accounts Payable and Other Accrued Expenses

Accounts payable and other accrued expenses at June 30 consist of the following:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|---|-------------------|-------------------|
| Accounts payable (non-Medical Center) | \$ 246,127 | \$ 252,661 |
| Medical Center accounts payable and other accrued expenses | 177,063 | 151,293 |
| Accrued payroll and other related liabilities | 82,211 | 86,310 |
| Accrued bond interest | 14,398 | 13,294 |
| Student deposits | <u>4,906</u> | <u>4,868</u> |
| Total accounts payable and other accrued expenses | <u>\$ 524,705</u> | <u>\$ 508,426</u> |

Asset Retirement Obligations

Under ASC 410-20, *Asset Retirement and Environmental Obligations – Asset Retirement Obligations*, organizations must accrue for costs related to legal obligations to perform certain activities in connection with retirement, disposal, or abandonment of assets. The obligation to perform the asset retirement activity is not conditional even though the timing or method may be conditional.

The University has identified asbestos abatement and the decommissioning of the Breazeale Nuclear Reactor as conditional asset retirement obligations. These obligations are reported as part of other noncurrent liabilities within the consolidated statement of financial position. The following table details the change in liabilities for the years ended June 30:

| | <i>(in thousands of dollars)</i> |
|-----------------------------|----------------------------------|
| Balance as of June 30, 2010 | \$ 57,463 |
| Accretion expense | 4,780 |
| Liabilities settled | <u>(1,973)</u> |
| Balance as of June 30, 2011 | 60,270 |
| Accretion expense | 5,430 |
| Liabilities settled | <u>(3,766)</u> |
| Balance as of June 30, 2012 | <u>\$ 61,934</u> |

Annuities Payable

Annuities payable consist of annuity payments currently due and the actuarial amount of annuities payable. The actuarial amount of annuities payable is the present value of the aggregate liability for annuity payments over the expected lives of the beneficiaries.

Income Taxes

The University files U.S. federal and state tax returns. The statute of limitations on the University's federal returns generally remains open for three years following the year they are filed. In accordance with ASC 740 Income Taxes Topic, the University continues to evaluate tax positions and has determined there is no material impact on the University financial statements.

Recent Accounting Pronouncements

In August 2010, the FASB issued ASU 2010-24, *Health Care Entities (Topic 954): Presentation of Insurance Claims and Related Insurance Recoveries*, which clarifies that a health care entity should not net insurance recoveries against a related claim. The adoption, effective July 1, 2011, had no impact on financial condition, results of operations or cash flows. An insurance recovery receivable was recorded as of June 30, 2012 in the amount of \$23.0 million with \$2.8 million included in prepaid expense and other assets and \$20.2 million in other noncurrent assets with a corresponding increase to accrued malpractice loss reserves included in other liabilities.

In July 2010, the FASB issued ASU 2010-23, *Health Care Entities (Topic 954): Measuring Charity Care for Disclosure a consensus of the FASB Emerging Issues Task Force*, which prescribes specific measurement basis of charity care for disclosure. The adoption, effective July 1, 2011, had no impact on financial condition, results of operations or cash flows.

In July 2011, the FASB issued ASU 2011-07, *Health Care Entities (Topic 954): Presentation and Disclosure of Patient Service Revenue, Provision for Bad Debts, and the Allowance for Doubtful Accounts for Certain Health Entities*, which requires health care entities to present the provision for doubtful accounts related to patient service revenue as a deduction from patient service revenue in the statement of operations and changes in net assets rather than as an operating expense. Additional disclosures relating to sources of patient revenue and the allowance for doubtful accounts related to patient accounts receivable are also required. Such disclosures are shown within the accounts receivable section of this footnote. The University has adopted these provisions of ASU 2011-07 effective June 30, 2012. The adoption of this ASU had no impact on financial condition, results of operations or cash flows.

In September 2011, the FASB issued ASU 2011-08, *Intangibles – Goodwill and Other (Topic 350): Testing Goodwill for Impairment*, which permits an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two step goodwill impairment test described in Topic 350. The guidance provided in this ASU is effective for annual tests performed for fiscal years beginning after December 15, 2011. The adoption of this standard on July 1, 2012 is not expected to have any impact on financial condition, results of operations or cash flows.

3. INVESTMENTS

Investments by major category as of June 30 are summarized as follows:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|---|---------------------|---------------------|
| Money markets | \$ 251,782 | \$ 172,027 |
| Fixed income: | | |
| U.S. government/agency | 1,230,097 | 892,659 |
| U.S. corporate | 639,456 | 524,413 |
| Foreign | 219,852 | 188,741 |
| Other | 108,140 | 306,152 |
| Equities | 887,826 | 918,265 |
| Private capital | 714,397 | 661,131 |
| Investments held under securities lending program | - | 219,524 |
| Total | <u>\$ 4,051,550</u> | <u>\$ 3,882,912</u> |

Other fixed income investments consist of collateralized mortgage obligations, mortgage-backed securities and asset-backed securities. Equity investments are comprised of domestic and foreign common stocks. Private capital consists primarily of interests in private real estate, venture capital, private equity, natural resources, private debt, and hedge fund limited partnerships.

Futures contracts, which are fully cash collateralized, comprise the University's directly held derivative instruments at June 30, 2012 and 2011, respectively, are marked to market daily and are included in the fair

value of the University's investments. The fair value of derivative instruments is included in the fair value of the University's investments within the money market category. Futures contracts have minimal credit risk because the counterparties are the exchanges themselves. Fully cash collateralized derivative securities comprised approximately 4.3% and 2.8% of total investments at June 30, 2012 and 2011.

Through an agreement with its primary investment custodian, the University participated in lending securities to brokers. Collateral was generally limited to cash, government securities, and irrevocable letters of credit. Both the investment custodian and the security borrowers had the right to terminate a specific loan of securities at any time. The University received lending fees and continued to earn interest and dividends on the loaned securities. At June 30 2011, the University held \$219.5 million of short-term highly liquid investments as collateral deposits for the securities lending program. The collateral is included as an asset and the obligation to return such collateral is presented as a liability in the consolidated statements of financial position. The securities on loan had an estimated fair value of \$214.5 million at June 30, 2011. Effective September 7, 2011, the University is no longer participating in the securities lending program.

The following schedules summarize the investment return and its classification in the consolidated statement of activities for the years ended June 30:

| <i>(in thousands of dollars)</i> | | Temporarily Restricted | Permanently Restricted | Total |
|----------------------------------|---------------------|---------------------------|---------------------------|-------------------|
| <u>2012</u> | <u>Unrestricted</u> | | | |
| Dividends and interest | \$ 97,015 | \$ 553 | \$ 5,125 | \$ 102,693 |
| Net realized gains/(losses) | 44,212 | (12,172) | - | 32,040 |
| Net unrealized gains/(losses) | 5,343 | (15,623) | - | (10,280) |
| Total returns | <u>\$ 146,570</u> | <u>\$ (27,242)</u> | <u>\$ 5,125</u> | <u>\$ 124,453</u> |
| <i>(in thousands of dollars)</i> | | Temporarily Restricted | Permanently Restricted | Total |
| <u>2011</u> | <u>Unrestricted</u> | | | |
| Dividends and interest | \$ 88,383 | \$ 284 | \$ 6,190 | \$ 94,857 |
| Net realized gains | 75,676 | 14,060 | - | 89,736 |
| Net unrealized gains | 86,567 | 163,481 | - | 250,048 |
| Total returns | <u>\$ 250,626</u> | <u>\$ 177,825</u> | <u>\$ 6,190</u> | <u>\$ 434,641</u> |

4. ENDOWMENT NET ASSETS

The University's endowment includes both donor-restricted endowment funds and funds designated to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The ASC Not-for-Profit Entities Presentation of Financial Statements Subtopic (ASC Subtopic 958-205) provides guidance on the net asset classification of donor-restricted endowment funds for not-for-profit organizations subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") and improves disclosure about an organization's endowment funds regardless of whether the organization is subject to UPMIFA. The Commonwealth of Pennsylvania has not adopted UPMIFA but rather has enacted Pennsylvania Act 141 ("PA Act 141"). PA Act 141 permits an organization's trustees to define income as a stipulated percentage of endowment assets (between 2% and 7% of the fair value of the assets averaged over a period of at least three preceding years) without regard to actual interest, dividend, or realized and unrealized gains.

The University has interpreted PA Act 141 to permit the University to spend the earnings of its endowment based on a total return approach, without regard to the fair value of the original gift. As a result of this interpretation, the University classifies as permanently restricted net assets the original value of gifts donated to the permanent endowment, the original value of subsequent gifts to the permanent endowment, and accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Funds functioning as endowments are established at the direction of University management and are classified as unrestricted net assets due

to the lack of external donor restrictions. Gains and losses attributable to permanent endowments are recorded as temporarily restricted net assets and gains and losses attributable to funds functioning as endowments are recorded as unrestricted net assets.

From time to time, due to unfavorable market fluctuations, the fair value of some assets associated with individual donor-restricted endowment funds may fall below the level that donors require to be retained as a perpetual fund, while other assets are unaffected to the same extent and maintain or exceed the level required. The aggregate amount of deficiencies at June 30, 2012 and 2011 was \$4.9 million and \$3.3 million, respectively, reported in unrestricted net assets on the consolidated statement of activities. Subsequent investment gains will be used to restore the balance up to the fair market value of the original gift. Subsequent gains above that amount will be recorded as temporarily restricted net assets.

Endowment net asset composition by type of fund as of June 30:

| <i>(in thousands of dollars)</i> | | Temporarily | Permanently | |
|----------------------------------|---------------------|-------------------|---------------------|---------------------|
| <u>2012</u> | <u>Unrestricted</u> | <u>Restricted</u> | <u>Restricted</u> | <u>Total</u> |
| Donor-restricted endowment funds | \$ (4,935) | \$ 284,539 | \$ 1,001,580 | \$ 1,281,184 |
| Funds functioning as endowments | <u>491,737</u> | <u>-</u> | <u>-</u> | <u>491,737</u> |
| Total net assets | <u>\$ 486,802</u> | <u>\$ 284,539</u> | <u>\$ 1,001,580</u> | <u>\$ 1,772,921</u> |

| <i>(in thousands of dollars)</i> | | Temporarily | Permanently | |
|----------------------------------|---------------------|-------------------|-------------------|---------------------|
| <u>2011</u> | <u>Unrestricted</u> | <u>Restricted</u> | <u>Restricted</u> | <u>Total</u> |
| Donor-restricted endowment funds | \$ (3,261) | \$ 314,769 | \$ 951,006 | \$ 1,262,514 |
| Funds functioning as endowments | <u>475,329</u> | <u>-</u> | <u>-</u> | <u>475,329</u> |
| Total net assets | <u>\$ 472,068</u> | <u>\$ 314,769</u> | <u>\$ 951,006</u> | <u>\$ 1,737,843</u> |

Changes in endowment net assets for the years ended June 30:

| <i>(in thousands of dollars)</i> | | Temporarily | Permanently | |
|---|---------------------|-------------------|---------------------|---------------------|
| <u>2012</u> | <u>Unrestricted</u> | <u>Restricted</u> | <u>Restricted</u> | <u>Total</u> |
| Endowment net assets, beginning of the year | \$ 472,068 | \$ 314,769 | \$ 951,006 | \$ 1,737,843 |
| Endowment return: | | | | |
| Endowment earnings | 37,712 | 74 | 3,109 | 40,895 |
| Net realized gains/(losses) | 33,131 | (12,229) | - | 20,902 |
| Net unrealized losses | (4,444) | (20,754) | - | (25,198) |
| Reclassification of funds with deficiencies | <u>(1,674)</u> | <u>1,674</u> | <u>-</u> | <u>-</u> |
| Total endowment return | <u>64,725</u> | <u>(31,235)</u> | <u>3,109</u> | <u>36,599</u> |
| Contributions | - | 1,005 | 47,465 | 48,470 |
| Endowment spending | (70,843) | - | - | (70,843) |
| Transfers to create funds functioning as endowments | <u>20,852</u> | <u>-</u> | <u>-</u> | <u>20,852</u> |
| Endowment net assets, end of the year | <u>\$ 486,802</u> | <u>\$ 284,539</u> | <u>\$ 1,001,580</u> | <u>\$ 1,772,921</u> |

| <i>(in thousands of dollars)</i> | | Temporarily Restricted | Permanently Restricted | Total |
|--|---------------------|---------------------------|---------------------------|---------------------|
| 2011 | <u>Unrestricted</u> | | | |
| Endowment net assets, beginning of the year | \$ 329,679 | \$ 157,325 | \$ 863,312 | \$ 1,350,316 |
| Endowment return: | | | | |
| Endowment earnings | 37,425 | 48 | 3,081 | 40,554 |
| Net realized gains | 28,539 | 13,318 | - | 41,857 |
| Net unrealized gains | 66,659 | 171,629 | - | 238,288 |
| Reclassification of funds with deficiencies | <u>28,401</u> | <u>(28,401)</u> | - | - |
| Total endowment return | <u>161,024</u> | <u>156,594</u> | <u>3,081</u> | <u>320,699</u> |
| Contributions | - | 850 | 84,613 | 85,463 |
| Endowment spending | (65,964) | - | - | (65,964) |
| Transfers to create funds functioning as endowments | <u>47,329</u> | - | - | <u>47,329</u> |
| Endowment net assets, end of the year | <u>\$ 472,068</u> | <u>\$ 314,769</u> | <u>\$ 951,006</u> | <u>\$ 1,737,843</u> |

The University has adopted investment and spending policies for endowment assets that attempt to provide a relatively predictable stream of funding to programs supported by its endowment while seeking to maintain, over time, the purchasing power of the endowment assets. The overall management objective for the University's pooled endowment funds is to preserve or grow the real (inflation-adjusted) purchasing power of the assets through a prudent long-term investment strategy. This objective would be achieved on a total return basis. Under these policies, as approved by the Board of Trustees and the Penn State Investment Council, the primary investment objective of the University's pooled endowment is to attain a real total return (net of investment management fees) that at least equals a total annual effective spending rate of 5.25% (program spending of 4.5% plus administrative costs of 0.75%) over the long term.

To satisfy its long-term rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints. The endowment assets of the University are invested in a broad range of equities and fixed income securities, thereby limiting the market risk exposure in any one institution or individual investment.

The University has a policy of appropriating for distribution each year a certain percentage (4.5% for 2012 and 2011) of its pooled endowment fund's average fair market value over the prior five years preceding the fiscal year in which the distribution is planned. Accordingly, over the long term, the University expects the current spending policy to allow its endowment to provide generous current spending while preserving "intergenerational equity". This is consistent with the University's objective to maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment returns.

5. FAIR VALUE MEASUREMENTS

The University utilizes the following fair value hierarchy, which prioritizes into three broad levels, the inputs to valuation techniques used to measure fair value:

Level 1 – Quoted prices (unadjusted) for identical assets or liabilities in active markets as of the measurement date;

Level 2 – Inputs other than unadjusted quoted prices that are observable for the asset or liability, directly or indirectly, including quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived from observable market data by correlation or other means.

Level 3 – Unobservable inputs that cannot be corroborated by observable market data.

In instances in which the inputs used to measure fair value fall into different levels of the fair value hierarchy, the fair value measurement has been determined based on the lowest level input that is significant to the fair value measurement in its entirety. The University's assessment of significance of a particular item to the fair value measurement in its entirety requires judgment, including consideration of inputs specific to the asset.

The following table presents information as of June 30, 2012 about the University's financial assets and liabilities that are measured at fair value on a recurring basis:

| <i>(in thousands of dollars)</i> | Quoted Prices in Active Markets For Identical Assets <u>Level 1</u> | Significant Other Observable Inputs <u>Level 2</u> | Significant Unobservable Inputs <u>Level 3</u> | Total <u>Fair Value</u> |
|---|---|--|---|----------------------------|
| Assets: | | | | |
| Long-term Investment Pool: | | | | |
| Money markets | \$ - | \$ 228,931 | \$ - | \$ 228,931 |
| Fixed income | | | | |
| U.S. government/agency | 108,848 | 11,700 | - | 120,548 |
| U.S. corporate | 4,263 | 84,240 | - | 88,503 |
| Foreign | 17,930 | 43,471 | - | 61,401 |
| Other | - | 7,465 | - | 7,465 |
| Equities | 600,109 | 208,043 | - | 808,152 |
| Private capital | - | 100,177 | 607,407 | 707,584 |
| Total | <u>\$ 731,150</u> | <u>\$ 684,027</u> | <u>\$ 607,407</u> | <u>\$ 2,022,584</u> |
| Operating investments: | | | | |
| Money markets | \$ 22,635 | \$ 216 | \$ - | \$ 22,851 |
| Fixed income | | | | |
| U.S. government/agency | 607,895 | 501,529 | 125 | 1,109,549 |
| U.S. corporate | 9,661 | 541,292 | - | 550,953 |
| Foreign | 3,679 | 154,772 | - | 158,451 |
| Other | - | 98,207 | 2,468 | 100,675 |
| Equities | 77,435 | 867 | 1,372 | 79,674 |
| Private capital | - | - | 6,813 | 6,813 |
| Total | <u>\$ 721,305</u> | <u>\$ 1,296,883</u> | <u>\$ 10,778</u> | <u>\$ 2,028,966</u> |
| Deposits held by bond trustees: | | | | |
| Fixed income | | | | |
| U.S. government/agency | \$ - | \$ 2,551 | - | \$ 2,551 |
| Total | <u>\$ -</u> | <u>\$ 2,551</u> | <u>\$ -</u> | <u>\$ 2,551</u> |
| Beneficial interest in perpetual trusts | | | | |
| | \$ - | \$ - | \$ 12,891 | \$ 12,891 |
| Liabilities: | | | | |
| Present value of annuities payable | \$ - | \$ - | \$ 43,167 | \$ 43,167 |

The following table presents information as of June 30, 2011 about the University's financial assets and liabilities that are measured at fair value on a recurring basis:

| <i>(in thousands of dollars)</i> | Quoted Prices in Active Markets For Identical Assets <u>Level 1</u> | Significant Other Observable Inputs <u>Level 2</u> | Significant Unobservable Inputs <u>Level 3</u> | Total <u>Fair Value</u> |
|---|---|--|---|----------------------------|
| Assets: | | | | |
| Long-term Investment Pool: | | | | |
| Money markets | \$ 4,897 | \$ 124,806 | \$ - | \$ 129,703 |
| Fixed income | | | | |
| U.S. government/agency | 68,454 | 23,580 | - | 92,034 |
| U.S. corporate | 3,388 | 103,733 | - | 107,121 |
| Foreign | 1,004 | 42,186 | - | 43,190 |
| Other | - | 13,770 | - | 13,770 |
| Equities | 578,847 | 262,730 | - | 841,577 |
| Private capital | - | 134,587 | 520,605 | 655,192 |
| Total | <u>\$ 656,590</u> | <u>\$ 705,392</u> | <u>\$ 520,605</u> | <u>\$ 1,882,587</u> |
| Operating investments: | | | | |
| Money markets | \$ 23,662 | \$ 18,662 | \$ - | \$ 42,324 |
| Fixed income | | | | |
| U.S. government/agency | 400,147 | 400,365 | 113 | 800,625 |
| U.S. corporate | 11,158 | 406,134 | - | 417,292 |
| Foreign | 4,135 | 141,416 | - | 145,551 |
| Other | - | 290,216 | 2,166 | 292,382 |
| Equities | 75,142 | 519 | 1,027 | 76,688 |
| Private capital | - | - | 5,939 | 5,939 |
| Total | <u>\$ 514,244</u> | <u>\$ 1,257,312</u> | <u>\$ 9,245</u> | <u>\$ 1,780,801</u> |
| Investments held under securities lending program | \$ - | \$ - | \$ 219,524 | \$ 219,524 |
| Deposits held by bond trustees: | | | | |
| Money markets | \$ 54,905 | \$ - | \$ - | \$ 54,905 |
| Fixed income | | | | |
| U.S. government/agency | - | 4,746 | - | 4,746 |
| Total | <u>\$ 54,905</u> | <u>\$ 4,746</u> | <u>\$ -</u> | <u>\$ 59,651</u> |
| Beneficial interest in perpetual trusts | \$ - | \$ - | \$ 12,843 | \$ 12,843 |
| Liabilities: | | | | |
| Present value of annuities payable | \$ - | \$ - | \$ 44,425 | \$ 44,425 |
| Liability under securities lending program | \$ - | \$ - | \$ 219,524 | \$ 219,524 |

The Long-term Investment Pool (LTIP) is a mutual fund-like vehicle used for investing the University's endowment funds, funds functioning as endowments, and other operating funds that are expected to be held long-term. A share method of accounting for the LTIP is utilized by the University. Each participating fund enters into and withdraws from the LTIP based on monthly share values. At June 30, 2012 and 2011, fair value of endowment funds and funds functioning as endowments within the LTIP totaled \$1,780.6 million and \$1,737.8 million, respectively. At June 30, 2012 and 2011, fair value of operating funds included in the LTIP totaled \$242.0 million and \$144.8 million, respectively.

The following tables present information related to changes in Level 3 for each category of assets and liabilities for year ended June 30, 2012:

| <i>(in thousands of dollars)</i> | Long-term Investment Pool | Operating Investments | Investments Held Under Securities Lending | Beneficial Interest in Perpetual Trusts |
|-------------------------------------|--|--|--|---|
| Assets: | | | | |
| Beginning balance | \$ 520,605 | \$ 9,245 | \$ 219,524 | \$ 12,843 |
| Total realized and unrealized gains | 22,361 | 1,150 | - | 48 |
| Purchases | 133,811 | 417 | - | - |
| Sales | (69,370) | (36) | (219,524) | - |
| Transfers into Level 3 | - | 2 | - | - |
| Ending balance | <u>\$ 607,407</u> | <u>\$ 10,778</u> | <u>\$ -</u> | <u>\$ 12,891</u> |
| Liabilities: | | | | |
| | Present Value of Annuities Payable | Liability Under Securities Lending | | |
| Beginning balance | \$ 44,425 | \$ 219,524 | | |
| Actuarial adjustment of liability | (1,860) | - | | |
| Gifts | 722 | - | | |
| Sales | (120) | - | | |
| Withdrawal from program | - | (219,524) | | |
| Ending balance | <u>\$ 43,167</u> | <u>\$ -</u> | | |

The following tables present information related to changes in Level 3 for each category of assets and liabilities for year ended June 30, 2011:

| <i>(in thousands of dollars)</i> | Long-term Investment Pool | Operating Investments | Investments Held Under Securities Lending | Beneficial Interest in Perpetual Trusts |
|--|--|--|--|---|
| Assets: | | | | |
| Beginning balance | \$ 413,870 | \$ 8,667 | \$ 249,959 | \$ 11,400 |
| Total realized and unrealized gains/(losses) | 97,994 | (196) | - | 1,443 |
| Purchases | 45,106 | 1,802 | - | - |
| Sales | (36,365) | (250) | (30,435) | - |
| Transfers out of Level 3 | - | (778) | - | - |
| Ending balance | <u>\$ 520,605</u> | <u>\$ 9,245</u> | <u>\$ 219,524</u> | <u>\$ 12,843</u> |
| Liabilities: | | | | |
| | Present Value of Annuities Payable | Liability Under Securities Lending | | |
| Beginning balance | \$ 36,423 | \$ 249,959 | | |
| Actuarial adjustment of liability | 2,680 | - | | |
| Gifts | 5,322 | - | | |
| Sales | - | (30,435) | | |
| Ending balance | <u>\$ 44,425</u> | <u>\$ 219,524</u> | | |

The following table presents the fair value and redemption frequency for those investments whose fair value is not readily determinable and is estimated using the net asset value per share or its equivalent as of June 30, 2012:

| <i>(in thousands of dollars)</i> | <u>Fair Value</u> | <u>Unfunded Commitment</u> | <u>Redemption Frequency</u> | <u>Redemption Notice Period</u> |
|---|-------------------|--------------------------------|---------------------------------|-------------------------------------|
| Commingled Funds: | | | | |
| Non-U.S. Equity | \$ 148,068 | | Daily/Monthly | 5-15 days |
| Subtotal | <u>\$ 148,068</u> | | | |
| Marketable Investment Partnerships: | | | | |
| Absolute Return | \$ 20,738 | | Quarterly | 65 days |
| Private Debt/Distressed | 60,101 | | Quarterly/ Semi Annual | 60-90 days |
| Opportunistic | 25,034 | | Quarterly | 30 days |
| Directional Long/Short | 69,324 | | Quarterly | 30-90 days |
| Subtotal | <u>\$ 175,197</u> | | | |
| Non-Marketable Investment Partnerships: | | | | |
| Private Real Estate | \$ 86,567 | \$ 22,407 | | |
| Venture Capital | 129,354 | 92,911 | | |
| Private Equity | 229,766 | 80,808 | | |
| Natural Resources | 74,782 | 33,364 | | |
| Private Debt | 12,656 | 15,700 | | |
| Subtotal | <u>\$ 533,125</u> | <u>\$ 245,190</u> | | |
| Total | <u>\$ 856,390</u> | <u>\$ 245,190</u> | | |

The following table presents the fair value and redemption frequency for those investments whose fair value is not readily determinable and is estimated using the net asset value per share or its equivalent as of June 30, 2011:

| <i>(in thousands of dollars)</i> | <u>Fair Value</u> | <u>Unfunded Commitment</u> | <u>Redemption Frequency</u> | <u>Redemption Notice Period</u> |
|---|-------------------|--------------------------------|---------------------------------|-------------------------------------|
| Commingled Funds: | | | | |
| Non-U.S. Equity | \$ 201,602 | | Daily/Monthly | 5-15 days |
| Subtotal | <u>\$ 201,602</u> | | | |
| Marketable Investment Partnerships: | | | | |
| Absolute Return | \$ 23,691 | | Quarterly | 60 days |
| Private Debt | 61,084 | | Quarterly/ Semi Annual | 60-90 days |
| Directional Long/Short | 79,756 | | Quarterly | 30-65 days |
| Subtotal | <u>\$ 164,531</u> | | | |
| Non-Marketable Investment Partnerships: | | | | |
| Private Real Estate | \$ 79,978 | \$ 20,394 | | |
| Venture Capital | 95,009 | 91,759 | | |
| Private Equity | 227,632 | 83,398 | | |
| Natural Resources | 68,094 | 38,224 | | |
| Private Debt | 21,232 | 5,800 | | |
| Subtotal | <u>\$ 491,945</u> | <u>\$ 239,575</u> | | |
| Total | <u>\$ 858,078</u> | <u>\$ 239,575</u> | | |

Commingled funds include investments that aggregate assets from multiple investors and are managed collectively following a prescribed strategy. Redemptions vary from daily to monthly with required notification of 15 days or less. The non-U.S. equity strategy is invested in developed and developing

countries outside of the United States, and spans the entire equity capitalization spectrum. These collective portfolios preclude the need to obtain securities registration in foreign countries.

Marketable Investment Partnerships include several hedge funds whose underlying positions are traded via public securities markets. Liquidity terms range from quarterly to annually with advance notification for redemption ranging from 30 to 90 days. Three newly funded partnerships have initial one-year lock ups with quarterly redemptions thereafter. The fair values of the investments for each fund in this category have been estimated using the net asset value of the ownership interest in partner's capital. Four major investment strategies are included within this category. Absolute Return refers to relative value strategies in long/short credit. Directional refers to equity long/short strategies in both U.S. and non-U.S. markets. Opportunistic refers to global multi-strategy. Private Debt/Distressed refers to securities rated below investment grade, along with non-rated debt.

Nonmarketable Investment Partnerships include limited partnership interests in a variety of illiquid investments. The fair values of the investments for each fund in this category have been estimated using the net asset value of the ownership interest in partner's capital and cannot be redeemed. Realizations from each fund are received as the underlying investments are liquidated or distributed, typically within 10 years after initial commitment. Unfunded commitments represent remaining commitments for which capital calls have not been exercised as of June 30, 2012 and 2011, respectively. Five major investment strategies are included within this category. Private Real Estate includes properties primarily located in the U.S. Venture Capital includes non-public startups and enterprises in early stages of growth located globally. Private Equity includes buyouts of previously public companies as well as enterprises that are planning to go public in the near future, including funds focusing on opportunities outside the U.S. Natural Resources largely include companies primarily involved in oil and natural gas in addition to a variety of other natural resources. Private Debt includes global private credit securities rated below investment grade as well as non-rated debt.

6. CONTRIBUTIONS RECEIVABLE

Contributions receivable are summarized as follows as of June 30:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|----------------------------------|-------------------|-------------------|
| In one year or less | \$ 75,753 | \$ 76,640 |
| Between one year and five years | 53,998 | 92,869 |
| More than five years | <u>118,130</u> | <u>125,732</u> |
| | 247,881 | 295,241 |
| Less allowance | (7,739) | (6,107) |
| Less discount | <u>(55,729)</u> | <u>(62,065)</u> |
| Contributions receivable, net | <u>\$ 184,413</u> | <u>\$ 227,069</u> |

Contributions receivable are discounted at rates ranging from 0.21% to 2.06% and 0.19% to 3.57% at June 30, 2012 and 2011, respectively. The discount rates for prior periods ranged from 0.19% to 6.28%.

At June 30, 2012 and 2011, the University has received bequest intentions and certain other conditional promises to give of \$69.0 million and \$58.1 million, respectively. These intentions and conditional promises to give are not included in the consolidated financial statements.

The following table summarizes the change in contributions receivable, net during the year ended June 30, 2012:

| | <i>(in thousands of dollars)</i> |
|-----------------------------------|----------------------------------|
| Balance beginning of year | \$ 227,069 |
| New pledges | 22,501 |
| Collections on pledges | (69,861) |
| Increase in allowance | (1,632) |
| Decrease in unamortized discounts | <u>6,336</u> |
| Balance at the end of year | <u>\$ 184,413</u> |

7. LONG-TERM DEBT

The various bond issues and capital lease obligations that are included in long-term debt in the statements of financial position consist of the following at June 30:

| <i>(in thousands of dollars)</i> | <u>2012</u> | <u>2011</u> |
|---|---------------------|---------------------|
| <u>The Pennsylvania State University Bonds</u> | | |
| Series 2010 | \$ 135,035 | \$ 135,035 |
| Series 2009A | 120,075 | 125,850 |
| Series 2009B | 74,235 | 74,235 |
| Series 2008A | 77,670 | 77,670 |
| Series 2008B | 4,890 | 5,775 |
| Series 2007A | 88,645 | 89,150 |
| Series 2007B | 66,255 | 68,880 |
| Series 2005 | 87,665 | 89,560 |
| Series 2004A | 54,135 | 55,385 |
| Refunding Series 2003 | 15,890 | 18,140 |
| Series of 2002 | 100,000 | 100,000 |
| Refunding Series 2002 | 56,540 | 70,670 |
| <u>Pennsylvania Higher Educational Facilities</u> | | |
| <u>Authority University Revenue Bonds</u> | | |
| <u>(issued for The Pennsylvania State</u> | | |
| <u>University)</u> | | |
| Series 2006 | 3,745 | 3,940 |
| Series 2004 | 4,145 | 4,375 |
| Series 2002 | 4,375 | 4,720 |
| <u>Lycoming County Authority College</u> | | |
| <u>Revenue Bonds (issued for Penn College)</u> | | |
| Series 2012 | 24,685 | - |
| Series 2011 | 39,050 | 39,050 |
| Series 2008 | 55,000 | 55,000 |
| Series 2005 | 12,020 | 12,875 |
| Series 2002 | - | 28,550 |
| Series 1993 | 7,000 | 8,750 |
| | <hr/> | <hr/> |
| Total bonds payable | 1,031,055 | 1,067,610 |
| Unamortized bond premiums | 41,317 | 42,203 |
| Capital lease obligations | <hr/> 80,334 | <hr/> 79,845 |
| Total long-term debt | <u>\$ 1,152,706</u> | <u>\$ 1,189,658</u> |

| <u>Debt issuance</u> | <u>Interest rate mode</u> | <u>Interest rates</u> | <u>Payment ranges and maturity</u> <i>(in thousands of dollars)</i> |
|--|---------------------------|-----------------------|---|
| The Pennsylvania State University Bonds | | | |
| | | | \$3,655 to \$6,595 through March 2030 with \$21,805 and \$44,245 due March 2035 and 2040 |
| Series 2010 | Fixed | 3.375% - 5.00% | |
| Series 2009A | Fixed | 4.00% - 5.00% | \$6,000 to \$9,320 through March 2029 |
| Series 2009B | Variable | 0.22% | June 2031 |
| Series 2008A | Fixed | 5.00% | \$1,840 to \$7,695 through August 2029 |
| Series 2008B | Fixed | 3.25% - 3.75% | \$910 to \$1,050 through August 2016 |
| | | | \$520 to \$700 through August 2022, with \$11,115 and \$70,905 due August 2028 and 2036 |
| Series 2007A | Fixed | 3.65% - 4.50% | |
| Series 2007B | Fixed | 5.00% - 5.25% | \$2,740 to \$5,955 through August 2027 |
| | | | \$1,965 to \$2,745 through September 2019 with \$15,990, \$20,550, and \$32,485 due September 2024, 2029, and 2035 |
| Series 2005 | Fixed | 3.30% - 5.00% | |
| | | | \$1,300 to \$1,825 through September 2019, with \$10,625, \$13,635, and \$17,515 due September 2024, 2029, and 2034 |
| Series 2004A | Fixed | 4.50% - 5.00% | |
| Refunding Series 2003 | Fixed | 4.00% - 5.25% | \$2,360 to \$2,970 through March 2018 |
| Series of 2002 | Variable | 0.15% | March 2032 |
| Refunding Series 2002 | Fixed | 5.25% | \$4,585 to \$16,540 through August 2016 |
| Pennsylvania Higher Education Facilities Authority ("PHEFA") University Revenue Bonds | | | |
| | | | \$200 to \$280 through 2020, with \$1,610 due September 2025 |
| Series 2006 | Fixed | 3.90% - 5.125%* | |
| | | | \$240 to \$325 through 2019, with \$1,905 due September 2024 |
| Series 2004 | Fixed | 4.00% - 5.00%* | |
| | | | \$355 to \$425 due through 2017, with \$2,435 due March 2022 |
| Series 2002 | Fixed | 4.20% - 5.00%* | |
| * Annual interest costs to the University for interest rates greater than 3.00% are subsidized by PHEFA. | | | |
| Lycoming County Authority College Revenue Bonds | | | |
| Series 2012 | Fixed | 2.00% - 5.00% | \$410 to \$2,635 through May 2032 |
| Series 2011 | Fixed | 3.00% - 5.50% | \$70 to \$5,230 through July 2030 |
| Series 2008 | Fixed | 3.50% - 5.50% | \$1,455 to \$4,140 through October 2037 |
| Series 2005 | Fixed | 4.00% - 5.00% | \$505 to \$1,855 through January 2025 |
| Series 2002 | Fixed | 4.40% - 5.25% | Paid in full during 2012 |
| Series 1993 | Fixed | 6.10% - 6.15% | \$450 to \$544 through November 2015 |

The Series 2012 bonds are Lycoming County Authority (the "Authority") College Revenue Bonds issued by Penn College in May 2012 for the purpose of refinancing \$28.1 million of the Authority's College Revenue Bonds Series 2002. The Series 2002 bonds were paid in full during 2012.

The Series 2011 bonds are Lycoming County Authority (the "Authority") College Revenue Bonds issued by Penn College in June 2011 for the purpose of refunding \$39.3 million of the Authority's College Revenue Bonds Series 2000. The Series 2000 bonds were paid in full during 2011.

The Series 2009B Bonds are currently paying interest on a variable rate basis at a long term rate for the period June 1, 2012 through May 31, 2013. The University has the option to convert to another variable rate (daily, weekly, monthly or flexible) or to a fixed rate basis (such rates are generally determined on a market basis) at respective conversion dates. The bonds currently pay interest at 0.22% with adjustment on the respective date to the rate the remarketing agent believes will cause the bonds to have a market value equal to the principal. The 2009B bondholders have the right to tender bonds on the purchase dates while such bonds bear interest at the daily, weekly or monthly rate. The 2009B Bonds were issued subject to the self-liquidity program established by the University on the date of issuance pursuant to which the University will provide liquidity for the 2009B Bonds from its general funds in the event of insufficient remarketing proceeds.

The Series of 2002 bonds currently pay interest on a variable rate basis in the weekly mode; however, the University has the option to convert to another variable rate (daily, monthly, flexible, semiannual or long mode) or to a fixed rate basis. The bonds currently pay interest at 0.15% with adjustment on a weekly basis to the rate the remarketing agent believes will cause the bonds to have a market value equal to the principal amount up to a maximum of 12%. The bondholders have the right to tender bonds at interest rate reset dates. The University, therefore, entered into standby bond purchase agreement with a bank to provide liquidity in case of tender. The bonds are not subject to sinking fund redemption; however, the University has the option to redeem the bonds prior to their scheduled maturity.

Maturities and sinking fund requirements on bonds payable for each of the next five fiscal years and thereafter are summarized as follows:

| <u>Year</u> | <u>Annual Installments</u> <i>(in thousands of dollars)</i> |
|-------------|--|
| 2013 | \$ 34,160 |
| 2014 | 35,785 |
| 2015 | 37,910 |
| 2016 | 27,000 |
| 2017 | 31,600 |
| Thereafter | <u>864,600</u> |
| | <u>\$1,031,055</u> |

The fair value of the University's bonds payable is estimated based on current rates offered for similar issues with similar security, terms and maturities using available market information as supplied by the various financial institutions who act as trustees or custodians for the University. At June 30, 2012, the carrying value and estimated fair value of the University's bonds payable, including issuance premiums, are \$1,072.4 million and \$1,118.5 million, respectively. At June 30, 2011, the carrying value and estimated fair value of the University's bonds payable, including issuance premiums, were \$1,109.8 million and \$1,121.5 million, respectively. Certain bond issues have associated issuance premiums, these issuance premiums total \$41.3 million and \$42.2 million at June 30, 2012 and 2011, respectively and are presented within the statement of financial position as long-term debt. These issuance premiums will be amortized over the term of the respective outstanding bonds.

Capital leases

The University has certain building and equipment lease agreements in effect which are considered capital leases. Future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of June 30, 2012 are as follows:

| <u>Year</u> | <i>(in thousands of dollars)</i> |
|------------------------------|----------------------------------|
| 2013 | \$ 13,116 |
| 2014 | 11,220 |
| 2015 | 10,035 |
| 2016 | 9,166 |
| 2017 | 8,379 |
| Thereafter | <u>140,994</u> |
| Total minimum lease payments | 192,910 |
| Less imputed interest | <u>(112,576)</u> |
| Capital lease obligation | 80,334 |
| Current portion | <u>7,820</u> |
| Long-term portion | <u>\$ 72,514</u> |

8. OPERATING LEASES

The University has certain lease agreements in effect which are considered operating leases. During the year ended June 30, 2012, the University recorded expenses of \$19.0 million for leased equipment and \$23.6 million for leased building space. During the year ended June 30, 2011, the University recorded expenses of \$20.0 million for leased equipment and \$21.6 million for leased building space.

Future minimum lease payments under operating leases as of June 30, 2012 are as follows:

| <u>Year</u> | <i>(in thousands of dollars)</i> |
|------------------------------|----------------------------------|
| 2013 | \$ 17,416 |
| 2014 | 14,409 |
| 2015 | 12,138 |
| 2016 | 9,888 |
| 2017 | 9,000 |
| Thereafter | <u>47,126</u> |
| Total minimum lease payments | <u>\$ 109,977</u> |

9. RETIREMENT BENEFITS

The University provides retirement benefits for substantially all regular employees, primarily through either contributory defined benefit plans administered by the Commonwealth of Pennsylvania State Employees' Retirement System and The Public School Employees' Retirement System or defined contribution plans administered by the Teachers Insurance and Annuity Association – College Retirement Equity Fund and Fidelity Investments. The University is billed for its share of the estimated actuarial cost of the defined benefit plans (\$25.1 million and \$14.8 million for the years ended June 30, 2012 and 2011, respectively). The University's total cost for retirement benefits, included in expenses, is \$130.9 million and \$118.7 million for the years ended June 30, 2012 and 2011, respectively.

10. POSTRETIREMENT BENEFITS

The University sponsors a retiree medical plan covering eligible retirees and eligible dependents. This program includes a Preferred Provider Organization (“PPO”) plan for retirees and their dependents who are not eligible for Medicare, a Medicare Advantage PPO plan and a Medicare Supplement plan. In addition, the University provides retiree life insurance benefits at no cost to the retiree.

Employees who were hired prior to January 1, 2010 are eligible for medical coverage and life insurance after they retire if either of the following requirements are satisfied:

- they are at least age 60 and have at least 15 years of regular full-time employment and participation in a University-sponsored medical plan immediately preceding the retirement date
- regardless of age, if they have at least 25 years of regular full-time service. The last 10 of those 25 years of University service must be continuous and they must participate in a University -sponsored medical plan during the last 10 years immediately preceding the retirement date.

The retiree PPO medical plan and the life insurance coverage are self-funded programs, and all medical claims, death benefits and other expenses are paid from the unrestricted net assets of the University. The Medicare Advantage PPO plan and the Medicare Supplement plan are fully insured. The retirees pay varying amounts for coverage under the medical plan.

For those employees who were hired after December 31, 2009, the University will contribute funds each month on their behalf to a retirement healthcare savings plan. This plan is designed to help pay for qualified medical and health-related expenses in retirement, including the purchase of a health insurance policy.

Retirees will be eligible to access their Penn State Retirement Savings Account when they are no longer actively employed at Penn State and have satisfied either of the following requirements:

- completed 25 years of continuous full-time service and are age 60 or older
- completed a minimum of 15 years of continuous full-time service and are age 65 or older.

Included in unrestricted net assets at June 30, 2012 and 2011 are the following amounts that have not yet been recognized in net periodic postretirement cost: unrecognized prior service cost (benefit) of (\$108.0) million and (\$129.7) million and unrecognized actuarial loss of \$852.7 million and \$579.1 million, respectively.

The following sets forth the plan's benefit obligation, plan assets and funded status reconciled with the amounts recognized in the University's consolidated statements of financial position at June 30:

Change in benefit obligation:

(in thousands of dollars)

| | <u>2012</u> | <u>2011</u> |
|---|---------------------|---------------------|
| Benefit obligation at beginning of year | \$ 1,479,043 | \$ 1,290,787 |
| Service cost | 45,124 | 57,030 |
| Interest cost | 80,779 | 76,285 |
| Actuarial gain | (15,784) | (58,555) |
| Benefits paid | (42,813) | (37,849) |
| Plan assumptions | <u>318,550</u> | <u>151,345</u> |
| Benefit obligation at end of year | <u>\$ 1,864,899</u> | <u>\$ 1,479,043</u> |

Change in plan assets:

(in thousands of dollars)

| | <u>2012</u> | <u>2011</u> |
|--|-----------------------|-----------------------|
| Fair value of plan assets at beginning of year | \$ - | \$ - |
| Employer contributions | 42,813 | 37,849 |
| Benefits paid | <u>(42,813)</u> | <u>(37,849)</u> |
| Fair value of plan assets at end of year | <u>\$ -</u> | <u>\$ -</u> |
| Funded status | \$ (1,864,899) | \$ (1,479,043) |
| Unrecognized prior service cost (benefit) | - | - |
| Unrecognized net actuarial loss | - | - |
| Accrued postretirement benefit expense | <u>\$ (1,864,899)</u> | <u>\$ (1,479,043)</u> |

Net periodic postretirement cost includes the following components for the years ended June 30:

(in thousands of dollars)

| | <u>2012</u> | <u>2011</u> |
|---------------------------------------|-------------------|-------------------|
| Service cost | \$ 45,124 | \$ 57,030 |
| Interest cost | 80,779 | 76,285 |
| Amortization of prior service cost | (21,699) | (21,673) |
| Amortization of unrecognized net loss | <u>29,178</u> | <u>35,497</u> |
| Net periodic postretirement cost | <u>\$ 133,382</u> | <u>\$ 147,139</u> |

The assumed healthcare cost trend rate used in measuring the accumulated postretirement benefit obligation was 8.50% and 9.00% for the years ended June 30, 2012 and 2011, respectively, reduced by 0.50% per year to a fixed level of 5.00%. The weighted average postretirement benefit obligation discount rate was 4.50% and 5.75% for the years ended June 30, 2012 and 2011, respectively.

If the healthcare cost trend rate assumptions were increased by 1% in each year, the accumulated postretirement benefit obligation would be increased by \$595.2 million and \$448.6 million as of June 30, 2012 and 2011, respectively. The effect of this change on the sum of the service cost and interest cost components of the net periodic postretirement benefit cost would be an increase of \$42.2 million and \$46.1 million as of June 30, 2012 and 2011, respectively. If the healthcare cost trend rate assumptions were decreased by 1% in each year, the accumulated postretirement benefit obligation would be decreased by \$327.0 million and \$242.6 million as of June 30, 2012 and 2011, respectively. The effect of this change on the sum of the service cost and interest cost components of the net periodic postretirement benefit cost would be a decrease of \$23.1 million and \$25.3 million as of June 30, 2012 and 2011, respectively.

Gains and losses in excess of 10% of the accumulated postretirement benefit obligation are amortized over the average future service to assumed retirement of active participants.

Postretirement benefits expected to be paid for the years ended June 30 are as follows:

| | <i>(in thousands of dollars)</i> |
|---------|----------------------------------|
| 2013 | \$ 48,813 |
| 2014 | 52,678 |
| 2015 | 56,915 |
| 2016 | 61,217 |
| 2017 | 65,535 |
| 2018-22 | 386,329 |

11. THE MILTON S. HERSHEY MEDICAL CENTER AND PENN STATE HERSHEY HEALTH SYSTEM

The University's wholly-owned subsidiary, TMSHMC, owns the assets of the clinical enterprise of the Hershey Medical Center complex. The University owns the Hershey Medical Center complex, including all buildings and land occupied by the Medical Center and operates the College of Medicine. The clinical facilities of the Hershey Medical Center complex are leased to TMSHMC and TMSHMC makes certain payments to support the College of Medicine.

The Health System is a corporate investor in healthcare joint ventures, which are supportive of the missions of the Medical Center. The Health System was organized in 1995 as a wholly-owned subsidiary of the Corporation for the purpose of organizing components of an integrated health care delivery system. The Health System recorded non-controlling interest related to the acquisition of additional ownership interest in a joint venture. This noncontrolling interest is recorded in the net assets within the consolidated statements of financial position with a value at June 30, 2012 and 2011 of \$774,000 and \$694,000, respectively.

12. CONTINGENCIES AND COMMITMENTS

Contractual Obligations

The University has contractual obligations for the construction of new buildings and for additions to existing buildings in the amount of \$759.7 million of which \$552.7 million has been paid or accrued as of June 30, 2012. The contract costs are being financed from available resources and from borrowings.

Letters of Credit

The University has available letters of credit in the amount of \$18.2 million and \$16.0 million as of June 30, 2012 and 2011, respectively. These letters of credit are used primarily to comply with minimum state and federal regulatory laws that govern various University activities. The fair value of these letters of credit approximates contract values based on the nature of the fee arrangements with the issuing banks.

Guarantees

The University has a contract with a third party whereby the third party acts as an agent of the University in connection with procurement of electricity. The University guarantees the payment of the obligations of the third party incurred on behalf of the University to counterparties. No liabilities related to guarantees have been recorded as of June 30, 2012.

Self-Insurance

The University has a coordinated program of commercial and self-insurance for medical malpractice claims at TMSHMC through the use of a qualified trust and a domestic captive insurance company in combination with a self-insured retention layer and is supplementing this program through participation in the Pennsylvania Medical Care Availability and Reduction of Error Fund ("Mcare Fund"), in accordance with Pennsylvania law. An estimate of the present value, discounted at 2% and 3% at June 30, 2012 and 2011, respectively, of the medical malpractice claims liability in the amount of \$101.1 million and \$66.6 million is recorded as of June 30, 2012 and 2011, respectively.

On July 1, 2003, TMSHMC became self-insured for all medical malpractice claims asserted on or after July 1, 2003, for all amounts that are below the coverage of the TMSHMC's excess insurance policies and not included in the insurance coverage of the Mcare Fund. Under the self-insurance program, TMSHMC is required to maintain a malpractice trust fund in an amount at least equal to the expected loss of known claims. The balance of this trust fund was \$21.3 million and \$21.0 million at June 30, 2012 and 2011, respectively. TMSHMC intends to fund any claims due during the next year from cash flows from operations.

With approval from the Pennsylvania Department of Labor and Industry ("PA-DLI"), the University elected to self-insure potential obligations applicable to workers' compensation. Certain claims under the program are contractually administered by a private agency. The University purchased insurance coverage for excess obligations over \$600,000 per incident. An estimate of the self-insured workers' compensation claims liability in the amount of \$12.4 million and \$13.1 million, discounted at 1.25%, is recorded as of June 30, 2012 and 2011, respectively. The University has established a trust fund, in the amount of \$12.7 million and \$12.4 million at June 30, 2012 and 2011, respectively, as required by PA-DLI, to provide for the payment of claims under this self-insurance program. TMSHMC is self-insured for workers' compensation claims and has purchased an excess policy through a commercial insurer which covers individual claims in excess of \$500,000 per incident for workers' compensation claims.

The University and TMSHMC are self-insured for certain health care benefits provided to employees. The University and TMSHMC have purchased excess policies which cover employee health benefit claims in excess of \$500,000 and \$350,000 per employee per year, respectively. The University and TMSHMC provide for reported claims and claims incurred but not reported.

Litigation and Contingencies

In November 2011, the University was made aware of certain allegations in a Commonwealth of Pennsylvania Grand Jury presentment. Various legal proceedings and investigations have arisen as a result of such allegations, including criminal proceedings against a former officer, an administrator and a former employee of the University. Certain civil litigation has been filed against the University with anticipation that other complaints will be filed. The outcome of such litigation and potential for future litigation is unknown at June 30, 2012 and, therefore, no accruals for future costs have been recorded in the 2012 financial statements. Through June 30, 2012, the University has incurred costs, net of insurance reimbursements totaling \$16.1 million for internal investigation, legal, communications and other related costs. These costs are included in institutional support within the 2012 consolidated statement of activities. Insurance reimbursements through June 30, 2012 totaled \$779,000.

The University has included \$2.0 million in accruals for costs that were incurred but not paid at the balance sheet date. Such accruals are part of the costs, net of insurance reimbursements, noted above and are included in current liabilities. Potential for future insurance reimbursement is unknown as of June 30, 2012 and as a result no revenue accruals have been recorded in the 2012 financial statements.

Based on its operation of the Medical Center (see Note 11), the University, like the healthcare industry, is subject to numerous laws and regulations of federal, state and local governments. Compliance with these laws and regulations can be subject to government review and interpretation, as well as regulatory actions. Recently, government reviews of healthcare providers for compliance with regulations have increased. Although the University believes it has done its best to comply with these numerous regulations, such government reviews could result in significant repayments of previously billed and collected revenues from patient services.

Various legal proceedings have arisen in the normal course of conducting University business. The outcome of such litigation is not expected to have a material effect on the financial position of the University.

13. SUBSEQUENT EVENTS

The University has evaluated subsequent events through October 26, 2012, the date when the financial statements were available to be issued. It did not identify any subsequent events to be disclosed other than those below or previously noted.

On July 23, 2012, the National Collegiate Athletic Association (NCAA) imposed via an agreed upon binding consent decree certain sanctions against the University. Such sanctions were disclosed in two components: a punitive component and a corrective component. As part of the punitive component, the NCAA imposed a \$60 million fine that is to be paid over a five-year period beginning in 2012. The University has accrued this amount within the 2012 financial statements, with \$12 million included in accounts payable and other accrued expenses within current liabilities and \$48 million in other liabilities within noncurrent liabilities within the consolidated statement of financial position. The total amount is included in auxiliary enterprise expenses within the 2012 consolidated statement of activities.

The University is currently under various reviews and investigations by certain external parties, including the United States Department of Education and the Middle States Commission on Higher Education. The outcome of such third party actions is unknown as of the date the financial statements were available to be issued.

THE PENNSYLVANIA STATE UNIVERSITY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

| <u>Program</u> | <u>CFDA No.</u> | <u>Subcontract Expenditures</u> | <u>Expenditures</u> |
|---|---------------------|-------------------------------------|-------------------------|
| <u>Research and development programs -</u> | | | |
| Direct funding | Note 2 | \$ 67,566,416 | \$ 438,744,914 |
| Direct funding - American Recovery and Reinvestment Act | Note 3 | 1,676,915 | 28,790,102 |
| Pass-through funds - Commonwealth of Pennsylvania | Note 4 | 13,785 | 3,613,908 |
| Pass-through funds - Commonwealth of Pennsylvania - American Recovery and Reinvestment Act | Note 5 | 0 | 624,003 |
| Pass-through funds - Other Institutions | Note 6 | 2,861,804 | 65,528,457 |
| Pass-through funds - Other Institutions - American Recovery and Reinvestment Act | Note 7 | 0 | 3,255,639 |
| Total research and development programs | | <u>72,118,920</u> | <u>540,557,023</u> |
| <u>Student financial assistance programs (Direct funding) -</u> | | | |
| Department of Education: | | | |
| Federal Supplemental Educational Opportunity Grant | 84.007 | 0 | 4,240,771 |
| Federal Work Study Program | 84.033 | 0 | 4,612,138 |
| Federal Perkins Loan Program - Note 14 | 84.038 | 0 | 42,294,453 |
| Federal Pell Grant Program | 84.063 | 0 | 86,191,710 |
| Federal Direct Loan Program - Note 15 | 84.268 | 0 | 566,983,142 |
| Federal Endowment - Note 16 | 84.116 | 0 | 6,000,000 |
| Health Professions Student Loan Program - Note 14 | 93.342 | 0 | 284,931 |
| Dep: Scholarships for Health Professions Students from Disadvantaged Backgrounds | 93.925 | <u>0</u> | <u>109,676</u> |
| Total student financial assistance programs | | <u>0</u> | <u>710,716,821</u> |
| <u>Other programs -</u> | | | |
| Other Direct funding | Note 8 | 1,904,805 | 33,240,697 |
| Other Direct funding - American Recovery and Reinvestment Act | Note 9 | 34,957 | 434,113 |
| Other Pass-through funds - Commonwealth of Pennsylvania | Note 10 | 17,446,376 | 26,599,412 |
| Other Pass-through funds - Commonwealth of Pennsylvania American Recovery and Reinvestment Act | Note 11 | 379,743 | 939,389 |
| Other Pass-through funds - Other Institutions | Note 12 | 336,086 | 5,304,495 |
| Other Pass-through funds - Other Institutions - American Recovery and Reinvestment Act | Note 13 | <u>0</u> | <u>(1,697)</u> |
| Total other programs | | <u>20,101,967</u> | <u>66,516,409</u> |
| | | <u>\$ 92,220,887</u> | <u>\$ 1,317,790,253</u> |

Total Programs

See notes to schedule of expenditures of federal awards.

THE PENNSYLVANIA STATE UNIVERSITY

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

1. BASIS OF PRESENTATION AND ACCOUNTING:

The purpose of the Schedule of Expenditures of Federal Awards (the "Schedule") is to present a summary of the activities of The Pennsylvania State University (the "University") for the year ended June 30, 2012 which have been financed by the United States Government.

For purposes of the Schedule, Federal awards have been classified into two types:

- Direct Federal Awards
- Pass-through funds received from non-Federal organizations made under Federally sponsored programs conducted by these organizations.

Subcontract expenditures represent amounts paid to a third party for effort performed in support of the University's federal awards.

Because the Schedule presents only a selected portion of the activities of the University, it is not intended to and does not present the financial position, results of operations or cash flows of the University.

The Schedule is prepared on the accrual basis of accounting.

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|-----------------|--|-------------------------------------|---------------------|
| 2. RESEARCH AND DEVELOPMENT - | | | | |
| DIRECT FUNDING: | | | | |
| <u>Agriculture:</u> | | | | |
| Agricultural Marketing Service | 10.RD | | \$ 0 | \$ 15,306 |
| Agricultural Research Service | 10.RD | | 0 | 793,653 |
| Animal and Plant Health Inspection Service | 10.RD | | 182,528 | 782,961 |
| Cooperative State Research, Education and Extension Service | 10.RD | | 0 | 9,916,899 |
| Department of Agriculture | 10.RD | | 0 | 452,651 |
| Economic Research Service | 10.RD | | 0 | 137,569 |
| Foreign Agricultural Service | 10.RD | | 0 | 42,366 |
| Forest Service | 10.RD | | 0 | 385,386 |
| National Institute of Food and Agriculture | 10.RD | | 2,195,941 | 9,337,597 |
| Natural Resources Conservation Service | 10.RD | | 0 | 31,237 |
| The Office of the Chief Economist | 10.RD | | 0 | 73,577 |
| Total – Agriculture | | | <u>2,378,469</u> | <u>21,969,202</u> |
| <u>Commerce:</u> | | | | |
| Economic Development Administration | 11.RD | | 177,060 | 1,114,459 |
| National Institute of Standards and Technology | 11.RD | | 297,021 | 1,065,196 |
| Department of Commerce | 11.RD | | 0 | 145,286 |
| National Oceanic and Atmospheric Administration | 11.RD | | 0 | 1,385,536 |
| Total – Commerce | | | <u>474,081</u> | <u>3,710,477</u> |

| CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|--|-----------------------------|--------------|
| <u>Defense:</u> | | | |
| | 12.RD | 1,116,933 | 6,644,015 |
| Department of Air Force, Material Command | | | |
| Department of Army, Material Command | 12.RD | 7,293,136 | 19,633,747 |
| Department of Army, Medical Command | 12.RD | 0 | 942,553 |
| Department of Defense | 12.RD | 2,884,619 | 12,127,826 |
| Department of Defense, Advanced Research Projects Agency | 12.RD | 10,285 | 1,321,635 |
| Department of Defense, National Security Agency | 12.RD | 14,310 | 354,889 |
| Department of Navy, Office of the Chief of Naval Research | 12.RD | 16,006,336 | 142,647,224 |
| Total – Defense | | 27,325,619 | 183,671,889 |
| <u>Interior:</u> | | | |
| Bureau of Land Management | 15.RD | 0 | 115,478 |
| Department of Interior | 15.RD | 0 | 63,648 |
| Fish and Wildlife Service | 15.RD | 0 | 90,765 |
| Forest Service | 15.RD | 0 | 8,813 |
| Geological Survey | 15.RD | 27,940 | 580,035 |
| National Park Service | 15.RD | 0 | 361,766 |
| Office of Surface Mining | 15.RD | 54,426 | 172,015 |
| Total – Interior | | 82,366 | 1,392,520 |
| <u>Justice:</u> | | | |
| Department of Justice | 16.RD | 0 | 17,782 |
| National Institute of Justice | 16.RD | 1,278,619 | 2,234,884 |
| Total – Justice | | 1,278,619 | 2,252,666 |
| <u>State:</u> | | | |
| | 19.RD | 98,247 | 1,034,060 |
| <u>Transportation:</u> | | | |
| Department of Transportation | 20.RD | 2,070,535 | 6,285,291 |
| Federal Aviation Administration | 20.RD | 0 | 385,797 |
| Federal Highway Administration | 20.RD | 259,398 | 259,398 |
| Pipeline and Hazardous Materials Safety Administration | 20.RD | 0 | 35,676 |
| Research and Innovative Technology Administration | 20.RD | 0 | 2,903 |
| Total - Transportation | | 2,329,933 | 6,969,065 |
| <u>General Services Administration:</u> | 39.RD | 0 | 89,549 |
| <u>National Aeronautics and Space Administration:</u> | 43.RD | 1,692,290 | 13,902,911 |
| <u>National Endowment for the Humanities:</u> | 45.RD | 0 | 101,942 |
| <u>National Science Foundation:</u> | 47.RD | 3,318,126 | 50,154,764 |
| <u>Department of Veterans Affairs:</u> | 64.RD | 0 | 63,371 |
| <u>Environmental Protection Agency:</u> | | | |
| Environmental Protection Agency | 66.RD | 59,052 | 219,266 |
| Office of Research and Development | 66.RD | 18,897 | 199,982 |
| Office of Water | 66.RD | 143,793 | 520,233 |
| Total – Environmental Protection Agency | | 221,742 | 939,481 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|-----------------------|
| <u>Nuclear Regulatory Commission:</u> | 77.RD | | 22,500 | 578,287 |
| <u>Energy:</u> | 81.RD | | 12,118,465 | 30,088,564 |
| <u>Education:</u> | | | | |
| Bilingual Education - Professional Development | 84.RD | | 25,000 | 509,613 |
| Department of Education | 84.RD | | 1,708,892 | 2,901,314 |
| Institute of Education Sciences | 84.RD | | 277,944 | 2,297,239 |
| Office of Elementary and Secondary Education | 84.RD | | 0 | 63,489 |
| Office of Postsecondary Education | 84.RD | | 0 | 307,932 |
| Rehabilitation Long-term Training Office of Special Education and Rehabilitative Services | 84.RD | | 64,494 | 197,588 |
| TRIO - Student Support Services | 84.RD | | 0 | 360,543 |
| Total – Education | | | 2,076,330 | 6,637,718 |
| <u>Health and Human Services:</u> | | | | |
| Agency for Healthcare Research and Quality | 93.RD | | 3,088 | 555,298 |
| Centers for Disease Control and Prevention | 93.RD | | 29,606 | 1,103,092 |
| Food and Drug Administration | 93.RD | | 0 | 18,046 |
| Health Resources and Services Administration | 93.RD | | 202,278 | 3,030,632 |
| National Institutes of Health | 93.RD | | 10,938,994 | 101,004,456 |
| Total – Health and Human Services | | | 11,173,966 | 105,711,524 |
| <u>Department of Homeland Security:</u> | 97.RD | | 0 | 10,782 |
| <u>Agency for International Development:</u> | 98.RD | | 37,028 | 118,243 |
| <u>Miscellaneous:</u> | 99.RD | | 2,938,635 | 9,347,899 |
| Total Research and Development - Direct Funding | | | \$ 67,566,416 | \$ 438,744,914 |
| 3. RESEARCH AND DEVELOPMENT - DIRECT FUNDING - AMERICAN RECOVERY AND REINVESTMENT ACT: | | | | |
| <u>Interior</u> | 11.RD | | \$ 0 | 62,026 |
| <u>National Science Foundation:</u> | 47.RD | | 270,134 | 8,080,853 |
| <u>Department of Energy:</u> | 81.RD | | 919,774 | 6,321,997 |
| <u>Health and Human Services</u> | | | | |
| National Institutes of Health | 93.RD | | 487,007 | 14,325,226 |
| Total – Health and Human Services | | | 487,007 | 14,325,226 |
| Total Research and Development - Direct Funding - American Recovery and Reinvestment Act | | | \$ 1,676,915 | \$ 28,790,102 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|----------|--|-----------------------------|--------------|
| 4. RESEARCH AND DEVELOPMENT - PASS-THROUGH FUNDS - COMMONWEALTH OF PENNSYLVANIA: | | | | |
| <u>Agriculture:</u> | | | | |
| Commonwealth of Pennsylvania | 10.RD | 4300302249/4400008014 | \$ 0 | \$ 7,986 |
| Commonwealth of Pennsylvania | 10.RD | 44113182 | 0 | 33,103 |
| Commonwealth of Pennsylvania | 10.RD | ME 4408578 | 0 | 639 |
| Commonwealth of Pennsylvania | 10.RD | ME 44102197 | 0 | 89,946 |
| Commonwealth of Pennsylvania | 10.RD | ME 44102200 | 0 | 32,724 |
| Commonwealth of Pennsylvania | 10.RD | ME 44102489 | 0 | 1,000 |
| Commonwealth of Pennsylvania | 10.RD | ME 44102571 | 0 | 25,373 |
| Commonwealth of Pennsylvania | 10.RD | ME 44112431 | 0 | 2,217,803 |
| Commonwealth of Pennsylvania | 10.RD | ME 44113148 | 0 | 34,905 |
| Commonwealth of Pennsylvania | 10.RD | ME 446002 | 0 | 35,515 |
| Total – Agriculture | | | 0 | 2,478,994 |
| <u>Commerce:</u> | | | | |
| Commonwealth of Pennsylvania | 11.RD | 4100051222 AMEND 1 | 0 | 26,665 |
| Commonwealth of Pennsylvania | 11.RD | 4100055617 | 0 | 39,729 |
| Commonwealth of Pennsylvania | 11.RD | 4100059478 | 0 | 14,009 |
| Commonwealth of Pennsylvania | 11.RD | 4100059565 | 0 | 7,322 |
| Total - Commerce | | | 0 | 87,725 |
| <u>Interior:</u> | | | | |
| Commonwealth of Pennsylvania | 15.RD | 1434-03HQRU1548 | 0 | 347,913 |
| Commonwealth of Pennsylvania | 15.RD | 4100053520 | 0 | 30,498 |
| Total – Interior | | | 0 | 378,411 |
| <u>Justice:</u> | | | | |
| Commonwealth of Pennsylvania | 16.RD | 2007-2010-JG-03-21186 | 0 | 106,051 |
| Commonwealth of Pennsylvania | 16.RD | 4300258168 | 0 | 64,712 |
| Total – Justice | | | 0 | 170,763 |
| <u>Transportation:</u> | | | | |
| Commonwealth of Pennsylvania | 20.RD | 359704 | 0 | 2,105 |
| Total – Transportation | | | 0 | 2,105 |
| <u>Environmental Protection:</u> | | | | |
| Commonwealth of Pennsylvania | 66.RD | 4100036695 | 0 | 13,740 |
| Commonwealth of Pennsylvania | 66.RD | 4100055830 | 0 | 10,172 |
| Commonwealth of Pennsylvania | 66.RD | 4100056696 | 0 | 90,536 |
| Commonwealth of Pennsylvania | 66.RD | 4300226638 | 0 | 2,786 |
| Commonwealth of Pennsylvania | 66.RD | 4300248240 | 0 | (1,839) |
| Commonwealth of Pennsylvania | 66.RD | 4300257150 | 13,785 | 22,467 |
| Commonwealth of Pennsylvania | 66.RD | 4300269905 | 0 | 10,512 |
| Commonwealth of Pennsylvania | 66.RD | 4300283071 | 0 | 25,848 |
| Commonwealth of Pennsylvania | 66.RD | 4300290123 | 0 | 98,914 |
| Commonwealth of Pennsylvania | 66.RD | 4300290429 | 0 | 30,175 |
| Commonwealth of Pennsylvania | 66.RD | CZ1:2007-EG.02/ 4100042274 | 0 | 5,804 |
| Total - Environmental Protection | | | 13,785 | 309,115 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| <u>Education:</u> | | | | |
| Commonwealth of Pennsylvania | 84.RD | 041-11-1001 | 0 | 1,015 |
| Commonwealth of Pennsylvania | 84.RD | 062-11-0042 | 0 | 8,125 |
| Commonwealth of Pennsylvania | 84.RD | 062-12-0-042 | 0 | 43,997 |
| Commonwealth of Pennsylvania | 84.RD | 21746 | 0 | 5,117 |
| Commonwealth of Pennsylvania | 84.RD | 4300296999 | 0 | 69,850 |
| Commonwealth of Pennsylvania | 84.RD | 4300311375 | 0 | 46,522 |
| Commonwealth of Pennsylvania | 84.RD | 430655 | 0 | 11,324 |
| Total – Education | | | 0 | 185,950 |
| <u>Health and Human Services:</u> | | | | |
| Commonwealth of Pennsylvania | 93.RD | 4100055375 | 0 | 845 |
| Total - Health and Human Services | | | 0 | 845 |
| Total Research and Development Pass-Through Funds Commonwealth of Pennsylvania | | | \$ 13,785 | \$ 3,613,908 |

**5. RESEARCH AND DEVELOPMENT - PASS-
THROUGH FUNDS - COMMONWEALTH OF
PENNSYLVANIA - AMERICAN RECOVERY
AND REINVESTMENT ACT:**

| | | | | |
|---|-------|------------|-------------|-------------------|
| <u>Commerce:</u> | | | | |
| Commonwealth of Pennsylvania | 11.RD | C000051994 | \$ 0 | \$ 104,844 |
| Total - Commerce | | | 0 | 104,844 |
| <u>Interior:</u> | | | | |
| Commonwealth of Pennsylvania | 15.RD | 4300181250 | 0 | (37) |
| Total - Interior | | | 0 | (37) |
| <u>Justice:</u> | | | | |
| Commonwealth of Pennsylvania | 16.RD | 4300325871 | 0 | 16,171 |
| Total - Justice | | | 0 | 16,171 |
| <u>Energy:</u> | | | | |
| Commonwealth of Pennsylvania | 81.RD | 4300195336 | 0 | 172,226 |
| Total - Energy | | | 0 | 172,226 |
| <u>Health and Human Services:</u> | | | | |
| Commonwealth of Pennsylvania | 93.RD | 4100051970 | 0 | 330,799 |
| Total - Health and Human Services | | | 0 | 330,799 |
| Total Research and Development - Pass- Through Funds - Commonwealth of Pennsylvania - American Recovery And Reinvestment Act | | | \$ 0 | \$ 624,003 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|----------|--|-----------------------------|--------------|
| 6. RESEARCH AND DEVELOPMENT - | | | | |
| PASS-THROUGH FUNDS - OTHER | | | | |
| INSTITUTIONS: | | | | |
| <u>Agriculture:</u> | | | | |
| American Chestnut Foundation | 10.RD | 11-DG-11083150-007 | \$ 0 | \$ 55,108 |
| Cornell University | 10.RD | 2007-37620-18204 | 0 | 81,522 |
| Cornell University | 10.RD | 2009-34103-19863 | 0 | 491 |
| Cornell University | 10.RD | 2010-34103-21307 | 0 | 6,134 |
| Cornell University | 10.RD | 2010-34360-21351 | 0 | 19,820 |
| Geisinger Clinic | 10.RD | 59-1950-9-963 | 0 | 33,057 |
| Geisinger Clinic | 10.RD | 59-1950-9-964 | 0 | 66,439 |
| International Crops Resinst Semi-Arid | 10.RD | MCKNIGHT FOUNDATION | 0 | 26,275 |
| Iowa State University | 10.RD | 20083560418805 | 0 | 28,020 |
| Iowa State University | 10.RD | 2009-34381-20157 | 0 | 8,133 |
| Iowa State University | 10.RD | 2009-51300-05581 | 0 | 92,461 |
| Mississippi State University | 10.RD | 20094869906089 | 10,747 | 15,055 |
| North Carolina State University | 10.RD | 2007-39552-18643 | 142,193 | 171,031 |
| North Carolina State University | 10.RD | 2010-39557-21910 | 0 | 16,655 |
| Northern Arizona University | 10.RD | MPC34KC-01 | 0 | 9,082 |
| Ohio State University | 10.RD | 2007-35401-18861 | 0 | 37,084 |
| Pennsylvania Environmental Council | 10.RD | NRCS 69-3A75-7-113 | 0 | 14,701 |
| Purdue University | 10.RD | 2010-48869-20781 | 0 | 362,186 |
| Rutgers University | 10.RD | 2008-38640-18866 | 0 | 3,758 |
| Temple University | 10.RD | 2006-55215-05938 | 0 | 11,966 |
| U.S. Endowment for Forestry and Commerce | 10.RD | 137RFP#2008-011 | 0 | 250,793 |
| University of Arizona | 10.RD | 2010-48869-20693 | 0 | (178) |
| University of California | 10.RD | 2010-51181-21069 | 0 | 60,280 |
| University of California | 10.RD | 2011-68004-30154 | 0 | 2,066 |
| University of Connecticut | 10.RD | 2006-51110-03725 | 0 | 5,060 |
| University of Connecticut | 10.RD | 2011-67005-20098 | 0 | 80,227 |
| University of Connecticut | 10.RD | Z540501 | 0 | 2,489 |
| University of Georgia | 10.RD | 2008-55302-04471 | 0 | (28) |
| University of Georgia | 10.RD | 2009-85118-05718 | 0 | 158,415 |
| University of Maine | 10.RD | 2008-34141-19351 | 0 | 1,458 |
| University of Maine | 10.RD | 2009-34141-20050 | 0 | (1,624) |
| University of Maine | 10.RD | 2010-34141-21166 | 0 | 21,628 |
| University of Maine | 10.RD | 2011-34141-30731 | 0 | 3,263 |
| University of Maryland | 10.RD | 2008-51130-19500 | 0 | 741 |
| University of Maryland | 10.RD | 2008-55204-18863 | 0 | 16,179 |
| University of Maryland | 10.RD | W911NF1120086 | 0 | 101,635 |
| University of Maryland | 10.RD | 2010-38821-21609 | 0 | 18,893 |
| University of Maryland Eastern Shore | 10.RD | 2010-38821-21587 | 0 | 27,391 |
| University of Minnesota | 10.RD | 2011-67003-30343 | 0 | 100,734 |
| University of Missouri | 10.RD | 2009-38411-18755 | 0 | 19,482 |
| University of Nebraska | 10.RD | 2007-55112-17856 | 0 | 18,651 |
| University of Vermont | 10.RD | 2009-38640-19631 | 6,800 | 165,353 |
| University of Vermont | 10.RD | 2009-47001-05350 | 0 | 22,067 |
| University of Vermont | 10.RD | 2010-38640-20820 | 14,762 | 129,606 |
| University of Vermont | 10.RD | 2010-47001-20819 | 0 | 3,633 |
| University of Vermont | 10.RD | 2011-38640-30418 | 0 | 48,022 |
| University of Vermont | 10.RD | 2011-67023-30106 | 0 | 18,538 |
| University of Wisconsin | 10.RD | 59-5000-0-0013 | 0 | 6,190 |
| Virginia Polytechnic Institute | 10.RD | 2010-51181-21599 | 0 | 8,974 |
| Washington State University | 10.RD | 2011-68005-30416 | 0 | 105,290 |
| West Virginia University | 10.RD | 2010-CR-11062759-030 | 0 | 112,359 |
| West Virginia University | 10.RD | NFS 06-CR-11062759-439 | 0 | (10,474) |
| World Cocoa Foundation | 10.RD | 153788 | 0 | 6,024 |
| Xerces Society, Inc. | 10.RD | NRCS 69-03A75-9-131 | 0 | 16,657 |
| Total – Agriculture | | | 174,502 | 2,578,772 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|----------|--|-----------------------------|--------------|
| <u>Commerce:</u> | | | | |
| Industrial Economics Inc. | 11.RD | 1050-PSU | 0 | 146,277 |
| Ohio State University | 11.RD | RC00S08-04 | 0 | 3,581 |
| Universal Corporation for Atmospheric Research | 11.RD | NA08NWS4670046 | 0 | 31,778 |
| University of Delaware | 11.RD | NA08OAR4170750 | 0 | 5,924 |
| University of Maryland | 11.RD | NA10OAR4170072 | 0 | 5,727 |
| University of Michigan | 11.RD | NA060AR4170017 | 0 | 20,618 |
| University of Michigan | 11.RD | NA09OAR4170200 | 0 | 18,202 |
| University of Nebraska | 11.RD | NA10OAR4310111 | 0 | 44,431 |
| University of Wisconsin | 11.RD | NA10OAR4170070 | 0 | 2,309 |
| Total – Commerce | | | 0 | 278,847 |
| <u>Defense:</u> | | | | |
| AAI Corporation | 12.RD | 1074039 | 0 | 28 |
| AAI Corporation | 12.RD | W58RGZ-09-C-0136 | 0 | 5,086 |
| Academy of Applied Science | 12.RD | W911NF-10-2-0076 | 0 | 40,406 |
| Adaptive Methods Inc. | 12.RD | N00014-11-M-0291 | 0 | 40,259 |
| Adaptive Methods Inc. | 12.RD | N00024-10-C-4124 | 0 | 113,995 |
| Adsys Controls Inc. | 12.RD | FA9451-11-M-0044 | 0 | 29,339 |
| Advanced Rotorcraft Technology Inc. | 12.RD | NAVAIRN68335-11-C-0421 | 0 | 24,000 |
| Advanced Technology & Research Corporation | 12.RD | N00014-12-M-0071 | 0 | 12,758 |
| Advanced Technology International | 12.RD | N00014-11-D-0504 | 0 | 39,799 |
| Advatech Pacific, Inc. | 12.RD | FA9300-10-C-4002 | 0 | 31,809 |
| Aero Gear Inc. | 12.RD | W15QKN-09-2-0006 | 0 | 95,110 |
| Aerospace Testing Alliance | 12.RD | ATA-12-10 | 0 | 4,818 |
| Alion Science & Technology Corporation | 12.RD | DAAD19-01-C-0065 | 0 | (6,785) |
| Alion Science & Technology Corporation | 12.RD | N00014-09-C-0526 | 0 | (82,844) |
| Alphasense, Inc. | 12.RD | N00014-10-C-0438 | 0 | 60,138 |
| Alphasense, Inc. | 12.RD | N11PC20160 | 0 | 55,813 |
| Altex Technologies | 12.RD | NOOO14-12-M-0028 | 0 | 24,000 |
| Altex Technologies | 12.RD | W56HZV-10-C-0348 | 0 | 74,768 |
| Altex Technologies | 12.RD | W911QX-10-C-0093 | 0 | 72,894 |
| American Competitiveness Institute | 12.RD | N00014-08-D-0758 | 0 | 777 |
| Applied Aerospace Structure Corp | 12.RD | N00024-05-C-5346 | 0 | (26) |
| Applied Optimization Inc. | 12.RD | 2012-0330 | 0 | 2,164 |
| Applied Optimization Inc. | 12.RD | N00014-10-M-0472 | 0 | 59 |
| Applied Optimization Inc. | 12.RD | N00014-11-M-0189 | 0 | 11,949 |
| Applied Physical Sciences | 12.RD | N66001-11-C-4115 | 0 | 3,868 |
| Area-1 Inc. | 12.RD | N00014-10-C-0407 | 0 | 92,281 |
| Arete Associates | 12.RD | N00014-11-M-0299 | 0 | 31,916 |
| Argonst Incorporated | 12.RD | N00024-02-D-6604 DO-0643 | 0 | 10,729 |
| Barber Nichols | 12.RD | N00014-11-M-0246 | 0 | 26,000 |
| BBN Technologies Corporation | 12.RD | W911NF-09-0053 | 466,962 | 738,301 |
| BBN Technologies Corporation | 12.RD | W911NF-09-2-0053 | 191,440 | 675,114 |
| Blue Ridge Research & Consultants | 12.RD | N66001-10-C-0128 | 0 | 89,301 |
| Blue Ridge Research & Consultants | 12.RD | N68335-10-C-0378 | 0 | 125,410 |
| Bluefin Robotics | 12.RD | N00024-11-C-6291 | 0 | 25,533 |
| Boeing Company | 12.RD | 467490 | 0 | 77,009 |
| Boeing Company | 12.RD | W58RGZ-04-G-0023 | 0 | 15,272 |
| Boeing Company | 12.RD | W911W6-08-2-0005 | 0 | (1,564) |
| Boeing Company | 12.RD | W911W6-11-2-0006 | 0 | 35,572 |
| Busek Co., Inc. | 12.RD | W31P4Q-10-C-0254 | 0 | 102,044 |
| CACI International Inc. | 12.RD | W15P7T-06-D-E402 | 0 | 507,937 |
| Calspan University of Buffalo | 12.RD | W911NF-09-2-058 | 0 | 19,704 |
| Carlyle Consulting | 12.RD | W9132T-06-C-0002 | 0 | 60,057 |
| Charles River Analytics, Inc. | 12.RD | N00014-10-C-0044 | 0 | 76,380 |
| Charles River Analytics, Inc. | 12.RD | N00014-10-C-0405 | 0 | 75,360 |
| Charles River Analytics, Inc. | 12.RD | N00014-11-M-0342 | 0 | 16,401 |
| Charles River Analytics, Inc. | 12.RD | W31P4Q-09-C-0469 | 0 | 152,776 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|----------|--|-----------------------------|--------------|
| Columbia University | 12.RD | HDTRA-11-0027 | 0 | 73,223 |
| Combustion Science & Engineering | 12.RD | FA8650-10-C-2095 | 0 | 96,253 |
| Concurrent Technologies Corp. | 12.RD | C-DDX-1045-02 | 0 | 7,218 |
| Connecticut Center for Advanced Technology | 12.RD | FA9550-07-1-0259 | 0 | 23,083 |
| Corbin Company | 12.RD | W15P7T-06-D-E402/0083 | 0 | 110,133 |
| Cornell University | 12.RD | W912HZ-11-2-0030 | 0 | 30,820 |
| Cortana | 12.RD | HR0011-12-C-0020 | 0 | 85,106 |
| Cortana | 12.RD | N000421-09-C-0028 | 0 | 282,480 |
| Cortana | 12.RD | N68335-11-C-0019 | 0 | 191,589 |
| Crystal IS, Inc. | 12.RD | W911NF-09-2-0068 | 0 | 126 |
| Curtis Wright Electro Mechanical Co. | 12.RD | 453611 | 0 | 35,208 |
| DE Technologies, Inc. | 12.RD | FA8651-11-C-0132 | 0 | 36,603 |
| Defense Photonics | 12.RD | 100251 | 0 | 20,591 |
| Delaware State University | 12.RD | 11-005JNA | 0 | 46,146 |
| Discovery Machine Inc. | 12.RD | W9132T-10-C-0027 | 0 | 58,384 |
| Duke University | 12.RD | FA8650-09-C-2944 | 0 | 83,695 |
| Duke University | 12.RD | HR0011-10-1-0059 | 0 | 78,646 |
| Dynamic Eye Inc. | 12.RD | 150636 | 0 | 768 |
| | | FA-8650-08-D-1303 | | |
| Dynetlcs, Inc. | 12.RD | TO0006 | 0 | 51,121 |
| Dynetlcs, Inc. | 12.RD | W911W6-08-D-0011/0009 | | 159,087 |
| Electrodynamics Applications Inc. | 12.RD | FA9550-10-C-0023 | 0 | 31,240 |
| Enesco Inc. | 12.RD | DTRA01-03-D-0013 | 0 | 268,351 |
| EOIR Technologies | 12.RD | W157PT-08-D-P417 | 57,344 | 62,279 |
| ERC, Inc. | 12.RD | RS120041 | 0 | 8,816 |
| Feature Based Systems, Inc. | 12.RD | 100418 | 0 | 10,752 |
| Feature Based Systems, Inc. | 12.RD | FA9550-10-C-0020 | 0 | 83,496 |
| Feature Based Systems, Inc. | 12.RD | N00014-07-C-0278 | 0 | 540 |
| Gannett Fleming Inc. | 12.RD | 053462 | 0 | 49,764 |
| Gear Research Institute | 12.RD | N00019-02-C-3002 | 0 | (12) |
| Gear Research Institute | 12.RD | W911W6-09-D-0014 | 0 | 25,159 |
| Gear Research Institute | 12.RD | W911-W6-09-D-0016 | 0 | 5 |
| Gear Research Institute | 12.RD | W911W6-11-C-0053 | 0 | 849 |
| General Dynamics/Electric Boat | 12.RD | N00024-03-C-2101 | 0 | 92,035 |
| General Dynamics/Electric Boat | 12.RD | N00024-10-C-2118 | 0 | 228,797 |
| General Dynamics/Electric Boat | 12.RD | N00024-11-C-2109 | 0 | 50,268 |
| General Dynamics/Electric Boat | 12.RD | N00178-04-D-4012/EQH1 | 0 | 9,006 |
| General Dynamics/Electric Boat | 12.RD | N61331-11-C-0017 | 0 | 271,677 |
| General Dynamics/Electric Boat | 12.RD | N66604-05-C-3180 | 0 | 58,736 |
| General Dynamics/Electric Boat | 12.RD | SNX081-076 | 0 | 69,977 |
| General Dynamics/Electric Boat | 12.RD | SNX152-017 | 0 | 43,175 |
| General Dynamics/Electric Boat | 12.RD | SNX157-066 | 0 | 314,514 |
| General Dynamics/Electric Boat | 12.RD | SNX221-042 | 0 | 70,946 |
| General Dynamics/Electric Boat | 12.RD | SNY113-042 | 0 | 11,217 |
| General Dynamics/Electric Boat | 12.RD | ---- | 0 | 101,513 |
| General Lasertronic Corp | 12.RD | FA8650-11-M-5607 | 0 | 40,191 |
| George Mason University | 12.RD | FA9550-07-1-0527 | 0 | 319,076 |
| Georgia Institute of Technology | 12.RD | HC1047-05-D-4000 | 0 | 182,961 |
| Georgia Institute of Technology | 12.RD | N00014-08-1-0481 | 0 | (1) |
| Georgia Institute of Technology | 12.RD | ---- | 0 | 6,939 |
| Global Strategies Group | 12.RD | W91CRB-06-D-0054/0071 | 0 | (226) |
| Global Strategies Group | 12.RD | W91CRB-06-D-0054/0076 | 0 | 92,426 |
| Goodrich B.F. Aerospace | 12.RD | N00024-09-C-2104 | 0 | 67,756 |
| Goodrich B.F. Aerospace | 12.RD | N00178-04-D-4012 | 0 | 174 |
| Hardwire LLC | 12.RD | 2010-7 | 0 | 62,271 |
| Harvard University | 12.RD | 130143-02 | 0 | 106,219 |
| Herman Advanced Engineering | 12.RD | FA8650-09-D-2945 | 0 | 16,286 |
| Herman Advanced Engineering | 12.RD | N68335-10-C-0383 | 0 | 65,922 |
| | 12.RD | W911W6-01-D-0006 TO- | | |
| Hexcel | | 0001 | 0 | 77,033 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| HRL Laboratories, LLC | 12.RD | 801362-BS 20199 | 0 | 95,487 |
| HRL Laboratories, LLC | 12.RD | BAA-09-58 | 0 | 86,172 |
| Hydroid, Inc. | 12.RD | N00174-07-D-0001 | 0 | 1,629,894 |
| Hydroid, Inc. | 12.RD | N62306-08-D-9003 | 0 | 21,005 |
| Hypercomp Inc. | 12.RD | PHC2PSU-2011-1 | 0 | 138,918 |
| Image Acoustics, Inc. | 12.RD | N00014-08-C-0798 | 0 | 13,716 |
| Image Acoustics, Inc. | 12.RD | N00014-09-C-0491 | 0 | 24,485 |
| Image Acoustics, Inc. | 12.RD | N00014-11-M-0201 | 0 | 14,801 |
| Industrial Measurements Inc. | 12.RD | DO-A1 | 0 | 20,717 |
| Infoscitex Corporation | 12.RD | N00024-12-P-4000 | 0 | 5,003 |
| Innovative Automation Tech LLC | 12.RD | FA9550-10-C-0047 | 0 | 19,167 |
| Innovative Science Solutions Inc. | 12.RD | F33615-03-D-2329 | 0 | 1 |
| Innovative Science Solutions Inc. | 12.RD | FA8650-11-M-2172 | 0 | 25,901 |
| Innovative Science Solutions Inc. | 12.RD | FA9300-10-C-0008 | 0 | 233,930 |
| Innovative Science Solutions Inc. | 12.RD | N00014-08-C-0296 | 0 | 36,392 |
| Innovative Science Solutions Inc. | 12.RD | N00014-11-C-0468 | 0 | 2,049 |
| Innovative Science Solutions Inc. | 12.RD | SB05110 | 0 | 20,000 |
| Innovative Technology Applications Co., LLC | 12.RD | 125935 | 0 | 110,613 |
| Intelligent Automation, Inc. | 12.RD | 907-1 | 0 | 61,087 |
| International Business Machines, Inc. | 12.RD | 5003967289 CN2 | 0 | 41,697 |
| International Business Machines, Inc. | 12.RD | W911NF-06-3-0001 | 0 | 239,622 |
| Invertix Corporation | 12.RD | H98230-10-C-0772 | 0 | (5,012) |
| ITT Industries | 12.RD | N00173-09-C-2023 | 0 | 1,031 |
| ITT Industries | 12.RD | W5J9CQ-11-D-0009 | 0 | 77,665 |
| Johns Hopkins University | 12.RD | 04-D-8601 | 0 | 33,362 |
| Johns Hopkins University | 12.RD | N00024-03-D-6606 | 0 | 11,910 |
| Johns Hopkins University | 12.RD | W81XWH1020090 | 0 | 96,722 |
| KCF Technologies | 12.RD | N68936-11-C-0017 | 0 | 6,271 |
| Kennametal | 12.RD | HC1047-05-D-4005 | 0 | 30,831 |
| Kuchera Defense Systems Inc. | 12.RD | N68665-07-C-0447 | 0 | 48,844 |
| Kuchera Defense Systems Inc. | 12.RD | W911QX-08-C-0048 | 0 | 184 |
| L-3 Communications | 12.RD | N00178-04-D-4143 | 0 | 68 |
| L-3 Communications | 12.RD | N00406-05-D-5116 | 0 | 7,021 |
| L-3 Communications | 12.RD | N65236-09-D-6814 | 0 | 36,719 |
| Lockheed Martin | 12.RD | FA8650-07-C-7749 | 4,491 | 100,699 |
| Lockheed Martin | 12.RD | FA8650-11C-5014 | 0 | 336,771 |
| Lockheed Martin | 12.RD | N00024-09-C-5215 | 0 | (16) |
| Louisiana State University | 12.RD | W81XWH-10-1-0671 | 0 | 52,826 |
| Luna Innovations, Inc. | 12.RD | N00014-11-M-0219 | 0 | 10,998 |
| Luna Innovations, Inc. | 12.RD | N65538-10-C-0025 | 0 | (6) |
| Luna Innovations, Inc. | 12.RD | NQ0147-09-C-7010 | 0 | 80,437 |
| Luna Innovations, Inc. | 12.RD | W15QKN-11-C-0026 | 0 | 3,220 |
| Lynntech, Inc. | 12.RD | N00024-11-C-4162 | 0 | 75,006 |
| Lynntech, Inc. | 12.RD | N00167-11-C-0004 | 0 | 699 |
| Lynntech, Inc. | 12.RD | N65538-10-M-0029 | 0 | (23) |
| M Cubed Technologies Inc. | 12.RD | 20210 (PO 57059) | 0 | 1,181 |
| Marlow Industries | 12.RD | W909MY-09-C-0061 | 0 | (12) |
| Massachusetts Institute of Technology | 12.RD | 7000131695 | 0 | 32,161 |
| Massachusetts Institute of Technology | 12.RD | 7000177068 | 0 | 22,896 |
| McDonnell Douglas Corp. | 12.RD | 961910J | 0 | 74,574 |
| McKean Defense Group LLC | 12.RD | N00178-04-D-4078 | 0 | 379 |
| | | N00178-07-D-4078 | | |
| McKean Defense Group LLC | 12.RD | DO-EHP6 | 0 | 303,900 |
| | | N00178-07-D-4078 | | |
| McKean Defense Group LLC | 12.RD | DO-EHP7 | 0 | 118,879 |
| Medico Industries, Inc. | 12.RD | DOTC-09-01-INIT369 | 0 | 14,007 |
| MTS Technologies, Inc. | 12.RD | W56HZV-10-C-0137 | 0 | 28,223 |
| Nammo Talley Inc. | 12.RD | M67854-08-C-1123 | 0 | 95,448 |
| National Center for Manufacturing Sciences | 12.RD | DASW01-98-2-0002 | 0 | 277,673 |
| National Steel & Shipbuilding Co. | 12.RD | MUT541040-C | 0 | 37,257 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--------------------------------------|-----------------|--|-------------------------------------|---------------------|
| Navmar Applied Science Corporation | 12.RD | N00014-11-M-0294 | 0 | 23,967 |
| Navmar Applied Science Corporation | 12.RD | N68335-11-C-0038 | 0 | 186,283 |
| Navmar Applied Science Corporation | 12.RD | W911QXO-12-C-0021 | 0 | 466 |
| New England Aquarium Corporation | 12.RD | N00014-10-1-0614 | 0 | (26) |
| Nextgen Aeronautics Inc. | 12.RD | HR0011-10-C-0189 | 0 | 255,640 |
| Nextgen Aeronautics Inc. | 12.RD | W31P4Q-09-C-0101 | 0 | 1,922 |
| Northrop Grumman | 12.RD | 4500351696 | 0 | 49,285 |
| Northrop Grumman | 12.RD | 7600006224 | 0 | 80,603 |
| Northrop Grumman | 12.RD | HR0011-10-C-0167 | 0 | (209) |
| Northrop Grumman | 12.RD | HR011-09-C-0062 | 0 | 58,716 |
| Northrop Grumman | 12.RD | N00178-04-D-4091 | 0 | 333,751 |
| Objectvideo, Inc. | 12.RD | FA8750-11-C-0152 | 0 | 771 |
| Ohio Aerospace Institute | 12.RD | FA8650-09-D-2945 | 0 | 11,515 |
| Ohio State University | 12.RD | FA9550-09-1-0602 | 0 | 237,528 |
| Optipro Systems | 12.RD | SRA 20302 | 0 | 29,752 |
| Perot Systems Corporation | 12.RD | N00024-01-D-7010 | 0 | (10) |
| Physical Sciences Inc. | 12.RD | N68335-08-C-0038 | 0 | 22,449 |
| Physical Sciences Inc. | 12.RD | W911NF-09-C-0102 | 0 | 32,787 |
| PPG Industries | 12.RD | PPG-PSU-002 | 0 | 1,273 |
| Princeton University | 12.RD | FA9550-07-1-0515 | 0 | 368,881 |
| Princeton University | 12.RD | N66001-11-1-4110 | 0 | 282,192 |
| Purdue University | 12.RD | HDTRA1-08-1-0006 | 0 | 54,576 |
| Purdue University | 12.RD | W911NF-06-1-0377 | 0 | 64,060 |
| Questek Innovations LLC | 12.RD | 20243 (PO 000844) | 0 | 4,147 |
| RDA, Inc. | 12.RD | N68335-10-C-0388 | 0 | 80,090 |
| Resource Dynamics Corp. | 12.RD | N00178-09-C-1034 | 0 | 21,337 |
| Rice University | 12.RD | FA9550-12-1-0035 | 0 | 106,600 |
| Rice University | 12.RD | W911NF-11-1-0632 | 0 | 444,835 |
| Rolls Royce PLC | 12.RD | N00014-09-D-0680 | 0 | 207,342 |
| Rutgers State University of NJ | 12.RD | W911NF-06-2-0007 | 0 | 41,312 |
| S2 Corporation | 12.RD | W9113M-10-C-0070 | 0 | 29,905 |
| Sabre Systems, Inc. | 12.RD | N00178-05-D-4546 4Y02 | 0 | 17,606 |
| | | N00178-05-D-4546 DO- | | |
| | | 4Y02 | 0 | 819,972 |
| Sabre Systems, Inc. | 12.RD | 124552 PO 9F79-4-9145 | 0 | 66,404 |
| Savit Corporation | 12.RD | H98230-06-C-1219 | 0 | 94,738 |
| SCI Applications International Corp. | 12.RD | N00014-11-C-0010 | 0 | 603,596 |
| SCI Applications International Corp. | 12.RD | N00173-07-C-2023 | 0 | 16,015 |
| SCI Applications International Corp. | 12.RD | N00178-04-D-4119 | 0 | 131,065 |
| SCI Applications International Corp. | 12.RD | N00178-04-D-4119/FC28 | 0 | 6,297 |
| Science Research Laboratory | 12.RD | W31P4Q-09-C-0291 | 0 | 18,124 |
| Science Research Laboratory | 12.RD | W31P4Q-09-C-0306 | 0 | 21,379 |
| Sikorsky Aircraft Co. | 12.RD | W911W6-11-2-0008 | 0 | 75,623 |
| Sotera Defense Solutions Inc. | 12.RD | W91CRB-06-D-0054/0076 | 0 | 48,222 |
| | | N00014-06-D-0045 | | |
| South Carolina Research Authority | 12.RD | DO 0004 | 0 | 130,648 |
| | | N00014-06-D-0045 | | |
| South Carolina Research Authority | 12.RD | DO 0013 | 0 | 206,497 |
| Spectral Energies, LLC | 12.RD | FA8650-11-C-2185 | 0 | 195,580 |
| State University of New York | 12.RD | W911NF-09-1-0392 | 0 | 324,609 |
| Strategic Polymer Sciences Inc. | 12.RD | FA8650-11-M-5123 | 0 | 28,405 |
| Strategic Polymer Sciences Inc. | 12.RD | W91CRB-10-C-0155 | 0 | 98,095 |
| Stratonics Inc. | 12.RD | N00014-10-M-0475 | 0 | 4,295 |
| Stratonics Inc. | 12.RD | N00014-12-C-0221 | 0 | 11,691 |
| Survive Engineering Company | 12.RD | W91CRB-09-D-0027 | 0 | 321,547 |
| Systems Engineering Research Center | 12.RD | H98230-08-D-0171 | 0 | 26,738 |
| Tech Applications Group Inc. | 12.RD | N00167-11-P-0397 | 0 | 24,724 |
| Technical Data Analysis Inc. | 12.RD | N68335-11-C-0509 | 0 | 22,375 |
| Techno-Sciences Inc. | 12.RD | N00014-M-12-0055 | 0 | 18,142 |
| Teledyne Science & Imaging LLC | 12.RD | HR0011-10-C-0031 | 0 | 169,025 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|----------|--|-----------------------------|-------------------|
| Texas Biochemicals Inc. | 12.RD | N68936-12-C-0100 | 0 | 25,027 |
| Toyon Research Corp. | 12.RD | AIR FORCE | 0 | 35,000 |
| TRS Ceramics Inc. | 12.RD | N00014-07-C-0858 | 0 | 58,332 |
| TRS Ceramics Inc. | 12.RD | N00014-08-C-0856 | 0 | 101,488 |
| TRS Ceramics Inc. | 12.RD | N00014-09-C-0488 | 0 | 74,580 |
| TRS Technologies, Inc. | 12.RD | FA9550-10-C-0028 | 0 | 69,117 |
| TRS Technologies, Inc. | 12.RD | N00014-10-M-0411 | 0 | (40) |
| TRS Technologies, Inc. | 12.RD | N00014-11-M-0197 | 0 | 24,000 |
| UES Inc. | 12.RD | FA8650-09-C-2914 | 0 | 1,082 |
| UES Inc. | 12.RD | FA8650-09-D-5037 | 0 | 11,893 |
| UES Inc. | 12.RD | FA8650-10-D-5226 DO0001 | 0 | 5,887 |
| UES Inc. | 12.RD | FA8650-12-M-5127 | 0 | 8,829 |
| UES Inc. | 12.RD | HQ0006-08-C-7663 | 0 | 45,284 |
| UES Inc. | 12.RD | N00014-10-M-0265 | 0 | 607 |
| United Launch Alliance, LLC | 12.RD | FA8816-06-C-0002 | 0 | 29 |
| United Technologies Research Center | 12.RD | W9132T-10-C-0013 | 0 | 651 |
| University of California | 12.RD | N00014-06-1-0428 | 0 | 377 |
| University of California | 12.RD | N00014-08-1-1015 | 0 | 151,615 |
| University of California Davis | 12.RD | W911NF-07-1-0318 | 0 | 132,717 |
| University of California Los Angeles | 12.RD | N660011-11-1-4197 | 0 | 314,462 |
| University of Connecticut | 12.RD | N00014-10-1-0944 | 0 | 152,044 |
| University of Dayton Research Institute | 12.RD | FA8650-10-C-2934 | 0 | 122,242 |
| University of Illinois | 12.RD | FA9550-11-1-0129 | 0 | 59,874 |
| University of Maryland | 12.RD | FA9550-09-1-0632 | 0 | 84,305 |
| University of Maryland | 12.RD | W911NF1120086 | 0 | 97,350 |
| University of Michigan | 12.RD | FA9550-09-1-0695 | 0 | 149,332 |
| University of Michigan | 12.RD | N65540-10-C-0003 | 0 | 231,158 |
| University of Minnesota | 12.RD | FA9550-10-1-0563 | 0 | 202,949 |
| University of Mississippi | 12.RD | W9113M-06-C-0029 | 0 | 252,514 |
| University of New Mexico | 12.RD | DTRA01-03-D-0009 | 0 | 3,109 |
| University of Pittsburgh | 12.RD | FA7014-10-2-0005 | 0 | 481,477 |
| University of Southern California | 12.RD | HR0011-10-C-0034 | 0 | 159,296 |
| University of Southern California | 12.RD | W911NF-09-D-0006 | 0 | 43,946 |
| University of Texas at Austin | 12.RD | W911NF-07-1-0028 | 0 | 39,324 |
| University of Utah | 12.RD | FA9550-08-1-0400 | 0 | 321,195 |
| | | N00178-04-D-4042 TO | | |
| URS Corporation | 12.RD | FC16 | 0 | 9,275 |
| Vertical Lift Consortium/Rotorcraft | 12.RD | W911W6-05-2-0003 | 40,164 | 954,261 |
| Vertical Lift Consortium/Rotorcraft | 12.RD | W911W6-06-2-0002 | 0 | 121,887 |
| Virginia Polytechnic Institute | 12.RD | W911NF-07-1-0452 | 0 | 285,987 |
| Wagner Associates | 12.RD | N00024-11-C-4188 | 0 | 59,931 |
| Wagner Associates | 12.RD | N65538-10-C-0051 | 0 | 6,223 |
| Wasatch Molecular Incorporated | 12.RD | FA9300-11-C-3012 | 0 | 108,195 |
| WR Systems LTD | 12.RD | N65236-10-D-2839 | 0 | 46,971 |
| Wyle Laboratories | 12.RD | HC1047-05-D-4005 | 0 | 124,189 |
| Total – Defense | | | <u>760,401</u> | <u>24,539,695</u> |
| <u>Interior:</u> | | | | |
| California University of Pennsylvania | 15.RD | 08HQGR0157 | 0 | 5,158 |
| Ducks Unlimited | 15.RD | ---- | 0 | 5,933 |
| Regional Science Consortium | 15.RD | CZM2010-PE.04 | 0 | 8,145 |
| TDI Brooks International Inc. | 15.RD | --- | 0 | 101,291 |
| University of Minnesota | 15.RD | 30181AG095 | 0 | 70,982 |
| University of Southern California | 15.RD | 07HQAG0008 | 0 | 700 |
| University of Southern California | 15.RD | G07AC00026 | 0 | 20,751 |
| Total - Interior | | | <u>0</u> | <u>212,960</u> |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| <u>Justice:</u> | | | | |
| RTI International | 16.RD | 2011-RY-BX-0003 | 0 | 54,195 |
| University of Missouri | 16.RD | 2006-JV-FX-0011 | 0 | 21,407 |
| Total - Justice | | | 0 | 75,602 |
| <u>Labor:</u> | | | | |
| County of Chester | 17.RD | 131447 | 0 | 43,000 |
| School District of City of Erie PA | 17.RD | 11-12-TANF-1212 | 0 | 1,000 |
| Total - Labor | | | 0 | 44,000 |
| <u>State:</u> | | | | |
| Applied Research Associates Inc. | 19.RD | SAQMMA-08-D-0084 T/O -F-6499 | 0 | 363 |
| Total - State | | | 0 | 363 |
| <u>Transportation:</u> | | | | |
| Applied Pavement Technology | 20.RD | DTFH61-10-D-00025 | 0 | 19,202 |
| Auburn University | 20.RD | DTFH61-09-H-00013 | 0 | 10,969 |
| Bridge Composites LLC | 20.RD | DTFH61-10-G-00007 | 0 | 18,946 |
| Cornell University | 20.RD | DTOS59-07-G-00052 | 0 | 75,306 |
| Intelligent Automation, Inc. | 20.RD | 788-1 | 0 | 73,545 |
| National Academy of Sciences | 20.RD | DTFH61-06-H-00009 | 0 | 445,119 |
| National Academy of Sciences | 20.RD | HR 15-34 | 0 | (2,267) |
| Systems Research & Applications Corp. | 20.RD | DTFAC-10-D-00008 | 0 | 9,998 |
| University of Hawaii | 20.RD | TA2007-1R | 0 | 82,846 |
| Vanasse Hangen Brustlin Inc. | 20.RD | DTFH61-10-D-00022 | 0 | 5,658 |
| Washington Department of Transportation | 20.RD | GCA6865 | 0 | 28,148 |
| Total - Transportation | | | 0 | 767,470 |
| <u>Appalachian Regional Commission:</u> | | | | |
| Southern Alleghenies P&D Commission | 23.RD | 127232/154031 PO 11000246-00 | 0 | 73,781 |
| Total - Appalachian Regional Commission | | | 0 | 73,781 |
| <u>National Aeronautics and Space Admin.:</u> | | | | |
| Advanced Cooling Technologies | 43.RD | NNX11CA05C | 0 | 11,418 |
| Aerodyne Research Inc. | 43.RD | NNX10CA32C | 0 | 36,558 |
| American GNC Corp. | 43.RD | AGNC120224 | 0 | 8,952 |
| Brimrose Technology Corp. | 43.RD | NNX11C134P | 0 | 30,000 |
| Busek Co., Inc. | 43.RD | NNX11CA37C | 0 | 150,800 |
| Busek Co., Inc. | 43.RD | NNX11C110P | 0 | 30,000 |
| Colorado State University | 43.RD | NNX08AK08G | 0 | 23,220 |
| Howard University | 43.RD | NNX10AQ11A | 0 | 50,000 |
| Hypertherm, Inc. | 43.RD | NNX11CG62P | 0 | 23,225 |
| Jet Propulsion Lab | 43.RD | 1352021 | 0 | 15,547 |
| Jet Propulsion Lab | 43.RD | 1352044 | 0 | 17,586 |
| Jet Propulsion Lab | 43.RD | 1398566 | 0 | 3,485 |
| Jet Propulsion Lab | 43.RD | 1425528 | 0 | 386 |
| Jet Propulsion Lab | 43.RD | 1439199 | 0 | 5,182 |
| Jet Propulsion Lab | 43.RD | NM0710860 | 0 | 3,687 |
| Johns Hopkins University | 43.RD | NAS5-97271 | 0 | 891 |
| Johns Hopkins University | 43.RD | NNN06AA01C | 0 | 85,957 |
| Pratt & Whitney Aircraft | 43.RD | NNC10A12B | 0 | 175,242 |
| Smithsonian Astrophysical Observatory | 43.RD | GO1-12102X | 0 | 7,433 |
| Smithsonian Astrophysical Observatory | 43.RD | NAS8-03060 | 858,697 | 1,818,579 |
| Smithsonian Astrophysical Observatory | 43.RD | NNX09AE87G | 0 | 81,073 |
| Space Science Institute | 43.RD | NNX10AP20G | 0 | 11,822 |
| Space Telescope SCl Institute | 43.RD | NAS5-26555 | 0 | 215,933 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| Space Telescope SCl Institute | 43.RD | NAS5-26556 | 0 | 32,522 |
| St. Vincent College | 43.RD | NNX09AC87G | 0 | 27,235 |
| TRS Technologies, Inc. | 43.RD | NNX10CA27C | 0 | 98,311 |
| University of Florida | 43.RD | NNX09AC84G | 0 | 35,778 |
| University of Illinois | 43.RD | NNX10AL94G | 0 | 10,795 |
| University of Maryland | 43.RD | NCC 3989 | 26,105 | 283,136 |
| University of Montana | 43.RD | NNX11A047G | 0 | 67,445 |
| University of Texas | 43.RD | NNX09AV10G | 0 | 80,541 |
| University of Texas at Arlington | 43.RD | NNX11AC03G | 0 | 43,316 |
| University of Washington | 43.RD | NNA08CN87A | 0 | 172,395 |
| University of Wisconsin | 43.RD | NNX10AP10G | 0 | 62,272 |
| Virginia Institute of Marine Sciences | 43.RD | NNX08A025G | 0 | 20,785 |
| Virginia Institute of Marine Sciences | 43.RD | NNX11AD47G | 0 | 34,509 |
| Wyle Laboratories | 43.RD | NNL10AA08B | 0 | 86,202 |
| | | NNL10AA08B/ | | |
| Wyle Laboratories | 43.RD | NNL10AB335 | 0 | 2,999 |
| Total - National Aeronautics and Space Admin. | | | 884,802 | 3,865,217 |
| <u>National Endowment for the Humanities:</u> | | | | |
| Washington University | 45.RD | NEH RQ-50401-09 | 0 | 8,320 |
| Total - National Endowment for the Humanities | | | 0 | 8,320 |
| <u>National Science Foundation:</u> | | | | |
| Advanced Power Products, Inc. | 47.RD | 0848712 | 0 | 41,938 |
| American Education Research Association | 47.RD | DRL-0941014 | 0 | 30,652 |
| Brigham Young University | 47.RD | 11-0316 | 0 | 25,000 |
| California Institute of Technology | 47.RD | CHE-0802907 | 0 | 239,001 |
| Carnegie Institute | 47.RD | ---- | 0 | 5,609 |
| Carnegie Mellon University | 47.RD | SES-0949710 | 0 | 7,701 |
| Chicago Zoological Society | 47.RD | ARC-1043284 | 0 | 35,553 |
| Civilian Research & Development Foundation | 47.RD | RUB-7029MO-11 | 0 | 3,664 |
| Cleveland State University | 47.RD | DUE-0919487 | 0 | 420 |
| Columbia University | 47.RD | OCE-1202632 | 0 | 40,759 |
| Columbia University | 47.RD | SES-0951516 | 0 | 95,878 |
| Consortium for Ocean Leadership | 47.RD | BA-40 TO T319A40 | 0 | 19,682 |
| Consortium for Ocean Leadership | 47.RD | BA-40 TO T322A40 | 0 | 266 |
| Consortium for Ocean Leadership | 47.RD | BA-40 TO T331A40 | 0 | 2,545 |
| Consortium for Ocean Leadership | 47.RD | BA-40 TO T331B40 | 0 | 2,969 |
| Consortium for Ocean Leadership | 47.RD | BA-40 TO T332A40 | 0 | 21,343 |
| Consortium for Ocean Leadership | 47.RD | BA-40 TO T3332B40 | 0 | 17,435 |
| Consortium for Ocean Leadership | 47.RD | BA-40 TO T334A40 | 0 | 5,302 |
| Consortium for Ocean Leadership | 47.RD | JSA-40.410 TO T321A40 | 0 | 12,920 |
| Cornell University | 47.RD | 0335765 | 0 | 528,252 |
| Duke University | 47.RD | 09-NSF-1034 | 0 | 221,037 |
| Electrodynamic Applications Inc. | 47.RD | 133027 | 0 | 55,159 |
| Florida State University | 47.RD | ---- | 0 | 47,718 |
| Georgia Institute of Technology | 47.RD | EEC-0908895 | 0 | 7,500 |
| Howard University | 47.RD | 3000026964 | 0 | 25,000 |
| Institute for Learning Innovation | 47.RD | ---- | 0 | 18,770 |
| Iowa State University | 47.RD | 420-72-25 | 0 | 31,822 |
| Johns Hopkins University | 47.RD | ---- | 0 | 31,233 |
| Lemelson Foundation | 47.RD | EEC-0835992 | 0 | 19,950 |
| Makel Engineering, Inc. | 47.RD | 10SUB-MCM02PSU | 0 | 81,434 |
| Massachusetts Institute of Technology | 47.RD | 57100002619 | 0 | 10,938 |
| New Mexico Institute of Mining & Technology | 47.RD | ANT-1043580 | 0 | 8,757 |
| North Carolina State University | 47.RD | CMM1-1139792 | 0 | 19,002 |
| Ocean Nanotech LLC | 47.RD | IIP-1010491 | 0 | 449 |
| Oregon State University | 47.RD | S1315A-E | 0 | 31,496 |
| Proton Energy Systems | 47.RD | IIP-1058328 | 0 | 127,434 |
| Rand Corporation | 47.RD | 1049208 | 0 | 20,000 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| Semiconductor Research Corp. | 47.RD | NSF CCF-0903432 | 0 | 14,771 |
| Society of Women Engineers | 47.RD | HRD-0937306 | 0 | 19,358 |
| Stark State College of Technology | 47.RD | DUE-0802536 | 0 | 11,072 |
| | | SUB 10-25 50738 | | |
| State University of New York | 47.RD | PROJ 1080356 | 0 | 69,994 |
| Strategic Polymer Sciences Inc. | 47.RD | IIP-1113625 | 0 | 40,003 |
| Texas A&M University | 47.RD | DMR-0844082 | 0 | 35,440 |
| Texas A&M University | 47.RD | DUE-080715 | 0 | 13,000 |
| Texas A&M University | 47.RD | DUE-0942715 | 0 | 20,077 |
| Universal Corporation for Atmospheric Research | 47.RD | ATM-0833450 | 0 | 7,693 |
| Universal Corporation for Atmospheric Research | 47.RD | ATM-0856145 P1085294 | 0 | 134 |
| University of California | 47.RD | CHE-0802913 | 0 | 4,621 |
| University of California | 47.RD | DRL-0822119 | 0 | 74,603 |
| University of California | 47.RD | OCE07-52970 | 0 | (101) |
| University of California | 47.RD | OCI-1140394 | 0 | 162 |
| University of Colorado | 47.RD | AGS1135446 | 0 | 17,119 |
| University of Colorado | 47.RD | ANT 1041742 | 0 | 1,373 |
| University of Colorado | 47.RD | ANT 1115245 | 0 | 43,452 |
| University of Florida | 47.RD | IOS-0923975 | 0 | 114,106 |
| University of Georgia | 47.RD | SBE0830165 | 0 | 4,392 |
| University of Houston | 47.RD | CMMI-0708096 | 0 | 94,621 |
| University of Kansas | 47.RD | ANT0424589 | 0 | 379,194 |
| University of Maryland | 47.RD | ESI-0426253 | 0 | 606,326 |
| University of Maryland | 47.RD | IOS1025837 | 0 | 199,029 |
| University of Maryland | 47.RD | SES-1059758 | 0 | 719 |
| University of Michigan | 47.RD | EFRI-0835995 | 0 | 52,054 |
| University of Michigan | 47.RD | EFRI-0937323 | 0 | 200,799 |
| University of Missouri | 47.RD | IOS-1114484 | 0 | 54,230 |
| University of Nebraska | 47.RD | AGS-1103316 | 0 | 2,651 |
| University of Nebraska | 47.RD | CMMI-0709333 | 0 | 2,944 |
| University of Nebraska | 47.RD | ANT-0342484 | 0 | 68,508 |
| University of New Hampshire | 47.RD | ANT-0944266 | 0 | 57,187 |
| University of Oregon | 47.RD | BCS-0940744 | 0 | 34,505 |
| University of Southern California | 47.RD | OCE-0939564 | 0 | 3,234 |
| University of Texas at Austin | 47.RD | BCS-0964596 | 0 | 74,657 |
| University of Texas at Austin | 47.RD | DEB-0733029 | 0 | 4,738 |
| University of Texas at Austin | 47.RD | OCE-1135427 | 0 | 1,671 |
| University of Wisconsin | 47.RD | 0708759 | 0 | 39,205 |
| University of Wisconsin | 47.RD | ANT-0937462 | 0 | 29,054 |
| Virginia Polytech Institute | 47.RD | DBI-04-01748 | 0 | 15,056 |
| Virginia Polytech Institute | 47.RD | DBI-0922747 | 0 | (50) |
| Virginia Polytech Institute | 47.RD | IOS-0965353 | 0 | 194,695 |
| Woods Hole Oceanographic Institute | 47.RD | SA-10-06 | 0 | 19,241 |
| Yale University | 47.RD | AST-1109727 | 0 | 4,377 |
| Total - National Science Foundation | | | 0 | 4,524,502 |
| <u>Department of Spanish Origin:</u> | | | | |
| Altoona Blair County Development Corporation | 59.RD | SBAHQ-10-1-0191 | 0 | 30,221 |
| Total - Department of Spanish Origin | | | 0 | 30,221 |
| <u>Veterans Affairs:</u> | | | | |
| New Mexico Veterans Health Care System | 64.RD | ---- | 0 | 21,271 |
| Total - Veterans Affairs | | | 0 | 21,271 |
| <u>Environmental Protection Agency:</u> | | | | |
| Alaska Department of Environment | 66.RD | 127617 | 0 | 88,196 |
| | | SUB GL 00E00845 | | |
| Erie-Western PA Port Authority | 66.RD | 0 150975 | 0 | 14,772 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|-----------------|--|-------------------------------------|---------------------|
| Mactec Inc. | 66.RD | 68-D-03-052 | 0 | 18,301 |
| National Fish and Wildlife Foundation | 66.RD | FR.2413 | 0 | 50,786 |
| Partner for Delaware Estuary | 66.RD | PDE 140-05 | 0 | 322 |
| Pittsburgh Water & Sewer Authority | 66.RD | 94616 | 0 | 57 |
| RTI International | 66.RD | EP-W-07-069 | 0 | 43,538 |
| Tetra Tech EM Inc. | 66.RD | 100-BLT-T27033-02 | 0 | 72,858 |
| University of Alabama | 66.RD | EP-C-07-014 | 0 | 173 |
| | | 716171-712685 | | |
| Virginia Institute of Marine Science | 66.RD | PO U00P1401285 | 0 | 134,735 |
| Total - Environmental Protection Agency | | | 0 | 423,738 |
| <u>Nuclear Regulatory Commission:</u> | | | | |
| Argonne National Lab | 77.RD | DE-AC02-06CH11357 | 0 | 31,349 |
| Numark Associates, Inc. | 77.RD | 42-07-481-07_TO 20 | 0 | 18,705 |
| Purdue University | 77.RD | 4112-26222 | 0 | (135) |
| Purdue University | 77.RD | NRC-04-07-094 | 0 | 110,241 |
| University of Michigan | 77.RD | NRC-04-10-149 | 0 | 48,569 |
| Total - Nuclear Regulatory Commission | | | 0 | 208,729 |
| <u>Energy:</u> | | | | |
| Advanced Cooling Technologies | 81.RD | DE-SC0000912 | 0 | 24,459 |
| Advanced Cooling Technologies | 81.RD | DE-SC0002299 | 0 | 194,134 |
| Aerodyne Research, Inc. | 81.RD | DE-FG02-05ER63995 | 0 | 3,811 |
| Air Products & Chemical | 81.RD | DE-FC26-98FT 40343 | 0 | 155,318 |
| | | KNDJ-0-40344-00 | | |
| Alliance for Sustainable Energy | 81.RD | TO 1 TO 2 | 427,975 | 677,965 |
| Altex Technologies | 81.RD | DE-SC0006466 | 0 | 40,000 |
| Argonne National Laboratory | 81.RD | 2F-30521 | 0 | 10,466 |
| Argonne National Laboratory | 81.RD | DE-AC02-06CH11357 | 0 | 218,507 |
| Argonne National Laboratory | 81.RD | DE-SV02-06-CH11357 | 0 | 135,312 |
| Ballard Material Products Inc. | 81.RD | DE-FG36-08G018051 | 0 | 24,011 |
| Bandgap Engineering Inc. | 81.RD | DE-EE0005323 | 0 | 50,223 |
| Battelle Pacific NW National Lab | 81.RD | 00068923 | 0 | (4,351) |
| Battelle Pacific NW National Lab | 81.RD | 125494 | 0 | 102 |
| Battelle Pacific NW National Lab | 81.RD | 4000092324 | 0 | 89,403 |
| Battelle Pacific NW National Lab | 81.RD | 4000100345_MOD6 | 0 | 32,755 |
| Battelle Pacific NW National Lab | 81.RD | DE-AC05-76RL01830 | 0 | 693,090 |
| Battelle Pacific NW National Lab | 81.RD | DE-AC07-05ID14517 | 294,843 | 1,366,409 |
| Battelle Pacific NW National Lab | 81.RD | DE-AC52-07NA27344 | 0 | 28,587 |
| Battelle Pacific NW National Lab | 81.RD | 160446 | 0 | 213,094 |
| Battelle Energy Alliance Idaho | 81.RD | DE-AC07-05ID14517 | 29,000 | 72,233 |
| Bechtel Bettis, Inc. | 81.RD | 3018702 | 0 | 994 |
| Bechtel Bettis, Inc. | 81.RD | 3019444 | 0 | 127,248 |
| Bechtel Bettis, Inc. | 81.RD | 3021246 | 0 | 3,450 |
| Bechtel Bettis, Inc. | 81.RD | 3021246 AMEND 7 | 0 | 53,317 |
| Berkley Lawrence Laboratory | 81.RD | DE-AC02-05CH11231 | 0 | 341,839 |
| California Institute of Technology | 81.RD | DE-SC0004949 | 0 | 38,765 |
| Carnegie Institute | 81.RD | DE-SC0001057 | 0 | 59,289 |
| CFD Research Corporation | 81.RD | 1474 9021 | 0 | 158,721 |
| Compact Contractors of America | 81.RD | P1102197 | 0 | 395 |
| Cornell University | 81.RD | DE-SC0002334 | 0 | 157,021 |
| Dehlsen Associates LLC | 81.RD | DE-EE00002648 | 0 | 551,190 |
| General Motors Corporation | 81.RD | DE-EE0000470 | 0 | 234,703 |
| Hewlett Packard Company | 81.RD | 128598 | 0 | 90,718 |
| Livermore Lawrence National Laboratory | 81.RD | B595949 | 0 | 21,865 |
| Livermore Lawrence National Laboratory | 81.RD | B596235 | 0 | 50,000 |
| Los Alamos National Lab | 81.RD | DE-AC52-06NA25396 | 0 | 41,728 |
| Louisiana State University | 81.RD | DE-SC0001058 | 0 | 64,781 |
| Marlow Industries | 81.RD | 277998 | 0 | 10,000 |
| Massachusetts Institute of Technology | 81.RD | 5710002934 | 0 | 42,066 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---------------------------------------|----------|--|-----------------------------|--------------|
| | | DE-FG07-051D14692 | | |
| Medical University of South Carolina | 81.RD | INDE-006 | 0 | 1 |
| National Renewable Energy Lab | 81.RD | DE-AC36-08GO28308 | 0 | 119,126 |
| NICCR Consortium | 81.RD | DE-FC02-06ER64157 | (9,459) | 34,313 |
| Nokomois Inc. | 81.RD | DE-SC0004701 | 0 | 23,020 |
| | | DE-AC07-051D14517/ | | |
| North Carolina State University | 81.RD | 00042959-29 | 0 | 61,365 |
| North Carolina State University | 81.RD | XGB-1-11444-01 | 0 | 47,000 |
| Northwestern University | 81.RD | DE-EE0003460 | 0 | 27,125 |
| Nuvera Fuel Cells, Inc. | 81.RD | DE-PS36-08GO98009 | 79,274 | 193,695 |
| Oak Ridge National Lab | 81.RD | 4000081782 | 0 | (595) |
| Oak Ridge National Lab | 81.RD | DE-AC05-000R22725 | 0 | 74,164 |
| Ocean Renewable Power Company | 81.RD | DE-EE0003647 | 0 | 60,112 |
| Pratt & Whitney Aircraft | 81.RD | 4410005316 | 0 | 8,950 |
| Princeton University | 81.RD | DE-AC02-09CH11466 | 0 | 34,597 |
| Princeton University | 81.RD | DE-SC0006838 | 0 | 141,139 |
| Research Partnership to Secure Energy | 81.RD | DE-AC26-07NT42677 | 0 | 55,731 |
| RTI International | 81.RD | DE-FE0007707 | 0 | 17,169 |
| Rutgers University | 81.RD | DE-SC0001780 | 0 | 155,845 |
| Sandia National Labs | 81.RD | 775396 | 0 | 533,162 |
| Sandia National Labs | 81.RD | PO 992687 143642 | 0 | 217,036 |
| Saxet Surface Science | 81.RD | 124669 AMEND 1 | 0 | 84,621 |
| South Dakota State University | 81.RD | DE-FC36-05GO85041 | 0 | 54,790 |
| Stanford University | 81.RD | DE-SC0005171 | 57,839 | 601,938 |
| Strategic Polymer Sciences, Inc. | 81.RD | DE-EE0004540 | 0 | 77,850 |
| Strategic Polymer Sciences, Inc. | 81.RD | DE-SC0003340 | 0 | 243,852 |
| Strategic Polymer Sciences, Inc. | 81.RD | DE-SC0006448 | 0 | 39,970 |
| Stripperwell Consortium | 81.RD | DE-FE0003616 | (6,074) | (1,499) |
| Tulane University | 81.RD | DE-FC02-06ER64298 | 13,124 | 54,787 |
| UES Inc. | 81.RD | DE-SC0004356 | 0 | 32,635 |
| University of California Los Angeles | 81.RD | DE-SC0006698 | 0 | 82,047 |
| University of Delaware | 81.RD | DE-SC0007092 | 0 | 39,464 |
| University of Michigan | 81.RD | DE-FG07-07ID14894 | 0 | (3,278) |
| University of South Carolina | 81.RD | IDNE014 | 0 | 51,011 |
| University of Tennessee | 81.RD | A11-0125-S002 | 0 | 90,738 |
| University of Texas at Austin | 81.RD | DE-FE0005540 | 0 | 82,786 |
| University of Utah | 81.RD | DE-SC0004769 | 0 | 93,614 |
| University of Washington | 81.RD | DE-SC0006870 | 0 | 39,160 |
| | | 4000.2.651.232. | | |
| URS Corporation | 81.RD | 001.111.000.007 | 0 | 1,354 |
| | | 4000.4.600.220. | | |
| URS Corporation | 81.RD | 001.503.000.005 | 0 | 3,446 |
| URS Corporation | 81.RD | DE-FE0004000 | 0 | 1,209,611 |
| URS Corporation | 81.RD | RES1000026 | 0 | 711,845 |
| Volvo Powertrain North America | 81.RD | DE-EE0004232 | 0 | 195,882 |
| West Virginia University | 81.RD | 127176 | 0 | 7 |
| Total - Energy | | | 886,522 | 11,663,204 |
| Education: | | | | |
| Duke University | 84.RD | H133E080011 | 31,256 | 307,074 |
| Florida State University | 84.RD | R01451 | 0 | 71,366 |
| Johns Hopkins School of Public Health | 84.RD | R305A080326 | 0 | (170) |
| Project Grad USA | 84.RD | 133714 | 0 | 30,752 |
| University of Illinois | 84.RD | 2009-07279-01 | 0 | 65,486 |
| University of Illinois | 84.RD | R305A100344 | 0 | 222,038 |
| University of North Carolina | 84.RD | R305A040056 | 0 | 34,198 |
| University of Oregon | 84.RD | R324A070157 | 0 | 11,230 |
| Total - Education | | | 31,256 | 741,974 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| <u>Health and Human Services:</u> | | | | |
| ABT Associates Inc. | 93.RD | GS-10F-0086K | 0 | 15,922 |
| Actuated Medical Inc. | 93.RD | 2 R44 GM085844-02A1 | 0 | 18,245 |
| Albert Einstein College of Medicine | 93.RD | 2P01-AG003949-26A2 | 0 | 42,382 |
| Albert Einstein College of Medicine | 93.RD | 5P01-AG003949-27 | 0 | 13,239 |
| American College of Radiology | 93.RD | 5 U01 CA080098-13 | 0 | 15,966 |
| American Institute for Research | 93.RD | 5R01DA030452-02 | 0 | 9,716 |
| Apeliotus Technologies, Inc. | 93.RD | 1 R43 RY019593-01 | 0 | 19,358 |
| Arizona State University | 93.RD | 1R01GM080586-01A2 | 0 | 66,199 |
| Arizona State University | 93.RD | 1R01GM092946 | 0 | 152,561 |
| Arizona State University | 93.RD | R01HD039666-09 | 0 | 35,472 |
| Arthrochip LLC | 93.RD | R42 AI053984 | 0 | 13,538 |
| Bassett Mary Imogene Hospital | 93.RD | 1R01OH009484-02 | 0 | (3,303) |
| Bassett Mary Imogene Hospital | 93.RD | 1R01OH009484-03 | 0 | 206,092 |
| Bassett Mary Imogene Hospital | 93.RD | 2U54OH007542-11 | 0 | 82,308 |
| Bassett Mary Imogene Hospital | 93.RD | 5U50/OH007542-10 | 0 | 54,021 |
| Baylor College of Medicine | 93.RD | 5 R01 AR44474-15 | 0 | 807 |
| Baylor College of Medicine | 93.RD | 5 R01 AR44474-16 | 0 | 55,851 |
| Baystate Medical Center | 93.RD | 1R01DK084325-03 | 0 | 10,066 |
| Baystate Medical Center | 93.RD | R01DK084325-02 | 0 | 2,966 |
| Bioreliance Corporation | 93.RD | N02-CP-55502 | 0 | 12,942 |
| Boston Medical Center | 93.RD | 0311701 | 0 | 21,598 |
| Brigham & Women's Hospital | 93.RD | 5 R01 ES017017-03 | 0 | 37,594 |
| Broad Institute of Cambridge Massachusetts | 93.RD | P01HG005062-03 | 0 | 56,282 |
| Case Western Reserve University | 93.RD | R01EY01-8612-03 | 0 | 7,489 |
| Center for Addiction & Mental Health | 93.RD | 122920 | 0 | 36,889 |
| Center for Addiction & Mental Health | 93.RD | 1R01AA017663-01A1 | 0 | 18,961 |
| Centre County Mental Health and Retardation | 93.RD | 562-127-2 | 0 | 48,000 |
| Child Care Consultants Inc. | 93.RD | 127042 | 0 | (2) |
| Child Care Consultants Inc. | 93.RD | 127043 | 0 | (1) |
| Child Care Consultants Inc. | 93.RD | 136564 | 0 | 19,439 |
| Child Care Consultants Inc. | 93.RD | 136565 | 0 | 67,992 |
| Children's Hospital of Boston | 93.RD | 1R56AI084011-01 | 0 | 3,000 |
| Children's Hospital of Philadelphia | 93.RD | 5 H30 MC09625-03-00 | 0 | 62,316 |
| Children's Hospital of Philadelphia | 93.RD | 5 U01 DD000193-05 | 0 | 20,314 |
| Children's Hospital of Philadelphia | 93.RD | ATHN2001-LLL-1 | 0 | 11,862 |
| Children's Hospital of Philadelphia | 93.RD | HRSA 5 H30 MC09625-03 | 0 | (1) |
| Children's Hospital of Philadelphia | 93.RD | U10 CA98543-08 | 0 | 31,222 |
| Cincinnati Children's Hospital Medical Center | 93.RD | R01 DA16402 | 0 | (3,880) |
| Clinical & Translational Science Institute | 93.RD | ---- | 0 | (51,686) |
| Colorado State University | 93.RD | 9R01HL092791 | 0 | 319,210 |
| Columbia University | 93.RD | 1 R01 NS067443-01A1 | 0 | 9,678 |
| Columbia University | 93.RD | 1 R21 AR059917-01 | 0 | 53,240 |
| Columbia University | 93.RD | 5 R01 N5067443-02 | 0 | 91,430 |
| Community Strategies | 93.RD | 113297 | 0 | 53,288 |
| Cornell University | 93.RD | 1 NO1 CN43302-WA27 | 0 | 85,688 |
| Cornell University | 93.RD | 1R01AL092571-01 | 0 | 109,045 |
| Cornell University | 93.RD | 1R01AL092571-02 | 0 | 65,758 |
| Cornell University | 93.RD | 2010-34360-21351 | 0 | 2,701 |
| Cornell University | 93.RD | 5 U01NS50324-03 | 0 | 15,954 |
| Dartmouth College | 93.RD | 1R01AG035028 | 0 | 70,850 |
| Dartmouth College | 93.RD | 5R01HD049762-07 | 0 | 48,185 |
| Dartmouth College | 93.RD | 7R01HD049762-05 | 0 | 41,444 |
| Duke University | 93.RD | HHSN-275201000003I | 0 | 28,196 |
| Eastern Tennessee State University | 93.RD | 5R01CA134891-02 | 0 | 129,272 |
| Eastern Tennessee State University | 93.RD | 5R01CA134891-03 | 0 | 121,859 |
| Elizabethtown College | 93.RD | 1 R15 AI076933-01A1-08-1 | 0 | 4,090 |
| Emmes Corporation | 93.RD | 1U01NS026835-01A1 | 0 | 11,646 |
| Emmes Corporation | 93.RD | HHS-N-260-2005-00007-C | 0 | 4,962 |
| Essential Institute of Rural Health | 93.RD | 136219 | 0 | 194,624 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|---|-------------------------------------|---------------------|
| Fox Chase Cancer Center | 93.RD | 1 U19 AI083008-04 | 0 | 104,144 |
| Fox Chase Cancer Center | 93.RD | 5 U19 AI083008-03 | 0 | 660,875 |
| Frontier Science & Technology Research Foundation | 93.RD | U10 CA21115-36 | 0 | 59,838 |
| Frontier Science & Technology Research Foundation | 93.RD | U10 CA021115-37 | 0 | 70,271 |
| George Mason University | 93.RD | 1R01AG034682-01A2 12-S01-32863/ 1/1CCLS20680F | 0 | 3,110 |
| George Washington University | 93.RD | 1/1CCLS20680F | 0 | 82,544 |
| George Washington University | 93.RD | 1RO1HD061017-01 | 0 | 3,207 |
| Georgetown University | 93.RD | 1 R01 DK088016-01 | 0 | 196,697 |
| Georgetown University | 93.RD | 4255-031 | 0 | (6,327) |
| Hebrew Rehabilitation Center | 93.RD | 5 R01 AG032982-02 | 0 | 1,743 |
| Hebrew Rehabilitation Center | 93.RD | 5 R01 AG032982-03 | 0 | 15,454 |
| Invo Tek, Inc. | 93.RD | 2R44HD059231-02 | 0 | 14,163 |
| Iowa State University | 93.RD | 430-17-09 | 0 | 108,176 |
| Iowa State University | 93.RD | 430-17-19 | 0 | 6,819 |
| Iowa State University | 93.RD | 430-28-02A | 0 | 31,631 |
| Iowa State University | 93.RD | 5R18DP002279-02 | 0 | 38,234 |
| Iowa State University | 93.RD | R01DA013709 | 0 | 609,780 |
| J. Craig Venter Institute | 93.RD | HHSN272200900007C | 0 | 18,522 |
| JAEB Center for Health Research | 93.RD | U10 EY 14231 | 0 | 45 |
| Johns Hopkins University | 93.RD | 1U01NS062851-01A1 | 0 | 7,809 |
| Johns Hopkins University | 93.RD | 3P01AG021190-05S1 | 0 | 293 |
| Johns Hopkins University | 93.RD | 5P30MH086043-03 | 0 | 211,966 |
| Johns Hopkins University | 93.RD | R34DA02937 | 0 | 21,286 |
| Keystone Nano, Inc. | 93.RD | HHSN261201000045C | 0 | 16,450 |
| Lincoln University | 93.RD | 5 P20MD0033520-04 | 0 | 55,612 |
| Louisiana State University | 93.RD | 1R01DK080441-01A2 | 0 | 2,064 |
| Louisiana State University | 93.RD | 7R01NS058867-04 | 0 | 2,570 |
| Lycoming Clinton Counties | 93.RD | 120215 | 0 | 68,714 |
| Lycoming Clinton Counties | 93.RD | 130868 | 0 | 1 |
| Lycoming Clinton Counties | 93.RD | 136839 | 0 | 62,471 |
| Massachusetts General Hospital | 93.RD | 5U01NS049640-05 | 0 | 5,150 |
| Medical College of Georgia | 93.RD | 3 U24 DK076169-04S2 | 0 | 10,896 |
| Medical College of Georgia | 93.RD | 5U01AI083005-02 | 0 | 39,512 |
| Midwest Research Institute | 93.RD | ---- | 0 | 167,356 |
| Minnetronix Inc. | 93.RD | 1R43HL108434 | 0 | 4,811 |
| Minnetronix Inc. | 93.RD | 1R43HL108434-01 | 0 | 45,673 |
| Minnetronix Inc. | 93.RD | 1R44HL106942-01 | 0 | 48,138 |
| Moffit, H L Cancer Center & Research Institute | 93.RD | 5 PO1 CA118210-05 | 0 | 90,143 |
| Moffit, H L Cancer Center & Research Institute | 93.RD | 5 P01 CA118210-04 | 0 | (1) |
| Mohawk Innovative Technologies | 93.RD | 2 R44 HL090339-02A1 | 0 | 42,969 |
| Mount Sinai Medical Center | 93.RD | 5 R01DD000350-03 | 0 | 95,375 |
| National Childhood Cancer Foundation | 93.RD | U10HL69254-09 | 0 | 1,840 |
| National Childhood Cancer Foundation | 93.RD | U10 CA98543-08 | 0 | 72,738 |
| National Institute of Aerospace | 93.RD | PO-0340 | 0 | 5,440 |
| National Jewish Medical & Research Center | 93.RD | 1 R01 HL090982-04 | 0 | 34,153 |
| New York University | 93.RD | 7U19AI089676-02 | 0 | 352,022 |
| Northwestern University | 93.RD | 1R01CA154908-01 | 0 | 83,949 |
| Northwestern University | 93.RD | 5R01CA154908-02 | 0 | 31,911 |
| Oregon Social Learning Center | 93.RD | 5R01HD042608-08 | 0 | 128,975 |
| Oregon State University | 93.RD | 1P42ES016465-01A1 | 0 | 32,391 |
| Pacific Institute for Research and Evaluation | 93.RD | 1R01AA017186-03 | 0 | 265,380 |
| Pacific Institute for Research and Evaluation | 93.RD | R01AA017186-01A2 | 0 | 3,461 |
| Piezo Resonance Innovations Inc. | 93.RD | 1R43AG037214-01A1 | 0 | 1,231 |
| Piezo Resonance Innovations Inc. | 93.RD | 2R44GMO85844-02A1 | 0 | 285 |
| Princeton University | 93.RD | 7 R01 GM083983 | 0 | 124,116 |
| Princeton University | 93.RD | R01AG016790 | 0 | 74,062 |
| Princeton University | 93.RD | R5R01HD036916 (NCE) | 0 | 99,407 |
| Purdue University | 93.RD | 1 R01 AG027769-01A2 | 0 | 6,332 |
| Purdue University | 93.RD | 1R01GM095923-01 | 0 | 86,774 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|-----------------|--|-------------------------------------|---------------------|
| Radiation Monitoring Devices | 93.RD | 9R44RR031472-03 | 0 | 135,998 |
| Research Foundation State University of New York | 93.RD | 1 R01 DC009429-01 | 0 | 16,460 |
| Rhode Island Hospital | 93.RD | 1 R01 HL093205-03 | 0 | 35,426 |
| Rhode Island Hospital | 93.RD | 1 R01 HL093205-04 | 0 | 5,269 |
| Rhode Island Hospital | 93.RD | 1 R01HL046005-20 | 0 | 1,781 |
| Rhode Island Hospital | 93.RD | 2 R01HL046005-18A1 | 0 | 35,031 |
| RTI International | 93.RD | 1R01DA025407-01A2 | 0 | 80,696 |
| RTI International | 93.RD | 5R01DA025407-03 | 0 | 12,656 |
| Rutgers University | 93.RD | 1 R01 A1091985-01A1 | 0 | 28,557 |
| Sanford Health | 93.RD | 7U01HD045935-08 | 0 | 10,788 |
| Scripps Institute | 93.RD | 5R01CA097209-09 | 0 | 22,616 |
| Skidmore College | 93.RD | 1 R21 DA023147-02 | 0 | 3,242 |
| St. Joseph's Hospital and Medical Center | 93.RD | 5 U01 NS052478-04 | 0 | 220 |
| State University of New York | 93.RD | 5R01GM08322403 | 0 | 22,500 |
| Syracuse University | 93.RD | 5P30AG033464-02 | 0 | 44,202 |
| Temple University | 93.RD | 3000770451-ALIAS | 0 | 14,597 |
| Temple University | 93.RD | 3001299459-PIII | 0 | 3,109 |
| Tufts University | 93.RD | 5U01 HL077821-03 | 0 | 292 |
| University of Arkansas | 93.RD | 10S-1156122 | 0 | 74,932 |
| University of Arkansas Medical Science | 93.RD | 3 R01 GM089001-0251 | 0 | 188,520 |
| University of California | 93.RD | 1R01HG005117 | 0 | 16,231 |
| University of California | 93.RD | 5U54GM069338-08 | 0 | 23,507 |
| University of California | 93.RD | 7R01GM087410-03 | 0 | 30,975 |
| University of California | 93.RD | R01 GM087405-01A1 | 0 | 19,827 |
| University of California | 93.RD | R01HG005117 | 0 | 120,725 |
| University of California | 93.RD | U54GM069338-09 | 0 | 99,171 |
| University of Chicago | 93.RD | 41220 | 0 | 157,438 |
| University of Chicago | 93.RD | R01-AI12575 | 0 | (226) |
| University of Cincinnati | 93.RD | 1 U01 NS052220-02 | 0 | 29,841 |
| University of Cincinnati | 93.RD | 5 R01 AI065256 | 0 | 2,730 |
| University of Cincinnati | 93.RD | 5 R01 AI065256-05 | 0 | 1,846 |
| University of Delaware | 93.RD | RRC1AR058450-02 | 0 | 19,936 |
| University of Florida | 93.RD | R01GM59969 | 0 | 185,931 |
| University of Georgia | 93.RD | 7 R01 HL097090-03 | 0 | 8,529 |
| University of Georgia | 93.RD | 7R01HS01132604 | 0 | 5,007 |
| University of Iowa | 93.RD | 5 R01 HL083475-04 | 0 | 21,761 |
| University of Iowa | 93.RD | R01HL083475 | 0 | 113,343 |
| University of Kentucky | 93.RD | 1 U54CA153604-01 | 9,421 | 70,472 |
| University of Kentucky | 93.RD | 1 U54CA153604-02 | 16,712 | 138,886 |
| University of Kentucky | 93.RD | 3 U01 CA114622-05S4 | 0 | 24,736 |
| University of Maryland | 93.RD | 5U54AI057168-09 | 0 | 18,447 |
| University of Maryland | 93.RD | R01ES019168 | 0 | 22,218 |
| University of Maryland | 93.RD | SUB 113308 SR00000720 | 0 | 144,609 |
| University of Massachusetts | 93.RD | 5-P01-HD025995-20 | 0 | 83,934 |
| University of Michigan | 93.RD | 5 R01 EY012021-15 | 0 | 9,469 |
| University of Michigan | 93.RD | 5-R01-DA-001411-37 | 0 | 46,313 |
| University of Michigan | 93.RD | CA129102-01A2 | 0 | 11,859 |
| University of Michigan | 93.RD | DA001411-36 | 0 | 13,497 |
| University of Michigan | 93.RD | HD039386 | 0 | 128,183 |
| University of Michigan | 93.RD | HD039386-09 | 0 | 52,350 |
| University of Michigan | 93.RD | HD039386-10 | 0 | 79,280 |
| University of Michigan | 93.RD | U01 HL094345 | 0 | 28,126 |
| University of Minnesota | 93.RD | 1U01NS062091-01A2 | 0 | 6,443 |
| University of Minnesota | 93.RD | R01HG004041-03 | 0 | 37,223 |
| University of North Carolina | 93.RD | 1 R01 HD067721-01A1 | 0 | 10,553 |
| University of North Carolina | 93.RD | 5-30763 | 0 | 60,331 |
| University of North Carolina | 93.RD | 5 U19 MH082441-05 | 0 | 227,343 |
| University of North Carolina | 93.RD | 5P01HD039667-08 | 9,685 | 25,041 |
| University of North Carolina | 93.RD | 5P01HD039667-09 | 0 | 111,232 |
| University of North Carolina | 93.RD | 5P01HD039667-10 | 0 | 575,584 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|----------|--|-----------------------------|--------------|
| University of North Carolina | 93.RD | 5R01AI089819-02 | 0 | 86,258 |
| University of Oklahoma | 93.RD | 5R01AG026607-06 | 0 | 71,281 |
| University of Pennsylvania | 93.RD | 1 R01-HD069321-01 | 0 | 12,190 |
| University of Pennsylvania | 93.RD | 5P20DA25995-04 | 0 | 205,953 |
| University of Pennsylvania | 93.RD | 5-R01-CA-131333-04 | 0 | 91,770 |
| University of Pennsylvania | 93.RD | 5R01CA131333-05 | 0 | 22,885 |
| University of Pittsburgh | 93.RD | 1 RC1 HL102429-01 | 0 | 1,068 |
| University of Pittsburgh | 93.RD | 5 R01 HL086918-05 | 0 | 10,060 |
| University of Pittsburgh | 93.RD | 5 U01 CA099168-09 | 0 | 33,788 |
| University of Pittsburgh | 93.RD | 5P50GM076659-05 | 0 | 39,014 |
| University of Pittsburgh | 93.RD | 5R01AG026010-04 | 0 | 35,984 |
| University of Pittsburgh | 93.RD | 5R01AG026010-05 | 0 | 118,330 |
| University of Pittsburgh | 93.RD | 5R01HL086918-04 | 0 | 838 |
| University of Pittsburgh | 93.RD | 6 UB4HP19199-01-01 | 0 | 7,128 |
| University of Pittsburgh | 93.RD | HHSN267200700029C | 0 | 31,439 |
| University of Pittsburgh | 93.RD | UB4HP19199 | 0 | 128,003 |
| University of Rochester | 93.RD | 4 U01 NS050095-06 | 0 | 4,941 |
| University of South Carolina | 93.RD | 1R01AG037985 | 0 | 1,538 |
| University of Texas at Austin | 93.RD | 2R01AG027769-05A1 | 0 | 4,341 |
| University of Texas MD Anderson | 93.RD | 5 R01 HG003844-03 | 0 | 16,183 |
| University of Texas Southwestern Medical Center | 93.RD | 5P50AR055503-04 | 0 | 20,997 |
| University of Virginia | 93.RD | U01 NS069498-01A1 | 0 | 850 |
| University of Washington | 93.RD | 1 R01 HD068395-01 | 0 | 59,962 |
| University of Wisconsin | 93.RD | 5P50CA143188-12 | 0 | 70,149 |
| University of Wisconsin | 93.RD | 5P50CA143188-13 | 0 | 123,539 |
| University of Wisconsin | 93.RD | 5U10HL074212-05 | 0 | 24,253 |
| University of Wisconsin | 93.RD | P01AG020166-07A2 | 0 | 89,666 |
| Urban Institute | 93.RD | 1R01HD057189-01A1 | 0 | 71,480 |
| Vanderbilt University | 93.RD | 1 R01HL109977-01 | 0 | 28,731 |
| Vanderbilt University | 93.RD | 1 U01 HG006385-01 | 0 | 105,991 |
| Vanderbilt University | 93.RD | 1R01MH095621-01 | 0 | 71,432 |
| Vanderbilt University | 93.RD | 1R18HS020415-01 | 0 | 14,096 |
| Vanderbilt University | 93.RD | 5U01HG004798-04 | 0 | 113,518 |
| Vanderbilt University | 93.RD | P41RR031461 | 0 | 75,791 |
| Vanderbilt University | 93.RD | R01MH095621 | 0 | 11,788 |
| Vanderbilt University | 93.RD | U19HL065962 | 0 | 268,154 |
| Virginia Commonwealth University | 93.RD | 5 U54 HD03449 | 0 | 49,176 |
| Virginia Commonwealth University | 93.RD | 5U54HD03449-15 | 4,543 | 317,634 |
| Virginia Commonwealth University | 93.RD | 5U54 HD034449-16 | 0 | 36,185 |
| Virginia Polytech Institute | 93.RD | 1U600H009761-01 | 0 | 37,081 |
| Wake Forest University | 93.RD | R01 HL090567 | 0 | 10,411 |
| Wake Forest University | 93.RD | R01AI083253-01A2 | 0 | 30,649 |
| Wayne State University | 93.RD | 1R21GM082821-01A1 | 0 | 2,239 |
| Westat Inc. | 93.RD | 200-2004-07072 | 0 | 10,489 |
| Yale University | 93.RD | 1 R01 MH091453-01 | 0 | (6,895) |
| Yale University | 93.RD | 2 U01-NS044876-06 | 0 | 6,439 |
| Yale University | 93.RD | 5 K01 DA 024759-04 | 0 | 3,720 |
| Yale University | 93.RD | 5 U10 HD055925-04 | 0 | 424,332 |
| Yale University | 93.RD | 5U10HD05592505 | | 6,028 |
| Total - Health and Human Services | | | 40,361 | 13,615,977 |
| Homeland Security: | | | | |
| Purdue University | 97.RD | 2009-DN-077-ARI036-04 | 0 | 62,429 |
| Purdue University | 97.RD | 2009-ST-061-CI0001 | 0 | 365,914 |
| Purdue University | 97.RD | 4112-38634 | 0 | 4,306 |
| University of Connecticut | 97.RD | 5R01-DC004099-10 | 0 | 63 |
| Total - Homeland Security | | | 0 | 432,712 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|-----------------|--|-------------------------------------|----------------------|
| <u>Agency for International Development:</u> | | | | |
| University of California | 98.RD | EPP-A-00-09-0004 | 7,488 | 9,656 |
| Virginia Polytech Institute | 98.RD | EPP-A-00-04-00013-00 | 0 | 73,214 |
| Virginia Polytech Institute | 98.RD | EPP-A-00-04-00016-00 | 0 | 133,269 |
| Total - Agency for International Development | | | 7,488 | 216,139 |
| <u>Miscellaneous:</u> | | | | |
| American Bird Conservancy | 99.RD | W912DY-09-2-0002 | 0 | 10,771 |
| American Mushroom Institute | 99.RD | 140021 | 0 | 9,208 |
| Earth Resources Technology, Inc. | 99.RD | GS-10F-0196R | 0 | 62,235 |
| ITT Corp. | 99.RD | 320265J | 0 | 430,217 |
| Johns Hopkins University | 99.RD | 11-G-2402 | 0 | 8,008 |
| Kyma Technologies, Inc. | 99.RD | HQ0147-11-C-7760 | 0 | 50,797 |
| L-3 Communications Titon Corporation | 99.RD | NRO000-08-C-0249 | 0 | 304,000 |
| Michigan State University | 99.RD | EDH-A-00-07-00005 | 76,472 | 237,734 |
| North Carolina State University | 99.RD | H94003-11-2-1104 | 0 | 65,942 |
| Siemens Ag | 99.RD | 122410 TO 001 | 0 | 21,161 |
| Sungkyunkwan University | 99.RD | 138623 | 0 | 4,890 |
| Total - Miscellaneous | | | 76,472 | 1,204,963 |
| Total Research and Development - Pass-Through Funds - Other Institutions | | | \$ 2,861,804 | \$ 65,528,457 |
| 7. RESEARCH AND DEVELOPMENT - PASS-THROUGH FUNDS - OTHER INSTITUTIONS - AMERICAN RECOVERY AND REINVESTMENT ACT: | | | | |
| <u>Commerce:</u> | | | | |
| General Electric Co. | 11.RD | 60NANB10D019 | \$ 0 | \$ 89,603 |
| Nature Conservancy | 11.RD | NA09NMF4630332 | 0 | 17,099 |
| Purdue University | 11.RD | 60NANB10D023 | 0 | 74,447 |
| University of Texas at Austin | 11.RD | 1596-TRP | 0 | 408,283 |
| Total - Commerce | | | 0 | 589,432 |
| <u>Defense:</u> | | | | |
| Purdue University | 12.RD | FA9550-09-1-0523 | 0 | 22,020 |
| United Technologies Research Center | 12.RD | W9132T-10-C-0013 | 0 | (27) |
| Total - Defense | | | 0 | 21,993 |
| <u>National Aeronautics and Space Admin.:</u> | | | | |
| Wyle Laboratories | 43.RD | NNL10AA08B/NNL0AB335 | 0 | 57,460 |
| Wyle Laboratories | 43.RD | NNL10AA08B/NNL10AB94T | 0 | (2) |
| Total - National Aeronautics and Space Admin. | | | 0 | 57,458 |
| <u>National Science Foundation:</u> | | | | |
| Cornell University | 47.RD | ECCS-0335765 | 0 | 27,513 |
| Lehigh University | 47.RD | DMR-0844014 | 0 | 135,475 |
| University of Pennsylvania | 47.RD | EAR-0722476 | 0 | 103,727 |
| Total - National Science Foundation | | | 0 | 266,715 |
| <u>Energy:</u> | | | | |
| ADI-Analytics, LLC | 81.RD | DE-EE0002739 | 0 | 14,359 |
| Air Products & Chemical | 81.RD | DE-EE0000580 | 0 | (40) |
| Central Vermont Public Service | 81.RD | DE-OE0000315 | 0 | 19,879 |
| Northwestern University | 81.RD | DE-SC0000989 | 0 | 198,747 |
| Proton Energy Systems | 81.RD | DE-AR0000121 | 0 | 396,701 |
| Recapping, Inc. | 81.RD | DE-AR0000070 | 0 | 477,564 |
| University of Massachusetts | 81.RD | DE-SC 0001087 | 0 | 143,309 |
| University of Michigan | 81.RD | DE-EE0002119 | 0 | 20,937 |
| University of Minnesota | 81.RD | DE-OE0000427 | 0 | 10,402 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|----------|--|-----------------------------|--------------|
| URS Corporation | 81.RD | ---- | 0 | 233,024 |
| Total - Energy | | | 0 | 1,514,882 |
| Education: | | | | |
| Regional Center for Workforce Excellence | 84.RD | ---- | 0 | 6,666 |
| Total - Education | | | 0 | 6,666 |
| Health and Human Services: | | | | |
| Boston Medical Center | 93.RD | ---- | 0 | 12,276 |
| Bowling Green University | 93.RD | 1R21HD058142-01A1 | 0 | 15,797 |
| Brigham & Women's Hospital | 93.RD | 1R24TW008821-01 | 0 | 48,395 |
| Donald Danforth Plant Science Center | 93.RD | 5R01DA025197-02 | 0 | 65,619 |
| Duke Clinical Research Institute | 93.RD | R01HL098237 | 0 | 544 |
| Emory University | 93.RD | ---- | 0 | 18,618 |
| Iowa State University | 93.RD | 5RC2DA028879-02 | 0 | 67,963 |
| John Wayne Cancer Institute | 93.RD | 2P01CA029605 | 0 | 1,493 |
| Massachusetts Institute of Technology | 93.RD | 1-R01-HL086521-01A2 | 0 | 737 |
| Northwestern University | 93.RD | R01 HD057223-02 | 0 | 59,535 |
| Princeton University | 93.RD | 3 R01HD057599-02S1 | 0 | 11,819 |
| Progenra, Inc. | 93.RD | 3R44AG025726-02S1 | 0 | 14,458 |
| State University of New York at Albany | 93.RD | 1 RC1 HL099122-02 | 0 | 51,835 |
| Temple University | 93.RD | 5U01 NS056975 | 0 | 1,254 |
| University of Arkansas Medical Science | 93.RD | 3 R56 AI06056305A2S1 | 0 | 2 |
| University of California | 93.RD | HHSN2612000622009C | 0 | 35,416 |
| University of California | 93.RD | 3 R01 HD057164-02 | 0 | 7,407 |
| University of California | 93.RD | 5R21AI077532-02 | 0 | 2,133 |
| University of Florida | 93.RD | 3R01GM59969-1251 | 0 | (1) |
| University of Florida | 93.RD | R01 HL095508 | 0 | 1,775 |
| University of Kentucky | 93.RD | 3 U01 CA114622-0553 | 0 | 74,062 |
| University of Maryland | 93.RD | 3R01CA052881-19S1 | 0 | 27,833 |
| University of North Carolina | 93.RD | 3P01HD039667-09S1 | 0 | 19,412 |
| University of Pennsylvania | 93.RD | 5RC1AR058450-02 | 0 | 16,875 |
| University of Pittsburgh | 93.RD | 3P50 GM076659-04S1 | 0 | 6,051 |
| University of Texas Southwestern Medical | 93.RD | 5 RC1 AR058817-02 | 0 | 9,042 |
| Utah State University | 93.RD | 1R21AG033109 | 0 | 14,967 |
| Wake Forest University | 93.RD | 5RC2EB011406-02 | 0 | 4,370 |
| Yale University | 93.RD | 3 U10 HD055925-02S1 | 0 | 208,806 |
| Total - Health and Human Services | | | 0 | 798,493 |
| Total Research and Development - Pass-Through Funds - Other Institutions American Recovery and Reinvestment Act | | | \$ | 0 |
| | | | \$ | 3,255,639 |
| Total Research and Development | | | \$ | 72,118,920 |
| | | | \$ | 540,557,023 |

8. OTHER DIRECT FUNDING:

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|----------|--|-----------------------------|--------------|
| Agriculture: | | | | |
| National Institute of Food and Agriculture | 10.200 | | 0 | 5,223 |
| Food and Agricultural Sciences National | 10.210 | | 0 | 68,162 |
| Higher Education Challenge Grants | 10.217 | | 0 | 25,049 |
| Integrated Programs | 10.303 | | 687,278 | 940,884 |
| Specialty Crop Research Initiative | 10.309 | | 5,229 | 12,057 |
| National Institute of Food and Agriculture | 10.310 | | 278,087 | 781,493 |
| Beginning Farmer and Rancher Development Prog | 10.311 | | 51,745 | 260,767 |
| Community Outreach and Assistance Partnership | 10.455 | | 0 | 26,514 |
| Commodity Partnerships for Risk Management | 10.459 | | 0 | 4,569 |
| Cooperative Extension Service | 10.500 | | 4,059 | 12,771,128 |
| Cooperative Forestry Assistance | 10.664 | | 0 | 2,185 |
| Urban and Community Forestry Program | 10.675 | | 0 | 276,015 |

Pass-Through

Subcontract

| | CFDA No. | Entity Identifying No. | Expenditures | Expenditures |
|--|-----------------|-------------------------------|---------------------|---------------------|
| Forest Stewardship Program | 10.678 | | 0 | 229,819 |
| Agriculture Forest Service | 10.681 | | 0 | 23,509 |
| Rural Business Enterprise Grants | 10.769 | | 0 | 98,038 |
| Rural Energy for America Program | 10.868 | | 0 | 48,765 |
| Natural Resources Conservation Service | 10.902 | | 0 | 7,613 |
| Environmental Quality Incentives Program | 10.912 | | 0 | 62,487 |
| Technical Agricultural Assistance | 10.960 | | 569 | 19,231 |
| Cochran Fellowship Program-International Training-Foreign Participant | 10.962 | | 0 | 149,268 |
| Non-Specified | 10.xxx | | 0 | 38,235 |
| Total - Agriculture | | | 1,026,967 | 15,851,011 |
| <u>Commerce:</u> | | | | |
| Economic Development Technical Assistance | 11.303 | | 0 | (8) |
| Economic Adjustment Assistance | 11.307 | | 0 | 61,673 |
| Public Telecommunications Facilities | 11.550 | | 0 | 41,755 |
| Total - Commerce | | | 0 | 103,420 |
| <u>Defense:</u> | | | | |
| Basic, Applied, and Advanced Research in Science and Engineering | 12.630 | | 0 | 217,540 |
| National Security Agency | 12.900 | | 0 | 110,560 |
| National Security Agency | 12.901 | | 0 | 5,000 |
| Advanced Research Projects Agency | 12.910 | | 0 | 12,412 |
| Non-Specified | 12.xxx | | 0 | 2,180,426 |
| Total - Defense | | | 0 | 2,525,938 |
| <u>Labor:</u> | | | | |
| Brookwood-Sago Grant | 17.603 | | 94,585 | 186,529 |
| Total - Labor | | | 94,585 | 186,529 |
| <u>Department of Transportation</u> | | | | |
| Airport Improvement Project | 20.106 | | 0 | 1,702,603 |
| Total - Department of Transportation | | | 0 | 1,702,603 |
| <u>General Services Administration</u> | | | | |
| Non-Specified | 39.xxx | | 0 | 275,278 |
| Total - General Services Administration | | | 0 | 275,278 |
| <u>National Aeronautics and Space Administration:</u> | | | | |
| National Aeronautics and Space Administration | 43.000 | | 0 | 22,650 |
| National Aeronautics and Space Administration | 43.001 | | 0 | 39,456 |
| Total - National Aeronautics and Space Admin. | | | 0 | 62,106 |
| <u>National Endowment for the Humanities:</u> | | | | |
| Promotion of the Humanities - Division of Preservation and Access | 45.149 | | 0 | 234,632 |
| Promotion of the Humanities - Professional Develop | 45.163 | | 0 | 77,048 |
| Promotion of the Humanities - Public Programs | 45.164 | | 0 | 2,048 |
| Promotion of the Humanities - Office of Digital Humanities | 45.169 | | 0 | 12,740 |
| Total - National Endowment for the Humanities | | | 0 | 326,468 |
| <u>National Science Foundation:</u> | | | | |
| Mathematical and Physical Sciences | 47.049 | | 0 | 441,732 |
| Geosciences | 47.050 | | 12,552 | 115,081 |
| Computer and Information Science and Engineering | 47.070 | | 0 | 42,920 |
| Biological Sciences | 47.074 | | 0 | 138,023 |
| Social, Behavioral, and Economic Sciences | 47.075 | | 0 | 30,544 |
| Education and Human Resources | 47.076 | | 0 | 670,323 |
| Total - National Science Foundation | | | 12,552 | 1,438,623 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|-----------------|--|-------------------------------------|---------------------|
| <u>Environmental Protection Agency:</u> | | | | |
| Congressionally Mandated Projects | 66.202 | | 0 | 78,497 |
| Protection of Children from Environmental Health Risks | 66.609 | | 0 | 130,014 |
| Surveys, Studies, Investigations, Training | | | | |
| Demo and Educational Outreach | 66.716 | | 0 | 43,303 |
| Total - Environmental Protection Agency | | | <u>0</u> | <u>251,814</u> |
| <u>Energy:</u> | | | | |
| Renewable Energy Research and Development | 81.087 | | 62,239 | 290,114 |
| Total - Energy | | | <u>62,239</u> | <u>290,114</u> |
| <u>Education:</u> | | | | |
| Office of Post Secondary Education | 84.022 | | 0 | 23,471 |
| TRIO - Student Support Services | 84.042 | | 0 | 279,671 |
| TRIO - Talent Search | 84.044 | | 3,008 | 658,569 |
| TRIO - Upward Bound | 84.047 | | 0 | 782,138 |
| TRIO - Educational Opportunity Centers | 84.066 | | 0 | 598,810 |
| Fund for the Improvement of Postsecondary Education | 84.116 | | 2,804 | 22,224 |
| Rehabilitation Long-Term Training | 84.129 | | 0 | 122,785 |
| Migrant Education-College Assistance Migrant Program | 84.149 | | 0 | 419,776 |
| Office of Post Secondary Education - Javits Fellow | 84.170 | | 0 | 37,737 |
| Bilingual Education - Professional Development | 84.195 | | 0 | 277,474 |
| Fund for the Improvement of Education | 84.215 | | 0 | 22,860 |
| TRIO - McNair Post-Baccalaureate Achievement | 84.217 | | 0 | 293,541 |
| National Institute for Literacy | 84.257 | | 109,981 | 158,157 |
| Indian Education Formula Grants to Local Education Agencies | 84.299 | | 0 | 68,768 |
| Education Research, Development and Dissemination | 84.305 | | 0 | 939,615 |
| Special Education-Personnel Preparation to Improve Services and Results for Children with Disabilities | 84.325 | | 0 | 1,126,168 |
| Child Care Access Means Parents in School | 84.335 | | 0 | 173,548 |
| English Language Acquisition State Grants | 84.365 | | 0 | 122,077 |
| Non-Specified | 84.xxx | | 0 | 10,000 |
| Total - Education | | | <u>115,793</u> | <u>6,137,389</u> |
| <u>Health and Human Services:</u> | | | | |
| Model State-Supported Area Health Education Centers | 93.107 | | 450,303 | 687,787 |
| Environmental Health | 93.113 | | 0 | 26,818 |
| Injury Prevention and Control Research and State and Community Based Programs | 93.136 | | 52,215 | 580,915 |
| Research Related to Deafness and Communication Disorders | 93.173 | | 0 | 26,879 |
| Substance Abuse and Mental Health Services - Projects of Regional and National Significance | 93.243 | | 0 | 52,931 |
| Advanced Nursing Education Grant | 93.247 | | 0 | 309,926 |
| Public Health Service | 93.272 | | 0 | 3,530 |
| Drug Abuse and Addiction Research Programs | 93.279 | | 0 | 366,435 |
| Mental Health National Research Service Awards for Research Training | 93.282 | | 0 | 48,076 |
| Centers for Disease Control and Prevention Investigations and Technical Assistance | 93.283 | | 0 | 24,762 |
| Research Infrastructure Programs | 93.351 | | 0 | 12,899 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|-----------------|--|-------------------------------------|----------------------|
| Advanced Education Nursing Traineeships | 93.358 | | 0 | 26,594 |
| Nurse Education, Practice and Retention Grants | 93.359 | | 0 | 159,223 |
| National Center for Research Resources | 93.389 | | 29,121 | 233,365 |
| Cancer Research Manpower | 93.398 | | 0 | 244,583 |
| Advanced Nursing Education Expansion Initiative | 93.513 | | 0 | 249,664 |
| Cardiovascular Diseases Research | 93.837 | | 0 | 116,264 |
| Diabetes, Digestive and Kidney Diseases Extramural Research | 93.847 | | 0 | 178,268 |
| Kidney Diseases, Urology and Hematology Research | 93.849 | | 0 | 69,324 |
| Pharmacological Sciences | 93.859 | | 0 | 107,609 |
| Aging Research | 93.866 | | 0 | 22,557 |
| Grants to States for Operation of Offices of Rural Health | 93.913 | | 0 | 178,261 |
| International Research and Research Training | 93.989 | | 61,030 | 88,040 |
| Non-Specified | 93.xxx | | 0 | 27,282 |
| Total - Health and Human Services | | | 592,669 | 3,841,992 |
| Homeland Security: | | | | |
| Non-Specified | 97.xxx | | 0 | 235,394 |
| Total - Homeland Security | | | 0 | 235,394 |
| Miscellaneous: | | | | |
| Non-Specified | 99.xxx | | 0 | 12,018 |
| Total - Miscellaneous | | | 0 | 12,018 |
| Total Other Direct Funding | | | \$ 1,904,805 | \$ 33,240,697 |
| 9. OTHER DIRECT FUNDING - AMERICAN RECOVERY AND REINVESTMENT ACT: | | | | |
| National Science Foundation: | | | | |
| Trans-NSF Recovery Act Research Support | 47.082 | | \$ 34,957 | \$ 109,490 |
| Total - National Science Foundation | | | 34,957 | 109,490 |
| Health and Human Services: | | | | |
| Training in Primary Care Medicine and Dentistry | 93.403 | | 0 | 314,975 |
| Trans-NIH Recovery Act Research Support | 93.701 | | 0 | 9,648 |
| Total - Health and Human Services | | | 0 | 324,623 |
| Total Other Direct Funding - American Recovery and Reinvestment Act | | | \$ 34,957 | \$ 434,113 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|----------|--|-----------------------------|--------------|
| 10. OTHER PASS-THROUGH FUNDS - COMMONWEALTH OF PENNSYLVANIA: | | | | |
| <u>Department of Welfare:</u> | | | | |
| Specialty Crop Block Grant | 10.169 | ME 44102198 | \$ 0 | \$ 18,224 |
| Specialty Crop Block Grant | 10.169 | ME 44102202 | 0 | 13,304 |
| Specialty Crop Block Grant - Farm Bill | 10.170 | ME 44102199 | | 35,601 |
| Crop Insurance Education in Targeted States | 10.458 | ME 44113070 | | 90,288 |
| Summer Food Service Program for Children | 10.559 | 310-14-000-0 | 0 | 20,575 |
| Cooperative Extension Service | 10.561 | 4000015750 | 16,058,279 | 18,835,790 |
| Non-Specified | 10.xxx | 4300295601/4400008014 | 0 | 195,075 |
| Non-Specified | 10.xxx | 4300315022 | 0 | 11,932 |
| Non-Specified | 10.xxx | 4300315338 | 0 | 2,686 |
| Non-Specified | 10.xxx | 4300324334 | 0 | 495 |
| Non-Specified | 10.xxx | 4300332235 | 0 | 1,933 |
| Non-Specified | 10.xxx | ME 44113149 | 0 | 633 |
| Total - Department of Welfare | | | 16,058,279 | 19,226,536 |
| <u>Commerce:</u> | | | | |
| State Broadband Data and Development Grant | 11.558 | C000051994 | 0 | 89,881 |
| Total - Labor | | | 0 | 89,881 |
| <u>Labor:</u> | | | | |
| Employment Service/Wagner-Peyser Funded Act | 17.207 | 4300335759 | 0 | 10,900 |
| Mine Health and Safety Education and Training | 17.602 | 4300247695 | 0 | 84,792 |
| Non-Specified | 17.xxx | 4300298642 | 0 | 237,158 |
| Total - Labor | | | 0 | 332,850 |
| <u>Environmental Protection Agency</u> | | | | |
| Pollution Prevention Grants | 66.708 | 4100055392 | 0 | 55,490 |
| Pollution Prevention Grants | 67.708 | 4100058771 | 0 | 29,169 |
| Regional Agricultural IPM Grants | 66.714 | ME 44091829 | 0 | 8,279 |
| Total - Education | | | 0 | 92,938 |
| <u>Energy</u> | | | | |
| State Energy Program Special Projects | 81.119 | 4100058770 | 0 | 189,335 |
| Total - Labor | | | 0 | 189,335 |
| <u>Education:</u> | | | | |
| Adult Education - Basic Grants to States | 84.002 | 041-120038 | 24,231 | 176,401 |
| Adult Education - Basic Grants to States | 84.002 | 041-120039 | 0 | 259,712 |
| Adult Education - Basic Grants to States | 84.002 | 099-11-0006 | 14,375 | 16,736 |
| Adult Education - Basic Grants to States | 84.002 | 099-120001 | 0 | 191,920 |
| Adult Education - Basic Grants to States | 84.002 | 099-120002 | 0 | 459,463 |
| Adult Education - Basic Grants to States | 84.002 | 099-120003 | 60,000 | 198,331 |
| Career and Technical Education - Basic Grants to States | 84.048 | 119-11-1003 | 0 | 1,478 |
| Career and Technical Education - Basic Grants to States | 84.048 | 119-122004 | 0 | 230,741 |
| Safe and Drug-Free Schools_State Grants | 84.186 | 18176 | 0 | 785 |
| Tech-Prep Education | 84.243 | 386-11-1010 | 0 | 3,649 |
| Non-Specified | 84.xxx | 4300186778/4400003640 | 0 | 172,284 |
| Total - Education | | | 98,606 | 1,711,500 |
| <u>Health and Human Services:</u> | | | | |
| State Rural Hospital Flexibility Program | 93.241 | 4100050114 | 0 | 414,648 |
| Centers for Disease Control & Prevention Investigations | 93.283 | 4100043203 | 0 | (2,758) |
| Child Support Enforcement | 93.563 | 4100049863 | 0 | 2,828,549 |
| National Bioterrorism Hospital Preparedness Prog | 93.889 | 4100049821 | 1,285,691 | 1,476,532 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|--|----------|--|-----------------------------|--------------|
| National Bioterrorism Hospital Preparedness Prog | 93.889 | 4100051060 | 0 | 48,232 |
| National Bioterrorism Hospital Preparedness Prog | 93.889 | 4300327570 | 3,800 | 98,379 |
| National Bioterrorism Hospital Preparedness Prog | 93.889 | 4300311328 | 0 | 34,627 |
| HIV Prevention Activities | 93.940 | 4300327779 | 0 | 58,163 |
| Total - Health and Human Services | | | 1,289,491 | 4,956,372 |

**Total Other Pass-Through Funds -
Commonwealth of Pennsylvania**

\$ 17,446,376 \$ 26,599,412

**11. OTHER PASS-THROUGH FUNDS -
COMMONWEALTH OF PENNSYLVANIA -
AMERICAN RECOVERY AND
REINVESTMENT ACT:**

Commerce:

| | | | | |
|--|--------|------------|------|-----------|
| State Broadband Data and Development Grant | 11.558 | C000051994 | \$ 0 | \$ 32,303 |
| Total - Labor | | | 0 | 32,303 |

Labor:

| | | | | |
|-------------------|--------|-----------|--------|---------|
| WIA Adult Program | 17.259 | 340103344 | 28,820 | 114,001 |
| Total - Labor | | | 28,820 | 114,001 |

Energy:

| | | | | |
|--|--------|------------|---|---------|
| State Energy Program Special Projects | 81.119 | 4100053748 | 0 | (9,065) |
| Energy Efficiency and Conservation Block Grant | 81.128 | 4300313335 | 0 | 197,549 |
| Total - Energy | | | 0 | 188,484 |

Health and Human Services:

| | | | | |
|-----------------------------------|--------|------------|---------|---------|
| State Primary Care Offices | 93.414 | 4100049821 | 19,354 | 24,164 |
| Centers of Excellence | 93.415 | 4300249569 | 331,569 | 446,881 |
| Non-Specified | 93.xxx | 4100051970 | 0 | 133,556 |
| Total - Health and Human Services | | | 350,923 | 604,601 |

**Total Other Pass-Through Funds-
Commonwealth of Pennsylvania
American Recovery And
Reinvestment Act**

\$ 379,743 \$ 939,389

**12. OTHER PASS-THROUGH FUNDS -
OTHER INSTITUTIONS:**

Agriculture:

| | | | | |
|--|--------|------------------|------|----------|
| University of Vermont-Sustainable Agricultural Research and Education | 10.215 | 2009-38640-19631 | \$ 0 | \$ 6,122 |
| University of Vermont-Sustainable Agricultural Research and Education | 10.215 | 2010-38640-20820 | 0 | 55,068 |
| University of Maryland-Integrated Programs | 10.303 | 2008-51130-19500 | 0 | 37,884 |
| Virginia Technology University-Integrated Programs | 10.303 | 2008-51110-04334 | 0 | 56,532 |
| Carnegie Mellon University-Specialty Crop Research | 10.309 | 2008-51180-04876 | 0 | 165,656 |
| Rutgers University-Specialty Crop Research | 10.309 | 2009-51181-06035 | 0 | 2,294 |
| University of Minnesota-Specialty Crop Research | 10.309 | 2010-51181-21159 | 0 | 11,079 |
| Virginia Polytechnic University-Specialty Crop Research | 10.309 | 2010-51181-21140 | 0 | 76,089 |
| Virginia State University-Specialty Crop Research | 10.309 | 2011-51181-30699 | 0 | 3,517 |
| Auburn University-Cooperative Extension Service | 10.500 | 2009-48510-06068 | 0 | 3,169 |
| Cornell University-Cooperative Extension Service | 10.500 | 2007-48668-03969 | 0 | 3,300 |
| Cornell University-Cooperative Extension Service | 10.500 | ENE09-110 | 0 | 4,209 |
| Joslin Diabetes Center-Cooperative Extension Service | 10.500 | ---- | 0 | 24,601 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| Kansas State University-Cooperative Extension Service | 10.500 | 2007-48661-03868 | 0 | 29,039 |
| Kansas State University-Cooperative Extension Service | 10.500 | ---- | 0 | 203,931 |
| Mississippi State University-Cooperative Extension Service | 10.500 | ---- | 0 | 1,018 |
| Ohio State University-Cooperative Extension Service | 10.500 | 2009-41521-05954 | 0 | 34,960 |
| Rutgers State University of New Jersey- Cooperative Extension Service | 10.500 | 2011-41530-30566 | 0 | 163 |
| University of Delaware-Cooperative Extension Service | 10.500 | 2010-49200-06201 | 0 | 47,274 |
| University of Maine-Cooperative Extension Service | 10.500 | 2008-47001-04302 | 0 | 4,002 |
| University of Nebraska-Cooperative Extension Service | 10.500 | 2010-48712-21880 | 0 | 591,143 |
| University of Nebraska-Cooperative Extension Service | 10.500 | ---- | 0 | 36,577 |
| University of Vermont-Cooperative Extension Service | 10.500 | 2009-47001-05350 | 0 | 20,110 |
| Iowa State University-Non-Specified | 10.xxx | ---- | | 2,981 |
| National Association of State University Land Grant Colleges-Non-Specified | 10.xxx | ---- | 149 | 5,589 |
| New York State Department Agriculture & Markets-Non-Specified | 10.xxx | 10-IE-53300-006 | 0 | 18,589 |
| University of Wisconsin-Non-Specified | 10.xxx | ---- | 0 | 99,096 |
| Total - Agriculture | | | 149 | 1,543,992 |
| <u>Defense:</u> | | | | |
| National Defense University-Non-Specified | 12.xxx | ---- | 0 | 163,385 |
| University of Michigan-Non-Specified | 12.xxx | N65540-10-C-0003 | 0 | 103,396 |
| Total - Defense | | | 0 | 266,781 |
| <u>Interior:</u> | | | | |
| TDI Brooks International Inc.-Non-Specified | 15.xxx | ---- | 0 | 51,051 |
| Total - Interior | | | 0 | 51,051 |
| <u>Labor:</u> | | | | |
| Private Industry Council Lehigh Valley - Job Training Partnership Act | 17.250 | ---- | 0 | 131,484 |
| Total - Labor | | | 0 | 131,484 |
| <u>State:</u> | | | | |
| Institute for International Education- Humphrey Fellowship Program | 19.010 | S-ECAAS-10-CA-044 | 0 | 302 |
| Total - State | | | 0 | 302 |
| <u>Transportation:</u> | | | | |
| Cornell University-Biobased Transportation Research | 20.761 | DTOS59-07-G-00052 | 0 | 41,066 |
| Cornell University-Biobased Transportation Research | 20.761 | ---- | 7,000 | 7,183 |
| Total - Transportation | | | 7,000 | 48,249 |
| <u>National Aeronautics and Space Admin.:</u> | | | | |
| American Astronomical Society-Non-Specified | 43.xxx | ---- | 0 | 4,081 |
| Total-National Aeronautics and Space Admin. | | | 0 | 4,081 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| <u>National Endowment for the Arts:</u> | | | | |
| Mid-Atlantic Arts Foundation-Promotion of the Arts Grants to Organizations and Individuals | 45.025 | ---- | 0 | 21,760 |
| Purdue University-National Leadership Grants | 45.312 | LG-46-11-0091-11 | 0 | 5,730 |
| New England Foundation for the Arts- Non-Specified | 45.xxx | ---- | 0 | 11,000 |
| Total National Endowment for the Arts | | | 0 | 38,490 |
| <u>National Science Foundation:</u> | | | | |
| University of New Hampshire-Geosciences | 47.050 | GEO-0631377 | 0 | 48,718 |
| Tennessee Technological University-Education and Human Resources | 47.076 | 1022789 | 0 | 5,598 |
| Texas A&M University-Education and Human Resources | 47.076 | ---- | 0 | (460) |
| University of Massachusetts-Education and Human Resources | 47.076 | HRD 9978878 | 0 | 34,581 |
| University of Pittsburgh-Education and Human Resources | 47.076 | DRL-0732798 | 0 | 95,949 |
| American Astronomical Society-Non-Specified | 47.xxx | ---- | 0 | 5,569 |
| Shippensburg University-Non-Specified | 47.xxx | ---- | 0 | 4,857 |
| Tech Commercialization Center-Non-Specified | 47.xxx | NNL09AA03B | 0 | 50,328 |
| Total National Science Foundation | | | 0 | 245,140 |
| <u>Small Business Administration:</u> | | | | |
| University of Pennsylvania-Small Business Development Centers | 59.037 | ---- | 0 | 216,207 |
| Ben Franklin Technology Center-Non-Specified | 59.xxx | SBAHQ-10-G-0010 | 0 | 76,054 |
| Total - Small Business Administration | | | 0 | 292,261 |
| <u>Veterans Affairs</u> | | | | |
| Boston College-Vocational and Educational Counseling for Service Members and Veterans | 64.125 | VA244-P-1554 | 0 | 11,308 |
| Total - Veterans Affairs | | | 0 | 11,308 |
| <u>Environmental Protection Agency:</u> | | | | |
| National Fish & Wildlife Foundation-Office of Water | 66.466 | ---- | 328,937 | 414,016 |
| Beaver County-Non-Specified | 66.xxx | ---- | 0 | 6,807 |
| Lancaster County-Non-Specified | 66.xxx | ---- | 0 | 45,781 |
| National Fish & Wildlife Foundation-Non-Specified | 66.xxx | ---- | 0 | 5,018 |
| Total - Environmental Protection Agency | | | 328,937 | 471,622 |
| <u>Energy:</u> | | | | |
| Ben Franklin Technology Center-Energy Efficiency and Renewable Energy Technology Deployment Demonstration and Commercialization | 81.129 | DE-EE0001967 | 0 | 216,650 |
| Total - Energy | | | 0 | 216,650 |
| <u>Education:</u> | | | | |
| University of Turabo Puerto Rico- Bilingual Education Training Grants | 84.195 | T195N070410 | 0 | 188,844 |
| State College Area School District-Fund for the Improvement of Education | 84.215 | Q215M100105 | 0 | 25,429 |
| Kent State University-National Institute for Literacy | 84.257 | X257S060001 | 0 | 63,195 |
| National Writing Project Corporation-State Grants for Innovative Programs | 84.928 | ---- | 0 | 80,517 |
| Pittsburgh School District-Mathematics and Science Partnerships | 84.366 | ---- | 0 | 26,328 |

| | CFDA No. | Pass-Through Entity Identifying No. | Subcontract Expenditures | Expenditures |
|---|-----------------|--|-------------------------------------|---------------------|
| Pittsburgh School District-Grants to States, Recovery Act | 84.391 | ---- | 0 | 63,635 |
| Total - Education | | | 0 | 447,948 |
| <u>Health and Human Services:</u> | | | | |
| Boston College-Administration on Aging | 93.048 | 90CP0143/01 | 0 | 45,612 |
| Boston College-Administration on Aging | 93.048 | 90OP000203 | 0 | 11,415 |
| Tufts University-Centers for Disease Control and Prevention | 93.061 | 1R18DP002144 | 0 | 35,498 |
| Bassett Mary Imogene Hospital Research- Occupational Safety and Health Research Grants | 93.262 | 3U50OH007542-09S1 | 0 | 5,675 |
| Marshfield Clinic Research Foundation-Occupational Safety and Health Research Grants | 93.262 | ---- | 0 | 3,870 |
| Temple University-Drug Abuse Addiction Research Programs | 93.279 | 360655/P0071022 | 0 | 5,151 |
| Temple University-Drug Abuse Addiction Research Programs | 93.279 | 1 U01 DA025284-02 | 0 | 19,869 |
| Milton S. Hershey Medical Center Cancer Treatment Research | 93.395 | ---- | 0 | 13,508 |
| Community Service for Children-Child Care and Development Block Grant | 93.575 | ---- | 0 | 18,747 |
| Northwest Institute of Research-Child Care and Development Block Grant | 93.575 | ---- | 0 | 15,645 |
| YWCA of Greater Pittsburgh-Child Care and Development Block Grant | 93.575 | ---- | 0 | 255 |
| American Institute for Research-Non-Specified | 93.xxx | ---- | 0 | 6,004 |
| Bayer Pharmaceuticals-Non-Specified | 93.xxx | ---- | 0 | 726 |
| Child Care Consultants, Inc.-Non-Specified | 93.xxx | ---- | 0 | 647,788 |
| Iowa State University-Non-Specified | 93.xxx | ---- | 0 | 12,920 |
| Kirkville College of Osteopathic Medicine- Non-Specified | 93.xxx | R25AT003579 | 0 | 48,840 |
| Marshfield Clinic Research Foundation-Non-Specified | 93.xxx | ---- | 0 | 13,003 |
| Northwest Institute of Research-Non-Specified | 93.xxx | ---- | 0 | 4,151 |
| Tufts University-Non-Specified | 93.xxx | 1R18DP002144 | 0 | 47,973 |
| University of Pennsylvania-Non-Specified | 93.xxx | ---- | 0 | 444,377 |
| Westmoreland-Fay Workforce Investment- Non-Specified | 93.xxx | ---- | 0 | 12,471 |
| Total - Health and Human Services | | | 0 | 1,413,498 |
| <u>Agency for International Development</u> | | | | |
| Michigan State University-Non-Specified | 98.xxx | ---- | 0 | 31,010 |
| Total - Agency for International Development | | | 0 | 31,010 |
| <u>Miscellaneous:</u> | | | | |
| North Carolina State University-Non-Specified | 99.xxx | 4-98-2-23 | 0 | 90,628 |
| Total - Miscellaneous | | | 0 | 90,628 |
| Total Other Pass-Through Funds - Other Institutions | | | \$ 336,086 | \$ 5,304,495 |

13. OTHER PASS-THROUGH FUNDS

**OTHER INSTITUTIONS
AMERICAN RECOVERY AND
REINVESTMENT ACT:**

Labor:

| | | | | | | |
|---|--------|------|----|---|----|---------|
| County of Fayette & Penntap-Non Specified | 17.xxx | ---- | \$ | 0 | \$ | (1,697) |
| Total - Labor | | | | 0 | | (1,697) |

Total Other Pass-Through Funds

| | | | | | | |
|--|--|--|----|---|----|---------|
| Other Institutions American Recovery and Reinvestment Act | | | \$ | 0 | \$ | (1,697) |
|--|--|--|----|---|----|---------|

14. FEDERAL LOAN PROGRAMS

The University administers the following Federal loan programs:

| <u>Title</u> | <u>CFDA No.</u> | <u>Federal Capital Contribution for the Year Ended June 30, 2012</u> | <u>Loan Expenditures and Disburs.</u> | <u>Outstanding Balance at June 30, 2012</u> |
|---|-----------------|--|---|---|
| Federal Perkins Loan Program | 84.038 | \$0 | \$785,654 | \$42,294,453 |
| Health Professions Student Loan Program | 93.342 | 0 | 0 | 284,931 |

The above expenditures for the loan programs include disbursements and expenditures such as loans to students and administrative expenditures. The schedule only includes administrative allowances charged to the loan program.

15. FEDERAL DIRECT LOAN PROGRAM

The University participates in the Federal Direct Student Loan Program (CFDA No. 84.268) including Federal Stafford Loans and Federal PLUS Loans. Loan disbursements under the program for the year ended June 30, 2012 totaled \$566,983,142.

16. FEDERAL ENDOWMENT:

In fiscal year 2002, the University received \$6,000,000 from the U.S. Department of Education to establish the William F. Goodling Institute for Research in Family Literacy (the "Institute") and to establish an endowment for the Institute under the Fund for Improvement of Postsecondary Education Program. The Institute will focus on developing a sound conceptual, interdisciplinary research base for guiding practice and policy in family literacy. Based on research findings, the Institute will also build the capacity of the field to provide high-quality, research-based instruction and program development in family literacy. Under the terms of the endowment agreement, annual income from the endowment's investments must be used to support the planned activities of the Institute. In addition, the endowment is restricted for this use until 2021.

The University administers the following federal endowment:

| | <u>CFDA No.</u> | <u>Balance at July 1, 2011</u> | <u>Endowment Expenditures</u> | <u>Endowment Income</u> | <u>Balance at June 30, 2012</u> |
|--|-----------------|------------------------------------|-----------------------------------|-----------------------------|-------------------------------------|
| Fund for the Improvement of Postsecondary Education | 84.116 | \$6,000,000 | \$251,690 | \$251,690 | \$6,000,000 |

INDEPENDENT AUDITORS' 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 of
The Pennsylvania State University
University Park, PA

We have audited the consolidated financial statements of The Pennsylvania State University and subsidiaries (the "University") as of and for the year ended June 30, 2012, and have issued our report thereon dated October 26, 2012. 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.

Internal Control Over Financial Reporting

Management of the University is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the University's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over financial reporting.

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 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.

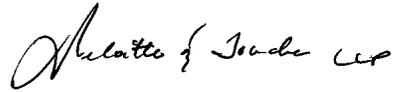
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's consolidated financial statements are free of 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*.

This report is solely intended for the information and use of the Board of Trustees, Subcommittee on Audit, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read "Michael J. Jordan" followed by a stylized flourish.

October 26, 2012



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**INDEPENDENT AUDITORS' 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 of
The Pennsylvania State University
University Park, PA

Compliance

We have audited The Pennsylvania State University and subsidiaries (the "University") 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 the University's major federal programs for the year ended June 30, 2012. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the University's management. Our responsibility is to express an opinion on the University's compliance based on our audit.

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. 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 the 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. Our audit does not provide a legal determination of the University's compliance with those requirements.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

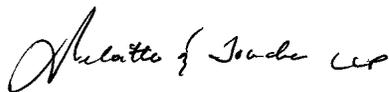
Internal Control Over Compliance

The management of the University is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the University's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance 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 the University's internal control over compliance.

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

Our 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 deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be *material weaknesses*, as defined above.

This report is intended solely for the information and use of the Board of Trustees, Subcommittee on Audit, management, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



March 25, 2013

THE PENNSYLVANIA STATE UNIVERSITY

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012**

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditors' report issued Unqualified

Internal control over financial reporting:

Material weakness identified? _____ yes _____ X no

Significant deficiencies identified not considered to be material weakness? _____ yes _____ X none reported

Non-compliance material to financial statements noted? _____ yes _____ X no

Federal Awards

Internal control over major programs:

Material weakness identified? _____ yes _____ X no

Significant deficiencies identified not considered to be material weakness? _____ yes _____ X none reported

Type of auditors' report issued on compliance for major programs Unqualified

Any audit findings disclosed that are required to be reported in accordance with

section 510(a) of OMB Circular A-133? _____ yes _____ X no

Identification of major programs

Name of Federal Program or Cluster
Research and Development Cluster
Student Financial Aid Cluster

Dollar threshold used to distinguish between Type A and Type B programs \$ 3,932,701

Auditee qualified as low-risk auditee? _____ X yes _____ no

SECTION II - FINANCIAL STATEMENT FINDINGS

The audit disclosed no items required to be reported in this section

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

The audit disclosed no findings or questioned costs as a result required to be reported in this section