



**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Consolidated Financial Statements
and Information on Federal Awards

June 30, 2012

(With Independent Auditors' Reports Thereon)

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

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Independent Auditors' Report

The Board of Trustees
University of Pittsburgh – Of the Commonwealth
System of Higher Education:

We have audited the accompanying consolidated balance sheets of the University of Pittsburgh – Of the Commonwealth System of Higher Education (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 consolidated financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these consolidated 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 also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the University of Pittsburgh – Of the Commonwealth System of Higher Education as of June 30, 2012 and 2011, and results of their changes in their net assets and its cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 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 *Government Auditing Standards* and should be considered in assessing the results of our audit.

KPMG LLP

September 18, 2012

CONSOLIDATED FINANCIAL STATEMENTS

UNIVERSITY OF PITTSBURGH
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2012 AND 2011
(in thousands of dollars)

	2012	2011
ASSETS:		
Cash and cash equivalents	\$ 47,751	\$ 87,061
Operating investments <i>(Notes 4 and 5)</i>	627,386	621,599
Investments held under securities lending program <i>(Note 1)</i>	-	101,855
Accounts and notes receivable, net <i>(Note 2)</i>	158,464	154,188
Inventories and deferred charges	21,986	22,838
Contributions receivable, net <i>(Note 3)</i>	58,994	52,282
Student loans receivable, net	48,027	47,078
Deposits with bond trustees <i>(Note 5)</i>	8,514	49,144
Foundation assets	21,234	24,765
Endowment investments <i>(Notes 4 and 5)</i>	2,635,487	2,545,092
Endowed funds held by third parties	18,074	19,264
Property, plant, and equipment, net <i>(Note 6)</i>	1,715,731	1,674,757
TOTAL ASSETS	\$ 5,361,648	\$ 5,399,923
LIABILITIES:		
Accounts payable and accrued expenses	\$ 100,310	\$ 118,106
Accrued payroll and related liabilities	76,713	69,638
Deferred student and other revenue	37,815	39,774
Liabilities under securities lending program <i>(Note 1)</i>	-	101,855
Advanced receipt of sponsored research funds	82,853	80,056
Refundable U.S. government student loans	32,559	32,259
Pension and postretirement obligations <i>(Note 10)</i>	431,957	305,245
Other liabilities <i>(Note 9)</i>	140,955	88,579
Conditional asset remediation obligation <i>(Note 7)</i>	40,946	40,859
Bonds and notes payable <i>(Note 8)</i>	1,017,134	1,032,598
TOTAL LIABILITIES	1,961,242	1,908,969
NET ASSETS:		
Unrestricted	2,184,101	2,283,697
Temporarily restricted <i>(Notes 1 and 11)</i>	622,629	652,304
Permanently restricted <i>(Notes 1 and 11)</i>	593,676	554,953
TOTAL NET ASSETS	3,400,406	3,490,954
TOTAL LIABILITIES AND NET ASSETS	\$ 5,361,648	\$ 5,399,923

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

CONSOLIDATED FINANCIAL STATEMENTS

UNIVERSITY OF PITTSBURGH
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2012
COMPARED TO SUMMARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2011
(in thousands of dollars)

	2012			Total	2011
	Unrestricted	Temporarily Restricted	Permanently Restricted		
OPERATING REVENUES:					
Tuition and fees	\$ 682,545	\$ -	\$ -	\$ 682,545	\$ 642,298
Tuition discounts	(157,468)	-	-	(157,468)	(150,823)
Net tuition and fees	525,077	-	-	525,077	491,475
Commonwealth appropriation	137,649	-	-	137,649	184,562
Commonwealth grants and contracts	38,019	-	-	38,019	33,859
Research grants and contracts	730,085	-	-	730,085	722,599
Research grants and contracts - ARRA	50,320	-	-	50,320	78,637
Gifts and contributions	24,234	19,014	35,790	79,038	68,499
Endowment earnings	23,283	122	1,895	25,300	24,492
Investment income	13,679	-	164	13,843	12,867
Sales and services, educational and other	136,129	-	-	136,129	126,386
Sales and services, auxiliary	132,926	-	-	132,926	129,926
Rental revenue	18,182	-	-	18,182	18,524
Other	68,961	-	-	68,961	69,802
Net assets released from restrictions	14,797	(14,797)	-	-	-
Total operating revenues	1,913,341	4,339	37,849	1,955,529	1,961,628
OPERATING EXPENSES:					
Salaries and wages	869,173	-	-	869,173	840,039
Fringe benefits	266,108	-	-	266,108	252,774
Total compensation	1,135,281	-	-	1,135,281	1,092,813
Supplies	114,140	-	-	114,140	120,832
Business and professional	300,322	-	-	300,322	300,123
Utilities	47,536	-	-	47,536	51,193
Maintenance and facilities	44,906	-	-	44,906	44,600
Depreciation	145,716	-	-	145,716	134,195
Interest	46,631	-	-	46,631	45,892
Other	54,598	-	-	54,598	61,016
Total operating expenses (Note 12)	1,889,130	-	-	1,889,130	1,850,664
Change in net assets from operating activities	24,211	4,339	37,849	66,399	110,964
OTHER ACTIVITIES:					
Realized/unrealized gains (losses) on investments, net of distributions	49,572	(34,014)	874	16,432	463,536
Change in fair value of interest rate swaps	(61,629)	-	-	(61,629)	13,429
Nonperiodic changes in benefit plans including special termination (Note 10)	(111,750)	-	-	(111,750)	16,341
Total other activities	(123,807)	(34,014)	874	(156,947)	493,306
CHANGE IN NET ASSETS	(99,596)	(29,675)	38,723	(90,548)	604,270
NET ASSETS, BEGINNING OF YEAR	2,283,697	652,304	554,953	3,490,954	2,886,684
NET ASSETS, END OF YEAR	\$ 2,184,101	\$ 622,629	\$ 593,676	\$ 3,400,406	\$ 3,490,954

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

UNIVERSITY OF PITTSBURGH
CONSOLIDATED STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011
(in thousands of dollars)

	2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING REVENUES:				
Tuition and fees	\$ 642,298	\$ -	\$ -	\$ 642,298
Tuition discounts	(150,823)	-	-	(150,823)
Net tuition and fees	491,475	-	-	491,475
Commonwealth appropriation	184,562	-	-	184,562
Commonwealth grants and contracts	33,859	-	-	33,859
Research grants and contracts	722,599	-	-	722,599
Research grants and contracts - ARRA	78,637	-	-	78,637
Gifts and contributions	39,727	14,310	14,462	68,499
Endowment earnings	21,856	145	2,491	24,492
Investment income	12,727	-	140	12,867
Sales and services, educational and other	126,386	-	-	126,386
Sales and services, auxiliary	129,926	-	-	129,926
Rental revenue	18,524	-	-	18,524
Other	69,802	-	-	69,802
Net assets released from restrictions	14,471	(14,471)	-	-
Total operating revenues	1,944,551	(16)	17,093	1,961,628
OPERATING EXPENSES:				
Salaries and wages	840,039	-	-	840,039
Fringe benefits	252,774	-	-	252,774
Total compensation	1,092,813	-	-	1,092,813
Supplies	120,832	-	-	120,832
Business and professional	300,123	-	-	300,123
Utilities	51,193	-	-	51,193
Maintenance and facilities	44,600	-	-	44,600
Depreciation	134,195	-	-	134,195
Interest	45,892	-	-	45,892
Other	61,016	-	-	61,016
Total operating expenses (Note 12)	1,850,664	-	-	1,850,664
Change in net assets from operating activities	93,887	(16)	17,093	110,964
OTHER ACTIVITIES:				
Realized/unrealized gains on investments, net of distributions	285,641	177,730	165	463,536
Change in fair value of interest rate swaps	13,429	-	-	13,429
Nonperiodic changes in benefit plans (Note 10)	16,341	-	-	16,341
Total other activities	315,411	177,730	165	493,306
CHANGE IN NET ASSETS	409,298	177,714	17,258	604,270
NET ASSETS, BEGINNING OF YEAR	1,874,399	474,590	537,695	2,886,684
NET ASSETS, END OF YEAR	\$ 2,283,697	\$ 652,304	\$ 554,953	\$ 3,490,954

CONSOLIDATED FINANCIAL STATEMENTS

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

	2012	2011
CASH AND CASH EQUIVALENTS:		
End of year	\$ 47,751	\$ 87,061
Beginning of year	87,061	175,362
CHANGE IN CASH AND CASH EQUIVALENTS	\$ (39,310)	\$ (88,301)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ (90,548)	\$ 604,270
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	145,716	134,195
Net bond premium amortization	(6,226)	(10,747)
Loss on disposal of plant assets	2,408	1,639
Realized/unrealized gains on investments, net of distributions	(16,432)	(463,536)
Change in fair value of interest rate swaps	61,629	(13,429)
Contributions restricted for long-term investment	(76,621)	(54,888)
Changes in operating assets and liabilities:		
Accounts, notes, contributions, and other receivables, net	(11,937)	2,391
Other assets	852	(573)
Accounts payable and accrued expenses	(9,892)	5,218
Pension and postretirement obligations	126,712	1,632
Conditional asset remediation obligation	87	556
Other liabilities	(2,178)	1,428
Government student loans and deferred revenue	1,138	(1,759)
Net cash provided by operating activities	124,708	206,397
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expended for property, plant, and equipment - University	(151,079)	(195,299)
Expended for property, plant, and equipment - commonwealth	(38,019)	(33,859)
Change in accounts payable for property, plant, and equipment	(7,904)	12,215
Change in investments held under securities lending program	101,855	(11,867)
Change in liabilities under securities lending program	(101,855)	11,867
Purchases/sales of nonendowment investments, net	(11,017)	(36,934)
Purchases of endowment investments	(1,424,870)	(580,954)
Proceeds from sales/maturities of endowment investments	1,357,327	549,214
Change in endowed funds held by third parties	-	(907)
Change in foundation assets	3,531	(3,062)
Net cash used for investing activities	(272,031)	(289,586)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Principal repayment of debt	(131,500)	(253,880)
Proceeds from issuance of debt	122,262	116,025
Change in deposits with bond trustees	40,630	77,855
Contributions restricted for long-term investment	76,621	54,888
Net cash provided by (used for) financing activities	108,013	(5,112)
CHANGE IN CASH AND CASH EQUIVALENTS	\$ (39,310)	\$ (88,301)
Supplemental disclosure of cash flow information:		
Cash paid for interest (excluding fees)	\$ 53,268	\$ 57,422

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

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING
AND REPORTING PRACTICES**Organization**

Founded in 1787, the University of Pittsburgh of the Commonwealth System of Higher Education (the University) is an institution of higher education with a three-pronged mission to provide the highest-quality instruction for its students, engage in innovative research activities, and support the state and local community through public service programs. In its 225 year history, the University has evolved into an internationally recognized center of learning and research. The University's main campus in the City of Pittsburgh is comprised of 16 schools and several academic centers educating nearly 29,000 students in various undergraduate, graduate, and first professional programs. Four regional campuses with a total enrollment approximating 7,000 students are located throughout western Pennsylvania.

Relationship with the Commonwealth of Pennsylvania

The University derives its corporate existence under the laws of the Commonwealth of Pennsylvania (the commonwealth) by reason of the act of the General Assembly of the commonwealth establishing an "Academy or Public School in the town of Pittsburgh" on February 28, 1787 and from the act of February 18, 1819 incorporating the "Western University of Pennsylvania." In 1908, the University's name was changed to the "University of Pittsburgh" by order of the Court of Common Pleas of Allegheny County. In 1966, the Pennsylvania State Legislature enacted the "University of Pittsburgh-Commonwealth Act," which changed the name of the University to the "University of Pittsburgh – of the Commonwealth System of Higher Education" and established the University as an instrumentality of the commonwealth to serve as a state-related institution in the commonwealth system of higher education. The University is a Pennsylvania nonprofit corporation subject to the Nonprofit Corporation Law of 1988.

The entire management, control, and conduct of the instructional, administrative, and financial affairs of the University are vested in the Board of Trustees. The Board of Trustees is composed of fifty-two members (thirty-six voting members), including twelve commonwealth trustees and sixteen special trustees elected by the board. Special trustees may attend all meetings of the board and are entitled to and exercise

all rights, responsibilities, and privileges of trusteeship, except the right to vote at board meetings.

As a state-related institution, the University receives an annual operating appropriation from the commonwealth. The appropriation is subject to the commonwealth's annual budget process. There is no assurance that such appropriation will continue to be made, or will be made, at current levels or at levels requested by the University. The appropriation from the commonwealth was \$137.6 million in 2012 and \$184.6 million in 2011. Amounts received are subject to an annual audit by the auditor general of the commonwealth.

In addition to the annual appropriation, the commonwealth also funds certain capital projects in support of the University's academic mission. Amounts funded by the commonwealth for capital projects were \$38.0 million in 2012 and \$33.9 million in 2011.

Basis of Presentation

The consolidated financial statements include the accounts of the University, which do not include the net assets or activities of the University of Pittsburgh Medical Center (UPMC) or the University of Pittsburgh Physicians (UPP) clinical practice plans, as they are separate legal entities not controlled by the University. The University does have the right to designate one-third of the members of the UPMC Governing Board and its Executive Committee.

Other activities includes gains and losses on operating and endowment investments, changes in fair value of interest rate swap agreements, pension and postretirement changes other than net periodic cost, and other nonrecurring or unusual revenues or expenses.

Basis of Accounting

The consolidated financial statements have been prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (GAAP) as promulgated by the Financial Accounting Standards Board (FASB).

In accordance with GAAP, the University's net assets have been classified as either unrestricted, temporarily restricted, or permanently restricted based upon the

existence or absence of donor-imposed restrictions. Unrestricted net assets are not subject to donor-imposed restrictions and are used for general operating purposes of the University. This class of net assets also includes certain gifts and endowment earnings whose donor-imposed restrictions have been met within the fiscal year. Temporarily restricted net assets are subject to certain time or purpose restrictions by the donor. Upon satisfaction of these restrictions, the net assets are transferred to unrestricted. Temporarily restricted net assets at June 30, 2012 and 2011 consist of endowment balances (\$583.5 million and \$618.6 million, respectively); the net present value of temporarily restricted gifts and unconditional promises to give (\$34.5 million and \$30.0 million, respectively); and split-interest agreements (\$4.6 million and \$3.7 million, respectively). Permanently restricted net assets are those subject to permanent donor-imposed restrictions and at June 30, 2012 and 2011 consist of endowment balances (\$556.3 million and \$519.7 million, respectively); unconditional promises to give (\$25.5 million and \$23.8 million, respectively); and private loan funds (\$11.9 million and \$11.5 million, respectively).

Donor-restricted endowed gifts require that the original corpus of the gifts be maintained in perpetuity. The distributions from earnings generated by these gifts may be either expended or added to principal, in accordance with donor restrictions and gift and spending policies.

Revenue Recognition

Revenue for programs or activities to be conducted in future periods such as student tuition and room and board are classified as deferred revenue. Revenue for these activities is recognized as services are provided. Advanced receipt of exchange transactions such as research grants and contracts are also classified as deferred revenue, with revenue being recognized as funds are expended and research programs are executed.

Tuition discounts are recorded to the extent that either institutional financial aid or aid funded by gifts, endowment earnings, and research activities are awarded. Tuition discounts attributable to institutional funds in 2012 and 2011 were \$135.1 million and \$128.2 million, respectively. Tuition discounts attributable to gifts, endowment earnings, and research activities in 2012 and 2011 were \$22.4 million and \$22.6 million, respectively.

Government Loan Funds

U.S. government-sponsored student loan funds are recorded as liabilities because these funds are refundable to the federal government under certain conditions. Student loan funds donated by private groups, organizations, or individuals are recorded as permanently restricted net assets since such funds operate on a revolving fund basis with principal and interest payments remaining in the fund for future lending.

Cash and Cash Equivalents and Operating Investments

Cash equivalents include investments with original maturities of three months or less and all assets invested in the University's short-term investment fund, which the University utilizes to fund daily cash needs. The fund currently invests in short-term Treasury securities and other short-term, highly-liquid investments, all of which can be liquidated within 7 days. All investments held in the fund must be rated A3/A-1 or better by Moody's Investor Service or A-/P-1 by Standard & Poors at the time of purchase. The fund is expected to generate a return approximating or exceeding the 3-month Treasury bill rate. Cash and cash equivalents that are part of endowment investments are shown therewith as these funds are not used for operating needs.

Operating investments primarily include obligations of the U.S. government and government agencies, bank certificates, commercial paper, corporate notes, and other fixed income obligations. Operating investments are reported at fair value, generally based on quoted market prices, and are used for general operating purposes.

Securities Lending

Through an agreement with its primary investment custodian, the University made available its securities for loan to borrowers identified by the custodian. In exchange for lending a security, the University received a fee and continued earning applicable interest and dividends on the loaned security. Collateral posted by the borrower for the benefit of the University is shown as an asset, and the obligation to return the collateral when the loan is terminated is presented as a liability in the Consolidated Balance Sheets. In September 2011, the University terminated its securities lending agreement and all loans were recalled. As of June 30, 2011, the University held

\$101.9 million of cash and cash equivalents as collateral deposits for securities on loan. The total securities on loan had an estimated fair value of \$99.0 million at June 30, 2011.

Deposits with Bond Trustees

Deposits with bond trustees consist of unspent bond proceeds which will be used for construction of certain facilities. These funds are invested in cash, cash equivalents, and treasury securities and are reported in the Consolidated Balance Sheets at fair value.

Endowment Investments

The University's endowment investments are reported at fair value. The fair value of direct University holdings in publicly traded securities is based upon quoted market prices. The fair value of all other investments, which consist of indirect holdings in both privately and publicly traded assets, is determined using net asset value (NAV) per share or unit of interest. Used as a practical expedient for the estimated fair value, NAV per share or its equivalent is provided by the fund manager and reviewed by the University. Indirect holdings of private assets primarily consist of University interests in funds investing in nonmarketable alternatives, real assets, and/or distressed securities, whereas indirect holdings of publicly traded assets primarily consist of University interests in marketable alternatives or other commingled funds.

Nonmarketable alternatives are private equity or equity-like holdings, such as mezzanine and subordinated debt, in venture, buyout, or recapitalized companies or properties. Real assets are physical assets, or financial assets associated with such physical assets, whose income streams and/or fair values tend to rise with inflation; they include real estate, natural resources, commodities, and other hard assets. Marketable alternatives consist of distressed debt and hedging strategies, including event-driven hedging strategies, such as merger or credit arbitrage, and value-driven hedging strategies, such as long/short, market neutral, and other hedging strategies.

Due to the nature of the investments held by the funds, changes in market conditions, economic environment, regulatory environment, currency exchange rates, interest rates, and commodity price fluctuations may significantly impact the NAV of the funds, and, consequently, the fair

value of the University's interest in the funds and could materially affect the amounts reported in the consolidated financial statements. Although a secondary market exists for these investments, it is not active, and individual transactions are typically not observable. When transactions do occur in this limited secondary market, they may occur at discounts to the reported NAV. It is therefore at least reasonably possible that if the University were to sell these investments in the secondary market, a buyer may require a discount to the reported NAV, and the discount could be significant. The University attempts to manage these risks through diversification, ongoing due diligence of fund managers, maintaining adequate liquidity, and monitoring of economic conditions.

Derivative Financial Instruments

The University records derivatives at fair value with changes in fair value reflected in the Consolidated Statements of Activities (see Note 9).

Contributions

The University records unconditional promises to give (which are agreements with donors involving nonreciprocal transfers of cash, other assets, or services) as either temporarily restricted or permanently restricted dependent upon the nature of the donor-imposed restrictions. Gifts whose restrictions are met in the same fiscal year as receipt are combined and reported with unrestricted gifts.

Unconditional promises to give made to the University are for the support of various schools and programs, including endowments for programs, faculty salaries, scholarships, and the renovation and expansion of physical facilities.

Conditional promises to give cash or other assets are recognized as contribution revenues and receivables when the conditions surrounding the pledge are substantially met.

Bequests are considered to be intentions to give and do not fall within the definition of an unconditional promise to give, and hence, are not recognized in the consolidated financial statements.

Split-Interest Agreements

These agreements with donors consist primarily of charitable gift annuities, pooled income funds, and

irrevocable charitable remainder trusts for which the University serves as trustee. Assets are invested and payments are made to donors and/or other beneficiaries in accordance with the respective agreements. Other liabilities include \$9.0 million and \$9.2 million at June 30, 2012 and 2011, respectively, for split-interest agreements.

Foundation Assets

The University's foundation assets include the Bradford Educational Foundation (BEF). The BEF is a 509(a)(3) Type III supporting organization whose sole purpose is to receive, administer, and distribute property for the benefit of the University of Pittsburgh Bradford campus. The BEF is governed by an independent board of directors, with the majority of members being non-University members. Although the University does not exercise control of the BEF, all assets held by the BEF are held for the financial benefit of the University. As such, the consolidated financial statements include the net assets and annual change in net assets of the BEF.

Property, Plant, and Equipment

Property, plant, and equipment is recorded at cost, or if acquired by gift, at fair value as of the date of the gift. Depreciation is calculated using the straight-line method. Useful lives generally range from 15 to 40 years for buildings and improvements and 5 to 10 years for furnishings and equipment. As assets are retired, sold, or otherwise disposed, the cost and related accumulated depreciation are removed from the accounts, and gains or losses are recognized in the Consolidated Statements of Activities. Costs associated with the construction of new facilities and renovation and expansion of existing facilities are capitalized within construction in progress until such projects are placed in service. The University capitalizes software and related implementation costs and generally depreciates such assets over 5 to 10 years. Works of art, historical treasures, and similar assets include a variety of paintings, sculptures, photographs, antiques, and furnishings, as well as scholarly papers and archives. These assets are used for public exhibition, the preservation of artifacts and antiques for future generations, and scholarly research. Due to their nature, these assets are not depreciated. Library books, which include hard copy publications, periodicals, and electronic publi-

cations with rights to archival content, are depreciated over a period of 7 years. Maintenance and repairs are expensed as incurred.

Insurance Liabilities

The University is self-insured through an agreement with UPMC to provide medical coverage for its employees. A liability for estimated incurred but unreported claims of \$7.6 million and \$6.8 million has been recorded at June 30, 2012 and 2011, respectively, based upon management's analysis of claims history. This liability is reflected in accrued payroll and related liabilities in the Consolidated Balance Sheets.

The University is also self-insured for certain other activities, including workers' compensation, unemployment compensation, and litigation claims. Liabilities have been established for these programs generally based on third-party administrators' estimates using the University's historical loss experience. The self-insurance accrual is subject to periodic adjustment by the University based on actual loss experience factors. Liabilities for these other self-insured obligations aggregated \$9.1 million and \$9.3 million at June 30, 2012 and 2011, respectively, and are included in accrued payroll and related liabilities on the Consolidated Balance Sheets.

Research

The University conducts sponsored research and development with various sponsors including agencies and departments of the federal government, the commonwealth, local government entities, companies, and foundations. Sponsored research activity in 2012 and 2011 was \$780.4 million and \$801.2 million, respectively, with approximately 63% of the funding awarded through the National Institutes of Health. Research grants and contracts - ARRA represents funding received through the American Recovery and Reinvestment Act of 2009. Most University research activity is incurred on a cost reimbursable basis with the University receiving funding after the related expenses have been incurred. Certain sponsors, however, provide research funding in advance of related expenses, and such funding is recorded as advanced receipt of sponsored research funds on the Consolidated Balance Sheets. Revenue on research awards is recognized as the related expenses are incurred.

The University incurs both direct and indirect costs in the conduct of its research. Recovery of indirect costs through federal awards is based upon predetermined rates negotiated with the Department of Health and Human Services. Indirect cost recovery rates from nonfederal sources may vary. Funds received through federal sources are subject to audit each year in accordance with the Office of Management and Budget Circular A-133.

Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from those estimates.

Allowances for Doubtful Accounts

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 troubled accounts, historical experience, and other currently available evidence. Receivables are written off when management determines they will not be collected.

Tax-Exempt Status

The University is exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code. Accordingly, no provision for income taxes has been reflected in the consolidated financial statements.

NOTE 2: ACCOUNTS AND NOTES RECEIVABLE, NET

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

	2012	2011
	<i>(in thousands of dollars)</i>	
Sponsored research receivables, net	\$ 93,284	\$ 91,012
Plant construction receivables due from commonwealth	16,039	22,696
Hospitals and affiliated organizations receivables, net	17,429	13,752
Student receivables, net	10,421	10,628
Interest income receivables	3,073	3,076
Other receivables, net	18,218	13,024
Total accounts and notes receivable, net	\$ 158,464	\$ 154,188

NOTE 3: CONTRIBUTIONS RECEIVABLE, NET

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

	2012	2011
	<i>(in thousands of dollars)</i>	
Amounts due in:		
Less than one year	\$ 33,797	\$ 21,256
One to five years	26,053	32,219
Greater than five years	1,432	2,595
Gross contributions receivable	61,282	56,070
Less:		
Allowance for uncollectible pledges	(1,636)	(2,140)
Unamortized discounts	(652)	(1,648)
Total contributions receivable, net	\$ 58,994	\$ 52,282

The current yields for one-year to 10-year U.S. Treasury notes are used to discount contributions receivable. Outstanding conditional promises to give to the University total \$0.5 million and \$1.3 million at June 30, 2012 and 2011, respectively, which are dependent upon the fulfillment of certain conditions and, therefore, are not included in the consolidated financial statements.

At June 30, 2012 and 2011, the five largest outstanding pledge balances represented 52% and 54%, respectively, of the University's net contributions receivable.

The University has been named as a beneficiary in the wills of numerous donors totaling \$128.3 million and \$106.1 million at June 30, 2012 and 2011, respectively. These bequests are considered to be intentions to give and, therefore, are not included in the consolidated financial statements.

The University has been named as a beneficiary of the Dietrich Foundation (the Foundation), a public charity created by William S. Dietrich II pursuant to an Amended and Restated Declaration of Trust dated August 23, 2001 (the Trust). The Foundation is a 509(a)(3) Type I supporting organization, organized and operated exclusively for charitable, scientific, and educational purposes. Its

primary mission is to provide ongoing support to a number of educational institutions, largely in the greater Pittsburgh area, including the University. The Trust provides that five of the Foundation's nine trustees shall be educational institution trustees, two of whom shall be appointed by the University. On an annual basis, the Foundation is expected to make distributions to the named charitable beneficiaries, and the University has been designated to receive 25% of the total income distributed.

The University has been advised that the Foundation's assets total approximately \$500.0 million, with the University's portion of such assets being approximately \$125.0 million. However, the Foundation's trustees, by a super-majority vote, have the authority to adjust the allocation of annual distributions among the educational institution beneficiaries; therefore, the University has not recognized its interest in the Foundation. Distributions from the Foundation will be held by the University in one or more separate, permanently restricted funds within the University's endowment, each of which shall be designated appropriately as a Dietrich Foundation endowment fund. Such distributions will be recorded as gift revenue when received.

NOTE 4: ENDOWMENT AND OPERATING INVESTMENTS

Investments at June 30 consist of the following:

	2012	2011
	<i>(in thousands of dollars)</i>	
Endowment investments:		
Pooled	\$ 2,609,706	\$ 2,518,579
Nonpooled	25,781	26,513
Subtotal endowment investments	2,635,487	2,545,092
Operating investments (<i>Note 1</i>)	627,386	621,599
Total endowment and operating investments	\$ 3,262,873	\$ 3,166,691
Composition of endowment investments:		
Cash and cash equivalents	\$ 73,066	\$ 34,059
Domestic equities	325,719	331,998
International equities	467,779	474,501
U.S. government and government agencies' securities, bank acceptances and certificates, and commercial paper	161,875	163,061
Corporate bonds and other obligations	136,592	125,293
Alternative investment funds and partnerships:		
Marketable alternatives	458,333	457,927
Private equities/venture capital	574,187	552,904
Real assets	437,936	405,349
Total endowment investments	\$ 2,635,487	\$ 2,545,092
Composition of operating investments:		
U.S. government and government agencies' securities, bank acceptances and certificates, and commercial paper	\$ 395,246	\$ 419,237
Corporate bonds and other obligations	218,950	188,524
Other	13,190	13,838
Total operating investments	\$ 627,386	\$ 621,599

Unless precluded by size or donor restrictions, individual endowment fund assets are pooled and collectively managed on a unitized basis. Each endowment fund subscribes to or disposes of units in the pool, using fair value per unit at the beginning of the month such subscription or disposition occurs to account for the transaction.

The philosophies and policies employed in the management of the endowment are long-term by definition, as they are based on the expectation that the University will have an infinite life and will continue to provide financial support in perpetuity. Accordingly, the University's

investment policy is intended to optimize long-term total return—income plus capital appreciation—relative to the level of risk taken.

The University's investment policy contemplates the effects of its spending policy. The endowment spending policy balances the need for reliable and predictable earnings distributions to support current University activities with the desire to maintain the purchasing power of endowment assets so that they can continue providing financial support for future generations (see Note 11).

The following table summarizes the University's investments at June 30, 2012 and 2011 for which NAV was used as a practical expedient to estimate fair value.

Asset Class/Investment Description	Fair Value Determined using NAV		Unfunded Commitments at June 30, 2012	Unfunded Commitments at June 30, 2011
	2012	2011		
<i>(in thousands of dollars)</i>				
Emerging markets equities				
Commingled emerging markets fund	\$ 83,357	\$ 93,871	\$ -	\$ -
Marketable alternatives				
Distressed debt - redeemable	20,911	41,343	-	-
Distressed debt - nonredeemable	66,269	81,975	3,320	-
Multi-strategy/arbitrage	169,008	133,156	-	-
Long/short equity	202,145	201,453	-	-
Total marketable alternatives	458,333	457,927	3,320	-
Nonmarketable alternatives				
Private equity funds	333,953	322,238	186,162	177,958
Venture capital funds	240,234	230,666	80,877	97,625
Total nonmarketable alternatives	574,187	552,904	267,039	275,583
Real assets				
Real assets - redeemable	36,576	49,506	-	-
Private real estate funds	185,622	155,357	85,504	73,402
Private energy funds	163,607	149,048	42,671	61,314
Private timber funds	52,131	51,438	3,632	3,978
Total real assets	437,936	405,349	131,807	138,694
Total	\$ 1,553,813	\$ 1,510,051	\$ 402,166	\$ 414,277

Descriptions follow for each of the investments set forth in the table above:

Commingled Emerging Markets Fund

The University's investment is in a commingled fund that holds publicly traded emerging market equities. The investment may be liquidated without penalty within 120 days of providing a month-end notice.

Distressed Debt – Redeemable

The University's investments are in two commingled funds. Both funds are hedge funds that hold both long and short positions in mostly publicly traded, and some privately traded, distressed debt securities (i.e., the securities trade at significant discounts to their par value). The University's interest in one of the funds is redeem-

able without penalty on a quarterly basis with 90-day notice. The University's interest in the other fund may be redeemed without penalty in annual 25% increments over the next three years.

Distressed Debt – Nonredeemable

The University's investments are interests in a total of nine commingled funds managed by three investment managers. All of the funds hold distressed securities traded publicly and/or privately, and all have investment periods of three years or longer, during which committed capital may be called. The University's interests in the funds are reduced typically over multi-year periods as the managers return invested capital and distribute proceeds realized from underlying fund assets.

Multi-Strategy/Arbitrage

The University's investments are interests in six commingled funds. These funds are hedge funds that hold both long and short positions in equities, fixed income, and financial derivatives. The University's interests in four of the funds may be liquidated without penalty as follows: (a) two on an annual basis with 45-day notice; (b) one on a quarterly basis with 30-day notice; and (c) one on an annual basis with 30-day notice beginning September 30, 2012. The University's interest in the fifth fund may be liquidated in quarterly increments of 25% with a 65-day notice. The University's interest in the sixth fund may be liquidated semi-annually beginning December 31, 2014. The notice period for the fund is 60 days.

Long/Short Equity

The University's investments are interests in eight commingled funds. These funds are hedge funds that hold both long and short positions in publicly traded global equities. The University's interests in all but two of the funds may be liquidated without penalty on a quarterly or monthly basis with 30-45 day notice. Another fund can be liquidated quarterly with 180-day notice. The University's interest in the other fund is redeemable without penalty with 60-day notice every three years for 80% of the assets, on an annual basis for 10% of the assets, and on a quarterly basis for the remaining 10% of the assets.

Private Equity Funds

The University's investments are interests in 65 commingled funds. These funds are private equity funds that are invested in equity and equity-like securities of mostly nonpublicly traded companies over periods of typically three to five years, during which committed capital may be called. The University's interests in private equity funds are considered to be relatively illiquid in that they are not easily transferable and typically achieve liquidity over multi-year periods when and if the fund managers return invested capital or distribute proceeds realized from underlying fund assets.

Venture Capital Funds

The University's investments are interests in 48 commingled funds. These funds are venture capital funds, a specialized type of private equity, and are invested in equity and equity-like securities of mostly nonpublicly traded, immature companies over periods of typically three to five years, during which committed capital may be called. The University's interests in venture capital funds are considered to be illiquid in that they are in riskier assets, they are not easily transferable, and they typically can only achieve liquidity over multi-year periods when and if the fund managers return invested capital or distribute proceeds from the underlying fund assets.

Real Assets - Redeemable

The University's investments are interests in two commingled funds. These funds hold publicly traded physical assets, as well as financial assets associated with such physical assets, including real estate, natural resources, commodities, and the global equities of hard asset companies. The University's interest in one of the funds is currently being liquidated; its interest in the other fund is fully redeemable without penalty on a monthly basis with 10-day notice.

Private Real Estate Funds

The University's investments are interests in 31 commingled funds. These funds are private real estate funds that are primarily invested in privately traded real estate-related properties and interests, including interests in companies engaged in real estate operations. These funds are invested over periods of typically three to five years, during which committed capital may be called. The University's interests in private real estate funds are considered to be relatively illiquid in that they are not easily transferable and typically achieve liquidity over multi-year periods when and if the fund managers return invested capital or distribute proceeds realized from underlying fund assets.

Private Energy Funds

The University's investments are interests in 26 commingled funds. These funds are private energy funds that are primarily invested in privately traded energy-related properties and interests, including interests in oil and gas and other fossil fuel reserves, production, storage, and transportation facilities, power generating plants, and companies engaged in energy-related activities. These funds are invested over periods of typically three to five years, during which committed capital may be called. The University's interests in private energy funds are considered to be relatively illiquid in that they are not easily transferable and typically achieve liquidity over multi-year periods when and if the fund managers return invested capital or distribute proceeds realized from underlying fund assets.

Private Timber Funds

The University's investments are interests in four commingled funds. These funds are private timber funds that are primarily invested in privately traded timber properties and interests, including interests in companies that acquire, manage, and sell timberland. These funds are invested over periods of typically three to five years, during which committed capital may be called. The University's interests in private timber funds are considered to be relatively illiquid in that they are not easily transferable and typically achieve liquidity over extended, multi-year periods as the fund managers return invested capital or distribute proceeds realized from underlying fund assets.

NOTE 5: FAIR VALUE MEASUREMENTS

Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures*, establishes a single authoritative definition of fair value, sets a framework for measuring fair value, and requires additional disclosures about fair value measurements. In accordance with ASC 820, fair value is defined as the price that the University would receive upon selling an asset or the price paid to transfer a liability (exit price) in an orderly transaction between market participants in the principal or, in the absence of a principal market, most advantageous market at the measurement date.

The principal market is the market in which the reporting entity would sell the asset or transfer the liability with the greatest volume and level of activity for the asset or liability. The most advantageous market is the market in which the reporting entity would maximize the amount received for an asset or minimize the amount paid to transfer a liability.

ASC 820 establishes a three-tier hierarchy, based on inputs to fair value measurements for disclosure purposes. Inputs may be observable or unobservable and refer broadly to the assumptions that market participants would use in pricing an asset or liability, including assumptions about risk.

The three-tier hierarchy of inputs is summarized in the three broad levels below:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets that the University has the ability to access at the measurement date. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available. Instruments valued by Level 1 measures primarily consist of directly held securities that are actively traded in public markets.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. These inputs include quoted prices for similar investments in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; inputs other than quoted prices that are observable; and inputs that are derived from observable market data by correlation or other means. Instruments valued by Level 2 measures include University holdings in certain structured debt obligations, University inter-

ests in certain commingled investment funds, interest rate swap agreements, certain fund investments for which NAV is used as a practical expedient, and other thinly-traded instruments.

- Level 3 - Inputs that are unobservable for the asset or liability that are used to measure fair value when observable inputs are not available. These are inputs that are developed based on the best information available in the circumstances, which might include the University's own data. Instruments valued by Level 3 measures primarily include University interests in certain fund investments for which NAV per share or its equivalent is used as a practical expedient.

University fund investments for which NAV is used as a practical expedient to estimate fair value are classified as either Level 2 or 3 assets in the fair value hierarchy, depending on the fair value tier in which the underlying fund assets would fall and the University's ability to redeem its interest in the fund. If the underlying fund assets are publicly traded securities for which there exists a broad, active market, and the University's interest can be redeemed without penalty within the near term (generally within 90 days of June 30), the University's interest in the fund is classified as a Level 2 investment. If the underlying fund assets are privately traded and/or the University's interest cannot be redeemed without penalty, the University's interest in the fund is classified as a Level 3 investment.

When observable prices are not available, the investments are valued using one or more of the following valuation techniques: market approach - this approach uses prices and other relevant information generated by market transactions involving identical or comparable assets or liabilities; income approach - this approach determines a valuation by discounting future cash flows; or cost approach - this approach is based on the principle of substitution and the concept that a market participant would not pay more than the amount that would currently be required to replace the asset. These valuation techniques may include inputs such as price information, volatility statistics, operating statistics, specific and broad credit data, recent transactions, earnings forecasts, discount rates, reserve reports, futures pricing, and other factors. The classification of investments in the fair value hierarchy is not necessarily an indication of the risks, liquidity, or degree of difficulty in determining fair value.

The following table summarizes the inputs used at June 30, 2012 in valuing the University assets and liabilities carried at fair value:

	Level 1	Level 2	Level 3	Total
Assets	<i>(in thousands of dollars)</i>			
Cash and cash equivalents	\$ 19,109	\$ 28,642	\$ -	\$ 47,751
Endowment investments:				
Cash and cash equivalents	30,517	42,549	-	73,066
Domestic equities	315,262	10,457	-	325,719
International equities	376,751	83,664	7,364	467,779
U.S. government, corporate bonds, and other obligations	224,484	71,180	2,803	298,467
Marketable alternatives	-	184,338	273,995	458,333
Private equities/venture capital	-	-	574,187	574,187
Real assets	-	35,846	402,090	437,936
Operating investments:				
U.S. government, corporate bonds, and other obligations	511,596	102,600	-	614,196
Other	1,190	-	12,000	13,190
Deposits with bond trustees	4,942	3,572	-	8,514
Endowed funds held by third parties	-	-	18,074	18,074
Total assets	\$ 1,483,851	\$ 562,848	\$ 1,290,513	\$ 3,337,212
Liabilities				
Interest rate swaps	\$ -	\$ 109,127	\$ -	\$ 109,127

The following table summarizes the inputs used at June 30, 2011 in valuing the University assets and liabilities carried at fair value:

	Level 1	Level 2	Level 3	Total
Assets	<i>(in thousands of dollars)</i>			
Cash and cash equivalents	\$ 76,276	\$ 10,785	\$ -	\$ 87,061
Endowment investments:				
Cash and cash equivalents	26,611	7,448	-	34,059
Domestic equities	311,636	20,362	-	331,998
International equities	368,010	94,407	12,084	474,501
U.S. government, corporate bonds, and other obligations	230,624	54,632	3,098	288,354
Marketable alternatives	-	153,577	304,350	457,927
Private equities/venture capital	-	-	552,904	552,904
Real assets	-	48,289	357,060	405,349
Operating investments:				
U.S. government, corporate bonds, and other obligations	541,753	66,008	-	607,761
Other	1,082	-	12,756	13,838
Deposits with bond trustees	43,782	5,362	-	49,144
Endowed funds held by third parties	-	-	19,264	19,264
Total assets	\$ 1,599,774	\$ 460,870	\$ 1,261,516	\$ 3,322,160
Liabilities				
Interest rate swaps	\$ -	\$ 47,498	\$ -	\$ 47,498

The following tables summarize the change in the Level 3 activity for the years ended June 30, 2012 and 2011:

		2012						
		<i>(in thousands of dollars)</i>						
		U.S. Government						
	International	Corporate	Marketable	Real	Private	Other	Total	
	Equities	and Other	Alternatives	Assets	Equities			
Balance - June 30, 2011	\$ 12,084	\$ 3,098	\$ 304,350	\$ 357,060	\$ 552,904	\$ 32,020	\$1,261,516	
Capital calls/purchases	1,855	-	60,000	58,923	70,564	953	192,295	
Distributions/sales	(4,558)	(295)	(35,757)	(62,701)	(91,635)	(2,146)	(197,092)	
Transfers out	-	-	(52,306)	-	-	-	(52,306)	
Realized losses	(184)	-	-	-	-	-	(184)	
Unrealized (losses) gains	(1,833)	-	(2,292)	48,808	42,354	(753)	86,284	
Balance - June 30, 2012	\$ 7,364	\$ 2,803	\$ 273,995	\$ 402,090	\$ 574,187	\$ 30,074	\$1,290,513	

		2011						
		<i>(in thousands of dollars)</i>						
		U.S. Government						
	International	Corporate	Marketable	Real	Private	Other	Total	
	Equities	and Other	Alternatives	Assets	Equities			
Balance - June 30, 2010	\$ 10,098	\$ 10,795	\$ 210,026	\$ 292,637	\$ 407,779	\$ 63,950	\$ 995,285	
Capital calls/purchases	4,474	1,951	82,000	74,330	87,300	726	250,781	
Distributions/sales	(5,188)	(10,117)	(19,590)	(55,797)	(78,463)	(45,815)	(214,970)	
Realized gains	588	739	-	-	-	9,590	10,917	
Unrealized gains (losses)	2,112	(270)	31,914	45,890	136,288	3,569	219,503	
Balance - June 30, 2011	\$ 12,084	\$ 3,098	\$ 304,350	\$ 357,060	\$ 552,904	\$ 32,020	\$1,261,516	

Gains and losses (realized and unrealized) for Level 3 activity are reported in other activities in the Consolidated Statements of Activities. The unrealized gains related to investments held at June 30, 2012 and 2011 were \$89.4 million and \$217.9 million, respectively.

For the year ended June 30, 2012, \$52.3 million of level 3 assets were transferred to level 2 as a result of the expiration of lock-up periods for five marketable alternatives; as such, these investments may be redeemed within 90 days of June 30. There were no transfers between fair value levels in 2011.

NOTE 6: PROPERTY, PLANT, AND EQUIPMENT, NET

Property, plant, and equipment, net at June 30 is summarized below:

	2012	2011
	<i>(in thousands of dollars)</i>	
Land	\$ 51,255	\$ 51,255
Buildings and improvements	2,517,555	2,366,353
Equipment	647,034	622,991
Library books	237,145	227,176
Works of art, historical treasures, and similar assets	14,836	14,770
Construction in progress	160,695	180,354
Subtotal	<u>3,628,520</u>	<u>3,462,899</u>
Less: Accumulated depreciation	(1,912,789)	(1,788,142)
Total property, plant, and equipment, net	<u><u>\$ 1,715,731</u></u>	<u><u>\$ 1,674,757</u></u>

In 2012, the University expended \$189.1 million for property, plant, and equipment, of which \$38.0 million was funded by the commonwealth. Significant additions included \$25.3 million for operating equipment; \$15.1 million for the construction of a new freshmen dorm; \$14.8 million for renovations of Benedum Hall; \$11.6 million for the Mid-Campus Complex renovations; \$10.9 million for renovations to the Chevron Science Center; \$10.4 million for the addition to Parran and Crabtree Halls; \$10.2 million for renovations to the 12th floor of the Biomedical Science Tower; \$10.0 million for library acquisitions; \$7.1 million for the Salk Hall Addition; \$5.2 million for renovations to Thackeray Hall; \$5.0 million for the construction of the Greensburg Sustainable Office and Classroom Building; \$4.7 million for the Langley Hall 5th Floor BSL 3 Suite; \$3.4 million for the Titusville Dining Services renovations; \$2.9 million for Neurosurgery renovations in Scaife Hall; \$2.9 million for the expansion of Bouquet Gardens; and \$2.8 million for renovations to Old Engineering Hall.

In 2011, the University expended \$229.2 million for property, plant, and equipment, of which \$33.9 million was funded by the commonwealth. Significant additions included \$32.3 million for operating equipment; \$17.8

million for renovations to the Chevron Science Center; \$16.1 million for renovations to Benedum Hall; \$14.2 million for renovations to the Biomedical Science Tower; \$13.7 million for the Petersen Sports Complex; \$12.8 million for the expansion of Bouquet Gardens; \$10.2 million for library acquisitions; \$6.1 million for the addition to Parran and Crabtree Halls; \$5.3 million for the Johnstown Campus Wellness Center; \$5.2 million for renovations to the O'Hara Student Center (formerly Concordia Club); \$5.0 million for the Salk Hall addition; \$3.4 million for the Mid-Campus Complex renovations; \$3.2 million for the renovation of Fisher Hall at the Bradford Campus; \$3.0 million for a new research lab in Eberly Hall; and \$2.2 million for the Posvar Hall generator.

The amount capitalized in property, plant, and equipment related to expenditures funded by the commonwealth on behalf of the University totaled \$526.7 million and \$501.7 million at June 30, 2012 and 2011, respectively. Formal title to this property passes to the University upon completion of each project. The net book value of these items was \$239.8 million and \$231.6 million at June 30, 2012 and 2011, respectively.

NOTE 7: CONDITIONAL ASSET REMEDIATION OBLIGATION

The University has recognized liabilities for conditional asset retirement obligations. The University performed an analysis of such obligations and determined that asbestos remediation costs represented the primary source of such liabilities. The University reviewed facilities on all campuses and estimated the timing, method, and cost of remediation. The analysis included an estimated inflation factor and discount rate, which were used to determine the present value of the obligation.

The following table details the change in the liabilities for the year ended June 30:

	2012	2011
	<i>(in thousands of dollars)</i>	
Balance - beginning of year	\$ 40,859	\$ 40,303
Accretion	576	1,659
Liabilities settled	(489)	(1,103)
Balance - end of year	\$ 40,946	\$ 40,859

NOTE 8: BONDS AND NOTES PAYABLE

	Range of Years		Outstanding Principal	
	Remaining to Maturity	2012 Effective Interest Rates	<i>(in thousands of dollars)</i>	
			2012	2011
Variable-rate bonds:				
Series 2007-B Bonds	28-29	0.10%-0.26%	\$ 44,621	\$ 44,621
Series 2005-B Bonds	19-26	0.11%-0.29%	45,000	45,000
Series 2005-C Bonds	20-23	0.11%-0.28%	30,000	30,000
Total variable-rate bonds			119,621	119,621
Term-rate bonds:				
Series 2005-A Bonds	25-27	5.00%	40,000	40,000
Series 2002-B Bonds	19-24	5.00%	15,000	15,000
Total term-rate bonds			55,000	55,000
Fixed-rate bonds and notes payable:				
Series 2009-A/B Bonds	0-19	2.32%-5.10%	398,140	410,640
Series 2007-B Bonds	11-16	4.28%-4.69%	60,000	60,000
Series 2005-A Bonds	16-18	4.69%-4.83%	35,000	35,000
Series 2002-A Bonds	0-11	2.10%-4.31%	35,000	40,000
Series 2002-B Bonds	14-15	4.53%-4.74%	14,500	14,500
Series 2000-A/B/C Bonds	1-23	4.00%-5.07%	154,800	154,800
Series 2012 PANTHER Notes, due July 2, 2013		0.21%	120,000	-
Series 2011 PANTHER Notes, due June 18, 2012		0.32%	-	114,000
Noninterest-bearing promissory note			171	171
Total fixed-rate bonds and notes payable			817,611	829,111
Unamortized net premium			24,902	28,866
Total bonds and notes payable			\$ 1,017,134	\$ 1,032,598

Interest costs incurred in 2012 and 2011 were \$46.6 million and \$45.9 million, respectively. Included in these amounts is capitalized interest associated with various construction projects. Capitalized interest for 2012 and 2011 was \$1.3 million and \$3.6 million, respectively.

Liquidity support for the \$119.6 million of outstanding variable-rate demand bonds (VRDBs) in commercial paper (CP) mode is provided by the University. In the event the University receives notice of an optional tender on its VRDBs in CP mode, the purchase price of the bonds will be paid from the remarketing of such bonds. However, if the remarketing proceeds are insufficient, the University will have a current obligation to purchase the tendered bonds. To provide a secondary source of liquidity for this type of event, the University entered into

a \$100.0 million unsecured standby liquidity agreement with a financial institution that matures in September 2013. Since the October 2009 effective date of the liquidity agreement, no draws have occurred.

In June 2012, the University issued its Pitt Asset Notes - Tax Exempt Higher Education Series 2012 (PANTHERS of 2012) in the amount of \$120.0 million. Of this amount, \$90.0 million was used to partially refund the \$114.0 million of PANTHERS of 2011 that matured on June 18, 2012, and \$30.0 million was used for equipment expenditures. The PANTHERS of 2012 mature on July 2, 2013.

The PANTHERS of 2011 were issued in May 2011 in the amount of \$114.0 million.

The fair value (as determined primarily by quoted market prices) of total bonds and notes payable was \$1,126.8 million and \$1,114.4 million at June 30, 2012 and 2011, respectively.

The principal payments of bonds and notes payable for the next five years ending June 30 in millions of dollars are:

2013	\$	30.0
2014	\$	150.4
2015	\$	35.0
2016	\$	30.5
2017	\$	27.4

The foregoing does not include \$119.6 million of VRDBs in CP mode, all of which have final maturity dates between 2031 and 2041. These bonds bear short-term rates that are fixed over staggered periods of approximately 90 days each and are remarketed at the expiry of each rate period.

The University had three general unsecured credit facilities, aggregating \$75.0 million, at June 30, 2012. No draws were made under the facilities during 2012 or 2011. Although each of the three credit facilities carry an expiry date of October 29, 2012, it is management's intention to extend each facility for another 364-day term.

NOTE 9: DERIVATIVE AND OTHER FINANCIAL INSTRUMENTS

The University does not issue or trade derivative financial instruments except as described herein. University financial assets are invested on its behalf with various investment managers, some of whom are authorized to employ derivative instruments, including swaps, futures, forwards, and options. These derivatives are generally used for managing interest rate or foreign currency risk or to attain or hedge a specific financial market position. Additionally, the University has entered into various interest rate swap agreements to hedge its interest rate risk associated with certain debt obligations.

Derivative instruments are carried at fair value and included in the Consolidated Balance Sheets. Gains and losses from derivative instruments are reported in other activities in the Consolidated Statements of Activities. The University may be exposed to financial loss should a derivative counterparty fail to perform pursuant to the instrument. In the case of exchange-traded derivatives, the counterparty is the exchange itself. In the case of over-the-counter derivatives, the counterparty is typically a financial institution. Counterparty risks are mitigated by using creditworthy counterparties, settling positions periodically, and requiring collateral to be posted at predetermined levels of exposure.

Not including University derivative instruments held by various alternative investment funds, University financial assets invested in derivative instruments had a fair value of \$19.9 million and \$83.9 million at June 30, 2012 and 2011, respectively, which are included in endowment investments on the Consolidated Balance Sheets.

The University liabilities arising from variable-to-fixed interest rate swap agreements associated with certain University debt obligations had an aggregated fair value

of \$109.1 million and \$47.5 million at June 30, 2012 and 2011, respectively, and are included in other liabilities on the Consolidated Balance Sheets. The fair value represents the estimated amount the University would be required to pay to terminate these agreements as of the respective fiscal year-end. The University recorded in the Consolidated Statements of Activities an unrealized loss of \$61.6 million and an unrealized gain of \$13.4 million in 2012 and 2011, respectively, due to changes in fair value of the swaps.

The aggregate notional amount of the swap agreements associated with University debt was \$425.7 million and \$430.7 million at June 30, 2012 and 2011, respectively. These swaps were entered into for the sole purpose of hedging the interest payable on the University's Series 2000, 2002, 2005, and 2007 VRDBs. As such, the notional amounts and maturity dates of the swap agreements precisely matched the VRDBs they were intended to hedge at the time the agreements were executed. As the VRDBs were subsequently modified or refinanced, the University terminated or amended various swap agreements to achieve closer alignment with the current debt obligations. The variable interest rates received by the University under the swap agreements are either 67% or 70% of one- or three-month LIBOR, while the fixed rates paid by the University range from 3.25% to 5.14%. Net swap payments made or received by the University are reported in interest expense in the Consolidated Statements of Activities. No collateral was called or posted during 2012 or 2011 with respect to these swap agreements. Furthermore, the University does not anticipate posting collateral pursuant to these swap agreements since the collateral thresholds applicable to the University are infinite at the University's current credit ratings.

NOTE 10: PENSION AND POSTRETIREMENT OBLIGATIONS

Pension

The University provides retirement benefits under contributory or noncontributory plans to substantially all employees. The University's contributory plan provides for participation in the Teachers Insurance and Annuity Association (TIAA) and College Retirement Equities Fund (CREF) and in investment funds of the Vanguard Group. The plan is fully funded and requires three years of service for vesting of the University contribution. Employees hired before January 1, 1995 were immediately vested. University contributions to this plan in 2012 and 2011 were \$70.6 million and \$68.9 million, respectively.

The noncontributory plan is a defined benefit pension plan that covers employees who do not participate in the contributory plan. The plan provides for vesting after five years with pension benefits accruing at 2.1% of base salary or the Social Security wage base, whichever is lower. Pension benefits are payable upon normal retirement at age 65 or early retirement at age 55, in accordance with the conditions and pension eligibility criteria described in the plan. University contributions to this plan in 2012 and 2011 were \$2.7 million and \$3.0 million, respectively.

Postretirement

The University also provides postretirement medical and life insurance benefits to eligible employees and their spouses upon retirement through a contributory benefit plan.

Though funding is not required, the University has elected to fund the medical and life insurance portions of its postretirement liability via a quasi-endowment fund, which is managed together with all of the University's pooled endowment investments (see Notes 4 and 11). The fair value of these investments at June 30, 2012 and 2011 was \$244.9 million and \$232.3 million, respectively, and is included in endowment investments in the Consolidated Balance Sheets.

Under the Medicare Prescription Drug, Improvement, and Modernization Act of 2003, the federal government provides a subsidy to employers equal to 28% of the employer's qualifying prescription drug costs for retirees if the plan offered by the employer is at least actuarially equivalent to Medicare Part D. The University is qualified for and receives the subsidy via a reduction in premiums charged by its provider.

In 2010, the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act (collectively, the Health Care Acts) were signed into law. The Health Care Acts include several provisions that affect the University's postretirement benefit plans. The University has evaluated the effects of the Health Care Acts and estimated the effect of the provisions to be approximately \$3.5 million and \$2.5 million at June 30, 2012 and 2011, respectively. These amounts are included in the measurement of the postretirement benefit obligation.

The University uses a measurement date of June 30 for plan assets and the benefit obligations. Information related to the benefit obligation, assets, and funded status of the defined benefit pension plan and the postretirement benefit plan as of and for the years ended June 30, 2012 and 2011 is summarized in the table below:

	Defined Benefit Plan		Postretirement Plan	
	2012	2011	2012	2011
	<i>(in thousands of dollars)</i>			
Net periodic benefit cost:				
Service cost	\$ 3,570	\$ 3,085	\$ 10,746	\$ 12,077
Interest cost	3,562	3,156	17,471	16,433
Expected return on plan assets	(4,180)	(3,251)	-	-
Actuarial loss	-	246	516	1,204
Amortization of transition obligation	-	-	3,031	3,031
Amortization of prior service credit	(224)	(224)	(3,965)	(3,965)
Net periodic benefit cost	\$ 2,728	\$ 3,012	\$ 27,799	\$ 28,780
Funded status:				
Benefit obligation at beginning of year	\$ 59,969	\$ 53,153	\$ 298,130	\$ 291,651
Service cost	3,570	3,085	10,746	12,077
Interest cost	3,562	3,156	17,471	16,433
Actuarial loss (gain)	20,981	1,150	61,283	(11,224)
Special termination benefit	-	-	24,123	-
Benefits paid	(600)	(575)	(12,837)	(10,807)
Benefit obligation at end of year	\$ 87,482	\$ 59,969	\$ 398,916	\$ 298,130
Fair value of plan assets at beginning of year	\$ 52,854	\$ 41,191	\$ -	\$ -
Actual return on plan assets	(541)	9,226	-	-
Actual plan contributions	2,728	3,012	-	-
Benefits paid	(600)	(575)	-	-
Fair value of plan assets at end of year	\$ 54,441	\$ 52,854	\$ -	\$ -
Funded status - liability recognized in Consolidated Balance Sheets:				
Pension and postretirement obligations	\$ (33,041)	\$ (7,115)	\$(398,916)	\$(298,130)
Accumulated benefit obligation	\$ 83,404	\$ 57,461		

Estimated 2013 employer contribution to the defined benefit plan:

(in thousands of dollars) \$ 7,217

	Defined Benefit Plan		Postretirement Plan	
	2012	2011	2012	2011
Weighted-average assumptions used to determine the benefit obligation (liability) at June 30:				
Discount rate	4.5%	6.0%	4.5%	6.0%
Expected long-term return on plan assets	8.0%	8.0%	-	-
Rate of compensation increase:				
2012 and thereafter	3.0%	3.0%	-	-
Assumed healthcare trend cost:				
Initial trend - pre-age 65 retirees	-	-	8.0%	9.0%
Initial trend - post-age 65 retirees	-	-	7.0%	10.0%
Ultimate trend	-	-	4.5%	5.0%
Year to reach ultimate	-	-	2020	2017

Weighted-average assumptions used to determine the net periodic cost (expense) for the years ended June 30:

Discount rate	6.0%	6.0%	6.0%	5.75%
Rate of compensation increase	3.0%	3.0%	-	-
Expected long-term return on plan assets	8.0%	8.0%	-	-
Assumed health care trend cost:				
Initial trend - pre-age 65 retirees	-	-	9.0%	9.0%
Initial trend - post-age 65 retirees	-	-	10.0%	15.0%
Ultimate trend	-	-	5.0%	5.0%
Year to reach ultimate	-	-	2017	2015

Estimated future benefit payments:	Defined	Postretirement
	Benefit Plan	Plan
	<i>(in thousands of dollars)</i>	
2013	\$ 1,299	\$ 16,070
2014	\$ 1,437	\$ 17,760
2015	\$ 1,615	\$ 18,673
2016	\$ 1,838	\$ 19,449
2017	\$ 2,044	\$ 20,065
2018-2022	\$ 14,948	\$ 114,114

A one percentage point change in assumed healthcare cost trend rates would have the following effects on the postretirement plan:

	Increase		Decrease	
	Revised Amount	Percent Change	Revised Amount	Percent Change
	<i>(in millions of dollars)</i>			
Service and interest cost (medical component only)	\$ 28.4	10.6%	\$ 22.6	12.1%
Total periodic benefit cost	\$ 32.1	15.5%	\$ 23.1	17.1%
Benefit obligation for healthcare benefits	\$ 394.3	9.4%	\$ 325.1	9.8%
Total benefit obligation	\$ 432.8	8.5%	\$ 363.8	8.8%

Pension Assets

Assets related to the University's defined benefit pension plan are segregated in a trust managed by a third-party investment manager. The fair value of these assets at June 30, 2012 and 2011 was \$54.4 million and \$52.9 million, respectively. The fund is invested through common collective trust funds in domestic and international equities and fixed income securities using the S&P 500 Index as a benchmark for domestic equities, the MSCI EAFE Index for international equities, and the Barclays Intermediate Government/Credit Bond Index for the fixed income securities. The specific investment objective is to meet or exceed the investment policy benchmark over the long term. Plan investments are determined using NAV per share as a practical expedient for estimated fair value and are classified in the fair value hierarchy as Level 2, as the University can redeem its interest without penalty, generally within 90 days of June 30.

The long-term investment strategy for pension plan assets is to meet present and future benefit obligations to all participants and beneficiaries; cover reasonable expenses incurred to provide such benefits, including expenses incurred in the administration of the trust and the plan; provide sufficient liquidity to meet benefit and expense payment requirements on a timely basis; and provide a total return that, over the long term, maximizes the ratio of trust assets to liabilities by maximizing investment return, at an appropriate level of risk. The expected return on plan assets is based on a weighted average of the

individual expected return for each asset category in the plan's portfolio. Expected return comprises inflation plus the real rate of return for each asset class.

Over the long term, asset allocation is believed to be the single greatest determinant of risk and return. Asset allocation will deviate from the target percentages due to market movement, cash flows, and investment manager performance. Material deviations from the asset allocation target can alter the expected return and risk of the trust. However, frequent rebalancing to the asset allocation targets may result in significant transaction costs, which can impair the trust's ability to meet its investment objective. Accordingly, the trust portfolio is periodically rebalanced to maintain asset allocations that approximate the targets shown below.

	Target Asset Allocation
Domestic equity	35%
International equity	35%
Fixed income	30%

The actual asset allocation as of June 30, 2012 and 2011 was 67% and 70%, respectively, for combined equities and 33% and 30%, respectively, for fixed income securities.

The fair value of the University's pension plan assets at June 30, by asset category, was as follows:

Asset class	2012	2011
	<i>(in thousands of dollars)</i>	
	<u>Level 2</u>	<u>Level 2</u>
Equity securities:		
Stock index	\$ 17,268	\$ 16,616
Small cap	1,833	1,871
International	17,272	18,501
Debt securities	15,336	12,559
Cash and cash equivalents	2,732	3,307
Total	\$ 54,441	\$ 52,854

In 2012, the University adopted a Voluntary Early Retirement Plan (VERP) for qualified staff who had completed at least 10 years of service and attained age 59 by April 1, 2012. By the June 15, 2012 deadline, 352 staff accepted the VERP option. The VERP included a separation payment equal to six-month's pay, along with certain medical and other benefits for the staff, spouse, and dependent children. The separation payment, along

with accumulated vacation and sick-day payments, aggregated \$11.1 million and was recognized in the fiscal 2012 Consolidated Statement of Activities and included in accrued payroll and related liabilities on the Consolidated Balance Sheet. The June 30, 2012 postretirement benefit obligation includes \$24.1 million related to the accelerated vesting for the VERP.

NOTE 11: ENDOWMENT NET ASSETS

GAAP provides for enhanced disclosures related to an organization's endowment funds regardless of whether the organization is located in a state that is subject to the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). The enhanced disclosures relate to net asset classification and changes in endowment net assets and have been incorporated in the tables below.

The commonwealth has not adopted UPMIFA and, instead, enacted in December 1998 Pennsylvania Act 141 (codified as Title 15 of the Pennsylvania Consolidated Statutes §5548(c) and referred to herein as "Title 15") to govern the investment of restricted funds held in trust by Pennsylvania nonprofit corporations. Title 15 permits Pennsylvania nonprofit corporations to elect a total return approach for determining income distributions from restricted funds held in trust, whereby income is defined as a stipulated percentage of the value of the assets held; the stipulated percent must be determined at least annually and may be no less than 2% nor more than 7%, and the value of the assets held must be averaged over a period of three or more preceding years. A resolution to elect a total return approach for determining endowment income distributions for the University's consolidated investment pool was passed by the University's Board of Trustees on October 21, 1999. The University's endowment income distribution is determined annually

using a stipulated percentage of 4.25% of the endowment's three-year average fair value, provided that such distribution is not less than the amount distributed in the previous year. Nevertheless, instead of distributing the same amount in 2011 as was distributed for 2010, the Investment Committee of the Board of Trustees voted on June 10, 2010 to reduce the distribution amount for 2011 by approximately 5% due to the significant declines in endowment market value during the preceding three-year period. The endowment income distribution amounts for 2012 and 2011 were approximately 4.7% and 4.4%, respectively, of the endowment's three-year average fair value.

Employing the total return approach, the University records the original value of an endowed gift as a permanently restricted asset, along with any endowment income distributions that are returned to principal. Nonendowed funds that lack third party donor restrictions but function as endowments (quasi-endowments) are classified as unrestricted net assets. Gains and losses attributable to donor-restricted endowed funds are recorded as temporarily restricted net assets, whereas gains and losses attributable to quasi-endowment funds are recorded as unrestricted net assets. Temporarily restricted net assets also include nonendowed gifts that are subject to third party donor restrictions with respect to purpose or time.

The University's endowment net assets at June 30 were as follows:

	2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(in thousands of dollars)</i>			
Donor-restricted endowment funds	\$ -	\$ 583,459	\$ 556,271	\$ 1,139,730
Quasi-endowment funds	1,480,978	-	-	1,480,978
Total endowment net assets	\$ 1,480,978	\$ 583,459	\$ 556,271	\$ 2,620,708
	2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(in thousands of dollars)</i>			
Donor-restricted endowment funds	\$ -	\$ 618,607	\$ 519,695	\$ 1,138,302
Quasi-endowment funds	1,369,918	-	-	1,369,918
Total endowment net assets	\$ 1,369,918	\$ 618,607	\$ 519,695	\$ 2,508,220

The change in endowment net assets for the years ended June 30 were as follows:

	2012			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(in thousands of dollars)</i>			
Endowment net assets - beginning of year	\$ 1,369,918	\$ 618,607	\$ 519,695	\$ 2,508,220
Endowment return:				
Endowment earnings	23,649	-	1,651	25,300
Net gains	11,197	8,447	874	20,518
Total endowment return	34,846	8,447	2,525	45,818
Gifts	769	-	34,051	34,820
Net distributions	(39,737)	(43,595)	-	(83,332)
Net transfers	115,182	-	-	115,182
Endowment net assets - end of year	\$ 1,480,978	\$ 583,459	\$ 556,271	\$ 2,620,708

	2011			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(in thousands of dollars)</i>			
Endowment net assets - beginning of year	\$ 1,079,802	\$ 440,996	\$ 499,173	\$ 2,019,971
Endowment return:				
Endowment earnings	22,245	-	2,247	24,492
Net gains	255,499	209,044	165	464,708
Total endowment return	277,744	209,044	2,412	489,200
Gifts	664	-	18,110	18,774
Net distributions	(46,096)	(31,433)	-	(77,529)
Net transfers	57,804	-	-	57,804
Endowment net assets - end of year	\$ 1,369,918	\$ 618,607	\$ 519,695	\$ 2,508,220

Approximately 99 percent of the University's endowment funds are collectively managed in a broadly diversified pool of assets called the consolidated investment pool. The Investment Committee of the Board of Trustees provides advice to University management, including the approval of endowment investment guidelines, objectives, and policies, and it is responsible for reviewing the selection of investment advisors and investment performance.

The asset allocation policy is established with the intent of optimizing long-term portfolio returns while minimizing market and manager risks. It reflects a desire for portfolio diversification by incorporating allocations across several broad asset classes, including: domestic equity, international equity, and emerging markets equity; fixed income; real assets; marketable alternatives; and nonmarketable alternatives.

Real assets are physical assets, as well as financial assets associated with such physical assets, whose income streams and/or fair values tend to rise with inflation, including real estate, natural resources, commodities, and other hard assets. Marketable alternatives consist of distressed debt and hedging strategies, including event-driven hedging strategies, such as merger or credit arbitrage, and value-driven hedging strategies, such as long/short, market neutral, and other hedging strategies. Non-marketable alternatives are private equity or equity-like holdings, such as mezzanine and subordinated debt, in venture, buyout, or recapitalized companies or properties.

NOTE 12: FUNCTIONAL EXPENSES

The University accounts for expenses according to major classes of program services or functions. Functional expenses for the years ended June 30 consist of the following:

	2012	2011
	<i>(in thousands of dollars)</i>	
Instruction	\$ 504,746	\$ 476,743
Research	677,696	664,815
Public service	94,687	98,865
Academic support	146,634	140,642
Libraries	45,445	50,229
Student services	119,543	123,648
Institutional support	174,483	173,682
Auxiliary enterprises	125,896	122,040
Total functional expenses	\$ 1,889,130	\$ 1,850,664

Costs related to the operation and maintenance of property, including depreciation of property and equipment and interest on related debt, are allocated to program and support activities based upon salary effort.

NOTE 13: RELATED PARTIES

The University has relationships and affiliation agreements with separately incorporated entities including UPMC and affiliated hospitals and UPP. These relationships include a common paymaster arrangement for certain University School of Medicine (SOM) faculty with academic and clinical responsibilities; contractual obligations for UPMC and UPP to support certain educational and research functions at the University; and property rental agreements. Transactions with all related entities are conducted at arm's length in the ordinary course of business and are discussed below.

Certain University SOM faculty and staff provide clinical services through their University appointments to UPMC, UPP, and affiliated hospitals. The University invoices these entities monthly for reimbursement of the clinical portion of the associated compensation costs. SOM faculty members having both a University academic appointment and a separate, external appointment for clinical responsibilities participate in the common paymaster arrangement for purposes of determining appropriate FICA taxation. In addition to the reimbursable compensation costs, the University also engages in other transac-

tions with these entities, which include providing certain facilities-related services, telephone, mailing, printing, and various other services, which are reimbursed at cost. Reimbursements from UPMC, UPP, and affiliated hospitals for clinical compensation and other costs totaled \$128.6 million and \$119.2 million in 2012 and 2011, respectively.

In 1998, the University signed a 10-year agreement with UPMC that included financial commitments designed to further the two entities' commitment to their interrelated teaching, research, clinical care, and community service missions. As part of the agreement, UPMC provides \$12.5 million annually in funding for the SOM. UPMC also provides additional funding up to \$2.5 million annually on a matching basis. The match is on a one-to-two basis with UPMC matching \$1 for every \$2 provided by the University to support health sciences programs. The University has received this match each year since the inception of the agreement. This agreement was amended in 2007 under essentially the same terms, except for a provision to provide an additional \$10.0 million per year in 2007, increased annually by \$0.5 million

from 2008 through 2016. The University received \$27.5 million and \$27.0 million (including the annual match) in 2012 and 2011, respectively. These amounts are reported as other revenue in the Consolidated Statements of Activities.

The agreement was further amended in 2009 to include additional financial support from UPMC through the Children's Hospital of Pittsburgh of UPMC (CHP) to the University of approximately \$7.5 million annually related to an agreement detailing the transfer of certain pediatric research programs from CHP to the University. This transfer standardized procedures, eliminated duplication of services, improved efficiency, reduced costs, and enhanced recruitment efforts for pediatric programs. The University received \$8.6 million and \$7.8 million in 2012 and 2011, respectively, related to this additional support. These amounts are reported as sales and services, educational and other, in the Consolidated Statements of Activities.

Additionally, UPMC provided support to various departments within the SOM to augment their operating budgets. These payments were made to those departments which do not generate sufficient revenues to meet their research and academic costs. Payments made by UPMC for this purpose totaled \$8.6 million and \$7.5 million in 2012 and 2011, respectively, and are reported as sales and services, educational and other, in the Consolidated Statements of Activities.

UPMC also provided \$13.1 million and \$12.7 million in 2012 and 2011, respectively, of contractual dean's tax, which represents additional support for the academic and research activities of the SOM. This activity is reported as sales and services, educational and other, in the Consolidated Statements of Activities.

The University is involved in certain rental arrangements where the University acts as both lessor or lessee with UPMC and its affiliates. Rental revenue from UPMC and affiliates totaled \$9.9 million and \$9.8 million in 2012 and 2011, respectively. Rent expense paid to UPMC and affiliates totaled \$24.6 million and \$23.6 million in 2012 and 2011, respectively.

UPMC serves as the provider of health insurance coverage to all eligible University employees who enroll in

the plan. The University is self-insured for these costs and reimburses UPMC for actual claims cost. Health insurance expense including administrative fees totaled \$110.8 million and \$97.1 million in 2012 and 2011, respectively, and is reported as fringe benefit expense on the Consolidated Statements of Activities.

UPMC receives federal matching funds for costs incurred by academic medical centers for medical assistance services. The funds are remitted to the University to support the activities of the SOM, the Western Psychiatric Institute and Clinic (WPIC), the Center for Public Health Practice, and the clinic within the School of Dental Medicine. These remittances were \$8.4 million and \$16.6 million in 2012 and 2011, respectively, and are reported as commonwealth appropriation revenue in the Consolidated Statements of Activities.

In 2003, the University and UPMC created the Medical and Health Sciences Foundation (MHSF), a separate 501(c)(3) organization. The mission of MHSF is to create a unified fundraising organization for the University's schools of the health sciences and UPMC. The arrangement calls for the cost of MHSF to be split evenly between the University and UPMC. In 2012 and 2011, UPMC's share of total operating costs for MHSF totaled \$4.0 million and \$3.9 million, respectively, and is reported as other revenue in the Consolidated Statements of Activities. All gifts generated by MHSF are credited to the University or UPMC based upon donor intent.

In November 2004, the University entered into an agreement with UPMC to jointly construct and own the Carillo Street steam plant, a gas-fired steam-generating facility. The plant provides steam to each entity's respective buildings and is managed by the University. The University maintains an ownership interest of 78.1%, with UPMC having an ownership interest of 21.9%.

A lease arrangement exists between the University and the commonwealth for WPIC. Since 1949, the University has managed WPIC under an agreement between the University and the commonwealth whereby the University rents for a consideration of \$1 per year the land, building, equipment, and other items that are used by WPIC. The agreement provides for continuing terms of 10 years each; however, this agreement is cancelable by either party on one year's written notice. In

1992, the University subleased to UPMC the land, building, equipment, and other items subject to the current lease arrangement between the commonwealth and the University. This sublease arrangement continued to be in effect during 2012 and 2011. Included in property, plant, and equipment is \$197.9 million and \$194.2 million at June 30, 2012 and 2011, respectively, related to the land, buildings, and equipment used by WPIC. Accumulated depreciation related to these assets totaled \$157.0 million and \$152.5 million at June 30, 2012 and 2011, respectively.

The University also has an arrangement with UPMC whereby certain research-related costs incurred by UPMC

(primarily staff compensation) in relation to WPIC and the University of Pittsburgh Cancer Institute (UPCI) research awards are charged to such awards via an electronic billing and reimbursed to UPMC each month. Payments totaled \$33.6 million in 2012 and \$33.7 million in 2011 and are recorded as expenses in the Consolidated Statements of Activities. All billings are recorded at cost.

UPMC provided support payments to UPCI for various subsidies, research initiatives, and general support. These payments totaled \$11.1 million and \$10.1 million in 2012 and 2011, respectively, and are primarily reported in other revenue in the Consolidated Statements of Activities.

NOTE 14: COMMITMENTS AND CONTINGENCIES

At June 30, 2012 and 2011, the University had outstanding contractual commitments of \$136.6 million and \$138.2 million, respectively, for property, plant, and equipment expenditures.

The University engages in various leasing activities as both a lessor and lessee. Rental revenue from operating leases was \$18.2 million and \$18.5 million in 2012 and 2011, respectively. Rental expense for operating leases was \$48.7 million in 2012 and \$47.0 million in 2011. Minimum future rental revenue and expense under operating leases that have initial or remaining noncancelable lease terms for the years ended June 30 are as follows:

	Rental Revenue	Rental Expense
	<i>(in thousands of dollars)</i>	
2013	\$ 16,381	\$ 43,689
2014	\$ 13,226	\$ 40,539
2015	\$ 12,385	\$ 38,323
2016	\$ 11,764	\$ 26,197
2017	\$ 2,616	\$ 20,791
Thereafter	\$ 9,137	\$ 151,804

The University is a defendant in a number of legal actions seeking damages and other relief from the University. While the final outcome of each action cannot be determined at this time, legal counsel and University management are of the opinion that the liability, if any, in these legal actions will not have a material adverse effect on the University's consolidated financial statements.

The University receives significant financial assistance from the federal government including the sponsorship of federal research projects. Research grants and contracts normally provide for the recovery of direct and indirect costs. Recovery of indirect costs is recorded at predetermined rates negotiated with the federal government. Entitlement to these resources for the recovery of the applicable direct and related indirect costs is generally conditioned upon compliance with the terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants and the University's indirect cost rate are subject to financial and compliance reviews and audits by the grantors. In management's opinion, the likelihood of a material adverse outcome upon the University's financial position from those reviews and audits is remote.

The University conducts a review of contracts and agreements that may contain guarantees, including loan guarantees such as standby letters of credit and indemnifications. In certain contracts, the University agrees to indemnify a third-party service provider under certain circumstances. Pursuant to its bylaws, the University provides indemnification to directors, officers and, in some cases, employees and agents against certain liabilities incurred as a result of service provided on behalf of or at the request of the University. The terms of indemnity vary from agreement to agreement, and the amount of indemnification, if any, cannot be reasonably determined.

NOTE 15: SUBSEQUENT EVENTS

The University has evaluated subsequent events through September 18, 2012, the date on which the consolidated financial statements were issued, and determined that there were no subsequent events requiring disclosure or adjustment to the consolidated financial statements.

MEMBERSHIP OF THE BOARD OF TRUSTEES FISCAL YEAR 2012

<p>MEMBERS EX-OFFICIO (NONVOTING)</p> <p>Tom Corbett, Governor of the Commonwealth of Pennsylvania</p> <p>Ronald J. Tomalis, Secretary of Education of the Commonwealth of Pennsylvania</p> <p>Rich Fitzgerald, Chief Executive of Allegheny County</p> <p>Luke Ravenstahl, Mayor of the City of Pittsburgh</p>	<p><i>2010 – 14</i></p> <p>Robert M. Hernandez John A. Swanson Burton M. Tansky Sam S. Zacharias</p> <p><i>2011 – 15</i></p> <p>Charles E. Bunch Robert G. Lovett Martha Hartle Munsch Stephen R. Tritch</p>	<p>ALUMNI TRUSTEES</p> <p><i>2008 – 12</i></p> <p>Brian Generalovich, DMD</p> <p><i>2009 – 13</i></p> <p>Bobbie Gaunt Bryant J. Salter</p> <p><i>2010 – 14</i></p> <p>F. James McCarl III Keith E. Schaefer</p> <p><i>2011 – 15</i></p> <p>Michael A. Bryson</p>	<p>EMERITUS TRUSTEES</p> <p>Ruggero J. Aldisert J. David Barnes Steven C. Beering Thomas G. Bigley Frank V. Cahouet John G. Conomikes George A. Davidson Jr. Herbert P. Douglas Jr. Helen S. Faison D. Michael Fisher E. Jeanne Gleason J. Roger Glunt Henry L. Hillman Earl F. Hord A. Alice Kindling Paul E. Lego John C. Marous Frank E. Mosier Alfred L. Moyé H. Lee Noble Anthony J.F. O'Reilly James C. Roddey Evans Rose Jr. Farrell Rubenstein Richard P. Simmons Dick Thornburgh Edward P. Zemprelli</p>
<p>MEMBERS EX-OFFICIO (VOTING)</p> <p>Mark A. Nordenberg, Chancellor and Chief Executive Officer</p>	<p>SPECIAL TRUSTEES</p> <p><i>2008 – 12</i></p> <p>Catherine D. DeAngelis Daniel C. Marino Tracey T. Travis</p> <p><i>2009 – 13</i></p> <p>J. Bret Harvey Roberta A. Luxbacher Susan P. McGalla Thomas E. Richards</p> <p><i>2010 – 14</i></p> <p>Mary Ellen Callahan Terrence P. Laughlin William E. Strickland Jr. Thomas J. Usher</p> <p><i>2011 – 15</i></p> <p>G. Nicholas Beckwith III John H. Pelusi Jr. Emil M. Spadafore Jr. A. David Tilstone</p>	<p>COMMONWEALTH TRUSTEES</p> <p><i>G: Governor appointment</i> <i>H: House appointment</i> <i>S: Senate appointment</i></p> <p><i>2008 – 12</i></p> <p>Jay Costa, Jr. (S) Ira J. Gumberg (G) John Wright Joyce (H)</p> <p><i>2009 – 13</i></p> <p>Sy Holzer (G) William K. Lieberman (S) Thomas L. VanKirk (H)</p> <p><i>2010 – 14</i></p> <p>John A. Maher III (H) Morgan K. O'Brien (G) John J. Verbanac (S)</p> <p><i>2011 – 15</i></p> <p>Dan B. Frankel (G 2007-2011) Herbert S. Shear (H) Mary Jo White (S 2007-2011)</p>	
<p>TERM TRUSTEES</p> <p><i>2008 – 12</i></p> <p>Eva Tansky Blum George L. Miles Jr. Marlee S. Myers Robert A. Paul Robert P. Randall</p> <p><i>2009 – 13</i></p> <p>Suzanne W. Broadhurst Dawne S. Hickton Thomas H. O'Brien Charles M. Steiner</p>			

The financial statements have been reviewed and approved by the University's Audit Committee. The Audit Committee is comprised of outside directors having requisite financial expertise and meets regularly with University management and both internal and external auditors to review internal accounting controls, audit issues, and financial reporting matters. The committee meets with the external auditors in private sessions and is also responsible for approving the independent auditing firm retained each year. Nonvoting representatives on the committee include members of the University's administration as well as student, faculty, and staff representatives.

**UNIVERSITY OF PITTSBURGH – OF THE
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
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<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass Through #</u>	<u>Federal Expenditures</u>
I. RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA):			
<u>Department of Health and Human Services:</u>			
National Institutes of Health:			
<i>Direct:</i>			
Environmental Health	93.113		\$ 5,369,805
Oral Diseases and Disorders Research	93.121		9,112,543
Human Genome Research	93.172		99,898
Research Related to Deafness and Communication Disorders	93.173		4,531,955
Research and Training in Complementary and Alternative Medicine	93.213		1,752,398
National Center on Sleep Disorders Research	93.233		411,735
Mental Health Research	93.242		40,584,623
Alcohol Research Career Development Awards for Scientists and Clinicians	93.271		90,536
Alcohol National Research Service Awards for Research Training	93.272		7,422
Alcohol Research Programs	93.273		7,275,282
Drug Abuse Scientist Development Award and Research Scientist Awards	93.277		468,272
Drug Abuse and Addiction Research Programs	93.279		16,410,811
Mental Health Research Career/Scientist Development Awards	93.281		3,261,201
Mental Health National Research Service Awards for Research Training	93.282		1,313,277
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		4,601,157
Trans-NIH Research Support	93.310		1,329,099
Research Infrastructure Programs	93.351		109,195
Nursing Research	93.361		6,964,802
National Center for Research Resources	93.389		20,622,752
Cancer Cause and Prevention Research	93.393		9,377,885
Cancer Detection and Diagnosis Research	93.394		2,291,852
Cancer Treatment Research	93.395		12,813,717
Cancer Biology Research	93.396		6,203,727
Cancer Centers Support Grants	93.397		12,063,626
Cancer Research Manpower	93.398		1,364,294
Cancer Control	93.399		4,238,395
Cardiovascular Diseases Research	93.837		28,613,575
Lung Diseases Research	93.838		22,428,789
Blood Diseases and Resources Research	93.839		2,870,873
Arthritis, Musculoskeletal & Skin Diseases Research	93.846		9,435,052
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		46,935,420
Digestive Diseases and Nutrition Research	93.848		2,332,113
Kidney Diseases, Urology & Hematology Research	93.849		1,329,889
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		18,504,588
Allergy, Immunology & Transplantation Research	93.855		43,156,812
Microbiology & Infectious Diseases Research	93.856		2,784,516
Biomedical Research and Research Training	93.859		25,811,982
Child Health and Human Development Extramural Research	93.865		13,253,521
Aging Research	93.866		26,763,288

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Vision Research	93.867		5,475,647
Medical Library Assistance	93.879		3,490,343
Center for Medical Rehabilitation Research	93.929		(4,238)
International Research and Research Training	93.989		118,704
Other National Institutes of Health:			
Aging	93.000		19,304
Allergy and Infectious Diseases	93.000		1,323,623
Arthritis	93.800		(3,397)
Cancer	93.000		816,478
Child Health and Human Development	93.000		3,988,118
Environmental Health Sciences	93.000		(1,457)
Heart, Lung & Blood	93.800		4,545,328
Mental Health	93.200		(4,959)
Library of Medicine	93.000		18,094
Neurological Sciences	93.000		(16,199)
			<u>436,656,066</u>
<i>Pass through:</i>			
Albert Einstein College	93.000	EARLY AWARD	200,904
Children's Hospital of Philadelphia	93.000	HHSN2722009000022C	163,538
Children's Hospital of Pittsburgh	93.000	HHSN268200617184C	17,219
Coalition of Cancer	93.000	HHSN261200622012C	241,014
Duke University	93.000	N01 AI05419	214
Emmes Corporation	93.000	2U01 CA121947 04	3,177
Emmes Corporation	93.000	HHSN260200500007C	70,456
Etymotic Research, Inc.	93.000	1R44 DC010971 01	26,034
Evanston Northwestern Healthcare Research Institute	93.000	HHS-N-260-200600007C	38,554
EXACT Sport LLC	93.000	HHSN271201100016C	49,367
Inhibikase Therapeutics	93.000	1R43NS069213-01	12,014
Isogenesis Incorporated	93.000	2R44 DK080538	(11,686)
J. Craig Venter Institute	93.000	HHSN272200900007C	99,344
Magee Women's Research Institute & Foundation	93.000	HHSN27520090091U	59,536
Magee Women's Research Institute & Foundation	93.000	HHSN27520100013U	39,920
Magee Women's Research Institute & Foundation	93.000	HHSN275201100043U	39,768
Magee Women's Research Institute & Foundation	93.000	HHSN275201100044U	33,138
Magee Women's Research Institute & Foundation	93.000	HHSN275201100049U	16,012
Mayo Clinic Rochester	93.000	N01 CN35000	691
Ohio State University	93.000	HHSN268201100002C	158,078
Pennsylvania State University	93.000	5U49 CE001274 02	(2,076)
Research Foundation of SUNY	93.000	U01 DK074063	(2,257)
Research Foundation fro Mental Hygiene, Inc.	93.000	5R01 MH085921 03	12,436
RHO Federal Systems Division Inc.	93.000	N01-A1-25482	92,079
RTI International	93.000	1U24 GM087704	94,150
RTI International	93.000	HHSN271201000003C	7,268
SAIC Frederick	93.000	25XS047	143,402
SAIC Frederick	93.000	HHSN261200800001E	1,376,242
SAIC Frederick	93.000	N01 CO 12400	667,301
Systems Research and Applications Corporation	93.000	N01 ES 55553	158
University of Alabama	93.000	HHSN268201100025C	48,924
University of Alabama	93.000	N01-AR-6-2278	1,777
University of Alabama	93.000	N01-AI-30025	44,068
University of Alabama	93.000	HHSN260200500008C	13,506
University of California at San Francisco	93.000	N01 AI15416	7,939
University of California at San Francisco	93.000	N01-AG-6-2106	120,039
University of California at Santa Barbara	93.000	P01 NS044393	531,270

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University of Florida	93.000	HHSN26620070023C	30,382
University of Michigan	93.000	HHSN268201100026C	115,821
University of Michigan	93.000	HHSN271200900786P	113,625
University of Minnesota	93.000	N01 DK 70004	304,856
University of South Florida	93.000	HHSN267200800019C	15,535
University of South Florida	93.000	HHSN267200700014C	3,605
University of Texas Southwestern Medical Center	93.000	N01 MH90003	(5,990)
University of Utah	93.000	HHSN275201000018C	116,333
University of Utah	93.000	HHSN268200900046C	(2,264)
University of Washington	93.000	HHSN268200800007C	18,821
Washington University in St. Louis	93.000	N01 CN-433008	126,064
Westat, Inc.	93.000	HHSN261201100008C	10,829
Western Carolina University	93.000	1R115GM094034-01	1,037
World Health Organization	93.000	1U01 CA155340 01A1	34,910
Yale University	93.000	EARLY AWARD	99,868
Brown University	93.113	1R01 ES019955	17,219
Magee Women's Research Institute & Foundation	93.113	R01 ES011597	203,759
Massachusetts Institute of Technology	93.113	1R21 ES019498 01	120,119
Trevigen, Inc.	93.113	EARLY AWARD	89,382
Forsyth Institute	93.121	1R01 DE016376	(2,956)
Forsyth Institute	93.121	2R56DE016376-06A1	73,315
Johns Hopkins University	93.121	1R01 DE021395 01	30,491
Massachusetts Institute of Technology	93.121	9R01 DE019523 10	145,023
Seattle Biomedical Research Institute	93.121	7R01 DE017541 02	3,342
University of Buffalo	93.121	R01 DE019424	303,268
University of Iowa	93.121	5R37 DE008559 22	97,264
University of Iowa	93.121	5U01 DE020057 03	298,288
University of Iowa	93.121	5U01 DE020057 04	171,975
University of Iowa	93.121	U01 DE020057	650,696
University of Iowa	93.121	1U01 DE020057 02	47
University of Washington	93.121	3U01 DE020050 03S1	59,944
Vanderbilt University	93.121	1R03 DE022093 01	53,000
Fred Hutchinson Cancer Research Center	93.172	1U01 HG005152 03	21,348
Fred Hutchinson Cancer Research Center	93.172	5U01 HG004790 04	11,422
Fred Hutchinson Cancer Research Center	93.172	5U01 HG005152 02	952
University of Iowa	93.172	5U01 HG004423 02	(1)
University of Iowa	93.172	1U01 HG005925 01	51,725
Blue Belt Technologies, Inc.	93.173	1R41 DC010282 01A1	44
Carnegie Mellon University	93.173	R01 DC011184	27,371
Intelligent Hearing Systems	93.173	1R41DC011236-01	6,804
Ohio State University	93.173	5R01 DC007230-05	2
Purdue University	93.173	R03 DC008690	5,021
Carnegie Mellon University	93.213	1R01 AT006694-01	42,922
Massachusetts General Hospital	93.213	5U01 AT000613	2,862
California Pacific Med Center Research Institute	93.233	5R01 HL071194 09	157,719
Cleveland Clinic Lerner College of Medicine	93.233	HHSN268200700036C	6,751
Duke University	93.233	5R01 HL096492 03	29,005
Magee Women's Research Institute & Foundation	93.233	1R01HL105549-01	8,014
Brigham & Women's Hospital	93.242	5R01 MH091448 02	18,336
Carnegie Mellon University	93.242	2R01MH068243 05A1	27,364
Duke University	93.242	1R34 MH091314 01A1	5,471
Duke University	93.242	5R01 MH084941 02	12,424
Johns Hopkins University	93.242	1R01 MH087233 02	13,490
Miriam Hospital	93.242	1R01 MH092450 01A1	16,029

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Mount Sinai Medical Center	93.242	1R21 MH090352 01	2,176
Mount Sinai Medical Center	93.242	5R21 MH090352 02	62,992
Rand Corporation	93.242	5R01 MH0874888 02	37,137
Research Foundation for Mental Hygiene	93.242	1R01 MH085921 01A2	4,044
Research Foundation for Mental Hygiene	93.242	5R01 MH085921 02	147,791
Research Foundation for Mental Hygiene	93.242	5R01 MH086236 03	29,224
Research Foundation for Mental Hygiene	93.242	5R01 MH086237 03	15,510
Stanford University	93.242	5R01 MH078924 01	133,849
University of Alabama	93.242	5R01 MH083756 03	70,673
University of California	93.242	5R01 MH083799 02	5,693
University of California	93.242	5R34 MH080958 03	6,736
University of California at Los Angeles	93.242	1R01 MH078773	14,312
University of California at Los Angeles	93.242	1R01 MH078773 01A1	(465)
University of Chicago	93.242	1R01 MH093605 01	333,816
University of Chicago	93.242	7R01 MH066302 09	364,778
University of Illinois	93.242	2R01 MH66302 05	(3,320)
University of North Carolina	93.242	5R01 MH080065 04	179,985
University of Pennsylvania	93.242	5R01 MH082794 02	192,593
University of Rochester	93.242	1P50 MH086400-02	(10,039)
University of Rochester	93.242	1P50 MH086400 03	254,229
University of Rochester	93.242	1P50 MH086400 04	24,828
University of Texas Southwestern Medical Center	93.242	1U01 MH092221 01	2,172
University of Texas Southwestern Medical Center	93.242	5U01 MH082221 02	389,634
University of Texas Southwestern Medical Center	93.242	EARLY AWARD	45,135
Vanderbilt University	93.242	5R01 MH079299 05	18,551
Yale University	93.242	1R21 MH090920 01A1	29,112
Boston Medical Center	93.273	1U01 AA020780 01	5,251
Louisiana State University	93.273	5R01 AA016688 06	11,347
Louisiana State University	93.273	P60 AA009803	22,363
New York University	93.273	5R01 AA017385 04	10,089
New York University	93.273	5R01 AA017385 05	55,867
University of Texas	93.273	3R01 AA006399 28S1	17,023
Yale University	93.273	5U10 AA013566 10	44,362
Yale University	93.273	1U01 AA020790 01	30,033
Yale University	93.273	1U24 AA020794 01	10,992
American Academy of Child & Adolescent Psychiatry	93.277	5K12 DA000357 12	2,821
Alere Wellbeing Inc.	93.279	1R21 DA026580 01	18,021
Florida International University	93.279	7R01 DA012414 08	75,765
Magee Women's Research Institute & Foundation	93.279	5R01 DA026410 02	198,838
Nova Southeastern University	93.279	5R01 DA024579 06	60,813
Oregon Health & Science University	93.279	7R01 DA024041 05	16,642
Rutgers University	93.279	1R21 DA026511 01A1	14,469
University of California at San Francisco	93.279	5R01 DA002277 32	16,386
University of Georgia	93.279	1R01DA24687	(50)
University of Michigan	93.279	5R01 DA001411 37	52,545
Carnegie Mellon University	93.286	5R01 EB004343 06	165,975
Lucigen Corporation	93.286	1R43 EB010193 01	65,999
University of Cincinnati	93.286	5U54EB007954-05	94,809
University of Michigan	93.286	2R01 EB012579 04	236,135
University of Oregon	93.286	1R01 EB007684 01A2	214
University of Maryland	93.307	7P60 MD000207 10	(2,902)
Massachusetts Institute of Technology	93.310	5R01 EB010246 02	157,777
ClearCount Medical Solutions	93.361	5R44 NR007915 03	(10,579)
Duke University	93.361	5P01 NR010948 04	15,692

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University of North Carolina	93.361	3R01 NR011464 03S1	13,919
University of Maryland	93.375	7P60 MD000207	362,134
Emory University	93.385	1R01 CA165306 01	3,430
Carnegie Mellon University	93.389	2U54 RR022241 06	12,266
Carnegie Mellon University	93.389	U54 RR022241	275,797
Carnegie Mellon University	93.389	5P41 RR006009 20	1,592
Carnegie Mellon University	93.389	3P41 RR006009 20S1	15,266
Magee Women's Research Institute & Foundation	93.389	1R21 RR031300 01	122,829
Stanford University	93.389	5UL1 RR025744	91,699
University of Michigan	93.389	3UL1 RR024986 06	30,117
Virginia Commonwealth University	93.389	3UL1 RR031990 02S1	101,238
West Virginia University	93.389	3R25 RR023274 05S1	22,825
Brigham & Women's Hospital	93.393	5R01 CA123170	(9)
Duke University	93.393	5R01 CA100387 07	84,541
Fred Hutchinson Cancer Research Center	93.393	5U01 CA137088 03	18,921
Fred Hutchinson Cancer Research Center	93.393	5U01 CA137088 02	1,492
Health Research, Incorporated	93.393	5R01 CA126841 03	96,880
Ohio State University	93.393	R01 CA090787	89,032
Oregon Research Institute	93.393	1R01 CA140310 01	66,135
Purdue University	93.393	5U01 CA130784 04	12,307
Rand Corporation	93.393	R01 CA149105	64,704
Roswell Park Cancer Institute	93.393	7R01 CA132844 04	12,342
St. Jude Children's Research Hospital	93.393	5R01 CA132901 03	85,299
St. Jude Children's Research Hospital	93.393	5R01 CA132901 04	36,487
University of California	93.393	5R01 CA140216 03	21,638
University of Iowa	93.393	2R56 HL071814 05A1	50,989
University of Miami	93.393	5R21 CA139371 02	17,138
University of Minnesota	93.393	R01 CA127236 04	64,784
University of Minnesota	93.393	R01 CA122244	79,985
Virginia Commonwealth University	93.393	5R01 CA120142 05	14,033
American College of Radiology	93.394	5U01 CA080098 13	9,168
California Pacific Med Center Research Institute	93.394	2R01 CA114337 07A1	6,988
Carnegie Mellon University	93.394	R01 CA134633	116,841
Cedars-Sinai Medical Center	93.394	5R01 HL090957 04	117,125
CFD Research Corporation	93.394	1R43 CA153899 01	13,727
Johns Hopkins University	93.394	1U01 CA152753 01	905
Johns Hopkins University	93.394	5U01 CA152753 02	236,814
Lovelace Respiratory Research Institute	93.394	2R01 CA097356 06A1	813
Lovelace Respiratory Research Institute	93.394	5R01 CA097356 07	77,060
Lovelace Respiratory Research Institute	93.394	5R01 CA097356 08	1,433
NSABP Foundation, Inc.	93.394	5U24 CA114732 05	94,351
NSABP Foundation, Inc.	93.394	5U24 CA114732 07	32,113
University of Nebraska Medical Center	93.394	5R01 CA131944 05	4,977
University of Nebraska Medical Center	93.394	5R01 CA131944 03	51,658
University of New Hampshire	93.394	5R01 CA093375 10	35,919
University of Oklahoma	93.394	1R01 CA115320 01A1	76,258
University of Rochester	93.394	5R01 CA130853 03	115,379
University of Texas Health Science Center	93.394	U01 CA086402	410,874
Van Andel Institute	93.394	5R33 CA122890 03	1,489
Van Andel Institute	93.394	1U01 CA152653-01	69,118
Van Andel Institute	93.394	5U01 CA152653-02	27,932
Van Andel Institute	93.394	U01 CA152653	(68)
Brigham & Women's Hospital	93.395	5U10 CA031946 30	43,410
Brigham & Women's Hospital	93.395	7U10 CA031946 29	1,442

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Brigham & Women's Hospital	93.395	7U10 CA031946 31	11,199
Children's Hospital Medical Center	93.395	5R01 CA119162 05	83,005
Children's Hospital Medical Center	93.395	5R01 CA119162 04	11,896
Cleveland Clinic Lerner College of Medicine	93.395	5R01 CA122217 05	14,312
Cleveland Clinic Lerner College of Medicine	93.395	5R01 CA116255 05	(18,019)
Duke University	93.395	5R01 CA131148 03	207,572
Duke University	93.395	2U10 CA076001 15	4,750
Emory University	93.395	5U01 CA101244 05	42,285
Frontier Science Technology Foundation	93.395	U10 CA021115-37	8,426
GeneCopoeia Inc.	93.395	2R44 CA124001 03	4,706
Gynecologic Oncology Group	93.395	CA27469	48,911
Johns Hopkins University	93.395	1U01 CA137443 01	53,956
Johns Hopkins University	93.395	5R21 CA126055	3,526
Johns Hopkins University	93.395	U01 CA137443 01	55,488
Magee Women's Research Institute & Foundation	93.395	1R01 CA163462-01	32,761
National Childhood Cancer Foundation	93.395	3U10 CA098543 08S4	1,091
National Childhood Cancer Foundation	93.395	5U10 CA097452 09	14,570
Northwestern University	93.395	2P50 CA090386 06A2	163,414
Northwestern University	93.395	P50 CA090386	87,439
NSABP Foundation, Inc.	93.395	U10 CA12027	347,879
Platypus Technologies Inc.	93.395	5R21 CA147985 02	69,987
St. Jude Children's Research Hospital	93.395	5U01 CA081457 14	294
St. Jude Children's Research Hospital	93.395	5U24 CA055727 17	21,489
St. Jude Children's Research Hospital	93.395	5U24 CA055727 18	2,924
University of California at Los Angeles	93.395	5U01 CA121947 03	17,816
University of Massachusetts	93.395	1R01 CA107295-02	(6,373)
University of Michigan	93.395	1R01 CA148713 01	69,000
Virginia Commonwealth University	93.395	1R01 CA149305 01A1	26,458
Mayo Clinic Rochester	93.396	5R01 CA113861 05	(43,643)
University of Nebraska Medical Center	93.396	5R01 CA140940 02	14,630
University of Nebraska Medical Center	93.396	5R01 CA140940 03	5,488
Baylor College of Medicine	93.397	5P50 CA058183 16	35,905
Johns Hopkins University	93.397	5P50 CA088843 09	252,658
University of Texas MD Anderson Cancer Center	93.397	5P50 CA097007 09	44,607
Mount Sinai Medical Center	93.399	5R01 CA116227 05	86,184
University of Pennsylvania	93.399	5P50 CA143187 02	(36,748)
Beth Israel Deaconess Medical Center	93.837	5R01 HL091757 03	(1)
Beth Israel Deaconess Medical Center	93.837	5R01 HL091757 04	68,034
Brown University	93.837	1R01 HL093093 03	50,236
Cardiovascular Innovation Institute Louisville	93.837	7R01 HL085777-02	(12,190)
Carnegie Mellon University	93.837	R01 HL078839	309
Carnegie Mellon University	93.837	5R01 HL078839 06	36,817
Carnegie Mellon University	93.837	5R01 HL089456 04	139,322
Case Western Reserve University	93.837	HL103622	7,509
Cedars-Sinai Medical Center	93.837	5R01 HL090957 03	8,724
Claremont Graduate University	93.837	1U01 HL097839 03	14,699
Claremont Graduate University	93.837	1U01 HL097839 02	4,659
Clemson University	93.837	2R01 HL070969 05A1	109,600
Johns Hopkins University	93.837	5R01 HL083300 05	28,349
Johns Hopkins University	93.837	5P01 HL065608 10	246,625
Johns Hopkins University	93.837	5R01 HL095129 04	149,405
Johns Hopkins University	93.837	5R01 HL103946 02	80,203
Levitronix LLC	93.837	5R44 HL071376 06	43,305
Levitronix LLC	93.837	5R44 HL074628 05	148,593

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Loma Linda University	93.837	1R01 HL095973 01A1	52,035
Louisiana State University	93.837	2R01 HL079142 07	4,457
Magee Women's Research Institute & Foundation	93.837	5R01 HL091094 03	207,311
Magee Women's Research Institute & Foundation	93.837	5R21 HL095957 02	10,896
Massachusetts General Hospital	93.837	1R01 HL111821 01	19,109
NanoDynamics Incorporated	93.837	2R44 HL106929 02	152,379
New England Research Institute	93.837	U01 HL098188	15,179
New York University School of Medicine	93.837	5R01 HL058541 14	60,775
Northwestern University	93.837	5R01 HL091069 03	1,248
Northwestern University	93.837	U01 HL080416 01A1	15,277
Temple University	93.837	1K23 HL106231 01	5,648
Transonic Systems, Inc.	93.837	1R43 HL111852 01	10,395
University of Colorado	93.837	1P20 HL10435 01	122,765
University of Iowa	93.837	1R01 HL091841 03	22,842
University of Iowa	93.837	5R01 HL091841 04	114
University of Louisville	93.837	5R01 HL085777 03	(14,412)
University of Louisville	93.837	5R01 HL085777 04	174,906
University of Michigan	93.837	1R01 HL105114 02	148,850
University of Michigan	93.837	U01 HL094345	32,110
University of Minnesota	93.837	1R01 HL103927 01A1	37,434
University of Minnesota	93.837	1R21 HL104596 01A1	6,712
University of Minnesota	93.837	5R01 HL049180 16	(4)
University of Pennsylvania	93.837	1R01 HL103723 01A1	86,968
University of Pennsylvania	93.837	5U01 HL086622 03	122,353
University of Utah	93.837	R01 HL107241	8,587
University of Washington	93.837	3U01 HL077863 06S1	(2,948)
University of Washington	93.837	5R01 HL080295 06	65,854
University of Washington	93.837	5U01 HL077863 07	96,640
University of Washington	93.837	5U01 HL077863 08	86,565
Wake Forest University	93.837	1U01 HL101066 03	72,265
Wake Forest University	93.837	5U01 HL101066 02	(53)
Yale University	93.837	7R01 HL086418-04	142,305
Albert Einstein College	93.838	2R01 HL071241 08	173,741
Brigham & Women's Hospital	93.838	5P01 HL083069 05	169,042
Carnegie Mellon University	93.838	1R01 HL105470 01A1	50,894
Duke University	93.838	5R01 HL090146 04	16,824
Emory University	93.838	5R01 HL088019 05	107,072
Fred Hutchinson Cancer Research Center	93.838	1U01 HL102547 01	2,780
Fred Hutchinson Cancer Research Center	93.838	5U01 HL102547 02	6,441
Louisiana State University	93.838	2P01 HL076100 07A1	422,011
Lovelace Respiratory Research Institute	93.838	1R01 CA164782 01	81,510
Lovelace Respiratory Research Institute	93.838	1R01 CA164782 02	4,749
National Jewish Medical and Research Center	93.838	5U01 HL089897	223,953
Pennsylvania State University	93.838	1U01 HL109086 01	21,517
University of Pennsylvania	93.838	1R01 HL087115 04	(8,284)
University of Pennsylvania	93.838	5R01 HL087115 05	255
University of Pennsylvania	93.838	1R01 HL096651 01	(2,537)
University of Pennsylvania	93.838	5U01 HL086622 03	(14)
Washington University in St. Louis	93.838	5R01 HL091762 04	14,122
New England Research Institute	93.839	2U01 HL072331 06	91,107
New England Research Institute	93.839	U10 HL083721	(53,012)
New Health Sciences Inc.	93.839	2R44 HL088848 02	2,427
St Jude Children's Research Hospital	93.839	3U01 HL078787 05S1	6,739
University of Miami	93.839	5R01 HL091749 04	94,536

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University of Utah	93.839	1R01 HL085707 01A2	22
University of Utah	93.839	1R01 HL085707 03	90,314
Virginia Commonwealth University	93.839	P01 HL107152	164,258
Allegheny Singer Research Institute	93.846	7R01 AR046588 09	47,966
Boston University	93.846	1P30 AR061271 01	39,689
CellStock LLC	93.846	1R41 AR057629 01A2	10,557
Duke University	93.846	5U01 AR052186 08	7,681
Duke University	93.846	5U01 AR052186 07	831
Harvard Medical School	93.846	5R01 AG041398 20	24,624
Hebrew Rehabilitation Center	93.846	5R01 AR057118 02	2,856
Northwestern University	93.846	1P60 AR048098 01	5,043
Northwestern University	93.846	5R01 AR054155 03	15,264
Northwestern University	93.846	P60 AR048098	42,531
Tufts University	93.846	1R01 AR054938 01	11,558
University of Alabama	93.846	5P60 AR048095 09	27,972
University of California at Los Angeles	93.846	1R21 AR057913 01A1	50,204
University of California at Los Angeles	93.846	5R21 AR057913 01A1	3,680
University of California Davis	93.846	1R01 AR052000	27,108
University of Iowa	93.846	5R01 AR052113 05	10,271
University of Nottingham	93.846	5R01 AR054342 05	68,092
University of Pennsylvania	93.846	7R01 AR054474 02	44,514
University of Washington	93.846	2R01 AR049832 07	28,443
Virginia Commonwealth University	93.846	5R01 AR053537 02	2,899
Angion Biomedical Corp	93.847	2R44 DK066654	43,236
Brigham & Women's Hospital	93.847	5R01 DK062438 08	2,432
Carnegie Mellon University	93.847	2R01 DK060586 06A1	8,316
Carnegie Mellon University	93.847	5R01 DK060586 10	34,185
Case Western Reserve University	93.847	DK094157	135,255
Case Western Reserve University	93.847	N01 DK62203	50,519
Children's Hospital Corporation, Boston	93.847	R01 DK087794 02	82,570
Children's Hospital of Philadelphia	93.847	U01 DK074064	2,935
Children's Hospital of Philadelphia	93.847	5R01 DK078045	263,478
Cincinnati Children's Hospital Medical Center	93.847	5U01 DK072493 05	32,133
Cincinnati Children's Hospital Medical Center	93.847	5R01 DK080020 04	20,717
George Washington University	93.847	2U01 DK061230 08	9,230
George Washington University	93.847	5U01 DK061230 10	277,996
George Washington University	93.847	5U01 DK061230 11	78,292
George Washington University	93.847	1U34 DK090957 01	8,342
Georgia Health Sciences University	93.847	5R18 DK082401 02	13,425
Johns Hopkins University	93.847	2U10 DK074082 06	252
Johns Hopkins University	93.847	2U10 DK074082 05	73
Magee Women's Research Institute & Foundation	93.847	5R01 DK078206 04	169,903
Mayo Clinic Rochester	93.847	1R01 DK084960 01A1	7,400
Mayo Clinic Rochester	93.847	1R01 DK079856 01A2	8,110
Mayo Clinic Rochester	93.847	5R01 DK084960 02	12,403
Mayo Clinic Rochester	93.847	5R01 DK079856 02	81,868
Mount Sinai Medical Center	93.847	7R01 DK080740 02	83,208
Mount Sinai Medical Center	93.847	2R01 DK038470 23	7,484
Mount Sinai Medical Center	93.847	5R01 DK038470 24	125,475
Neuropsychiatric Research Institute	93.847	5R01 DK084979 02	117,854
Neuropsychiatric Research Institute	93.847	5U01 DK066471 07	186
Oklahoma University Health Science Center	93.847	5R01 DK082766 03	13,745
Oklahoma University Health Science Center	93.847	5R01 DK082766 02	11,849
Research Foundation - State University of New York	93.847	U01 DK074063	4,550

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Research Institute at Nationwide Children's Hospital	93.847	5R01 DK085242 03	61,020
University of Colorado	93.847	1U01 DK094467 01	49,819
University of Maryland	93.847	1P20 DK09085 01	21,911
University of Maryland	93.847	5R21 DK084566 02	15,601
University of Maryland	93.847	P20 DK09085	15,375
University of Michigan	93.847	R01 DK053456	26,009
University of Minnesota	93.847	5R01 DK080720 03	51,377
University of North Carolina	93.847	1U01 DK092239 01	454
University of South Florida	93.847	7U01 DK63790	(179)
University of Utah	93.847	5R01 DK079162-03	23,825
Wake Forest University	93.847	1R01 DK092237 01	25,814
Wayne State University	93.847	2U01 DK074062 06	(557)
Pennington Biomedical Research Center	93.848	R01 DK060412	8,509
St. Luke's Research Institute for Health Sciences	93.848	5R01 DK072507 04	1,854
University of California	93.848	5P50 DK064539	324,396
University of Pennsylvania	93.848	5R01 DK089738 03	31,027
University of Pennsylvania	93.848	5R01 DK072452 05	31,828
Children's Hospital of Philadelphia	93.849	5R01 DK78045 03	(5,380)
Cleveland Clinic Lerner College of Medicine	93.849	2U01 DK066597 07	(2,171)
Duke University	93.849	R01 DK077159 05	95,718
Wayne State University	93.849	5U01 DK740624	(790)
Cincinnati Children's Hospital Medical Center	93.853	2U01 NS045911 06A2	293
Cincinnati Children's Hospital Medical Center	93.853	5U01 NS045911 07	28,793
Emory University	93.853	1R01 NS071867 01A1	8,366
Johns Hopkins University	93.853	5U01 NS062851 03	14,446
Johns Hopkins University	93.853	5U01 NS062851 02	13,103
Johns Hopkins University	93.853	5R01 NS046309 06	6,938
Johns Hopkins University	93.853	5R01 NS057338 05	8,565
Louisiana State University	93.853	5R01 NS06097	75,541
Massachusetts General Hospital	93.853	5P01 NS058793 04	133,250
Massachusetts General Hospital	93.853	5P01 NS058793 05	57,413
Massachusetts General Hospital	93.853	U01 NS052592 05	14,063
Massachusetts General Hospital	93.853	5U01 NS066912-02	267,918
Mayo Clinic Rochester	93.853	5R01 NS042646 07	(23,814)
Medical University of South Carolina	93.853	5U01 NS058728 04	33,550
Medical University of South Carolina	93.853	5U01 NS058728 03	(228)
St Joseph's Hospital and Medical Center	93.853	5U01 NS052478	(2,430)
St Joseph's Hospital and Medical Center	93.853	5U01 NS052478 04	(39)
St Joseph's Hospital and Medical Center	93.853	U01 NS052478	211,419
Synzyme Technologies	93.853	1U44 NS070324-01A1	193,809
Tufts University	93.853	R01 NS036524	(84)
University of California	93.853	2P50 NS044378 06	20,413
University of California	93.853	5U01 NS053998 04	(39,017)
University of California at San Francisco	93.853	5U01 NS053998 05	18,960
University of California at San Francisco	93.853	5U01 NS058634 02	(28)
University of California at San Francisco	93.853	5U01 NS058634 03	16,375
University of Cincinnati	93.853	1U01 NS052220 05	(1,855)
University of Cincinnati	93.853	5U01 NS052220 04	39,328
University of Cincinnati	93.853	5P50 NS044283 08	682
University of Cincinnati	93.853	5P50 NS044283 09	7,604
University of Cincinnati	93.853	5U01 NS052220 06	154,785
University of Colorado	93.853	1R01 NS074343 01A1	77,996
University of Miami	93.853	3U01 NS040406 08S1	5,940
University of Texas at Dallas	93.853	7R01 NS062065	4,406

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University of Texas Southwestern Medical Center	93.853	5R01 NS061860 03	24,829
University of Washington	93.853	1R01 NS072308 01	5,130
University of Washington	93.853	5R01 NS072308 02	33,438
University of Wisconsin	93.853	2R01 NS038118 08A2	1,275
University of Wisconsin	93.853	R01 NS048216 07	(15,448)
Yale University	93.853	2U01 NS044876 06	971
Yale University	93.853	2U01 NS044876 07	2,574
Albany Medical College	93.855	U01 AI074509	967
Brigham & Women's Hospital	93.855	1P01AI073748 01A1	166,025
Brigham & Women's Hospital	93.855	5P01 AI073748 04	105,261
Carnegie Mellon University	93.855	5R01AI066367 03	27,499
Carnegie Mellon University	93.855	R01 AI066367	116,932
Children's Hospital of Boston	93.855	R01 AI070820 05	68,164
Duke University	93.855	5U19 AI056363 08	73,363
Duke University	93.855	5U19 AI056363 07	70,386
Emory University	93.855	5U19 AI051731 09	77,670
Emory University	93.855	5U19 AI051731 10	158,213
Fred Hutchinson Cancer Research Center	93.855	5U01 AI068618 05	(1,536)
Fred Hutchinson Cancer Research Center	93.855	5UM1 AI068618 06	28,394
Geneva Foundation	93.855	1U01 AI082051	103,290
Geneva Foundation	93.855	1U01 AI082051 01	5,063
ImQuest BioSciences, Inc.	93.855	1R21 AI088586 01	53,702
ImQuest BioSciences, Inc.	93.855	5U19 AI077289 04	30,213
Institute for Clinical Research, Inc.	93.855	1U01 AI068641	19,804
Johns Hopkins University	93.855	U01 AI035043	159
Johns Hopkins University	93.855	7U01 AI090727 02	21,186
Loma Linda University	93.855	R01 AI090659	18,935
Lucigen Corporation	93.855	1R43 AI081467 01A1	1
Magee Women's Research Institute & Foundation	93.855	1U19 1AI082639 01A1	(4,136)
Magee Women's Research Institute & Foundation	93.855	1R01 AI102835 01	17,109
Magee Women's Research Institute & Foundation	93.855	3U19 AI060614 05	9,738
Magee Women's Research Institute & Foundation	93.855	5U01 AI066734 06	30,881
Magee Women's Research Institute & Foundation	93.855	5U01 AI068633 05	(19,063)
Magee Women's Research Institute & Foundation	93.855	5U01 AI068633 06	965,745
Magee Women's Research Institute & Foundation	93.855	5U19 AI082637 03	88,357
Magee Women's Research Institute & Foundation	93.855	5U19 AI082639 02	56,232
Magee Women's Research Institute & Foundation	93.855	5U19 AI082637	274,391
Magee Women's Research Institute & Foundation	93.855	5UM1 AI068633 07	67,516
Magee Women's Research Institute & Foundation	93.855	U01 AI066734	(2,006)
Magee Women's Research Institute & Foundation	93.855	U01 AI068633	122,512
Magee Women's Research Institute & Foundation	93.855	U01 AI068633 05	(23,781)
Magee Women's Research Institute & Foundation	93.855	U01 AI068633 06	1,003,982
Magee Women's Research Institute & Foundation	93.855	U19 1AI082639	310,944
Montefiore Medical Center	93.855	5U01 AI35004 19	6,870
Oregon Health & Science University	93.855	5U54 AI081680 04	72,813
Oregon Health & Science University	93.855	5U54 AI081680 03	370,695
Pennsylvania State University	93.855	1R01 AI093804 01A1	25,034
Research Foundation - State University of New York	93.855	1R56 AI095268 01	26,299
Seattle Children's Hospital	93.855	1R21 AI099930 01	4,534
Social and Scientific Systems Incorporated	93.855	1U01 AI068636 01	35,108
Social and Scientific Systems Incorporated	93.855	5U01 AI068636	336,459
Social and Scientific Systems Incorporated	93.855	1U01 AI068636 06	488,056
Social and Scientific Systems Incorporated	93.855	UM1 AI068636 06	379,535
Universal Stabilization Technologies	93.855	1R21 A10945 08	8,108

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University of Alabama	93.855	1P01 AI088564 01	236,597
University of California	93.855	1R01 AI092531 01	110,751
University of California Davis	93.855	5R01 AI080799 03	300,408
University of Central Florida	93.855	4R33 AI082693 03	51,454
University of Cincinnati	93.855	5R01 AI062492 05	(8,572)
University of Louisville	93.855	R01 AI076169	41,344
University of Maryland	93.855	U54 AI057168	260,181
University of Missouri	93.855	1R01 AO76119 01A2	69,022
University of New Mexico	93.855	5R01 AI051305 08	19,315
University of North Carolina	93.855	1R01 AI074946 01A1	36,930
University of North Carolina	93.855	5U54 AI057157 10	9,355
University of Pennsylvania	93.855	7P01 AI088564 03	987,678
University of South Florida	93.855	1R01 AI072465 01A1	96,879
University of Texas	93.855	7R01 AI064069 02	(282)
University of Texas Medical Branch at Galveston	93.855	5R01 AI021242 27	16,839
University of Washington	93.855	5U01 AI074509 07	185,207
University of Washington	93.855	U01 AI074509	106,458
Vanderbilt University	93.855	R01 AI089401	325,277
Carnegie Mellon University	93.859	1R01 GM087694 03	31,172
Carnegie Mellon University	93.859	1R01 GM093156 01	45,394
Carnegie Mellon University	93.859	5R01 GM085022 03	80,298
Carnegie Mellon University	93.859	R01 GM085022	(102)
Massachusetts Institute of Technology	93.859	1R01 GM081336 01A1	109,894
Medical College of Wisconsin	93.859	5R01 GMO18344 03	124,384
Pennsylvania State University	93.859	2R01 GM066411	22,405
Platypus Technologies Inc.	93.859	2R44 GM090386 02	27,653
Portland State University	93.859	1R01 GM080295	22,809
St. Jude Children's Research Hospital	93.859	1R01 GM086415 02	25,231
Trevigen Inc.	93.859	5R44 GM087798 03	752,725
Trevigen Inc.	93.859	R43 GM099213 01	51,523
University of Arkansas	93.859	3R01 GM083144 04S1	3,157
University of California Davis	93.859	7R01 GM090187 02	9,995
University of Chicago	93.859	1U54 GM087519-01A1	96,122
University of Massachusetts	93.859	5P01 GM066524 10	31,508
University of Massachusetts	93.859	5P01 GM066524 09	5,009
University of Michigan	93.859	1R01 GM099143 01A1	48,834
University of North Carolina	93.859	5R01 GM088199 03	22,288
University of Pennsylvania	93.859	5P01 GM055876 13	97,555
University of Toledo	93.859	1R01 GM088249 01	4,277
Magee Women's Research Institute & Foundation	93.864	1R03 HD054829 02	4,859
Magee Women's Research Institute & Foundation	93.864	1K12 HD063087 03	39,777
Magee Women's Research Institute & Foundation	93.864	5K12 HD043441 09	46,731
Magee Women's Research Institute & Foundation	93.864	5K12 HD043441 10	283,798
Magee Women's Research Institute & Foundation	93.864	5K12 HD063087 02	21,082
Magee Women's Research Institute & Foundation	93.864	5K12 HD063087 03	259,780
Magee Women's Research Institute & Foundation	93.864	5K12 HD043441 10	174,574
Magee Women's Research Institute & Foundation	93.864	R01 HD052732 05	(972)
Accessible Designs Inc.	93.865	1R43 HD060335 01A1	(6,696)
Accessible Designs Inc.	93.865	2R44 HD056705 02A1	11,907
BioChem Genetics, LLC	93.865	HHSN275201000018C	13,648
Carnegie Mellon University	93.865	R03 HD061642	12,900
Carnegie Mellon University	93.865	1R01 HD071686 01	129,308
Children's Hospital of Los Angeles	93.865	1R21 HD061870 01A2	4,500
Cincinnati Children's Hospital Medical Center	93.865	5K12 HD000850 27	112,565

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Cincinnati Children's Hospital Medical Center	93.865	7K12 HD000850 26	(731)
Columbia University	93.865	5R01 HD057036 04	767
Emory University	93.865	2R01 HD038979 11	76,093
Koester Performance Research	93.865	1R43 HD068026 01A1	9,382
Magee Women's Research Institute & Foundation	93.865	1R01 HD065893 01	263,149
Magee Women's Research Institute & Foundation	93.865	1R01 HD070647 01A1	30,925
Magee Women's Research Institute & Foundation	93.865	1R21 HD068809 01	5,021
Magee Women's Research Institute & Foundation	93.865	1R21 HD067471 01A1	84,348
Magee Women's Research Institute & Foundation	93.865	1R21 HD071707 01	26,956
Magee Women's Research Institute & Foundation	93.865	1U101 HD069006 01	113,224
Magee Women's Research Institute & Foundation	93.865	1U10 HD063041 01	28,510
Magee Women's Research Institute & Foundation	93.865	2U10 HD021410 27	18,607
Magee Women's Research Institute & Foundation	93.865	2U10 HD0479045 07	154,140
Magee Women's Research Institute & Foundation	93.865	5P01 HD030367 18	10,563
Magee Women's Research Institute & Foundation	93.865	5K08 HD058073 03	79,188
Magee Women's Research Institute & Foundation	93.865	5K12 HD063087 01	16,635
Magee Women's Research Institute & Foundation	93.865	5K12 HD063087 02	(16,672)
Magee Women's Research Institute & Foundation	93.865	5P01 HD030367 16	(18,543)
Magee Women's Research Institute & Foundation	93.865	5P01 HD030367 17	442,316
Magee Women's Research Institute & Foundation	93.865	5P01 HD030367 18	29,872
Magee Women's Research Institute & Foundation	93.865	5R01 HD052953 05	19,111
Magee Women's Research Institute & Foundation	93.865	5R01 HD059533	38,743
Magee Women's Research Institute & Foundation	93.865	5R01 HD059533 03	135,550
Magee Women's Research Institute & Foundation	93.865	5R01 HD068578 02	176,252
Magee Women's Research Institute & Foundation	93.865	5U10 HD047905 08	182,800
Magee Women's Research Institute & Foundation	93.865	5U10 HD063041 03	33,604
Magee Women's Research Institute & Foundation	93.865	5U10 HD021410 28	4,200
Magee Women's Research Institute & Foundation	93.865	R01 HD055475	241,973
Magee Women's Research Institute & Foundation	93.865	R01 HD061811	144,980
Magee Women's Research Institute & Foundation	93.865	R21 HD061289	71,970
Magee Women's Research Institute & Foundation	93.865	U10 HD061289	6,221
Michigan Public Health Institute	93.865	1R01 HD 069039 01	35,678
Oregon Health & Science University	93.865	5R01 HD062864 02	57,542
Oregon Health & Science University	93.865	5U54 HD061939 03	56,200
Oregon Health & Science University	93.865	5U54 HD061939 02	13,806
Pennsylvania State University	93.865	5U54 HD034449	2,830
Pennsylvania State University	93.865	5U54 HD034449 15	2,830
Stanford University	93.865	5R01 HD046500 05	915
Temple University	93.865	5R01 HD038856 09	15,552
Three Rivers Holdings, LLC	93.865	5R44 HD058376 03	94,532
University of California at San Francisco	93.865	5K12 HD000849 22	(118)
University of California at San Francisco	93.865	K12 HD000849	124,842
University of Chicago	93.865	5R21 HD058269 02	69,948
University of Iowa	93.865	5R01 HD052953 04	(11)
University of Iowa	93.865	5R01 HD057192 02	129,304
University of Rochester	93.865	1R01 HD057977 01A1	100
University of Utah	93.865	5U01 HD049934 08	26,691
University of Utah	93.865	5U01 HD049934 07	91,465
Virginia Commonwealth University	93.865	5R01 HD038356 08	3,218
Washington University in St. Louis	93.865	5K12 HD055931 04	26,310
Washington University in St. Louis	93.865	5K12 HD055931 05	114,828
Wayne State University	93.865	5R01 HD062477 03	16,340
Albert Einstein College	93.866	2P01 AG003949 26A2	37,611
Albert Einstein College	93.866	5R01 AG031890 02	1,904

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Brigham & Women's Hospital	93.866	5R21 AG034254 02	(5,440)
California Pacific Med Center Research Institute	93.866	5R01 AG026720 05	9,670
Carnegie Mellon University	93.866	1R01 AG032370 01	25,848
Carnegie Mellon University	93.866	5R01 AG032370 02	82,951
Columbia University	93.866	5U24 AG026395 05	3,251
Duke University	93.866	5U01 AG022132 09	28,743
Magee Women's Research Institute & Foundation	93.866	7K01 AG031296 03	88,911
Massachusetts General Hospital	93.866	5R01 AG026240 05	66,232
Mayo Clinic Rochester	93.866	5R01 AG013925 12	8,848
Minneapolis Medical Research Foundation	93.866	U01 AG029824	34,686
Northern Cal Institute for Research and Education	93.866	2U01 AG024904 06	24,353
Northern Cal Institute for Research and Education	93.866	5R01 AG053 02	9,739
Northern Cal Institute for Research and Education	93.866	5U01 AG024904 07	64,866
O'Donnell Consulting Engineers, Inc.	93.866	1R43 AG038162 01	30,385
Rush University Medical Center	93.866	2P01 AG014449 15	21,367
Rush University Medical Center	93.866	2P01 AG014449 14	287,731
Tufts University	93.866	2R01 AG027002 05A1	13,583
University of Florida	93.866	4U01 AG022376 07	1,072,601
University of Kentucky	93.866	2R01 AG020941	2,784
University of Maryland	93.866	1R01 AG029315 01	5,062
University of Pennsylvania	93.866	5U01 AG030644 02	172,977
University of Pennsylvania	93.866	1R01 AG037679 01	3,673
University of Pennsylvania	93.866	5U01 AG030644 03	660,557
University of Pennsylvania	93.866	5U01 AG030644 04	125,138
University of Washington	93.866	5U01 AG016976 13	29,607
Wake Forest University	93.866	R01 AG029364	33,193
Wake Forest University	93.866	1R01 AG033087 02	84,599
Yale University	93.866	5R01 HL084438 04	14,016
Duke University	93.867	7R01 EY017592	(410)
Massachusetts Institute of Technology	93.867	R01 EY011289	54,336
Ohio State University	93.867	5U10 EY008993 20	2,312
Oregon Health & Science University	93.867	5R01 EY013516 09	170,618
Oregon Health & Science University	93.867	R01 EY013516	33,171
Physical Sciences Inc.	93.867	2R44 EY018986 02	74,126
University of California at Los Angeles	93.867	2R01 EY009859 15	211,445
University of Pennsylvania	93.867	5R01 EY014943 08	24,971
University of California San Diego	93.867	1R01 LM010964 01	76,056
Medical University of South Carolina	93.895	5R01 GM063265 10	15,535
University of Pennsylvania	93.899	5P50 CA143187 03	213,531
Magee Women's Research Institute & Foundation	93.936	P01 HD047675	293,902
Emory University	93.967	5R21 AT005231 02	10,676
University of Pennsylvania	93.838	5U01 HL086622 03	46,434
			<u>44,911,005</u>

Health Resources and Services Administration:

Direct:

Maternal & Child Health Federal Consolidated			
Programs	93.110		997,601
Emergency Medical Services for Children	93.127		378,389
Grants to Increase Organ Donations	93.134		900,960
National Research Service Award in Primary Care Medicine	93.186		57,035
Consolidated Health Centers (Community, Migrant, Homeless, Public Housing, and School)	93.224		474,378

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Geriatric Academic Career Awards	93.250		155,832
Nurse Education, Practice and Retention Grants	93.359		10,608
			<u>2,974,803</u>
<i>Pass through:</i>			
Isogenesis Incorporated	93.000	2R44 DK080538	27,482
Primary Care Health Services, Inc.	93.000	1U1EMC19332-01-00	58,149
Epilepsy Foundation	93.110	H98MC2026B	24,673
Genetic Alliance Inc.	93.110	U36 MC166509	7,950
Massachusetts General Hospital	93.110	6UA3 MC11054 04	6,455
Massachusetts General Hospital	93.110	5UA3 MC11054 03	49,968
Brigham & Women's Hospital	93.127	H34 MC19346	15,467
			<u>190,144</u>
Centers for Disease Control and Prevention:			
<i>Direct:</i>			
Innovations in Applied Public Health Research	93.061		1,389,804
Laboratory Leadership, Workforce Training and Management Development, Improving Public Health Lab Infrastructure	93.065		262,269
Public Health Emergency Preparedness	93.069		18,129
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135		791,855
Injury Prevention and Control Research and State and Community Based Programs	93.136		606,110
Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185		903,089
Occupational Safety and Health Program	93.262		1,799,455
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		899,568
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946		150,159
Other Centers for Disease Control and Prevention	93.000		439,178
			<u>7,259,616</u>
<i>Pass through:</i>			
Johns Hopkins University	93.000	U01 CI000310	250,625
University of Alabama	93.000	N01-AI-40073	33,708
County of Sacramento	93.069	PHEP	1,784
Pennsylvania State University	93.136	5U49 CE001274 04	2,026
Pennsylvania State University	93.136	5U49 CE001274 05	15,653
Association for Prevention Teaching and Research	93.283	5U50 CD300860	112,510
Association of American Medical Colleges	93.283	5U36 CD319276	123,671
Johns Hopkins University	93.283	G-12-009	28,619
Mario Lemieux Foundation	93.283	1H75 DP002753 01	76,538
National Association of County and City Health Officials	93.283	5U38 HM000449 03	(10,305)
Pennsylvania State University	93.283	1U01 CK000178 01	500
			<u>635,329</u>
Agency for Healthcare Research and Quality:			
<i>Direct:</i>			
National Research Service Awards - Health Services Research Training	93.225		228,308
Research on Healthcare Costs, Quality and Outcomes	93.226		2,886,020
			<u>3,114,328</u>

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<i>Pass through:</i>			
University of Wisconsin	93.226	5R01 HS018368 03	26,740
Vanderbilt University	93.226	1R18 HS020415 01	11,146
			<u>37,886</u>
Substance Abuse and Mental Health Services Administration:			
<i>Direct:</i>			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		116,567
			<u>116,567</u>
<i>Pass through:</i>			
Allegheny Singer Research Institute	93.243	5U79 SM054319 11	44,223
Allegheny Singer Research Institute	93.243	5U79 SM054319 10	14,164
			<u>58,387</u>
Food and Drug Administration:			
<i>Direct:</i>			
Food and Drug Administration - Research	93.103		57,408
			<u>57,408</u>
<i>Pass through:</i>			
Boston University	93.103	3R01 FD003516 01	3,484
Boston University	93.103	3R01 FD003516 02	1,793
Oregon Health & Science University	93.103	1R01 FD003895 01A1	110,732
University of Tennessee	93.103	5R01 FD003709 02	8,748
			<u>124,757</u>
DHHS Other:			
<i>Direct:</i>			
Family Planning Service Delivery Improvement Research Grants	93.974		167,271
Other DHHS	93.000		52,436
			<u>219,707</u>
<i>Pass through:</i>			
Carnegie Mellon University	93.297	5TP1 AH000040 01	266,470
Carnegie Mellon University	93.297	5TP1 AH000040 02	17,182
Carnegie Mellon University	93.297	1TP1 AH000040 01	848
			<u>284,500</u>
Total Department of Health and Human Services			<u>496,640,503</u>
<u>Department of Defense:</u>			
Department of the Army:			
<i>Direct:</i>			
Military Construction, National Guard	12.400		(59)
Military Medical Research and Development	12.420		16,943,560
Basic Scientific Research	12.431		369,739
Basic, Applied, and Advanced Research in Science and Engineering	12.630		118,392
Other Department of the Army	12.000		140,992
			<u>17,572,624</u>
<i>Pass through:</i>			
Carnegie Mellon University	12.000	W911NF-08-1-0301	284,642
Carnegie Mellon University	12.000	W81XWH-12-2-0004	39,240
Carnegie Mellon University	12.000	W911NF-10-2-0016	26,402

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Cognition and Neurogonomics Collaborative	12.000	W911NF-10-2-0022	74,869
Neuren Pharmaceuticals, Ltd.	12.000	W81XWH-08-2-0014	25,205
Neuren Pharmaceuticals, Ltd.	12.000	W81XWH-09-1-0496	52,588
Pittsburgh Tissue Engineering Initiative	12.000	W81XWH-10-1-0618	352,083
Pittsburgh Tissue Engineering Initiative	12.000	W81XWH-07-1-0415	48,953
Pittsburgh Tissue Engineering Initiative	12.000	W81XWH-11-2-0215	377,276
TDA Research, Inc.	12.000	W31P4Q-1-C-0134	41,359
United First Responders LLC	12.000	W81XWH-11-1-0723	110,060
University of Pittsburgh Medical Center	12.000	W81XWH-05-2-0049	53,276
Wake Forest University	12.000	W81XWH-08-2-0032	13,192
Allegheny Singer Research Institute	12.420	W81XWH-08-1-0275	122,942
Computational Diagnostics, Inc.	12.420	W81XWH-05-C-0047	1,141
Florida State University	12.420	W81XWH-10-2-0024	104,154
Geneva Foundation	12.420	W81XWH-09-2-0187	299,257
Henry M Jackson Foundation	12.420	HU0001-09-2-0004	158,249
Henry M Jackson Foundation	12.420	W81XWH-09-2-0075	(538)
Henry M Jackson Foundation	12.420	W81XWH-11-2-0131	1,152,065
Hstar Technologies Corporation	12.420	W81XWH-08-C-0002	(17,276)
Indiana University	12.420	W81XWH-11-1-0403	16,802
Intelligent Optical Systems, Inc.	12.420	W81XWH6284M011	9
Lockheed Martin	12.420	W81XWH-10-C-0208	36,877
Magee Women's Research Institute & Foundation	12.420	W81XWH-10-1-0542	125,741
Medical University of South Carolina	12.420	W81XWH-11-2-0229	13,509
Northwestern University	12.420	W81XWH-10-1-0536	177,957
Pittsburgh Tissue Engineering Initiative	12.420	W81XWH-07-1-0415	168,592
Pittsburgh Tissue Engineering Initiative	12.420	W81XWH-10-1-0618	668,489
St. Thomas University	12.420	W81XWH-11-1-0645	8,029
St. Thomas University	12.420	W81XWH-10-1-0617	188,462
Tissue Genesis Institute, LLC	12.420	W81XWH-11-2-0143	119,875
University of Cincinnati	12.420	W81XWH-08-2-0016	63,047
University of Miami	12.420	W81XWH-10-2-0109	45,636
University of Pittsburgh Medical Center	12.420	W81XWH-07-1-0308	(5,988)
University of Pittsburgh Medical Center	12.420	W81XWH-07-2-0122	12,091
Wake Forest University	12.420	W81XWH-08-2-0032	3,709,658
WiCab Inc.	12.420	W91ZSQ0191N616	224,539
Brandeis University	12.431	W911NF-09-1-0496	86,803
Rice University	12.431	W911NF-07-1-0464	96,068
University of California Davis	12.431	W911NF-07-1-0318	48,601
University of Connecticut	12.431	W911NF-09-1-0286	112,658
University of Iowa	12.431	W911NF-01-1-0317	141,729
			<u>9,378,323</u>
Department of the Air Force:			
<i>Direct:</i>			
Air Force Defense Research Sciences Program	12.800		<u>1,924,623</u>
			<u>1,924,623</u>
<i>Pass through:</i>			
Celgene Corporation	12.000	FA9550-08-1-0392	171,946
Dynetics Inc.	12.000	FA8650-08-D-1303	227,996
Carnegie Mellon University	12.300	FA8750-10-2-0165	358,000
Carnegie Mellon University	12.800	FA9550-08-1-0356	217,796
Northwestern University	12.800	FA9550-11-1-0275	104,129
Texas A&M Research Foundation	12.800	FA9550-08-1-0483	9,355
University of Pittsburgh Medical Center	12.800	FA7014-10-2-0004	103,099

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University of Pittsburgh Medical Center	12.800	FA8650-11-2-6239	32,117
University of Texas at Dallas	12.800	FA2386-10-1-4066	6,482
University of Virginia	12.800	FA9550-09-1-0611	114,041
			<u>1,122,961</u>
Department of the Navy:			
<i>Direct:</i>			
Basic and Applied Scientific Research	12.300		4,217,118
Research and Technology Development	12.910		110,548
Other Department of the Navy	12.000		893,018
			<u>5,220,684</u>
<i>Pass through:</i>			
Carnegie Mellon University	12.300	N00014-09-1-0680	110,784
Carnegie Mellon University	12.300	N66001-11-1-4025	129,097
Duke University	12.300	N00014-1-1-0180	20,309
First Principles Engineering, Inc.	12.300	N00014-11-M-0488	24,908
Georgetown University	12.300	N00014-10-1-0199	101,770
Johns Hopkins University	12.300	N66001-10-C-4056	1,603,754
Pennsylvania State University	12.300	N00014-10-1-0915	96,480
			<u>2,087,102</u>
Advanced Research Projects Agency:			
<i>Direct:</i>			
Research and Technology Development	12.910		117,671
			<u>117,671</u>
<i>Pass through:</i>			
Celgene Corporation	12.000	FA9550-08-1-0392	1,624
Georgia Institute of Technology	12.910	N66001-11-1-4014	160,831
Harvard University	12.910	HR001-11-C-0083	207,952
			<u>370,407</u>
Defense Threat Reduction Agency:			
<i>Direct:</i>			
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351		730,514
			<u>730,514</u>
<i>Pass through:</i>			
University of Virginia	12.000	HDTRA1-07-1-0008	125,698
			<u>125,698</u>
National Security Agency:			
<i>Direct:</i>			
Mathematical Sciences Grants Program	12.901		17,625
			<u>17,625</u>
DoD Other:			
<i>Pass through:</i>			
University of Maryland	12.000	H98230-07-D-0175	174,042
			<u>174,042</u>
Total Department of Defense			<u>38,842,274</u>

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Other Agencies:			
National Science Foundation:			
<i>Direct:</i>			
Engineering Grants	47.041		4,076,388
Mathematical and Physical Sciences	47.049		4,972,907
Geosciences	47.050		397,737
Computer and Information Science and Engineering	47.070		2,828,194
Biological Sciences	47.074		2,171,868
Social, Behavioral, and Economic Sciences	47.075		731,202
Education and Human Resources	47.076		4,127,616
International Science and Engineering (OISE)	47.079		291,026
Office of Cyberinfrastructure	47.080		472,496
			20,069,434
<i>Pass through:</i>			
Carnegie Mellon University	47.041	EEC-0540865	1,462,858
Carnegie Mellon University	47.041	CMMI11 30616	16,215
Carnegie Mellon University	47.041	103 8932	22,319
Lakeshore Cryotronics Inc.	47.041	IIP09 56816	103,907
NanoLambda Inc.	47.041	IIP08 23023	(4,756)
North Carolina A & T University	47.041	EEC-0812348	1,386,886
University of Central Florida	47.041	CMMI 0951843	(9,634)
Columbia University	47.049	PHY-06-12811	20,719
Massachusetts Institute of Technology	47.049	DMR08 19762	39,813
Pennsylvania State University	47.050	OCE11 40159	26,395
Union College	47.050	EAR-1128103	2,530
Carnegie Mellon University	47.070	IIS-0911032	160,797
Carnegie Mellon University	47.074	IOS-1024811	14,955
University of Arizona	47.074	IOS-0840932	1,301
University of Colorado	47.074	DEB 1115068	22,468
Carnegie Mellon University	47.075	SBE03 54420	60,861
Carnegie Mellon University	47.075	OMA08 36012	880,529
Columbia University	47.075	SES-09 51516	111,973
University of California San Diego	47.075	SBE05 42013	42,345
Association of Science Technology Centers	47.076	ESI06 38981	173,758
Boulder Language Technologies	47.076	DRL 0733323	15,675
Carnegie Mellon University	47.076	DRL 0833496	47,048
Carnegie Mellon University	47.076	DUE 0903271	28,005
Duke University	47.076	DRL 1031351	37,943
Franklin Institute	47.076	DUE 1043371	57,513
New York Hall for Science	47.076	DRL 1010507	38,416
Vanderbilt University	47.076	ESI 0554486	104,734
Vanderbilt University	47.076	ESI 0554535	17,957
Carnegie Mellon University	47.080	OCI090 32251	27,088
Duke University	47.082	SES-09 22373	85,236
			4,995,854
Department of Education:			
<i>Direct:</i>			
Fund for the Improvement of Postsecondary Education	84.116		207,876
National Institute on Disability and Rehabilitation Research	84.133		2,797,737

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Education Research, Development and Dissemination	84.305		1,932,679
Research in Special Education	84.324		322,981
			<u>5,261,273</u>
<i>Pass through:</i>			
Albert Einstein Healthcare Network	84.000	H133G080066	45
Craig Hospital	84.000	H133A060038	2,905
Craig Hospital	84.000	H133A110006	4,245
University of Illinois	84.133	H133E070029	18,914
University of Michigan	84.133	H133E060064	103,920
21st Century Partnership for STEM Education	84.305	R305C080009	233,360
Northwestern University	84.305	R305A100289	119,847
Pittsburgh Board of Education	84.389	S38A090038	15,826
			<u>499,062</u>
Department of Energy:			
<i>Direct:</i>			
Office of Science Financial Assistance Program	81.049		3,245,773
University Coal Research	81.057		134,577
Fossil Energy Research and Development	81.089		155,494
Nuclear Energy Research, Development and Demonstration	81.121		51,695
			<u>3,587,539</u>
<i>Pass through:</i>			
Argonne National Laboratories	81.000	DE-AC02-06CH11357	79,939
Bayer Material Science, LLC	81.000	DE-EE0004571	75,241
Bechtel Bettis	81.000	DE-NR0000031	(7,455)
Carnegie Mellon University	81.000	DE-NT0006550	81,545
Fermi National Accelerator Laboratory	81.000	DE-ADC02-76CH03000	(382)
KeyLogic Systems	81.000	DE-FE0004003	110,617
Lawrence Berkeley National Lab	81.000	DE-AC02-05CH11231	199,565
Lawrence Livermore National Lab	81.000	DE-AC52-07NA27344	67,566
Oak Ridge National Laboratory	81.000	DE-AC05-00OR22725	55,214
Research and Development Solutions LLC	81.000	DE-AC26-04NT41817	(22,372)
Siemens	81.000	DE-FC26-05NT42644	85,000
University of Texas at Austin	81.000	DE-AC26-07NT42677	38,136
URS Corporation	81.000	DE-FE0004000	2,312,277
Harvard Medical School	81.049	DE-SC0005247	105,657
Northwestern University	81.049	DE-SC0005343	28,069
University of Illinois	81.049	DE-FG02-03ER15476	213,051
Nye County	81.065	10-013	6,454
Pennsylvania State University	81.086	DE-EE0004261	191,187
Lehigh University	81.122	DE-OE0000428	50,855
			<u>3,670,164</u>
Department of the Interior:			
<i>Direct:</i>			
Other Department of the Interior	15.000		2,404,404
			<u>2,404,404</u>
Department of Justice:			
<i>Direct:</i>			
Other Department of Justice	16.000		1,208,865
			<u>1,208,865</u>

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<i>Pass through:</i>			
Public Health Institute	16.000	2009-MC-CX-K066	5,457
			<u>5,457</u>
N.A.S.A.:			
<i>Direct:</i>			
Aerospace Education Services Program:			
NNA11AB36C	43.001		201,436
NNX08AJ91G	43.001		71,838
NNX08AB36A	43.001		122,348
NNX10AC80G	43.001		110,497
NNX10AF68G	43.001		11,699
NNX11AL29G	43.001		130,684
NNX11AP17G	43.001		50,043
			<u>698,545</u>
<i>Pass through:</i>			
Aerospace Corporation	43.000	NNX08AN16G	10,048
Purdue University	43.000	NNA07CN83A	18,398
Space Telescope Science Institute	43.000	NAS5-26555	168,854
University of Arizona	43.000	NNG07EK00C	21,867
Arizona State University	43.001	1228404	53,419
Carnegie Mellon University	43.001	NNX10AC85G	45,697
TRAC Labs	43.001	NNX11CD45P	6,512
			<u>324,795</u>
National Endowment for the Humanities:			
<i>Direct:</i>			
Promotion of the Humanities - Fellowships and Stipends	45.160		32,384
Promotion of the Humanities - Seminars and Institutes	45.163		30,529
			<u>62,913</u>
Department of Agriculture:			
<i>Direct:</i>			
Grants for Agricultural Research, Special Research Grants	10.200		83,911
Grants for Agricultural Research	10.206		88,272
Forest Health Protection	10.680		22,033
Other Department of Agriculture	10.000		47,907
			<u>242,123</u>
<i>Pass Through</i>			
Iowa State University	10.310	2011-85212-30122	19,593
Commonwealth of Pennsylvania	10.560	IPA300335	(46)
			<u>19,547</u>
Department of Commerce:			
<i>Direct:</i>			
Research and Evaluation Program	11.312		(22,075)
Measurement and Engineering Research and Standards	11.609		8,403
Other Department of Commerce	11.000		34,845
			<u>21,173</u>
Department of Transportation:			
<i>Direct:</i>			
Other Department of Transportation	20.000		7,633
			<u>7,633</u>

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<i>Pass through:</i>			
Commonwealth of Pennsylvania	20.205	510601	56,031
Minnesota Department of Transportation	20.205	92965	206,058
			<u>262,089</u>
Institute of Museum and Library Services:			
<i>Direct:</i>			
National Leadership Grants	45.312		900
			<u>900</u>
Environmental Protection Agency:			
<i>Direct:</i>			
Science To Achieve Results (STAR) Research Program	66.509		274,423
Science To Achieve Results (STAR) Fellowship Program	66.514		3,785
			<u>278,208</u>
Nuclear Regulatory Commission:			
<i>Direct:</i>			
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008		370,551
Other Nuclear Regulatory Commission	77.000		42,658
			<u>413,209</u>
Department of Housing and Urban Development:			
<i>Pass through:</i>			
Housing Authority of the City of Pittsburgh	14.881	MTW Demonstration	52,141
			<u>52,141</u>
Department of Homeland Security:			
<i>Direct:</i>			
Assistance to Firefighters Grant	97.044		611,195
Other Department of Homeland Security	97.000		160,424
			<u>771,619</u>
<i>Pass through:</i>			
Pennsylvania Emergency Management Agency	97.000	4400004037	(15,024)
University of Maryland	97.000	H98230-07-D-0175	20,684
University of Maryland	97.000	HSHQDC-10-D-00023	22,513
			<u>28,173</u>
Agency for International Development:			
<i>Pass through:</i>			
Higher Education for Development	98.001	AEG-A-00-05-00007-00	49,084
			<u>49,084</u>
Department of Veterans Affairs:			
<i>Direct:</i>			
Other Department of Veterans Affairs	64.000		5,566,576
			<u>5,566,576</u>
General Services Administration			
<i>Pass through:</i>			
High Performance Technologies, Inc.	39.000	GS04T09DBC0017	196,872
			<u>196,872</u>

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Vietnam Fellowship Fund:			
<i>Direct:</i>			
Other Vietnam Fellowship Fund	99.000		23,500
			<u>23,500</u>
Total Other Agencies			<u>50,721,152</u>
TOTAL RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA)			<u>586,203,929</u>

I-A. RESEARCH & DEVELOPMENT CLUSTER (ARRA):

Department of Health and Human Services:

National Institutes of Health:

Direct:

Trans-NIH Recovery Act Research Support	ARRA 93.701		22,586,114
Mental Health Research Grants	ARRA 93.242		302,086
Other National Institutes of Health:			
Cancer	ARRA 93.000		804,122
Library of Medicine	ARRA 93.000		119,468
			<u>23,811,790</u>

Pass through:

Albert Einstein College	ARRA 93.701	1RC4 AI092760 02	260,928
Allegheny Singer Research Institute	ARRA 93.701	5R21 NS066292 02	12,606
Beth Israel Deaconess Medical Center	ARRA 93.701	3U01 AI066331 0551	1,777
Boston Medical Center	ARRA 93.701	1RC2 HL101212	102,166
California Pacific Med Center Research Institute	ARRA 93.701	1RC2 AG036594 01	52,021
Carnegie Mellon University	ARRA 93.701	1R01 CA134633 01A1	(11,588)
Carnegie Mellon University	ARRA 93.701	RC1 AT005799	73,338
Children's Hospital Research Foundation	ARRA 93.701	1RC 1AG036203 01	17,498
Cincinnati Children's Hospital Medical Center	ARRA 93.701	3U01 DK0742493 04S1	13,338
Duke University	ARRA 93.701	1RC2 AR058934	(5,264)
Emory University	ARRA 93.701	1RC1 AI081273 01	100,141
Forsyth Institute	ARRA 93.701	1R01 DE018106 01A2	12,284
George Washington University	ARRA 93.701	3U01 DK061230 09S1	127
Ionwerks, Inc.	ARRA 93.701	1RC3 DA031431 01	161,514
Kaiser Permanente	ARRA 93.701	1RC4 HL106099 01	6,562
Magee Women's Research Institute & Foundation	ARRA 93.701	3U01 DK060397 08S2	5,424
Magee Women's Research Institute & Foundation	ARRA 93.701	5R01 HD056351 01A1	36,986
Mayo Clinic Rochester	ARRA 93.701	5R01 HL087214 02	5,553
Morehouse School of Medicine	ARRA 93.701	1R01 HD057235 01A2	3,021
Mount Sinai Medical Center	ARRA 93.701	5R01 MH089025 02	56,247
Mount Sinai School of Medicine	ARRA 93.701	3U01 AI063594 07S1	62,739
National Childhood Cancer Foundation	ARRA 93.701	3U10 CA098543 07S5	19,209
National Jewish Medical and Research Center	ARRA 93.701	1RC2 HL101715 01	14,510
Northern Cal Institute for Research and Education	ARRA 93.701	1RC 2AG036535	24,125
Ohio State University	ARRA 93.701	U10EY008893	29,249
Ohio State University	ARRA 93.701	3R01 CA090787 09	27,719
Oregon Health & Science University	ARRA 93.701	3U01 DK066555 06S1	19,138
Oregon Health & Science University	ARRA 93.701	3U01 DK066555 06S2	24,151
Pixel Velocity Inc.	ARRA 93.701	5R44 EB007842 03	704
Princeton University	ARRA 93.701	1RC1 NS068414 01	27,548
Psychology Software Tools	ARRA 93.701	1RC3 AG037367 01	65,431
Research Foundation of State University of New York	ARRA 93.701	R01 GM080454 02S1	12,168
Research Institute at Nationwide Children's Hospital	ARRA 93.701	1RC4 DK090937 01	58,082

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Robert Wood Johnson Medical School-UMDNJ	ARRA 93.701	1RC2 HL101458 01	21,056
Robert Wood Johnson Medical School-UMDNJ	ARRA 93.701	2RC2 HL101458 01	96,987
St Jude Children's Research Hospital	ARRA 93.701	3U01 CA8145711S3	2
St Jude Children's Research Hospital	ARRA 93.701	3U01 CA08145711S2	2
St Jude Children's Research Hospital	ARRA 93.701	3U01 CA08145711S1	2
Stanford University	ARRA 93.701	2R01 NS039325 04A2	85,116
Stanford University	ARRA 93.701	5R01 NS039325 05	231,673
Texas A&M Research Foundation	ARRA 93.701	3R01 DE017471 01S3	7,450
University of Alabama	ARRA 93.701	1RC2 AR058964 02	87,150
University of Arizona	ARRA 93.701	2R01 GM051387 13	34,246
University of California Davis	ARRA 93.000	HHSN2612000622009C	8,573
University of California at Irvine	ARRA 93.701	1RC4 AI092327 01	46,845
University of California at Los Angeles	ARRA 93.701	3R01 EY009859	93,669
University of California at San Francisco	ARRA 93.701	5RC2 NS069409 02	222,152
University of California at San Francisco	ARRA 93.701	5U34 DK083031 02	1,222
University of California at San Francisco	ARRA 93.701	R2-1ES017763-01	1,096
University of California at San Francisco	ARRA 93.701	U34DK083031	1,164
University of Chicago	ARRA 93.701	RC1 HL099619	89,581
University of Colorado	ARRA 93.701	7RC2 HL101715 03	566,106
University of Colorado Cancer Center	ARRA 93.701	5RC2 CA148394 02	3,542
University of Florida	ARRA 93.701	U01 AG022376	1
University of Florida	ARRA 93.701	3U01 AG022376 05A2S1	42,253
University of Florida	ARRA 93.701	5U24 RR029822 02	483,714
University of Maryland	ARRA 93.701	7RC2 MD004766 03	111,620
University of Maryland	ARRA 93.701	1U01 AI077909 01	197,085
University of Miami	ARRA 93.701	5RC2 DA028973 02	112,571
University of Oklahoma	ARRA 93.701	1R01 CA136700 01	9,637
University of Rochester	ARRA 93.701	3R01 CA130853 02S2	4,048
University of South Florida	ARRA 93.701	3U01 HD051997 04S1	32,498
University of Utah	ARRA 93.000	HHSN268200900046C	171,032
University of Utah	ARRA 93.701	HHSN268200900046C	28,777
University of Utah	ARRA 93.701	1R21 DK084005 01	4,797
University of Utah	ARRA 93.701	1RC1 NS069066 01	881
University of Washington	ARRA 93.701	5RC1 HL100347 02	9,271
Wake Forest University	ARRA 93.701	1RC2 HL101487 02	194,914
West Virginia University	ARRA 93.701	3R25 RR023274 04S1	18,254
			<u>4,308,439</u>
Centers for Disease Control and Prevention:			
<i>Direct:</i>			
Prevention Research Centers Comparative Effectiveness Research Program	ARRA 93.730		722,842
			<u>722,842</u>
Agency for Healthcare Research and Quality:			
<i>Direct:</i>			
Recovery Act Comparative Effectiveness Research - AHRQ	ARRA 93.715		853,376
			<u>853,376</u>
<i>Pass through:</i>			
Massachusetts General Hospital	ARRA 93.715	1R01 HS019371 01	222,107
			<u>222,107</u>

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DHHS Other:			
<i>Pass through:</i>			
Social & Scientific Systems, Inc.	ARRA 93.000	HHSN2722009000001/2/3	5,328
Mayo Clinic Rochester	ARRA 93.728	90TR0002/01	11,694
			<u>17,022</u>
Total Department of Health and Human Services			<u>29,935,576</u>
<u>Other Agencies:</u>			
National Science Foundation:			
<i>Direct:</i>			
Trans-NSF Recovery Act Research Support	ARRA 47.082		1,586,753
			<u>1,586,753</u>
<i>Pass through:</i>			
Carnegie Mellon University	ARRA 47.082	CCF 0926181	96,599
University of Virginia	ARRA 47.082	CHE 0960074	15,314
			<u>111,913</u>
Department of Energy:			
<i>Direct:</i>			
Office of Science Financial Assistance Program	ARRA 81.049		116,287
Geologic Sequestration Training and Research Grant Program	ARRA 81.133		106,805
			<u>223,092</u>
<i>Pass through:</i>			
URS Corporation	ARRA 81.000	DE-FE0004000	258,137
GE Global Research	ARRA 81.049	DE-AR0000084	184,873
University of Massachusetts	ARRA 81.049	DE-SC0001087	232,604
			<u>675,614</u>
Total Other Agencies			<u>2,597,372</u>
TOTAL RESEARCH & DEVELOPMENT CLUSTER (ARRA)			<u>32,532,948</u>
TOTAL RESEARCH & DEVELOPMENT CLUSTER			<u>618,736,877</u>
II. STUDENT FINANCIAL ASSISTANCE CLUSTER (excluding ARRA):			
Department of Education:			
<i>Direct:</i>			
Federal Pell Grant Program	84.063		22,457,072
Academic Competitiveness Grants	84.375		(2,750)
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376		(22,500)
Federal Work-Study Program	84.033		2,417,189
Federal Supplemental Educational Opportunity Grants	84.007		1,185,765
Teacher Education Assistance for College and Higher Education (TEACH) Grants	84.379		3,000
Federal Perkins Loan Program - Federal Capital Contributions	84.038		3,893,715
			<u>29,931,491</u>

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Health Resources and Services Administration:			
<i>Direct:</i>			
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925		355,806
Nursing Faculty Loan Program	93.264		55,408
Health Professions Student Loan Program:			
Dentistry	93.342		771,729
Pharmacy	93.342		235,987
Nursing Student Loan Program:			
Baccalaureate	93.364		353,934
Disadvantaged Student Loan Program:			
Dentistry	93.342		10,358
			<u>1,783,222</u>
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER (excl ARRA)			<u><u>31,714,713</u></u>
II-A. STUDENT FINANCIAL ASSISTANCE CLUSTER (ARRA):			
Health Resources and Services Administration:			
<i>Direct:</i>			
Nursing Faculty Loan Program	ARRA 93.408		(3,778)
			<u>(3,778)</u>
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER (ARRA)			<u><u>(3,778)</u></u>
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER			<u><u>31,710,935</u></u>
III. TRIO CLUSTER:			
Department of Education:			
<i>Direct:</i>			
TRIO - Student Support Services	84.042		558,168
TRIO - Talent Search	84.044		52,258
TRIO - Upward Bound	84.047		321,299
			<u>931,725</u>
TOTAL TRIO CLUSTER			<u><u>931,725</u></u>
IV. HEAD START CLUSTER (excluding ARRA):			
Administration for Children and Families:			
<i>Direct:</i>			
Head Start	93.600		3,466,298
			<u>3,466,298</u>
TOTAL HEAD START CLUSTER (excluding ARRA)			<u><u>3,466,298</u></u>

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IV-A. HEAD START CLUSTER (ARRA):			
Administration for Children and Families:			
<i>Direct:</i>			
Early Head Start	ARRA 93.709		604,511
			<u>604,511</u>
TOTAL HEAD START CLUSTER (ARRA)			<u>604,511</u>
TOTAL HEAD START CLUSTER			<u>4,070,809</u>
V. CHILDREN NUTRITION CLUSTER:			
Department of Agriculture:			
<i>Pass through:</i>			
Commonwealth of Pennsylvania	10.559	SFSP	6,605
			<u>6,605</u>
TOTAL CHILDREN NUTRITION CLUSTER			<u>6,605</u>
VI. OTHER PROGRAMS (excluding ARRA):			
<u>Department of Health and Human Services:</u>			
National Institutes of Health:			
<i>Direct:</i>			
Biological Response to Environmental Health Hazards	93.113		62,510
Deafness & Communication Disorders	93.173		23,051
Mental Health Research	93.242		626,476
Drug Abuse and Addiction Research Programs	93.279		380,243
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		13,000
National Center for Research Resources	93.389		398,837
Cancer Centers Support Grants	93.397		(1,365)
Cancer Research Manpower	93.398		388,687
Cardiovascular Diseases Research	93.837		81,556
Lung Diseases Research	93.838		41,784
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		5,000
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		21,886
Child Health and Human Development Extramural Research	93.865		29,094
Aging Research	93.866		61,400
Vision Research	93.867		54
Medical Library Assistance	93.879		1,185,415
International Research and Research Training	93.989		1,284,212
			<u>4,601,840</u>
<i>Pass through:</i>			
Magee Women's Research Institute & Foundation	93.000	U10 HD063036	100
National Academy of Sciences	93.000	HHSP23337017T	133,403
NSABP Foundation, Inc.	93.000	5U10 CA069651 11	131,798
RTI International	93.000	HHSN26120090017C	130,254
SAIC Frederick, Inc.	93.000	HHSN26120800001E	1,000
University of California Davis	93.000	N01-CO-62209	119,338

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University of Colorado Cancer Center	93.000	AWD-112667	9,795
American Academy of Child & Adolescent Psychiatry	93.277	DA000357 13	162,164
Carnegie Mellon University	93.279	5R90 DA023426 05	19,322
Carnegie Mellon University	93.279	2R90 DA023426 06	46,546
Pittsburgh Tissue Engineering Initiative	93.389	R25 RR023286	23,701
Vanderbilt University	93.394	5U01 CA114771 05	12,019
Baylor College of Medicine	93.395	R01 CA132899	11,206
Duke University	93.395	2U10 CA076001 15	263,854
Duke University	93.395	5U10 CA86004 02	35,659
Eastern Cooperative Oncology Group	93.395	3U10 CA086802 13S1	13,353
Frontier Science & Technology Research Foundation	93.395	U10 CA021115 37	10,190
Frontier Science & Technology Research Foundation	93.395	U10 CA021115	260,869
Frontier Science & Technology Research Foundation	93.395	U10 CA021115 20	154,957
Magee Women's Research Institute & Foundation	93.395	5U10 CA027469 29	25,346
National Childhood Cancer Foundation	93.395	5U10 CA097452 09	6,872
National Childhood Cancer Foundation	93.395	5U10 CA097452 10	53,449
National Childhood Cancer Foundation	93.395	5U10 CA098543 09	239,022
St. Jude Children's Research Hospital	93.395	2U01 CA081457 11	(29,679)
St. Jude Children's Research Hospital	93.395	2U01 CA081457 13	68,000
Magee Women's Research Institute & Foundation	93.398	1R25 CA163168 01	119,931
CTRC Research Foundation	93.399	U10 CA37483	1,047
Frontier Science & Technology Research Foundation	93.399	U10 CA037403 25	1,697
Frontier Science & Technology Research Foundation	93.399	U10 CA37403	48,805
NSABP Foundation, Inc.	93.399	U10 CA37377	6,157
Pennsylvania State University	93.837	5U01 HL098115 02	10,460
University of Minnesota	93.838	U10 HL0744 24	86,722
National Marrow Donor Program	93.839	1U01 HL069294 01	11,860
Georgia Health Sciences University	93.847	5U24 DK076169 05	7,102
Massachusetts General Hospital	93.853	5U01 NS049640 06	2,424
St. Joseph's Hospital and Medical Center	93.853	5U01 NS052478 05	36,894
University of Medicine and Dentistry of New Jersey	93.853	5R01 NS038384 09	18,610
University of North Carolina	93.853	5U01 NS42167 05	(2,299)
Magee Women's Research Institute & Foundation	93.865	5U10 HD057753	14,270
University of Texas Medical Branch of Galveston	93.865	1R24 HD065702 02	30,705
Boston University	93.866	5R01 AG18037 10	(4,280)
University of California San Diego	93.866	U01 AG024904	(12,649)
Maternal & Child Health Federal Consolidated	93.866	5U01 AG032438 03	1,758
University of Washington	93.866	5U01 AG032438 04	16,150
			<u>2,297,902</u>

Health Resources and Services Administration:

Direct:

Maternal & Child Health Federal Consolidated Programs	93.110		20,279
Nurse Anesthetist Traineeships	93.124		28,693
AIDS Education and Training Centers	93.145		3,425,556
Coordinated Services and Access to Research for Women, Infants, Children and Youth	93.153		514,320
Public Health Training Centers Grant Program	93.249		344,966
Advanced Nursing Education Traineeships	93.358		56,260
Nurse Education, Practice and Retention Grants	93.359		812,961
Affordable Care Act (ACA) Public Health Training Centers Program	93.516		266,576
Training in Primary Care Medicine and Dentistry	93.884		263,441

**UNIVERSITY OF PITTSBURGH – OF THE
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass Through #</u>	<u>Federal Expenditures</u>
Grants to Provide Outpatient Early Intervention			
Services with Respect to HIV Disease	93.918		1,106,748
Special Projects of National Significance	93.928		64,418
Public Health Traineeships	93.964		24,989
Geriatric Education Centers	93.969		399,380
			<u>7,328,587</u>
<i>Pass through:</i>			
Health Research, Inc.	93.000	U22 MC03956	9,221
Massachusetts General Hospital	93.000	EARLY AWARD	1,997
Primary Care Health Services, Inc.	93.000	1U1EMC19332-01-00	290,147
Pennsylvania State University	93.107	1U77 HP06111 06	43,934
Pennsylvania State University	93.107	1U77 HP06111 07	22,880
Massachusetts General Hospital	93.110	2UA3 MC011054 04	20,119
Massachusetts General Hospital	93.110	UA3MC11054	5,786
National Marrow Donor Program	93.134	2310200 07	12,390
American International Health Alliance	93.145	HF2MOZ06PPTURUPUM	139,474
Community College of Allegheny County	93.265	1D62 HP15120 01	10,000
Community College of Allegheny County	93.265	D62 HP15120	(181)
Commonwealth of Pennsylvania	93.917	Ryan White CARE Act	446,542
			<u>1,002,309</u>
Centers for Disease Control and Prevention:			
<i>Pass through:</i>			
Phipps Conservatory and Botanical Gardens	93.000	U19 DD00753	1,039
Research for Mental Hygiene - Basic Research	93.000	AUCD-RT012008-999-03	3,037
Society of Teachers of Family Medicine	93.185	IP000398 01	12,704
Society of Teachers of Family Medicine	93.185	U66 IP000398	28,723
Assoc. of State and Territorial Health Officials	93.283	1U38 HM000454	4,111
Assoc. of State and Territorial Health Officials	93.283	5U38 HM000454 04	28,992
Commonwealth of Pennsylvania	93.283	1U50 DD000578 01	484,360
Commonwealth of Pennsylvania	93.940	2U62 PS323509 06	(784)
Commonwealth of Pennsylvania	93.940	5U62 PS323509 07	1,126,513
			<u>1,688,695</u>
Substance Abuse and Mental Health Services Administration:			
<i>Direct:</i>			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		225,429
			<u>225,429</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	93.000	SM060632-01	353,631
Commonwealth of Pennsylvania	93.000	U79 SM059056 02	273,685
Commonwealth of Pennsylvania	93.000	U79 SM059056 03	573,385
Allegheny County	93.243	UD1 TI15977	152,752
Mercy Behavioral Health	93.243	1H79 SM059154 01	50,191
Mercy Behavioral Health	93.243	1H79 SM059154 02	16,490
Pittsburgh AIDS Task Force	93.243	5U79 SP015018 04	26,163
			<u>1,446,297</u>
Administration for Children and Families:			
<i>Pass through:</i>			
Commonwealth of Pennsylvania	93.556	4100053866	1,034,933
Commonwealth of Pennsylvania	93.658	4000012189	551,416
Commonwealth of Pennsylvania	93.658	4100053866	7,289,828

**UNIVERSITY OF PITTSBURGH – OF THE
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass Through #</u>	<u>Federal Expenditures</u>
Commonwealth of Pennsylvania	93.658	4100056694	7,199,883
Commonwealth of Pennsylvania	93.658	4100053866	199,603
Commonwealth of Pennsylvania	93.669	4100053866	157,726
Commonwealth of Pennsylvania	93.674	4100053866	391,724
			<u>16,825,113</u>
DHHS Other:			
<i>Pass through:</i>			
Allegheny County	93.778	137751	15,604
			<u>15,604</u>
Total Department of Health and Human Services			<u>35,431,776</u>
<u>Department of Defense:</u>			
Department of the Army:			
<i>Direct:</i>			
Basic Scientific Research	12.431		120,018
			<u>120,018</u>
<i>Pass through:</i>			
Body Media, Inc.	12.000	W81XWH-06-1-0734	57,392
Children's Research Institute	12.000	W81XWH-09-1-0592	18,558
Precision Therapeutics, Inc.	12.000	W81XWH-06-2-0021	3,000
University of Pittsburgh Medical Center	12.000	W81XWH-05-2-0049	(33,570)
Children's Hospital of Pittsburgh	12.420	W81XWH-04-1-0851	40,811
Henry M Jackson Foundation	12.420	W81XWH-08-2-0166	47,840
Henry M Jackson Foundation	12.420	W81XWH-08-2-0700	52,105
National Trauma Institute	12.420	W81XWH-10-1-0924	108,273
			<u>294,409</u>
Department of the Air Force:			
<i>Pass through:</i>			
University of Pittsburgh Medical Center	12.800	FA7014-10-2-0005	436,921
University of Pittsburgh Medical Center	12.800	FA7014-08-2-0001	5,840
University of Pittsburgh Medical Center	12.800	FA7014-09-2-0008	115,813
University of Pittsburgh Medical Center	12.800	FA7014-10-2-0005	767,265
			<u>1,325,839</u>
Department of the Navy:			
<i>Pass through:</i>			
Georgetown University Medical Center	12.300	N00014-08-1-1078	683,077
			<u>683,077</u>
Total Department of Defense			<u>2,423,343</u>
<u>Other Agencies:</u>			
National Science Foundation:			
<i>Direct:</i>			
Engineering Grants	47.041		535,001
Mathematical and Physical Sciences	47.049		6,395
Geosciences	47.050		146
Computer and Information Science and Engineering	47.070		94,702
Biological Sciences	47.074		154,417
Social, Behavioral, and Economic Sciences	47.075		188,982
Education and Human Resources	47.076		161,013

**UNIVERSITY OF PITTSBURGH – OF THE
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass Through #</u>	<u>Federal Expenditures</u>
International Science and Engineering (OISE)	47.079		8,625
Office of Cyberinfrastructure	47.080		7,961
			<u>1,157,242</u>
<i>Pass through:</i>			
Carnegie Mellon University	47.041	EEC-0540865	(325)
Carnegie Mellon University	47.076	DGE-0549352	445,111
			<u>444,786</u>
Department of Education:			
<i>Direct:</i>			
National Resource Centers and Fellowships Program for Language and Area or Language and International Studies	84.015		1,324,189
Fund for the Improvement of Postsecondary Education	84.116		23,904
Rehabilitation Long-Term Training	84.129		81,723
Graduate Assistance in Areas of National Need	84.200		80,963
Centers for International Business Education	84.220		174,104
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325		587,916
			<u>2,272,799</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	84.000	4300293271	22,247
Pennsylvania Commission on Crime and Delinquency	84.186	SDFSC	56,397
Allegheny Intermediate Unit	84.366	RA-075-10-0603	220,251
Commonwealth of Pennsylvania	84.368	S368A090006	494,152
National Writing Project Corporation	84.928	U928A050001	37,072
			<u>830,119</u>
Department of Energy:			
<i>Direct:</i>			
Office of Science Financial Assistance Program	81.049		9,327
Fossil Energy Research and Development	81.089		30,000
			<u>39,327</u>
<i>Pass through:</i>			
Oak Ridge National Laboratory	81.049	DE AC05 000R22725	26,503
			<u>26,503</u>
N.A.S.A.:			
<i>Pass through:</i>			
Pennsylvania State University	43.000	NNX10AK74H	22,541
			<u>22,541</u>
Department of Housing and Urban Development:			
<i>Pass through:</i>			
Healthy Home Resources	14.000	HUD-2009-TO 2012	(3,681)
Healthy Home Resources	14.000	PALHH0133 04	(4,104)
			<u>(7,785)</u>
Department of the Interior:			
<i>Direct:</i>			
Applied Science Program Cooperative Agreements Related to Coal Mining and Reclamation	15.255		45,514
			<u>45,514</u>

**UNIVERSITY OF PITTSBURGH – OF THE
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass Through #</u>	<u>Federal Expenditures</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	15.255	S07AP12482	30,912
Pennsylvania State University	15.805	G11AP20102	13,143
			<u>44,055</u>
Department of Agriculture:			
<i>Direct:</i>			
Agricultural Research Basic and Applied Research	10.001		17,957
			<u>17,957</u>
<i>Pass through:</i>			
Iowa State University	10.219	2008-33120-19543	19,194
Texas Women's University	10.310	2011-67005-30018	15,267
Commonwealth of Pennsylvania	10.558	CACFP	22,932
			<u>57,393</u>
Department of Commerce:			
<i>Direct:</i>			
Research and Evaluation Program	11.312		53,882
Coastal Zone Management Estuarine Research Reserves	11.420		20,854
			<u>74,736</u>
Department of Justice:			
<i>Pass through:</i>			
Pennsylvania Commission on Crime and Delinquency	16.609	PSN	11,618
			<u>11,618</u>
U.S. Department of State:			
<i>Pass through:</i>			
American Council of Learned Societies	19.300	S-LMAQM-07-GR-229	6,821
American Council of Learned Societies	19.300	EE-ERT-12-001	13,828
			<u>20,649</u>
Department of Treasury:			
<i>Direct:</i>			
Low-Income Taxpayer Clinics	21.008		124,453
			<u>124,453</u>
National Endowment for the Humanities:			
<i>Direct</i>			
Promotion of the Humanities Public Programs	45.164		2,120
			<u>2,120</u>
Institute of Museum and Library Services:			
<i>Direct:</i>			
21st Century Museum Professionals	45.307		328,032
			<u>328,032</u>
Small Business Administration:			
<i>Direct:</i>			
7(j) Technical Assistance	59.007		42,190
			<u>42,190</u>

**UNIVERSITY OF PITTSBURGH – OF THE
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass Through #</u>	<u>Federal Expenditures</u>
<i>Pass through:</i>			
University of Pennsylvania	59.037	0-603001-Z-0040-30	220,016
University of Pennsylvania	59.037	EARLY AWARD	34,464
University of Pennsylvania	59.060	1-603001-Z-0146	125,767
			<u>380,247</u>
United States Institute of Peace:			
<i>Direct:</i>			
Unsolicited Grant Program	91.001		(110,620)
			<u>(110,620)</u>
Corporation for National and Community Services:			
<i>Pass through:</i>			
Jumpstart for Young Children Inc.	94.006	090200	154,998
			<u>154,998</u>
Agency for International Development:			
<i>Direct:</i>			
Other Agency for International Development	98.000		88,817
			<u>88,817</u>
<i>Pass through:</i>			
Democracy International, Inc.	98.000	306-A-00-9-00522-00	23,352
Magee Women's Research Institute & Foundation	98.000	GPO-A-00-08-000005	59,661
Higher Education for Development	98.001	AEG-A-00-05-00007-00	24,484
			<u>107,497</u>
Department of Veterans Affairs:			
<i>Direct:</i>			
Other Department of Veterans Affairs	64.000		514,375
			<u>514,375</u>
Total Other Agencies			<u>6,689,563</u>
TOTAL OTHER PROGRAMS (excluding ARRA)			<u>44,544,682</u>
VI-A. OTHER PROGRAMS (ARRA):			
<u>Department of Health and Human Services:</u>			
National Institutes of Health:			
<i>Direct:</i>			
Trans-NIH Recovery Act Research Support	ARRA 93.701		63,767
National Center for Research Resources, Recovery Act			
Construction Support	ARRA 93.702		11,200,144
			<u>11,263,911</u>
<i>Pass through:</i>			
National Childhood Cancer Foundation	ARRA 93.701	3U01 CA97452 07S1	11,134
National Childhood Cancer Foundation	ARRA 93.701	3U01 CA97452 07S2	12,695
University of California San Diego	ARRA 93.701	1RC2 AG036535 01	11,637
			<u>35,466</u>

**UNIVERSITY OF PITTSBURGH – OF THE
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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012**

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass Through #</u>	<u>Federal Expenditures</u>
Health Resources and Services Administration:			
<i>Direct:</i>			
Grants for Training in Primary Care Medicine and Dentistry Training and Enhancement	ARRA 93.403		30,967
Public Health Traineeship Program	ARRA 93.405		16,930
Equipment to Enhance Training for Health Professionals	ARRA 93.411		192,291
Grants to Health Center Programs	ARRA 93.703		11,779
			<u>251,967</u>
Centers for Disease Control and Prevention:			
<i>Pass through:</i>			
Commonwealth of Pennsylvania	ARRA 93.723	3U58 DP001987 01S2	195,577
			<u>195,577</u>
DHHS Other:			
<i>Pass through:</i>			
Community College of Allegheny County	ARRA 93.721	90CC008001	9,063
			<u>9,063</u>
Total Department of Health and Human Services			<u>11,755,984</u>
<u>Other Agencies:</u>			
National Science Foundation:			
<i>Direct:</i>			
Trans-NSF Recovery Act Research Support	ARRA 47.082		6,718
			<u>6,718</u>
Department of Commerce:			
<i>Direct:</i>			
National Institute of Standards and Technology Construction Grant Program	ARRA 11.618		5,280,757
			<u>5,280,757</u>
Total Other Agencies			<u>5,287,475</u>
TOTAL OTHER PROGRAMS (ARRA)			<u>17,043,459</u>
TOTAL OTHER PROGRAMS			<u>61,588,141</u>
GRAND TOTAL - FEDERAL AWARDS AND GRANTS			<u>717,045,092</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

(1) Basis of Presentation

The purpose of the schedule of expenditures of federal awards (the Schedule) is to present detail of the activities of the University of Pittsburgh – Of the Commonwealth System of Higher Education (the University) which have been funded through the U.S. federal government for the year ended June 30, 2012.

For the purposes of the Schedule, federal awards have been classified in two types:

- Direct federal awards, and
- Pass through funds received from nonfederal organizations made under federally sponsored programs conducted by those organizations.

Since the Schedule presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in net assets or cash flows of the University. The Schedule is prepared on the accrual basis of accounting. Negative expenditures detailed in the Schedule result from current year adjustments to prior year award amounts.

(2) Federal Loan Programs

The University administers the following federal loan programs with an outstanding loan balance as of June 30, 2012:

Federal grant and program title	Federal CFDA number	Outstanding loan balance
Department of Education – Federal Perkins Loan Program	84.038	\$ 29,747,256
Department of Health and Human Services – Public Service:		
Health Professions Student Loan Program:		
Medicine	93.342	475,760
Dentistry	93.342	4,311,850
Pharmacy	93.342	1,049,520
Nursing Student Loan Program – Baccalaureate	93.364	2,233,624
Nursing Faculty Loan Program:		
Nursing Faculty Loan ARRA	93.408	137,310
Nursing Faculty Loan	93.264	268,333
Disadvantaged Student Loan Program:		
Medicine	93.342	193,626
Dentistry	93.342	31,409

(3) Department of Education Loan Programs

The University processed \$271,222,909 of new loans under the Department of Education – Federal Direct Student Loans Program (CFDA #84.268) for the year ended June 30, 2012. The University has elected to not include the program on the Schedule.

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

(4) Student Financial Assistance Program

For the year ended June 30, 2012, administrative costs on the Student Financial Assistance Program were claimed under the Federal Supplemental Education Opportunity Grant Program and the Federal Work Study Program in the amounts of \$59,551 and \$86,807, respectively.

(5) Reimbursement of Facilities and Administrative Costs

Research grants and contracts normally provide for the recovery of direct and Facilities and Administrative costs (F&A costs). Recovery of the related F&A costs is generally recorded at predetermined rates negotiated with the federal government. Entitlement to these resources for the recovery of the applicable direct and related F&A costs is generally conditioned upon compliance with the terms and conditions of the grant agreements and applicable federal regulations, including the expenditure of the resources for eligible purposes. Substantially all grants and the University's F&A cost rate are subject to financial and compliance reviews and audits by the grantors. In management's opinion, the likelihood of an adverse material outcome upon the University's financial position from those reviews and audits is remote. On April 13, 2012, the Department of Health and Human Services approved F&A cost recovery rates effective from July 1, 2011 through June 30, 2015.

(6) Payments to Subrecipients

Certain funds are passed-through to subgrantee organizations by the University. Expenditures incurred by the subgrantees and reimbursed by the University are included in the Schedule. Of the federal expenditures presented in the Schedule, the University provided federal awards to subrecipients for the year ended June 30, 2012 as follows:

Federal grant agency	Expenditures provided to subrecipients
Department of Health and Human Services	\$ 59,750,088
Department of Defense	3,446,034
National Science Foundation	683,759
Department of Energy	397,564
Department of Veterans Affairs	338,953
Department of Education	305,938
N.A.S.A.	162,972
Department of Justice	48,643
Department of Transportation	46,129
Department of Housing and Urban Development	6,000
	\$ 65,186,080

**UNIVERSITY OF PITTSBURGH – OF THE
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Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

(7) Vendor Relationships

The Special Education Program (CFDA #84.027) constitutes a vendor relationship with the University per OMB Circular A-133 Subpart B.210. This project is being excluded from the Schedule, although it represents Federal funds of \$4,148,738 for the year ended June 30, 2012.

(8) Summary Schedule of Expenditures of Federal Awards

The summary schedule of expenditures of federal awards for the year ended June 30, 2012 follows:

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
I. RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA):	
<u>Department of Health and Human Services:</u>	
National Institutes of Health:	
Direct	\$ 436,656,066
Pass through	44,911,005
Health Resources and Services Administration:	
Direct	2,974,803
Pass through	190,144
Centers for Disease Control and Prevention:	
Direct	7,259,616
Pass through	635,329
Agency for Healthcare Research and Quality:	
Direct	3,114,328
Pass through	37,886
Substance Abuse and Mental Health Services Administration:	
Direct	116,567
Pass through	58,387
Food and Drug Administration:	
Direct	57,408
Pass through	124,757
DHHS Other:	
Direct	219,707
Pass through	284,500
Total Department of Health and Human Services	\$ 496,640,503

**UNIVERSITY OF PITTSBURGH – OF THE
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Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
I. RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA):	
<u>Department of Defense:</u>	
Department of the Army:	
Direct	\$ 17,572,624
Pass through	9,378,323
Department of the Air Force:	
Direct	1,924,623
Pass through	1,122,961
Department of the Navy:	
Direct	5,220,684
Pass through	2,087,102
Advanced Research Projects Agency:	
Direct	117,671
Pass through	370,407
Defense Threat Reduction Agency:	
Direct	730,514
Pass through	125,698
National Security Agency:	
Direct	17,625
DoD Other:	
Pass through	174,042
Total Department of Defense	\$ 38,842,274
<u>Other Agencies:</u>	
National Science Foundation:	
Direct	\$ 20,069,434
Pass through	4,995,854
Department of Education:	
Direct	5,261,273
Pass through	499,062

**UNIVERSITY OF PITTSBURGH – OF THE
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Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
I. RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA):	
Department of Energy:	
Direct	\$ 3,587,539
Pass through	3,670,164
Department of the Interior:	
Direct	2,404,404
Department of Justice:	
Direct	1,208,865
Pass through	5,457
N.A.S.A.:	
Direct	698,545
Pass through	324,795
National Endowment for the Humanities:	
Direct	62,913
Department of Agriculture:	
Direct	242,123
Pass through	19,547
Department of Commerce:	
Direct	21,173
Department of Transportation:	
Direct	7,633
Pass through	262,089
Institute of Museum and Library Services:	
Direct	900
Environmental Protection Agency:	
Direct	278,208
Nuclear Regulatory Commission:	
Direct	413,209
Department of Housing and Urban Development:	
Pass through	52,141

**UNIVERSITY OF PITTSBURGH – OF THE
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Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
I. RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA):	
Department of Homeland Security:	
Direct	\$ 771,619
Pass through	28,173
Agency for International Development:	
Pass through	49,084
Department of Veterans Affairs:	
Direct	5,566,576
General Services Administration:	
Pass through	196,872
Vietnam Fellowship Fund:	
Direct	23,500
Total Other Agencies	\$ 50,721,152
TOTAL RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA)	\$ 586,203,929
 I-A. RESEARCH & DEVELOPMENT CLUSTER (ARRA):	
<u>Department of Health and Human Services:</u>	
National Institutes of Health:	
Direct	\$ 23,811,790
Pass through	4,308,439
Centers for Disease Control and Prevention:	
Direct	722,842
Agency for Healthcare Research and Quality:	
Direct	853,376
Pass through	222,107
DHHS Other:	
Pass through	17,022
Total Department of Health and Human Services	\$ 29,935,576

**UNIVERSITY OF PITTSBURGH – OF THE
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Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
<u>Other Agencies:</u>	
National Science Foundation:	
Direct	\$ 1,586,753
Pass through	111,913
Department of Energy:	
Direct	223,092
Pass through	675,614
Total Other Agencies	\$ 2,597,372
TOTAL RESEARCH & DEVELOPMENT CLUSTER (ARRA)	\$ 32,532,948
TOTAL RESEARCH & DEVELOPMENT CLUSTER	\$ 618,736,877
 II. STUDENT FINANCIAL ASSISTANCE CLUSTER (excluding ARRA):	
Department of Education:	
Direct	\$ 29,931,491
Health Resources and Services Administration:	
Direct	1,783,222
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER (excluding ARRA)	\$ 31,714,713
 II-A. STUDENT FINANCIAL ASSISTANCE CLUSTER (ARRA):	
Health Resources and Services Administration:	
Direct	\$ (3,778)
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER (ARRA)	\$ (3,778)
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER	\$ 31,710,935
 III. TRIO CLUSTER:	
Department of Education:	
Direct	\$ 931,725
TOTAL TRIO CLUSTER	\$ 931,725

**UNIVERSITY OF PITTSBURGH – OF THE
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Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

Federal Grantor/Pass Through Grantor/Program Title	Federal Expenditures
IV. HEAD START CLUSTER (excluding ARRA):	
Administration for Children and Families:	
Direct	\$ 3,466,298
TOTAL HEAD START CLUSTER (excluding ARRA)	\$ 3,466,298
 IV-A. HEAD START CLUSTER (ARRA):	
Administration for Children and Families:	
Direct	\$ 604,511
TOTAL HEAD START CLUSTER (ARRA)	\$ 604,511
TOTAL HEAD START CLUSTER	\$ 4,070,809
 V. CHILDREN NUTRITION CLUSTER:	
Department of Agriculture:	
Pass through	\$ 6,605
TOTAL CHILDREN NUTRITION CLUSTER	\$ 6,605
 VI. OTHER PROGRAMS:	
<u>Department of Health and Human Services:</u>	
National Institutes of Health:	
Direct	\$ 4,601,840
Pass through	2,297,902
Health Resources and Services Administration:	
Direct	7,328,587
Pass through	1,002,309
Centers for Disease Control and Prevention:	
Pass through	1,688,695
Substance Abuse and Mental Health Services Administration:	
Direct	225,429
Pass through	1,446,297

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
Administration for Children and Families:	
Pass through	\$ 16,825,113
DHHS Other:	
Pass through	15,604
Total Department of Health and Human Services	\$ 35,431,776
<u>Department of Defense:</u>	
Department of the Army:	
Direct	\$ 120,018
Pass through	294,409
Department of the Air Force:	
Pass through	1,325,839
Department of the Navy:	
Pass through	683,077
Total Department of Defense	\$ 2,423,343
<u>Other Agencies:</u>	
National Science Foundation:	
Direct	\$ 1,157,242
Pass through	444,786
Department of Education:	
Direct	2,272,799
Pass through	830,119
Department of Energy:	
Direct	39,327
Pass through	26,503
N.A.S.A.:	
Pass through	22,541

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
I. RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA):	
Department of Housing and Urban Development: Pass through	\$ (7,785)
Department of the Interior: Direct	45,514
Pass through	44,055
Department of Agriculture: Direct	17,957
Pass through	57,393
Department of Commerce: Direct	74,736
Department of Justice: Pass through	11,618
U.S. Department of State: Pass through	20,649
Department of Treasury: Direct	124,453
National Endowment for the Humanities: Direct	2,120
Institute of Museum and Library Services: Direct	328,032
Small Business Administration: Direct	42,190
Pass through	380,247
United States Institute of Peace: Direct	(110,620)
Corporation for National and Community Services: Pass through	154,998
Agency for International Development: Direct	88,817
Pass through	107,497

**UNIVERSITY OF PITTSBURGH – OF THE
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Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2012

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Expenditures</u>
Department of Veterans Affairs:	
Direct	514,375
Total Other Agencies	\$ 6,689,563
TOTAL OTHER PROGRAMS (excluding ARRA)	\$ 44,544,682
VI-A. OTHER PROGRAMS (ARRA):	
<u>Department of Health and Human Services:</u>	
National Institutes of Health:	
Direct	\$ 11,263,911
Pass through	35,466
Health Resources and Services Administration:	
Direct	251,967
Centers for Disease Control and Prevention:	
Pass through	195,577
DHHS Other:	
Pass through	9,063
Total Department of Health and Human Services	\$ 11,755,984
<u>Other Agencies:</u>	
National Science Foundation:	
Direct	\$ 6,718
Department of Commerce:	
Direct	5,280,757
Total Other Agencies	\$ 5,287,475
OTHER PROGRAMS (ARRA)	\$ 17,043,459
TOTAL OTHER PROGRAMS	\$ 61,588,141
GRAND TOTAL - FEDERAL AWARDS AND GRANTS	\$ 717,045,092



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**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***

The Board of Trustees
University of Pittsburgh – Of the Commonwealth
System of Higher Education:

We have audited the consolidated financial statements of the University of Pittsburgh – Of the Commonwealth System of Higher Education (the University) as of and for the year ended June 30, 2012, and have issued our report thereon dated September 18, 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 Standard*, 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 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 over financial reporting 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 over financial reporting, 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 intended solely for the information and use of management, the Board of Trustees and its Audit Committee, others within the University, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

September 18, 2012



KPMG LLP
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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 and on the Schedule of Expenditures of Federal Awards

The Board of Trustees
University of Pittsburgh – Of the Commonwealth
System of Higher Education:

Compliance

We have audited the compliance of the University of Pittsburgh – Of the Commonwealth System of Higher Education (the University) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement (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, except the requirements discussed in the second paragraph of this report. The University's major federal programs are identified in the summary of auditors' 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 did not audit the University's compliance with the requirements governing maintaining contact with borrowers and billing and collection procedures in accordance with the requirements of the Student Financial Assistance Cluster: Federal Perkins Loan program as described in the Compliance Supplement. Those requirements govern functions performed by ECSI. Since we did not apply auditing procedures to satisfy ourselves as to compliance with those requirements, the scope of work was not sufficient to enable us to express, and we do not express, an opinion on compliance with those requirements. ECSI's compliance with the requirements governing the functions that it performs for the University for the year ended June 30, 2012 was examined by other accountants in accordance with the U.S. Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Servicers*. Our report does not include the results of the other accountants' examination of ECSI's compliance with such requirements.

We conducted our audit of compliance in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements described in the Compliance Supplement 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 in the first paragraph above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2012-01 through 2012-03.

Internal Control over Compliance

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.

Requirements governing maintaining contact with borrowers and billing and collection procedures in the Student Financial Assistance Cluster: Federal Perkins Loan program as described in the Compliance Supplement are performed by ECSI. Internal control over compliance related to such functions for the year ended June 30, 2012 was reported on by other accountants in accordance with the U.S. Department of Education's Audit Guide, *Audits of Federal Student Financial Assistance Programs at Participating Institutions and Institution Servicers*. Our report does not include the results of the other accountants' testing of ECSI's internal control over compliance related to such functions.

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. However, we identified certain deficiencies in internal control over compliance that we consider to be significant deficiencies as described in the accompanying schedule of findings and questioned costs as items 2012-01 through 2012-03. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

The University's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the University's responses and, accordingly, we express no opinion on the responses.



Schedule of Expenditures of Federal Awards

We have audited the consolidated financial statements of the University as of and for the year ended June 30, 2012, and have issued our report thereon dated September 18, 2012 which contained an unqualified opinion on those consolidated financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. We have not performed any procedures with respect to the audited consolidated financial statements subsequent to September 18, 2012. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

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

KPMG LLP

March 22, 2013

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unqualified

Internal control over financial reporting:

- Material weaknesses identified? No
- Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

Federal Awards

Internal control over compliance of major programs:

- Material weaknesses identified? No
- Significant deficiencies in internal control over compliance identified? Yes (2012-01, 2012-02 and 2012-03)

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 Circular A-133? Yes

Identification of major programs:

Name	CFDA number
Research and Development Cluster	Various
Student Financial Assistance Cluster	84.007; 84.033; 84.038; 84.063; 84.268 84.375; 84.376; 84.379; 93.264; 93.342; 93.364; ARRA 93.408 and 93.925
National Center for Research Resources, Recovery Act Construction Support	ARRA 93.702
National Institute of Standards and Technology Construction Grant Program	ARRA 11.618
Dollar threshold used to distinguish between Type A and Type B programs	\$3,064,198
Auditee qualified as low-risk auditee?	Yes

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Section II – Financial Statement Findings

No matters were reported.

Section III – Federal Award Findings

Finding 2012-01 – Allowability of Costs

Research and Development Cluster:

Department of Health and Human Services:

Research on Healthcare Costs, Quality and Outcomes/grant number and year:

5R01 HS019624 02; year 2/grant expiration date: August 31, 2014 / CFDA #93.226

Arthritis, Musculoskeletal and Skin Diseases Research/grant number and year:

5R01 AR049747 07; year 7/grant expiration date: August 31, 2015/CFDA #93.846

Compliance Requirement: Allowable costs and cost principles

Criteria

In accordance with OMB Circular A-21 (A-21), *Cost Principles for Educational Institutions*, section C, costs must meet the following general criteria to be allowable under federal awards: be reasonable and necessary; conform with the allocability provisions (A-21, section C.4) or Cost Accounting Standards (CAS) Board for educational institutions, as applicable (see 48 CFR part 9905); be given consistent accounting treatment within and between accounting periods; conform with the allowability of costs provisions, or limitations in the program agreement, program regulations, or program statute; be net of all applicable credits, e.g., volume or cash discounts, insurance recoveries, refunds, rebates, trade-ins, adjustments for checks not cashed, and scrap sales; be supported by appropriate documentation, such as approved purchase orders, receiving reports, vendor invoices, canceled checks, and time and attendance records, and correctly charged as to account, amount, and period; and be applied uniformly to Federal and non-Federal activities.

Condition and Context

In a sample of 145 direct cost expenditures aggregating \$11,882,614 which included payroll, fringe benefits, supplies and materials, subrecipient expenditures, and other direct costs, we identified two direct costs (\$16,221 and \$10,795), which were allowable costs; however, the costs should not have been subject to indirect cost recovery, resulting in over-recoveries of \$8,354 and \$5,559, respectively.

Cause and Effect

Controls in place for University program personnel to monitor allowable costs claimed on federal programs require manual effort and judgment. As a result, there is a risk that unallowable costs claimed on federal programs may not be identified.

Questioned Costs

Known questioned costs are \$13,913.

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Recommendation

We recommend that the University reinforce its policies and procedures over the review of program costs and charges to appropriate grant general ledger accounts.

Views of Responsible Officials/Corrective Action Plan

The costs described in this finding were not allocable to the grant expense category to which they were initially charged. Federal regulations require the University to properly identify and record costs on federal awards. The process of identifying and recording grant-related costs cannot be automated, and therefore must be performed as a manual process. After-the-fact review and verification of sponsored project ledgers is integral to the University's system of internal control to help ensure the integrity of costs identified and recorded in our general ledger, including grant-related accounts. The amounts identified by the auditors were subsequently corrected upon identification and are correct as of the date of issuance of this report. The affected institutions were notified of the error and corrective action was taken.

University management has reinforced existing policies and procedures related to this finding in writing with grant administrators. In fiscal year 2012, a letter to the research community was sent by the Provost; Senior Vice Chancellor for the Health Sciences and Dean of the School of Medicine; and the Chief Financial Officer emphasizing adherence to the timely review of transactions impacting the allocability of costs to research awards and the importance of executing required cost transfers in a timely manner. This notification was sent to all faculty and administrators involved in research. Moreover, the University has devoted additional resources to the research compliance function in recognition of the rapid growth in the University's research base and the complex nature of the regulatory environment surrounding sponsored research. These new resources are housed within the Controller's Office and will be involved with the compliance reviews, outreach, and training.

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Finding 2012-02 – Cost Transfers

Research and Development Cluster:

Department of Health and Human Services:

Child Health and Human Development/grant number and year: HHSN267200700029C;
year 5/grant expiration date: September 27, 2012/CFDA #93.000

Mental Health Research Grants/grant number and year: 5R01 MH082876 05; year 5/grant
expiration date: November 30, 2013/CFDA #93.242

National Center for Research Resources/grant number and year: 2UL1 RR024153 06; year 6/grant
expiration date: June 30, 2016/CFDA #93.389

Cancer Treatment Research/grant number and year: 5U10 CA069651 18; year 18/grant expiration date:
January 31, 2013/CFDA #93.395

ARRA – Trans-NIH Recovery Act Research Support/grant number and year: 5P30 HL1011322 02;
year 2/grant expiration date: August 31, 2011/CFDA #93.701

ARRA – Trans-NIH Recovery Act Research Support/grant number and year: 1DP2 OD006491 01;
year 1/grant expiration date: August 31, 2014/CFDA #93.701

Cardiovascular Diseases Research/grant number and year: 5R01 HL089850 04; year 4/grant
expiration date: February 29, 2012/CFDA #93.837

Diabetes, Digestive, and Kidney Diseases Extramural Research/grant number and year:
5U01 DK066585 08; year 8/ grant expiration date: June 30, 2014/CFDA #93.847

Medical Library Assistance/grant number and year: 5R01 LM010144 03; year 3/grant expiration date:
August 31, 2014/CFDA #93.879

Compliance Requirement: Allowable costs and cost principles

Criteria

OMB Circular A-21.C.4.d establishes allocation and documentation standards for determining costs applicable to grants, contracts, and other agreements with educational institutions. Federal requirements for documentation are also specified in OMB Circular A-110 and specified agency policies on cost transfers. In addition, the University's policy regarding cost transfers stipulates that transfers are to occur within 90 days after the end of the month in which the error or omission occurred.

Condition and Context

We noted 13 instances where transfers were executed in excess of 90 days after the end of the month in which the original expenditure transaction occurred and there was incomplete documentation maintained regarding the delay in processing. The cost transfers were allowable and allocable.

Cause and Effect

The controls over the timeliness of cost transfers were not operating effectively, on a consistent basis, during fiscal year 2012. The effect is that cost transfers to sponsored agreements were not completed and documented in accordance with the requirements of OMB Circular A-21 and related University policies.

**UNIVERSITY OF PITTSBURGH – OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION**

Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Questioned Costs

There were no questioned costs associated with this finding as the costs transferred were determined to be allowable and allocable under the awards.

Recommendation

We recommend the University reinforce its policies with respect to the documentation of cost transfers, specifically as it relates to the time lapse.

Views of Responsible Officials/Corrective Action Plan

The University recognizes the importance of timely recording of costs incurred on federal awards. The University has a policy in place that requires the timely identification, recording, and documentation of cost transfers. As stated in the finding, although the transfers were not made timely, all costs were found to be allowable and allocable under the terms of the grant and contract award and, accordingly, were posted correctly as of the date of the issuance of this report.

University management continues to reinforce existing policies and procedures on the timeliness of cost transfers in writing with grant administrators. In fiscal year 2012, a letter to the research community was sent by the Provost; Senior Vice Chancellor for the Health Sciences and Dean of the School of Medicine; and the Chief Financial Officer emphasizing adherence to the timely review of transaction impacting research awards and the importance of executing required cost transfers within 90 days after the end of the month in which the original transaction occurred. This notification was sent to all faculty and administrators involved in research. In addition, the University has implemented a new effort reporting and certification application which should largely eliminate late cost transfers related to salary costs. Also, as noted in Finding 2012-01, the University has devoted additional resources to the research compliance function in recognition of the rapid growth in the University's research base and the complex nature of the regulatory environment surrounding sponsored research. These new resources are housed within the Controller's Office and will be involved with compliance reviews, outreach, and training.

**UNIVERSITY OF PITTSBURGH – OF THE
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Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Finding 2012-03 – Procurement

Research and Development Cluster:

Department of Defense:

Military Medical Research and Development/grant number and year:

W81XWH-11-2-0097; year 2/grant expiration date: January 23, 2013/CFDA #12.420

Department of Energy:

Office of Science Financial Assistance Program/grant number and year:

DE FG02 91ER40646; year 21/grant expiration date: May 24, 2012/CFDA #81.049

Department of Health and Human Services:

Arthritis, Musculoskeletal and Skin Diseases Research/grant number and year:

5R01 AR049747 07; year 7/ grant expiration date: August 31, 2015/CFDA #93.846

Aging Research/grant number and year: 5R01 AG037451 02; year 2/grant expiration date:

April 30, 2016/CFDA #93.866

Compliance Requirement: Procurement and Suspension and Debarment

Criteria

In accordance with Section 44 of OMB Circular A-110, the University has established written procurement procedures. Under Section 46 of OMB Circular A-110, purchases of goods or services in excess of the small purchase threshold of \$25,000 are required to include documentation of the basis of contractor selection, justification for the lack of competition when competitive bids or offers are not obtained and the basis for the cost or price. In addition, under section 44(e) of OMB Circular A-110, approval of the awarding agency is required when procurement in excess of \$25,000 is awarded without competition.

Condition and Context

We identified four purchases from our sample of 40 procurement transactions, which were for allowable goods or services that were authorized and approved by the department, but for which sole source justification documentation was not maintained. The University's policy includes a provision that requires purchases greater than \$5,000 to be approved by the purchasing office and to either go through competitive bidding or a sole source justification is obtained.

Cause and Effect

The University's department did not maintain its sole source justification documentation for these procured goods or services.

Questioned Costs

There were no questioned costs associated with this finding as the costs related to the procurements were determined to be allowable under the awards.

**UNIVERSITY OF PITTSBURGH – OF THE
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Schedule of Findings and Questioned Costs

Year ended June 30, 2012

Recommendation

We recommend the University reinforce its policies and procedures related to procurement and maintaining documentation for sole source justification.

Views of Responsible Officials/Corrective Action Plan

Although three of the four items noted in the finding were less than the federal dollar threshold requiring justification on contractor selection (amounts ranged from \$6,000 to \$16,221), the University takes this issue very seriously. The University has established sound purchasing policies that include requirements for competitive bidding and justification for directed or sole-source purchases that limit competition. The University's purchasing policies also require that directed or sole-source justifications be submitted by department purchasers in writing to the central Purchasing Services Department when the purchase amount exceeds \$5,000 and the purchase is not made from a University-wide contracted supplier.

When purchasers fail to follow University purchasing policy, and after the Payment Processing Department has confirmed that the goods or services have been delivered in good condition, the related invoice is paid since the supplier has fulfilled its contractual obligation in good faith. Payment Processing then records the policy violation in a special policy violations database. Patterns of violations are reviewed as necessary with decentralized departments at the University by Purchasing Services in order to help these departments understand and follow University policies. Purchasing Services also offers an on-line "Purchasing Fundamentals" seminar to educate employees on the purchasing process and policies at the University.

If policy violations persist after training and coaching, the issue is escalated to the purchaser's supervisor or appropriate administrator for possible disciplinary action. The University has held discussions with the departments involved in this finding and have emphasized the importance of following established University policies and procedures.

UNIVERSITY OF PITTSBURGH OF THE
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2011-01 – Allowability of Costs

Condition: In a sample of 145 direct cost expenditures aggregating \$14,304,504, which included payroll, fringe benefits, supplies and materials, subrecipient expenditures, and other direct costs, we identified two direct costs (\$23,443 and \$77,250), which were allowable costs; however, the costs should not have been subject to indirect cost recovery, resulting in over-recoveries of \$12,073 and \$26,909. In addition, one of the two direct costs was charged to an incorrect award.

Finding Status: The specific issue identified in Finding 2011-01 was corrected in Fiscal Year 2012. However, correction of the general issue of allowabilty and allocability of costs is in process as noted in the management response to Finding 2012-01.

UNIVERSITY OF PITTSBURGH OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2011-02 – Cost Transfers

Condition: We noted 17 instances where transfers were executed in excess of 90 days after the end of the month in which the original expenditure transaction occurred and there was incomplete documentation maintained regarding the delay in processing. The cost transfers were considered allowable and allocable.

Finding Status: The correction of this finding is still in process. See management response to Finding 2012-02.

UNIVERSITY OF PITTSBURGH OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2011-03 – Procurement

Condition: We identified two purchases from our sample of 40 procurement transactions, which were for allowable goods or services that were authorized and approved by the department; however, the purchases were for expanded services which did not have sole source justification. The original purchases included appropriate sole source justification documentation. The University's policy includes a provision that requires purchases greater than \$5,000 to be approved by the purchasing office and to either go through competitive bidding or a sole source justification is obtained.

Finding Status: The correction of this finding is in process. See management response to Finding 2012-03.

UNIVERSITY OF PITTSBURGH OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2011-04 – Reporting of Student Status Changes

Condition: For 11 students in a sample of 40, we noted their change in status was not submitted to the National Student Loan Data System (NSLDS) and/or the lender within the required time frame, which was either 30 or 60 days, from the date the University became aware of the change, depending on the date of the University's next roster submission. The submissions for the change in status occurred between 25 and 155 days past the required time frame. In addition, for 9 of the 11 students noted above, the effective date of the change in status submitted to NSLDS and/or the lender did not agree with the University's records. For the remaining 29 students sampled, we noted one student had withdrawn and the change in status was not submitted as the student returned in the following semester and 3 other students that the effective date of the change in status submitted to NSLDS and/or the lender did not agree with the University's records.

Finding Status: Corrective action was taken by management in FY 2012.

UNIVERSITY OF PITTSBURGH OF THE
COMMONWEALTH SYSTEM OF HIGHER EDUCATION

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Finding 2011-05 – Verification

Condition: For two students in a sample of 40, the University did not maintain the supporting documentation needed in order to verify selected information provided in relation to the students' Expected Family Contribution (EFC).

Finding Status: Corrective action was taken by management in FY 2012.