



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

Consolidated Financial Statements
and Information on Federal Awards

June 30, 2014

(With Independent Auditors' Reports Thereon)

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

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UNIVERSITY OF PITTSBURGH



FINANCIAL REPORT

FISCAL YEAR 2014



KPMG LLP
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Pittsburgh, PA 15219-2598

Independent Auditors' Report

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

Report on Financial Statements

We have audited the accompanying consolidated financial statements of the University of Pittsburgh – Of the Commonwealth System of Higher Education (the University), which comprise the consolidated balance sheets as of June 30, 2014 and 2013, and the related consolidated statements of activities and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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 consolidated financial statements are free from material misstatement.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly in all material respects, the financial position of the University of Pittsburgh – Of the Commonwealth System of Higher Education as of June 30, 2014 and 2013, and the changes in their net assets and their cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.



Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated, September 29, 2014 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 in internal control over financial reporting and compliance and the results of testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Pittsburgh, Pennsylvania
September 29, 2014

CONSOLIDATED FINANCIAL STATEMENTS

UNIVERSITY OF PITTSBURGH
CONSOLIDATED BALANCE SHEETS
JUNE 30, 2014 AND 2013
(in thousands of dollars)

	2014	2013
ASSETS:		
Cash and cash equivalents (Notes 1 and 5)	\$ 60,831	\$ 196,807
Operating investments (Notes 4 and 5)	539,378	407,586
Inventories and deferred charges	23,745	22,700
Accounts and notes receivable, net (Note 2)	160,875	160,053
Contributions receivable, net (Note 3)	34,336	32,857
Student loans receivable, net	47,485	48,569
Deposits of bond and note proceeds (Notes 1 and 5)	-	90,403
Foundation assets (Note 1)	26,006	22,726
Endowment investments (Notes 4 and 5)	3,514,183	2,994,207
Endowed funds held by third parties (Note 5)	22,714	19,954
Property, plant, and equipment, net (Note 6)	1,795,335	1,788,475
TOTAL ASSETS	\$ 6,224,888	\$ 5,784,337
LIABILITIES:		
Accounts payable and accrued expenses	\$ 100,952	\$ 103,358
Accrued payroll and related liabilities	70,344	75,008
Deferred student and other revenue	42,638	43,775
Advanced receipt of grant funds	63,768	71,582
Refundable U.S. government student loans	33,280	32,928
Other liabilities (Notes 5 and 9)	107,982	103,685
Pension and postretirement obligations (Note 10)	444,025	406,825
Conditional asset remediation obligation (Note 7)	40,929	40,571
Bonds and notes payable (Note 8)	947,631	1,103,491
TOTAL LIABILITIES	1,851,549	1,981,223
NET ASSETS:		
Unrestricted (Notes 1 and 11)	2,876,556	2,506,552
Temporarily restricted (Notes 1 and 11)	848,626	674,134
Permanently restricted (Notes 1 and 11)	648,157	622,428
TOTAL NET ASSETS	4,373,339	3,803,114
TOTAL LIABILITIES AND NET ASSETS	\$ 6,224,888	\$ 5,784,337

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, 2014
COMPARED TO SUMMARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2013
(in thousands of dollars)

	2014			Total	2013
	Unrestricted	Temporarily Restricted	Permanently Restricted		
OPERATING REVENUES:					
Tuition and fees	\$ 724,080	\$ -	\$ -	\$ 724,080	\$ 703,914
Tuition discounts	(162,642)	-	-	(162,642)	(158,216)
Net tuition and fees	561,438	-	-	561,438	545,698
Commonwealth appropriation	147,797	-	-	147,797	144,308
Commonwealth construction grants	40,392	-	-	40,392	43,996
Grants and contracts	693,526	-	-	693,526	738,502
Grants and contracts – ARRA	4,051	-	-	4,051	20,890
Contributions for operations	35,923	11,124	-	47,047	37,359
Investment income – operating investments	5,618	-	-	5,618	8,532
Endowment distributions for operations	96,629	-	-	96,629	87,513
Sales and services, educational and other	161,785	-	-	161,785	143,042
Sales and services, auxiliary	140,189	-	-	140,189	132,565
Rental revenue	17,780	-	-	17,780	18,353
Other	89,601	-	-	89,601	65,073
Net assets released from restrictions	12,633	(12,633)	-	-	-
Total operating revenues	2,007,362	(1,509)	-	2,005,853	1,985,831
OPERATING EXPENSES:					
Salaries and wages	866,178	-	-	866,178	867,745
Fringe benefits	255,279	-	-	255,279	264,221
Total compensation	1,121,457	-	-	1,121,457	1,131,966
Supplies	101,930	-	-	101,930	107,384
Business and professional	298,161	-	-	298,161	297,487
Utilities	48,719	-	-	48,719	47,093
Maintenance and facilities	44,046	-	-	44,046	43,248
Depreciation	159,266	-	-	159,266	151,542
Interest	42,559	-	-	42,559	44,784
Other	64,954	-	-	64,954	57,216
Total operating expenses (Note 12)	1,881,092	-	-	1,881,092	1,880,720
Change in net assets from operating activities	126,270	(1,509)	-	124,761	105,111
OTHER ACTIVITIES:					
Investment gains, net of endowment distributions for operations	268,595	176,001	1,974	446,570	187,018
Contributions for endowment	-	-	23,755	23,755	26,015
Change in fair value of interest rate swaps	(1,343)	-	-	(1,343)	41,166
Nonperiodic changes in benefit plans (Note 10)	(23,518)	-	-	(23,518)	43,398
Total other activities	243,734	176,001	25,729	445,464	297,597
CHANGE IN NET ASSETS	370,004	174,492	25,729	570,225	402,708
NET ASSETS, BEGINNING OF YEAR	2,506,552	674,134	622,428	3,803,114	3,400,406
NET ASSETS, END OF YEAR	\$ 2,876,556	\$ 848,626	\$ 648,157	\$ 4,373,339	\$ 3,803,114

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, 2013
(in thousands of dollars)

	2013			
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
OPERATING REVENUES:				
Tuition and fees	\$ 703,914	\$ -	\$ -	\$ 703,914
Tuition discounts	(158,216)	-	-	(158,216)
Net tuition and fees	545,698	-	-	545,698
Commonwealth appropriation	144,308	-	-	144,308
Commonwealth construction grants	43,996	-	-	43,996
Grants and contracts	738,502	-	-	738,502
Grants and contracts – ARRA	20,890	-	-	20,890
Contributions for operations	31,967	5,392	-	37,359
Investment income – operating investments	8,532	-	-	8,532
Endowment distributions for operations	87,513	-	-	87,513
Sales and services, educational and other	143,042	-	-	143,042
Sales and services, auxiliary	132,565	-	-	132,565
Rental revenue	18,353	-	-	18,353
Other	65,073	-	-	65,073
Net assets released from restrictions	19,687	(19,687)	-	-
Total operating revenues	2,000,126	(14,295)	-	1,985,831
OPERATING EXPENSES:				
Salaries and wages	867,745	-	-	867,745
Fringe benefits	264,221	-	-	264,221
Total compensation	1,131,966	-	-	1,131,966
Supplies	107,384	-	-	107,384
Business and professional	297,487	-	-	297,487
Utilities	47,093	-	-	47,093
Maintenance and facilities	43,248	-	-	43,248
Depreciation	151,542	-	-	151,542
Interest	44,784	-	-	44,784
Other	57,216	-	-	57,216
Total operating expenses (Note 12)	1,880,720	-	-	1,880,720
Change in net assets from operating activities	119,406	(14,295)	-	105,111
OTHER ACTIVITIES:				
Investment gains, net of endowment distributions for operations	118,481	65,800	2,737	187,018
Contributions for endowment	-	-	26,015	26,015
Change in fair value of interest rate swaps	41,166	-	-	41,166
Nonperiodic changes in benefit plans (Note 10)	43,398	-	-	43,398
Total other activities	203,045	65,800	28,752	297,597
CHANGE IN NET ASSETS	322,451	51,505	28,752	402,708
NET ASSETS, BEGINNING OF YEAR	2,184,101	622,629	593,676	3,400,406
NET ASSETS, END OF YEAR	\$ 2,506,552	\$ 674,134	\$ 622,428	\$ 3,803,114

CONSOLIDATED FINANCIAL STATEMENTS

UNIVERSITY OF PITTSBURGH
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2014 AND 2013
(in thousands of dollars)

	2014	2013
CASH AND EQUIVALENTS:		
End of year	\$ 60,831	\$ 196,807
Beginning of year	196,807	47,751
CHANGE IN CASH AND CASH EQUIVALENTS	\$ (135,976)	\$ 149,056
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in net assets	\$ 570,225	\$ 402,708
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	159,266	151,542
Net bond premium amortization	(5,460)	(5,961)
Loss on disposal of plant assets	2,316	3,814
Investment gains	(506,852)	(245,311)
Change in fair value of interest rate swaps	1,343	(41,166)
Contributions restricted for long-term investment	(69,647)	(87,130)
Changes in operating assets and liabilities:		
Accounts, notes, contributions, and loans receivable, net	(1,217)	24,006
Other assets	(1,045)	(714)
Accounts payable and accrued expenses	(1,421)	442
Pension and postretirement obligations	37,200	(25,132)
Conditional asset remediation obligation	358	(375)
Other liabilities	(1,710)	2,191
Government student loans and deferred revenue	(8,599)	(4,942)
Net cash provided by operating activities	174,757	173,972
CASH FLOWS FROM INVESTING ACTIVITIES:		
Expended for property, plant, and equipment - University	(128,050)	(184,104)
Expended for property, plant, and equipment - commonwealth	(40,392)	(43,996)
Change in accounts payable for property, plant, and equipment	(985)	2,606
Purchases/sales of operating investments, net	(131,355)	218,145
Purchases of endowment investments	(1,061,112)	(1,352,853)
Proceeds from sales/maturities of endowment investments	1,045,331	1,239,205
Change in endowed funds held by third parties, excluding gains	(540)	14
Change in foundation assets	(3,280)	(1,492)
Net cash used for investing activities	(320,383)	(122,475)
CASH FLOW FROM FINANCING ACTIVITIES:		
Principal repayment of debt	(150,400)	(30,000)
Proceeds from issuance of debt	-	122,318
Change in deposits of bond and note proceeds	90,403	(81,889)
Contributions restricted for long-term investment	69,647	87,130
Net cash provided by financing activities	9,650	97,559
CHANGE IN CASH AND CASH EQUIVALENTS	\$ (135,976)	\$ 149,056
Supplemental disclosure of cash flow information:		
Cash paid for interest (excluding fees)	\$ 50,279	\$ 51,117
Noncash investing activity for property, plant, and equipment-accounts payable	\$ 33,801	\$ 34,786

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 227 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 doctorate-professional programs. Four regional campuses with a total enrollment approximating 6,400 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 \$147.8 million in 2014 and \$144.3 million in 2013. In addition to the annual appropriation, the commonwealth also funds certain capital projects in support of the University's mission. Amounts funded by the commonwealth for capital projects were \$40.4 million in 2014 and \$44.0 million in 2013.

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.

The other activities section of the Consolidated Statements of Activities includes investment gains, net of endowment distributions for operations; contributions for endowment; changes in fair value of interest rate swaps; and nonperiodic changes in pension and postretirement benefit plans. Endowment distributions for operations represent endowment income distributions not reinvested in the endowment (see Note 11).

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 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 contributions 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. Amounts released from restrictions in 2014 and 2013 relate primarily to cash collections on pledges where purpose restrictions had already been met. Temporarily restricted net assets at June 30, 2014 and 2013 consist of endowment balances (\$824.7 million and \$648.9 million, respectively); the net present value of temporarily restricted contributions and unconditional pledges (\$19.0 million and \$20.6 million, respectively); and split-interest agreements (\$4.9 million and \$4.6 million, respectively). Permanently restricted net assets are those subject to permanent donor-imposed restrictions and at June 30, 2014 and 2013 consist of endowment balances (\$620.5 million and \$597.5 million, respectively); the net present value of permanently restricted contributions and unconditional pledges (\$15.3 million and \$12.8 million, respectively); and private student loan funds (\$12.4 million and \$12.1 million, respectively).

Donor-restricted endowed contributions require that the original corpus of the contributions be maintained in perpetuity. The distributions from earnings generated by these contributions may be either expended or reinvested in the endowment, in accordance with donor restrictions and contribution and spending policies (see Note 11).

Estimates

The preparation of the consolidated financial statements 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.

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 grants and contracts are also classified as deferred revenue, with revenue being recognized as funds are expended and sponsored programs are executed.

Tuition discounts are recorded to the extent that either institutional financial aid or aid funded by contributions, endowment distributions, and grant activities are awarded. Tuition discounts attributable to institutional funds in 2014 and 2013 were \$138.8 million and \$136.9 million, respectively. Tuition discounts attributable to

contributions, endowment distributions, and grant activities in 2014 and 2013 were \$23.8 million and \$21.3 million, respectively.

Cash and Cash Equivalents and Operating Investments

Cash equivalents consist of operating investments with original maturities of 90 days or less. Operating investments include Treasury instruments and other high quality, liquid securities that at the time of purchase are rated A3/P-1 or better by Moody's Investors Service or A-/A-1 or better by Standard & Poor's Ratings Services. Operating investments, together with cash, are utilized to fund the University's short-term operating needs and are invested with the expectation that such securities can be liquidated at their current value within a 7-day period. Cash and cash equivalents that are part of endowment investments are shown therewith, as such funds are utilized for endowment purposes rather than University operating needs.

Allowance 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.

Contributions

The University records at fair value unconditional pledges (which are agreements with donors involving non-reciprocal transfers of cash or other assets) as either temporarily restricted or permanently restricted contributions dependent upon the nature of the donor-imposed restrictions. Contributions whose restrictions are met in the same fiscal year as receipt are combined and reported with unrestricted contributions. Contributions receivable (classified as Level 3 in the fair value hierarchy) are discounted at a risk-adjusted rate commensurate with the donor's payment plan.

Conditional pledges of 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 pledge, and hence, are not recognized in the consolidated financial statements.

Deposits of Bond and Note Proceeds

Deposits of bond and note proceeds consist of unspent funds which will be used for certain capital projects and for repayment of certain debt obligations. These funds are invested in cash, cash equivalents, and U.S. Treasury securities and are reported on the Consolidated Balance Sheets at fair value.

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.

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 interests, 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 continuously monitoring economic and market conditions.

Fair Value Measurements

As of June 30, 2014 and 2013, the carrying values of the University's inventories and deferred charges, accounts and notes receivable, contributions receivable, accounts payable, accrued expenses, and deferred student and other revenue approximate their fair values because of the terms and relatively short maturity. An estimate of the fair value of student loan receivables administered by the University under federal government loan programs is not practical because the receivables can only be assigned to the United States government or its designees.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The three levels of the fair value hierarchy are as follows:

- Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities that are available at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs for the asset or liability that are used to measure fair value when observable inputs are not available. These inputs are developed based upon the best information available in such circumstances.

University 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 University's ability to redeem its interest in the fund. If 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, otherwise, the University's interest is classified as a Level 3 investment.

In the event that changes in the inputs used in the fair value measurement of an asset or liability result in a transfer of the fair value measurement into a different level, such transfers are recognized at the end of the reporting period.

Derivative Financial Instruments

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

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 \$9.5 million and \$9.0 million at June 30, 2014 and 2013, respectively, for split-interest agreements.

Property, Plant, and Equipment

Property, plant, and equipment is recorded at cost, or if acquired by contribution, at fair value as of the date of the contribution. 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 certain 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 publications 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 \$6.2 million and \$7.4 million has been recorded at June 30, 2014 and 2013, respectively, based upon management's analysis of claims history. This liability is reflected in accrued payroll and related liabilities on 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 \$9.3 million and \$9.5 million at June 30, 2014 and 2013, respectively, and are included in accrued payroll and related liabilities on the Consolidated Balance Sheets.

Grants and Contracts

The University conducts sponsored program activity with various sponsors, including agencies and departments of the federal government, the commonwealth, local government entities, companies, and foundations. Sponsored activity in 2014 and 2013 was \$697.6 million and \$759.4 million, respectively, with approximately 61% of the funding awarded through the National Institutes of Health. Grants and contracts – ARRA represents funding received through the American Recovery and Reinvestment Act of 2009. Most University sponsored activity is conducted on a cost reimbursable basis with the University receiving funding after the related expenses have been incurred. Certain sponsors, however, provide funding in advance of related expenses, and such funding is recorded as advanced receipt of grant funds on the Consolidated Balance Sheets. Revenue from sponsored awards is recognized as the related expenses are incurred. There is no assurance that sponsored awards will continue to be made at current levels.

The University incurs both direct and indirect costs in the conduct of its sponsored activity. 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.

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.

Tax-Exempt Status

The University is exempt from federal income tax under Section 501(c)(3) of the United States Internal Revenue Code. Accordingly, it is not subject to income taxes except to the extent it has taxable income from activities that are not related to its exempt purpose.

The University annually reviews its tax positions and has determined that there are no material uncertain tax positions that require recognition in the consolidated financial statements. No provision for income taxes was required for 2014 or 2013.

Footnote Disclosures

Certain 2013 footnote disclosures have been aligned to conform with the 2014 presentation.

NOTE 2: ACCOUNTS AND NOTES RECEIVABLE, NET

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

	2014	2013
	<i>(in thousands of dollars)</i>	
Sponsored grant receivables, net	\$ 86,106	\$ 91,491
Plant construction receivables due from commonwealth	25,012	22,615
Hospitals and affiliated organizations receivables, net	21,296	19,834
Student receivables, net	10,302	9,837
Interest income receivables	1,447	1,809
Other receivables, net	16,712	14,467
Total accounts and notes receivable, net	\$ 160,875	\$ 160,053

NOTE 3: CONTRIBUTIONS RECEIVABLE, NET

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

	2014	2013
	<i>(in thousands of dollars)</i>	
Amounts due in:		
Less than one year	\$ 15,700	\$ 14,350
One to five years	19,130	19,602
Greater than five years	1,871	841
Gross contributions receivable	36,701	34,793
Less:		
Allowance for uncollectible pledges	(1,378)	(1,299)
Unamortized discounts	(987)	(637)
Total contributions receivable, net	\$ 34,336	\$ 32,857

The five largest outstanding pledge balances represented 37% of the University's net contributions receivable at both June 30, 2014 and 2013.

The University has been named a beneficiary in the wills of numerous donors or has received conditional pledges totaling \$185.2 million and \$147.4 million at June 30, 2014 and 2013, respectively. These bequests and conditional pledges are not included in the consolidated financial statements.

The University is one of the beneficiaries 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, 2011 (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. The Foundation expects to continue making annual distributions to its named charitable beneficiaries, pursuant to which the University would receive 25% of the total income distributed.

The market value of the Foundation's net assets at June 30, 2014 was reported to be approximately \$653.2 million, of which approximately \$163.3 million is attributable to the University based upon current beneficiary allocations. The University has not recognized an interest in the Foundation because the Foundation's trustees, by a super-majority vote, have the authority to adjust the allocation of annual distributions among the educational institution beneficiaries. Distributions from the Foundation are recorded as contributions for endowment in the Consolidated Statements of Activities and are held by the University in separate, permanently restricted funds within the University's endowment; each is designated appropriately as a Dietrich Foundation endowment fund. Distributions received from the Foundation totaled \$4.8 million and \$3.6 million in 2014 and 2013, respectively.

NOTE 4: ENDOWMENT AND OPERATING INVESTMENTS

Investments at June 30 consist of the following:

	2014	2013
	<i>(in thousands of dollars)</i>	
Endowment investments:		
Pooled	\$ 3,481,731	\$ 2,965,077
Nonpooled	32,452	29,130
Subtotal endowment investments	3,514,183	2,994,207
Operating investments (<i>Note 1</i>)	539,378	407,586
Total endowment and operating investments	\$ 4,053,561	\$ 3,401,793
Composition of endowment investments:		
Cash and cash equivalents	\$ 89,687	\$ 58,095
Domestic equities	509,214	417,065
International equities	704,212	567,732
U.S. government and government agencies' securities, bank acceptances and certificates, and commercial paper	173,910	162,552
Corporate bonds and other obligations	172,138	150,745
Alternative investment funds and partnerships:		
Marketable alternatives	679,077	598,232
Nonmarketable alternatives	644,737	561,120
Real assets	541,208	478,666
Total endowment investments	\$ 3,514,183	\$ 2,994,207
Composition of operating investments:		
U.S. government and government agencies' securities, repurchase agreements, and commercial paper	\$ 337,224	\$ 230,993
Corporate bonds and other obligations	183,600	159,072
Other	18,554	17,521
Total operating investments	\$ 539,378	\$ 407,586

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 endowment will continue to provide financial support to

the University 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, 2014 and 2013 for which net asset value (NAV) was used as a practical expedient to estimate fair value:

Asset Class	Fair Value		Unfunded	Redemption	Redemption
	Determined Using NAV		Commitments		Notice
	2014	2013	at June 30, 2014	Frequency	Period
(in thousands of dollars)					
International equities	\$ 138,623	\$ 118,428	\$ -	Quarterly	60-120 days
Marketable alternatives:					
Redeemable within one year	531,269	484,178	-	90-365 days	30-180 days
Redeemable beyond one year	83,662	44,673	-	1-3 years	30-60 days
Nonredeemable	64,146	69,381	2,087	NA	NA
Total marketable alternatives	679,077	598,232	2,087		
Nonmarketable alternatives	644,737	561,120	313,799	NA	NA
Real assets:					
Redeemable	92,559	58,428	-	Monthly	10 days
Nonredeemable	448,649	420,238	208,141	NA	NA
Total real assets	541,208	478,666	208,141		
Total	\$ 2,003,645	\$ 1,756,446	\$ 524,027		

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

International Equities

A portion of the University's investments in emerging markets equities are interests in one or more commingled funds that hold publicly traded emerging market equities.

Marketable Alternatives

The University's investments in marketable alternatives are interests in commingled funds that hold various combinations of long and short positions predominantly in publicly traded equities, fixed income, and financial derivatives. Funds that are nonredeemable typically have investment periods of three or more years during which committed capital may be called and invested. The University's interests in the nonredeemable 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 distribute proceeds realized from the underlying fund assets.

Nonmarketable Alternatives

The University's investments in nonmarketable alternatives are interests in commingled, private equity funds, including venture capital. These funds are invested

in equity and equity-like securities of mostly non-publicly traded companies over investment periods of typically three to five years during which committed capital may be called and invested. 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 distribute proceeds realized from underlying fund assets.

Real Assets

The University's investments in real assets are interests in commingled funds that hold various combinations of publicly and non-publicly traded physical assets (such as real estate, natural resources, commodities, and utilities), the financial assets and derivatives associated with such physical assets, and the equity and equity-like securities of companies engaged in physical asset ownership, operations and/or services. Funds that are nonredeemable typically have investment periods of three or more years during which committed capital may be called and invested. The University's interests in the nonredeemable 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 distribute proceeds realized from the underlying fund assets.

NOTE 5: FAIR VALUE MEASUREMENTS

The following tables summarize the inputs used in valuing the University's assets and liabilities carried at fair value at June 30, 2014 and 2013:

		2014			
		Level 1	Level 2	Level 3	Total
		(in thousands of dollars)			
Assets					
Cash and cash equivalents	\$	51,594	\$ 9,237	\$ -	\$ 60,831
Endowment investments:					
Cash and cash equivalents		51,778	37,909	-	89,687
Domestic equities		496,835	12,379	-	509,214
International equities		546,940	145,010	12,262	704,212
U.S. government, corporate bonds, and other obligations		269,045	73,076	3,927	346,048
Marketable alternatives		-	270,036	409,041	679,077
Nonmarketable alternatives		-	-	644,737	644,737
Real assets		-	92,408	448,800	541,208
Operating investments:					
U.S. government, corporate bonds, and other obligations		412,022	108,802	-	520,824
Other		982	-	17,572	18,554
Endowed funds held by third parties		-	-	22,714	22,714
Total assets		\$ 1,829,196	\$ 748,857	\$ 1,559,053	\$ 4,137,106
Liabilities					
Interest rate swaps	\$	-	\$ 69,304	\$ -	\$ 69,304

		2013			
		Level 1	Level 2	Level 3	Total
		(in thousands of dollars)			
Assets					
Cash and cash equivalents	\$	91,964	\$ 104,843	\$ -	\$ 196,807
Endowment investments:					
Cash and cash equivalents		56,607	1,488	-	58,095
Domestic equities		416,635	430	-	417,065
International equities		441,914	118,428	7,390	567,732
U.S. government, corporate bonds, and other obligations		219,414	89,661	4,222	313,297
Marketable alternatives		-	251,831	346,401	598,232
Nonmarketable alternatives		-	-	561,120	561,120
Real assets		-	58,003	420,663	478,666
Operating investments:					
U.S. government, corporate bonds, and other obligations		320,355	69,710	-	390,065
Other		737	-	16,784	17,521
Deposits of bond and note proceeds		42,399	48,004	-	90,403
Endowed funds held by third parties		-	-	19,954	19,954
Total assets		\$ 1,590,025	\$ 742,398	\$ 1,376,534	\$ 3,708,957
Liabilities					
Interest rate swaps	\$	-	\$ 67,961	\$ -	\$ 67,961

The following table summarizes the change in the Level 3 activity for the years ended June 30, 2014 and 2013:

	U.S. Government						
	International Equities	Corporate and Other	Marketable Alternatives	Nonmarketable Alternatives	Real Assets	Other	Total
	<i>(in thousands of dollars)</i>						
Balance - June 30, 2012	\$ 7,364	\$ 2,803	\$ 273,995	\$ 574,187	\$ 402,090	\$ 30,074	\$ 1,290,513
Capital calls/purchases	4,650	-	111,625	74,782	48,665	560	240,282
Distributions/sales	(5,225)	(296)	(43,388)	(139,483)	(60,583)	(784)	(249,759)
Transfers out	-	-	(24,352)	-	-	-	(24,352)
Realized losses	(22)	-	-	-	-	-	(22)
Unrealized gains	623	1,715	28,521	51,634	30,491	6,888	119,872
Balance - June 30, 2013	7,390	4,222	346,401	561,120	420,663	36,738	1,376,534
Capital calls/purchases	7,049	-	75,904	74,008	69,508	1,171	227,640
Distributions/sales	(3,710)	(295)	(32,040)	(139,800)	(90,303)	(1,196)	(267,344)
Transfers out	-	-	(28,612)	-	-	-	(28,612)
Realized gains	239	-	-	-	-	-	239
Unrealized gains	1,294	-	47,388	149,409	48,932	3,573	250,596
Balance - June 30, 2014	\$ 12,262	\$ 3,927	\$ 409,041	\$ 644,737	\$ 448,800	\$ 40,286	\$ 1,559,053

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, 2014 and 2013 were \$248.0 million and \$118.3 million, respectively.

For the year ended June 30, 2014, \$28.6 million of Level 3 assets were transferred to Level 2 as a result of the expiration of lock-up periods for four marketable

alternatives funds; now these investments may be redeemed within 90 days of June 30. There were \$24.4 million of Level 3 assets transferred to Level 2 in 2013 as a result of the expiration of lock-up periods for three marketable alternatives funds.

There were no transfers of investments between Level 1 and Level 2 in 2014 or 2013.

NOTE 6: PROPERTY, PLANT, AND EQUIPMENT, NET

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

	2014	2013
	<i>(in thousands of dollars)</i>	
Land	\$ 51,321	\$ 51,352
Buildings and improvements	2,807,784	2,586,824
Equipment	691,532	663,045
Library books	256,908	246,905
Works of art, historical treasures, and similar assets	17,448	17,174
Construction in progress	147,518	260,070
Subtotal	3,972,511	3,825,370
Less: Accumulated depreciation	(2,177,176)	(2,036,895)
Total property, plant, and equipment, net	\$ 1,795,335	\$ 1,788,475

The amount capitalized in property, plant, and equipment related to expenditures funded by the commonwealth on behalf of the University totaled \$603.1 million and \$530.5

million at June 30, 2014 and 2013, respectively. The net book value of these items was \$279.3 million and \$226.3 million at June 30, 2014 and 2013, 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:

	2014	2013
	<i>(in thousands of dollars)</i>	
Balance - beginning of year	\$ 40,571	\$ 40,946
Accretion and other adjustments	1,122	107
Liabilities settled	(764)	(482)
Balance - end of year	\$ 40,929	\$ 40,571

NOTE 8: BONDS AND NOTES PAYABLE

Bonds and notes payable at June 30 are reported based upon outstanding principal and consist of the following:

	Range of Years		Outstanding Principal	
	Remaining	2014 Effective	<i>(in thousands of dollars)</i>	
	to Maturity	Interest Rates	2014	2013
Variable-rate bonds:				
Series 2007-B Bonds	26-27	0.07%-0.16%	\$ 44,621	\$ 44,621
Series 2005-A Bonds	23-25	0.08%-0.12%	40,000	-
Series 2005-B Bonds	17-24	0.08%-0.15%	45,000	45,000
Series 2005-C Bonds	18-21	0.08%-0.16%	30,000	30,000
Series 2002-B Bonds	17-22	0.08%-0.10%	15,000	-
Total variable-rate bonds			174,621	119,621
Term-rate bonds:				
Series 2005-A Bonds		5.00%	-	40,000
Series 2002-B Bonds		5.00%	-	15,000
Total term-rate bonds			-	55,000
Fixed-rate bonds and notes:				
Series 2009-A/B Bonds	3 mos.-17	3.18%-5.10%	373,140	373,140
Series 2007-B Bonds	9-14	4.28%-4.69%	60,000	60,000
Series 2005-A Bonds	14-16	4.69%-4.83%	35,000	35,000
Series 2002-A Bonds	1-9	2.68%-4.31%	30,000	30,000
Series 2002-B Bonds	12-13	4.53%-4.74%	14,500	14,500
Series 2000-A/B/C Bonds	10-21	4.37%-5.07%	124,400	154,800
Series 2012 PANTHER Notes, due July 2, 2013		0.21%	-	120,000
Series 2013 PANTHER Notes, due July 11, 2014		0.18%	120,000	120,000
Noninterest-bearing promissory note			171	171
Total fixed-rate bonds and notes			757,211	907,611
Unamortized net premium			15,799	21,259
Total bonds and notes payable			\$ 947,631	\$ 1,103,491

Fair value estimates of the bonds and notes payable are based upon observable interest rates and maturity schedules, signifying Level 2 liabilities in the fair value hierarchy (\$1,044.4 million in 2014 and \$1,181.0 million in 2013).

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

2015	\$ 155.0
2016	\$ 30.5
2017	\$ 27.4
2018	\$ 26.4
2019	\$ 35.0

The foregoing principal payments do not include \$174.6 million of variable-rate demand bonds (VRDBs) in commercial paper (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.

On the mandatory tender date of September 16, 2013, the University converted its \$55.0 million of term-rate mode bonds to CP mode.

Liquidity support for the \$174.6 million of outstanding VRDBs in 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 June 2016. Since the October 2009 effective date of the liquidity agreement, no draws have occurred.

The PANTHERS of 2013 were issued in June 2013 in the amount of \$120.0 million and were repaid on July 11, 2014.

In July 2014, the University issued its Pitt Asset Notes - Tax Exempt Higher Education Series 2014 (PANTHERS of 2014) in the amount of \$100.0 million. Of this amount, \$90.0 million was used to partially refund the \$120.0 million of PANTHERS of 2013 that matured on July 11, 2014, and \$10.0 million was used for equipment expenditures. The PANTHERS of 2014 mature on July 22, 2015.

The University had three general unsecured credit facilities, aggregating \$75.0 million, at June 30, 2014. No draws were made under the facilities during 2014 or 2013. Although each of the three credit facilities carry an expiry date of October 28, 2014, it is management's intention to extend each facility for another 364-day term.

Interest costs incurred in 2014 and 2013 were \$42.6 million and \$44.8 million, respectively. Included in these amounts is capitalized interest associated with various construction projects. Capitalized interest for both 2014 and 2013 was \$2.6 million.

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.

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, based upon Level 1 of the fair value hierarchy, of \$45.2 million and \$24.4 million at June 30, 2014 and 2013, 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 \$69.3 million and \$68.0 million at June 30, 2014 and 2013, respectively, and are included in other liabilities on the Consolidated Balance Sheets (see Note 5). 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 \$1.3 million in 2014 and an unrealized gain of \$41.2 million in 2013 due to changes in fair value of the swaps.

The aggregate notional amount of the swap agreements associated with University debt was \$395.3 million and \$425.7 million at June 30, 2014 and 2013, respectively. These swaps were entered into for the sole purpose of hedging interest payable on certain University VRDBs. 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 2014 or 2013 with respect to these swap agreements. Furthermore, the University does not anticipate posting collateral pursuant to these swap agreements since there are no collateral thresholds applicable to the University given 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 2014 and 2013 were \$73.1 million and \$71.9 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 2014 and 2013 were \$4.4 million and \$7.2 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 its postretirement liability via a quasi-endowment fund, which is managed together with the University's pooled endowment investments (see Notes 4 and 11). The fair value of these investments at June 30, 2014 and 2013 was \$341.3 million and \$279.4 million, respectively, and is included in endowment investments on the Consolidated Balance Sheets. Although the University has established this quasi-endowment for the postretirement plan, payments to beneficiaries of this plan are currently made through nonendowed operating funds.

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 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, 2014 and 2013 is summarized in the table below:

	Defined Benefit Plan		Postretirement Plan	
	2014	2013	2014	2013
	<i>(in thousands of dollars)</i>			
Net periodic benefit cost:				
Service cost	\$ 4,775	\$ 5,856	\$ 13,871	\$ 14,687
Interest cost	4,289	3,908	18,969	17,559
Expected return on plan assets	(5,058)	(4,303)	-	-
Actuarial loss	477	1,809	1,594	3,025
Amortization of transition obligation	-	-	-	3,031
Amortization of prior service credit	(52)	(53)	(3,964)	(3,965)
Net periodic benefit cost	\$ 4,431	\$ 7,217	\$ 30,470	\$ 34,337
Funded status:				
Benefit obligation at beginning of year	\$ 86,569	\$ 87,482	\$ 388,476	\$ 398,916
Service cost	4,775	5,856	13,871	14,687
Interest cost	4,289	3,908	18,969	17,559
Actuarial loss (gain)	11,347	(9,959)	17,314	(26,615)
Benefits paid	(776)	(718)	(16,788)	(16,071)
Benefit obligation at end of year	\$ 106,204	\$ 86,569	\$ 421,842	\$ 388,476
Fair value of plan assets at beginning of year	\$ 68,220	\$ 54,441		
Actual return on plan assets	12,146	7,280		
Actual plan contributions	4,431	7,217		
Benefits paid	(776)	(718)		
Fair value of plan assets at end of year	\$ 84,021	\$ 68,220		
Funded status – liability recognized on Consolidated Balance Sheets:				
Pension and postretirement obligations	\$ (22,183)	\$ (18,349)	\$ (421,842)	\$ (388,476)
Accumulated benefit obligation	\$ 101,661	\$ 82,977		

Estimated 2015 employer contribution to the defined benefit plan:

(in thousands of dollars)

\$ 4,756

	Defined Benefit Plan		Postretirement Plan	
	2014	2013	2014	2013
Weighted-average assumptions used to determine the benefit obligation (liability) at June 30:				
Discount rate	4.5%	5.0%	4.5%	5.0%
Rate of compensation increase	3.0%	3.0%	-	-
Assumed health care trend cost:				
Initial trend – pre-age 65 retirees	-	-	7.0%	8.0%
Initial trend – post-age 65 retirees	-	-	5.0%	6.0%
Ultimate trend	-	-	4.5%	4.5%
Year to reach ultimate	-	-	2020	2021

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

Discount rate	5.0%	4.5%	5.0%	4.5%
Rate of compensation increase	3.0%	3.0%	-	-
Expected long-term return on plan assets	7.5%	8.0%	-	-
Assumed health care trend cost:				
Initial trend – pre-age 65 retirees	-	-	8.0%	8.0%
Initial trend – post-age 65 retirees	-	-	6.0%	7.0%
Ultimate trend	-	-	4.5%	4.5%
Year to reach ultimate	-	-	2021	2020

	Defined Benefit Plan	Postretirement Plan
Estimated future benefit payments:		
<i>(in thousands of dollars)</i>		
2015	\$ 1,853	\$ 16,855
2016	\$ 2,060	\$ 19,741
2017	\$ 2,323	\$ 21,001
2018	\$ 2,624	\$ 22,421
2019	\$ 2,893	\$ 23,955
2020 - 2024	\$ 20,085	\$ 168,127

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

	Increase		Decrease	
	(in millions of dollars)			
	Revised Amount	Percent Change	Revised Amount	Percent Change
Service and interest cost (medical component only)	\$ 32.5	8.4%	\$ 25.7	14.4%
Total periodic benefit cost	\$ 34.6	13.6%	\$ 23.7	22.3%
Benefit obligation for health care benefits	\$ 411.1	7.8%	\$ 336.7	11.7%
Total benefit obligation	\$ 451.4	7.0%	\$ 377.1	10.6%

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, 2014 and 2013 was \$84.0 million and \$68.2 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.

The target allocation for both fiscal years and the fair value of the University's pension plan assets at June 30, by asset category, were as follows:

Asset class	Target Allocation	2014	2013
		<i>(in thousands of dollars)</i>	
		<u>Level 2</u>	<u>Level 2</u>
Equity securities:			
Stock index and small cap	35%	\$ 29,307	\$ 22,237
International	35%	28,234	21,065
Debt securities	30%	25,242	17,591
Cash and cash equivalents	-	1,238	7,327
Total pension plan assets		\$ 84,021	\$ 68,220

NOTE 11: ENDOWMENT NET ASSETS

The commonwealth has not adopted The Uniform Prudent Management of Institutional Funds Act of 2006 (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 percentage 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. The endowment income distribution amounts for 2014 and 2013 were approximately 4.25% and 4.45%, respectively, of the endowment's three-year average fair value.

Employing the total return approach, the University records the original value of an endowed contribution as a permanently restricted asset, along with any endowment income distributions that are reinvested in the endowment. 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.

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

2014				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(in thousands of dollars)</i>			
Donor-restricted endowment funds	\$ -	\$ 824,655	\$ 620,510	\$ 1,445,165
Quasi-endowment funds	2,056,794	-	-	2,056,794
Total endowment net assets	\$ 2,056,794	\$ 824,655	\$ 620,510	\$ 3,501,959
2013				
	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(in thousands of dollars)</i>			
Donor-restricted endowment funds	\$ -	\$ 648,930	\$ 597,494	\$ 1,246,424
Quasi-endowment funds	1,735,312	-	-	1,735,312
Total endowment net assets	\$ 1,735,312	\$ 648,930	\$ 597,494	\$ 2,981,736

The change in endowment net assets for the years ended June 30, 2014 and 2013 was as follows:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
	<i>(in thousands of dollars)</i>			
Endowment net assets – June 30, 2012	\$ 1,480,978	\$ 583,459	\$ 556,271	\$ 2,620,708
Endowment return:				
Endowment earnings	25,756	-	2,441	28,197
Gains	178,998	65,471	76	244,545
Total endowment return	204,754	65,471	2,517	272,742
Contributions	103	-	38,706	38,809
Distributions for operations	(87,513)	-	-	(87,513)
Net transfers	136,990	-	-	136,990
Endowment net assets – June 30, 2013	1,735,312	648,930	597,494	2,981,736
Endowment return:				
Endowment earnings	32,937	-	1,748	34,685
Gains	334,259	175,725	29	510,013
Total endowment return	367,196	175,725	1,777	544,698
Contributions	1,027	-	21,239	22,266
Distributions for operations	(96,629)	-	-	(96,629)
Net transfers	49,888	-	-	49,888
Endowment net assets – June 30, 2014	\$ 2,056,794	\$ 824,655	\$ 620,510	\$ 3,501,959

Approximately 99% 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 general oversight, policy guidance and performance review of the consolidated investment pool and approves asset allocation and spending policies.

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:

	2014	2013
	<i>(in thousands of dollars)</i>	
Instruction	\$ 524,781	\$ 526,347
Research	638,949	671,241
Public service	81,674	86,827
Academic support	183,817	174,345
Libraries	48,582	48,537
Student services	133,426	124,437
Institutional support	137,341	125,691
Auxiliary enterprises	132,522	123,295
Total functional expenses	\$ 1,881,092	\$ 1,880,720

Costs related to the operation and maintenance of property, including depreciation of property and equipment and interest on related debt, are primarily 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 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

transactions 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 \$141.0 million and \$137.2 million in 2014 and 2013, 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 \$28.5 million and \$28.0 million (including the annual match) in 2014 and 2013, respectively. Effective July 1, 2014, the term of the agreement was extended through June 30, 2018. These amounts are reported as other revenue in the Consolidated Statements of Activities.

The UPMC agreement was further amended in 2009 to include additional financial support through the Children's Hospital of Pittsburgh of UPMC (CHP) to the University of at least \$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 \$10.0 million and \$9.6 million in 2014 and 2013, respectively, related to this additional support. These amounts are reported as sales and services, educational and other in the Consolidated Statements of Activities.

UPMC also provided \$13.8 million and \$13.4 million in 2014 and 2013, respectively, of contractual dean's tax, which represents 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.

UPMC also provides additional academic support to the School of Medicine. These funds are used to support new programs, recruit faculty, and for general support of the School's academic mission. The University recorded \$43.7 million and \$37.7 million in 2014 and 2013, respectively. 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 \$9.0 million and \$8.6 million in 2014 and 2013, respectively, and are 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 \$9.6 million and \$10.2 million in 2014 and 2013, respectively. Rent expense paid to UPMC and affiliates totaled \$23.2 million and \$24.7 million in 2014 and 2013, respectively.

In July 2013, UPMC provided support of \$2.6 million for building renovations in the Department of Neurosurgery at the SOM. This amount is reported as unrestricted contributions for operations in the Consolidated Statement of Activities.

In April 2013, the University entered into a five-year agreement with UPMC to provide full-time, armed police aid, support, and assistance for six UPMC facilities. Payments made by UPMC for these services totaled \$2.0 million in 2014, and are reported as other revenue in the Consolidated Statement of Activities.

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 \$103.9 million and \$105.7 million in 2014 and 2013, respectively, and is reported as fringe benefits in 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 \$11.5 million and \$8.2 million in 2014 and 2013, 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 2014 and 2013, UPMC's share of total operating costs for MHSF totaled \$4.4 million and \$4.2 million, respectively, and is reported as other revenue in the Consolidated Statements of Activities. All contributions 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 Carrillo Street steam plant, a gas-fired steam-generating facility. The University funded 78.1% of construction costs with UPMC funding the remaining 21.9%. The plant provides steam to each entity's respective buildings and is managed by the University.

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 2014 and 2013. Included in property, plant,

and equipment is \$196.4 million and \$194.9 million at June 30, 2014 and 2013, respectively, related to the land, buildings, and equipment used by WPIC. Accumulated depreciation related to these assets totaled \$160.8 million and \$156.7 million at June 30, 2014 and 2013, 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 \$27.3 million in 2014 and \$30.4 million in 2013 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 \$11.9 million and \$10.6 million in 2014 and 2013, respectively, and are primarily reported in other revenue in the Consolidated Statements of Activities.

NOTE 14: COMMITMENTS AND CONTINGENCIES

At June 30, 2014 and 2013, the University had outstanding contractual commitments of \$82.1 million and \$57.0 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 \$17.8 million and \$18.4 million in 2014 and 2013, respectively. Rental expense for operating leases was \$45.4 million in 2014 and \$47.5 million in 2013. 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>	
2015	\$ 16,651	\$ 42,401
2016	\$ 15,729	\$ 29,205
2017	\$ 6,648	\$ 23,012
2018	\$ 5,357	\$ 21,392
2019	\$ 3,023	\$ 20,995
Thereafter	\$ 12,518	\$ 111,128

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. 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.

In 2014, the University received \$35.6 million in a legal settlement regarding a patent infringement case. This amount is reported, net of \$17.0 million in legal and other expenses, as other revenue in the Consolidated Statement of Activities.

As part of ongoing operations, the University enters into utility contracts to secure electric and natural gas rates. These contracts are with various utility suppliers and some of the contracts cover multiple years. The University monitors the energy markets on an ongoing basis, and will make commitments on new rates if deemed in the best interest of the University.

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

On September 18, 2014, the University issued \$95.0 million of Series 2014 Capital Project Bonds (the Bonds), \$49.0 million of which are fixed-rate Series A Bonds and \$46.0 million of which are variable-rate Series B Bonds that were issued in commercial paper mode. The Bonds have a final maturity date of 2044 with a weighted average life of 21.3 years.

The University has evaluated subsequent events through September 29, 2014, the date on which the consolidated financial statements were issued, and determined that there were no other subsequent events requiring disclosure or adjustment to the consolidated financial statements.

MEMBERSHIP OF THE BOARD OF TRUSTEES FISCAL YEAR 2014

<p>MEMBERS EX-OFFICIO (NONVOTING)</p> <p>Tom Corbett, Governor of the Commonwealth of Pennsylvania</p> <p>Carolyn Dumaresq, Acting Secretary of Education of the Commonwealth of Pennsylvania</p> <p>Rich Fitzgerald, Chief Executive of Allegheny County</p> <p>William Peduto, Mayor of the City of Pittsburgh</p>	<p><i>2012 – 16</i></p> <p>Eva Tansky Blum Catherine D. DeAngelis Brian Generalovich Marlee S. Myers Robert P. Randall</p> <p><i>2013 – 17</i></p> <p>Suzanne W. Broadhurst Dawne S. Hickton Ira J. Gumberg Thomas E. Richards</p>	<p>ALUMNI TRUSTEES</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><i>2012 – 16</i></p> <p>Jack D. Smith</p> <p><i>2013 – 17</i></p> <p>Douglas M. Browning Bryant J Salter</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 George L. Miles Jr. Frank E. Mosier Alfred L. Moyé Thomas H. O'Brien Anthony J.F. O'Reilly Robert A. Paul James C. Roddey 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>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. Craig A. Hartburg Thomas M. Kurtz</p> <p><i>2012 – 16</i></p> <p>David C. Chavern Brenton L. Saunders Tracey T. Travis Charles M. Steiner</p> <p><i>2013 – 17</i></p> <p>Roberta A. Luxbacher Larry J. Merlo Deborah J. Gillotti</p>	<p>COMMONWEALTH TRUSTEES</p> <p><i>G: Governor appointment</i> <i>H: House appointment</i> <i>S: Senate appointment</i></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>John A. Barbour (G) Herbert S. Shear (H) Peter C. Varischetti (S)</p> <p><i>2012 – 16</i></p> <p>Jay Costa, Jr. (S) Thomas O. Johnson III (H)</p> <p><i>2013 – 17</i></p> <p>Sy Holzer (G) William K. Lieberman (S) Thomas L. VanKirk (H 2009-2013)</p>	
<p>TERM TRUSTEES</p> <p><i>2010 – 14</i></p> <p>Robert M. Hernandez John A. Swanson Sam S. Zacharias</p> <p><i>2011 – 15</i></p> <p>Charles E. Bunch Robert G. Lovett Martha Hartle Munsch Stephen R. Tritch</p>			

The consolidated 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.

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND OMB CIRCULAR A-133 REPORTS**

UNIVERSITY OF PITTSBURGH – OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2014

<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>			
Family Smoking Prevention and Tobacco Control Act			
Regulatory Research	93.077	\$	6,732,366
Environmental Health	93.113		4,066,649
Oral Diseases and Disorders Research	93.121		7,504,158
Human Genome Research	93.172		16,540
Research Related to Deafness and Communication Disorders	93.173		4,558,108
Research and Training in Complementary and Alternative Medicine	93.213		1,337,016
National Center on Sleep Disorders Research	93.233		747,781
Mental Health Research Grants	93.242		38,655,354
Alcohol Research Programs	93.273		7,006,963
Drug Abuse Scientist Development Award and Research Scientist Awards	93.277		274,304
Drug Abuse and Addiction Research Programs	93.279		12,992,952
Mental Health Research Career/Scientist Development Awards	93.281		1,009,335
Mental Health National Research Service Awards for Research Training	93.282		193,347
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		4,606,709
Minority Health and Health Disparities Research	93.307		391,673
Trans-NIH Research Support	93.310		41,465
National Center for Advancing Translational Sciences	93.350		14,064,350
Research Infrastructure Programs	93.351		2,846,383
Nursing Research	93.361		6,110,937
National Center for Research Resources	93.389		440,653
Cancer Cause and Prevention Research	93.393		10,306,652
Cancer Detection and Diagnosis Research	93.394		3,628,191
Cancer Treatment Research	93.395		10,491,043
Cancer Biology Research	93.396		5,695,697
Cancer Centers Support Grants	93.397		12,015,896
Cancer Research Manpower	93.398		1,652,990
Cancer Control	93.399		6,530,744
Cardiovascular Diseases Research	93.837		27,336,057
Lung Diseases Research	93.838		21,328,434
Blood Diseases and Resources Research	93.839		1,825,540
Arthritis, Musculoskeletal & Skin Diseases Research	93.846		5,479,951
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		45,714,158
Digestive Diseases and Nutrition Research	93.848		83,433
Kidney Diseases, Urology & Hematology Research	93.849		42,288
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		21,088,146
Allergy, Immunology & Transplantation Research	93.855		35,053,451
Microbiology & Infectious Diseases Research	93.856		1,427,640
Biomedical Research and Research Training	93.859		28,759,569
Child Health and Human Development Extramural Research	93.865		14,790,776
Aging Research	93.866		23,931,278
Vision Research	93.867		5,293,740
Medical Library Assistance	93.879		2,999,013
International Research and Research Training	93.989		1,336,253

UNIVERSITY OF PITTSBURGH – OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2014

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through #</u>	<u>Federal Expenditures</u>
Other National Institutes of Health:			
Aging	93.000		11,634
Allergy and Infectious Diseases	93.000		2,509,577
Cancer	93.000		255,143
Child Health and Human Development	93.000		2,244
Drug Abuse	93.000		331,275
Environmental Health Sciences	93.000		21,004
Heart, Lung & Blood	93.800		2,822,365
Mental Health	93.000		829,736
			<u>407,190,961</u>
<i>Pass through:</i>			
Altarum Institute	93.000	HHSN271201100111U	45,058
American College of Radiology	93.000	5U10 CA080098-15	9,871
Blood Systems, Inc.	93.000	HHSN268201100001I	331,099
Children's Hospital Medical Center	93.000	HHSN275200900018C	30,178
Children's Hospital of Philadelphia	93.000	HHSN261200800001E	75,928
Children's Hospital of Philadelphia	93.000	HHSN272200900002C	898,106
Coalition of Cancer	93.000	HHSN261200622012C	330,191
Colby Pharmaceutical Company	93.000	HHSN261201300014C	72,157
Duke University	93.000	HHSN272201100025C	3,239
Emmes Corporation	93.000	HHSN260200500007C	767
Institute for Transfusion Medicine	93.000	HHSN268201100004I	505,323
J. Craig Venter Institute	93.000	HHSN272200900007C	59,095
Leidos Biomedical Research, Inc.	93.000	HHSN261200800001E	2,175,754
Leidos Biomedical Research, Inc.	93.000	NCI-S05-047	10,820
Magee-Womens Research Institute & Foundation	93.000	HHSN275201100043U	38,123
Magee-Womens Research Institute & Foundation	93.000	HHSN275201200007I	12,754
Mayo Clinic Rochester	93.000	N01CN35000	39,671
Ohio State University	93.000	HHSN268201100002C	217,177
Systems Research and Applications Corporation	93.000	N01ES55553	23,904
University of Alabama	93.000	HHSN263201200010C	38,132
University of Alabama	93.000	HHSN268201100025C	61,631
University of Alabama	93.000	HHSN272201100037C	2,744
University of Alabama	93.000	N01AI30025	16,454
University of California at San Francisco	93.000	HHSN271201200008C	232,000
University of California at San Francisco	93.000	N01AI15416	172,407
University of Florida	93.000	HHSN266200700023C	37,281
University of Michigan	93.000	HHSN268201100026C	77,740
University of Minnesota	93.000	HHSN276201200017C	345,184
University of South Florida	93.000	HHSN267200700014C	4,654
University of South Florida	93.000	HHSN267200800019C	14,164
University of Texas MD Anderson Cancer Center	93.000	HHSN268200900039C	17,202
University of Utah	93.000	HHSN275201000018C	131,495
University of Washington	93.000	HHSN268200800007C	(10,033)
University of Washington	93.000	HHSN268201300005C	16,763
Westat, Inc.	93.000	HHSN261201100008C	10,882
Brown University	93.113	5R01 ES019955-03	26,706
Massachusetts Institute of Technology	93.113	5R21 ES019498-02	(524)
Mount Sinai School of Medicine	93.113	5R21 ES021429-02	128,089
Trevigen, Inc.	93.113	2R44 ES021116-02A1	173,250
Wayne State University	93.113	1R01 ES022606-01A1	4,452
Boston University	93.121	5R01 DE011939-15	4,510
Forsyth Institute	93.121	1R01 DE023091-01	63,531
Forsyth Institute	93.121	5R01 DE023091-02	45,031
Georgia State University	93.121	1R03 DE023350-01A1	4,894
Johns Hopkins University	93.121	5R01 DE021395-03	18,043
Massachusetts Institute of Technology	93.121	5R01 DE019523-13	61,667

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Seattle Children's Hospital	93.121	3R01 DE022438-02S1	47,590
Temple University	93.121	5R21 DE022427-02	49,116
University at Buffalo	93.121	5R01 DE019424-05	780
University of Iowa	93.121	5R37 DE008559-22	13,894
University of Iowa	93.121	5R37 DE008559-24	59,906
University of Iowa	93.121	5U01 DE020057-04	(45,965)
University of Iowa	93.121	5U01 DE020057-05	1,054,218
University of Washington	93.121	5U01 DE020050-04	(10,259)
University of Washington	93.121	5U01 DE020050-05	57,540
Vanderbilt University	93.121	5R03 DE022093-02	19,787
University of North Carolina	93.172	1U01 HG007416-01	18,295
University of North Carolina	93.172	3U01 HG004803-04S1	20,366
Vanderbilt University Medical Center	93.172	1R01 HG006857-01A1	19,835
Arizona State University	93.173	5R01 DC008329-06	202,494
Carnegie Mellon University	93.173	5R01 DC011184-06	106,036
Cornell University	93.173	1R03 DC013376-01	7,817
Neuro Kinetics, Inc.	93.173	1R43 DC011984-01A1	7,860
University of Michigan	93.173	5R21 DC012410-02	48,599
Carnegie Mellon University	93.213	5R01 AT006694-03	54,431
Group Health Cooperative	93.213	1UH2 AT007755-01	6,782
Massachusetts General Hospital	93.213	5U01 AT000613-11	19,763
California Pacific Med Center Research Institute	93.233	5R01 HL071194-11	101,237
Cleveland Clinic Lerner College of Medicine	93.233	HHSN268200700036C	13,542
Duke University	93.233	5R01 HL096492-03	78,591
Magee-Womens Research Institute & Foundation	93.233	5R01 HL105549-03	7,054
Autism Speaks	93.242	3R01 MH081754-05S1	(4,259)
Autism Speaks	93.242	5R01 MH081754-06	49,282
Beth Israel Deaconess Medical Center	93.242	1R01 MH092440-01A1	(41,520)
Beth Israel Deaconess Medical Center	93.242	5R01 MH092440-02	334,596
Beth Israel Deaconess Medical Center	93.242	5R01 MH092440-03	58,548
Brigham & Women's Hospital	93.242	5R01 MH091448-04	16,959
Carnegie Mellon University	93.242	1R21 MH100612-01	48,736
Centre for Addiction and Mental Health	93.242	1R01 MH099167-01	43,753
Duke University	93.242	1R34 MH091314-01A1	3,034
Electrical Geodesics, Inc.	93.242	9R44 MH100707-02	55,541
Harvard Medical School	93.242	5R01 MH093359-03	175,393
Johns Hopkins University	93.242	5R01 MH065539-08	43,141
Johns Hopkins University	93.242	5R01 MH087233-02	15,135
Miriam Hospital	93.242	5R01 MH092450-02	14,020
Rand Corporation	93.242	5R01 MH087488-03	62,508
Rand Corporation	93.242	5R34 MH091319-03	10,131
Rand Corporation	93.242	7R34 MH091319-02	23,600
Research Foundation for Mental Hygiene, Inc.	93.242	5R01 MH085921-03	(5,046)
Research Foundation for Mental Hygiene, Inc.	93.242	5R01 MH085921-04	147,768
Research Foundation for Mental Hygiene, Inc.	93.242	5R01 MH085921-05	9,917
Stanford University	93.242	5R01 MH078924-05	73,061
University of California at San Francisco	93.242	1R01 MH098062-01A1	17,158
University of California San Diego	93.242	5U01 MH087981-05	55,724
University of Chicago	93.242	1R01 MH100155-01	365,989
University of Chicago	93.242	5R01 MH093605-02	509,027
University of North Carolina	93.242	5R01 MH080065-04	49,556
University of Pennsylvania	93.242	5R01 MH082794-04	141,143
University of Rochester	93.242	5P50 MH086400-04	(35,147)
University of Rochester	93.242	5P50 MH086400-05	201,690
University of South Florida	93.242	7K23 MH090151-05	25,816
University of Texas at San Antonio	93.242	1R21 MH097092-01	1,050
University of Texas Southwestern Medical Center	93.242	5U01 MH092221-03	14,413

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University of Texas Southwestern Medical Center	93.242	5U01 MH092221-04	390,185
Boston Medical Center	93.273	1U01 AA021989-01	45,801
Boston Medical Center	93.273	5U01 AA020780-02	4,220
Boston Medical Center	93.273	5U01 AA020780-03	14,142
Boston Medical Center	93.273	5U01 AA021989-02	104,194
Cincinnati Children's Hospital Medical Center	93.273	7R21 AA020846-02	54,194
Louisiana State University	93.273	5P60 AA009803-20	39,181
Louisiana State University	93.273	5P60 AA009803-21	19,145
New York University School of Medicine	93.273	5U24 AA022007-02	27,881
New York University School of Medicine	93.273	1U24 AA022007-01	8,921
Rhode Island Hospital	93.273	5R01 AA021900-02	32,984
Yale University	93.273	1U01 AA020790-01	(157)
Yale University	93.273	1U24 AA022001-01	12,958
Yale University	93.273	5U01 AA020790-02	2,512
Yale University	93.273	5U01 AA020790-03	19,488
Yale University	93.273	5U24 AA020794-02	5,269
Yale University	93.273	5U24 AA020794-03	25,856
Yale University	93.273	5U24 AA022001-02	70,795
American Academy of Child & Adolescent Psychiatry	93.277	5K12 DA000357-14	(3,974)
American Academy of Child & Adolescent Psychiatry	93.277	5K12 DA000357-15	146,718
American Academy of Child & Adolescent Psychiatry	93.277	5K12 DA000357-16	9,949
Carnegie Mellon University	93.279	5R90 DA023426-07	50,783
Carnegie Mellon University	93.279	5R90 DA023426-08	38,460
Decision Science Research Institute, Inc.	93.279	1R01 DA033322-01	54,129
Diagnostic Biochips, Inc.	93.279	1R43 DA036264-01	10,886
Diagnostic Biochips, Inc.	93.279	7R43 DA035545-02	84,268
Duke University	93.279	5R01 DA033080-02	23,082
Duke University	93.279	5R21 DA033083-02	21,850
Harvard University	93.279	5R01 DA035214-02	39,996
Ionwerks Inc.	93.279	2R44 DA036263-02	69,371
Magee-Womens Research Institute & Foundation	93.279	5R01 DA026410-04	186,108
Rand Corporation	93.279	5R01 DA032881-02	26,767
Rutgers University	93.279	5R01 DA033303-02	3,570
Rutgers University	93.279	5R21 DA026511-02	3,952
University of California	93.279	5R01 CA140216-03	21,046
University of Michigan	93.279	5R01 DA001411-40	48,869
University of Texas at Austin	93.279	3R21 DA034316-01A1S1	24,109
Yale University	93.279	5R21 DA035924-02	11,198
Carnegie Mellon University	93.286	1R01 EB017268-01	217,777
Carnegie Mellon University	93.286	1R21 EB012209-01A1	60,703
Carnegie Mellon University	93.286	5R01 EB004343-06	97,214
Kitware, Inc	93.286	1R41 EB015775-01A1	21,108
University of California San Diego	93.286	1R01 EB017271-01	40,982
University of Cincinnati	93.286	5U54 EB007954-05	37,867
University of Michigan	93.286	2R01 EB012579-04	112,406
Yale University	93.286	1R01 EB016629-01A1	2,497
University of Maryland	93.307	7P60 MD000207-10	(2,165)
Carnegie Mellon University	93.310	5U54 GM103529-09	201,139
Carnegie Mellon University	93.310	8U54 GM103529-08	18,111
Henry M. Jackson Foundation	93.310	5R03 DA035194-02	4,897
Massachusetts Institute of Technology	93.310	5R01 EB010246-05	149,890
Virginia Commonwealth University	93.310	1UH2 TR000958-01	39,839
EXCMR, Ltd	93.350	9R42 TR000473-02	175
Massachusetts Institute of Technology	93.350	1UH2 TR000496-01	21,713
Massachusetts Institute of Technology	93.350	3UH2 TR000496-02S1	146,169
Massachusetts Institute of Technology	93.350	5UH2 TR000496-02	482,109
University of Utah	93.350	8KL2 TR000104-05	3,592

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Emory University	93.351	1R24 OD010445-01A1	82,136
Oregon Health & Science University	93.351	1R24 OD011883-01	16,179
Oregon Health & Science University	93.351	1R24 OD011883-02	108,143
Columbia University	93.361	5R01 NR013687-02	49,135
Magee-Womens Research Institute & Foundation	93.361	1F32 NR014622-01	32,720
New York University	93.361	5R21 NR012288-02	23,998
University of Miami	93.361	1R01 NR014434-01	63,124
Emory University	93.385	5R01 CA165306-03	38,362
Baylor College of Medicine	93.393	1R21 CA172864-01A1	44,583
Duke University	93.393	5R01 CA100387-07	62,480
Fred Hutchinson Cancer Research Center	93.393	1U01 CA164930-01A1	7,068
Fred Hutchinson Cancer Research Center	93.393	5U01 CA137088-04	3,672
Fred Hutchinson Cancer Research Center	93.393	5U01 CA164930-02	10,812
Harvard University	93.393	7R01 CA168959-02	94,902
Health Research, Incorporated	93.393	5R01 CA126841-05	107,394
Health Research, Incorporated	93.393	7R01 CA132844-04	16,665
Michigan State University	93.393	7R01 CA153073-05	20,777
Mount Sinai School of Medicine	93.393	1UH2 CA169111-01A1	18,643
Northeastern University	93.393	1R03 CA171809-01	5,853
Ohio State University	93.393	5P01 CA163205-02	473,296
Oregon Research Institute	93.393	5R01 CA140310-03	155,208
Rand Corporation	93.393	1R01 CA149105-01	2,234
Rand Corporation	93.393	5R01 CA164137-02	21,448
University of Hawaii	93.393	7U01 CA130784-05	6,519
University of Minnesota	93.393	1R01 CA172555-01A1	97,230
University of Minnesota	93.393	5R01 CA122244-05	29,941
University of Minnesota	93.393	5R01 CA127236-06	20,353
University of North Carolina	93.393	5R01 CA150980-02	143,856
University of Oklahoma	93.393	5R01 CA160205-04	80,563
University of Washington	93.393	1R01 CA173754-01	22,656
World Health Organization	93.393	1U01 CA155340-01A1	23,751
World Health Organization	93.393	4U01 CA155340-03	23,006
Boston University	93.394	7R01 CA130853-06	6,825
California Pacific Med Center Research Institute	93.394	5R01 CA114337-09	8,460
Carnegie Mellon University	93.394	5R01 CA134633-04	112,275
Cedars-Sinai Medical Center	93.394	5R01 HL090957-04	(33)
Johns Hopkins University	93.394	5U01 CA152753-03	19,352
Johns Hopkins University	93.394	5U01 CA152753-04	176,337
Lovelace Respiratory Research Institute	93.394	5R01 CA097356-09	4,102
NSABP Foundation, Inc.	93.394	3U24 CA114793-07S1	22,214
NSABP Foundation, Inc.	93.394	5U24 CA114732-07	(16,535)
NSABP Foundation, Inc.	93.394	5U24 CA114732-08	127,755
University of Nebraska Medical Center	93.394	5R01 CA131944-05	(1,071)
University of New Hampshire	93.394	5R01 CA093375-10	(2)
University of Texas Health Science Center	93.394	5U01 CA086402-14	163,992
University of Washington	93.394	5P01 CA042045-23	1,307
University of Washington	93.394	5P01 CA042045-24	5,850
University of Washington	93.394	5U01 CA148131-03	(22,727)
University of Washington	93.394	5U10 CA148131-04	70,818
University of Washington	93.394	5U10 CA148131-05	17,472
Van Andel Institute	93.394	5U01 CA152653-03	(2,328)
Van Andel Institute	93.394	5U01 CA152653-04	71,270
Van Andel Institute	93.394	5U01 CA168896-02	41,147
Brigham & Women's Hospital	93.395	5U10 CA031946-32	37,466
Brigham & Women's Hospital	93.395	7U10 CA031946-31	4,545
Cincinnati Children's Hospital Medical Center	93.395	5R01 CA119162-06	1,734
Duke University	93.395	5R01 CA131148-05	100,739

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Emmes Corporation	93.395	2U01 CA121947-04	18,851
Frontier Science & Technology Research Foundation	93.395	5U10 CA021115-39	6,501
Gynecologic Oncology Group	93.395	5U10 CA027469-32	5,303
Gynecologic Oncology Group	93.395	5U10 CA027469-33	22,105
Johns Hopkins University	93.395	1U01 CA137443-01	14,887
Johns Hopkins University	93.395	5U01 CA137443-05	14,284
Magee-Womens Research Institute & Foundation	93.395	5R01 CA163462-03	216,689
Mayo Clinic Rochester	93.395	5R01 CA163293-02	12,660
Michigan State University	93.395	5R01 CA162401-02	1,703
Northwestern University	93.395	5P50 CA090386-10	127,222
NSABP Foundation, Inc.	93.395	3U10 CA037377-28	62,971
NSABP Foundation, Inc.	93.395	5U10 CA012027-41	286,702
St. Jude Children's Research Hospital	93.395	5U24 CA055727-19	5,713
University of Michigan	93.395	5R01 CA148713-04	52,673
University of Rochester	93.395	5R01 CA159013-02	101,364
University of South Florida	93.395	1R21 CA167259-01A1	52,020
University of Texas Health Science Center	93.395	7R21 CA130241-03	16,022
Virginia Commonwealth University	93.395	5R01 CA149305-03	44,857
Yale University	93.395	1P01 CA154295-01A1	20,357
Yale University	93.395	5P01 CA154295-03	94,951
University of Nebraska Medical Center	93.396	5R01 CA140940-04	6,916
University of Nebraska Medical Center	93.396	5R01 CA140940-05	4,449
Wistar Institute	93.396	7R01 CA165065-02	96,210
Johns Hopkins University	93.397	5P50 CA088843-10	(292)
Roswell Park Cancer Institute	93.397	1P50 CA159981-01A1	350,931
Magee-Womens Research Institute & Foundation	93.398	5R25 CA163168-03	178,143
Rutgers University	93.398	5R01 CA156386-09	18,651
University of Pennsylvania	93.399	5P50 CA143187-04	4,146
University of Pennsylvania	93.399	5P50 CA143187-05	206,001
Beth Israel Deaconess Medical Center	93.837	5R01 HL091757-04	610
Brown University	93.837	5R01 HL093093-04	98,479
Brown University	93.837	5R01 HL093093-05	101,066
Carnegie Mellon University	93.837	5R01 HL078839-07	70,436
Case Western Reserve University	93.837	5U01 HL103622-04	10,335
Celsense, Inc.	93.837	1R41 HL116014-01	(811)
Cincinnati Children's Hospital Medical Center	93.837	5R24 HL105333-02	159
Claremont Graduate University	93.837	5U01 HL097839-04	8,223
Claremont Graduate University	93.837	5U01 HL097839-05	5,079
Emory University	93.837	1U01 HL117721-01	839,728
Johns Hopkins University	93.837	5R01 HL095129-05	91,610
LIG Sciences, Inc.	93.837	5R44 HL106929-03	59,247
Magee-Womens Research Institute & Foundation	93.837	1U10 HL120006-01	11,337
Magee-Womens Research Institute & Foundation	93.837	5R01 HL103825-04	223,849
Magee-Womens Research Institute & Foundation	93.837	5U10 HD063036-04	3,366
Magee-Womens Research Institute & Foundation	93.837	5U10 HL120006-02	2,858
Massachusetts General Hospital	93.837	3R01 HL111821-01S1	60,105
Massachusetts General Hospital	93.837	5R01 HL111821-03	118,148
Mayo Clinic Rochester	93.837	5R01 HL098077-03	19,119
Mayo Clinic Rochester	93.837	5R01 HL098077-04	13,228
New England Research Institute	93.837	5U01 HL098188-04	42,091
New England Research Institute	93.837	5U01 HL105463-02	2,500
Northwestern University	93.837	5U01 HL080416-04	1,097
Rand Corporation	93.837	5R01 HL112646-04	192,771
Transonic Systems, Inc.	93.837	5R43 HL111852-02	4,557
University of Iowa	93.837	5R01 HL091841-04	(3,476)
University of Iowa	93.837	5R01 HL091841-05	3,805
University of Iowa	93.837	8DP1 HL117648-05	3,549

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University of Maryland	93.837	5R01 HL088120-06	39,968
University of Michigan	93.837	5R01 HL105114-04	149,955
University of Michigan	93.837	5U01 HL094345-04	6,837
University of Minnesota	93.837	5R01 HL103827-03	17,440
University of Minnesota	93.837	5R21 HL104596-02	(1,382)
University of Pennsylvania	93.837	1R01 HL115041-01	(3,587)
University of Pennsylvania	93.837	5R01 HL103723-02	(376)
University of Pennsylvania	93.837	5R01 HL103723-03	42,012
University of Pennsylvania	93.837	5R01 HL103723-04	2,589
University of Pennsylvania	93.837	5R01 HL115041-02	17,071
University of Rochester	93.837	5U01 HL096607-03	8,736
University of Utah	93.837	1R01 HL118067-01A1	13,233
University of Utah	93.837	5R01 HL107241-02	(384)
University of Utah	93.837	5R01 HL107241-03	5,666
University of Vermont	93.837	1UM1 HL120877-01	291,039
University of Washington	93.837	5R01 HL080295-08	110,769
University of Washington	93.837	5R01 HL080295-09	77,796
University of Washington	93.837	5U01 HL077863-09	10,684
University of Washington	93.837	5U01 HL077863-10	105,218
Wake Forest University	93.837	5U01 HL101066-03	5,933
Wake Forest University	93.837	5U01 HL101066-05	43,156
Yale University	93.837	2R01 HL086418-06	19,553
Carnegie Mellon University	93.838	5R01 HL105470-02	20,681
Carnegie Mellon University	93.838	5R01 HL105470-03	30,780
Case Western Reserve University	93.838	5R01 HL106800-03	13,717
Duke University	93.838	5R01 HL109823-02	124,095
Fred Hutchinson Cancer Research Center	93.838	5U01 HL102547-03	144,045
Johns Hopkins University	93.838	1U01 HL121814-01	163,458
Johns Hopkins University	93.838	5R01 HL090483-05	2,954
Louisiana State University	93.838	2P01 HL076100-07A1	133,182
Louisiana State University	93.838	5P01 HL076100-09	970,473
Lovelace Respiratory Research Institute	93.838	5R01 CA164782-02	(682)
Lovelace Respiratory Research Institute	93.838	5R01 CA164782-03	66,691
Lovelace Respiratory Research Institute	93.838	5R01 CA164782-04	3,969
National Jewish Medical and Research Center	93.838	5R01 HL089897-07	41,421
National Jewish Medical and Research Center	93.838	5U01 HL089897-07	8,325
Parion Sciences, Inc.	93.838	2R44 HL110502-02	4,175
Pennsylvania State University	93.838	5U01 HL109086-02	(2,933)
Pennsylvania State University	93.838	5U01 HL109086-03	35,296
Temple University	93.838	5R01 HL070301-10	97,548
University of California at San Francisco	93.838	5U01 HL108713-02	52,373
University of Pennsylvania	93.838	5R01 HL081619-04	(120)
University of Pennsylvania	93.838	5R01 HL087115-05	3,123
University of Pennsylvania	93.838	5U01 HL086622-04	3
University of Pennsylvania	93.838	5U01 HL086622-05	38,622
University of Washington	93.838	5R01 HL106800-03	18,734
University of Washington	93.838	5R01 HL106800-04	8,897
Vanderbilt University	93.838	1R01 HL117074-01	38,347
Vanderbilt University	93.838	5R01 HL085317-07	4,826
Vanderbilt University	93.838	5R01 HL085317-08	2,413
Yale University	93.838	7U01 HL108642-03	57,389
Accel Diagnostics, LLC	93.839	1R43 HL110508-01A1	12,022
Accel Diagnostics, LLC	93.839	5R43 HL110508-02	14,500
Carnegie Mellon University	93.839	5R01 HL089456-05	131,051
Duke University	93.839	5R01 HL101382-04	7,931
Medical College of Wisconsin	93.839	5P01 HL081588-07	26,498
Medical College of Wisconsin	93.839	5R01 HL103427-03	6,607

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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>
New England Research Institute	93.839	5U01 HL072268-10	97,782
University of Utah	93.839	5R01 HL085707-04	(5,476)
University of Utah	93.839	5R01 HL085707-05	100,413
Virginia Commonwealth University	93.839	5P01 HL107152-02	(11,150)
Virginia Commonwealth University	93.839	5P01 HL107152-03	300,656
Wake Forest University	93.839	5R37 HL058091-17	35,195
Yale University	93.839	5R01 HL109599-03	20,510
Allegheny Singer Research Institute	93.846	7R01 AR046588-09	176,764
Boston University	93.846	5P30 AR061271-02	67,043
California Pacific Med Center Research Institute	93.846	1R01 AR065268-01A1	4,044
Children's Research Institute	93.846	1P50 AR060836-01	124
Children's Research Institute	93.846	5P50 AR060836-02	109,786
Children's Research Institute	93.846	5R01 AR061875-02	4,444
Children's Research Institute	93.846	5R01 AR062380-02	266
Cincinnati Children's Hospital Medical Center	93.846	5P60 AR047784-09	(89)
C-Motion, Inc.	93.846	1R43 AR064620-01A1	14,325
Duke University	93.846	3U01 AR052186-09S1	94,109
Duke University	93.846	5U01 AR052186-09	721
Harvard Medical School	93.846	5R01 AG041398-20	14,056
Swedish Health Services	93.846	5R01 AR060809-04	12,700
University of Alabama	93.846	5P60 AR048095-10	(10)
University of Iowa	93.846	5R01 AR056959-06	10,209
University of Massachusetts	93.846	5P01 AR050256-11	31,832
University of Minnesota	93.846	5R01 AR055267-04	2,968
University of Nottingham	93.846	5R01 AR054342-05	396
University of Pennsylvania	93.846	1R01 AR064153-01	973
University of Pennsylvania	93.846	5R01 AR064153-02	8,517
University of Pennsylvania	93.846	5U54 AR057319-10	4,191
University of Pennsylvania	93.846	5U54 AR057319-11	13,664
Washington University in St. Louis	93.846	5R01 AR062947-02	94,405
Baylor College of Medicine	93.847	1U24 DK097746-01	23,162
Baylor College of Medicine	93.847	5U24 DK097748-02	93,837
Carnegie Mellon University	93.847	1R01 DK095780-02	7,906
Carnegie Mellon University	93.847	5R01 DK060586-12	114,345
Carnegie Mellon University	93.847	5R01 DK095780-02	16,431
Case Western Reserve University	93.847	2U01 DK094157-02	1,713
Case Western Reserve University	93.847	5U01 DK094157-03	106,614
Children's Hospital of Boston	93.847	5R01 DK087794-04	59,975
Children's Hospital of Philadelphia	93.847	5R01 DK078045-06	23,936
Children's Hospital of Philadelphia	93.847	5U01 DK074064-08	551
Cincinnati Children's Hospital Medical Center	93.847	2UM1 DK072493-06	(8,620)
Cincinnati Children's Hospital Medical Center	93.847	5R01 DK080020-06	12,178
Cincinnati Children's Hospital Medical Center	93.847	5U01 DK072493-05	(4,242)
Cincinnati Children's Hospital Medical Center	93.847	5UM1 DK072493-07	33,378
Cincinnati Children's Hospital Medical Center	93.847	5UM1 DK072493-08	67,586
Connecticut Children's Medical Center	93.847	1U01 DK095745-01	943
Connecticut Children's Medical Center	93.847	5U01 DK095745-02	14,306
George Washington University	93.847	1U01 DK096037-01	(8,175)
George Washington University	93.847	5U01 DK061230-11	451,120
George Washington University	93.847	5U01 DK096037-02	136,472
Georgia Health Sciences University	93.847	5R18 DK082401-05	3,825
Johns Hopkins University	93.847	5U01 DK074082-08	426
Magee-Womens Research Institute & Foundation	93.847	5R01 DK078206-05	111,962
Massachusetts General Hospital	93.847	2P01 DK011794-46	18,540
Mayo Clinic Rochester	93.847	5R01 DK079856-03	125,951
Mayo Clinic Rochester	93.847	5R01 DK084960-02	3,128
Mayo Clinic Rochester	93.847	5R01 DK084960-04	2,839

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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>
Mount Sinai School of Medicine	93.847	5R01 DK038470-25	(3,559)
Mount Sinai School of Medicine	93.847	5R01 DK038470-26	95,914
Mount Sinai School of Medicine	93.847	5R01 DK065149-10	59,305
Mount Sinai School of Medicine	93.847	5R01 DK080740-04	26,431
Mount Sinai School of Medicine	93.847	5R01 DK080740-05	45,715
Mount Sinai School of Medicine	93.847	7U01 DK089538-04	81
Neuropsychiatric Research Institute	93.847	5R01 DK084979-04	77,996
Pennsylvania State University	93.847	5R01 DK094930-02	3,620
Research Foundation - State University of New York	93.847	5U01 DK074063-08	282
Research Institute at Nationwide Children's Hospital	93.847	5R01 DK085242-05	28,239
St. Luke's Roosevelt Institute for Health Sciences	93.847	5R01 DK072507-06	75,396
Stanford University	93.847	1R01 DK092241-01A1	6,571
University of Colorado	93.847	5U01 DK062453-12	2,288
University of Colorado	93.847	5U01 DK094467-02	55,460
University of Colorado	93.847	5U01 DK094467-03	282,709
University of Iowa	93.847	5R21 DK096327-02	264
University of Michigan	93.847	1U34 DK099845-01	7,090
University of Michigan	93.847	5R01 DK053456-12	24,675
University of Minnesota	93.847	5R01 DK080720-05	49,895
University of North Carolina	93.847	1UC4 DK101132-01	8,378
University of North Carolina	93.847	5U01 DK092239-03	658
University of Pennsylvania	93.847	5R01 DK080738-05	1,721
University of South Florida	93.847	1UC4 DK095300-01	1,643
University of Utah	93.847	5R01 DK091437-02	(7,292)
University of Utah	93.847	5R01 DK091437-03	4,786
Vanderbilt University	93.847	7K23 DK090304-03	402
Virginia Commonwealth University	93.847	1R01 DK094818-01A1	57,959
Wake Forest University	93.847	1R01 DK099164-01	11,366
Wake Forest University	93.847	3R01 DK092237-02S2	52,874
Wake Forest University	93.847	5R01 DK092237-03	96,781
Wayne State University	93.847	5U01 DK074062-08	1,034
St. Luke's Roosevelt Institute for Health Sciences	93.848	2R01 DK072507-05	2,278
University of Pennsylvania	93.848	5R01 DK072452-07	9,323
Cincinnati Children's Hospital Medical Center	93.853	5U01 NS045911-09	33,321
Emory University	93.853	2U01 NS038455-11A1	5,383
Emory University	93.853	5R01 NS071867-02	(1,155)
Emory University	93.853	5R01 NS071867-03	8,574
Emory University	93.853	5U01 NS038455-12	37,293
George Washington University	93.853	5U01 HD068541-03	46,615
Gladstone Institutes	93.853	3R01 NS057715-05S1	147,675
Johns Hopkins University	93.853	5U01 NS062851-04	10,874
Louisiana State University	93.853	1R01 NS081303-01A1	18,629
Louisiana State University	93.853	5R01 NS061097-05	39,404
Massachusetts General Hospital	93.853	1U01 NS082329-01A1	33,504
Massachusetts General Hospital	93.853	2U01 NS052592-06	5,693
Massachusetts General Hospital	93.853	5K12 NS080223-02	25,085
Massachusetts General Hospital	93.853	5U01 NS052592-07	5,172
Medical University of South Carolina	93.853	5U01 NS058728-04	741
Seattle Children's Hospital	93.853	5R01 NS065818-03	2,000
Stanford University	93.853	5R01 NS075209-03	102,461
Stanford University	93.853	5R01 NS075209-04	2,974
Synzyme Technologies	93.853	4U44 NS070324-03	90,629
Synzyme Technologies	93.853	5U44 NS070324-02	(45,863)
University of California at San Francisco	93.853	1U01 NS086090-01	10,295
University of California at San Francisco	93.853	5U01 NS058634-05	3,234
University of California at Santa Barbara	93.853	5P01 NS044393-09	108,966
University of California at Santa Barbara	93.853	5P01 NS044393-10	457,583

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University of Cincinnati	93.853	5P50 NS044283-10	564
University of Cincinnati	93.853	5U01 NS052220-06	6,842
University of Colorado	93.853	5R01 NS074343-02	31,993
University of Colorado	93.853	5R01 NS074343-03	126,571
University of Michigan	93.853	4U01 NS062835-03	8,217
University of Michigan	93.853	5U01 NS062091-04	290
University of Michigan	93.853	5U01 NS062778-04	2,422
University of Michigan	93.853	5U01 NS062778-05	6,082
University of Michigan	93.853	5U01 NS062835-04	6,155
University of Michigan	93.853	5U01 NS069498-02	34,600
University of Michigan	93.853	5U01 NS069498-03	36,526
University of Texas Southwestern Medical Center	93.853	5R01 NS061860-03	42,625
University of Utah	93.853	1R01 NS078331-01A1	29,564
University of Washington	93.853	5R01 NS072308-03	4,062
University of Washington	93.853	5R01 NS072308-04	22,714
Yale University	93.853	5U01 NS044876-09	6,273
Albany Medical College	93.855	1R01 AI100138-01A1	2,324
Albert Einstein College	93.855	1R01 AI094745-01A1	32,007
Albert Einstein College	93.855	1R01 AI097548-01A1	154,751
Albert Einstein College	93.855	5R01 AI094745-02	63,894
Albert Einstein College	93.855	5R01 AI094745-03	54,641
Brigham & Women's Hospital	93.855	1R56 AI101150-01A1	8,573
Brigham & Women's Hospital	93.855	1UM1 AI106701-01	381,699
Brigham & Women's Hospital	93.855	2UM1 AI068636-08	95,584
Brigham & Women's Hospital	93.855	5P01 AI073748-05	85,935
Brigham & Women's Hospital	93.855	7UM1 AI068636-07	818,239
Brigham & Women's Hospital	93.855	7UM1 AI068636-08	39,155
Brigham & Women's Hospital	93.855	EARLY AWARD	108,804
Columbia University	93.855	1P01 AI106697-01	118,119
Duke University	93.855	5U19 AI056363-09	(29,840)
Duke University	93.855	5U19 AI056363-10	89,297
Fred Hutchinson Cancer Research Center	93.855	5UM1 AI068618-07	3,449
Geneva Foundation	93.855	5U01 AI082051-05	94,028
Gladstone Institutes	93.855	5P01 AI083050-04	4,938
Harvard Medical School	93.855	7R21 AI097759-03	19,903
Harvard University	93.855	1R21 AI101291-01A1	51,506
Health Research, Incorporated	93.855	1R01 AI097191-01A1	187,795
Immunotope, Inc.	93.855	2R44 AI062177-03	32,778
ImQuest BioSciences, Inc.	93.855	4R33 AI088586-03	21,658
ImQuest BioSciences, Inc.	93.855	5U19 AI077289-04	4,686
ImQuest BioSciences, Inc.	93.855	5U19 AI101961-01	23,732
Institute for Clinical Research Inc.	93.855	1UM1 AI068641	4,921
Institute for Clinical Research Inc.	93.855	5UM1 AI068641-07	(279)
Johns Hopkins University	93.855	5R01 AI093520-03	104,325
Johns Hopkins University	93.855	5U01 AI090727-04	13,400
Loma Linda University	93.855	5R01 AI090659-04	19,376
Magee-Womens Research Institute & Foundation	93.855	1U01 AI068633-01	271,145
Magee-Womens Research Institute & Foundation	93.855	1UM1 AI106707-01	145,023
Magee-Womens Research Institute & Foundation	93.855	2UM1 AI068633-08	427,498
Magee-Womens Research Institute & Foundation	93.855	3U01 AI068633-07S1	306,696
Magee-Womens Research Institute & Foundation	93.855	3UM1 AI068633-07S1	688,168
Magee-Womens Research Institute & Foundation	93.855	5R01 AI102835-03	195,837
Magee-Womens Research Institute & Foundation	93.855	5U19 AI082637-04	48,609
Magee-Womens Research Institute & Foundation	93.855	5U19 AI082637-05	189,810
Magee-Womens Research Institute & Foundation	93.855	5U19 AI082639-03	(2,115)
Magee-Womens Research Institute & Foundation	93.855	5U19 AI082639-04	513,418
Magee-Womens Research Institute & Foundation	93.855	5U19 AI082639-05	26,712

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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>
Massachusetts General Hospital	93.855	5U01 AI087881-02	(304)
New York Blood Center, Inc.	93.855	1R56 AI101372-01A1	69,799
North Carolina State University	93.855	1R56 AI103557-01A1	94,150
Oregon Health & Science University	93.855	5U54 AI081680-04	(1,511)
Oregon Health & Science University	93.855	5U54 AI081680-05	276,505
Pennsylvania State University	93.855	5R01 AI093804-02	106,578
Research Foundation - State University of New York	93.855	1R56 AI095268-01	61,298
Scripps Research Institute	93.855	1P50 GM103368-01	69,363
Seattle Children's Hospital	93.855	5R21 AI099930-02	17,864
Social & Scientific Systems, Inc.	93.855	1U01 AI068636-06	(345)
State University of New York	93.855	5R01 AI085127-05	16,603
Universal Stabilization Technologies	93.855	4R33 AI094508-03	45,379
Universal Stabilization Technologies	93.855	5R21 AI094508-02	(378)
University of California	93.855	5R01 AI092531-02	(4,767)
University of California at Berkley	93.855	5R01 AI092531-03	125,412
University of California at San Francisco	93.855	1U01 AI100807-01	18,747
University of California at San Francisco	93.855	5U01 AI052748-08	28,343
University of California at San Francisco	93.855	5U01 AI100807-02	130,019
University of California Davis	93.855	5R01 AI080799-04	304,718
University of Central Florida	93.855	5R33 AI082693-05	87,403
University of Florida	93.855	5R01 AI058150-10	10,855
University of Maryland	93.855	5R01 AI102966-02	135,408
University of Maryland	93.855	5U54 AI057168-10	232,606
University of Missouri	93.855	1R01 AO76119-01A2	23,720
University of Missouri	93.855	5R01 AI100890-02	212,598
University of North Carolina	93.855	5U54 AI057157-11	29,012
University of North Carolina	93.855	7U19 AI084024-05	182,543
University of North Carolina	93.855	7U19 AI084024-06	128,496
University of Pennsylvania	93.855	5P01 AI088564-04	(15,797)
University of Pennsylvania	93.855	5P01 AI088564-05	1,344,180
University of Pennsylvania	93.855	5R01 AI094604-05	6,870
University of Texas Medical Branch at Galveston	93.855	5R01 AI021242-29	28,581
University of Wisconsin	93.855	5U01 AI102456-02	327,111
Vanderbilt University	93.855	1U01 AI104336-01	209,891
Vanderbilt University	93.855	5R01 AI089401-04	210,831
Vanderbilt University	93.855	5U01 AI104336-02	75,019
Vanderbilt University	93.855	7U01 AI077867-06	27,337
West Liberty University	93.855	1K22 AI087703-01A1	17,808
Yale University	93.855	1R01 AI104739-01A1	1,138
Carnegie Mellon University	93.859	5R01 GM087694-03	(3,698)
Kensey Nash Corp.	93.859	1R43 GM096527-01	50,438
Magee-Womens Research Institute & Foundation	93.859	5R01 GM104007-02	126,836
Platypus Technologies, LLC	93.859	5R44 GM090386-03	24,313
Qrono, Inc.	93.859	1R41 GM106342-01A1	483
Research Foundation - State University of New York	93.859	5R01 GM063265-12	15,440
Rutgers University	93.859	1R01 GM104037-01	19,113
Scripps Research Institute	93.859	5P50 GM103368-02	136,371
St. Jude Children's Research Hospital	93.859	1R01 GM086415-03	744
St. Jude Children's Research Hospital	93.859	5R01 GM086415-04	10,878
Trevigen, Inc.	93.859	1R43 GM099213-01	1,239
Trevigen, Inc.	93.859	5R44 GM087798-03	178,277
University of California	93.859	7R01 GM089740-04	49,598
University of Kansas	93.859	5U01 GM094627-04	143,754
University of Miami	93.859	1R01 GM105004-01	45,368
University of Michigan	93.859	5R01 GM099143-04	101,423
University of North Carolina	93.859	5R01 GM088199-05	18,114
University of Pennsylvania	93.859	2P01 GM055876-14A1	206,194

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University of Tennessee	93.859	5R25 GM086761-04	15,835
Magee-Womens Research Institute & Foundation	93.864	5K12 HD063087-04	34,375
Magee-Womens Research Institute & Foundation	93.864	5K12 HD063087-05	127,095
Accessible Designs Inc	93.865	2R44 HD056705-02A1	182,398
Accessible Designs Inc	93.865	2R44 HD060335-02	126,887
Ann & Robert H. Lurie Children's Hospital of Chicago	93.865	5R01 HD060997-03	18,315
Ann & Robert H. Lurie Children's Hospital of Chicago	93.865	5R01 HD060997-04	2,129
Arizona State University	93.865	1R01 HD075800-01A1	56,791
BioChem Genetics, LLC	93.865	HHSN275201000018C	(232)
Carnegie Mellon University	93.865	5R01 HD071686-02	174,800
Children's Hospital of Philadelphia	93.865	5K23 HD071967-02	2,934
Emory University	93.865	2R01 HD038979-12	(3,551)
Emory University	93.865	5R01 HD038979-13	73,390
Magee-Womens Research Institute & Foundation	93.865	1P01 HD069316-01A1	13,956
Magee-Womens Research Institute & Foundation	93.865	1P01 HD069316-02	171,773
Magee-Womens Research Institute & Foundation	93.865	1R21 HD074278-01A1	8,014
Magee-Womens Research Institute & Foundation	93.865	1R43 HD077966-01	23,467
Magee-Womens Research Institute & Foundation	93.865	2K12 HD043441-11	98
Magee-Womens Research Institute & Foundation	93.865	2R01 HD044858-06A1	127,990
Magee-Womens Research Institute & Foundation	93.865	3U10 HD063041-03S1	38,246
Magee-Womens Research Institute & Foundation	93.865	5K08 HD058073-06	99,473
Magee-Womens Research Institute & Foundation	93.865	5K12 HD043441-12	318,499
Magee-Womens Research Institute & Foundation	93.865	5K12 HD063087-05	206,940
Magee-Womens Research Institute & Foundation	93.865	5P01 HD030367-18	(1,464)
Magee-Womens Research Institute & Foundation	93.865	5P01 HD069316-02	492,074
Magee-Womens Research Institute & Foundation	93.865	5P01 HD069316-03	208,215
Magee-Womens Research Institute & Foundation	93.865	5R01 HD055475-05	227
Magee-Womens Research Institute & Foundation	93.865	5R01 HD059533-05	81,440
Magee-Womens Research Institute & Foundation	93.865	5R01 HD061811-05	270,175
Magee-Womens Research Institute & Foundation	93.865	5R01 HD065893-03	196,019
Magee-Womens Research Institute & Foundation	93.865	5R01 HD068578-03	242,122
Magee-Womens Research Institute & Foundation	93.865	5R01 HD070647-03	265,194
Magee-Womens Research Institute & Foundation	93.865	5R01 HD075665-02	470,414
Magee-Womens Research Institute & Foundation	93.865	5R21 HD067471-02	72,702
Magee-Womens Research Institute & Foundation	93.865	5R21 HD071707-02	67,929
Magee-Womens Research Institute & Foundation	93.865	5T15 HD072833-02	60,104
Magee-Womens Research Institute & Foundation	93.865	5T32 HD071859-02	54,102
Magee-Womens Research Institute & Foundation	93.865	5T32 HD071859-03	7,068
Magee-Womens Research Institute & Foundation	93.865	5U10 HD021410-29	12,663
Magee-Womens Research Institute & Foundation	93.865	5U10 HD047905-08	(24)
Magee-Womens Research Institute & Foundation	93.865	5U10 HD047905-09	177,282
Magee-Womens Research Institute & Foundation	93.865	5U10 HD047905-10	179,371
Magee-Womens Research Institute & Foundation	93.865	5U10 HD063041-04	34,198
Magee-Womens Research Institute & Foundation	93.865	5U10 HD069006-02	(2,820)
Magee-Womens Research Institute & Foundation	93.865	5U10 HD069006-03	117,006
Magee-Womens Research Institute & Foundation	93.865	HHSN275201300001I	36,922
Medical College of Wisconsin	93.865	5R01 HD062347-04	37,595
Michigan Public Health Institute	93.865	5R01 HD069039-03	32,342
Michigan Public Health Institute	93.865	5R01 HD069039-04	6,368
Ohio State University	93.865	7R01 HD072663-03	16,298
Oklahoma State University	93.865	1R15 HD072463-01	18,673
Oregon Health & Science University	93.865	1U54 HD071836-01A1	7,616
Oregon Health & Science University	93.865	5R01 HD062864-02	7,713
Oregon Health & Science University	93.865	5U54 HD061939-04	3,824
Oregon Health & Science University	93.865	5U54 HD061939-05	17,049
Rhode Island Hospital	93.865	5R01 HD072693-02	136,820
Rhode Island Hospital	93.865	5R01 HD072693-03	84,138

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ROTA Mobility, Inc.	93.865	1R43 HD070519-01A1	26,118
Seattle Children's Hospital	93.865	1R01 HD073362-01A1	15,542
Three Rivers Holdings, LLC	93.865	5R44 HD058376-03	127,266
University of California at San Francisco	93.865	5K12 HD000849-25	7,284
University of California San Diego	93.865	5R24 HD050837-09	9,769
University of Maryland	93.865	5U54 HD036207-07	(52,734)
University of Rochester	93.865	5R01 HD057977-02	3,652
University of Texas Medical Branch at Galveston	93.865	5R24 HD065702-03	(2,133)
University of Texas Medical Branch at Galveston	93.865	5R24 HD065702-04	13,498
University of Utah	93.865	5R01 HD069045-02	(67)
University of Utah	93.865	5U01 HD049934-09	108,166
University of Utah	93.865	5U01 HD049934-10	92,791
University of Washington	93.865	5R21 HD074439-02	55,865
University of Wisconsin	93.865	5R21 HD068783-02	4,068
Washington University in St. Louis	93.865	2K12 HD055931-06	31,402
Washington University in St. Louis	93.865	5K12 HD055931-07	37,292
Yale University	93.865	1R01 HD076248-01A1	5,434
Advanced Medical Electronics Corporation	93.866	1R43 AG041667-01	929
Adventist Health System/Sunbelt, Inc.	93.866	7R01 AG021961-07	37,263
Albert Einstein College	93.866	5R01 AG031890-03	13,585
Boston University	93.866	5R01 AG018037-13	16,709
California Pacific Med Center Research Institute	93.866	2R01 AG026720-06A1	1,329
California Pacific Med Center Research Institute	93.866	5R01 AG026720-07	36,557
Carnegie Mellon University	93.866	1R01 AG032370-01	503
Columbia University	93.866	5R01 AG041797-02	42,106
Dartmouth College	93.866	1U01 AG046830-01	25,952
Duke University	93.866	5U01 AG022132-10	1,787
Magee-Womens Research Institute & Foundation	93.866	5R25 AG043365-02	117,365
Mayo Clinic Rochester	93.866	5R01 AG013925-14	10,897
Minneapolis Medical Research Foundation	93.866	5U01 AG029824-03	125,645
Northern Cal Institute for Research and Education	93.866	5R01 AG034853-04	15,211
Northern Cal Institute for Research and Education	93.866	5U01 AG024904-08	5,192
Northern Cal Institute for Research and Education	93.866	5U01 AG024904-09	58,726
Rush University Medical Center	93.866	2P01 AG014449-15	103,661
Scripps Research Institute	93.866	1P01 AG043376-01A1	765,475
Tufts Medical Center	93.866	5R01 AG027002-07	7,683
Tufts Medical Center	93.866	5R01 AG027002-08	2,300
University of Delaware	93.866	5R01 AG041202-03	18,315
University of Florida	93.866	4U01 AG022376-07	(171)
University of Florida	93.866	5U01 AG022376-08	118,594
University of Florida	93.866	5U01 AG022376-09	495,495
University of Maryland	93.866	1R01 AG029315-01	(4,117)
University of Pennsylvania	93.866	5R01 AG037679-02	57,805
University of Pennsylvania	93.866	5R01 AG037679-03	49,356
University of Pennsylvania	93.866	5U01 AG030644-04	(10,407)
University of Pennsylvania	93.866	5U01 AG030644-05	261,309
University of Pennsylvania	93.866	5U01 AG030644-06	13,443
University of Texas Health Science Center	93.866	7R01 AG044768-02	32,720
University of Washington	93.866	5U01 AG016976-14	1,875
University of Washington	93.866	5U01 AG016976-15	92,844
Wake Forest University	93.866	5R01 AG033087-04	27,443
Massachusetts Institute of Technology	93.867	5R01 EY011289-28	125,369
Oregon Health & Science University	93.867	5R01 EY013516-10	47,655
Physical Sciences Inc.	93.867	5R44 EY018986-03	132,520
University of California at Los Angeles	93.867	5R01 EY009859-17	78,313
University of Pennsylvania	93.867	5R01 EY014943-10	60,138
Advanced Medical Electronics Corporation	93.879	1R43 LM011646-01	16,214

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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>
Rutgers University	93.879	2R01 LM009239-05A1	11,450
University of California San Diego	93.879	5R01 LM010964-02	76,075
			<u>49,738,177</u>
Health Resources and Services Administration:			
<i>Direct:</i>			
Maternal & Child Health Federal Consolidated Programs	93.110		94,387
Nurse Anesthetist Traineeships	93.124		50,475
Emergency Medical Services for Children	93.127		614,758
Grants to Increase Organ Donations	93.134		638,356
AIDS Education and Training Centers	93.145		4,104,792
National Research Service Award in Primary Care Medicine	93.186		243,315
Advanced Nursing Education Grant Program	93.247		327,612
Public Health Training Centers Program	93.249		109,458
Geriatric Academic Career Awards	93.250		141,175
Universal Newborn Hearing Screening	93.251		620,453
Advanced Education Nursing Traineeships	93.358		344,170
Nurse Education, Practice and Retention Grants	93.359		682,471
Affordable Care Act (ACA) Public Health Training Centers Program	93.516		213,459
Grants for Primary Care Training and Enhancement	93.884		236,239
Special Projects of National Significance	93.928		54,841
PPHF-2012 Geriatric Education Centers	93.969		442,652
			<u>8,918,613</u>
<i>Pass through:</i>			
Epilepsy Foundation	93.110	5H98 MC20268-02	7,876
Epilepsy Foundation	93.110	6H98 MC26261-01	22,051
Genetic Alliance Inc	93.110	5U36 MC16509-05	(2,951)
			<u>26,976</u>
Centers for Disease Control and Prevention:			
<i>Direct:</i>			
Innovations in Applied Public Health Research	93.061		682,937
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135		870,760
Injury Prevention and Control Research and State and Community Based Programs	93.136		182,529
Immunization Research, Demonstration, Public Information and Education Training and Clinical Skills Improvement Projects	93.185		1,414,269
Occupational Safety and Health Program	93.262		1,115,172
Centers for Disease Control and Prevention - Investigations and Technical Assistance	93.283		307,889
Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs	93.946		670,088
Other Centers for Disease Control and Prevention	93.000		243,542
			<u>5,487,186</u>
<i>Pass through:</i>			
ABT Associates	93.000	GS-10-F-0086K	3,750
Baobab Health Trust	93.067	3U2G GH000729-02	86,201
Baobab Health Trust	93.067	CDC-RFA-GH12-1250	49,062
County of Sacramento	93.069	75-0943-0-1-550 PHEP	3,193
UbiCue, Inc.	93.135	1R43 DD001051-01A1	23,886
University of Illinois	93.136	1R01 CE002340-01	18,229
University of Washington	93.136	5U01 CE002196-02	18,286
Association of State and Territorial Health Officials	93.283	5U38 HM000454	103,635
Association of State and Territorial Health Officials	93.283	5U38 HM000454-04	(13,968)

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Association of State and Territorial Health Officials	93.283	5U38 HM000454-05	95,782
Johns Hopkins University	93.283	1U01 CK000337-01	90,701
Johns Hopkins University	93.283	5U50 CK000203-02	80,976
Johns Hopkins University	93.283	5U50 CK000203-03	76,774
Johns Hopkins University	93.521	5U50 CK000316-02	11,364
Association of State and Territorial Health Officials	93.524	3U38 OT000161-01S1	26,557
			<u>674,428</u>
Agency for Healthcare Research and Quality:			
<i>Direct:</i>			
National Research Service Awards - Health Services			
Research Training	93.225		114,826
Research on Healthcare Costs, Quality and Outcomes	93.226		1,868,014
			<u>1,982,840</u>
<i>Pass through:</i>			
University of Maryland	93.226	5R01 HS018975-02	58,902
University of Wisconsin	93.226	5R01 HS018368-05	61,710
Vanderbilt University	93.226	5R18 HS020415-03	15,856
Veterans Research Foundation of Pittsburgh	93.226	5R01 HS021290-02	14,405
			<u>150,873</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		151,777
			<u>151,777</u>
<i>Pass through:</i>			
Allegheny Singer Research Institute	93.243	1U79 TI025406-01	75,201
			<u>75,201</u>
Food and Drug Administration:			
<i>Direct:</i>			
Food and Drug Administration - Research	93.103		56,314
			<u>56,314</u>
<i>Pass through:</i>			
Oregon Health & Science University	93.103	5R01 FD003895-02	27,101
Oregon Health & Science University	93.103	5R01 FD003895-03	11,295
University of Pennsylvania	93.103	7R01 FD003516-03	1,380
			<u>39,776</u>
DHHS Other:			
<i>Direct:</i>			
HHS Programs for Disaster Relief Appropriations Act -			
Non-Construction	93.095		175,740
Family Planning Service Delivery Improvement Research Grants	93.974		53,199
			<u>228,939</u>
<i>Pass through:</i>			
Southwest Research Institute	93.000	HHSO100201100038C	1,258
Carnegie Mellon University	93.297	5TP1 AH000040-04	250,083
Carnegie Mellon University	93.297	6TP1 AH000040-03	4,888
Carnegie Mellon University	93.297	6TP1 AH000040-04	53,016
Magee-Womens Research Institute & Foundation	93.297	5TP1 AH000040-04	2,696
			<u>311,941</u>
Total Department of Health and Human Services			<u><u>475,034,002</u></u>

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<u>Department of Defense:</u>			
Department of the Army:			
<i>Direct:</i>			
Military Medical Research and Development	12.420		14,349,943
Basic Scientific Research	12.431		239,703
Basic, Applied, and Advanced Research in Science and Engineering	12.630		41,313
Other Department of the Army	12.000		125,826
			<hr/> 14,756,785
<i>Pass through:</i>			
Banyan Biomarkers Inc.	12.000	W81XWH-10-C-0251	46,190
Carnegie Mellon University	12.000	W911NF-08-1-0301	96,048
Children's Research Institute	12.000	W81XWH-12-1-0417	256
Johns Hopkins University	12.000	W81XWH-10-2-0090	37,642
MD Consulting, LLC.	12.000	W91YTZ-11-P-0929	55,973
Neuren Pharmaceuticals, Ltd	12.000	W81XWH-08-2-0014	33,479
TDA Research, Inc.	12.000	W31P4Q-11-C-0134	111,226
Braun Enterprises, Inc.	12.420	W81XWH-11-C-0537	42,031
Carnegie Mellon University	12.420	W81XWH-12-2-0004	153,655
Florida State University	12.420	W81XWH-10-2-0024	(1,164)
Geneva Foundation	12.420	W81XWH-09-2-0187	16,479
Geneva Foundation	12.420	W81XWH-13-2-0031	252,726
Greenville Hospital System	12.420	W81XWH-08-1-0473	5,518
Henry M. Jackson Foundation	12.420	W81XWH-11-2-0131	86,814
Indiana University	12.420	W81XWH-11-1-0403	17,704
Kennesaw State University	12.420	W81XWH-11-2-0081	42,137
Lipella Pharmaceuticals, Inc.	12.420	W81XWH-12-1-0565	261,595
Magee-Womens Research Institute & Foundation	12.420	W81XWH-10-1-0542	131,243
Medical University of South Carolina	12.420	W81XWH-11-2-0229	19,234
Northwestern University	12.420	W81XWH-10-1-0536	5,969
Pittsburgh Tissue Engineering Initiative	12.420	W81XWH-10-1-0618	1,328
Pittsburgh Tissue Engineering Initiative	12.420	W81XWH-11-2-0215	223,328
St. Thomas University	12.420	W81XWH-11-1-0645	225,535
TDA Research, Inc.	12.420	W81XWH-13-C-0157	70,000
Tissue Genesis Institute, LLC	12.420	W81XWH-13-2-0030	63,008
University of Cincinnati	12.420	W81XWH-08-2-0016	(713)
University of Cincinnati	12.420	W81XWH-08-2-0159	1,380
University of Maryland	12.420	W81XWH-08-2-0159	127,075
University of Miami	12.420	W81XWH-10-2-0109	(1,645)
Wake Forest University	12.420	W81XWH-08-2-0032	2,375,398
Wake Forest University	12.420	W81XWH-13-2-0052	52,156
Wake Forest University	12.420	W81XWH-13-2-0053	77,803
Wake Forest University	12.420	W81XWH-13-2-0054	54,794
Wake Forest University	12.420	W81XWH-14-2-0003	197,358
Wake Forest University	12.420	W81XWH-14-2-0004	144,414
Wicab, Inc.	12.420	W91ZSQ-01-9-1N616	124,115
Carnegie Mellon University	12.431	W911NF-09-1-0273	22,712
Princeton University	12.431	W911NF-13-1-0034	169,475
Rice University	12.431	W911NF-13-1-0018	206,704
University of California Davis	12.431	W911NF-07-1-0318	(4,403)
University of Connecticut Health Center	12.431	W911NF-09-1-0286	162,527
University of Iowa	12.431	W911NF-08-1-0317	91,978
			<hr/> 5,799,082

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Department of the Air Force:			
<i>Direct:</i>			
Basic and Applied Scientific Research	12.300		921,863
Air Force Defense Research Sciences Program	12.800		3,022,910
			<u>3,944,773</u>
<i>Pass through:</i>			
Carnegie Mellon University	12.000	EARLY AWARD	684
Defense Engineering Corporation	12.000	FA8650-12-D-1376	19,784
Dynetics Inc	12.000	FA8650-08-D-1303	627
National Center for Defense Manufacturing & Machine	12.000	FA8650-12-2-7230	65,817
Carnegie Mellon University	12.800	FA9550-08-1-0356	53
Defense Engineering Corporation	12.800	FA8650-12-D-1376	20,000
Northwestern University	12.800	FA9550-11-1-0275	173,677
University of Pittsburgh Medical Center	12.800	FA8650-11-2-6239	30,777
University of Pittsburgh Medical Center	12.800	FA8650-11-2-6240	40,402
University of Texas at Dallas	12.800	FA2386-10-1-4066	(6,910)
University of Virginia	12.800	FA9550-09-1-0611	(24,998)
			<u>319,913</u>
Department of the Navy:			
<i>Direct:</i>			
Basic and Applied Scientific Research	12.300		6,655,083
Other Department of the Navy	12.000		952,039
			<u>7,607,122</u>
<i>Pass through:</i>			
Carnegie Mellon University	12.300	N00014-09-1-0680	165,277
Johns Hopkins University	12.300	N66001-10-C-4056	1,398,170
			<u>1,563,447</u>
Advanced Research Projects Agency:			
<i>Direct:</i>			
Research and Technology Development	12.910		202,999
Other Advanced Research Projects Agency	12.000		222,382
			<u>425,381</u>
<i>Pass through:</i>			
Boeing Company	12.000	FA8750-12-C-0332	96,582
Carnegie Mellon University	12.910	FA8750-10-2-0165	42,120
Cornell University	12.910	FA8750-13-2-0015	142,354
Harvard University	12.910	HR0011-11-C-0093	444,348
HRL Laboratories, LLC	12.910	HR0011-13-C-0052	55,899
			<u>781,303</u>
Defense Threat Reduction Agency:			
<i>Direct:</i>			
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351		1,052,857
			<u>1,052,857</u>
National Security Agency:			
<i>Direct:</i>			
Mathematical Sciences Grants Program	12.901		2
			<u>2</u>

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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>
DoD Other:			
<i>Pass through:</i>			
Institute of International Education	12.357	HQ0034-08-2-0024	54,161
Henry M. Jackson Foundation	12.750	HU0001-11-1-0004	8,101
			<u>62,262</u>
Total Department of Defense			<u><u>36,312,927</u></u>
<u>Other Agencies:</u>			
National Science Foundation:			
<i>Direct:</i>			
Engineering Grants	47.041		4,843,449
Mathematical and Physical Sciences	47.049		4,878,425
Geosciences	47.050		916,270
Computer and Information Science and Engineering	47.070		3,254,059
Biological Sciences	47.074		3,149,452
Social, Behavioral, and Economic Sciences	47.075		754,437
Education and Human Resources	47.076		3,905,771
Office of International and Integrative Activities	47.079		2,858
Office of Cyberinfrastructure	47.080		417,430
			<u>22,122,151</u>
<i>Pass through:</i>			
Arizona State University	47.041	CBET-1246547	1,928
Carnegie Mellon University	47.041	CMMI-1130616	27,225
Carnegie Mellon University	47.041	EEC-0540865	937,371
Carnegie Mellon University	47.041	EEC-1038932	6,694
Shared Spectrum Company	47.041	IIP-1216186	(283)
University of North Carolina	47.041	EEC-0812348	1,421,048
Carnegie Mellon University	47.049	DMS-1106956	1,907
Columbia University	47.049	PHY-1119200	84,412
Massachusetts Institute of Technology	47.049	DMR-0819762	39,814
University of Houston	47.049	DMS-1318763	20,693
Carnegie Institute	47.050	GEO-1202681	1,965
Pennsylvania State University	47.050	OCE-1140159	72,790
University of Arizona	47.050	EAR-1338553	9,815
Carnegie Mellon University	47.070	IIS-0911032	143,177
Carnegie Mellon University	47.070	IIS-1111166	37,647
Carnegie Mellon University	47.070	IIS-1320347	57,048
Carnegie Mellon University	47.074	IOS-1024811	13,553
University of Colorado	47.074	DEB-1115068	67,825
Carnegie Mellon University	47.075	OMA-0836012	844,388
Columbia University	47.075	SES-0951516	383
Arizona State University	47.076	DUE-1242325	(2)
Association of Science Technology Centers	47.076	ESI-0638981	1
Carnegie Mellon University	47.076	DGE-0549352	(23,170)
Carnegie Mellon University	47.076	DRL-0833496	49,503
Carnegie Mellon University	47.076	DUE-0903271	5,344
Duke University	47.076	DRL-1031351	78,029
Educational Development Center	47.076	DRL-1321216	85,184
Franklin Institute	47.076	DUE-1239782	124,820
Fred Rogers Company	47.076	DRL-1323485	101,733
National Writing Project Corporation	47.076	DRL-1224161	880
New York Hall for Science	47.076	DRL-1010507	3,027
Saint Vincent College	47.076	DUE-0856575	1,917
University of Tennessee	47.076	DGE-0801540	21,350
Vanderbilt University	47.076	ESI-0554486	36,459

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North Carolina State University	47.082	CHE-0846756	193,564
University of Minnesota	47.082	DMS-0908663	(1,342)
			<u>4,466,697</u>
Department of Education:			
<i>Direct:</i>			
National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program	84.015		1,267,284
Rehabilitation Long-Term Training	84.129		91,034
National Institute on Disability and Rehabilitation Research	84.133		3,088,547
Centers for International Business Education	84.220		126,292
Education Research, Development and Dissemination	84.305		1,299,658
Research in Special Education	84.324		538,541
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325		968,449
			<u>7,379,805</u>
<i>Pass through:</i>			
Pittsburgh Public Schools	84.000	S366B120039	35,248
Florida State University	84.116	P116M100008	28,647
Innovative Design Labs, Inc.	84.133	H133S130040	3,453
University of Alabama	84.133	H133E110007	11,507
University of Alabama	84.133	H133E120005	13,644
University of California at San Francisco	84.133	H133B080002	6,019
21st Century Partnership for STEM Education	84.305	R305C080009	21,454
Stanford University	84.305	R305A110864	(36)
University of Wisconsin	84.305	R305A130030	21,778
University of South Carolina	84.324	R305A130457	44,675
Allegheny Intermediate Unit	84.366	MSP	(13,009)
State of Tennessee	84.367	Improving Teacher Quality	1,934
			<u>175,314</u>
Department of Energy:			
<i>Direct:</i>			
Office of Science Financial Assistance Program	81.049		3,323,280
University Coal Research	81.057		113,989
Fossil Energy Research and Development	81.089		447,615
Nuclear Energy Research, Development and Demonstration	81.121		129,210
Advanced Research Projects Agency - Energy	81.135		762,641
			<u>4,776,735</u>
<i>Pass through:</i>			
Los Alamos National Security, LLC	81.000	DE-AC52-06NA25396	77,455
Sandia Corporation, a subsidiary of Lockheed Martin	81.000	DE-AC04-94AL85000	106,760
SUNY Upstate Medical University	81.000	DE-AC07-05ID14517	33,218
UChicago Argonne, LLC	81.000	DE-AC02-06CH11357	80,519
University of California	81.000	DE-AC02-05CH11231	440,782
URS Corporation	81.000	DE-FE0004000	2,825,327
UT-Battelle, LLC	81.000	DE-AC05-00OR22725	69,557
UT-Battelle, LLC	81.000	DE-AC07-05ID14517	391,686
Harvard Medical School	81.049	DE-SC0005247	144,231
Northwestern University	81.049	DE-SC0005343	13,930
University of Illinois	81.049	DE-FG02-03ER15476	117,808
Pennsylvania State University	81.086	DE-EE0004261	95,024
ABB Inc.	81.087	DE-EE0005365	55,641
University of Oklahoma	81.087	DE-EE0006287	44,289

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Lehigh University	81.122	DE-OE0000428	40,809
Carnegie Mellon University	81.135	DE-AR0000219	157,881
			<u>4,694,917</u>
NASA:			
<i>Direct:</i>			
Aerospace Education Services Program:			
NNX10AC80G	43.001		43,461
NNX10AF68G	43.001		(29)
NNX11AL29G	43.001		266,196
NNX11AP17G	43.001		104,610
NNX12AQ25G	43.001		115,378
NNX14AB41G	43.001		42,835
			<u>572,451</u>
<i>Pass through:</i>			
Carnegie Museum of Pittsburgh	43.000	NNX10AAB48A	36,481
Directed Vapor Technologies International, Inc.	43.000	NNX13CC70P	35,123
Smithsonian Astrophysical Observatory	43.000	NAS8-03060	66,018
Space Telescope Science Institute	43.000	NAS5-26555	172,237
University of Arizona	43.000	NNG07EK00C	21,508
Arizona State University	43.001	NM07-10630	61,803
Arizona State University	43.001	NNX12AJ17G	5,925
Carnegie Mellon University	43.001	NNX14AB57G	55,764
			<u>454,859</u>
Department of Justice:			
<i>Direct:</i>			
Other Department of Justice	16.000		562,372
			<u>562,372</u>
<i>Pass through:</i>			
Public Health Institute	16.000	2011-MU-MU-0023	58,691
Pennsylvania Commission on Crime and Delinquency	16.738	2011-DJ-BX-2218	42,368
			<u>101,059</u>
Department of the Interior:			
<i>Direct:</i>			
Other Department of the Interior	15.000		2,511,015
			<u>2,511,015</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	15.250	S13AP20005	230,030
			<u>230,030</u>
National Endowment for the Humanities:			
<i>Direct:</i>			
Promotion of the Humanities - Seminars and Institutes	45.163		64,442
			<u>64,442</u>
Environmental Protection Agency:			
<i>Direct:</i>			
Science To Achieve Results (STAR) Research Program	66.509		249,542
Science To Achieve Results (STAR) Fellowship Program	66.514		5,164
			<u>254,706</u>
<i>Pass through:</i>			
Emory University	66.509	RD-83479901	13,085
			<u>13,085</u>

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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>
Department of Commerce:			
<i>Direct:</i>			
Climate and Atmospheric Research	11.431		57,570
Measurement and Engineering Research and Standards	11.609		48,247
			<u>105,817</u>
Department of Agriculture:			
<i>Direct:</i>			
Grants for Agricultural Research, Special Research Grants	10.200		160,443
Forest Health Protection	10.680		13,927
Other Department of Agriculture	10.000		18,624
			<u>192,994</u>
<i>Pass Through:</i>			
Arizona State University	10.310	2012-67009-19717	51,494
Iowa State University	10.310	2011-85212-30122	23,253
			<u>74,747</u>
Department of Transportation:			
<i>Direct:</i>			
Transportation Planning, Research and Education	20.931		31,605
Other Department of Transportation	20.000		59,365
			<u>90,970</u>
<i>Pass through:</i>			
Minnesota Department of Transportation	20.000	92965	24,326
National Academy of Sciences	20.200	DTFH61-08-H-000035	80,484
University of Cincinnati	20.200	DTFH61-08-H-000035	65,187
Commonwealth of Pennsylvania	20.205	Construction & planning	790,575
National Association of EMS	20.614	DTNH22-13-H-00435	17,742
			<u>978,314</u>
Nuclear Regulatory Commission:			
<i>Direct:</i>			
U. S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006		206,782
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008		67,271
			<u>274,053</u>
Department of Housing and Urban Development:			
<i>Pass through:</i>			
City of Pittsburgh	14.401	FF203K113011	2,312
Housing Authority of the City of Pittsburgh	14.881	MTW Demonstration	44,490
			<u>46,802</u>
Department of Homeland Security:			
<i>Direct:</i>			
Assistance to Firefighters Grant	97.044		110,311
Other Department of Homeland Security	97.000		170,190
			<u>280,501</u>
<i>Pass through:</i>			
Duke University	97.000	HSHQDC-11-C-00083	72,788
University of Kansas	97.044	EMW-2011-FP-01327	3,141
			<u>75,929</u>

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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>
Agency for International Development:			
<i>Pass through:</i>			
Mitchell Group, Inc.	98.000	AID-624-M-13-00001	493,177
UCP Wheels for Humanity	98.000	GPO-A-00-04-00021-00	35,275
			<u>528,452</u>
Department of Veterans Affairs:			
<i>Direct:</i>			
Other Department of Veterans Affairs	64.000		5,276,819
			<u>5,276,819</u>
Vietnam Education Foundation:			
<i>Direct:</i>			
U.S. Faculty Scholar Grants	85.801		27,428
			<u>27,428</u>
Total Other Agencies			<u>56,332,464</u>
TOTAL RESEARCH & DEVELOPMENT CLUSTER (excluding ARRA)			<u>567,679,393</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		1,008,945
Other National Institutes of Health:				
Cancer	ARRA	93.000		309,476
				<u>1,318,421</u>

Pass through:

Leidos Biomedical Research, Inc.	ARRA	93.000	HHSN261200800001E	447,678
Social & Scientific Systems, Inc.	ARRA	93.000	HHSN27220090000123I	33,836
University of Utah	ARRA	93.000	HHSN2682009000046C	(5,106)
Albert Einstein College	ARRA	93.701	1RC4 AI092760-01	108,663
Ionwerks Inc.	ARRA	93.701	1RC3 DA031431-01	42,655
Psychology Software Tools, Inc.	ARRA	93.701	1RC3 AG037357-01	9,432
Research Institute at Nationwide Children's Hospital	ARRA	93.701	1RC4 DK090937-01	22,563
University of California at Irvine	ARRA	93.701	1RC4 AI092327-01	11,358
				<u>671,079</u>

Agency for Healthcare Research and Quality:

Direct:

Recovery Act Comparative Effectiveness Research - AHRQ	ARRA	93.715		16,311
				<u>16,311</u>

Pass through:

Massachusetts General Hospital	ARRA	93.715	1R01 HS019371-01	55,824
				<u>55,824</u>

Centers for Medicare & Medicaid Services:

Pass through:

ABT Associates	ARRA	93.000	HHSM-500-2008-00023I	118,000
				<u>118,000</u>

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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>
DHHS Other:			
<i>Pass through:</i>			
University of California San Diego	ARRA 93.728	90TR0002/01	(41)
			(41)
Total Department of Health and Human Services			2,179,594
<u>Other Agencies:</u>			
National Science Foundation:			
<i>Direct:</i>			
Trans-NSF Recovery Act Research Support	ARRA 47.082		300,936
			300,936
<i>Pass through:</i>			
Carnegie Mellon University	ARRA 47.082	CCF-0926181	18,229
			18,229
Department of Energy:			
<i>Direct:</i>			
Office of Science Financial Assistance Program	ARRA 81.049		242,564
			242,564
<i>Pass through:</i>			
URS Corporation	ARRA 81.000	DE-FE0004000	166,697
University of Massachusetts	ARRA 81.049	DE-SC0001087	173,641
			340,338
Total Other Agencies			902,067
TOTAL RESEARCH & DEVELOPMENT CLUSTER (ARRA)			3,081,661
TOTAL RESEARCH & DEVELOPMENT CLUSTER			570,761,054
II. STUDENT FINANCIAL ASSISTANCE CLUSTER (excluding ARRA):			
Department of Education:			
<i>Direct:</i>			
Federal Pell Grant Program	84.063		21,792,248
Federal Work-Study Program	84.033		2,386,783
Federal Supplemental Educational Opportunity Grants	84.007		1,316,809
Academic Competitiveness Grants	84.375		2,700
National Science and Mathematics Access to Retain Talent (SMART) Grants	84.376		22,500
Federal Perkins Loan Program - Federal Capital Contributions	84.038		3,604,370
			29,125,410
Health Resources and Services Administration:			
<i>Direct:</i>			
Nursing Faculty Loan Program	93.264		44,820
Health Professions Student Loan Program:			
Dentistry	93.342		778,800
Pharmacy	93.342		282,891
Nursing Student Loan Program:			
Baccalaureate	93.364		350,769
Disadvantaged Student Loan Program:			
Dentistry	93.342		75,000
			1,532,280
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER (excluding ARRA)			30,657,690

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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>
II-A. STUDENT FINANCIAL ASSISTANCE CLUSTER (ARRA):			
Health Resources and Services Administration:			
<i>Direct:</i>			
Nursing Faculty Loan Program	ARRA 93.408		5,250
			<u>5,250</u>
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER (ARRA)			<u>5,250</u>
TOTAL STUDENT FINANCIAL ASSISTANCE CLUSTER			<u>30,662,940</u>
III. TRIO CLUSTER:			
Department of Education:			
<i>Direct:</i>			
TRIO - Student Support Services	84.042		526,258
			<u>526,258</u>
TOTAL TRIO CLUSTER			<u>526,258</u>
IV. HEAD START CLUSTER:			
Administration for Children and Families:			
<i>Direct:</i>			
Head Start	93.600		3,847,020
			<u>3,847,020</u>
TOTAL HEAD START CLUSTER			<u>3,847,020</u>
V. CHILDREN NUTRITION CLUSTER:			
Department of Agriculture:			
<i>Pass through:</i>			
Commonwealth of Pennsylvania	10.559	SFSP	1,959
			<u>1,959</u>
TOTAL CHILDREN NUTRITION CLUSTER			<u>1,959</u>
VI. HEALTH CENTERS CLUSTER:			
Health Resources and Services Administration:			
<i>Direct:</i>			
Consolidated Health Centers (Community, Migrant, Homeless, Public Housing, and School)	93.224		68,554
Affordable Care Act (ACA) Grants for New and Expanded Services under the Health Center Program	93.527		483,069
			<u>551,623</u>
TOTAL HEALTH CENTERS CLUSTER			<u>551,623</u>

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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>
VII. OTHER PROGRAMS (excluding ARRA):			
<u>Department of Health and Human Services:</u>			
National Institutes of Health:			
Direct:			
Environmental Health	93.113		13,907
Research Related to Deafness and Communication Disorders	93.173		34,863
Mental Health Research Grants	93.242		64,934
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286		6,159
National Center for Research Resources	93.389		35,165
Cardiovascular Diseases Research	93.837		185,878
Lung Diseases Research	93.838		54,464
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		39,427
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		50,957
Allergy, Immunology and Transplantation Research	93.855		8,000
Child Health and Human Development Extramural Research	93.865		28,793
Other National Institutes of Health:			
Environmental Health Sciences	93.000		49,584
Library of Medicine	93.000		1,268,238
			<u>1,840,369</u>
Pass through:			
NSABP Foundation, Inc.	93.000	5U10 CA069651-11	45,363
Oregon Health & Science University	93.000	HHSN268201300036C	66,979
Social & Scientific Systems, Inc.	93.000	HHSN261200800001E	22,906
Social & Scientific Systems, Inc.	93.000	HHSN272200900001I	(13,613)
University of California	93.000	HHSN261201100038C	121,024
University of California Davis	93.000	HHSN261200622009C	(9,368)
University of Utah	93.000	HHSN268200900046C	235,557
Brigham & Women's Hospital	93.213	1P01 AT006663-01	16,030
Brigham & Women's Hospital	93.213	5R01 AT005280-04	6,981
Brigham & Women's Hospital	93.213	5R01 AT005280-05	8,783
American College of Radiology	93.395	5U10 CA021661-37	118,642
Baylor College of Medicine	93.395	5R01 CA132899-05	526
Brigham & Women's Hospital	93.395	5U10 CA031946-32	13,627
Brigham & Women's Hospital	93.395	7U10 CA076001-16	2,155
Children's Hospital of Philadelphia	93.395	2UM1 CA097452-11	19,797
Children's Hospital of Philadelphia	93.395	5U10 CA095861-12	10,041
Children's Hospital of Philadelphia	93.395	5U10 CA098543-11	75,775
Children's Hospital of Philadelphia	93.395	5UM1 CA097452-12	29,301
Children's Hospital of Philadelphia	93.395	7U10 CA098543-11	36,301
Frontier Science & Technology Research Foundation	93.395	5U10 CA021115-38	24,894
Frontier Science & Technology Research Foundation	93.395	5U10 CA021115-39	329,364
Frontier Science & Technology Research Foundation	93.395	EARLY AWARD	60,020
Gynecologic Oncology Group	93.395	5U10 CA027469-33	37,546
St. Jude Children's Research Hospital	93.395	5U01 CA081457-15	117,470
Frontier Science & Technology Research Foundation	93.399	5U10 CA037403-28	50,189
NSABP Foundation, Inc.	93.399	5U10 CA037377-28	174,127
New York University School of Medicine	93.837	5U01 HL105907-03	184
Ohio State University	93.837	5R01 HL102450-04	28,462
Pennsylvania State University	93.837	5U01 HL098115-05	62,034
Pennsylvania State University	93.837	5U10 HL098115-04	68,705
Pennsylvania State University	93.837	5U10 HL098115-05	173,460
Pennsylvania State University	93.838	1U10 HK109086	244,137
University of Minnesota	93.838	5U10 HL074424-08	118,645
Children's Hospital of Philadelphia	93.839	5U10 HL069294-13	5,908

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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>
Washington University in St. Louis	93.839	5U01 HL088476-05	812
Emmes Corporation	93.847	1UC4 DK098086-01	1,749
Columbia University	93.853	5U54 NS078059-02	(316)
Massachusetts General Hospital	93.853	5U01 NS049640-06	5,350
Rutgers University	93.853	5R01 NS038384-09	6,343
University of California at San Francisco	93.853	1U01 NS086090-01	80,508
Kessler Foundation, Inc.	93.865	4R00 HD065957-03	1,000
Magee-Womens Research Institute & Foundation	93.865	5U10 HD057753-05	11,076
University of California San Diego	93.866	5U01 AG024904-08	81,375
University of Washington	93.866	5U19 AG032438-05	93,252
University of Washington	93.866	5U19 AG032438-06	54,835
			<u>2,637,936</u>
Health Resources and Services Administration:			
<i>Direct:</i>			
Maternal & Child Health Federal Consolidated Programs	93.110		335,907
Emergency Medical Services for Children	93.127		200,660
Coordinated Services and Access to Research for Women, Infants, Children and Youth	93.153		116,220
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		65,147
			<u>717,934</u>
<i>Pass through:</i>			
Primary Care Health Services, Inc.	93.000	1U1E MC19332-01	67,382
Primary Care Health Services, Inc.	93.000	5U1E MC19332-04	98,793
Pennsylvania State University	93.107	2U77 HP06111-08	34,777
Pennsylvania State University	93.107	5U77 HP06111-09	50,893
Health Research, Incorporated	93.110	1H46 MC24094-01	60,557
Health Research, Incorporated	93.110	1H46 MC24094-0100	303
Massachusetts General Hospital	93.110	5UA3 MC011054-06	131,065
Massachusetts General Hospital	93.110	6UA3 MC011054-05	60,513
American International Health Alliance	93.145	U69 HA04128	19,745
Community College of Allegheny County	93.265	2D62 HP15120-04	(16)
Community College of Allegheny County	93.265	5D62 HP15120-05	9,767
Jewish Healthcare Foundation	93.917	Ryan White CARE Act	190,646
			<u>724,425</u>
Centers for Disease Control and Prevention:			
<i>Direct:</i>			
Other Centers for Disease Control and Prevention	93.000		24,267
			<u>24,267</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	93.000	5U58 CD002197-04	22,704
Commonwealth of Pennsylvania	93.074	5U90 TP000545-02	61,292
Commonwealth of Pennsylvania	93.283	1U58 DP003937-01	(8,930)
Commonwealth of Pennsylvania	93.507	5U58 CD001297-03	48,044
Commonwealth of Pennsylvania	93.940	1U26 PS003643-01	(11,573)
Commonwealth of Pennsylvania	93.940	5U62 PS003643-02	173,968
Commonwealth of Pennsylvania	93.940	5U62 PS323509-07	1,071,794
Commonwealth of Pennsylvania	93.940	5U62 PS323509-08	170,001
Pennsylvania Pharmacists Association	93.945	1U58 DP131305-01	26,303
			<u>1,553,603</u>

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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>
Substance Abuse and Mental Health Services Administration:			
<i>Direct:</i>			
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243		467,698
			<u>467,698</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	93.000	EARLY AWARD	230,015
Commonwealth of Pennsylvania	93.104	1H79 SM060632-01	216,255
Commonwealth of Pennsylvania	93.104	5U79 SM059056-04	1,574,841
Allegheny Singer Research Institute	93.243	1U79 SM061257-01	22,397
Allegheny Singer Research Institute	93.243	5U79 SM061257-02	102,581
Commonwealth of Virginia	93.243	5U79 SM061221-02	22,930
Mercy Behavioral Health	93.243	5H79 SM059154-04	8,278
Mercy Behavioral Health	93.243	5H79 SM059154-05	41,815
Pittsburgh AIDS Task Force	93.243	5U79 SP015018-05	8,091
			<u>2,227,203</u>
Centers for Medicare and Medicaid Services:			
<i>Pass through:</i>			
Feinstein Institute for Medical Research	93.610	1C1 CMS331052-01	16,770
Feinstein Institute for Medical Research	93.610	1C1 CMS331052-02	305,861
Allegheny County	93.778	Medical Assistance Program	1,862
			<u>324,493</u>
Administration for Children and Families:			
<i>Pass through:</i>			
Commonwealth of Pennsylvania	93.556	4100064360	155,368
Commonwealth of Pennsylvania	93.556	4100053866	1,967
Commonwealth of Pennsylvania	93.643	4100064360	85,271
Commonwealth of Pennsylvania	93.658	4100056694	7,253,105
Commonwealth of Pennsylvania	93.658	4100064360	8,171,597
Commonwealth of Pennsylvania	93.658	4100053866	182,688
Commonwealth of Pennsylvania	93.669	4100064360	113,587
Commonwealth of Pennsylvania	93.669	4100053866	1,844
Commonwealth of Pennsylvania	93.674	4100064360	593,895
Commonwealth of Pennsylvania	93.674	4100053866	17,486
			<u>16,576,808</u>
Total Department of Health and Human Services			<u><u>27,094,736</u></u>
<u>Department of Defense:</u>			
Department of the Army:			
<i>Direct:</i>			
Basic Scientific Research	12.000		(565)
			<u>(565)</u>
<i>Pass through:</i>			
American Burn Association	12.420	W81XWH-09-2-0194	6,055
Henry M. Jackson Foundation	12.420	W81XWH-08-2-0700	3,610
National Trauma Institute	12.420	W81XWH-10-1-0924	(1,343)
National Trauma Institute	12.420	W81XWH-11-1-0841	1,258
Stanford University	12.420	W81XWH-10-2-0178	17,921
University of Pittsburgh Medical Center	12.420	W81XWH-04-1-0851	40,279
			<u>67,780</u>

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Department of the Air Force:			
<i>Pass through:</i>			
State University of New York	12.800	FA8750-13-2-0115	50,000
			<u>50,000</u>
Department of the Navy:			
<i>Pass through:</i>			
Georgetown University	12.300	N00014-12-1-0240	62,699
Georgetown University	12.300	N00014-13-1-0210	402,992
			<u>465,691</u>
DoD Other:			
<i>Pass through:</i>			
Institute of International Education	12.357	H98210-13-2-0001	316,041
			<u>316,041</u>
Total Department of Defense			<u>898,947</u>
<u>Other Agencies:</u>			
Department of Education:			
<i>Direct:</i>			
Graduate Assistance in Areas of National Need	84.200		327,144
			<u>327,144</u>
<i>Pass through:</i>			
Propel Schools	84.287	S287C110038	12,058
National Writing Project Corporation	84.367	92-PA09-SEED2012	3,645
National Writing Project Corporation	84.367	SEED	5,129
National Writing Project Corporation	84.928	U928A050001	(548)
			<u>20,284</u>
Department of Energy:			
<i>Direct:</i>			
Office of Science Financial Assistance Program	81.049		34,188
			<u>34,188</u>
<i>Pass through:</i>			
Fermi Research Alliance, LLC	81.000	DE-AC02-76CH03000	4,982
UT-Battelle, LLC	81.049	DE-AC05-00OR22725	17,754
			<u>22,736</u>
N.A.S.A.:			
<i>Pass through:</i>			
Pennsylvania State University	43.000	NNX10AK74H	17,628
			<u>17,628</u>
Department of Justice:			
<i>Pass through:</i>			
Drexel University	16.738	2011-DJ-BX-2218	49,985
Magee-Womens Research Institute & Foundation	16.738	2012-DJ-BX-0176	16,449
			<u>66,434</u>
Department of the Interior:			
<i>Pass through:</i>			
Commonwealth of Pennsylvania	15.255	ME 4000013645	16,324
Pennsylvania State University	15.805	G11AP20102	12,952
			<u>29,276</u>

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**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2014**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through #</u>	<u>Federal Expenditures</u>
Agency for International Development:			
<i>Pass through:</i>			
Creative Associates International	98.000	AID-611-C-12-00003	85,491
Magee-Womens Research Institute & Foundation	98.000	GPO-A-00-08-000005-0	12,509
			<u>98,000</u>
Institute of Museum and Library Services:			
<i>Direct:</i>			
21st Century Museum Professionals	45.307		(2,205)
			<u>(2,205)</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	45.000	EARLY AWARD	20,112
Commonwealth of Pennsylvania	45.310	LS-00-12-0039-12	2,614
University of California at Los Angeles	45.313	RE-02-11-0032-11	17,572
			<u>40,298</u>
Department of Commerce:			
<i>Direct:</i>			
Economic Adjustment Assistance	11.307		73,992
Research and Evaluation Program	11.312		3,577
			<u>77,569</u>
Department of Agriculture:			
<i>Direct:</i>			
Agriculture and Food Research Initiative (AFRI)	10.310		41,269
			<u>41,269</u>
<i>Pass through:</i>			
Commonwealth of Pennsylvania	10.558	CACFP	19,466
			<u>19,466</u>
Department of Housing and Urban Development:			
<i>Pass through:</i>			
Municipality of Penn Hills	14.218	B-13-MC-42-0104	3,000
			<u>3,000</u>
United States Institute of Peace:			
<i>Pass through:</i>			
Institute of International Education	91.004	PeacebuildingSupport	3,463
			<u>3,463</u>
Department of Treasury:			
<i>Direct:</i>			
Low-Income Taxpayer Clinics	21.008		86,028
			<u>86,028</u>
Small Business Administration:			
<i>Direct:</i>			
7(j) Technical Assistance	59.007		25,197
			<u>25,197</u>
<i>Pass through:</i>			
University of Pennsylvania	59.000	EARLY AWARD	81,101
University of Pennsylvania	59.037	SBAHQ-13-B-0036	203,079
			<u>284,180</u>

UNIVERSITY OF PITTSBURGH – OF THE COMMONWEALTH SYSTEM OF HIGHER EDUCATION

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS YEAR ENDED JUNE 30, 2014

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>CFDA Number</u>	<u>Agency or Pass-Through #</u>	<u>Federal Expenditures</u>
Nuclear Regulatory Commission:			
<i>Direct:</i>			
U.S. Nuclear Regulatory Commission Scholarship and Fellowship Program	77.008		52,500
			<u>52,500</u>
Corporation for National and Community Services:			
<i>Pass through:</i>			
Jumpstart for Young Children Inc	94.006	090200	167,699
			<u>167,699</u>
Department of Veterans Affairs:			
<i>Direct:</i>			
Other Department of Veterans Affairs	64.000		133,001
			<u>133,001</u>
<i>Pass through:</i>			
United States Olympic Committee	64.034	2012-PP-001	12,470
			<u>12,470</u>
			<u>1,559,625</u>
Total Other Agencies			
TOTAL OTHER PROGRAMS (excluding ARRA)			<u>29,553,308</u>
VII-A. OTHER PROGRAMS (ARRA):			
<u>Department of Health and Human Services:</u>			
National Institutes of Health:			
<i>Pass through:</i>			
University of California Davis	ARRA 93.000	HHSN261200622009C	44,760
University of Utah	ARRA 93.000	HHSN268200900046C	(19)
			<u>44,741</u>
Total Department of Health and Human Services			<u>44,741</u>
<u>Other Agencies:</u>			
Department of Commerce:			
<i>Direct:</i>			
National Institute of Standards and Technology Construction Grant Program	ARRA 11.618		924,454
			<u>924,454</u>
Total Other Agencies			<u>924,454</u>
TOTAL OTHER PROGRAMS (ARRA)			<u>969,195</u>
TOTAL OTHER PROGRAMS			<u>30,522,503</u>
GRAND TOTAL - FEDERAL AWARDS AND GRANTS			<u>\$ 636,873,357</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, 2014

(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 federal government for the year ended June 30, 2014.

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

- Direct federal awards
- 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, 2014:

Federal grant and program title	CFDA number	Outstanding loan balance
Department of Education – Federal Perkins Loan Program	84.038	\$ 28,958,413
Department of Health and Human Services – Public Service:		
Health Professions Student Loan Program:		
Medicine	93.342	189,543
Dentistry	93.342	4,368,401
Pharmacy	93.342	1,202,402
Nursing Student Loan Program – Baccalaureate	93.364	2,071,081
Nursing Faculty Loan Program:		
Nursing Faculty Loan ARRA	93.408	142,560
Nursing Faculty Loan	93.264	326,836
Disadvantaged Student Loan Program:		
Medicine	93.342	132,156
Dentistry	93.342	87,438

(3) Department of Education Loan Programs

The University processed \$253,028,490 of new loans under the Department of Education – Federal Direct Student Loans Program (CFDA #84.268) for the year ended June 30, 2014. 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, 2014

(4) Student Financial Assistance Program

For the year ended June 30, 2014, administrative costs on the Student Financial Assistance Program were claimed under the Federal Work Study Program in the amount of \$335,297.

(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. 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.

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, on the University's financial position, from those reviews and audits is remote.

(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, 2014 as follows:

<u>Federal Grant Agency</u>	<u>Expenditures provided to subrecipients</u>
Department of Health and Human Services	\$ 56,180,256
Department of Defense	4,271,565
National Science Foundation	1,056,552
Department of Energy	733,729
Department of Education	600,781
Department of Interior	330,004
N.A.S.A.	188,803
Environmental Protection Agency	129,532
Department of Transportation	118,268
Department of Veterans Affairs	65,033
Small Business Administration	64,000
	<u>\$ 63,738,523</u>

(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 was \$3,641,011 in federal funding, and is excluded from the Schedule.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the consolidated financial statements of the University of Pittsburgh – Of the Commonwealth System of Higher Education (the University), which comprise the consolidated balance sheet as of June 30, 2014, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 29, 2014.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

**Purpose of this Report**

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

KPMG LLP

Pittsburgh, Pennsylvania
September 29, 2014



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Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*

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

Report on Compliance for Each Major Federal Program

We have audited the University of Pittsburgh – Of the Commonwealth System of Higher Education's (the University) compliance with the types of compliance requirements described in the United States Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2014. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 on compliance for each major federal program. However, our audit does not provide a legal determination of the University's compliance.

Opinion on Each Major Federal Program

In our opinion, the University of Pittsburgh – Of the Commonwealth System of Higher Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, 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 2014-001, 2014-002, 2014-003, and 2014-004. Our opinion on each major federal program is not modified with respect to these matters.

The University's responses to the noncompliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified certain deficiencies in internal control over compliance, as described in the accompanying schedule of findings and questioned costs as items 2014-001, 2014-002, 2014-003, and 2014-004 that we consider to be significant deficiencies.

The University's responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The University's responses were not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on the responses.

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



Report on Schedule of Expenditures of Federal Awards Required by OMB Circular A-133

We have audited the consolidated financial statements of the University as of and for the year ended June 30, 2014, and have issued our report thereon dated September 29, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards 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 consolidated financial statements as a whole.

KPMG LLP

Pittsburgh, Pennsylvania
March 20, 2015

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued: Unmodified

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 (2014-001, 2014-002, 2014-003, and 2014-004)

Type of auditors’ report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? Yes (2014-001, 2014-002, 2014-003, and 2014-004)

Identification of major programs:

Name	CFDA number
Research and Development Cluster	Various
Student Financial Assistance Cluster	Various
Head Start	93.600
HIV Prevention Activities	93.940

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

Auditee qualified as low-risk auditee: Yes

Section II – Financial Statement Findings

No matters were reported.

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Section III – Federal Award Findings

Finding 2014-001 – Verification

Student Financial Assistance Cluster: Department of Education

Federal Pell Grant Program/award year: July 1, 2013–June 30, 2014/CFDA#84.063

Compliance Requirement: Special Tests (Verification)

Criteria

An institution may participate under an ED-approved Quality Assurance Program (QAP) that exempts it from verifying those applicants selected by the central processor, provided that the applicants do not meet the institution's own verification selection criteria. An institution not participating under an ED-approved QAP is required to establish written policies and procedures that incorporate the provisions of 34 CFR Sections 668.51 through 668.61 for verifying applicant information. Such an institution shall require each applicant whose application is selected by the central processor, based on edits specified by ED, to verify the information specified in 34 CFR Section 668.56. However, certain applicants are excluded from the verification process as listed in 34 CFR Section 668.54(b). Generally, the information that must be verified is the adjusted gross income, U.S. income taxes paid, number of household members, number of family members attending postsecondary educational institutions, untaxed income and benefits, and the applicant's dependency status (34 CFR Section 668.56).

Condition and Context

For three students in a sample of 40, the supporting documentation for the adjusted gross income did not agree to the amount reported on the Institutional Student Information Record (ISIR). In addition, for two students, in the same sample of 40, supporting documentation for the untaxed income did not agree to the amount reported on the ISIR, which impacted the Pell awarded to the students. As a result, the students' Pell awards would have been increased by \$700.

Cause and Effect

Controls in place for University program personnel to perform the verification process require manual effort and were not operating consistently during fiscal 2014. The effect was that for the students noted above differences existed between the student ISIRs and supporting documentation.

Questioned Costs

There were no questioned costs because Pell was under awarded.

Recommendation

We recommend that the University reinforce its policies and controls over verification of students' information and provide additional training.

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Views of Responsible Officials/Corrective Action Plan

For the three students found to be improperly verified, the same general circumstance contributed to the errors. Staff members assigned to perform verification of FAFSA documents were also part of the financial aid service front-line with a high expectation that phone calls and walk-in appointments were the highest priority. The resolution to this issue was addressed the following ways: 1) the financial aid front-line service team was reassigned to report to a supervisor in the financial aid division of the office rather than an admissions supervisor; 2) staff assigned to perform verifications will receive block-out time to perform the process and will be relieved of the expectation to take phone calls and meet with students and families during this time; and 3) staff will receive on-going training to ensure they are thorough and accurate when performing verifications. Finally, it should be noted that all three students were made whole upon discovery of the error.

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Finding 2014-002 – Borrower Data Transmission and Reconciliation

Student Financial Assistance Cluster: Department of Education

Direct Student Loan Program/award year: July 1, 2013–June 30, 2014/CFDA#84.268

Compliance Requirement: Special Tests (Borrow Data Transmission and Reconciliation)

Criteria

To participate in the Direct Loan Program, a school must on a monthly basis, reconcile institutional records with Direct Loan funds received from the Secretary and Direct Loan disbursement records submitted to and accepted by the Secretary (34 CFR 685.3). Further, per the A-133 Compliance Supplement Part 5 this reconciliation is performed as follows: the Common Origination and Disbursement (COD) provides institutions with a School Account Statement (SAS) data file which consists of a Cash Summary, Cash Detail, and (optional at the request of the school) Loan Detail records. The school is required to reconcile these files to the institution's financial records.

Condition and Context

The University was not able to provide evidence that the direct loan reconciliations were completed during fiscal 2014.

Cause and Effect

The University was not able to provide evidence of the reconciliation process due to turnover in the student financial aid office.

Questioned Costs

Questioned costs are not determinable.

Recommendation

We recommend that the University reinforce its policies and controls over the direct loan reconciliation process, including maintaining evidence of reconciliations, and provide additional training.

Views of Responsible Officials/Corrective Action Plan

During the 2013-14 award year, staff turnover within the financial aid operation impacted the performance of certain required duties.

Corrective action was taken in the fall of 2014 when the Loan Administrator was assigned to take on reconciliations including the close-out of the 2013-14 Direct Loan year. Reconciliations are once again performed monthly and are retained for verification. The Department of Education confirmed that the University successfully closed out the 2013-2014 Direct Loan Program year via correspondence in January 2015.

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Finding 2014-003 – Timeliness of Non-payroll Cost Transfers

Research and Development: Department of Health and Human Services

Aging Research/grant number: 5R01 AG041718-02/Award Years: September 30, 2012–May 31, 2015/
CFDA#93.866

Family Smoking Prevention and Tobacco Control Act Regulatory Research/grant number: 5U54 DA031659-02/
award years September 15, 2012–August 31, 2013/ CFDA 93.077

Cancer Centers Support Grants/grant number: 3P30 CA047904-25S4/award years/August 1, 2013–July 31, 2014/
CFDA# 93.397

Cancer Centers Support Grants/grant number: 5P50 CA121973 05/award years: August 1, 2012–July 31, 2013/
CFDA 93.397

Discovery and Applied Research for Technological Innovations to Improve Human Health/grant number: 5R01
EB012776-04/award years: September 1, 2012–August 31, 2014/CFDA# 93.286

Compliance Requirement: Allowability and allocability/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 six instances (aggregating \$221,812) in a sample of 40 cost transfers where transfers were executed in excess of 90 days after the end of the month in which the original expenditure transaction occurred. The transfers were for allowable costs.

Cause and Effect

The controls over the timeliness of cost transfers were not operating effectively, on a consistent basis, during fiscal 2014. The effect is that cost transfers to sponsored agreements were not completed and documented in accordance with University policy.

Questioned Costs

There were no questioned costs as the costs were allowable.

Recommendation

We recommend that the University reinforce its policies and controls with respect to the documentation of cost transfers, specifically as it related to the timeliness.

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Views of Responsible Officials/Corrective Action Plan

The University takes the timely processing of cost transfers very seriously. It should be noted that the University has instituted an automated effort reporting and certification process, which includes tight controls over the processing of salary-related cost transfers. None of the exceptions found during the audit related to late transfers of salary costs and all of the transfers were deemed to be allowable costs. However, in regards to non-salary cost transfers, the University has begun to take additional steps to ensure compliance with the requirement to process cost transfers within 90 days of the end of the month in which the error or omission occurred. In spring 2015, the University will issue a policy statement, which outlines roles and responsibilities related to the timely review of University budget reports (Level Reports). Accompanying the release of the policy will be a reminder to the University community emphasizing the timely processing of cost transfers and the 90-day requirement.

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

Finding 2014-004 – Procurement – Documentation on Competitive Bidding

Research and Development: Department of Health and Human Services

Cancer Cause and Prevention Research/grant number: 5R01 CA144034-05/Award Years: January 1, 2014–December 31, 2014/ CFDA#93.393

Trans-NIH Recovery Act Research Support/grant number: 1RC4 DK090809 01/Award Years: September 30, 2010–September 30, 2013/ CFDA#93.701

Compliance Requirement: Procurement

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.

Condition and Context

We identified two procurement transactions (aggregating \$31,056), from a sample of 40, which were authorized and approved by the department; however, the department did not maintain documentation of competitive bids or sole source justification. The procurement transactions were for allowable costs.

Cause and Effect

The controls over competitive bidding were not operating effectively, on a consistent basis, during fiscal 2014. The effect is that for two procurement transactions competitive bidding or sole source justification was not maintained.

Questioned Costs

There were no questioned costs.

Recommendation

We recommend that the University reinforce its policies and controls related to maintain documentation for sole source justification and competitive bidding.

Views of Responsible Officials/Corrective Action Plan

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.

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

Schedule of Findings and Questioned Costs

Year ended June 30, 2014

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 invoice in question 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 employee on the purchasing process and policies at the University.

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