

VANDERBILT UNIVERSITY

Reports on the Audit of
Federal Financial Assistance Programs
in Accordance with OMB Circular A-133
for the Year Ended June 30, 2014

EIN: 62-0476822

VANDERBILT UNIVERSITY

Table of Contents

	Page
Financial Statements:	
Independent Auditor's Report	1
Consolidated Financial Statements	3
Additional Information:	
Schedule of Expenditures of Federal Awards	25
Notes to Schedule of Expenditures of Federal Awards	56
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	59
Independent Auditor's Report on Compliance for Each Major Federal Program and Internal Control over Compliance in Accordance with OMB Circular A-133	61
Schedule of Findings and Questioned Costs	63
Summary Schedule of Prior Audit Findings	64



Independent Auditor's Report

Board of Trust
Vanderbilt University

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Vanderbilt University ("the University"), which comprise the consolidated statements of financial position as of June 30, 2014 and June 30, 2013, and the related consolidated statements of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Consolidated Financial Statements

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

Auditor's Responsibility

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

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

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Vanderbilt University as of June 30, 2014 and June 30, 2013, and the changes in net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

PricewaterhouseCoopers LLP, 830 Crescent Centre Drive, Suite 260, Nashville, TN 37067
T: (615)503 2860, F: (615) 503 2870, www.pwc.com/us



Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2014 is presented for purposes of additional analysis as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2014 on our consideration of Vanderbilt University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters for the year ended June 30, 2014. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Vanderbilt University's internal control over financial reporting and compliance.

PricewaterhouseCoopers LLP

October 23, 2014

Vanderbilt University

Consolidated Statements of Financial Position

As of June 30, 2014 and 2013 (in thousands)

	<u>2014</u>	<u>2013</u>
ASSETS		
Cash and cash equivalents	\$ 1,244,720	\$ 845,472
Accounts receivable, net	414,565	413,172
Prepaid expenses and other assets	89,192	85,675
Contributions receivable, net	74,820	70,302
Student loans and other notes receivable, net	40,251	43,582
Investments	4,179,606	4,141,408
Investments allocable to noncontrolling interests	150,067	186,901
Property, plant, and equipment, net	1,765,244	1,781,293
Interests in trusts held by others	39,790	38,091
Total assets	\$ 7,998,255	\$ 7,605,896
LIABILITIES		
Accounts payable and accrued liabilities	\$ 212,167	\$ 226,643
Accrued compensation and withholdings	216,117	235,169
Deferred revenue	92,985	93,029
Actuarial liability for self-insurance	113,626	107,514
Actuarial liability for split-interest agreements	35,667	33,968
Government advances for student loans	22,366	22,052
Commercial paper	209,845	214,011
Long-term debt and capital leases	1,083,285	1,127,458
Fair value of interest rate exchange agreements	168,451	206,733
Total liabilities	2,154,509	2,266,577
NET ASSETS		
Unrestricted net assets controlled by Vanderbilt	3,029,763	2,784,933
Unrestricted net assets related to noncontrolling interests	150,067	186,901
Total unrestricted net assets	3,179,830	2,971,834
Temporarily restricted net assets	1,467,482	1,235,066
Permanently restricted net assets	1,196,434	1,132,419
Total net assets	5,843,746	5,339,319
Total liabilities and net assets	\$ 7,998,255	\$ 7,605,896

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

Vanderbilt University

Consolidated Statement of Activities

Year Ended June 30, 2014 (in thousands)

	2014			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
REVENUES				
Tuition and educational fees	\$ 478,320	\$ -	\$ -	\$ 478,320
Less student financial aid	(213,543)			(213,543)
Tuition and educational fees, net	264,777	-	-	264,777
Grants and contracts:				
Government sponsors	358,632	-	-	358,632
Private sponsors	69,466	-	-	69,466
Facilities and administrative costs recovery	140,051	-	-	140,051
Total grants and contracts	568,149	-	-	568,149
Contributions	38,182	23,980	55,551	117,713
Endowment distributions	149,905	6,520	1,135	157,560
Investment income	18,264	3,268	6,655	28,187
Health care services	2,608,475	-	-	2,608,475
Room, board, and other auxiliary services, net	111,925	-	-	111,925
Other sources	63,483	-	-	63,483
Net assets released from restrictions	10,202	(10,202)	-	-
Total revenues and other support	3,833,362	23,566	63,341	3,920,269
EXPENSES				
Instruction	495,824	-	-	495,824
Research	434,009	-	-	434,009
Health care services	2,389,431	-	-	2,389,431
Public service	41,298	-	-	41,298
Academic support	139,026	-	-	139,026
Student services	49,828	-	-	49,828
Institutional support	61,778	-	-	61,778
Room, board, and other auxiliary services	143,287	-	-	143,287
Total expenses	3,754,481	-	-	3,754,481
Change in unrestricted net assets from operating activity	78,881			
OTHER CHANGES IN NET ASSETS				
Change in appreciation of endowment, net of distributions	128,449	193,706	-	322,155
Change in appreciation of self-insurance assets	10,049	-	-	10,049
Change in appreciation of other investments	27,237	-	-	27,237
Change in appreciation of interest rate exchange agreements	6,352	-	-	6,352
Contributions for plant	3,235	6,445	-	9,680
Net assets released from restrictions for plant	6,405	(6,405)	-	-
Nonoperating net asset reclassifications	(15,778)	15,104	674	-
Total other changes in net assets	165,949	208,850	674	375,473
Increase in net assets controlled by Vanderbilt	244,830	232,416	64,015	541,261
Decrease in net assets related to noncontrolling interests	(36,834)	-	-	(36,834)
Total increase in net assets	\$ 207,996	\$ 232,416	\$ 64,015	\$ 504,427
Net assets, June 30, 2013	\$ 2,971,834	\$ 1,235,066	\$ 1,132,419	\$ 5,339,319
Net assets, June 30, 2014	\$ 3,179,830	\$ 1,467,482	\$ 1,196,434	\$ 5,843,746

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

Vanderbilt University

Consolidated Statement of Activities

Year Ended June 30, 2013 (in thousands)

	2013			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
REVENUES				
Tuition and educational fees	\$ 482,528	\$ -	\$ -	\$ 482,528
Less student financial aid	(209,940)			(209,940)
Tuition and educational fees, net	272,588	-	-	272,588
Grants and contracts:				
Government sponsors	377,839	-	-	377,839
Private sponsors	61,714	-	-	61,714
Facilities and administrative costs recovery	142,609	-	-	142,609
Total grants and contracts	582,162	-	-	582,162
Contributions	37,940	12,388	60,340	110,668
Endowment distributions	144,801	4,476	1,279	150,556
Investment income	19,675	854	1,337	21,866
Health care services	2,393,980	-	-	2,393,980
Room, board, and other auxiliary services, net	106,664	-	-	106,664
Other sources	53,285	-	-	53,285
Net assets released from restrictions	14,322	(14,322)	-	-
Total revenues and other support	3,625,417	3,396	62,956	3,691,769
EXPENSES				
Instruction	490,044	-	-	490,044
Research	448,983	-	-	448,983
Health care services	2,281,608	-	-	2,281,608
Public service	32,199	-	-	32,199
Academic support	156,250	-	-	156,250
Student services	49,082	-	-	49,082
Institutional support	64,025	-	-	64,025
Room, board, and other auxiliary services	146,909	-	-	146,909
Total expenses	3,669,100	-	-	3,669,100
Change in unrestricted net assets from operating activity	(43,683)			
OTHER CHANGES IN NET ASSETS				
Change in appreciation of endowment, net of distributions	73,019	96,231	-	169,250
Change in appreciation of self-insurance assets	5,232	-	-	5,232
Change in appreciation of other investments	23,149	-	-	23,149
Change in appreciation of interest rate exchange agreements	108,844	-	-	108,844
Contributions for plant	3,757	1,779	-	5,536
Net assets released from restrictions for plant	49,262	(49,262)	-	-
Nonoperating net asset reclassifications	5,975	(8,294)	2,319	-
Other	(424)	-	-	(424)
Total other changes in net assets	268,814	40,454	2,319	311,587
Increase in net assets controlled by Vanderbilt	225,131	43,850	65,275	334,256
Decrease in net assets related to noncontrolling interests	(14,485)	-	-	(14,485)
Total increase in net assets	\$ 210,646	\$ 43,850	\$ 65,275	\$ 319,771
Net assets, June 30, 2012	\$ 2,761,188	\$ 1,191,216	\$ 1,067,144	\$ 5,019,548
Net assets, June 30, 2013	\$ 2,971,834	\$ 1,235,066	\$ 1,132,419	\$ 5,339,319

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

Vanderbilt University

Consolidated Statements of Cash Flows

Years Ended June 30, 2014 and 2013 (in thousands)

	<u>2014</u>	<u>2013</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in total net assets	\$ 504,427	\$ 319,771
Adjustments to reconcile change in total net assets to net cash provided by operating activities:		
Change in net assets related to noncontrolling interests	36,834	14,485
Net realized losses (gains) on investments	63,811	(212,662)
Net change in unrealized appreciation on investments	(490,108)	16,352
Contributions for plant and endowment	(75,606)	(72,180)
Contributions of securities other than for plant	(20,717)	(14,577)
Proceeds from sale of donated securities	2,773	1,497
Depreciation and amortization	175,779	174,330
Amortization of bond discounts and premiums	(5,210)	(4,922)
Payments to terminate interest rate exchange agreements	31,930	-
Net change in fair value of interest rate exchange agreements	(38,282)	(108,844)
Change in:		
Accounts receivable, net of accrued investment income	(1,271)	105,463
Prepaid expenses and other assets	(3,517)	(3,508)
Contributions receivable	(4,518)	2,032
Interests in trusts held by others	(908)	(151)
Change in:		
Accounts payable and accrued liabilities, net of nonoperating items	(23,014)	(9,807)
Accrued compensation and withholdings	(19,052)	(10,690)
Deferred revenue	(44)	(25,797)
Actuarial liability for self-insurance	6,112	1,971
Actuarial liability for split-interest agreements	1,699	(203)
Net cash provided by operating activities	141,118	172,560
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(2,734,836)	(3,784,742)
Proceeds from sales of investments	3,122,144	3,712,975
Purchases of investments allocable to noncontrolling interests	(4,004)	(16,398)
Proceeds from sales of investments allocable to noncontrolling interests	70,668	65,208
Change in accrued investment income	(122)	(69)
Payments to terminate interest rate exchange agreements	(31,930)	-
Acquisitions of property, plant, and equipment	(152,862)	(223,968)
Loss from disposals of property, plant, and equipment	1,670	3,984
Student loans and other notes receivable disbursed	(2,439)	(3,747)
Principal collected on student loans and other notes receivable	5,770	5,574
Net cash provided by (used in) investing activities	274,059	(241,183)
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions for plant and endowment	75,606	72,180
Change in government advances for student loans	314	(61)
Proceeds from debt issuances	-	169,603
Payments to retire or defease debt	(43,129)	(204,316)
Proceeds from sale of donated securities restricted for endowment	17,944	13,080
Proceeds from noncontrolling interests in investment partnerships	4,004	16,398
Payments to noncontrolling interests in investment partnerships	(70,668)	(65,208)
Net cash (used in) provided by financing activities	(15,929)	1,676
Net change in cash and cash equivalents	\$ 399,248	\$ (66,947)
Cash and cash equivalents at beginning of year	\$ 845,472	\$ 912,419
Cash and cash equivalents at end of year	\$ 1,244,720	\$ 845,472
Supplemental disclosure of cash flow information:		
Cash paid for interest	71,657	71,475
Donated securities	20,717	14,577

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

Vanderbilt University

Notes to the Consolidated Financial Statements

1. Organization

The Vanderbilt University (Vanderbilt) is a private, coeducational, not-for-profit, nonsectarian institution located in Nashville, Tennessee. Founded in 1873, Vanderbilt owns and operates educational, research, and health care facilities as part of its mission to be a leading center for informed and creative teaching, scholarly research, and public service. Vanderbilt provides educational services to approximately 6,800 undergraduate and 5,900 graduate and professional students enrolled in its 10 schools and colleges.

The consolidated financial statements include the accounts of all entities in which Vanderbilt has a significant financial interest and over which Vanderbilt has control. The patient care enterprise in-

cludes Vanderbilt University Hospitals and Clinics (the Hospital); Vanderbilt Medical Group, a physician practice plan; and Vanderbilt Health Services, Inc. (VHS), which includes wholly owned and joint ventured businesses primarily consisting of community physician practices, imaging services, outpatient surgery centers, radiation oncology centers, a home health care agency, a home infusion and respiratory service, an affiliated health network, and a rehabilitation hospital.

Vanderbilt eliminates all material intercompany accounts and transactions in consolidation.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements of Vanderbilt have been prepared on the accrual basis in accordance with U.S. generally accepted accounting principles (GAAP). Based on the existence or absence of donor-imposed restrictions, Vanderbilt classifies resources into three categories: unrestricted, temporarily restricted, and permanently restricted net assets.

Unrestricted net assets are free of donor-imposed restrictions. This classification includes all revenues, gains, and losses not temporarily or permanently restricted by donors. Vanderbilt reports all expenditures in the unrestricted class of net assets, since the use of restricted contributions in accordance with donors' stipulations results in the release of the restriction.

Temporarily restricted net assets contain donor-imposed stipulations that expire with the passage of time or that can be satisfied by action of Vanderbilt. These net assets may include unconditional pledges, split-interest agreements, interests in trusts held by others, and accumulated appreciation on donor-restricted endowments not yet appropriated by the Board of Trust for distribution.

Permanently restricted net assets are amounts held in perpetuity as requested by donors. These net assets may include unconditional pledges, donor-restricted endowments (at historical value), split-interest agreements, and interests in trusts held by others. Generally, the donors of these assets permit Vanderbilt to use a portion of the income earned on related investments for specific purposes.

Vanderbilt reports expirations of temporary restrictions on net assets, i.e., the passage of time and/or fulfilling donor-imposed stipulations, as net assets released from restrictions between the applicable classes of net assets in the consolidated statements of activities.

Cash and Cash Equivalents

Cash and cash equivalents are liquid assets with minimal interest rate risk and maturities of three months or less when purchased. Such assets, reported at fair value, primarily consist of depository account balances, money market funds, and short-term U.S. Treasury securities.

Prepaid Expenses and Other Assets

Prepaid expenses and other assets primarily represent inventories, prepaid expenses, and other segregated investment-related assets managed by third parties related to a legacy deferred compensation program that are earmarked to ultimately settle certain liabilities. Vanderbilt excludes this latter group of assets, reported at fair value, from the investments category since it will not directly benefit from the investment return.

Fair Value Measurements

Fair value measurements represent the price received to sell an asset or price paid to transfer a liability in an orderly transaction between market participants at the measurement date. GAAP establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Inputs to the valuation techniques used are prioritized to measure fair value by giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Vanderbilt gives consideration to certain investment funds that do not have readily determinable fair values including private investments, hedge funds, real estate, and other funds. Vanderbilt uses net asset value per share or its equivalent in estimating the fair value of interests in investment companies for which a readily determinable fair value is not available.

Investments

Vanderbilt reports investments at fair value using the three-level hierarchy established under GAAP. After review and evaluation, Vanderbilt utilizes estimates provided by fund managers for certain alternative investments, mainly investments in limited partnerships where a ready market for the investments does not exist.

Vanderbilt has exposure to a number of risks including liquidity, interest rate, counterparty, basis, tax, regulatory, market, and credit risks for both marketable and nonmarketable securities. Due to the level of risk exposure, it is possible that near-term valuation changes for investment securities may occur to an extent that could materially affect the amounts reported in Vanderbilt's financial statements.

Vanderbilt sometimes uses derivatives to manage investment market risks and exposure. The consolidated financial statements contain derivatives, which consist of both internally managed transactions and those entered into through external investment managers, at fair value. The most common instruments utilized are futures contracts and hedges against currency risk for investments denominated in other than U.S. dollars. For internally managed transactions, Vanderbilt utilizes futures contracts with durations of less than three months.

Vanderbilt records purchases and sales of securities on the trade dates, and realized gains and losses are determined based on the average historical cost of the securities sold. Vanderbilt includes net receivables and payables arising from unsettled trades as a component of investments.

Unless donor-restricted endowment gift agreements require a separate investment, Vanderbilt manages all endowment investments as an investment pool.

Investments Allocable to Noncontrolling Interests and Net Assets Related to Noncontrolling Interests

Vanderbilt reports the respective assets for entities in which other organizations are minority equity participants at fair value as investments allocable to noncontrolling interests on the consolidated statements of financial position.

The balance representing such organizations' minority or noncontrolling interests is recorded based on contractual provisions, which represent an estimate of a settlement value assuming the entity was liquidated in an orderly fashion as of the report date.

Split-Interest Agreements and Interests in Trusts Held by Others

Vanderbilt's split-interest agreements with donors consist primarily of irrevocable charitable remainder trusts, charitable gift annuities, and life income funds for which Vanderbilt serves as trustee. Vanderbilt includes assets held in these trusts in investments at fair value. Vanderbilt recognizes contribution revenue at the dates the trusts are established, net of the liabilities for the present value of the estimated future payments to the donors and/or other beneficiaries. Annually, Vanderbilt records the change in fair value of split-interest agreements based on the assets that are associated with each trust and recalculates the liability for the present value of the estimated future payments to the donors and/or other beneficiaries.

Vanderbilt is also the beneficiary of certain trusts held and administered by others. Vanderbilt records its share of these trust assets at fair value as interests in trusts held by others with any resulting gains or losses reported as investment income.

Property, Plant, and Equipment

Purchased property, plant, and equipment, recorded at cost, includes, where appropriate, capitalized interest on construction financing net of income earned on unspent proceeds. Vanderbilt records donated assets at fair value on the date of donation, expenses repairs and maintenance costs as incurred, and expenses additions to the library collection at the time of purchase.

Vanderbilt calculates depreciation using the straight-line method to allocate the cost of various classes of assets over their estimated useful lives. Vanderbilt removes property, plant, and equipment from the accounting records at the time of disposal.

Conditional asset retirement obligations related to legal requirements to perform certain future activities associated with the retirement, disposal, or abandonment of assets are accrued utilizing site-

specific surveys to estimate the net present value for applicable future costs, e.g., asbestos abatement or removal.

Vanderbilt reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Vanderbilt recognizes an impairment charge when the fair value of the asset or group of assets is less than the carrying value.

Debt Portfolio Financial Instruments

Vanderbilt reports long-term debt and capital leases at carrying value. The carrying value of Vanderbilt's debt is the par amount adjusted for the net unamortized amount of bond premiums and discounts. Vanderbilt employs derivatives, primarily interest rate exchange agreements, to help manage interest rate risks associated with variable-rate debt. The consolidated statements of activities include any gain or loss resulting from recording the fair value of derivative financial instruments as a nonoperating item. In addition to the credit risk of the counterparty owing a balance, Vanderbilt calculates the fair value of interest rate exchange agreements based on the present value sum of future net cash settlements that reflect market yields as of the measurement date and reports periodic net cash settlement amounts with counterparties as adjustments to interest expense on the related debt.

Parties to interest rate exchange agreements are subject to risk for changes in interest rates as well as risk of credit loss in the event of nonperformance by the counterparty. Vanderbilt deals only with high-quality counterparties that meet rating criteria for financial stability and credit worthiness. Additionally, the agreements require the posting of collateral when amounts subject to credit risk under the contracts exceed specified levels.

Revenue Recognition

Vanderbilt's revenue recognition policies are:

Tuition and educational fees, net—Vanderbilt recognizes student tuition and educational fees as revenues in the year the related academic services occur and defers amounts received in advance of services not yet rendered. Vanderbilt reflects financial aid provided for tuition and educational fees as a reduction of tuition and educational fees. Financial aid does not include payments made to students for services provided to Vanderbilt.

Grants and contracts —Vanderbilt recognizes revenues from grants and contracts when allowable expenditures under such agreements occur.

Facilities and administrative (F&A) costs recovery—Vanderbilt recognizes F&A costs recovery as revenue. This activity represents reimbursement, primarily from the federal government, of F&A costs on sponsored activities. Vanderbilt's federal F&A costs recovery rate for on-campus research was 56.0% in both fiscal 2014 and 2013. Vanderbilt's federal F&A costs recovery rate for off-campus research was 28.5% in both fiscal 2014 and 2013.

Health care services—Vanderbilt reports health care services revenue at established rates, net of contractual adjustments, charity care, and provision for bad debt. Vanderbilt accrues third party contractual revenue adjustments under governmental reimbursement programs on an estimated basis in the period the related services occur. Vanderbilt adjusts the estimated amounts for Medicare based on final settlements determined by Vanderbilt's Medicare Administrative Contractor (MAC).

Contributions

Vanderbilt recognizes unconditional promises to give (pledges) as contribution revenue upon receipt of a commitment from the donor. Vanderbilt records pledges with payments due in future periods as increases in temporarily restricted or permanently restricted net assets at the estimated present value of future cash flows, net of an allowance for estimated uncollectible promises. Vanderbilt calculates an allowance for uncollectible contributions receivable based upon an analysis of past collection experience and other judgmental factors.

Vanderbilt records contributions with donor-imposed restrictions as unrestricted revenue if the university meets the restrictions and receives the contribution in the same reporting period. Otherwise, Vanderbilt records contributions with donor-imposed restrictions as increases in temporarily restricted or permanently restricted net assets, depending on the nature of the restriction.

After meeting donor stipulations, Vanderbilt releases contributions recorded as temporarily restricted net assets from restrictions and recognizes these contributions as unrestricted net assets. Vanderbilt releases from restrictions contributions for plant facilities and recognizes these contributions as a nonoperating item only after incurring expenses for the applicable plant facilities or when asset is placed in service based on donor intent.

In contrast to unconditional promises as described above, Vanderbilt does not record conditional promises (primarily bequest intentions) until the university substantially meets donor contingencies.

Unrestricted Operating Results

Unrestricted operating results (change in unrestricted net assets from operating activity) in the consolidated statements of activities reflect all transactions that change unrestricted net assets, except for nonoperating activity related to endowment and other investments, changes in the fair value of derivative financial instruments, contributions for plant facilities, and certain other nonrecurring items.

Endowment distributions reported as operating revenue consist of endowment return (regardless of when such income arose) distributed to support current operational needs. Vanderbilt's Board of Trust approves the distribution amount from the endowment pool on an annual basis, determined by applying a spending rate to an average of the previous three calendar year-end market values. The primary objective of the endowment distribution methodology is to reduce the impact of capital market fluctuations on operational programs.

Operating investment income consists of dividends, interest, and gains and losses on unrestricted, nonendowed investments directly related to core operating activities. Such income includes

investment returns on Vanderbilt's working capital assets. For working capital assets invested in long-term pooled investments managed in conjunction with endowment funds, the amount resulting from pre-established distributions from pooled investments is deemed operating investment income; the difference between total returns for these pooled investments and the aforementioned pre-established distributions is reported as nonoperating activity. Operating investment income also excludes investment returns on segregated gift funds and funds set aside for nonoperating purposes such as segregated assets for self-insurance relative to malpractice and professional liability and assets on deposit with trustees.

Vanderbilt allocates management and administrative support costs attributable to divisions that primarily provide health care or auxiliary services based upon institutional budgets. Thus, institutional support expense separately reported in the consolidated statements of activities relates to Vanderbilt's other primary programs such as instruction, research, and public service.

Vanderbilt allocates costs related to the operation and maintenance of physical plant, including depreciation of plant assets, to operating programs and supporting activities based upon facility usage. Additionally, the university allocates interest expense to the activities that have benefited most directly from the debt proceeds.

Income Taxes

Vanderbilt is a tax-exempt organization as described in Section 501(c)(3) of the Internal Revenue Code (the Code), and generally is exempt from federal income taxes on related income pursuant to Section 501(a) of the Code. Vanderbilt is, however, subject to federal and state income tax on unrelated business income, and provision for such taxes is included in the accompanying consolidated financial statements.

Use of Estimates

The preparation of financial statements requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses during the reporting period as well as the disclosure of contingent assets and liabilities. Actual results ultimately could differ from management's estimates.

Reclassifications

Vanderbilt made certain reclassifications within tuition revenue, health care services revenue, and functional expense categories to prior year amounts to conform to the current year presentation.

Subsequent Events

Vanderbilt evaluated events subsequent to June 30, 2014, and through the date of issuance of the consolidated financial statements, October 23, 2014. Vanderbilt did not identify any material subsequent events for recognition or disclosure.

3. Accounts Receivable

Accounts receivable as of June 30 were as follows (*in thousands*):

2014			
	Gross Receivable	Bad Debt Allowance	Net Receivable
Patient care	\$ 392,035	\$ (76,286)	\$ 315,749
Tuition/fees, grants, other	98,679	(2,064)	96,615
Accrued investment income	2,201	-	2,201
Accounts receivable and related allowance	\$ 492,915	\$ (78,350)	\$ 414,565
<i>Days receivable</i>			39.5

2013			
	Gross Receivable	Bad Debt Allowance	Net Receivable
Patient care	\$ 374,526	\$ (56,548)	\$ 317,978
Tuition/fees, grants, other	95,191	(2,076)	93,115
Accrued investment income	2,079	-	2,079
Accounts receivable and related allowance	\$ 471,796	\$ (58,624)	\$ 413,172
<i>Days receivable</i>			41.6

Patient care receivables represented 79.5% and 79.4% of total accounts receivables as of June 30, 2014 and 2013, respectively. The largest portion of patient care receivables relates to the Hospital and in turn the largest component of the Hospital's receivables was from third party payers.

The Hospital provides services to patients in advance of receiving payment and generally does not require collateral or other security for those services. However, the Hospital routinely obtains assignment of (or is otherwise entitled to receive) patients' benefits payable under their health insurance programs, plans, or policies (e.g.,

4. Contributions Receivable

Contributions receivable as of June 30 were as follows (*in thousands*):

	2014	2013
Unconditional promises expected to be collected:		
in one year or less	\$ 33,929	\$ 32,285
between one year and five years	51,461	48,229
in more than five years	841	1,122
Contributions receivable	86,231	81,636
Less: Discount	1,404	1,065
Less: Allowance for uncollectible promises	10,007	10,269
Contributions receivable, net	\$ 74,820	\$ 70,302

Vanderbilt discounts contributions receivable at a rate commensurate with the scheduled timing of receipt. Vanderbilt applied discount rates ranging from 0.5% to 1.5% to amounts outstanding as of June 30, 2014, and June 30, 2013.

Medicare, Medicaid, TennCare, Blue Cross, health maintenance organizations, or other commercial insurance policies).

During fiscal 2013, due to a noted trend of an increasing balance of aggregate patient care net receivables, along with corresponding cash collections not being realized, Vanderbilt performed an extensive analysis of its patient care net revenue accounting and estimation processes and systems, including in-depth hindsight liquidation analysis. This analysis resulted in the university recording an unfavorable \$121 million change in estimate of the net realizable value of patient receivables during fiscal 2013. Vanderbilt reported this change in estimate as a reduction of health care services revenue in the accompanying consolidated statements of activities for the year ended June 30, 2013.

As of June 30, the Hospital had receivables, net of related contractual allowances, including estimated amounts for cost reports and other settlements with government payers, from the following payers (*in thousands*):

	2014	2013
Medicare	\$ 39,473	\$ 54,221
TennCare/Medicaid	29,693	40,480
Blue Cross	68,630	64,910
Cigna	19,134	15,324
Aetna	14,334	9,166
United	9,622	8,595
Other commercial carriers	60,405	51,622
Patient responsibility	30,964	30,941
Total Hospital receivables, net	\$ 272,255	\$ 275,259

Patient care bad debt charges, reported as a reduction to health care services revenue on the consolidated statements of activities, totaled \$96.6 million and \$65.3 million as of June 30, 2014 and 2013, respectively (both recorded at gross charge level).

Vanderbilt's methodology for calculating an allowance for uncollectible promises consists of analyzing write-offs as a percentage of gross pledges receivable along with assessing the age and activity of outstanding pledges.

In addition to pledges reported as contributions receivable, Vanderbilt had cumulative bequest intentions of approximately \$233.8 million and \$230.2 million as of June 30, 2014 and 2013, respectively. Due to their conditional nature, Vanderbilt does not recognize intentions to give as assets.

Contributions receivable, net as of June 30 were as follows (*in thousands*):

	2014	2013
Contributions receivable, net:		
Temporarily restricted	\$ 32,859	\$ 26,555
Permanently restricted	41,961	43,747
Total	\$ 74,820	\$ 70,302

5. Student Loans and Other Notes Receivable

Student loans and other notes receivable as of June 30 were as follows (*in thousands*):

2014			
	Gross Receivable	Bad Debt Allowance	Net Receivable
Federal loans	\$ 20,077	\$ (1,995)	\$ 18,082
Institutional loans	19,238	(2,820)	16,418
Faculty mortgages	5,751	-	5,751
Student loans, other notes receivable and related allowance	\$ 45,066	\$ (4,815)	\$ 40,251

2013			
	Gross Receivable	Bad Debt Allowance	Net Receivable
Federal loans	\$ 19,988	\$ (1,765)	\$ 18,223
Institutional loans	21,128	(2,752)	18,376
Faculty mortgages	6,983	-	6,983
Student loans, other notes receivable and related allowance	\$ 48,099	\$ (4,517)	\$ 43,582

Vanderbilt remains committed to “no loans” for its undergraduate students, meaning that the university is meeting full demonstrated financial need with scholarship and grant assistance. Vanderbilt carries loans to students at cost, which, based on secondary market information, approximates the fair value of education loans with similar interest rates and payment terms. For other groups (e.g., professional school students), participation in several federal revolving loan programs, including the Perkins, Nursing, and Health Professionals Student Loan programs, has continued. The availability of funds for new loans under these programs is dependent on

6. Investments

Investments consist of the following as of June 30 (*in thousands*):

	2014	2013
Derivative contract collateral and short-term securities ¹	\$ 77,839	\$ 93,632
Global equities ²	1,198,266	1,099,032
Fixed income ¹	177,867	233,782
Hedged strategies	745,508	953,350
Private capital ³	1,479,241	1,282,557
Real estate ³	279,042	292,746
Natural resources ³	340,126	341,942
Equity method securities	15,782	15,716
Trusts ⁴	4,652	4,137
Other investments ⁴	11,350	11,415
Total value	\$ 4,329,673	\$ 4,328,309
Total cost	\$ 3,381,099	\$ 3,849,347

¹ Quoted prices in active markets primarily determines fair value.

² Fund managers provide the net asset value per share of the specific investments to establish fair value.

³ Fund managers provide the net asset value of Vanderbilt’s ownership interests at the fund level to establish fair value.

⁴ Carrying value provides a reasonable estimate of fair value for certain components.

Included in the amounts reported in the table above are investments allocable to noncontrolling interests (i.e., minority limited partners) reported at fair value. During fiscal 2014, the minority limited partners funded capital commitments totaling \$4.0 million. Additionally, Vanderbilt made payments to the minority limited partners of \$70.7 million reflecting a distribution of earnings and returned capital from the underlying private fund assets. For the year ended June

reimbursements to the pool from repayments on outstanding loans. Vanderbilt assigns loans receivable from students under governmental loan programs, also carried at cost, to the federal government or its designees. Vanderbilt classifies refundable advances from the federal government as liabilities in the statements of financial position. Outstanding loans cancelled under a governmental program result in a reduction of the funds available for loan and a decrease in the university’s liability to the government.

Included in institutional loans as of June 30, 2014, is an outstanding note receivable of \$3.6 million from McKendree Village, LLC, an affiliate of Vanderbilt that sold all of its operations and is in the process of dissolving. Because it is unlikely McKendree Village, LLC will repay this debt, it has been fully reserved in the consolidated financial statements.

Vanderbilt establishes allowances for doubtful accounts based on prior collection experience and current economic factors which, in management’s judgment, could influence the ability of loan recipients to repay amounts due. When deemed to be uncollectible, Vanderbilt writes off institutional loan balances.

As part of Vanderbilt’s efforts to attract and retain a world-class faculty, Vanderbilt provides various incentives and historically provided home mortgage financing assistance in select situations. Notes receivable amounting to \$5.8 million were outstanding at June 30, 2014. Deeds of trust on properties concentrated in the surrounding region collateralize these notes. Vanderbilt has not recorded an allowance for doubtful accounts against these loans based on their collateralization and prior collection history.

30, 2014, the minority limited partners’ interests in the results of the underlying returns from the private fund assets were \$240.8 million. The balance of unrestricted net assets related to noncontrolling interests, calculated in accordance with the partnership agreements, was \$150.1 million as of June 30, 2014.

Investments, along with cash and cash equivalents, provide liquidity support for Vanderbilt’s operations. Of these combined amounts, based on prevailing market conditions as of June 30, 2014, \$1,133.0 million was available on a same-day basis and an additional \$1,025.0 million was available within 30 days.

Excluding derivative instruments held by investment managers as part of their respective investment strategies, Vanderbilt held financial futures derivative contracts with notional values of \$345.3 million and \$278.7 million as of June 30, 2014 and 2013, respectively. Counterparties settle the fair market value of such contracts daily.

Derivative contract collateral and short-term securities are composed primarily of amounts posted as collateral in accordance with interest rate exchange agreements and unspent bond proceeds with trustees.

Global equities consist of investment funds globally diversified across public markets including U.S. markets, other developed markets, and emerging and frontier markets. Fund managers of these investments have the ability to shift investments from value to growth strategies, from small to large capitalization stocks, and from a net long position to a net short position.

Vanderbilt University

Fixed income includes investments directed towards capital preservation and predictable yield as well as more opportunistic strategies focused on generating return on price appreciation. These investments are primarily public investments such as investment-grade corporate bonds, high-yield corporate bonds, bank debt, commercial mortgage-backed securities, residential non-agency mortgage-backed securities, asset-backed securities, direct lending, and below investment-grade developed and emerging market sovereign debt. Vanderbilt may make investments through commingled vehicles, separately managed accounts, synthetic transactions, and limited partnership interests.

Hedged strategies investments reflect multiple strategies such as event driven, relative value, and equity funds to diversify risks and reduce volatility in the portfolio generally in hedge fund structures. These strategies also include investments in both long and short primarily credit-oriented securities. Investments may include mortgage-backed securities, trade finance, debt and asset-backed securities, repurchase agreements, senior loans, and bank loans.

Private capital consists of investments that participate in early-stage, high-potential, high-risk, growth startup companies. Private investments include buyouts, distressed debt, mezzanine debt, growth equity, and venture capital. Vanderbilt may make investments through commingled vehicles, separately managed accounts, synthetic transactions, limited partnership interests, and direct investments.

Real estate comprises illiquid investments in residential and commercial real estate assets, projects, or land held directly or in commingled limited partnership funds. The nature of the investments in this category is such that distributions generally reflect liquidation of the underlying assets of the funds.

Natural resources include illiquid investments in timber, oil and gas production, mining, energy, and related services businesses held directly or in commingled limited partnership funds.

Equity method securities and trusts are investments in joint ventures accounted for under the equity method of accounting and Vanderbilt's split-interest agreements with donors.

7. Investment Return

A summary of investment return, including endowment distributions, by net asset category for the fiscal years ended June 30 follows (*in thousands*):

	2014	2013
OPERATING		
<i>Unrestricted:</i>		
Endowment distributions	\$ 149,905	\$ 144,801
Investment income	18,264	19,675
Total operating return	168,169	164,476
NONOPERATING		
<i>Unrestricted:</i>		
Change in appreciation of institutional endowments, net of distributions	128,449	73,019
Change in appreciation of self-insurance assets	10,049	5,232
Investment income	27,237	23,149
<i>Temporarily restricted:</i>		
Endowment distributions	6,520	4,476
Investment income	3,268	854
Change in appreciation of donor-restricted endowments, net of distributions	193,706	96,231
<i>Permanently restricted:</i>		
Endowment distributions	1,135	1,279
Investment income	6,655	1,337
Total nonoperating return	377,019	205,577
Total investment return	\$ 545,188	\$ 370,053

The components of total investment return for the fiscal years ended June 30 were as follows (*in thousands*):

	2014	2013
Net interest, dividend, and partnership income	\$ 118,891	\$ 173,743
Net realized (losses) gains	(63,811)	212,662
Change in unrealized appreciation	490,108	(16,352)
Total investment return	\$ 545,188	\$ 370,053

In addition to a core group of investment professionals dedicated to the management of Vanderbilt's endowment, Vanderbilt employs external investment managers. Particularly for alternative investments such as hedge funds, investment manager fee structures frequently have a base component along with a performance component relative to the entire life of the investments. Under these arrangements, management fees are frequently subject to substantial adjustments based on cumulative future returns for a number of years hence.

Vanderbilt reports investment returns net of returns attributed to limited partners on investments allocable to noncontrolling interests.

Vanderbilt incurred internal endowment management costs of \$11.9 million in fiscal 2014 and \$10.4 million in fiscal 2013. The consolidated statements of activities reflect these costs as institutional support expense. Vanderbilt reported the funding of these costs as other sources of revenue in fiscal 2014 and change in appreciation of endowment, net of distributions in fiscal 2013. On a prospective basis, Vanderbilt will record this funding as other sources of revenue. Fees paid directly to external investment managers (i.e., segregated investment account fees) totaled \$4.5 million and \$9.6 million in fiscal 2014 and 2013, respectively. Vanderbilt reported investment returns net of these external manager fees.

8. Endowment

Endowment-related assets include donor-restricted endowments and institutional endowments (quasi-endowments). Vanderbilt's endowment does not include gift annuities, interests in trusts held by others, contributions pending donor designation, and contributions receivable.

The Board of Trust's interpretation of its fiduciary responsibilities for donor-restricted endowments under the Uniform Prudent Management of Institutional Funds Act (UPMIFA) requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity. Under this broad guideline, future endowment beneficiaries should receive at least the same level of real economic support as the current generation. The overarching objective is to preserve and enhance the real (inflation-adjusted) purchasing power of the endowment in perpetuity. Vanderbilt invests assets to provide a relatively predictable and stable stream of earnings to meet spending needs and attain long-term return objectives without the assumption of undue risks.

UPMIFA specifies that unless stated otherwise in a gift instrument, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure. Barring the existence of specific instructions in gift agreements for donor-restricted endowments, Vanderbilt reports the historical value for such endowments as permanently restricted net assets and the net accumulated appreciation

as temporarily restricted net assets. In this context, historical value represents the original value of initial contributions restricted as permanent endowments plus the original value of subsequent contributions and, if applicable, the value of accumulations made in accordance with the direction of specific donor gift agreements.

Specific appropriation for expenditure of Vanderbilt's endowment funds occurs each spring when the Board of Trust approves the university's operating budget for the ensuing fiscal year. For fiscal years 2014 and 2013, Vanderbilt's Board of Trust approved endowment distributions based on 4.5% of the average of the previous three calendar year-end market values. Vanderbilt reinvests actual realized endowment return earned in excess of distributions. For years when the endowment return is less than the distribution, the endowment pool's cumulative returns from prior years cover the shortfall.

Vanderbilt may not fully expend board-appropriated endowment distributions in a particular fiscal year. In some cases, Vanderbilt will approve endowment distributions for reinvestment into the endowment.

A summary of Vanderbilt's endowment for the fiscal years ended June 30 follows (*in thousands*):

2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments at historical value	\$ -	\$ 24,785	\$ 1,080,443	\$ 1,105,228
Accumulated net appreciation of donor-restricted endowments	-	1,329,499	-	1,329,499
Reinvested distributions of donor-restricted endowments				
At historical value	94,224	3,783	-	98,007
Accumulated net appreciation	108,417	2,239	-	110,656
Institutional endowments				
At historical value	335,875	-	-	335,875
Accumulated net appreciation	1,066,985	-	-	1,066,985
Endowment net assets as of June 30, 2014	\$ 1,605,501	\$ 1,360,306	\$ 1,080,443	\$ 4,046,250

2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments at historical value	\$ -	\$ 23,454	\$ 1,021,892	\$ 1,045,346
Accumulated net appreciation of donor-restricted endowments	-	1,136,106	-	1,136,106
Reinvested distributions of donor-restricted endowments				
At historical value	94,118	1,643	-	95,761
Accumulated net appreciation	92,017	1,926	-	93,943
Institutional endowments				
At historical value	309,251	-	-	309,251
Accumulated net appreciation	954,936	-	-	954,936
Endowment net assets as of June 30, 2013	\$ 1,450,322	\$ 1,163,129	\$ 1,021,892	\$ 3,635,343

The components of the life-to-date accumulated net appreciation of pooled endowments as of June 30 were as follows (*in thousands*):

	2014	2013
Net realized appreciation less endowment distributions	\$ 1,708,468	\$ 1,838,135
Net unrealized appreciation	798,672	346,850
Total	\$ 2,507,140	\$ 2,184,985

In striving to meet the overarching objectives for the endowment, over the past 20 years the university has experienced an 11% annualized standard deviation in its returns. This level of risk is consistent with that accepted by peer institutions. Currently, the en-

dowment portfolio consists of three primary components designed to serve a specific role in establishing the right balance between risk and return. These three components are global, public, and private equity investments. Vanderbilt expects these three investments, including private capital and many hedge funds, to produce favorable returns in environments of accelerated growth and economic expansion. Vanderbilt expects hedged strategies and fixed income investments to generate stable returns and preserve capital during periods of poor equity performance. Vanderbilt uses real estate and natural resources allocations to provide an inflation hedge.

From time to time, the fair value of assets associated with an endowed fund may fall below the level that a donor or UPMIFA re-

Vanderbilt University

quires in terms of maintenance of perpetual duration endowments. As of June 30, 2014 and 2013, Vanderbilt had deficiencies of this nature of approximately \$1 million consisting of 50 endowments and \$6 million consisting of 139 endowments, respectively. These deficiencies resulted from unfavorable market declines that occurred after the investment of recent permanently restricted contri-

butions. Vanderbilt believes these declines are modest in relation to the total market value for donor-restricted endowments and that these deficiencies will be relatively short-term in nature.

Changes in endowment net assets for the fiscal years ended June 30 were as follows (*in thousands*):

2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets as of June 30, 2013	\$ 1,450,322	\$ 1,163,129	\$ 1,021,892	\$ 3,635,343
Endowment investment return:				
Investment income, net of fees	49,319	74,375	-	123,694
Net appreciation (realized and unrealized)	146,586	221,057	-	367,643
Total endowment investment return	195,905	295,432	-	491,337
Gifts and additions to endowment, net	26,730	3,471	58,551	88,752
Endowment distributions	(62,822)	(94,738)	-	(157,560)
Transfers for internal management costs	(4,754)	(7,170)	-	(11,924)
Other	120	182	-	302
Endowment net assets as of June 30, 2014	\$ 1,605,501	\$ 1,360,306	\$ 1,080,443	\$ 4,046,250

2013

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets as of June 30, 2012	\$ 1,326,907	\$ 1,070,333	\$ 962,796	\$ 3,360,036
Endowment investment return:				
Investment income, net of fees	63,894	98,211	-	162,105
Net appreciation (realized and unrealized)	61,987	95,278	-	157,265
Total endowment investment return	125,881	193,489	-	319,370
Gifts and additions to endowment, net	60,809	(3,435)	59,096	116,470
Endowment distributions	(59,342)	(91,214)	-	(150,556)
Transfers for internal management costs	(4,104)	(6,309)	-	(10,413)
Other	171	265	-	436
Endowment net assets as of June 30, 2013	\$ 1,450,322	\$ 1,163,129	\$ 1,021,892	\$ 3,635,343

9. Property, Plant, and Equipment

Vanderbilt reports property, plant, and equipment at cost or, if a gift, at fair value as of the date of the gift, net of accumulated depreciation. Vanderbilt computes depreciation using the straight-line method over the estimated useful lives of the assets.

Property, plant, and equipment as of June 30 were as follows (*in thousands*):

	2014	2013
Land	\$ 73,897	\$ 73,897
Buildings and improvements	2,902,231	2,714,757
Moveable equipment	937,059	892,230
Construction in progress	67,483	160,893
Property, plant, and equipment	3,980,670	3,841,777
Less: Accumulated depreciation	2,215,426	2,060,484
Property, plant, and equipment, net	\$ 1,765,244	\$ 1,781,293

Purchases for the library collection are not included in the amounts above since Vanderbilt expenses them at the time of purchase. As of June 30, 2014, the estimated replacement cost for library collections, including processing costs to properly identify, catalog, and shelf materials, totaled \$376 million.

Vanderbilt did not capitalize interest in either fiscal 2014 or fiscal 2013 due to immateriality.

Vanderbilt capitalized internal-use software development costs of \$6.5 million and \$5.4 million in fiscal 2014 and 2013, respectively, primarily for work associated with the student information system.

Vanderbilt reviews property, plant, and equipment for recoverability whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The university recognizes an impairment loss only if the carrying amount of a long-lived asset is not recoverable and exceeds its fair value. The carrying amount of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. During 2014, Vanderbilt booked impairment losses of \$1.3 million related to property, plant, and equipment.

Vanderbilt identified conditional asset retirement obligations, primarily for the costs of asbestos removal and disposal, resulting in liabilities of \$16.5 million and \$19.9 million as of June 30, 2014 and 2013, respectively. These liability estimates, included in accounts payable and accrued liabilities in the consolidated statements of financial position, use an inflation rate of 4.0% and a discount rate of 5.0% based on relevant factors at origination.

10. Long-Term Debt, Capital Leases, and Commercial Paper

Long-term debt consists of bonds and notes payable with scheduled final maturity dates at least one year after the original issuance date. Outstanding long-term debt, capital leases, and commercial paper

(CP) obligations reflected in the financial statements at carrying value as of June 30 were as follows (*in thousands*):

	Years to Nominal Maturity	Outstanding Fixed Coupon Interest Rates as of June 30, 2014	Fiscal 2014 Effective Interest Rate ²	Outstanding Principal 2014	2013
FIXED-RATE DEBT					
Series 2008A	5	5.00%	4.0%	\$ 109,600	\$ 117,600
Series 2008B ¹	5	4.00%-5.00%	3.9%	78,185	95,660
Series 2009A	26	4.00%-5.50%	4.9%	97,100	97,100
Series 2009B ¹	26	5.00%-5.50%	5.0%	232,900	232,900
Series 2009A Taxable	5	5.25%	5.3%	250,000	250,000
Series 2012C	4	3.00%-5.00%	1.3%	18,620	25,875
Series 2012D	24	3.00%-5.00%	3.2%	106,230	106,230
Series 2012E	6	2.00%-5.00%	0.8%	39,490	45,225
Fixed-rate debt			4.4%	932,125	970,590
VARIABLE-RATE DEBT					
Series 2012A	25		0.5%	67,000	67,000
Series 2012B	25		0.7%	67,000	67,000
Variable-rate debt			0.6%	134,000	134,000
Par amount of long-term debt			3.9%	1,066,125	1,104,590
Net unamortized premium			-	17,131	22,341
Total long-term debt			3.9%	1,083,256	1,126,931
Capital leases	1		10.7%	29	527
Total long-term debt and capital leases			3.9%	1,083,285	1,127,458
Tax-exempt commercial paper	<1		0.2%	95,000	99,205
Taxable commercial paper	<1		0.3%	114,845	114,806
Total commercial paper			0.2%	209,845	214,011
Total long-term debt, capital leases, and commercial paper			3.3%	\$ 1,293,130	\$ 1,341,469

¹ Issued under Master Trust Indenture structure.

² Exclusive of interest rate exchange agreements. Inclusive of these agreements, the overall portfolio effective interest rate was 5.1%.

The preceding table reflects fixed/variable allocations before the effects of interest rate exchange agreements. A successive note discusses these agreements in more detail.

The Health and Educational Facilities Board of The Metropolitan Government of Nashville and Davidson County, Tennessee (HEFB) issued Vanderbilt's tax-exempt CP and all of the aforementioned bonds, with the exception of the Series 2009A Taxable notes. As a conduit issuer, the HEFB loans the debt proceeds to Vanderbilt. Pursuant to loan agreements, Vanderbilt's debt service requirements under these loan agreements coincide with required debt service of the actual HEFB bonds.

All debt instruments are general obligations of Vanderbilt. Vanderbilt did not pledge any of its assets as collateral for this debt.

Included in the foregoing table are the Hospital's bonds, with a \$311.1 million principal balance outstanding as of June 30, 2014, that were issued under a Master Trust Indenture (MTI) structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group. Presently, Vanderbilt's hospitals and clinics have no other members participating in the obligated group. Bonds issued under the MTI are payable from hospital revenues. A Vanderbilt debt service guarantee supplements all outstanding MTI bonds.

Trust indentures for certain bond issues contain covenants and restrictions involving the issuance of additional debt, maintenance of a specified debt service coverage ratio, and the maintenance of credit facilities for liquidity purposes. Vanderbilt was in compliance with such covenants and restrictions as of June 30, 2014.

The components of interest for total long-term debt, capital leases, CP, and interest rate exchange agreements follows (*in thousands*):

	2014	2013
Payments for interest costs	\$ 71,657	\$ 71,475
Accrued interest expense	\$ 65,478	\$ 68,108

Payments for interest costs, including amounts capitalized, occur on varying scheduled payment dates for debt, maturity dates for CP, and settlement dates for interest rate exchange agreements. Vanderbilt calculates accrued interest expense for its debt, CP, and interest rate exchange agreements based on applicable interest rates for the respective fiscal year.

Vanderbilt University

Principal retirements and scheduled sinking fund requirements based on nominal maturity schedules for long-term debt due in subsequent fiscal years ending June 30 are as follows (*in thousands*):

2015	\$ 40,240
2016	54,245
2017	44,875
2018	47,070
2019	342,300
Thereafter	537,395
Total long-term debt principal retirements	\$ 1,066,125

In addition to scheduled principal and interest payments on long-term debt obligations, Vanderbilt's capital lease agreements outstanding as of June 30, 2014, required payments of \$0.4 million during fiscal 2014. The remaining capital lease obligation will be paid during fiscal 2015. Furthermore, requirements in earlier years in the preceding table could be greater if Vanderbilt must purchase either a portion or all of its floating-rate notes or CP in the event of failed remarketings, on mandatory tender dates, or scheduled maturities as described in the following paragraphs.

Vanderbilt had \$134.0 million of variable-rate bonds outstanding as of June 30, 2014, consisting entirely of floating-rate notes with mandatory tender dates of October 1, 2015 and 2017.

As of June 30, 2014, Vanderbilt had \$95.0 million of tax-exempt CP outstanding and \$114.8 million of taxable CP outstanding. Vanderbilt can issue up to a combined \$675.0 million under its tax-exempt and taxable CP programs. However, issuance of incremental taxable CP beyond that outstanding as of June 30, 2014, would require approval by Vanderbilt's Board of Trust and the HEFB as conduit issuer.

The weighted average duration of Vanderbilt's CP portfolio totaled 97 days as of June 30, 2014, and 106 days as of June 30, 2013.

Debt liquidity support with short-term remarketing periods (CP totaling \$209.8 million) is provided by Vanderbilt's self-liquidity. As of June 30, 2014, Vanderbilt estimates that \$1,133.0 million of liquid assets were available on a same-day basis and an additional \$1,025.0 million was available within 30 days.

A second tier of debt liquidity support consists of two revolving credit facilities with maximum available commitments totaling \$400 million as of June 30, 2014, dedicated to Vanderbilt's debt

portfolio liquidity support. One of these lines totaling \$200 million includes a general use provision. These commitments expire in March 2016 and April 2017. The maximum repayment period, which may extend beyond the expiration date, ranges from 90 days to three years. Vanderbilt has never borrowed against revolving credit agreements to support redemptions of debt.

Vanderbilt has entered into an agreement with one bank to provide a general use line of credit with a maximum available commitment totaling \$100.0 million as of June 30, 2014. This line of credit expires in October 2014. Vanderbilt had no outstanding draws against these credit facilities as of June 30, 2014, or June 30, 2013.

Vanderbilt reports long-term debt at carrying value, which is the par amount adjusted for the net unamortized amount of bond premiums and discounts. The carrying value and estimated fair value of Vanderbilt's long-term debt as of June 30 were as follows (*in thousands*):

	2014	2013
Carrying value of long-term debt	\$ 1,083,256	\$ 1,126,931
Fair value of long-term debt	\$ 1,175,327	\$ 1,196,940

Vanderbilt bases estimated fair value of long-term debt on market conditions prevailing at fiscal year-end reporting dates. Besides potentially volatile market conditions, fair value estimates typically also reflect limited secondary market trading. Vanderbilt reports capital leases and commercial paper at carrying value, which closely approximates fair value for those liabilities.

None of Vanderbilt's fixed-rate debt has a mandatory tender date preceding the respective final maturity date. The Series 2008A and 2008B bonds include amortizing principal amounts each year but these bonds are noncallable before their October 2018 final maturity date. The Series 2009A and 2009B bonds include amortizing principal amounts each year beginning fiscal 2016 and a call feature at par beginning October 2019. The Series 2009A Taxable notes do not amortize and include a call feature before the April 2019 maturity date only if Vanderbilt pays a make-whole call provision to the bondholders. The Series 2012C bonds include annual amortizing principal amounts each year, excluding October 2015, until their final maturity in October 2017. The Series 2012D bonds include amortizing principal amounts each year beginning in fiscal 2021 and a call feature at par beginning October 2023. The Series 2012E bonds include annual amortizing principal amounts beginning October 2013, until their final maturity in October 2019.

11. Interest Rate Exchange Agreements

Vanderbilt entered into interest rate exchange agreements as part of its debt portfolio management strategy. These agreements result in periodic net cash settlements paid to, or received from, counterparties. Adjustments to interest expense for net settlements due to counterparties totaled \$23.0 million and \$25.8 million in fiscal 2014 and 2013, respectively.

Vanderbilt estimates the fair value of interest rate exchange agreements by calculating the present value sum of future net cash settlements that reflect market yields as of the measurement date and estimated amounts that Vanderbilt would pay, or receive, to terminate the contracts as of the report date. Vanderbilt considers current interest rates and current creditworthiness of the interest rate exchange counterparties when estimating termination settlements. The estimated fair value of Vanderbilt's outstanding interest rate exchange agreements was a liability of \$168.4 million and a liability of \$206.7 million as of June 30, 2014 and 2013, respectively.

Vanderbilt did not enter into any new interest rate exchange agreements during fiscal 2014 or 2013. During fiscal 2014, Vanderbilt novated \$99.6 million of fixed-payer interest rate exchange agreements in order to diversify counterparty risk and reduce the university's aggregate collateral posting requirements. Also during fiscal 2014, Vanderbilt terminated \$169.8 million notional of fixed-rate payer interest rate exchange agreements at a cost of \$31.9 million to reduce collateral exposure and eliminate ongoing settlement costs. Following the novation, terminations, and scheduled amortizations, Vanderbilt had \$544.8 million of aggregate fixed-payer interest rate exchange agreements outstanding for which the university receives

68.2% of one-month LIBOR and pays a weighted average fixed rate of 3.8%.

Gains and losses from changes in the fair value of interest rate exchange agreements, reported in the nonoperating section of the consolidated statements of activities, resulted in net gains of \$6.4 million in fiscal 2014 and \$108.9 million in fiscal 2013, respectively. The \$6.4 million of net unrealized gains on the interest rate exchange agreements includes a \$13.4 million unrealized gain to adjust the discount rate to reflect counterparty credit risk partially offset by a \$7.0 million unrealized loss due to a long-term LIBOR rate change. LIBOR decreased to 3.3% as of June 30, 2014, from 3.4% as of June 30, 2013.

The interest rate exchange agreements include collateral pledging requirements based on the fair value of the contracts. Collateral held by counterparties as of June 30, 2014 and 2013, totaled \$75.8 million and \$95.1 million, respectively. Vanderbilt estimates that a decline in long-term LIBOR rates to approximately 1% would result in the fair value of the portfolio being a liability of approximately \$420 million and correspondingly increase Vanderbilt's collateral pledging requirements to approximately \$280 million. As of June 30, 2014, 30-year LIBOR was 3.3%.

As of June 30, 2014, Vanderbilt's adjusted debt portfolio, after taking into account outstanding fixed-payer interest rate exchange agreements, was fully hedged.

The notional amounts of Vanderbilt's outstanding interest rate exchange agreements as of June 30 were as follows (*in thousands*):

Description	Rate Paid	Rate Received	Maturity	2014	2013
Fixed-payer interest rate exchange agreements	Avg fixed rate of 3.83%	Avg of 68.2% of one-month LIBOR ¹	17 to 30 years	\$ 544,800	\$ 718,200
Basis interest rate exchange agreements	SIFMA ²	Avg of 81.5% of one-month LIBOR ¹	21 to 22 years	\$ 500,000	\$ 500,000

¹ LIBOR (London Interbank Offered Rate) is a reference rate based on interest rates at which global banks borrow funds from other banks in the London interbank lending market.

² SIFMA (Securities Industry and Financial Markets Association) is a seven-day high-grade market index rate based upon tax-exempt variable rate debt obligations.

12. Net Assets

Unrestricted net assets consist of the following internally designated groups:

Designated for operations represents cumulative operating activity. These net assets also reflect the realized losses of derivative financing activities.

Designated gifts and grants include gift and grant funds.

Designated for student loans represents Vanderbilt funds set aside to serve as revolving loan funds for students.

Designated for plant facilities represents (a) Vanderbilt's investment in property, plant, and equipment, net of accumulated depreciation, as well as (b) funds designated for active construction projects and retirement of capital-related debt, offset by (c) Vanderbilt's conditional asset retirement obligation.

Reinvested distributions of donor-restricted endowments at historical value are amounts related to donor-restricted endowments reinvested in the endowment in accordance with donor requests.

Accumulated net appreciation of reinvested distributions represents cumulative appreciation on reinvestments of donor-restricted endowments.

Institutional endowments (quasi-endowments) at historical value are amounts set aside by Vanderbilt to generate income in perpetuity to support operating needs.

Accumulated net appreciation of institutional endowments represents cumulative appreciation on institutional endowments.

Fair value of interest rate exchange agreements, net represents the mark-to-market valuation for interest rate exchange contracts.

Vanderbilt University

Net assets related to noncontrolling interests represents minority partners' share of the equity in two partnerships (endowment private equity and real estate partnerships) formed to acquire, hold, and manage private fund assets.

Based on the foregoing designations, **unrestricted net assets** as of June 30 were composed of the following (*in thousands*):

	2014	2013
Designated for operations	\$ 791,540	\$ 688,845
Designated gifts and grants	78,893	103,438
Designated for student loans	22,227	23,096
Designated for plant facilities	700,053	725,965
Reinvested distributions of donor-restricted endowments at historical value	94,224	94,118
Accumulated net appreciation of reinvested distributions	108,417	92,017
Institutional endowments at historical value	335,875	309,251
Accumulated net appreciation of institutional endowments	1,066,985	954,936
Fair value of interest rate exchange agreements, net	(168,451)	(206,733)
Net assets related to noncontrolling interests	150,067	186,901
Total unrestricted net assets	\$ 3,179,830	\$ 2,971,834

Temporarily restricted net assets as of June 30 were composed of the following (*in thousands*):

	2014	2013
Donor-restricted endowments at historical value	\$ 24,785	\$ 23,454
Accumulated net appreciation of donor-restricted endowments	1,329,499	1,136,106
Reinvested distributions of donor-restricted endowments at historical value	3,783	1,643
Accumulated net appreciation of reinvested distributions	2,239	1,926
Contributions	86,153	52,335
Interests in trusts held by others	5,769	6,233
Life income and gift annuities	15,254	13,369
Total temporarily restricted net assets	\$ 1,467,482	\$ 1,235,066

13. Fair Value Measurement

Vanderbilt utilizes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

Level 1 consist of quoted prices (unadjusted) in active markets for identical assets or liabilities accessible at the measurement date.

Level 2 include inputs other than quoted prices in Level 1 directly or indirectly observable for the assets or liabilities.

Level 3 are unobservable inputs for the assets or liabilities.

The level in the fair value hierarchy within which a fair value measurement in its entirety is classified depends on the lowest level input that is significant to the fair value measurement.

Vanderbilt designated temporarily restricted net assets for the following purposes as of June 30 (*in thousands*):

	2014	2013
Student scholarships	\$ 469,118	\$ 391,674
Endowed chairs	384,130	332,416
Operations	294,966	258,606
Program support	107,802	90,481
Capital improvements	15,954	11,505
Subsequent period operations and other	195,512	150,384
Total temporarily restricted net assets	\$ 1,467,482	\$ 1,235,066

Permanently restricted net assets as of June 30 were composed of the following (*in thousands*):

	2014	2013
Donor-restricted endowments at historical value	\$ 1,080,443	\$ 1,021,892
Contributions	41,961	44,255
Interests in trusts held by others	34,021	31,859
Life income and gift annuities	40,009	34,413
Total permanently restricted net assets	\$ 1,196,434	\$ 1,132,419

Based on relative fair values as of June 30, donor-restricted endowments supported the following:

	2014	2013
Financial aid	35%	34%
Endowed chairs	29%	29%
Operations	21%	22%
Program support	8%	8%
Research, lectureships, fellowships, and other	7%	7%
Total support	100%	100%

The significance of the unobservable inputs to the overall fair value measurement determines the classification of a financial instrument within level 3.

The consolidated statements of activities reflect: all net realized and unrealized gains and losses on level 3 investments as changes in endowment appreciation or changes in appreciation of other investments; gains and losses on investments allocable to noncontrolling interests as a component of net endowment appreciation; and net realized and unrealized gains and losses on interests in trusts held by others as changes in appreciation of other investments.

Rollforwards of amounts for level 3 financial instruments for the fiscal years ended June 30 follow (*in thousands*):

Vanderbilt University

	June 30, 2013	Realized and unrealized gains (losses)	Purchases	Sales	Transfers into and (out) of level 3	June 30, 2014	Change in unrealized gains (losses) for investments still held at June 30, 2014
LEVEL 3 ASSETS							
Fixed income	\$ 19,040	\$ (603)	\$ 2,397	\$ (847)	\$ -	\$ 19,987	\$ (608)
Global equities	159,836	20,543	2,163	(78,402)	-	104,140	2,826
Hedge strategies	578,047	(116,611)	16,150	(243,553)	100,988	335,021	(80,931)
Private capital	1,281,709	360,122	217,407	(382,353)	-	1,476,885	(51,735)
Real estate	292,746	21,900	35,044	(70,648)	-	279,042	30,588
Natural resources	341,942	9,347	44,087	(55,250)	-	340,126	(16,552)
Trusts	4,137	2,303	1,710	(3,498)	-	4,652	689
Other investments	11,176	(38)	216	(130)	-	11,224	-
Interests in trusts held by others	38,091	1,699	-	-	-	39,790	2,108
Total Level 3	\$ 2,726,724	\$ 298,662	\$ 319,174	\$ (834,681)	\$ 100,988	\$ 2,610,867	\$ (113,615)

	June 30, 2012	Realized and unrealized gains (losses)	Purchases	Sales	Transfers into and (out) of level 3	June 30, 2013	Change in unrealized gains (losses) for investments still held at June 30, 2013
LEVEL 3 ASSETS							
Fixed income	\$ 19,754	\$ (652)	\$ 1,503	\$ (2,339)	\$ 774	\$ 19,040	\$ 2,898
Global equities	282,248	3,908	92,968	(219,288)	-	159,836	(95,324)
Hedge strategies	558,295	50,313	308,663	(339,224)	-	578,047	46,681
Private capital	1,210,866	142,701	182,356	(254,214)	-	1,281,709	46,273
Real estate	290,432	13,162	33,858	(44,154)	(552)	292,746	(17,865)
Natural resources	274,183	2,951	170,477	(105,669)	-	341,942	(1,763)
Trusts	3,481	669	-	(13)	-	4,137	4,921
Other investments	12,309	(1,193)	60	-	-	11,176	5
Interests in trusts held by others	39,257	(1,166)	-	-	-	38,091	(1,061)
Total Level 3	\$ 2,690,825	\$ 210,693	\$ 789,885	\$ (964,901)	\$ 222	\$ 2,726,724	\$ (15,235)

The tables on the following pages present the amounts within each valuation hierarchy level for those assets and liabilities carried at fair value: cash and cash equivalents; investments; investments allocable to noncontrolling interests (in Vanderbilt-controlled real estate and other partnerships); interests in trusts held by others; and the fair value of interest rate exchange agreements.

Noted in the tables on the following page, as a measure of liquidity, are the redemption or liquidation frequencies of investments, along with the numbers of days notice required to liquidate these investments.

As of June 30, 2014, 91% of cash and cash equivalents were available on a same-day basis.

Most investments classified as levels 2 and 3 consist of shares or units in investment funds as opposed to direct interests in the funds' underlying holdings. Vanderbilt uses the net asset value reported by the fund as a practical expedient to estimate the fair value of interest therein for the majority of these assets; Vanderbilt's ability to redeem its interest at or near the financial statement date determines the net assets classification as level 2 or level 3. Vanderbilt defines near-term as within 90 days of the financial statement date.

During fiscal 2014, Vanderbilt determined it was probable certain investments, for which the university historically used net asset

value as a practical expedient to estimate fair value, would sell for an amount other than net asset value. These assets have a fair value of \$60 million and are all level 3 assets within the fair value hierarchy. Vanderbilt has begun actively marketing the assets for liquidation.

Derivative contract collateral and short-term securities are primarily composed of amounts posted as collateral in accordance with interest rate exchange agreements and unspent bond proceeds with trustees. Vanderbilt deems a redemption or liquidation frequency for these amounts as nonapplicable.

Global equities and fixed income provide varying levels of liquidity as defined in the following tables. As of June 30, 2014, 54% and 83% of global equities and fixed income value, respectively, were available for daily redemption requests with liquidity within 30 days.

Hedged strategies include daily, quarterly, and annual redemption frequencies. These strategies allow Vanderbilt to provide notice to the fund managers to exit from the respective funds in the time periods noted. As of June 30, 2014, 46% of hedged strategies investments include hedge funds in "hard lockup" periods of up to 36 months. These funds do not allow redemptions or liquidations during that time per terms of the respective agreements with fund managers. Additionally, 22% of hedged strategies investments were in

Vanderbilt University

“soft lockup” periods of up to nine months, during which redemptions or liquidations may occur but are subject to withdrawal penalties of up to 5%.

The total asset values for private capital, real estate, natural resources, and other investments are illiquid as of June 30, 2014. These amounts predominantly consist of limited partnerships. Under the terms of these limited partnership agreements, Vanderbilt is obligated to remit additional funding periodically as capital calls are exercised by the general partner. These partnerships have a limited existence and the agreements may provide for annual extensions relative to the timing for disposing portfolio positions and returning

capital to investors. Depending on market conditions, the ability or inability of a fund to execute its strategy, and other factors, the general partner may extend the terms or request an extension of terms of a fund beyond its originally anticipated existence or may liquidate the fund prematurely. Unforeseen events prevent Vanderbilt from anticipating such changes. As a result, the timing and amount of future capital calls or distributions in any particular year are uncertain and the related asset values are illiquid.

The following tables summarize the fair value measurements and terms for redemptions or liquidations for those assets and liabilities carried at fair value as of June 30 (*in thousands*):

2014

	----- Fair Value Measurements -----				Group %	Redemption or Liquidation Frequency	Days Notice
	Level 1	Level 2	Level 3	Total			
ASSETS REPORTED AT FAIR VALUE							
Cash and cash equivalents	\$ 1,244,720	\$ -	\$ -	\$ 1,244,720	91%	Daily	same-day
Derivative contract collateral and short-term securities	77,839	-	-	77,839	100%	Daily	2-90 days
Global equities	1,091,512	2,614	104,140	1,198,266	54%	Daily	2-30 days
					23%	Quarterly-Lockup	>30 days
					3%	Monthly	>30 days
					9%	Daily	>30 days
					4%	Annually-Lockup	>30 days
					6%	Quarterly	>30 days
					1%	n/a	n/a
Fixed income	157,880	-	19,987	177,867	83%	Daily	2-30 days
					17%	Daily	>30 days
Private capital	2,356	-	1,476,885	1,479,241	100%	n/a	n/a
Hedged strategies	316,367	94,120	335,021	745,508	9%	Annually-Lockup	>30 days
					20%	Daily	2-30 days
					10%	Monthly-Lockup	>30 days
					50%	Quarterly-Lockup	>30 days
					11%	n/a	n/a
Natural resources	-	-	340,126	340,126	100%	n/a	n/a
Real estate	-	-	279,042	279,042	100%	n/a	n/a
Trusts	-	-	4,652	4,652	100%	n/a	n/a
Other investments	126	-	11,224	11,350	100%	n/a	n/a
Interests in trusts held by others	-	-	39,790	39,790	100%	n/a	n/a
Total assets reported at fair value	\$ 2,890,800	\$ 96,734	\$ 2,610,867	\$ 5,598,401			
LIABILITIES REPORTED AT FAIR VALUE							
Interest rate exchange agreements,	\$ -	\$ 168,451	\$ -	\$ 168,451			

Vanderbilt University

2013

	----- Fair Value Measurements -----				Group %	Redemption or Liquidation Frequency	Days Notice
	Level 1	Level 2	Level 3	Total			
ASSETS REPORTED AT FAIR VALUE							
Cash and cash equivalents	\$ 845,472	\$ -	\$ -	\$ 845,472	86% 14%	Daily Daily	same-day 2-90 days
Derivative contract collateral and short-term securities	93,632	-	-	93,632	100%	n/a	n/a
Global equities	934,463	4,733	159,836	1,099,032	65% 9% 9% 4% 9% 4%	Daily Daily Daily Monthly Quarterly-Lockup Quarterly	2-30 days >30 days next day >30 days >30 days >30 days
Fixed income	214,742	-	19,040	233,782	13% 87%	Daily Daily	>30 days next day
Private capital	848	-	1,281,709	1,282,557	100%	n/a	n/a
Hedged strategies	59,915	315,388	578,047	953,350	42% 13% 12% 16% 12% 5%	Quarterly Quarterly-Lockup Annually-Lockup Annually n/a Monthly	>30 days >30 days >30 days >30 days >30 days >30 days
Natural resources	-	-	341,942	341,942	81% 19%	n/a Quarterly	n/a >30 days
Real estate	-	-	292,746	292,746	100%	>1yr	n/a
Trusts	-	-	4,137	4,137	100%	n/a	n/a
Other investments	239	-	11,176	11,415	100%	>1yr	n/a
Interests in trusts held by others	-	-	38,091	38,091	100%	n/a	n/a
Total assets reported at fair value	\$ 2,149,311	\$ 320,121	\$ 2,726,724	\$ 5,196,156			
LIABILITIES REPORTED AT FAIR VALUE							
Interest rate exchange agreements,	\$ -	\$ 206,733	\$ -	\$ 206,733			

14. Retirement Plans

Vanderbilt's full-time faculty and staff members participate in defined contribution retirement plans administered by third-party investment and insurance firms. For eligible employees with one year of continuous service, these plans require employee and matching employer contributions. The employee immediately vests in these contributions.

Vanderbilt funds the obligations under these plans through monthly transfers to the respective retirement plan administrators with the corresponding expenses recognized in the year incurred. Vanderbilt's retirement plan contributions for fiscal 2014 and 2013 were \$63.1 million and \$63.0 million, respectively.

15. Student Financial Aid

Vanderbilt provides financial aid to students based upon need and merit. Institutional resources, contributions, endowment distributions, and externally sponsored programs fund this financial assistance.

For the fiscal years ended June 30, financial aid for tuition and education fees was as follows (*in thousands*):

	2014	2013
Tuition and educational fees, gross	\$ 478,320	\$ 482,528
Less: Financial aid for tuition and educational fees	(213,543)	(209,940)
Tuition and educational fees, net	\$ 264,777	\$ 272,588

For the fiscal years ended June 30, financial aid for room and board was as follows (*in thousands*):

	2014	2013
Room and board, gross	\$ 70,809	\$ 69,035
Less: Financial aid for room and board	(30,305)	(29,228)
Room and board, net	\$ 40,504	\$ 39,807

16. Natural Classification of Expenses and Allocations

For the fiscal years ended June 30, operating expenses incurred were as follows (*in thousands*):

	2014	2013
Salaries, wages, and benefits	\$ 2,271,831	\$ 2,277,192
Services	224,158	208,796
General expenses and supplies	843,934	780,529
Depreciation and amortization	175,779	174,330
Interest	65,478	68,108
Utilities, operating leases, and other	173,301	160,145
Total operating expenses	\$ 3,754,481	\$ 3,669,100

Natural expense classifications include certain allocations of institutional and other support costs to Vanderbilt's primary programs. Based on the functional uses of space on its campus, Vanderbilt allocated depreciation and interest on indebtedness to the functional operating expense categories shown below (*in thousands*):

2014	2014	
	Depreciation	Interest
Instruction	\$ 20,997	\$ 3,448
Research	23,792	6,189
Health care services	79,652	40,672
Academic support	8,314	1,122
Student services	1,856	368
Institutional support	11,724	1,107
Room, board, and other auxiliary services	29,444	12,572
Total	\$ 175,779	\$ 65,478

2013	2013	
	Depreciation	Interest
Instruction	\$ 20,116	\$ 3,090
Research	27,348	5,105
Health care services	78,134	41,951
Public service	89	23
Academic support	9,559	1,460
Student services	1,659	777
Institutional support	13,509	1,405
Room, board, and other auxiliary services	23,916	14,297
Total	\$ 174,330	\$ 68,108

17. Charity Care Assistance and Community Benefits

VUMC (including hospitals, clinics, and physician practice units) maintains a policy which sets forth the criteria to provide without expectation of payment or at a reduced payment rate health care services to patients who have minimal financial resources to pay for medical care. VUMC does not report these charity care services as revenue.

The medical center maintains records to identify and monitor the level of charity care it provides, and these records include the amount of gross charges and patient deductibles, co-insurance and co-payments forgone for services furnished under its charity care policy, and the estimated cost of those services. Charity care utiliz-

es a tiered grid to determine the level of assistance based on Federal poverty guidelines. State of Tennessee law mandates uninsured patient eligibility for a discount from billed charges for medically necessary services, in addition to charity care assistance. VUMC provides additional discounts based on the income level of the patient household using a sliding scale for those patients with a major catastrophic medical event that do not qualify for full charity assistance.

The total cost of uncompensated care (charity care and bad debt) was \$157.1 million and \$137.8 million for fiscal 2014 and 2013,

Vanderbilt University

respectively. Of the total uncompensated care, charity care represented 80.8% and 85.3% in fiscal 2014 and 2013, respectively.

In addition to the charity care services described above, the medical center provides a number of other services to benefit the economically disadvantaged for which the medical center receives little or no payment. TennCare/Medicaid and state indigent programs do not cover the full cost of providing care to beneficiaries of those programs. As a result, in addition to direct charity care

costs, the medical center provided services related to TennCare/Medicaid and state indigent programs substantially below the cost of rendering such services.

The medical center also provides public health education and training for new health professionals and provides, without charge, services to the community at large, together with support groups for many patients with special needs.

18. Related Parties

Intermittently, members of Vanderbilt's Board of Trust or Vanderbilt employees may be directly or indirectly associated with companies engaged in business activities with the university. Accordingly, Vanderbilt has a written conflict of interest policy that requires, among other things, that members of the university community (including trustees) may not review, approve, or administratively control contracts or business relationships when (a) the contract or business relationship is between Vanderbilt and a business in which the individual or a family member has a material financial interest or (b) the individual or a family member is an employee of the business and is directly involved with activities pertaining to Vanderbilt.

Furthermore, Vanderbilt's conflict of interest policy extends beyond the foregoing business activities in that disclosure is required for any situation in which an applicable individual's financial, professional, or other personal activities may directly or indirectly affect, or have the appearance of affecting, an individual's professional

judgment in exercising any university duty or responsibility, including the conduct or reporting of research.

The policy extends to all members of the university community (including trustees, university officials, and faculty and staff and their immediate family members). Each applicable person is required to certify compliance with the conflict of interest policy on an annual basis. This certification includes specifically disclosing whether Vanderbilt conducts business with an entity in which he or she (or an immediate family member) has a material financial interest as well as any other situation that could appear to present a conflict with Vanderbilt's best interests.

When situations exist relative to the conflict of interest policy, Vanderbilt takes active measures to manage appropriately the actual or perceived conflict in the best interests of the university, including periodic reporting of the measures taken to the Board of Trust Audit Committee.

19. Lease Obligations

Vanderbilt primarily classifies certain equipment and real property leases as operating leases with lease terms of up to 15 years. Total operating lease expense in fiscal 2014 and 2013 was \$70.8 million and \$64.7 million, respectively.

As of June 30, 2014, future committed minimum rentals by fiscal year on significant noncancelable operating leases with initial terms in excess of one year were as follows (*in thousands*):

2015	\$	53,484
2016		45,935
2017		37,176
2018		29,844
2019		21,751
Thereafter		37,377
Total future minimum rentals	\$	225,567

Detail of significant noncancelable operating leases by type:

	% of Minimum Rentals	Minimum Rentals
Property leases (123 leases)	67%	\$ 151,614
Equipment leases (124 leases)	33%	73,953
Total future minimum rentals	100%	\$ 225,567

Property leases for 2525 West End Avenue (14%) and One Hundred Oaks (14%) account for approximately 28% of the total future minimum rentals.

20. Commitments and Contingencies

(A) *Construction.* As of June 30, 2014, Vanderbilt had contractual commitments for approximately \$65.0 million of projects under construction and equipment purchases. The largest components of these commitments were for the campus power plant coal-to-gas conversion project (\$20.0 million); structural repair and mechanical updates for Vanderbilt University Hospital (\$15.0 million); and the Warren College and Moore College Residential Complex (\$10.7 million).

(B) *Litigation.* Vanderbilt is a defendant in several legal actions. One such legal action is a qui tam civil action related to billing and government reimbursement for certain professional health care services provided by the Vanderbilt University Medical Center. The lawsuit was unsealed in the fall of 2013, and the government has decided not to intervene in the litigation at this time. Accordingly, the litigation is currently in the discovery phase with private plaintiffs. Vanderbilt believes that the outcome of these actions will not have a significant effect on its consolidated financial position.

(C) *Regulations.* Vanderbilt's compliance with regulations and laws is subject to future government reviews and interpretations, as well as regulatory actions unknown at this time. Vanderbilt believes that the liability, if any, from such reviews will not have a significant effect on Vanderbilt's consolidated financial position.

(D) *Medical Malpractice Liability Insurance.* Vanderbilt is self-insured for the first level of medical malpractice claims. The current self-insured retention is \$5.5 million per occurrence, not to exceed an annual aggregate of \$43.0 million. Vanderbilt segregates investments for this self-insured retention. An independent actuarial firm performs studies to determine the funding for these segregated assets. Excess malpractice and professional liability coverage has been obtained from commercial insurance carriers on a claims-made basis for claims above the retained self-insurance risk levels.

(E) *Employee Health and Workers Compensation Insurance.* Vanderbilt is self-insured for employee health insurance and workers compensation coverage. Vanderbilt bases estimated liabilities upon studies conducted by independent actuarial firms.

(F) *Federal and State Contracts and Other Requirements.* Expenditures related to federal and state grants and contracts are subject to adjustment based upon review by the granting agencies. Amounts of expenditures that granting agencies might disallow cannot be determined at this time. These amounts affect government grants and contract revenue as well as facilities and administrative cost recovery. Vanderbilt would not expect these costs to influence the consolidated financial position significantly.

(G) *Health Care Services.* Revenue from health care services includes amounts paid under reimbursement agreements with certain third-party payers and is subject to examination and retroactive adjustments. Vanderbilt reports any differences between estimated year-end settlements and actual final settlements at the time of final settlement. The financial statements include substantially all final settlements through the year ended June 30, 2010. Vanderbilt expects to receive final settlements relative to periods through June 30, 2011, during fiscal 2015.

(H) *HIPAA Compliance.* Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the federal government has authority to complete fraud and abuse investigations. HIPAA has established substantial fines and penalties for offenders. Vanderbilt maintains policies, procedures, and organizational structures to enforce and monitor compliance with HIPAA, as well as other applicable local, state, and federal statutes and regulations.

(I) *Partnership Investment Commitments.* There were \$530.3 million of commitments to venture capital, real estate, and private equity investments as of June 30, 2014. At the request of the general partners, Vanderbilt may draw down funds over the next several years. Vanderbilt expects to finance these commitments with available cash and expected proceeds from the sales of securities. In addition, Vanderbilt is a secondary guarantor for \$17.4 million of commitments for certain investment vehicles where minority limited partners in subsidiaries that Vanderbilt controls have the primary obligations.

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Research and Development Cluster			
U.S. Department of Agriculture			
Unknown/No CFDA	10		
Pass-through Programs			
VU# -4043464753		Egg Nutrition Center	1,270
Total CFDA			<u>1,270</u>
1890 Institution Capacity Building Grants	10.216		
Pass-through Programs			
VU# -4042504763		Tennessee State University	810
Total CFDA			<u>810</u>
Biotechnology Risk Assessment Research	10.219		
Pass-through Programs			
2014-33522-21826		University of Memphis	8,203
Total CFDA			<u>8,203</u>
Agriculture and Food Research Initiative (AFRI)	10.310		
Direct			55,630
Pass-through Programs			
2011-68001-30113		Tennessee State University	19,948
2011-68001-300113		Tennessee State University	29,764
Total CFDA			<u>105,342</u>
Child and Adult Care Food Program	10.558		
Pass-through Programs			
DA0821473		TN Department of Human Services	1,668
Total CFDA			<u>1,668</u>
Total U.S. Department of Agriculture			<u>117,293</u>
U.S. Department of Commerce			
Unknown/No CFDA	11		(11,707)
Direct Programs			
Pass-through Programs			
SB1341-11-CN-0011		Wiklund Research & Design Inc.	6,498
Total CFDA			<u>(5,209)</u>
Education Quality Award Ambassadorship	11.013		
Direct Programs			104,101
Total CFDA			<u>104,101</u>
Measurement and Engineering Research and Standards	11.609		
Direct Programs			146,610
Total CFDA			<u>146,610</u>
Total U.S. Department of Commerce			<u>245,502</u>
Corporation for National and Community Service			
AmeriCorps	94.006		
Pass-through Programs			
GR-12-36316		TN Department of Finance and Administration	6,480
Total CFDA			<u>6,480</u>
Total Corporation for National and Community Service			<u>6,480</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
U.S. Department of Defense			
Defense Advanced Research Projects Agency			
Military Medical Research and Development	12.420		
Pass-through Programs			
N66001-11-C-4006		Raytheon Company	52,576
Total CFDA			<u>52,576</u>
Basic Scientific Research	12.431		
Direct Programs			968,202
Pass-through Programs			
W911NF-12-2-0036		Harvard University	442,344
Total CFDA			<u>1,410,546</u>
Research and Technology Development	12.910		
Direct Programs			12,237,466
Pass-through Programs			
HR0011-12-C-0074		Ricardo, Inc.	488,604
W911NF-13-1-0038		U.S. Department of Army	229,254
Total CFDA			<u>12,955,324</u>
Total Defense Advanced Research Projects Agency			<u>14,418,446</u>
Defense Threat Reduction Agency			
Unknown/No CFDA	12		556,862
Direct Programs			
Pass-through Programs			
08-C-0358 BAE SUB		Bae Systems, Inc.	(5,908)
HDTRA1-05-D-0001		Boeing Company	266,805
HDTRA1-12-C-0003 CFDR		CFD Research Corporation	37,207
219709-1		Los Alamos Laboratories	2,245,479
HDTRA1-12-C-0093		Robust Chip, Inc.	150,735
Total CFDA			<u>3,251,180</u>
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351		
Direct Programs			1,675,285
Pass-through Programs			
HDTRA1-10-1-0013		Brown University	111,528
HDTRA1-12-1-0031		Georgia Institute of Technology	269,339
HDTRA1-11-1-0023 SUB		University of California, Santa Barbara	149,828
Total CFDA			<u>2,205,980</u>
Total Defense Threat Reduction Agency			<u>5,457,160</u>
Missile Defense Agency			
Unknown/No CFDA	12		
Direct Programs			1,811
Pass-through Programs			
VU# 4224253913		Fifth Gait Technologies, Inc.	25,124
Total CFDA			<u>26,935</u>
Air Force Defense Research Sciences Program	12.800		
Pass-through Programs			
HQ0147-13-C-7134		Scientic, Inc.	127,792
Total CFDA			<u>127,792</u>
Total Missile Defense Agency			<u>154,727</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Office of the Secretary			
Unknown/No CFDA	12		
Pass-through Programs			
4047704013		Modulated Imaging, Inc.	100,101
Total CFDA			<u>100,101</u>
Military Medical Research and Development	12.420		
Pass-through Programs			
W81XWH-12-1-0347		Stanford University	19,005
W81XWH-11-1-0841		University of Tennessee	20,064
Total CFDA			<u>39,069</u>
Total Office of the Secretary			<u>139,170</u>
Air Force			
Unknown/No CFDA	12		17,843
Pass-through Programs			
GS04T09DBC0017-HPTI		High Performance Technologies, Inc.	88,571
4104-56449		Purdue University	148,571
FA8650-11-D-3134		University of Dayton Research Institute	64,488
FA8650-12-D-6280		Wyle Laboratories, Inc.	14,900
Total CFDA			<u>334,373</u>
Basic and Applied Scientific Research	12.300		
Direct Programs			361,465
Total CFDA			<u>361,465</u>
Air Force Defense Research Sciences Program	12.800		
Direct Programs			2,695,017
Pass-through Programs			
F40600-03-C-0001		Aerospace Testing Alliance	2,527
FA8650-14-D-2443		General Electric Company	48,383
HC1047-05-D-4000-00191		Georgia Institute of Technology	307,699
FA9550-12-1-0107 GIT		Georgia Institute of Technology	129,113
FA9453-14-M-0005		Global Infotek, Inc.	33,569
FA8750-08-C-0064 LOCKH		Lockheed Martin Corporation	57,841
FA8650-06-5211		Rolls-Royce Corporation	2,903
FA8650-13-C-1605		Scientific, Inc.	101,318
Total CFDA			<u>3,378,370</u>
Total Air Force			<u>4,074,208</u>
Army			
Unknown/No CFDA	12		
Direct Programs			1,018,170
Total CFDA			<u>1,018,170</u>
Aquatic Plant Control	12.100		
Direct Programs			180,273
Pass-through Programs			
W911W6-11-2-0003		Boeing Company	13,003
W81XWX-10-C-0208		Lockheed Martin Corporation	33,686
Total CFDA			<u>226,962</u>
Collaborative Research and Development	12.114		
Direct Programs			109,856
Total CFDA			<u>109,856</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351		
Direct Programs			429,165
Total CFDA			<u>429,165</u>
 Military Medical Research and Development	 12.420		
Direct Programs			4,393,738
Pass-through Programs			
W81XWH-13-1-0345		Geneva Foundation	29,480
W81XWH-09-2-0108		Johns Hopkins University	146,264
W81XWH1020090		Johns Hopkins University	76,833
W81XWH-1-02-0090		Johns Hopkins University	39,658
W81XWH-10-2-0090		Johns Hopkins University	81,238
W81XWH-10-1-0993		Meharry Medical College	51,743
W8XWH-11-1-0216		National Jewish Medical & Research Center	11,255
W81XWH-09-2-0020 RIC		Rehabilitation Institute Research Corporation	143,060
W81XWH-08-2-0034		Rutgers, The State University of New Jersey	141,716
W81XWH0820034		Rutgers, The State University of New Jersey	(14,066)
W81XWH-10-1-0885		University of Cincinnati	29,673
W81XWH-12-2-0023		University of Pittsburgh	177,642
W81XWH-14-2-0004		Wake Forest University	63,750
Total CFDA			<u>5,371,984</u>
 Basic Scientific Research	 12.431		
Direct Programs			405,765
Pass-Through Programs			
W911NF-12-1-0047		Florida A&M University	6,745
Total CFDA			<u>412,510</u>
 Air Force Defense Research Sciences Program	 12.800		
Direct Programs			3,166
Total CFDA			<u>3,166</u>
 Total Army			<u>7,571,813</u>
 Navy			
Unknown/No CFDA	12		
Direct Programs			24,862
Total CFDA			<u>24,862</u>
 Basic and Applied Scientific Research	 12.300		
Direct Programs			2,581,339
Pass-through Programs			
N0030-13-C-0030		Aero Thermo Technology, Inc.	1,008,196
N0030-13-C-0013-002		Aero Thermo Technology, Inc.	285,826
SP0700-99-D0301		Alion Science and Technology	18,270
N00014-11-D-0032		BAE Systems, Inc.	104,083
09-C-0070		Honeywell International, Inc.	37,887
N000140710749/57100223		Massachusetts Institute of Technology	28,609
N00014-13-C-0084		Scientific, Inc.	236,219
N00014-13-P-1176		Securborator, Inc.	23,248
N00014-2-C-0394		United Technologies Research Center	64,441
N00014-08-1-0655 UCSB		University of California, Santa Barbara	117,935
Total CFDA			<u>4,506,053</u>
 Basic Scientific Research - Combating Weapons of Mass Destruction	 12.351		
Direct Programs			149,765
Total CFDA			<u>149,765</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Total Navy			4,680,680
National Reconnaissance Office			
Unknown/No CFDA	12		
Direct Programs			163,796
Pass-through Programs			
NRO000-13-C-0007		BAE Systems, Inc.	193,808
NRO000-13-C-0308		Ohio State University	99,281
Total CFDA			456,885
Total National Reconnaissance Office			456,885
National Security Agency			
Mathematical Sciences Grants Program	12.901		
Direct Programs			40,231
Total CFDA			40,231
Total National Security Agency			40,231
Total U.S. Department of Defense			36,993,320
U.S. Department of State			
Academic Exchange Programs - Hubert H. Humphrey Fellowship Program	19.010		
Pass-through Programs			
S-ECASS-12-CA-005		Institute of International Education, Inc.	2,532
S-ECAGD-13-CA-008		Institute of International Education, Inc.	183,810
Total CFDA			186,342
Public Diplomacy Programs	19.040		
Direct Programs			25,676
Pass-through Programs			
S-CH500-13-GR335		Wesleyan College	9,045
Total CFDA			34,721
Academic Exchange Programs - Graduate Students	19.400		
Pass-through Programs			
S-ECAGD-13-CA-017		Institute of International Education, Inc.	29,335
Total CFDA			29,335
Total U.S. Department of State			250,398
U.S. Department of Education			
Unknown/No CFDA	84		
Pass-through Programs			
ED-IES-12-C-0011		Florida State University	27,004
VU# 4205902023		Howard University	(12,786)
ED-CFO-10-A-0133		SRI International Corporation	8,674
FA1133498-01 DEL #14		TN Higher Education Commission	302,765
Total CFDA			325,657
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		
Direct Programs			362,585
Total CFDA			362,585

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Overseas Programs - Doctoral Dissertation Research Abroad	84.022		
Direct Programs			27,650
Total CFDA			<u>27,650</u>
Special Education_ Grants to States	84.027		
Pass-through Programs			
GR-13-38675		TN Department of Education	504,946
GR-13-39149		TN Department of Education	289,973
GR-13-39092		TN Department of Education	19,674
GR-13-39114 31002		TN Department of Education	262,614
Total CFDA			<u>1,077,207</u>
Fund for the Improvement of Postsecondary Education	84.116		
Direct Programs			88,440
Total CFDA			<u>88,440</u>
Rehabilitation Services_Vocational Rehabilitation Grants to States	84.126		
Pass-through Programs			
GR-10-28631		TN Department of Human Services	79,911
Total CFDA			<u>79,911</u>
National Institute on Disability and Rehabilitation Research	84.133		
Direct Programs			176,667
Total CFDA			<u>176,667</u>
Javits Fellowships	84.170		
Direct Programs			1,870
Total CFDA			<u>1,870</u>
Special Education - Preschool Grants	84.173		
Pass-through Programs			
GR-11-31107 33136-00314		TN Department of Education	113,657
Total CFDA			<u>113,657</u>
Special Education - Grants for Infants & Families	84.181		
Pass-through Programs			
GR-13-36723 VU# 4042182002		TN Department of Education	9,737
GR-13-39931 VU# 4042182023		TN Department of Education	43,847
33195-02314		TN Department of Education	221,804
DG13-C000034		TN Department of Education	1,626
Total CFDA			<u>277,014</u>
Safe and Drug-Free Schools and Communities_National Programs	84.184		
Pass-through Programs			
GR-09-26199-05		TN Department of Education	15,949
VU#-4262505053		TN Department of Education	340,301
Total CFDA			<u>356,250</u>
Graduate Assistance in Areas of National Need	84.200		
Direct Programs			44,827
Total CFDA			<u>44,827</u>
Education Research, Development and Dissemination	84.305		
Direct Programs			8,025,343
Pass-through			
ED-IES-12-C-0084		Development Services Group	91,505
ER-06-CO-0019 S2006-03		Learning Point Associates	(39,203)
ED-06-CO-0019		Learning Point Associates	35,653
R305A100286		Stanford University	32,035

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
R305E130009		Stanford University	23,188
R305A120217		University of California, Berkeley	182,826
R305A110067		University of Houston	97,214
R305A130118		University of Illinois	23,421
UPENN SUB 550619		University of Pennsylvania	74,341
Total CFDA			<u>8,546,323</u>
Research in Special Education	84.324		
Direct Programs			4,748,866
Pass-through Programs			
R324C100004 U of DELAW		University of Delaware	507,609
R324A120344/FY2012-094		University of Kansas	209,888
R32A090179 UK		University of Kentucky	17,893
R324C12006		University of North Carolina	284,582
R324A110162		University of Pittsburgh	140,488
Total CFDA			<u>5,909,326</u>
Special Education - Personnel Development to Improve Services and Results for Children with Disabilities	84.325		
Direct Programs			3,776,288
Pass-through Programs			
H325V090001		Salus University	41,000
Total CFDA			<u>3,817,288</u>
Special Education_Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.326		
Direct Programs			331,020
Pass-through Programs			
5830-1251-00-B USF		University of South Florida	35,069
Total CFDA			<u>366,089</u>
Special Education_Technology and Media Services for Individuals with Disabilities	84.327		
Pass-through Programs			
H327M110003 - CAST SUB		Center for Applied Special Technology	98,430
Total CFDA			<u>98,430</u>
Early Reading First	84.359		
Direct Programs			(69)
Total CFDA			<u>(69)</u>
English Language Acquisition State Grants	84.365		
Direct Programs			402,160
Total CFDA			<u>402,160</u>
ARRA: State Fiscal Stabilization Fund - Race-to-Top Incentive Grants	84.395		
Pass-through Programs			
2-218740-09-MNPS		Metro-Nash. and Davidson County, Tennessee	105,086
2-218740-19-MNPS		Metro-Nash. and Davidson County, Tennessee	42,548
S395A100032		Metro-Nash. and Davidson County, Tennessee	11,077
ARRA 02-218740-14 MNPS		Metro-Nash. and Davidson County, Tennessee	483,244
EP4779197		State of North Carolina	74,426
37793		TN Department of Education	507,617
FA1133498-EDISON 22970		TN Higher Education Commission	989,147
Total CFDA			<u>2,213,145</u>
Total U.S. Department of Education			<u>24,284,427</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
U.S. Department of Energy			
Unknown/No CFDA	81		
Pass-through			
OR22800		The Babcock & Wilcox Company	44,824
DOE/FERMILAB PO579879		Fermi National Accelerator Laboratory	379
PO 578455		Fermi National Accelerator Laboratory	(3,000)
LANS 74954-0001-09		Los Alamos Laboratories	27,981
PO 1388902		Sandia National Laboratories	65,686
4000111598		UT-Battelle, LLC	79,953
4000049157		UT-Battelle, LLC	19,605
4000130218		UT-Battelle, LLC	73,333
VU# 4254004253		UT-Battelle, LLC	10,801
JFA-2005-1		UT-Battelle, LLC	16,325
400053959		UT-Battelle, LLC	169,199
4000121226		UT-Battelle, LLC	130,943
4000084740 DOE		UT-Battelle, LLC	276,997
4000104882		UT-Battelle, LLC	106,223
Total CFDA			<u>1,019,249</u>
Office of Science Financial Assistance Program	81.049		
Direct Programs			7,329,529
Pass-through Programs			
AES-SUB-002-VU		Advanced Energy Systems, Inc.	5,160
DE-SC0008944		National Council on Radiation Protection and Measurement	26,967
TVN-VU 1616		TVN Systems, Inc.	86,675
4000101604		UT Battelle, LLC	6,597
UT-Batt-4000056541-DOE		UT-Battelle, LLC	146,139
Total CFDA			<u>7,601,067</u>
Environmental Remediation and Waste Processing and Disposal	81.104		
Pass-through Programs			
Sandia PO 925757		Sandia National Laboratories	14,142
PO 1407727		Sandia National Laboratories	10,330
Total CFDA			<u>24,472</u>
Defense Nuclear Nonproliferation Research	81.113		
Pass-through Programs			
PURDUE 4105-37686		Purdue University	122,663
Total CFDA			<u>122,663</u>
Conservation Research and Development	81.086		
Direct Programs			1,739
Total CFDA			<u>1,739</u>
Office of Nuclear Energy			
Unknown/No CFDA	81		
Direct Programs			50,063
Total CFDA			<u>50,063</u>
Nuclear Energy Research, Development and Demonstration	81.121		
Direct Programs			26,432
Pass-Through Programs			
14-434 DE-NE0000675		Arizona State University	44,238
Total CFDA			<u>70,670</u>
Total Office of Nuclear Energy			<u>120,733</u>
Total U.S. Department of Energy			<u>8,889,923</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Environmental Protection Agency			
P3 Award: National Student Design Competition for Sustainability	66.516		
Direct Programs			35,867
Total CFDA			<u>35,867</u>
Pollution Prevention Grants Program	66.708		
Pass-Through Programs			
RN990274-0007		Arcadis U.S., Inc.	2,101
Total CFDA			<u>2,101</u>
Total Environmental Protection Agency			<u>37,968</u>
U.S. Department of Health and Human Services			
Administration for Children and Families			
Affordable Care Act (ACA) Personal Responsibility Education Program	93.092		
Pass-through Programs			
GR-12-38381		TN Department of Children's Services	6,523
Total CFDA			<u>6,523</u>
Head Start	93.600		
Direct Programs			61,128
Pass-through Programs			
90HC0002/02 U of WASHI		University of Washington	515,716
90HC000202		University of Washington	294,076
Total CFDA			<u>870,920</u>
University Ctrs for Excellence in Developmental Disabilities Education, Research, & Service	93.632		
Direct Programs			534,549
Total CFDA			<u>534,549</u>
Total Administration for Children and Families			<u>1,411,992</u>
Agency for Healthcare Research and Quality			
Unknown/No CFDA	93		
Direct Programs			1,228,429
Pass-Through Programs			
HNSA290200810010		Brigham and Women's Hospital	1,706
HNSA290201200015I		Kaiser Foundation	171,684
3-312-0212791		Research Triangle Institute	28,097
HNSA290201000024I TO4		Research Triangle Institute	122,031
HNSA290201000024I		Research Triangle Institute	1,218
Total CFDA			<u>1,553,165</u>
National Research Service Awards_Health Services Research Training	93.225		
Direct Programs			(11)
Total CFDA			<u>(11)</u>
Research on Healthcare Costs, Quality and Outcomes	93.226		
Direct Programs			1,073,794
Pass-Through Programs			
R18HS22689		American Academy of Pediatrics	1,208
1 R18 HS19598-01		Society of Hospital Medicine	12,767
1 R18 HS20451		University of North Carolina	26,409
1R01HS18975		University of Maryland	11,993
1 U18 HS20516-01		University of Michigan	16,005
Total CFDA			<u>1,142,176</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
ARRA: Recovery Act - Comparative Effectiveness Research - AHRQ	93.715		
Direct Programs			876,834
Pass-through Programs			
ARRA 1 R01 HS19669-01		Harvard Pilgrim Health Care	58,979
ARRA 5 R01 HS19913-03		University of California, San Diego	45,135
Total CFDA			<u>980,948</u>
Allergy, Immunology and Transplantation Research	93.855		
Pass-through Programs			
1R18HS21459		Baylor College	6,390
Total CFDA			<u>6,390</u>
Total Agency for Healthcare Research and Quality			<u>3,682,668</u>
Centers for Medicare & Medicaid Services			
Health Care Innovation Awards (HCIA)	93.610		
Direct Programs			6,989,404
Total CFDA			<u>6,989,404</u>
Medical Assistance Program	93.778		
Pass-through Programs			
GR-10-29770-00		TN Department of Finance and Administration	394,516
GR-11-31606		TN Bureau of TennCare	2,728
GR-11-31609		TN Bureau of TennCare	933,327
GR-11-31880		TN Department of Finance and Administration	2,001,136
Total CFDA			<u>3,331,707</u>
Total Centers for Medicare & Medicaid Services			<u>10,321,111</u>
Administration for Community Living			
Developmental Disabilities Basic Support & Advocacy Grants	93.630		
Pass-through Programs			
GR-13-39001		TN Dept of Mental Health and Developmental Disabilities	244,206
Total CFDA			<u>244,206</u>
Developmental Disabilities Projects of National Significance	93.631		
Direct Programs			344,967
Total CFDA			<u>344,967</u>
Total Administration for Community Living			<u>589,173</u>
Substance Abuse and Mental Health Services Administration			
Unknown/No CFDA	93		
Pass-through Programs			
VU# 4045350013		University of Tennessee	4,332
Total CFDA			<u>4,332</u>
Total Substance Abuse and Mental Health Services Administration			<u>4,332</u>
Centers for Disease Control			
Unknown/No CFDA	93		
Direct Programs			836,501
Pass-through Programs			
200-2011-41276		Duke University	155,888
200-2013-56925		Fred Hutchinson Cancer Research Center	20,708
V688P-2828		Veterans Affairs	408,056
Total CFDA			<u>1,421,153</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Laboratory Training, Evaluation, and Quality Assurance Programs	93.064		
Direct Programs			117,561
Total CFDA			<u>117,561</u>
Global AIDS	93.067		
Direct Programs			9,721,405
Pass-through Programs			
1U2G GH00545-02		Cornell University	11,335
U2 GPS02770		University of California at San Francisco	23,644
U2GPS02770		University of California at San Francisco	68,466
1U2GGH00109-02		University of Zambia	648
1U2GGH00109-03		University of Zambia	8,630
Total CFDA			<u>9,834,128</u>
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135		
Pass-through Programs			
5 U48 DP01911-04		University of Washington	10,263
Total CFDA			<u>10,263</u>
Disabilities Prevention	93.184		
Pass-through Programs			
1U27DD000862-02		University of North Carolina	6,685
5U27DD000862-03		University of North Carolina	12,344
Total CFDA			<u>19,029</u>
Immunization Research, Demonstration, Public Information and Education_Training and Clinical Skills Improvement Projects	93.185		
Direct Programs			197,036
Total CFDA			<u>197,036</u>
Centers for Disease Control and Prevention_Investigations & Technical Assistance	93.283		
Direct Programs			39,374
Pass-through Programs			
5 U10 DD00761-02		American Thrombosis and Hemostasis Network	1,391
5 U10 DD00761-01		American Thrombosis and Hemostasis Network	309
FA-09-28686-00		TN Department of Health	(19)
GR-13-35568		TN Department of Health	853,699
GR-14-40506		TN Department of Health	689,293
Total CFDA			<u>1,584,047</u>
Affordable Care Act: Building Epidemiology, Laboratory, & Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements	93.521		
Pass-through Programs			
GR-14-38817-00		TN Department of Health	21,625
FA-13-35010-00		TN Department of Health	10,067
Total CFDA			<u>31,692</u>
Prevention and Public Health Fund (Affordable Care Act): Enhanced Surveillance for New Vaccine Preventable Disease	93.533		
Direct Programs			373,269
Total CFDA			<u>373,269</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
National Bioterrorism Hospital Preparedness Program	93.889		
Pass-through Programs			
GR-12-37671		TN Department of Health	189,628
Total CFDA			<u>189,628</u>
Total Centers for Disease Control			<u>13,777,806</u>
Food and Drug Administration			
Unknown/No CFDA	93		
Direct Programs			38,766
Pass-through Programs			
HHSF223200910006I		Harvard Pilgrim Health Care	96,564
HHSF22301007T-0003		Harvard Pilgrim Health Care	5,154
HHSF22320091006I		Harvard Pilgrim Health Care	29,631
Total CFDA			<u>170,115</u>
Food and Drug Administration_Research	93.103		
Direct Programs			378,244
Pass-through Programs			
5 R01 FD03523-03		Children's Hospital Boston	363
5 R01 FD03523-04		Children's Hospital Boston	37,373
5 R01 FD03527-02		Emory University	4,962
Total CFDA			<u>420,942</u>
Total Food and Drug Administration			<u>591,057</u>
Health Resources and Services Administration			
Hospital Preparedness Program and Public Health Emergency Preparedness Aligned Cooperative Agreements	93.074		
Pass-through Programs			
GR-14-38797		TN Department of Health	51,700
GR-14-38910		TN Department of Health	142,200
Total CFDA			<u>193,900</u>
Maternal and Child Health Federal Consolidated Programs	93.110		
Direct Programs			926,357
Pass-through Programs			
UA3 MC11054		Massachusetts General Hospital	17,163
VU#-4042180053		Massachusetts General Hospital	6,097
UA3 MC1105		Massachusetts General Hospital	34,127
6 UA3MC11054-05		Massachusetts General Hospital	67,291
AIR-P Iron Year 2		Massachusetts General Hospital	83,617
AIR-P Iron Year 3		Massachusetts General Hospital	106,863
6UA3MC11054-04-02		Massachusetts General Hospital	5,858
5UA#MC11054-05-01		Massachusetts General Hospital	29,415
6 UA3 MC11054-05-01		Massachusetts General Hospital	130,262
6 UA3 MC11054-05-01		Massachusetts General Hospital	27,559
1H30MC24046-02-00		University of North Carolina	13,168
Total CFDA			<u>1,447,777</u>
Emergency Medical Services for Children	93.127		
Direct Programs			163,730
Total CFDA			<u>163,730</u>
AIDS Education and Training Centers	93.145		
Pass-through Programs			
5H4AHA00067-11-00		Emory University	1,128
5H4AHA00067-11-00		Emory University	1,407

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
H74HA24955		Emory University	21,458
H74HA24955		Emory University	150,000
Total CFDA			<u>173,993</u>
Coordinated Services and Access to Research for Women, Infants, Children, and Youth	93.153		
Direct Programs			485,569
Total CFDA			<u>485,569</u>
Advanced Nursing Education Grant Program	93.247		
Direct Programs			1,120
Total CFDA			<u>1,120</u>
Poison Center Support and Enhancement Grant Program	93.253		
Direct Programs			304,360
Total CFDA			<u>304,360</u>
Health Systems Strengthening & HIV/AIDS Prevention, Care & Treatment under President's Emergency Plan for AIDS Relief	93.266		
Pass-through Programs			
6 U1N HA08599		Health Research, Inc.	39,417
Total CFDA			<u>39,417</u>
Nurse Education, Practice Quality and Retention Grants	93.359		
Direct Programs			801,831
Total CFDA			<u>801,831</u>
National Bioterrorism Hospital Preparedness Program	93.889		
Pass-through Programs			
GR-10-29321-01		TN Department of Health	204,143
Total CFDA			<u>204,143</u>
Maternal and Child Health Services Block Grant to the States	93.994		
Pass-through Programs			
GR-14-37106-00		TN Department of Health	895,895
GR-14-47314		TN Department of Health	15,388
GR-14-41159		TN Department of Health	10,641
GR-13-38618		TN Department of Health	4,477
Total CFDA			<u>926,401</u>
Total Health Resources and Services Administration			<u>4,742,241</u>
Indian Health Service			
Demonstration Projects for Indian Health	93.933		
Pass-through Programs			
U26 IHS0047-03-00		United South and Eastern Tribes, Inc.	55,413
U26 IHS0047-04-00		United South and Eastern Tribes, Inc.	130,589
Total CFDA			<u>186,002</u>
Total Indian Health Service			<u>186,002</u>
National Institutes of Health			
Unknown/No CFDA	93		
Direct Programs			5,845,190
Pass-through Programs			
HHSN26820070031C		Booz Allen Hamilton, Inc.	100,384
HHSN26120622012C		Children's Hospital of Philadelphia	2,000
VU# - 4045980026		Children's Hospital of Philadelphia	41,674
HHSN267200800020C		Echelon Biosciences, Inc.	695
HHSN261201100100C		H. Lee Moffitt Cancer Center & Research Institute, Inc.	25,825

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
SEP2C HEM1151		H. Lee Moffitt Cancer Center & Research Institute, Inc.	14,951
N01CM-657018-16		H. Lee Moffitt Cancer Center & Research Institute, Inc.	(20)
HHSN261200622008C		H. Lee Moffitt Cancer Center & Research Institute, Inc.	17,487
VU# 4042420033		Harvard University	23,352
HHSN272200900055C		Integral Molecular	92
R01HD65794-HASKINS		Latham Biopharm Group	42,189
BOZ 29XS129 TO14		Leidos Biomedical Research, Inc.	1,852
2012P001174		Massachusetts General Hospital	12,853
N01 CN35157		Northwestern University	147,878
BOA 29XS129 TO08		Science Applications International Corporation	72,754
BOA 29XS129TO13		Science Applications International Corporation	303,942
SAIC-12XS571		Science Applications International Corporation	3,422
SAIC - 13XS184		Science Applications International Corporation	11,652
SAIC - 13XS029		Science Applications International Corporation	260,639
VU# 4042310023		Science Applications International Corporation	30,335
HHSN272201000049I		The Emmes Corporation	25,470
1U19AI109680-01		University of Alabama at Birmingham	76,938
HHSN272201100037C		University of Alabama at Birmingham	11,707
HHSN272200700031C		University of California at San Francisco	1,250
N01AI15416		University of California at San Francisco	3,708
1R01DK98435-01A1		University of Chicago	12,139
VU# 4262800443		University of Denver	6,527
VU# -4224311123		University of Hawaii	51,767
VU# -4043620023		University of Michigan	33,800
HHSN268201300046C		University of Mississippi	31,593
HHSN268200800003C		University of Pennsylvania	(772)
5R01HL110551.03		University of Pennsylvania	4,296
HHSN261201100039C		University of Texas Health Science Center at Houston	(3,045)
N01MH90003		University of Texas Southwestern Medical Ctr at Dallas	(814)
HHSN268200900046C		University of Utah	199,975
VU# -4047907196		Various Pharmaceutical Companies	2,721
HHSN275201200005I		Westat, Inc.	27,160
HHSN268200900034C		Westat, Inc.	14,663
Total CFDA			7,458,229
Environmental Health	93.113		
Direct Programs			4,883,056
Pass-through Programs			
3 R01 ES10563-13S1		Albert Einstein College of Medicine of Yeshiva University	38,225
2 R01 ES10563-13		Albert Einstein College of Medicine of Yeshiva University	409,559
5R01ES07331		Albert Einstein College of Medicine of Yeshiva University	7,920
ES019625/SO183542		University of California, Santa Cruz	114,659
Total CFDA			5,453,419
Oral Diseases and Disorders Research	93.121		
Direct Programs			216,670
Total CFDA			216,670
Human Genome Research	93.172		
Direct Programs			3,189,094
Pass-through Programs			
5R01HG06149-02		Case Western Reserve University	10,521
R01HG07112-03		Wake Forest University	11,244
R01HG07112-02		Wake Forest University	47,372
Total CFDA			3,258,231
Research Related to Deafness and Communication Disorders	93.173		
Direct Programs			4,354,936
Pass-through Programs			
1R01DC10821-01		Arizona State University	80,004

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
5U01DC10811-02		Brigham and Women's Hospital	(16)
5U01DC10811-03		Brigham and Women's Hospital	15,985
1R24DC12207-01A1		Children's Hospital of Philadelphia	86,388
1R43DC12463-01A1		Intelligent Hearing Systems, Inc.	16,541
1R21DC12918		Nathan S Kline Institute for Psychiatric Research	17,173
1 R01 DC011759		Purdue University	30,892
5 R01 DC11490-14		Research Foundation for Mental Hygiene, Inc.	120,686
5 R01 DC11490-13		Research Foundation for Mental Hygiene, Inc.	96,843
Total CFDA			<u>4,819,432</u>
Research and Training in Complementary and Alternative Medicine	93.213		
Direct Programs			1,638,328
Pass-Through Programs			
1R34AT07837-01		University of Arizona	1,759
Total CFDA			<u>1,640,087</u>
Mental Health Research Grants	93.242		
Direct Programs			19,859,657
Pass-through Programs			
MH083635		American Psychological Association	24,612
7R34MH97563-02		Boston Children's Hospital	6,372
R01MH93332-01		Mount Sinai School of Medicine	77,468
1R21MH96200-01A1		New York State Psychiatric Institute	15,820
1R21MH96200-02		New York State Psychiatric Institute	42,962
VU# -4206600013; 4206600023		University of California, Berkeley	50,503
5R01MH1000030-01		University of California, Davis	549,755
5R01MH1000030-02		University of California, Davis	297,221
5 R01 MH87989-04		University of California, San Diego	33,090
5 R01 MH87989-03		University of California, San Diego	5,306
VU# -4262500833		University of Chicago	10,123
1 R01 MH84874-01		University of Chicago	126,026
MH86530-01A1		University of Michigan	58,205
5R01MH73402		University of North Carolina	168,902
VU#- 4206600063		Virginia Polytechnic Institute and State University	9,858
Total CFDA			<u>21,335,880</u>
Alcohol Research Programs	93.273		
Direct Programs			740,929
Total CFDA			<u>740,929</u>
Drug Abuse and Addiction Research Programs	93.279		2,974,794
Direct Programs			
Pass-through Programs			
VU#-4045350023		American Academy of Child & Adolescent Psychiatry	136,857
2 P01 DA12408-14		Cornell University	139,575
P01 DA12408-15		Cornell University	62,043
1R01DA32889-01A1		Tufts University	48,131
Total CFDA			<u>3,361,400</u>
Mental Health Research Career/Scientist Development Awards	93.281		
Direct Programs			28,057
Total CFDA			<u>28,057</u>
Mental Health National Research Service Awards for Research Training	93.282		
Direct Programs			25,831
Total CFDA			<u>25,831</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Discovery & Applied Research for Technological Innovations to Improve Human Health	93.286		
Direct Programs			3,044,902
Pass-through Programs			
VU#-4224311113		Anasys Instruments	50,419
4 R44 EB15889-02		PHDS Company	90,527
2 R44 EB08589		Protochips, Inc.	26,730
5R01EB14315-02		University of California at San Francisco	242,488
5R01EB14315-03		University of California at San Francisco	28,099
VU# - 4224511233		University of North Carolina	30,215
SR00002446		University of Maryland	43,080
Total CFDA			<u>3,556,460</u>
Trans-NIH Research Support	93.310		
Direct Programs			6,462,426
Pass-through Programs			
1P20MD08684-01		Fisk University	44,112
1R01CA174377-01		General Electric Company	71,842
1R01CA174377-02		General Electric Company	454,187
1 UH2 CA140233-04		New York University	1,950
3U54MH84690-04		University of Mexico	145,793
1P20MD08777-01		University of Utah	14,776
Total CFDA			<u>7,195,086</u>
National Center for Advancing Translation Sciences	93.350		
Direct Programs			13,373,477
Total CFDA			<u>13,373,477</u>
Research Infrastructure Programs	93.351		
Direct Programs			3,195,056
Total CFDA			<u>3,195,056</u>
Nursing Research	93.361		
Direct Programs			124,957
Pass-through Programs			
1 R01 NR11042-01A1		Pennsylvania State University	141,169
Total CFDA			<u>266,126</u>
Minority Biomedical Research Support	93.375		
Pass-through Programs			
5P20MD00516-08		Meharry Medical College	33,660
Total CFDA			<u>33,660</u>
National Center for Research Resources	93.389		
Direct Programs			97,934
Pass-through Programs			
2R44RR024070-LIGHTAGE		Light Age, Inc.	(22,500)
Total CFDA			<u>75,434</u>
Academic Research Enhancement Award	93.390		
Pass-through Programs			
U10CA86402		University of Pittsburgh	16,661
Total CFDA			<u>16,661</u>
Cancer Cause and Prevention Research	93.393		
Direct Programs			18,520,696
Pass-through Programs			
5U54CA143798-04		Dana-Farber Cancer Institute	12,087
5U54CA143798-05		Dana-Farber Cancer Institute	47,369

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
2U10EY13272-11A1		Emory University	5,795
1R01CA18357-01		Fred Hutchinson Cancer Research Center	37,323
5U01CA155340-02		Int'l Agency for Research on Cancer	17,603
5U01CA155340-03		Int'l Agency for Research on Cancer	58,622
5R01CA140377-02		Kaiser Foundation	15,239
5 P01 CA92584-13		Lawrence Berkeley National Laboratory	120,511
5 P01 CA92584-12		Lawrence Berkeley National Laboratory	32,802
R01CA129639		Memorial Sloan-Kettering Cancer Center	39,418
1UH2CA169111-01A1		Mount Sinai School of Medicine	11,673
1R01CA163838-01A1		Ohio State University	13,416
7R01CA163018-02		University of Maryland	49,846
5 R01 CA155388-03		University of Miami	509
Total CFDA			<u>18,982,909</u>
Cancer Detection and Diagnosis Research	93.394		
Direct Programs			11,211,809
Pass-through Programs			
5U01CA86402-02		Boston University	51,119
1R01CA163772-01A1		Mount Sinai School of Medicine	23,788
5R01CA141047-03		Northwestern University	5,317
1 R01 CA159178-01		Northwestern University	60,250
1 R01 CA136647-01A1		University of California, Davis	(408)
U01 CA86402		University of Texas Health Sciences Center at San Antonio	43,399
Total CFDA			<u>11,395,274</u>
Cancer Treatment Research	93.395		
Direct Programs			4,052,834
Pass-through Programs			
3R24CA171552-01S1		AADI, LLC	12,915
VU#-4046750144		American College of Radiology	2,876
5 U10CA98543		Children's Hospital of Philadelphia	21,717
7 U10 CA98543		Children's Hospital of Philadelphia	15,000
U10CA98543		Children's Hospital of Philadelphia	992
U10CA95861		Children's Hospital of Philadelphia	10,549
2R01CA118593-06		Fred Hutchinson Cancer Research Center	11,830
5R01CA118593-05		Fred Hutchinson Cancer Research Center	795
5R01CA118593-07		Fred Hutchinson Cancer Research Center	1,466
VU# -4042330242		Frontier Science & Technology Research Foundation	8,130
8U01A168818		Johns Hopkins University	23,300
5U10CA107612-09		Meharry Medical College	183,336
2P01CA129243-07		Memorial Sloan-Kettering Cancer Center	125,392
2P01CA129243-06		Memorial Sloan-Kettering Cancer Center	45,920
U10 CA98543-08		National Childhood Cancer Foundation	81,715
R01 CA126809-04		Northwestern University	1,860
1R21CA159270-01		University of Texas	2,644
1 R01 CA134794-01A2		University of Washington	107,269
Total CFDA			<u>4,710,540</u>
Cancer Biology Research	93.396		
Direct Programs			10,171,886
Pass-through Programs			
5U01CA151924-02		H. Lee Moffitt Cancer Center & Research Institute, Inc.	51,957
5R01CA143094-03		H. Lee Moffitt Cancer Center & Research Institute, Inc.	144,956
5U01CA151925-05		Harvard University	129,967
7R01CA141307-05		University of Texas Health Sciences Center at Houston	34,218
Total CFDA			<u>10,532,984</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Cancer Centers Support Grants	93.397		
Direct Programs			11,288,950
Pass-through Programs			
P50CA116201		Mayo Foundation For Medical Education and Research	15,563
5P50CA116201-07		Mayo Foundation For Medical Education and Research	2,360
1U54CA153708		Meharry Medical College	32,805
5U54CA163066-02		Tennessee State University	3,979
U54CA163066		Tennessee State University	17,467
Total CFDA			<u>11,361,124</u>
Cancer Research Manpower	93.398		
Direct Programs			5,715,294
Pass-through Programs			
2 R25 CA102209-07A1		Meharry Medical College	15,042
2 R25 CA102209-08		Meharry Medical College	3,361
Total CFDA			<u>5,733,697</u>
Cancer Control	93.399		
Direct Programs			265,860
Pass-through Programs			
CA163060		Case Western Reserve University	(1,890)
5U54CA13465-05		Stanford University	18,420
Total CFDA			<u>282,390</u>
ARRA: Trans-NIH Recovery Act Research Support	93.701		
Direct Programs			105,798
Pass-through Programs			
ARRA 3 R01 AR55557-3S2		Brigham and Women's Hospital	617
1U01NS26835-01A		The Emmes Corporation	8,769
ARRA 1 RC4 DK90770-01		University of Pittsburgh	48,033
ARRA 1 RC2 CA148572		University of Toledo	3,117
Total CFDA			<u>166,334</u>
ARRA: Strategic Health IT Advanced Research Projects (SHARP)	93.728		
Pass-through Programs			
90TR0001/01		Harvard University	14,674
2010-03958-10 ARRA		University of Illinois	405,325
Total CFDA			<u>419,999</u>
Cardiovascular Diseases Research	93.837		
Direct Programs			29,408,901
Pass-through Programs			
1R01HL109264-01A1		Brigham and Women's Hospital	99,539
1R01HL55330-01A1		Brigham and Women's Hospital	(5,381)
5R01HL114823-02		Brigham and Women's Hospital	4,185
1P50HL112349-01		Brigham and Women's Hospital	5,635
5 U19 HL69757-13		Children's Hospital Oakland Research Institute	148,940
U01HL101794		Children's Hospital of Philadelphia	16,186
1R24HL10533-01A1		Cincinnati Children's Hospital Medical Center	22,877
5R01HL55330-02		Cornell University	35,213
1U01HL105462		Duke University	53,199
5U01HL105463		Duke University	27,092
1U01HL117904-01		Duke University	28,236
1U01HL117904-02		Duke University	1,720
5 P01 HL95070		Emory University	133,101
5P01HL95070-04		Emory University	298,767
1U01HL11721-01		Emory University	24,974
1U01HL11721-02		Emory University	4,028
5P50HL110787-02		Fred Hutchinson Cancer Research Center	7,427
1R43HL117338-01		Inforscitetx Corporation	34,585

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
5R24HL85343-07		Johns Hopkins University	238,028
1R34HL108756		Johns Hopkins University	19,718
5R01HL107268-03		Massachusetts General Hospital	23,082
1R01HL107268-02		Massachusetts General Hospital	(1,084)
5R01HL098283-04		Massachusetts General Hospital	31,768
5U01HL69294		National Marrow Donor Program	358
U01 HL68270		New England Research Institutes	33,809
5U01HL72268-10		New England Research Institutes	350,833
1 U01 HL105907-01		New York University	37,238
5U01HL105907-02		New York University	106,460
R01HL111033		Oregon Health & Science University	3,479
1R01HL95132-01		Social and Scientific Systems, Inc.	39
1R01HL108701-01A1		University of California at Los Angeles	199,753
U54HL108460-03		University of California, San Diego	39,427
1K24HL112827-01A1		University of California, San Francisco	27,309
5U01HL105198-07S1		University of Maryland	2,889
5U01HL99997-05		University of Maryland	29,409
5U01HL105198-09		University of Maryland	64,262
9 R01 HL107196-06A1		University of Massachusetts	18,923
5R01HL109090-02		University of Miami	6,928
1R01HL109090-01		University of Miami	345
R01 HL111459-02		University of Miami	2,142
U01HL96607		University of Rochester	47,907
5 U01 HL87318-06		University of Texas Health Science Center at Houston	1,004
R01 HL107241		University of Utah	8,285
5U01HL77863-09		University of Washington	31,980
5 R01 HL07938-04		University of Washington	71,803
Total CFDA			<u>31,745,318</u>
Lung Diseases Research	93.838		
Direct Programs			13,125,284
Pass-through Programs			
5U01HL101456-04		A Einstein College of Medicine of Yeshiva University	363,704
5U01HL101456-05		A Einstein College of Medicine of Yeshiva University	44,806
1 U01 HL101794		Children's Hospital of Philadelphia	224
5U01HL101794-05		Children's Hospital of Philadelphia	8,538
U01HL101794		Children's Hospital of Philadelphia	2,925
5R01HL77612-08		Columbia University	15,998
U10 HL80413		Duke University	8,489
1U01HL108712		Mayo Foundation for Medical Education and Research	31,114
1R01HL121067-01		Seattle Children's Hospital	1,844
7R01HL097195-05		University of California, San Diego	60,536
1R01HL109199-01		University of California at San Francisco	187,005
7 R01 HL97163-03		University of Colorado	163,174
5 U01 HL101794-02		University of Pennsylvania	13,107
5 U01 HL101794-04		University of Pennsylvania	92,004
U01 HL101794		University of Pennsylvania	35,474
1R01HL86622-01A1		University of Pennsylvania	2,913
R01HL084113 UNIV PITTS		University of Pittsburgh	13,064
5U01HL112707-02		University of Pittsburgh	214,030
1U01HL112707		University of Pittsburgh	31,464
R01HL108016		University of Toledo	1,496
5R01HL96504-04		University of Washington	6,623
1 R01 HL96504-01A1		University of Washington	8,905
Total CFDA			<u>14,432,721</u>
Blood Diseases and Resources Research	93.839		
Direct Programs			3,400,048
Pass-through Programs			
5U01HL87229-03		Duke University	30,124

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
BMT 1049 PROTOCOL#0702		National Marrow Donor Program	41,530
1R01HL11156		University of Illinois	90,062
5 P01 HL107152-03		Virginia Commonwealth University	75,793
Total CFDA			<u>3,637,557</u>
Arthritis, Musculoskeletal and Skin Diseases Research	93.846		
Direct Programs			4,872,530
Pass-through Programs			
5R01 AR55557-06		Brigham and Women's Hospital	20,565
1 R01 AR56834-01		Rhode Island Hospital	848
1UM1AR63381-01A1		University of Iowa	177,883
1 R01 AR60846-01A1		Washington University in St. Louis	150,932
Total CFDA			<u>5,222,758</u>
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		
Direct Programs			43,283,030
Pass-through Programs			
1R01DK84045-01A1		Arkansas Children's Hospital Research Institute	14,773
1 U01 DK94157-02		Case Western Reserve University	1,104
2 U01 DK94157-03		Case Western Reserve University	158,432
5 R01 DK56008-15		Children's Hospital Los Angeles	22,377
5 R01 DK56008-14		Children's Hospital Los Angeles	3,383
5U01DK66143-08		Children's Mercy Hospital	(2,494)
1U01DK95745-01		Connecticut Children's Medical Center	(2,461)
5R01DK87694-03		Emory University	414
2U01DK61230-09		George Washington University	4,438
5U01DK48489-20		George Washington University	5,302
2 U24 DK76169-06		Georgia Health Sciences University	18,237
5U24DK76169-07		Georgia Health Sciences University	120,228
5U24DK76169-08		Georgia Health Sciences University	12,698
5U24DK76169-08		Georgia Regents University/Medical College of Georgia	26,522
VU# 4204511313		Georgia Regents University/Medical College of Georgia	9,103
25034-29		Georgia Regents University/Medical College of Georgia	17,933
1 R24 DK92758-01		Harvard University	64,567
1 R01 DK83583-01A1		Indiana University-Purdue University Indianapolis	14,740
1R34DK094116-01		Johns Hopkins University	1,847
5R01DK78616-05		Massachusetts General Hospital	8,734
5R01DK78616		Massachusetts General Hospital	61,444
7U01DK89538-03		Mount Sinai School of Medicine	1,066
5U01DK89538-06		Mount Sinai School of Medicine	2,355
1R01DK97829-01		Pacific Northwest Diabetes Research Institute	309,611
1R01DK92241-01A1		Stanford University	13,229
1 R15 DK91009-01		Tennessee State University	27,911
1 R24 DK93437-01		University of Massachusetts	8,918
5K23DK87919-04		University of Minnesota	4,219
1U01DK92239-01		University of North Carolina	1,434
5U01DK92239-03		University of North Carolina	581
5 U01 DK89540-03		University of Pennsylvania	334
5 U01 DK89540-04		University of Pennsylvania	155,748
5U01DK89538-05		University of Pittsburgh	216,173
1R01DK97084-01		University of Pittsburgh	13,399
Total CFDA			<u>44,599,329</u>
Kidney Diseases, Urology and Hematology Research	93.849		
Direct Programs			
Pass-through			
5 R01 DK77298-05		University of Utah	245
Total CFDA			<u>245</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		
Direct Programs			12,986,115
Pass-through Programs			
5P50 NS71669-04		Emory University	185,534
5P50NS71669-03		Emory University	32,599
5R01NS72497		Huntington Medical Research Institutes	7,886
5U01NS62851-03		Johns Hopkins University	12,198
NN102		Massachusetts General Hospital	760
1R01NS35929-02		Medical College of Wisconsin	31,148
9R42MH100007-03		Neurotargeting, LLC	279,302
3R01NS65818-01		Seattle Children's Hospital	250
5 R01 NS49477		University of California at San Francisco	23,103
1 U01 NS53998		University of California at San Francisco	(163)
U01 NS53998		University of California at San Francisco	18,004
1R01NS628520-02		University of California at San Francisco	2,794
5R01NS62820		University of California at San Francisco	5,263
1R01NS86423-01		University of Colorado	39,876
1 R01 NS63932-01		University of Hawaii	26,691
5U01NS61799-02		University of Rochester	(84)
5U01NS61799-03		University of Rochester	5,099
5U01NS69498-03		University of Virginia	16,580
5 U01 NS42804-07		Washington University in St. Louis	111,655
1R21NS82667-01A1		Yale University	77,125
Total CFDA			<u>13,861,735</u>
Allergy, Immunology and Transplantation Research	93.855		
Direct Programs			23,820,785
Pass-through Programs			
5U01AI77816-05		Boston Children's Hospital	181,880
1UM1AI106701-01		Brigham and Women's Hospital	8,851
2U01AI68636-07		Brigham and Women's Hospital	112,791
UM1 AI68636-07		Brigham and Women's Hospital	7,956
2U01AI68636-08		Brigham and Women's Hospital	17,259
1R56AI90076-01A1		Cornell University	57,335
2 U01 AI69421-07		Cornell University	18,716
HHSN275201200051		Drexel University	57,718
5R21AI98592-02A1		Emory University	91,650
U01 AI68619		Family Health International	118,252
5 U54 AI83028-02		Fred Hutchinson Cancer Research Center	6,268
5U54CA16438-04		Fred Hutchinson Cancer Research Center	4,073
2U01AI68614-07		Fred Hutchinson Cancer Research Center	(4,617)
5U54CA16438-05		Fred Hutchinson Cancer Research Center	25,090
5UM1AI68614-07		Fred Hutchinson Cancer Research Center	31,643
5UM1AI68614-08		Fred Hutchinson Cancer Research Center	494,477
5UM1AI68614-09		Fred Hutchinson Cancer Research Center	4,601
5U54CA163438-05		Genyx Medical, Inc.	3,613
2R56AI65529-06A1		Henry M. Jackson Foundation	8,814
5U01AI69918-08		Johns Hopkins University	65,498
4UM1AI69421-08		Les Centres Gheskio (Haiti)	28,589
5R44AI66612		Luna Innovations Incorporated	80,204
1 R56 AI87541-01A1		Medical University of South Carolina	567
5 T32 AI07281-24		Meharry Medical College	35,907
5 T32 AI07281-25		Meharry Medical College	31,352
1R01AI105129-01A1		New York University	7,262
1 P01 AI78064-01A1		Oregon Health & Science University	90
1P01AI78064-02		Oregon Health & Science University	370,420
1R01AI79253-01A2		Roswell Park Cancer Institute	48,078
UM1 AI67636-07		Social and Scientific Systems, Inc.	17,700

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
4U01AI68824-08		University of Bern	129,251
5R01AI90656-04		University of California, Irvine	41,325
A110329		University of Cape Town	6,612
1R01AI103348-01		University of Florida	63,278
5R01AI83334-04		University of Michigan	6,013
1R01AI107731-01		University of North Carolina	119,019
U54AI57157-11		University of North Carolina	486,503
1R01AI97679-01		University of Pittsburgh	15,812
1U19AI109711-01		University of Texas	226,956
5 U19 AI70412-08		University of Texas Health Science Ctr at San Antonio	84,802
5 U10 AI70412-07		University of Texas Health Science Ctr at San Antonio	58,730
2R01AI73755-06		Washington University in St. Louis	41,266
5R01AI73755-07		Washington University in St. Louis	3,992
Total CFDA			<u>27,036,381</u>
Microbiology and Infectious Diseases Research	93.856		
Pass-through Programs			
1 R01 AG028786-01A1		University of Kentucky	11,192
Total CFDA			<u>11,192</u>
Biomedical Research and Research Training	93.859		
Direct Programs			21,610,394
Pass-through Programs			
2R44GM86937-02		AM Biotechnologies, LLC	36,394
5U01GM92691-04		Brigham and Women's Hospital	93,943
1 R01 GM94198-04		Georgia Institute of Technology	53,692
5 U54 GM094608-04		Harvard University	369,585
5 U54 GM94608-03		Harvard University	33,824
1R01GM105688-01		Mayo Foundation for Medical Education and Research	74,987
1R01GM105688-02		Mayo Foundation for Medical Education and Research	42,594
GM090456-MOLECULAR SEN		Molecular Sensing, Inc.	318,145
GM093862		Molecular Sensing, Inc.	1,169
5R01GM63270		New York University	14,626
1R01GM105247-01		Pennsylvania State University	32,662
1R43GM103352-01		Protein Metrics, Inc.	82,334
5R01GM97508-02		Rosalind Franklin University of Medicine and Science	10,934
BOA 29XS129		Science Applications International Corporation	1,148,913
2R01GM71461-06A1		State University of New York	10,119
1R01GM087677-TEES SUB		Texas A & M University	43,362
000388290		University of Alabama at Birmingham	44,595
2 U54 GM69338-06		University of California, San Diego	256,137
1 U54 GM87519-02		University of Chicago	(4,500)
5U54GM87519-03		University of Chicago	(431)
5U54GM87519-04		University of Chicago	454,471
5 U54 GM93442-04		University of Illinois	277,912
1U10GM105351-01		University of Illinois	(33)
GM073151-08/53361		University of North Carolina	39,049
P50 GM82251-06		University of Pittsburgh	21,143
5P50 GM82251-07		University of Pittsburgh	220,485
2R01GM77770-05A1		University of Washington	17,248
Total CFDA			<u>25,303,753</u>
Child Health and Human Development Extramural Research	93.865		
Direct Programs			9,996,511
Pass-through Programs			
1R01HD61336-02		Boston Children's Hospital	(523)
1R01HD68541-02		George Washington University	74,698
5R01HD68541-03		George Washington University	178,559
1 R01 HD62484-02		Indiana University	33,841
U01 HD41890		Jaeb Center For Health Research Foundation, Inc.	24,407

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
U01 HD41890-02		Jaeb Center For Health Research Foundation, Inc.	1,470
HD075460		Ohio State University	25,895
HD0755493		University of Alabama	53,020
5U54HD61222-09		University of Alabama at Birmingham	4,003
U54HD61222		University of Alabama at Birmingham	92,010
HD073975		University of California at Los Angeles	538,808
VU# - 4262300043		University of California at Los Angeles	1,362
2014-3050		University of California, Irvine	77,137
2 R01 HD39961-06A2		University of Connecticut	67,441
5 P50 HD55751-06		University of Illinois	41,293
5U01HD73984-02		University of North Carolina	94,054
5U01HD73984-03		University of North Carolina	23,136
5 R01 HD57284		University of Washington	116,741
Total CFDA			<u>11,443,863</u>
Aging Research	93.866		
Direct Programs			6,510,584
Pass-through Programs			
1 R01 AG028786-01A1		Columbia University	(23,683)
1R01AG41794-01		National Bureau of Economic Research, Inc.	86,255
1 R21 AG42194-01		Stanford University	45,491
P01AG002132 UCSF		University of California at San Francisco	126,393
1 R01 AG27944-01A2		University of Miami	32,362
Total CFDA			<u>6,777,402</u>
Vision Research	93.867		
Direct Programs			9,066,148
Pass-through Programs			
U10EY17014		Children's Hospital of Philadelphia	26,670
R01EY21137		Children's Hospital of Philadelphia	3,781
5 U10 EY13272-09		Emory University	572
U10EY11751-03		Jaeb Center For Health Research Foundation, Inc.	37,736
5R01EY22305-02		Massachusetts Eye and Ear Infirmary	20,248
5R01EY20928-02		Massachusetts Eye and Ear Infirmary	7,986
1R01EY22305		Massachusetts Eye and Ear Infirmary	11,985
VU# - 4206600053		Salk Institute for Biological Sciences	112,114
2 R01 EY13869-08A1		State University of New York	17,406
5R01EY12118-12		University of Miami	40,651
5R01EY12118-13		University of Miami	218,767
1R01EY20895-01A1		University of Michigan	6,838
1R01EY23164-01		University of Pennsylvania	208,524
1R01EY23549-01		University of Washington	15,534
2 R01 EY12894-06A1		Western Michigan University	1,941
Total CFDA			<u>9,796,901</u>
Medical Library Assistance	93.879		
Direct Programs			2,269,202
Pass-through Programs			
1R01LM11366-01		Group Health	29,463
5R01LM11366-02		Group Health	73,173
5R01LM10681-03		University of Texas Health Science Ctr at Houston	221
Total CFDA			<u>2,372,059</u>
HIV Prevention Activities_Non-Governmental Organization Based	93.939		
Pass-through Programs			
5U10CA148065-04		Harvard University	285,766
Total CFDA			<u>285,766</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
International Research and Research Training	93.989		
Direct Programs			2,933,356
Pass-through Programs			
1R24TW08873-03		University of Zambia	46,460
1 R24 TW008873-04		University of Zambia	4,303
Total CFDA			<u>2,984,119</u>
Total National Institutes of Health			<u>339,146,475</u>
Total U.S. Department of Health and Human Services			<u>374,452,857</u>
Housing and Urban Development			
Unknown/No CFDA	14		
Pass-through Programs			
C-CHI-00943 TASK T0003		ABT Associates, Inc.	46,975
4262505013		The Housing Fund	4,985
C-CHI-01086		Urban Institute	(7,469)
Total CFDA			<u>44,491</u>
Total Housing and Urban Development			<u>44,491</u>
U.S. Agency for International Development			
USAID Foreign Assistance for Programs Overseas	98.001		
Direct Programs			460,753
Pass-through Programs			
800004275		Florida International University	289
125100561-10		Florida International University	20,075
AID-0AA-A-12-00039		Institute of International Education, Inc.	72,480
Total CFDA			<u>553,597</u>
Global Development Alliance	98.011		
Direct Programs			2,622,068
Total CFDA			<u>2,622,068</u>
Total U.S. Agency for International Development			<u>3,175,665</u>
U.S. Department of Justice			
Part E - Developing, Testing and Demonstrating Promising New Programs	16.541		
Pass-through Programs			
2010-JF-FX-2607		Georgetown University	284,153
Total CFDA			<u>284,153</u>
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560		
Pass-through Programs			
20013-IJ-CX-0058		University of Maryland	58,000
Total CFDA			<u>58,000</u>
Criminal and Juvenile Justice and Mental Health Collaboration Program	16.745		
Pass-through Programs			
GR-13-38869		TN Department of Health	46,629
Total CFDA			<u>46,629</u>
Byrne Criminal Justice Innovation Program	16.817		
Direct Programs			8,023
Total CFDA			<u>8,023</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Juvenile Justice Reform and Reinvestment Demonstration	16.821		
Pass-through Programs			
VU# 4264385033		Georgetown University	2,697
VU# 4264385003		Georgetown University	5,150
VU# 4264384813		Georgetown University	31,089
Total CFDA			<u>38,936</u>
Total U.S. Department of Justice			<u>435,741</u>
National Aeronautics and Space Administration			
Unknown/No CFDA	43		
Direct Programs			1,586,247
Pass-through Programs			
NCC9-58-55 BAYLOR COLL		Baylor College	12,276
1474814 VU#-4206323512		California Institute of Technology (CalTech)	7,283
1485984 VU#-4206323522		California Institute of Technology (CalTech)	1,732
NNX13CL16P		Global Technology Connection, Inc.	20,383
SAO GO3-14019B		Harvard University	75,695
VU#-4221003505		Longhurst Engineering, PLC	48,427
5710003558		Massachusetts Institute of Technology	19,821
VU#- 4043445626		National Space Biomedical Research Institute	15,377
SCIENTIC PO SCI.00005		Scientific, Inc.	49,175
SCIENTIC PO SCI.00119		Scientific, Inc.	10,595
SCIENTIC PO SCI.00118		Scientific, Inc.	8,700
HST-GO-12309.01-A		Space Telescope Science Institute	6,551
HST-GO-12543.02-A		Space Telescope Science Institute	23,493
HST-EO-12995.04-A		Space Telescope Science Institute	17,427
A003256401		University of Minnesota	28,597
Total CFDA			<u>1,931,779</u>
Total National Aeronautics and Space Administration			<u>1,931,779</u>
National Foundation on the Arts and the Humanities			
National Endowment for the Arts			
Promotion of the Arts: Grants to Organizations and Individuals	45.024		
Direct Programs			54,677
Total CFDA			<u>54,677</u>
Total National Endowment for the Arts			<u>54,677</u>
National Endowment for the Humanities			
Unknown/No CFDA	45		
Direct Programs			22,392
Total CFDA			<u>22,392</u>
Promotion of the Humanities_Division of Preservation and Access	45.149		
Direct Programs			51,552
Total CFDA			<u>51,552</u>
Promotion of the Humanities_Office of Digital Humanities	45.169		
Direct Programs			49,883
Total CFDA			<u>49,883</u>
Total National Endowment for the Humanities			<u>123,827</u>
Institute of Museum Services			
National Leadership Grants	45.312		
Direct Programs			138,488
Total CFDA			<u>138,488</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Total Institute of Museum Services			138,488
Total National Foundation on the Arts and the Humanities			316,992
National Science Foundation			
Unknown/No CFDA	47		
Direct Programs			50,752
Pass-through Programs			
4101-58031		Purdue University	60,699
Total CFDA			111,451
Engineering Grants	47.041		
Direct Programs			1,859,948
Pass-through Programs			
IIP105871		Kent Optronics, Inc.	30,861
2013-06296-01		University of Illinois	38,153
UNV KANSAS FY2011-032		University of Kansas	89,888
A003927906 EEC1263346		University of Minnesota	7,950
EEC0540834 T5306692601		University of Minnesota	322,371
415997-G		University of Rochester	19,720
Total CFDA			2,368,891
Mathematical and Physical Sciences	47.049		
Direct Programs			4,553,101
Pass-through Programs			
CHE-1402298		Brown University	2,189
00002027 VU#-4206333043		Princeton University	469
2102305-01		Stevens Institute of Technology	8,500
QUARKNET 2013 VU#-4206333203		University of Notre Dame	5,835
Total CFDA			4,570,094
Geosciences	47.050		
Direct Programs			1,354,666
Total CFDA			1,354,666
Computer and Information Science and Engineering	47.070		
Direct Programs			3,715,962
Pass-through Programs			
1345 VU#-4254003003		Dartmouth University	14,145
CCF0424422 UCB		University of California, Berkeley	512,785
Total CFDA			4,242,892
Undergraduate Science, Engineering, and Mathematics Education	47.071		
Direct Programs			23,924
Total CFDA			23,924
Biological Sciences	47.074		
Direct Programs			1,179,611
Pass-through Programs			
MNC0102-03		New Mexico Consortium	34,466
Total CFDA			1,214,077
Social, Behavioral, and Economic Sciences	47.075		
Direct Programs			729,623
Pass-through Programs			
AIR GRANT DG 12-10		Association for Institutional Research	(99)
AIR GRANT DG 13-46		Association for Institutional Research	16,067
PO 10321072-SUB UCSD		University of California, San Diego	282,912
Total CFDA			1,028,503

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Education and Human Resources	47.076		
Direct Programs			5,508,087
Pass-through Programs			
DGE-0933812		Alabama A&M University	33,242
RC103138VU		Michigan State University	67,046
DRL1020101 NORTHWESTRN		Northwestern University	97,696
DRL0816406 SDSU		San Diego State University	43,744
HRD0802540		Tennessee State University	14,004
HRD1305062		Tennessee State University	55,715
Z379203		University of Maryland	6,694
DUE1231286/492K693		University of Wisconsin	26,506
Total CFDA			<u>5,852,734</u>
Polar Programs	47.078		
Direct Programs			1,995
Total CFDA			<u>1,995</u>
Office of International and Integrative Activities	47.079		
Direct Programs			19,635
Pass-through Programs			
5-24879		Columbia University	263,436
Total CFDA			<u>283,071</u>
Office of Cyberinfrastructure	47.080		
Direct Programs			1,063,856
Pass-through Programs			
1246133		California Institute of Technology	24,183
Total CFDA			<u>1,088,039</u>
Office of Experimental Program to Stimulate Competitive	47.081		
Pass-through Programs			
OR-A11-0171-011.08		University of Tennessee	892,972
Total CFDA			<u>892,972</u>
ARRA: Trans-NSF Recovery Act Research Support	47.082		
Direct Programs			144,813
Pass-through Programs			
INTERNET2 0958998		Internet2	46,508
EPS0919436 UT ARRA		University of Tennessee	255,143
Total CFDA			<u>446,464</u>
Total National Science Foundation			<u>23,479,773</u>
U.S. Department of Homeland Security			
Centers for Homeland Security	97.061		
Pass-through Programs			
2010-ST-061-RE0001		University of Southern California	3,095
Total CFDA			<u>3,095</u>
Total U.S. Department of Homeland Security			<u>3,095</u>
Nuclear Regulatory Commission			
Unknown/No CFDA	77		
Direct Programs			64,723
Total CFDA			<u>64,723</u>
Total Nuclear Regulatory Commission			<u>64,723</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
U.S. Securities and Exchange Commission			
Securities_Investigation of Complaints and SEC Information	58.001		
Direct Programs			266,145
Total CFDA			<u>266,145</u>
Total U.S. Securities and Exchange Commission			<u>266,145</u>
U.S. Department of Transportation			
University Transportation Centers Program	20.701		
Pass-through Programs			
VU# 4224104923 CFIRE - BASE		University of Memphis	52,059
VU# 4224104933 CFIRE - TASK ORDER 1		University of Memphis	59,394
VU# 4224104943 CFIRE - TASK ORDER 2		University of Memphis	51,165
VU# 4224104953 CFIRE - TASK ORDER 3		University of Memphis	62,603
VU# 4224104963 CAIT 9		University of Memphis	5,570
VU# 4224104983 CAIT 11		University of Memphis	(1,462)
VU# 4224124993 U MEMPHIS CIFTS TASK 5		University of Memphis	221
Total CFDA			<u>229,550</u>
Total U.S. Department of Transportation			<u>229,550</u>
Tennessee Valley Authority			
Unknown/No CFDA	62		
Direct Programs			63,910
Total CFDA			<u>63,910</u>
Total Tennessee Valley Authority			<u>63,910</u>
U. S. Treasury			
Unknown/No CFDA	21		
Pass-through Programs			
1IP2PI000072-01		Patient-Centered Outcomes Research Institute	233,850
CE-12-11-4667		Patient-Centered Outcomes Research Institute	310,964
Total CFDA			<u>544,814</u>
Total U.S. Treasury			<u>544,814</u>
Veteran Affairs			
Unknown/No CFDA	64		
Direct Programs			81,662
Total CFDA			<u>81,662</u>
Total Veteran Affairs			<u>81,662</u>
Total Research and Development Cluster			<u>475,916,508</u>
Student Financial Aid Cluster			
U.S. Department of Education			
Federal Supplemental Educational Opportunity Grants	84.007		
Direct Programs			315,935
Total CFDA			<u>315,935</u>
Federal Work-Study Program	84.033		
Direct Programs			1,323,356
Total CFDA			<u>1,323,356</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
Federal Perkins Loan Program	84.038		
Direct Programs			2,142,161
Total CFDA			<u>2,142,161</u>
Federal Pell Grant Program	84.063		
Direct Programs			3,918,838
Total CFDA			<u>3,918,838</u>
Federal Direct Student Loans	84.268		
Direct Programs			80,817,804
Total CFDA			<u>80,817,804</u>
Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	84.379		
Direct Programs			23,260
Total CFDA			<u>23,260</u>
Total U.S. Department of Education			<u>88,541,354</u>
U.S. Department of Health and Human Services			
Nurse Faculty Loan Program (NFLP)	93.264		
Direct Programs			922,925
Total CFDA			<u>922,925</u>
Nursing Student Loans	93.364		
Direct Programs			406,936
Total CFDA			<u>406,936</u>
Total U.S. Department of Health and Human Services			<u>1,329,861</u>
Total Student Financial Aid Cluster			<u>89,871,215</u>
Other Awards			
U.S. Department of Health and Human Services			
Health Resources and Services Administration			
National Bioterrorism Hospital Preparedness Program	93.889		
Pass-through Programs			
GR-12-39755		TN Department of Health	9,740
Total CFDA			<u>9,740</u>
PPHF-2012 Geriatric Education Centers	93.969		
Pass-through Programs			
5UB4HP19055-03		Meharry Medical College	79,530
Total CFDA			<u>79,530</u>
HIV Emergency Relief Project Grant	93.914		
Direct Programs			
Pass-through Programs			
VU# 4043610223		United Way of Tennessee	17,715
VU# 4043610233		United Way of Tennessee	830,901
VU# 4043610293		United Way of Tennessee	282,658
VU# 4043610243		United Way of Tennessee	43,618
Total CFDA			<u>1,174,892</u>

Vanderbilt University
Schedule of Expenditures of Federal Awards
For Year Ended June 30, 2014

Cluster Title/Federal Grantor/Program/Pass-through Award Identifier	CFDA	Pass-through Entity	Federal Expenditures
HIV Care Formula Grants	93.917		
Pass-through Programs			
GR-11-34921		TN Department of Health	252,906
GR-14-40462		TN Department of Health	85,706
Total CFDA			<u>338,612</u>
Grants to Provide Outpatient Early Intervention Services with Respect to HIV Disease	93.918		
Direct Programs			663,250
Total CFDA			<u>663,250</u>
Total Health Resources and Services Administration			<u>2,266,024</u>
Centers for Disease Control			
Preventive Health and Health Services Block Grant	93.991		
Pass-through Programs			
GR-14-37151		TN Department of Health	754,783
Total CFDA			<u>754,783</u>
Total Centers for Disease Control			<u>754,783</u>
Total U.S. Department of Health and Human Services			<u>3,020,807</u>
U.S. Agency for International Development			
USAID Foreign Assistance for Programs Overseas	98.001		
Pass-through Programs			
656-A-00-09-00141-06		World Vision, Inc.	939,258
Total CFDA			<u>939,258</u>
Total U.S. Agency for International Development			<u>939,258</u>
Total Other Awards			<u>3,960,065</u>
Total Federal Expenditures			<u><u>569,747,788</u></u>

VANDERBILT UNIVERSITY

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") summarizes the expenditures of Vanderbilt University (Vanderbilt) under programs of the federal government for the year ended June 30, 2014. The information in this schedule is presented in accordance with the requirements of U.S. Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of Vanderbilt, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of Vanderbilt.

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between Vanderbilt and agencies and departments of the federal government and all subawards to Vanderbilt by nonfederal organizations pursuant to federal grants, contracts, and similar agreements.

(2) Summary of Significant Accounting Policies for the Schedule

For purposes of the Schedule, expenditures for federal programs are recognized on the accrual basis, which is consistent with generally accepted accounting principles.

Expenditures for federal student financial aid programs are recognized as incurred and include Federal Pell program grants to students, the federal share of students' FSEOG program grants, FWS program earnings, loans to students under federally guaranteed programs and certain other federal financial assistance grants for students and administrative cost allowances, where applicable.

Expenditures for other federal awards of Vanderbilt are determined using the cost accounting principles and procedures set forth in OMB Circular A-21, *Cost Principles for Educational Institutions*. Under these cost principles, certain expenditures are not allowable or are limited as to reimbursement.

Expenditures for certain non student financial aid awards include indirect costs. Indirect costs allocated to such awards for the year ended June 30, 2014 were based on predetermined fixed rates negotiated with Vanderbilt's cognizant federal agency, the U.S. Department of Health and Human Services. Indirect costs and recoveries of those costs under sponsored programs are classified as unrestricted expenditures and revenues, respectively, in Vanderbilt's financial statements.

Negative amounts represent adjustments or credits to amounts reported as expenditures in prior years. CFDA numbers and pass-through numbers are provided when available.

VANDERBILT UNIVERSITY

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

(3) Federal Student Financial Assistance Programs

Federal student financial assistance made available by Vanderbilt to eligible students or utilized by Vanderbilt for allowable administrative expenses under grant, work-study and student loan programs and guaranteed loans offered to students of Vanderbilt or their parents by financial institutions during the year ended June 30, 2014 are summarized as follows:

Grant and work-study based programs:

FSEOG	84.007	\$	315,935
FWS	84.033		1,323,356
Pell	84.063		3,918,838
Total			\$ 5,558,129

Loans disbursed:

Federal Perkins	84.038	\$	1,934,688
Nurse Faculty Loan Program	93.264		922,925
Nursing Student Loans	93.364		406,936
Total			\$ 3,264,549

Guaranteed direct loans disbursed:

Federal Stafford	84.268	\$	1,174,492
Federal Unsubsidized Stafford	84.268		43,550,307
Federal Parent Loans for Undergraduate Students PLUS	84.268		6,066,050
Federal Graduate PLUS Loans	84.268		30,026,955
Total			\$ 80,817,804

The Federal Perkins Loan Program is administered directly by Vanderbilt and balances and transactions relating to this program are included in the Vanderbilt's financial statements. The administrative costs for the program during the year ended June 30, 2014 are \$207,473. The Perkins Loan Program principal cancelled for the year ended June 30, 2014 is \$109,890 (CFDA# 84.037).

VANDERBILT UNIVERSITY

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2014

The Perkins, Nurse Faculty Loan Program (NFLP), Nursing Student Loan (NSL), Health Profession Student Loan (HPSL), and Primary Care Loan (PCL) programs are administered directly by Vanderbilt and balances and transactions relating to these programs are included in Vanderbilt's consolidated financial statements. Balances of loans outstanding at June 30, 2014 are as follows:

Perkins	84.038	\$ 14,253,886
NFLP	93.264	3,393,629
NFLP ARRA	93.408	618,531
NSL	93.364	1,706,107
HPSL	93.342	32,968
PCL	93.342	34,800
		<u>\$ 20,039,921</u>

Vanderbilt is responsible for the performance of certain administrative duties with respect to the guaranteed direct loan programs. It is not practical to determine the balance of loans outstanding to students and former students of Vanderbilt under these programs for the year ended June 30, 2014. These loans are not included in Vanderbilt's consolidated financial statements.

(4) Awards to Subrecipients

Certain federal funds are provided to subrecipient organizations by Vanderbilt. The expenditures incurred by the subrecipients are reimbursed by Vanderbilt and included in the Schedule for the year ended June 30, 2014 as follows:

<u>CFDA</u>	<u>Program Name</u>	<u>Amount</u>
Various	Research and Development Cluster	\$54,265,327



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

Board of Trust
Vanderbilt University

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Vanderbilt University (“the University”), which comprise the statements of financial position as of June 30, 2014 and June 30, 2013, and the related consolidated statement of activities and changes in net assets and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated October 23, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the 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 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 Vanderbilt University’s internal control.

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

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

Compliance and Other Matters

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

PricewaterhouseCoopers LLP, 830 Crescent Centre Drive, Suite 260, Nashville, TN 37067
T: (615)503 2860, F: (615) 503 2870, www.pwc.com/us



noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

PricewaterhouseCoopers LLP

October 23, 2014



Independent Auditor's Report on Compliance For Each Major Federal Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133

Board of Trust
Vanderbilt University

Report on Compliance for Each Major Federal Program

We have audited Vanderbilt University's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Vanderbilt University's major federal programs for the year ended June 30, 2014. Vanderbilt University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Vanderbilt 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 Vanderbilt 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 Vanderbilt University's compliance.

Opinion on Each Major Federal Program

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



Report on Internal Control Over Compliance

Management of Vanderbilt 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 Vanderbilt 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 Vanderbilt 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

PriceWaterhouseCoopers LLP

December 17, 2014

Vanderbilt University
Schedule of Findings and Questioned Costs
Year Ended June 30, 2014

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ yes ___X___ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ___X___ none reported
- Noncompliance material to financial statements noted? _____ yes ___X___ no

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? _____ yes ___X___ no
- Significant deficiency(ies) identified that are not considered to be material weaknesses? _____ yes ___X___ none reported

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

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133? _____ yes ___X___ no

Identification of major programs:

<i>CFDA Number(s)</i>	<i>Name of Federal Program or Cluster</i>
<u>Various</u>	<u>Research and Development Cluster</u>

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

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

Section II - Financial Statement Findings

No matters are reportable.

Section III - Federal Award Findings and Questioned Costs

No matters are reportable.

Vanderbilt University
Summary Schedule of Prior Audit Findings
June 30, 2014

No matters are reportable.