



**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Consolidated Financial Statements and Supplementary
Information on Federal Awards Programs

June 30, 2009

(With Independent Auditors' Report Thereon and Reports on
Internal Control and Compliance)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

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KPMG LLP
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Independent Auditors' Report on Consolidated Financial Statements and Supplementary Schedule of Expenditures of Federal Awards

The Board of Directors
The Research Foundation of
The City University of New York:

We have audited the accompanying consolidated balance sheets of The Research Foundation of The City University of New York (the Foundation) as of June 30, 2009 and 2008, and the related consolidated statements of activities and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Foundation's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Research Foundation of The City University of New York as of June 30, 2009 and 2008, and the changes in its net assets and its cash flows for the years then ended, in conformity with U.S. generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated October 29, 2009 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audits.



Our audits were performed for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2009 is presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic consolidated financial statements. Further, the 2009 consolidating information is presented for purposes of additional analysis of the 2009 consolidated financial statements rather than to present the financial position, changes in net assets, and cash flows of the individual entities. The 2009 consolidating information has been subjected to the auditing procedures applied in the audit of the 2009 consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2009 consolidated financial statements taken as a whole.

KPMG LLP

October 29, 2009

**THE RESEARCH FOUNDATION OF
THE CITY UNIVERSITY OF NEW YORK**

Consolidated Balance Sheets

June 30, 2009 and 2008

(with consolidating information as of June 30, 2009)

Assets	2009					2008
	Foundation	230 West 41st Street LLC	Grants Plus	Eliminations	Total	
	Consolidating Information					
Cash and cash equivalents	\$ 73,403,123	1,490,504	117,411	—	75,011,038	72,359,972
Restricted cash (notes 2(I), 10, 11, and 14)	—	3,391,924	—	—	3,391,924	4,158,508
Grants, contracts, and accounts receivable (net of allowance of \$4,500,000 in 2009 and \$4,300,000 in 2008)	50,401,746	—	12,704	(55,000)	50,359,450	48,412,618
Loans receivable (note 13)	2,014,066	—	—	—	2,014,066	2,042,557
Rent receivable (net of allowance of \$37,306 in 2008)	—	86,684	—	—	86,684	784,848
Prepaid expenses and other assets	418,137	220,667	—	—	638,804	428,398
Investments, at fair value (note 3)	64,148,719	—	—	—	64,148,719	53,891,774
Investment in Grants Plus	21,935	—	—	(21,935)	—	—
Investment in 230 West 41st Street LLC (LLC)	7,772,976	—	—	(7,772,976)	—	—
Due from Sole Member	—	96,760	—	(96,760)	—	—
Deferred rent receivable	—	4,517,922	—	(995,415)	3,522,507	3,306,489
Value of in-place leases (net of accumulated amortization of \$4,990,303 in 2009 and \$4,549,535 in 2008) (note 9)	—	1,961,952	—	—	1,961,952	2,402,720
Above-market leases (net of accumulated amortization of \$2,257,754 in 2009 and \$1,964,838 in 2008) (note 9)	—	1,320,978	—	—	1,320,978	1,613,894
Deferred financing costs (net of accumulated amortization of \$1,299,260 in 2009 and \$967,888 in 2008)	—	1,435,347	—	—	1,435,347	1,623,514
Fixed assets:						
Rental property, net (note 9)	—	54,869,191	—	—	54,869,191	56,290,861
Furniture, fixtures, and equipment (net of accumulated depreciation of \$2,523,519 in 2009 and \$2,123,353 in 2008)	874,648	—	—	—	874,648	1,196,362
Leasehold improvements (net of accumulated amortization of \$145,827 in 2009 and \$109,927 in 2008)	320,871	—	—	—	320,871	356,771
Total assets	<u>\$ 199,376,221</u>	<u>69,391,929</u>	<u>130,115</u>	<u>(8,942,086)</u>	<u>259,956,179</u>	<u>248,869,286</u>
Liabilities and Net Assets (Deficit)						
Accounts payable and accrued expenses	\$ 44,332,826	518,923	104,655	(55,000)	44,901,404	36,115,209
Deferred revenue (note 5)	57,833,089	—	3,525	—	57,836,614	60,218,568
Grants payable to CUNY (note 8)	1,485,651	—	—	—	1,485,651	1,187,556
Revolving credit loan payable (note 13)	1,698,218	—	—	—	1,698,218	1,874,948
Loan from LLC	96,760	—	—	(96,760)	—	—
Deferred rent payable	995,415	—	—	(995,415)	—	—
Security deposits payable	—	590,915	—	—	590,915	624,210
Deposits held in custody for CUNY colleges	69,770,779	—	—	—	69,770,779	66,474,693
Below-market leases (net of accumulated amortization of \$233,152 in 2009 and \$210,266 in 2008) (note 9)	—	102,586	—	—	102,586	125,472
Deposits held in custody for tenant (note 11)	—	439,898	—	—	439,898	625,652
Postretirement benefits payable (note 4)	49,920,311	—	—	—	49,920,311	39,325,856
Mortgage loan payable (note 10)	—	59,966,631	—	—	59,966,631	60,725,953
Total liabilities	<u>226,133,049</u>	<u>61,618,953</u>	<u>108,180</u>	<u>(1,147,175)</u>	<u>286,713,007</u>	<u>267,298,117</u>
Net assets (deficit):						
Unrestricted:						
Postretirement benefits	(49,920,311)	—	—	—	(49,920,311)	(39,325,856)
230 West 41st Street LLC	7,772,976	7,772,976	—	(7,772,976)	7,772,976	9,139,154
Grants Plus	21,935	—	21,935	(21,935)	21,935	16,540
Other	15,368,572	—	—	—	15,368,572	11,741,331
Total net assets (deficit)	<u>(26,756,828)</u>	<u>7,772,976</u>	<u>21,935</u>	<u>(7,794,911)</u>	<u>(26,756,828)</u>	<u>(18,428,831)</u>
Total liabilities and net assets (deficit)	<u>\$ 199,376,221</u>	<u>69,391,929</u>	<u>130,115</u>	<u>(8,942,086)</u>	<u>259,956,179</u>	<u>248,869,286</u>

See accompanying notes to consolidated financial statements.

**THE RESEARCH FOUNDATION OF
THE CITY UNIVERSITY OF NEW YORK**

Consolidated Statements of Activities

Years ended June 30, 2009 and 2008

(with consolidating information for the year ended June 30, 2009)

	2009					2008
	Foundation	230 West 41st Street LLC Consolidating Information	Grants Plus	Eliminations	Total	
Grants and contracts administered for others:						
Revenue:						
Governmental	\$ 244,965,972	—	—	—	244,965,972	240,648,182
Private	93,652,066	—	—	—	93,652,066	85,457,526
Total grants and contracts revenue	<u>338,618,038</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>338,618,038</u>	<u>326,105,708</u>
Expenses:						
Research	(104,936,360)	—	—	—	(104,936,360)	(98,474,386)
Training	(97,581,267)	—	—	—	(97,581,267)	(100,987,819)
Academic development	(91,532,401)	—	—	—	(91,532,401)	(84,890,766)
Student services	(35,149,989)	—	—	—	(35,149,989)	(28,960,714)
Other	(9,418,021)	—	—	—	(9,418,021)	(12,792,023)
Total grants and contracts expenses	<u>(338,618,038)</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(338,618,038)</u>	<u>(326,105,708)</u>
Administrative services:						
Revenue:						
Administrative fees	23,844,741	—	78,348	(55,000)	23,868,089	21,607,333
Investment return (note 3)	2,306,237	—	—	—	2,306,237	3,422,912
Rental income (note 6)	—	12,133,154	—	(2,535,373)	9,597,781	9,412,198
Donated services	—	—	431,926	(431,926)	—	—
Other	182,846	—	—	—	182,846	815,441
Total administrative revenue	<u>26,333,824</u>	<u>12,133,154</u>	<u>510,274</u>	<u>(3,022,299)</u>	<u>35,954,953</u>	<u>35,257,884</u>
Expenses:						
Management and general	(20,325,792)	—	—	2,535,373	(17,790,419)	(17,477,885)
Postretirement credit (note 4)	(105,838)	—	—	—	(105,838)	322,322
Grants to CUNY for central research initiatives (note 8)	(2,300,000)	—	—	—	(2,300,000)	(2,300,000)
Investment return allocated to individual colleges	(1,110,535)	—	—	—	(1,110,535)	(221,950)
Operating expenses of LLC (note 12)	—	(4,362,815)	—	—	(4,362,815)	(4,591,897)
Interest expense	—	(3,986,202)	—	—	(3,986,202)	(4,023,660)
Real estate taxes (note 14)	—	(557,263)	—	—	(557,263)	(636,666)
Depreciation and amortization	(436,066)	(2,714,788)	—	—	(3,150,854)	(3,245,456)
Donated expenses (note 11)	—	—	(431,926)	431,926	—	—
Other (note 11)	(34,190)	(378,264)	(72,953)	55,000	(430,407)	(284,979)
Total administrative expenses	<u>(24,312,421)</u>	<u>(11,999,332)</u>	<u>(504,879)</u>	<u>3,022,299</u>	<u>(33,794,333)</u>	<u>(32,460,171)</u>
Excess of revenue over expenses before other changes	2,021,403	133,822	5,395	—	2,160,620	2,797,713
Other changes:						
Change in Foundation investment in 230 West 41st Street LLC	(1,366,178)	—	—	1,366,178	—	—
Change in Foundation investment in Grants Plus	5,395	—	—	(5,395)	—	—
230 West 41st Street LLC distribution to Sole Member	1,500,000	(1,500,000)	—	—	—	—
Loss not yet recognized as component of net periodic postretirement benefit cost	(10,488,617)	—	—	—	(10,488,617)	(8,942,107)
(Decrease) increase in net assets	<u>(8,327,997)</u>	<u>(1,366,178)</u>	<u>5,395</u>	<u>1,360,783</u>	<u>(8,327,997)</u>	<u>(6,144,394)</u>
Net assets (deficit) at beginning of year	<u>(18,428,831)</u>	<u>9,139,154</u>	<u>16,540</u>	<u>(9,155,694)</u>	<u>(18,428,831)</u>	<u>(12,284,437)</u>
Net assets (deficit) at end of year	<u>\$ (26,756,828)</u>	<u>7,772,976</u>	<u>21,935</u>	<u>(7,794,911)</u>	<u>(26,756,828)</u>	<u>(18,428,831)</u>

See accompanying notes to consolidated financial statements.

**THE RESEARCH FOUNDATION OF
THE CITY UNIVERSITY OF NEW YORK**

Consolidated Statements of Cash Flows

Years ended June 30, 2009 and 2008

	<u>2009</u>	<u>2008</u>
Cash flows from operating activities:		
Decrease in net assets	\$ (8,327,997)	(6,144,394)
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:		
Depreciation and amortization	2,568,179	2,562,014
Disposal of fixed assets	—	—
Amortization of deferred financing costs	331,372	295,953
Amortization of in-place leases	440,768	576,954
Amortization of above- and below-market leases	270,030	362,994
Loss not yet recognized as component of net periodic postretirement benefit cost	10,488,617	8,942,107
Net (appreciation) depreciation in fair value of investments	(863,450)	1,039,009
Changes in assets and liabilities:		
Restricted cash	(767,146)	(866,616)
Grants, contracts, accounts, and rents receivable	(1,248,668)	(11,373,995)
Prepaid expenses and other assets	(210,406)	300,058
Deferred rent receivable	(216,018)	(443,030)
Accounts payable and accrued expenses, prepaid rent, and security deposits payable	8,752,900	8,269,383
Deferred revenue	(2,381,954)	4,066,792
Grants payable to CUNY	298,095	(929,816)
Postretirement benefits payable	105,838	(322,322)
Deposits held in custody for CUNY colleges	3,296,086	5,097,433
Net cash provided by operating activities	<u>12,536,246</u>	<u>11,432,524</u>
Cash flows from investing activities:		
Decrease (increase) in loan receivables	28,491	(6,175)
Purchases of fixed assets	(78,452)	(121,943)
Expenditures for rental property improvements	(710,443)	(339,212)
Disposal of rental property improvements	—	444,969
Restricted cash	1,533,730	3,218,282
Deposits held in custody for tenant	(185,754)	(2,294,809)
Deposits held for LLC	—	(468,910)
Payment of deferred leasing costs	(143,205)	(128,968)
Purchases of investments	(175,569,070)	(152,780,228)
Sales and maturity of investments	166,175,575	143,793,149
Net cash used in investing activities	<u>(8,949,128)</u>	<u>(8,683,845)</u>
Cash flows from financing activities:		
Payments under revolving credit loan	(176,730)	(125,052)
Payments under mortgage loan	(759,322)	(708,587)
Net cash used in financing activities	<u>(936,052)</u>	<u>(833,639)</u>
Net increase in cash and cash equivalents	2,651,066	1,915,040
Cash and cash equivalents at beginning of year	<u>72,359,972</u>	<u>70,444,932</u>
Cash and cash equivalents at end of year	<u>\$ 75,011,038</u>	<u>72,359,972</u>
Supplemental cash flow disclosure:		
Cash paid for interest	\$ 3,792,620	3,834,194

See accompanying notes to consolidated financial statements.

**THE RESEARCH FOUNDATION OF
THE CITY UNIVERSITY OF NEW YORK**

Notes to Consolidated Financial Statements

June 30, 2009 and 2008

(1) Organization and Purpose

The Research Foundation of The City University of New York (the Foundation) was chartered in 1963 to further the purposes of The City University of New York (the University or CUNY) and other not-for-profit organizations, through the pursuit, acquisition, and administration of grants and gifts. The Foundation is a separate legal entity and is exempt from federal income taxes under the provisions of Section 501(c)(3) of the Internal Revenue Code (the Code).

230 West 41st Street LLC (the LLC) was established on May 7, 2004 as a Delaware limited liability company and organized pursuant to the Limited Liability Operating Agreement (the Agreement) dated July 14, 2004 between the Foundation (the Sole Member with a 100% interest in the LLC) and the LLC. The LLC was formed to acquire, own, and operate an approximately 300,000 square-foot office building located at 230 West 41st Street in New York, New York (the Property).

Single-member limited liability companies organized as provided under the Agreement are generally treated as disregarded entities for federal, state, and local income tax purposes, and accordingly, income taxes have not been provided for in the accompanying consolidated financial statements.

Grants Plus Inc. (Grants Plus) was created by the Foundation and incorporated in May 2004 to provide postaward administration of sponsored programs for not-for-profit organizations other than the Foundation or CUNY. Grants Plus is a separate legal entity exempt from federal income taxes under the provisions of Section 501(c)(3) of the Code.

(2) Summary of Significant Accounting Policies

(a) Basis of Presentation

The accompanying consolidated financial statements, which consolidate the Foundation, the LLC, and Grants Plus (collectively, the Organization), are prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States for external financial reporting by not-for-profit organizations. All intercompany accounts and transactions have been eliminated in consolidation. The consolidated financial statements present balances and transactions according to the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization and changes therein are classified and reported as follows:

Unrestricted net assets – Net assets that are not subject to donor-imposed restrictions. In addition, grants and contracts for the performance of certain services or functions are reported in the unrestricted net asset category.

Temporarily restricted net assets – Net assets subject to donor-imposed restrictions that will be met either by actions of the Organization or the passage of time. The Organization had no temporarily restricted net assets at June 30, 2009 and 2008.

Permanently restricted net assets – Net assets subject to donor-imposed restrictions stipulating that funds be maintained permanently by the Organization, but permit the Organization to expend part or all of the income derived therefrom. The Organization had no permanently restricted net assets at June 30, 2009 and 2008.

(Continued)

**THE RESEARCH FOUNDATION OF
THE CITY UNIVERSITY OF NEW YORK**

Notes to Consolidated Financial Statements

June 30, 2009 and 2008

Revenues and gains and losses on investments and other assets are reported as changes in unrestricted net assets unless limited by explicit donor-imposed restrictions or by law. Expenses are reported as decreases in unrestricted net assets.

(b) Grants and Contracts

Revenue from grants and contracts, awarded to and accepted by the Foundation, Grants Plus, and various units of the University, as joint grantees, primarily for research, training, and academic development programs, is recognized as earned, that is, as the related costs are incurred under the grant or contract agreements.

Facilities and administrative costs recovered on grants and contracts are recorded at rates established by the Foundation with its federal cognizant agency, or predetermined by the nonfederal sponsor. Facilities and administrative cost rates for government grants and contracts are subject to audit, and subsequent final settlements, if any, are recorded as current period adjustments. Management believes the impact of any future settlements to be immaterial to the consolidated financial statements.

(c) Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingencies at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. The current economic environment has increased the degree of uncertainty inherent in these estimates and assumptions. Management adjusts such estimates when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from those estimates.

(d) Cash Equivalents

Highly liquid debt instruments with maturities at date of purchase of three months or less are classified as cash equivalents, except for those short-term investments that are managed by an external investment manager for long-term investment purposes.

(e) Investments

Investments are reported at fair value based upon quoted market prices. Realized and unrealized gains and losses on investments are reflected in the accompanying consolidated statements of activities.

(Continued)

**THE RESEARCH FOUNDATION OF
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Notes to Consolidated Financial Statements

June 30, 2009 and 2008

(f) Revenue Recognition

In accordance with Statement of Financial Accounting Standards (SFAS) No. 13, *Accounting for Leases*, base rent income relating to the LLC is recognized on a straight-line basis, rather than in accordance with lease payment schedules, for purposes of recognizing a constant annual rental income. Scheduled base rent increases and the effects of rent abatements are spread evenly over the terms of the respective leases. Differences between the straight-line rents recorded and the amounts actually received are included in deferred rent receivable. Allowances are provided for uncollectible amounts.

(g) Rental Property

Building and building improvements of the LLC are carried at cost and are depreciated, using the straight-line method, over their estimated useful lives of 39 years or the life of the improvements, whichever is shorter. Significant renovations or improvements, which extend the economic life of the Property, are capitalized. Expenditures for maintenance and repairs are expensed as incurred.

The LLC follows the provisions of SFAS No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*, which updates and clarifies the accounting and reporting for impairment of assets held in use and to be disposed of.

The LLC reviews the carrying amount of the Property for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. No impairment adjustments have been made as a result of this review process during 2009 or 2008.

(h) Fixed Assets

Furniture, fixtures, and equipment and leasehold improvements are stated at cost. Depreciation of furniture, fixtures, and equipment is computed on a straight-line basis, over the estimated useful lives of the assets, ranging from five to seven years. Amortization of leasehold improvements is computed on a straight-line basis, over the estimated useful lives of the assets, not to exceed the remaining life of the lease.

Equipment purchased by the Foundation on behalf of various units of the University from grant and contract funds is to be used in the project for which it was purchased and is not included in the Foundation's fixed assets on the accompanying consolidated balance sheets.

(i) Purchase Accounting for Acquisition of Real Estate

The fair value of the LLC's acquired rental property was allocated to the acquired tangible assets, consisting of land and building; and identified intangible assets and liabilities, consisting of the value of above-market and below-market leases, other value of in-place leases, and value of tenant relationships, based in each case on their fair values.

(Continued)

**THE RESEARCH FOUNDATION OF
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Notes to Consolidated Financial Statements

June 30, 2009 and 2008

Above-market and below-market leases were recorded as assets and liabilities, respectively, and amortized as direct charges against rental revenues over the noncancelable periods of the respective leases. The value of in-place leases is amortized to expense over the remaining noncancelable periods of the respective leases.

The weighted average amortization period for value of above-market leases, below-market leases, and in-place leases is approximately five years.

(j) *Deferred Leasing Costs*

Deferred leasing costs, included in deferred costs, represent costs incurred in the successful negotiation of leases, including legal and brokerage fees. These costs are amortized on a straight-line basis over the terms of the related tenant lease.

(k) *Deferred Financing Costs*

Deferred financing costs, included in deferred costs, were incurred in obtaining long-term financing for the LLC. Such costs are being amortized on a straight-line basis over the term of the related debt and are recorded as a component of interest expense.

(l) *Restricted Cash*

Restricted cash of the LLC includes amounts to be funded for tenant improvements, replacements and repairs, and leasing commissions as required by the LLC's loan agreement. Restricted cash also includes tenant security deposits held in accordance with tenant leases and other tenant deposits held for improvements to leased space. Restricted cash relating to the LLC's loan agreement and tenant security deposits was \$2,952,026 and \$3,532,856 at June 30, 2009 and 2008, respectively. Also, included in restricted cash of the LLC were advances from CUNY of \$439,898 and \$625,652 at June 30, 2009 and 2008, respectively.

(m) *Deposits Held in Custody for CUNY Colleges*

Deposits held in custody for CUNY colleges reflect those resources held on behalf of the individual colleges of the University. These deposits are credited with facilities and administrative cost, released time, summer salary recoveries, and interest income for the respective colleges.

Released time recoveries represent personal service costs for individuals on the various colleges' payrolls who report effort under grants or contracts. When colleges replace an individual providing time and effort to sponsored projects, the Foundation processes payroll for these individuals or the school will process the payroll and the Foundation will reimburse the school. The reimbursement of personal service costs are reflected as deductions of deposits held in custody for CUNY.

Facilities and administrative costs are considered recoveries of the specific colleges and, accordingly, are credited to deposits held in custody for CUNY colleges.

(Continued)

**THE RESEARCH FOUNDATION OF
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Notes to Consolidated Financial Statements

June 30, 2009 and 2008

(n) Fair Value Measurements

Effective July 1, 2008, the Organization adopted SFAS No. 157, *Fair Value Measurement*. SFAS No. 157 defines fair value, requires expanded disclosures about fair value measurements, and establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at measurement date. Fair value is determined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants as the measurement date. It prioritizes the inputs to the valuation techniques used 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).

(o) Recently Issued Accounting Standard

In June 2006, the Financial Accounting Standards Board (FASB) issued Interpretation (FIN) No. 48, *Accounting for Uncertainty in Income Taxes*. FIN No. 48 clarifies the accounting for uncertainty in income tax recognized in an entity's financial statements. FIN No. 48 also requires entities to determine whether it is more likely than not that a tax position will be sustained upon examination by the appropriate taxing authorities before any part of the benefit can be recorded in the financial statements. It also provides guidance on the recognition, measurement, and classification of income tax uncertainties, along with any related interest or penalties. The Organization has elected to defer adoption of FIN No. 48 in accordance with FASB Staff Position No. 48-3, *Effective Date of FASB Interpretation No. 48 for Certain Nonpublic Enterprises*, which defers the effective date of FIN No. 48 for nonpublic entities included within its scope to annual financial statements for years beginning after December 15, 2008. The Organization is currently evaluating the impact that FIN No. 48 will have on its 2010 financial statements upon adoption; however, the effects are not expected to have a material impact.

(3) Investments

Investments held by the Foundation consist of the following at June 30, 2009 and 2008:

	2009		2008	
	Fair value	Cost	Fair value	Cost
U.S. money market	\$ 10,348,588	10,348,588	10,737,798	10,737,798
U.S. Treasury bills	28,043,900	28,029,137	19,174,269	19,141,194
U.S. government agency obligations	25,727,744	25,712,284	20,846,317	20,800,322
U.S. equity securities	28,487	25,980	23,790	25,980
Auction rate securities	—	—	3,109,600	4,000,000
Total	<u>\$ 64,148,719</u>	<u>64,115,989</u>	<u>53,891,774</u>	<u>54,705,294</u>

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SFAS No. 157 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The three levels of the fair value hierarchy are as follows:

- **Level 1 inputs** are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Foundation has the ability to access at measurement date.
- **Level 2 inputs** are inputs other than quoted prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.
- **Level 3 inputs** are unobservable inputs for the assets or liabilities.

At June 30, 2009, the Foundation's investments that are reported at fair value are categorized as Level 1.

At the beginning of fiscal year 2009, the Foundation held Level 3 assets (auction rate securities) at fair market value of \$3,109,600. During fiscal year 2009, the Foundation sold all of these instruments and realized gains on the sale of approximately \$890,000, after recognizing interest income of \$72,000. At June 30, 2009, there are no Level 3 investments held by the Foundation.

Components of investment return, including interest on cash and cash equivalents, are as follows for the years ended June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Interest income	\$ 1,442,787	4,461,921
Net appreciation (depreciation) in fair value of investments	863,450	(1,039,009)
Total	<u>\$ 2,306,237</u>	<u>3,422,912</u>

(4) Pension and Other Retirement Benefits

Eligible employees of the Foundation and certain project personnel are covered under a defined contribution pension plan established with Teachers Insurance and Annuity Association (TIAA). The Foundation's contribution to the pension plan is based on specified percentages, ranging from 8% to 14%, of each employee's annual salary. Total pension expense for the years ended June 30, 2009 and 2008 was approximately \$8,685,000 and \$8,249,000, respectively. There are no unfunded past service costs.

In addition to providing pension benefits, the Foundation also provides postemployment benefits, including salary continuance, to certain employees. The cost of these benefits is accrued over the employees' years of service. Postemployment benefits liability included in accounts payable and accrued expenses was approximately \$1,211,701 and \$1,273,000 in 2009 and 2008, respectively.

The Foundation also provides certain healthcare benefits to retired employees (including eligible dependents) who have a combination of age and years of service equal to 70 with a minimum age of 55 and at least 10 years of continuous service.

The Foundation accounts for postretirement medical and other nonpension benefits provided to retirees on an accrual basis during the period of their employment.

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The Foundation charges grants and contracts, as well as the administrative services department for postretirement benefit costs through the application of a fringe benefit rate, an element of which is based upon the estimated amount of such costs. In addition, a charge or credit is recognized in administrative services expenses for the difference between the actuarially determined net periodic postretirement benefit cost and the amount funded (claims paid and contributions to the trust).

Information with respect to the postretirement plan is as follows:

	<u>2009</u>	<u>2008</u>
Change in benefit obligation:		
Benefit obligation at beginning of year	\$ 79,134,142	68,740,288
Service cost	4,941,128	4,905,697
Interest cost	5,088,799	4,834,181
Actuarial (gain) loss	(769,313)	2,771,961
Benefits paid and administrative expenses	<u>(2,362,373)</u>	<u>(2,117,985)</u>
Benefit obligation at end of year	<u>86,032,383</u>	<u>79,134,142</u>
Change in plan assets:		
Fair value of plan assets at beginning of year	39,808,286	38,034,217
Actual return on plan assets	(9,696,214)	(4,925,931)
Employer contributions	8,362,373	8,817,985
Benefits paid and administrative expenses	<u>(2,362,373)</u>	<u>(2,117,985)</u>
Fair value of plan assets at end of year	<u>36,112,072</u>	<u>39,808,286</u>
Funded status, recorded as a liability in the accompanying balance sheets	<u>\$ (49,920,311)</u>	<u>(39,325,856)</u>
	<u>2009</u>	<u>2008</u>
Weighted average assumptions as of June 30:		
Discount rate	6.25%	6.85%
Expected return on plan assets	5.50	5.50

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	2009	2008
Components of net periodic cost:		
Service cost	\$ 4,941,128	4,905,697
Interest cost	5,088,799	4,834,181
Expected return on plan assets	(2,354,598)	(2,276,132)
Amortization of transition obligation	757,413	757,413
Recognized prior service credit	(779,041)	(779,041)
Recognized net loss	814,510	1,053,544
Net periodic benefit cost	\$ 8,468,211	8,495,662
Weighted average assumptions for the year ended June 30:		
Discount rate	6.85%	6.35%
Expected return on plan assets	5.50	5.50

For measurement purposes, healthcare costs, other than Medicare Part B, were assumed to increase by 9.0% for the year ended June 30, 2009, to decrease by 0.5% in 2010 and then decrease by 1.0% in years 2011 through 2014 to an ultimate rate of 5.0%. Medicare Part B costs were assumed to increase by 4.0% annually.

Assumed healthcare trend rates have a significant effect on the amounts reported for postretirement plans. A one-percentage-point change in assumed healthcare cost trend rates would have the following effects for 2009:

	1% Increase	1% Decrease
Effect on total of service and interest cost components	\$ 1,775,242	(1,487,838)
Effect on postretirement benefit obligation	13,301,305	(11,369,096)

For the years ended June 30, 2009 and 2008, the Organization made contributions to the postretirement plan of \$6,000,000 and \$6,700,000, respectively. In addition, for the years ended June 30, 2009 and 2008, the Organization paid claims and expenses of \$2,362,373 and \$2,117,985, respectively. The Organization expects to contribute or pay claims and expenses aggregating approximately \$8,700,000 in 2010.

The benefits expected to be paid in each fiscal year from 2010 through 2014 and the five subsequent years are:

Year:		
2010	\$	2,700,149
2011		3,137,761
2012		3,561,000
2013		3,975,220
2014		4,546,995
2015 – 2019		28,308,578

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At June 30, 2009 and 2008, the items not yet recognized as a component of net periodic benefit cost are as follows:

	<u>2009</u>	<u>2008</u>
Transition obligation	\$ 6,665,224	7,422,637
Prior service credit	(4,148,684)	(4,927,725)
Net loss	<u>30,694,407</u>	<u>20,227,418</u>
Total unamortized items	<u>\$ 33,210,947</u>	<u>22,722,330</u>

The transition obligation, prior service credit, and actuarial loss that are expected to be amortized into net periodic cost in fiscal 2010 are as follows:

Transition obligation	\$ 757,413
Prior service credit	(779,041)
Actuarial loss	2,322,241

The postretirement plan's weighted average asset allocations at June 30, 2009 and 2008 by asset category are as follows:

	<u>Target allocation</u>		<u>2009</u>	<u>2008</u>
	<u>2009</u>	<u>2008</u>		
Equity securities	30% – 66%	30% – 66%	60.0%	56.0%
Debt securities	30% – 60%	30% – 60%	23.0	36.0
Real estate	0% – 5%	0% – 5%	—	—
International equity	10% – 20%	10% – 20%	—	—
Cash equivalents	0% – 5%	0% – 5%	<u>17.0</u>	<u>8.0</u>
			<u>100.0%</u>	<u>100.0%</u>

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The following table presents the Foundation's fair value hierarchy for postretirement assets, which are measured at fair value on a recurring basis, as of June 30, 2009:

	<u>Fair value</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Equity securities	\$ 21,474,207	21,474,207	—	—
Fixed income	8,344,399	2,245,921	5,976,508	121,970
Cash and cash equivalents	6,293,466	6,293,466	—	—
	<u>\$ 36,112,072</u>	<u>30,013,594</u>	<u>5,976,508</u>	<u>121,970</u>

(5) Deferred Revenue

At June 30, 2009 and 2008, cash advances for grants and contracts are for the following projects:

	<u>2009</u>	<u>2008</u>
Research	\$ 10,971,043	11,604,691
Training	13,686,070	13,777,202
Academic Development	23,072,478	22,840,742
Student Services	6,811,528	9,469,472
Other	3,295,495	2,526,461
	<u>\$ 57,836,614</u>	<u>60,218,568</u>

(6) Commitments

(a) Rental Expenses under Operating Leases

During 2005, the Foundation relocated its headquarters from 555 West 57th Street to 230 West 41st Street. However, the Foundation is obligated under noncancelable operating leases at 555 West 57th Street as follows:

Year ending June 30:	
2010	\$ 996,571
2011	1,023,977
2012	258,299
	<u>\$ 2,278,847</u>

The Foundation also sublets, at a lower rate than its contractual lease rate, the leased space at 555 West 57th Street to CUNY. Net rent expense for the years ended June 30, 2009 and 2008 was \$190,871 and \$183,916, respectively.

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June 30, 2009 and 2008

(b) *Rental Income under Operating Leases*

Future minimum rental income under the LLC's operating lease is as follows:

2010	\$	8,006,934
2011		7,750,173
2012		7,313,629
2013		7,336,746
2014		6,875,867
Thereafter		23,260,279

Pursuant to the individual tenant leases, the tenants pay their allocable share of the costs of operating the Property, including real estate taxes, certain insurance premiums, and other expenses that are not included above.

(c) *Letter of Credit*

In fiscal year 2008, the Foundation entered into an agreement with one of its health insurance carriers whereby the Foundation is required to pay the carrier, in advance, for claims incurred but not reported in the event of plan termination. The carrier has allowed the Foundation to retain this payment, which totals \$2,669,025 and is included as a component of accounts payable and accrued expenses on the accompanying consolidated balance sheet as of June 30, 2009, provided that the funds are secured by an irrevocable letter of credit. The Foundation issued a letter of credit for \$2,528,741 to the carrier, which expires on December 30, 2009.

(7) *Fair Value of Financial Instruments*

The carrying amounts of cash equivalents, grants, contracts and accounts receivable, accounts payable and accrued expenses, and deposits held in custody for CUNY colleges approximate fair value due to the short maturity of these financial instruments.

The carrying amount of the mortgage loan payable and revolving credit loan payable approximates fair value because these loans bear interest at a rate that is not significantly different than current market rates for loans with similar maturities and credit quality.

(8) *Grants to CUNY for Central Research Initiatives*

In fiscal years 2009 and 2008, the Foundation approved grants to CUNY for central research initiatives of \$2,300,000 annually.

(9) *Purchase of Rental Property*

On July 14, 2004, the LLC purchased the Property from a third party for \$60,850,000, including closing costs. The purchase price was paid with equity from the Foundation of \$16,800,000 and a portion of the proceeds from a mortgage loan (note 10). The Property consists of approximately 300,000 square feet of rentable retail and office space and, as of June 30, 2009, was approximately 93% occupied.

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Rental property consists of the following at June 30, 2009 and 2008:

	<u>2009</u>	<u>2008</u>
Land	\$ 9,037,040	9,037,040
Building	36,149,160	36,149,160
Building improvements	5,262,412	4,691,782
Tenant improvements	12,580,842	12,441,029
Total	63,029,454	62,319,011
Accumulated depreciation	(8,160,263)	(6,028,150)
Rental property, net	<u>\$ 54,869,191</u>	<u>56,290,861</u>

In addition to the above acquired tangible assets, the purchase price also included identified intangible assets and liabilities, consisting of the value of above- and below-market (\$458,000) leases, and other value of in-place leases, based in each case on their fair values.

(10) Mortgage Loan Payable

On July 11, 2004, the LLC entered into a mortgage loan (the Loan) with a principal amount of \$62 million, which matures on August 11, 2014. The Loan bears interest at a rate of 6.19% and is payable in monthly installments of interest only through August 2006; thereafter, principal and interest payments are due in equal monthly installments of \$379,328. A balloon payment is due at maturity consisting of unpaid principal of \$55,184,007 and any accrued and unpaid interest.

Under the terms of the Loan, the LLC is required to deposit monthly payments of \$24,500 into escrow accounts maintained by the LLC consisting of escrow accounts for building capital expenditures and tenant improvements, leasing commissions, lease cancellation fees, and other leasing costs. The LLC had balances in escrow accounts, including interest earned, of approximately \$2,516,000 as of June 30, 2009. In addition, under the terms of the mortgage, the LLC is required to deposit monthly payments to escrow accounts maintained by the LLC for real estate taxes and insurance.

At June 30, 2009, future minimum principal payments are approximately as follows:

2010	\$ 811,000
2011	864,000
2012	909,000
2013	978,000
2014	1,041,000
Thereafter	<u>55,364,000</u>
	<u>\$ 59,967,000</u>

The Loan is secured by the Property (230 West 41st Street) and assignment of rents and other payments from the tenants.

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The Loan is subject to certain restrictive financial covenants, including limitations on the incurrence of additional indebtedness. Management believes the LLC is in compliance with all covenants at June 30, 2009. The Loan is subject to certain prepayment penalties if it is repaid prior to its maturity date.

Also included in restricted cash are amounts to be funded for replacements and repairs, and leasing commissions as required by the loan agreement.

(11) Related-Party Transactions

The Foundation entered into an agreement with CUNY, an affiliate and a tenant in the building, to sublease 66,867 of CUNY's 170,081 square feet of space. The CUNY lease agreement, which expires in June 2017, is at a rate of \$33 per square foot with 2.5% increases effective annually. The Foundation's sublease agreement has the same rate and terms. For the years ended June 30, 2009 and 2008, annual rental revenues earned from CUNY were \$3,921,135, net of sublease expense of \$2,535,373.

At June 30, 2009 and 2008, deposits held in custody for tenant (CUNY) of \$439,898 and \$625,652, respectively, are noninterest bearing and consist of amounts funded by CUNY to be used for their leasehold improvements.

Grants Plus provides administrative services with respect to grants and contracts received by several not-for-profit organizations. Those grants and contracts administered by Grants Plus, as agent for the not-for-profit organizations, in fiscal years 2009 and 2008 approximated \$1,263,000 and \$3,105,000, respectively.

The Foundation paid the operating costs of Grants Plus, which totaled \$431,926 in 2009 and \$405,619 in 2008. These costs are reflected as donated services and expenses in the consolidated statements of activities and they consist of the following:

	<u>2009</u>	<u>2008</u>
Personnel services	\$ 352,980	325,197
Supplies, telephones, and communications	12,912	14,194
Rent	56,034	56,228
Other	10,000	10,000
	<u>\$ 431,926</u>	<u>405,619</u>

In 2009 and 2008, Grants Plus accrued a management fee of \$55,000 and \$70,000, respectively, payable to the Foundation for services rendered.

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(12) Property Management Fees

In July 2004, the LLC entered into a management agreement with GVA Williams to manage and provide leasing services to the Property for one year, at which time it was automatically renewed on a month-to-month basis until terminated by either party giving prior written notice of termination. The agreement provides that the LLC will pay a management fee of \$70,800 per year for years one through three and \$73,200 per year for years four through six. Such expenses are included in operating expenses in the consolidated statements of activities. Additionally, the LLC will pay the property manager a commission in accordance with the terms of the management agreement if the property manager procures a new lease or an extension, renewal, or expansion of an existing lease for space in the Property during the term of this agreement.

(13) Loan Receivable

In March 2006, the Foundation established a revolving credit loan facility of \$12 million, which bears interest at LIBOR plus 1.75% and which converted to a 10-year term loan in September 2006. The loan was obtained for CUNY's benefit to finance the construction of certain leasehold improvements for leased space at 230 West 41st Street. CUNY entered into a guaranty with the bank to facilitate the loan. Hence, the loan agreement between the Foundation and CUNY specifies that all loan proceeds and related expenses incurred by the Foundation shall be paid by CUNY. During fiscal years 2009 and 2008, the Foundation received from CUNY \$90,371 and \$98,740, respectively, for payment of interest expense. The remaining balance on the loan due from CUNY is \$1,985,248 and \$2,000,000 in principal, and \$28,818 and \$42,557 in interest, as of June 30, 2009 and 2008, respectively.

Grants Plus made loans to one of its clients for working capital purposes. These loans were supported by the client's grants and contracts with federal, state, and city agencies. As of June 30, 2008, outstanding loans totaling \$23,635 were written off. As of June 30, 2009, no outstanding loans were written off.

(14) Real Estate Tax Exemption

During fiscal years 2009 and 2008, the LLC obtained a real estate tax reduction amounting to approximately \$924,600 and \$830,000 relating to an exemption for the portion of the Property used by CUNY as a not-for-profit, tax-exempt organization.

(15) Subsequent Events

Effective June 30, 2009, the Organization adopted SFAS No. 165, *Subsequent Events*. SFAS No. 165 establishes principles and requirements for subsequent events and applies to accounting for and disclosure of subsequent events not addressed in other applicable generally accepted accounting principles. The Organization evaluated events subsequent to June 30, 2009 and through October 29, 2009, the date on which the financial statements were approved for issuance. The adoption of SFAS No. 165 had no impact on the Organization's consolidated financial statements.

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
Research and Development cluster:				
U.S. Department of Health and Human Services:				
Special Programs for the Aging-Title IV and Title II Discretionary				
Projects	93.048	\$ 49,610	—	49,610
Biological Response to Environmental Health Hazards	93.113	214,067	—	214,067
Biological Response to Environmental Health Hazards/ Pass-through – Columbia University	93.113	—	82,710	82,710
Biological Response to Environmental Health Hazards/ Pass-through – Montefiore Medical Center	93.113	—	86,532	86,532
				383,309
Oral Diseases and Disorders Research	93.121	55,254	—	55,254
Centers for Research and Demonstration for Health Promotion and Disease Prevention	93.135	2,107	—	2,107
Research Related to Deafness and Communication Disorders	93.173	565,274	—	565,274
Research Related to Deafness and Communication Disorders/ Pass-through – University of Colorado	93.173	—	48,921	48,921
Research Related to Deafness and Communication Disorders/ Pass-through – Mount Sinai School of Medicine	93.173	—	137,180	137,180
				751,375
Grants for Dental Public Health Residency Training	93.236	193,365	—	193,365
Research and Training in Complementary Alternative Medicine	93.213	132,321	—	132,321
Research and Training in Complementary Alternative Medicine/ Pass-through – Sloan Kettering Memorial Cancer Center	93.213	—	36,912	36,912
				169,233
Research on Healthcare Costs, Quality and Outcomes/ Pass-through – Research Triangle Institute	93.226	—	29,987	29,987
Mental Health Research Grants	93.242	1,654,423	—	1,654,423
Mental Health Research Grants/Pass-through – Columbia University	93.242	—	75,542	75,542
Mental Health Research Grants/Pass-through – Fordham University	93.242	—	34,734	34,734
Mental Health Research Grants/Pass-through – University of Medicine and Dentistry	93.242	—	15,170	15,170
Mental Health Research Grants/Pass-through – University of Pennsylvania	93.242	—	87,829	87,829
Mental Health Research Grants/Pass-through – Wayne State University	93.242	—	78,597	78,597
Mental Health Research Grants/Pass-through – Mount Sinai School of Medicine	93.242	—	18,830	18,830
				1,965,125
Occupational Safety and Health Program	93.262	2,010,647	—	2,010,647
Occupational Safety and Health Program/Pass-through – Restaurant Opportunity Center	93.262	—	42,421	42,421
				2,053,068
Drug Abuse Science Development Award, Research	93.277	53,483	—	53,483
Drug Abuse and Addiction Research Programs	93.279	3,081,490	—	3,081,490
Drug Abuse and Addiction Research Programs/Pass-through – Beth Israel Medical Center	93.279	—	20,881	20,881
				3,102,371
Mental Health Research Careers/Scientist Development Awards	93.281	198,566	—	198,566
Centers for Disease Control and Prevention Investigations and Technical Assistance	93.283	52,825	—	52,825
Centers for Disease Control and Prevention Investigations and Technical Assistance/Pass-through – New York University	93.283	—	15,200	15,200
				68,025
Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	127,811	—	127,811

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Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
Minority Health and Health Disparity/Pass-through – Albert Einstein College of Medicine	93.307	\$ —	58,933	58,933
Minority Health and Health Disparity/Pass-through – New York University	93.307	—	58,400	58,400
Minority Health and Health Disparity/Pass-through – New York Medical College	93.307	—	34,445	34,445
				<u>151,778</u>
Nursing Research	93.361	160,147	—	160,147
National Center for Research Resources	93.389	5,386,690	—	5,386,690
National Center for Research Resources/Pass-through – Weill Cornell University Medical College	93.389	—	702,409	702,409
				<u>6,089,099</u>
Academic Research Enhancement Award	93.390	151,275	—	151,275
Cancer Cause and Prevention Research/Pass-through – Research Foundation of the State University of New York (SUNY) at Stony Brook	93.393	—	26,981	26,981
Cancer Cause and Prevention Research/Pass-through – University of California at Davis	93.393	—	53,209	53,209
				<u>80,190</u>
Cancer Treatment Research	93.395	420,063	—	420,063
Cancer Biology Research	93.396	164,412	—	164,412
Cancer Centers Support Grants	93.397	804,551	—	804,551
ARRA — Trans-NIH Recovery Act Research Support	93.701	5,927	—	5,927
Cardiovascular Diseases Research	93.837	1,907,841	—	1,907,841
Cardiovascular Diseases Research/Pass-through – University of California at Davis	93.837	—	90,411	90,411
				<u>1,998,252</u>
Lung Diseases Research	93.838	127,124	—	127,124
Blood Diseases and Resources Research	93.839	457,316	—	457,316
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	168,145	—	168,145
Diabetes, Endocrinology and Metabolism Research	93.847	965,194	—	965,194
Extramural Research Program in the Neurosciences and Neurological Disorders	93.853	2,438,682	—	2,438,682
Extramural Research Program in the Neurosciences and Neurological Disorders/Pass-through – Rutgers University	93.853	—	93,403	93,403
Extramural Research Program in the Neurosciences and Neurological Disorders/Pass-through – University of Pittsburgh	93.853	—	149,465	149,465
Extramural Research Program in the Neurosciences and Neurological Disorders/Pass-through – University of Wisconsin	93.853	—	47,208	47,208
				<u>2,728,758</u>
Allergy, Immunology and Transplantation Research	93.855	1,087,837	—	1,087,837
Microbiology and Infectious Diseases Research	93.856	8,078	—	8,078
Microbiology and Infectious Diseases Research/Pass-through – Albert Einstein College of Medicine	93.856	—	21,060	21,060
				<u>29,138</u>
Biomedical Research and Research Training	93.859	8,468,656	—	8,468,656
Biomedical Research and Research Training/Pass-through – Albert Einstein College of Medicine	93.859	—	70,573	70,573
Biomedical Research and Research Training/Pass-through – Research Foundation of SUNY at Stony Brook	93.859	—	19,723	19,723
Biomedical Research and Research Training/Pass-through – University of Tennessee	93.859	—	247,245	247,245
Biomedical Research and Research Training/Pass-through – Mount Sinai School of Medicine	93.859	—	35,133	35,133
				<u>8,841,330</u>

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Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
Population Research	93.864	\$ 568,605	—	568,605
Population Research/Pass-through – University of Minnesota	93.864	—	23,348	23,348
				<u>591,953</u>
Child Health and Human Development Extramural Research/ Pass-through – National Development and Research Institute, Inc.	93.865	2,278,087	—	2,278,087
Child Health and Human Development Extramural Research/ Pass-through – University of Alabama in Birmingham	93.865	—	29,768	29,768
				<u>2,307,855</u>
Aging Research	93.866	176,961	—	176,961
Aging Research/Pass-through – Rutgers University	93.866	—	12,680	12,680
Aging Research/Pass-through – University of California at Berkley	93.866	—	186,886	186,886
Aging Research/Pass-through – University of Wisconsin	93.866	—	8,977	8,977
				<u>385,504</u>
Vision Research	93.867	398,492	—	398,492
Vision Research/Pass-through – Pennsylvania State University	93.867	—	56,578	56,578
Vision Research/Pass-through – Research Foundation of SUNY	93.867	—	41,014	41,014
				<u>496,084</u>
HIV Demonstration, Research, Public and Professional Education Projects	93.941	110,286	—	110,286
HIV Demonstration, Research, Public and Professional Education Projects/Pass-through – Education Development Center	93.941	—	1,524	1,524
				<u>111,810</u>
Epidemiologic Research Studies of AIDS and HIV in Select Population Groups	93.943	166,968	—	166,968
Health and Safety Programs for Construction Work/Pass-through – Center for Construction Research and Training	93.955	—	47,591	47,591
Geriatric Education Centers/Pass-through – Mount Sinai School of Medicine	93.969	—	43,472	43,472
Various/Pass-through – Fisher Bioservices Incorporated	93.UNKNOWN	—	268,458	268,458
Various/Pass-through – Sloan-Kettering Memorial Cancer Center	93.UNKNOWN	—	895	895
				<u>38,812,580</u>
Total U.S. Department of Health and Human Services		<u>34,812,580</u>	<u>3,241,235</u>	<u>38,053,815</u>
U.S. Department of Agriculture:				
Grants for Agricultural Research – Competitive Research Grants	10.206	71,057	—	71,057
Grants for Agricultural Research – Competitive Research Grants/ Pass-through – University of Kentucky Research Foundation	10.206	—	51,720	51,720
				<u>122,777</u>
Sustainable Agricultural Research and Education/Pass-through – University of Vermont	10.215	—	3,417	3,417
Hispanic Serving Institutions Education Grants	10.223	37,691	—	37,691
Food Assistance and Nutrition Research Programs (FANRP)/ Pass-through – Pacific Institute for Research & Evaluations	10.253	—	35,602	35,602
				<u>108,748</u>
Total U.S. Department of Agriculture		<u>108,748</u>	<u>90,739</u>	<u>199,487</u>
U.S. Department of Commerce:				
Sea Grant Support/Pass-through – Stony Brook University	11.417	—	12,722	12,722
Climate and Atmospheric Research/Pass-through – Decision Science Research Institute	11.431	—	78,130	78,130
Environmental Science, Applications	11.440	258,697	—	258,697
Educational Partnership Program	11.481	3,510,937	—	3,510,937
Measurement and Engineering Research and Standards	11.609	98,739	—	98,739
Nist-Advanced Technology Program/Pass-through – Polyfuel, Inc.	11.612	—	9,155	9,155
Various/Pass-through – Eastern Michigan University	11.UNKNOWN	—	20,773	20,773
Various/Pass-through – North Carolina Agricultural and Technical State University	11.UNKNOWN	—	525,478	525,478
				<u>3,868,373</u>
Total U.S. Department of Commerce		<u>3,868,373</u>	<u>646,258</u>	<u>4,514,631</u>

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U.S. Department of the Navy: Basic and Applied Scientific Research	12.300	\$ 823,691	—	823,691
U.S. Department of the Army: Military Medical Research and Development	12.420	396,069	—	396,069
BasicScientific Research	12.431	834,240	—	834,240
BasicScientific Research/Pass-through – Carnegie Mellon University	12.431	—	184,748	184,748
BasicScientific Research/Pass-through – Telcordia Technologies, Inc.	12.431	—	350,484	350,484
BasicScientific Research/Pass-through – Piton ITT Industries	12.431	—	13,617	13,617
BasicScientific Research/Pass-through – CACI Technologies	12.431	—	179	179
				<u>1,383,268</u>
Various	12.UNKNOWN	(5,748)	—	(5,748)
Various/Pass-through – Battelle	12.UNKNOWN	—	63,150	63,150
Various/Pass-through – CFD Research Corporation	12.UNKNOWN	—	29,434	29,434
Total U.S. Department of the Army		<u>1,224,561</u>	<u>641,612</u>	<u>1,866,173</u>
Office of the Secretary of Defense: Basic, Applied and Advance Research in Science and Engineering/Pass-through – IBM	12.630	—	312,889	312,889
U.S. Department of the Air Force: Air Force Defense Research Science	12.800	1,477,394	—	1,477,394
Air Force Defense Research Science/Pass-through – Phoebus Optoelectronics LLC.	12.800	—	9,559	9,559
Air Force Defense Research Science/Pass-through – Simpho Tek, Inc.	12.800	—	55,919	55,919
Air Force Defense Research Science/Pass-through – Massachusetts Institute of Technology	12.800	—	89,034	89,034
Air Force Defense Research Science/Pass-through – Wile Laboratories	12.800	—	11,150	11,150
Total U.S. Department of the Air Force		<u>1,477,394</u>	<u>165,662</u>	<u>1,643,056</u>
U.S. Department of Defense: Mathematical Sciences Grants Program	12.901	117,504	—	117,504
Research and Technology Development/Pass-through – Phoebus Optoelectronics LLC	12.910	—	9,207	9,207
Research and Technology Development/Pass-through – Columbia University	12.910	—	346,359	346,359
Research and Technology Development/Pass-through – New York University	12.910	—	10,204	10,204
				<u>365,770</u>
Various	12.UNKNOWN	314,155	—	314,155
Various/Pass-through – Phoebus Optoelectronics LLC	12.UNKNOWN	—	5,621	5,621
Various/Pass-through – Hybrid Photonics, LLC	12.UNKNOWN	—	39,047	39,047
Total U.S. Department of Defense		<u>431,659</u>	<u>410,438</u>	<u>842,097</u>
U.S. Department of the Interior: U.S. Geological Survey – Research and Data Collection	15.808	45,086	—	45,086
U.S. Department of Justice: Law Enforcement Assistance – Narcotics and Dangerous Drugs Training/Pass-through – American University	16.004	—	41,625	41,625
Prisoner Re-entry Initiative Demonstration (Offender Re-entry)/ Pass-through – Urban Institute	16.202	—	14,228	14,228
Comprehensive Approaches to Sex Offenders	16.203	148,885	—	148,885
National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	191,128	—	191,128
National Institute of Justice Research, Evaluation, and Development Project Grants/Pass-through – University of Illinois	16.560	—	4,535	4,535

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Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
National Institute of Justice Research, Evaluation, and Development Project Grants/Pass-through – University of North Carolina at Greensboro	16.560	\$ —	13,300	13,300
National Institute of Justice Research, Evaluation, and Development Project Grants/Pass-through – Fund for the City of New York	16.560	—	25,946	25,946
				<u>234,909</u>
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants	16.580	188,697	—	188,697
Special Data Collections and Statistical Studies/Pass-through – American Statistical Association	16.734	—	24,850	24,850
Edward Byrne Memorial Justice Assistance Grant Program/ Pass-through – University of Cincinnati	16.738	—	49,559	49,559
Edward Byrne Memorial Justice Assistance Grant Program/ Pass-through – New York State (NYS) Division of Criminal Justice Service	16.738	—	23,008	23,008
				<u>72,567</u>
Total U.S. Department of Justice		<u>528,710</u>	<u>197,051</u>	<u>725,761</u>
U.S. Department of Labor: WIA Pilots, Demonstrations, and Research Projects/Pass-through – New York City (NYC) Department of Small Business	17.261	—	226,965	226,965
U.S. Department of Transportation: Highway Planning and Construction/Pass-through – New Jersey State (NJS) Department of Transportation	20.205	—	43,447	43,447
Highway Planning and Construction/Pass-through – NYS Department of Transportation	20.205	—	301,286	301,286
				<u>344,733</u>
Federal Transit Metropolitan Planning Grants/ Pass-through – NYS Department of Transportation	20.505	—	14,445	14,445
University Transportation Centers Program	20.701	1,469,705	—	1,469,705
University Transportation Centers Program/ Pass-through – NYS Department of Transportation	20.701	—	918,470	918,470
University Transportation Centers Program/ Pass-through – NJS Department of Transportation	20.701	—	428,575	428,575
				<u>2,816,750</u>
Total U.S. Department of Transportation		<u>1,469,705</u>	<u>1,706,223</u>	<u>3,175,928</u>
Library of Congress: Various/Pass-through – Waynesburg University	42.UNKNOWN	—	10,069	10,069
National Aeronautics and Space Administration: Aerospace Education Services Program/Pass-through – Jet Propulsion Laboratory	43.001	—	93,268	93,268
Aerospace Education Services Program/Pass-through – Boston University	43.001	—	23,109	23,109
Aerospace Education Services Program/Pass-through – Cornell University	43.001	—	70,957	70,957
Aerospace Education Services Program/Pass-through – George Mason University	43.001	—	(160)	(160)
				<u>187,174</u>
Technology Transfer/Pass-through – University of Colorado University Research Center	43.002 NCC1-03009	— 422,289	63,076 —	63,076 422,289
New York City Research Initiative	NNG05-GH05G	(1,706)	—	(1,706)
Ureilite Parent Body	NNG05-GH72G	3,117	—	3,117
Constraints on Solar System Origins	NNG06-GF39G	60,823	—	60,823
Petrologic-Geochemical Studies	NNG06-GG44G	66,202	—	66,202
A Global Dynamic Terrestrial Ecosystem	NNX06-AD06G	89,869	—	89,869
New York City Research Initiative	NNX07-AJ29G	96,135	—	96,135
News Science Integration Team	NNX07-AO90G	133,093	—	133,093
Multi-Variate Analyses of Cloud Climate	NNX07-AN04G	222,754	—	222,754
NRA/Research Opportunities in Space	NNX07-AT10G	93,324	—	93,324

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NRA/Research Opportunities in Space	NNX08-AG23G \$	4,233	—	4,233
Maintenance of the AMSR-E SWE Algorithm	NNX08-AI02G	129,487	—	129,487
NRA/Research Opportunities in Space	NNX08-AG63G	46,375	—	46,375
Global Cloud Process Studies	NNX08-AL79A	287,154	—	287,154
NRA/Research Opportunities in Space	NNX08-AN71G	62,176	—	62,176
Primitive Planetary Materials	NNX09-AD35G	11,603	—	11,603
Constraining the Timing of Pre-Accretion	NNX09-AB86G	10,815	—	10,815
Research Opportunities in Space & Earth	NNX09-AD86G	48,159	—	48,159
Various/Pass-through – Phoebus Optoelectronics LLC	43.UNKNOWN	—	8,384	8,384
Various/Pass-through – Radiation Monitoring Devices Inc	43.UNKNOWN	—	40,383	40,383
Various/Pass-through – Institute of Global Environment & Society	43.UNKNOWN	—	268,147	268,147
Various/Pass-through – University of Maryland	43.UNKNOWN	—	41,142	41,142
Total National Aeronautics and Space Administration		1,785,902	608,306	2,394,208
National Endowment for the Humanities:				
Promotion of the Humanities Federal/State Partnership/ Pass-through – New York Council for the Humanities	45.129	—	8,180	8,180
Promotion of the Humanities – Division of Preservation and Access	45.149	23,025	—	23,025
Promotion of the Humanities – Fellowships and Stipends	45.160	50,398	—	50,398
Promotion of the Humanities – Teaching and Learning Resources and Curriculum Development	45.162	95,047	—	95,047
Promotion of the Humanities – We the People	45.168	19,584	—	19,584
Promotion of the Humanities – Office of Digital Humanities	45.169	33,256	—	33,256
Laura Bush 21st Century Librarian Program	45.313	72,503	—	72,503
Total National Foundation on the Arts and the Humanities		293,813	8,180	301,993
National Science Foundation:				
Engineering Grants	47.041	1,255,827	—	1,255,827
Engineering Grants/Pass-through – Global Contour LTD	47.041	—	19,861	19,861
Engineering Grants/Pass-through – Immune Technology Corporation	47.041	—	31,035	31,035
Engineering Grants/Pass-through – Columbia University	47.041	—	9,783	9,783
Engineering Grants/Pass-through – Cornell University	47.041	—	35,919	35,919
Engineering Grants/Pass-through – John Hopkins University	47.041	—	28,381	28,381
Engineering Grants/Pass-through – Pennsylvania State University	47.041	—	50,101	50,101
Engineering Grants/Pass-through – Princeton University	47.041	—	308,971	308,971
Engineering Grants/Pass-through – Research Foundation of SUNY	47.041	—	111,337	111,337
Engineering Grants/Pass-through – University of Illinois	47.041	—	29,266	29,266
Engineering Grants/Pass-through – Children’s Progress	47.041	—	2,166	2,166
Engineering Grants/Pass-through – Fairfield Crystal	47.041	—	3,440	3,440
				1,886,087
Mathematical and Physical Sciences	47.049	2,670,997	—	2,670,997
Mathematical and Physical Sciences/Pass-through – Barnard College	47.049	—	4,171	4,171
Mathematical and Physical Sciences/Pass-through – Columbia University	47.049	—	112,529	112,529
Mathematical and Physical Sciences/Pass-through – New York University	47.049	—	27,269	27,269
Mathematical and Physical Sciences/Pass-through – Research Foundation of SUNY	47.049	—	(13,713)	(13,713)
				2,801,253
Geosciences	47.050	301,455	—	301,455
Geosciences/Pass-through – Columbia University	47.050	—	64,306	64,306
Geosciences/Pass-through – Colorado State University	47.050	—	67,290	67,290
Geosciences/Pass-through – University of Houston	47.050	—	95,453	95,453
				528,504

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Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
Computer and Information Science and Engineering	47.070	\$ 1,033,305	—	1,033,305
Computer and Information Science and Engineering/Pass-through – Polytechnic University	47.070	—	10,776	10,776
				<u>1,044,081</u>
Biological Sciences	47.074	2,293,074	—	2,293,074
Social, Behavioral, and Economic Sciences	47.075	2,221,110	—	2,221,110
Social, Behavioral, and Economic Sciences/Pass-through – Arizona State University	47.075	—	18,332	18,332
Social, Behavioral, and Economic Sciences/Pass-through – Carnegie Mellon University	47.075	—	32,091	32,091
Social, Behavioral, and Economic Sciences/Pass-through – Columbia University	47.075	—	29,220	29,220
Social, Behavioral, and Economic Sciences/Pass-through – Fairleigh Dickinson University	47.075	—	1,669	1,669
Social, Behavioral, and Economic Sciences/Pass-through – University of Wisconsin	47.075	—	9,204	9,204
Social, Behavioral, and Economic Sciences/Pass-through – University of Colorado	47.075	—	3,096	3,096
Social, Behavioral, and Economic Sciences/Pass-through – National Bureau of Economic Research	47.075	—	15,653	15,653
				<u>2,330,375</u>
Education and Human Resources	47.076	4,307,606	—	4,307,606
Education and Human Resources/Pass-through – Algebra Project, Inc.	47.076	—	32,333	32,333
Education and Human Resources/Pass-through – Columbia University	47.076	—	11,577	11,577
Education and Human Resources/Pass-through – Hofstra University	47.076	—	17,746	17,746
Education and Human Resources/Pass-through – Rutgers University	47.076	—	335,661	335,661
Education and Human Resources/Pass-through – University of Massachusetts	47.076	—	244	244
				<u>4,705,167</u>
Polar Programs	47.078	634,112	—	634,112
Polar Programs/Pass-through – University of Nebraska-Lincoln	47.078	—	46,190	46,190
Polar Programs/Pass-through – University of Montana	47.078	—	86	86
				<u>680,388</u>
International Science and Engineering/Pass-through – Research Foundation of SUNY	47.079	—	4,262	4,262
Various/Pass-through – Chiral Photonics, Inc.	47.UNKNOWN	—	168	168
Various/Pass-through – Global Contour Ltd.	47.UNKNOWN	—	78,336	78,336
Various/Pass-through – Harvard University	47.UNKNOWN	—	5,449	5,449
Total National Science Foundation		<u>14,717,486</u>	<u>1,639,658</u>	<u>16,357,144</u>
Small Business Development Center:				
Small Business Development Center/Pass-through – Research Foundation of SUNY	59.037	—	147,186	147,186
Environmental Protection Agency:				
Water Quality Management Planning	66.454	19,697	—	19,697
Science To Achieve Results (STAR) Research Program/Pass-through – Marine Biological Laboratory	66.509	—	43,804	43,804
Environmental Policy and Innovation Grants	66.611	2,221	—	2,221
Environmental Education Grants	66.951	40,168	—	40,168
Various/Pass-through – Techlaw, Inc.	66.UNKNOWN	—	23,771	23,771
Total Environmental Protection Agency		<u>62,086</u>	<u>67,575</u>	<u>129,661</u>

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U.S. Department of Energy:				
Office of Science Financial Assistance Program	81.049	\$ 4,933,786	—	4,933,786
Office of Science Financial Assistance Program/Pass-through – Columbia University	81.049	—	56,501	56,501
Office of Science Financial Assistance Program/Pass-through – Rensselaer Polytechnic Institute	81.049	—	11,329	11,329
Office of Science Financial Assistance Program/Pass-through – Unchicaga Argonne, LLC	81.049	—	29,209	29,209
				5,030,825
Conservation Research and Development/Pass-through – Steelworkers Charitable and Educational Organization	81.086	—	802,421	802,421
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/ Assistance/Pass-through – NYC Economic Development Corporation	81.117	—	45,229	45,229
Nuclear Energy Research, Development and Demonstration/ Pass-through – Washington State University	81.121	—	92,310	92,310
Various/Pass-through – Princeton University	81.UNKNOWN	—	100,122	100,122
Various/Pass-through – Brookhaven Science Associates, LLC Sandia Corporation	81.UNKNOWN 837159	— 25,000	37,138 —	37,138 25,000
Total U.S. Department of Energy		4,958,786	1,174,259	6,133,045
U.S. Department of Education:				
National Institute on Disabilities and Rehabilitation Research	84.133	1,174,523	—	1,174,523
National Institute on Disabilities and Rehabilitation Research/ Pass-through – Children’s Progress	84.133	—	10,023	10,023
				1,184,546
Literacy Programs for Prisoners	84.255	3,700	—	3,700
Ready to Learn Television/Pass-through – Michael Cohen Group	84.295	—	54,061	54,061
Education, Research, Development and Dissemination	84.305	39,018	—	39,018
Education, Research, Development and Dissemination/ Pass-through – New York University	84.305	—	39,652	39,652
				78,670
Research in Special Education/Pass-through – University of California at Merced	84.324	—	54,979	54,979
Total U.S. Department of Education		1,217,241	158,715	1,375,956
Corporation for National and Community Service:				
Learn and Serve America-Higher Education/Pass-through – American Association of Community Colleges	94.005	—	15,351	15,351
Learn and Serve America-Higher Education/ Pass-through – Pennsylvania Campus Compact	94.005	—	29,531	29,531
Total Corporation for National and Community Service		—	44,882	44,882
Social Security Administration:				
Social Security-Research and Demonstration/Pass-through – University of Michigan	96.007	—	16,192	16,192
U.S. Department of Homeland Security:				
Centers for Homeland Security/Pass-through – University of Maryland	97.061	—	56,419	56,419
Scholars and Fellows and Educational Programs	97.062	134,603	—	134,603
Homeland Security Research Testing, Evaluation, and Demonstration of Technologies Related to Nuclear Detection	97.077	27,392	—	27,392

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Homeland Security, Research, Testing, Evaluation, and Demonstration of Technologies/Pass-through – University of Maryland	97.108	\$ —	9,799	9,799
Various	97.UNKNOWN	36,025	—	36,025
Various/Pass-through – Conference Board, Inc.	97.UNKNOWN	—	207,724	207,724
Total U.S. Department of Homeland Security		198,020	273,942	471,962
U.S. government/Pass-through – The MITRE Corporation	2005*H250900*000	—	3,238	3,238
Total Research and Development cluster		68,023,841	11,791,274	79,815,115
TRIO cluster:				
U.S. Department of Education:				
TRIO – Student Support Services	84.042	1,221,545	—	1,221,545
TRIO – Talent Search	84.044	1,837,837	—	1,837,837
TRIO – Upward Bound	84.047	3,036,781	—	3,036,781
McNair Post-Baccalaureate Achievement	84.217	463,411	—	463,411
Total TRIO cluster		6,559,574	—	6,559,574
WIA cluster:				
U.S. Department of Labor:				
Workforce Investment Act – Adult Program/ Pass-through – NYC Human Resource Administration	17.258	—	1,574	1,574
Workforce Investment Act – Adult Program/ Pass-through – NYC Department of Small Business Services	17.258	—	1,807,088	1,807,088
Workforce Investment Act – Adult Program/Pass-through – Research Foundation of SUNY	17.258	—	153,985	153,985
Workforce Investment Act – Adult Program/Pass-through – NYS Department of Labor	17.258	—	533,176	533,176
Total WIA cluster		—	5,937,710	5,937,710
Workforce Investment Act – Youth Activities/Pass-through – NYC Department of Youth and Community Development	17.259	—	1,697,631	1,697,631
ARRA – Workforce Investment Act – Youth Activities/ Pass-through – NYC Department of Youth and Community Development	17.259	—	3,453	3,453
Workforce Investment Act – Youth Activities/Pass-through – Henkels and McCoy Inc.	17.259	—	112,745	112,745
Workforce Investment Act – Youth Activities/Pass-through – The After-School Corporation	17.259	—	148,078	148,078
Total WIA cluster		—	5,937,710	5,937,710
Student Financial Assistance cluster:				
Department of Health and Human Services:				
Scholarships for Health Professions Students from Disadvantaged Backgrounds	93.925	107,285	—	107,285
Child Care cluster:				
U.S. Department of Health and Human Services:				
Child Care and Development Block Grant/ Pass-through – NYS Office of Child and Family Services	93.575	—	1,212,953	1,212,953
Highway Planning and Construction cluster:				
U.S. Department of Transportation:				
Highway Planning and Construction/Pass-through – NYS Department of Transportation	20.205	—	66	66

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Special Education cluster:				
U.S. Department of Education:				
Special Education – Grants to States/Pass-through – NYS Education Department	84.027	\$ —	77,658	77,658
Other programs:				
U.S. Department of Health and Human Services:				
Public Health Emergency Preparedness	93.069	3,990	—	3,990
NIEHS Hazardous Waste Worker Health and Safety Training/ Pass-through – University of Medicine and Dentistry of New Jersey	93.142	—	97,801	97,801
Coordinated Services and Access to Research for Women, Infants Children and Youth/Pass-through – Research Foundation of SUNY	93.153	—	10,025	10,025
Research Related to Deafness and Communicative Disorders	93.173	57,776	—	57,776
Nursing Workforce Diversity (Disadvantaged Assistance)	93.178	318,447	—	318,447
Research and Training in Complimentary and Alternative Medicine	93.213	25,578	—	25,578
Mental Health Research Grants	93.242	523,866	—	523,866
Substance Abuse and Mental Health Services – Projects of Regional and National Significance	93.243	69,006	—	69,006
Occupational Safety and Health Program/Pass-through – Mount Sinai Hospital	93.262	—	40,147	40,147
Mental Health Research Careers/Scientist Development Awards Centers for Disease Control and Prevention – Investigations and Technical Assistance/Pass-through – Mount Sinai Hospital	93.281	150,085	—	150,085
Centers for Disease Control and Prevention – Investigations and Technical Assistance/Pass-through – Mount Sinai School of Medicine	93.283	—	124,000	124,000
	93.283	—	14,914	14,914
				<u>138,914</u>
Advanced Education Nursing Traineeships	93.358	120,475	—	120,475
National Center for Research Resources	93.389	268,397	—	268,397
National Center for Research Resources/Pass-through – Charles Drew University of Medicine	93.389	—	6,084	6,084
National Center for Research Resources/Pass-through – Cornell University Medical College	93.389	—	10,000	10,000
				<u>284,481</u>
Promoting Safe and Stable Families	93.556	88,867	—	88,867
Promoting Safe and Stable Families/Pass-through – NYC Department for the Aging	93.556	—	15,914	15,914
				<u>104,781</u>
Temporary Assistance for Needy Families/Pass-through – NYC Human Resources Administration	93.558	—	17,733,140	17,733,140
Temporary Assistance for Needy Families/Pass-through – Community Counseling and Mediation	93.558	—	42,498	42,498
Temporary Assistance for Needy Families/Pass-through – NYS Department of Labor	93.558	—	271,624	271,624
Temporary Assistance for Needy Families/Pass-through – NYS Office of Child and Family Services	93.558	—	866,550	866,550
Temporary Assistance for Needy Families/Pass-through – NYS Office of Temporary and Disability Assistance	93.558	—	344,064	344,064
				<u>19,257,876</u>
Child Support Enforcement/Pass-through – NYC Human Resources Administration	93.563	—	1,308,108	1,308,108
Child Support Enforcement/Pass-through – NYS Office of Temporary and Disability Assistance	93.563	—	222,409	222,409
Child Support Enforcement/Pass-through – NYS Office of Child and Family Services	93.563	—	23,276	23,276
				<u>1,553,793</u>

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
Low-Income Home Energy Assistance/Pass-through – NYS Office of Child and Family Services	93.568	\$ —	6,535	6,535
Community Services Block Grant/Pass-through – NYC Department of Youth and Community Development	93.569	—	1,112,531	1,112,531
Community Services Block Grant – Discretionary Awards/ Pass-through – NYC Human Resources Administration	93.570	—	510,963	510,963
Child Care Mandatory and Matching Funds of the Child Care and Development Fund/Pass-through – NYS Office of Child and Family Services	93.596	—	29,076	29,076
Social Services Research and Demonstration	93.647	64,965	—	64,965
Adoption Opportunities	93.652	1,403,686	—	1,403,686
Foster Care Title IV-E/Pass-through – NYS Office of Child and Family Services	93.658	—	99,997	99,997
Adoption Assistance/Pass-through – NYS Office of Child and Family Services	93.659	—	30,302	30,302
Social Services Block Grants/Pass-through – NYS Office of Child and Family Services	93.667	—	848,326	848,326
Social Services Block Grants/Pass-through – NYS Office of Temporary and Disability Assistance	93.667	—	320,058	320,058
				<u>1,168,384</u>
Medical Assistance Program/Pass-through – NYS Office of Child and Family Services	93.778	—	47,315	47,315
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	63,568	—	63,568
Biomedical Research and Research Training	93.859	2,233,339	—	2,233,339
Aging Research	93.866	20,000	—	20,000
Grants for Training in Primary Care Medicine and Dentistry	93.884	33,401	—	33,401
National Bioterrorism Hospital Preparedness Program/ Pass-through – Fund for Public Health in New York	93.889	—	123,734	123,734
Healthy Start Initiative/Pass-through – Columbia University	93.926	—	25,750	25,750
Total U.S. Department of Health and Human Services		<u>5,445,446</u>	<u>24,285,141</u>	<u>29,730,587</u>
U.S. Department of Agriculture:				
Grants for Agricultural Research-Competitive Research Grants	10.206	6,263	—	6,263
Supplemental Nutrition Assistance Program/Pass-through – NYS Office of Child and Family Services	10.551	—	78,329	78,329
Forest Services	G24892040001	7,844	—	7,844
Total U.S. Department of Agriculture		<u>14,107</u>	<u>78,329</u>	<u>92,436</u>
U.S. Department of Commerce:				
ITA Special Projects	11.113	190,279	—	190,279
Educational Partnership Program	11.481	107,956	—	107,956
Measurement and Engineering Research and Standards	11.609	4,000	—	4,000
Total U.S. Department of Commerce		<u>302,235</u>	<u>—</u>	<u>302,235</u>
U.S. Department of the Navy:				
Basic and Applied Scientific Research/Pass-through – Columbia University	12.300	—	245,149	245,149
U.S. Department of the Army:				
Basic Scientific Research	12.431	308,432	—	308,432
Basic Scientific Research/Pass-through – Academy of Applied Science	12.431	—	4,866	4,866
Total U.S. Department of the Army		<u>308,432</u>	<u>4,866</u>	<u>313,298</u>

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
U.S. Department of the Air Force: Air Force Defense Research Sciences Program	12.800	\$ 398,109	—	398,109
U.S. Department of Defense: Mathematical Sciences Grants Program	12.901	149,987	—	149,987
U.S. Department of Housing and Urban Development: Community Development Block Grants/Entitlement Grants/ Pass-through – NYC Department of Youth and Community Development	14.218	—	1,516,613	1,516,613
Community Outreach Partnership Center Program	14.511	183,133	—	183,133
Hispanic Serving Institutions Assisting Communities Resident Opportunity and Supportive Services – Service Coordinators/Pass-through – NYC Housing Authority	14.514	106,533	—	106,533
Section 8 Housing Choice Vouchers/Pass-through – NYC Department of Housing Preservation	14.870	—	455,602	455,602
Public Housing Neighborhood Networks Grants/Pass-through – NYC Housing Authority	14.871	—	163,996	163,996
	14.875	—	28,649	28,649
Total U.S. Department of Housing and Urban Development		289,666	2,164,860	2,454,526
U.S. Department of the Interior: Outdoor Recreation – Acquisition, Development and Planning	15.916	23,100	—	23,100
Save America's Treasures	15.929	25,776	—	25,776
Total U.S. Department of the Interior		48,876	—	48,876
U.S. Department of Justice: Part E – Developing, Testing, and Demonstrating Promising New Programs	16.541	69,732	—	69,732
Criminal Justice Research and Development – Graduate Research Fellowships	16.562	88,509	—	88,509
Public Safety Partnerships and Community Policing Grants	16.710	136,321	—	136,321
Public Safety Partnerships and Community Policing Grants/ Pass-through – University of Illinois	16.710	—	33,112	33,112
Total U.S. Department of Justice		294,562	33,112	327,674
U.S. Department of Labor: Employment and Training Administration Pilots, Demonstrations, and Research Pilots	17.261	19,615	—	19,615
Employment and Training Administration Pilots, Demonstrations, and Research Pilots/Pass-through – New York Software Educational Foundation	17.261	—	14,436	14,436
				34,051
Community Based Job Training Grants	17.269	565,733	—	565,733
Total U.S. Department of Labor		585,348	14,436	599,784
U.S. Department of State: Special Domestic Assignments/Pass-through – Columbia University	19.202	—	345,999	345,999
U.S. Department of Transportation: Highway Research and Development Program/Pass-through – NYS Department of Transportation	20.200	—	95,243	95,243
Highway Training and Education/Pass-through – NYS Department of State	20.215	—	(10,618)	(10,618)
Assistance to Small and Disadvantaged Businesses	20.910	180,867	—	180,867
Total U.S. Department of Transportation		180,867	84,625	265,492

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
National Aeronautics and Space Administration:				
Aerospace Education Services Program/Pass-through – Paragon TEC	43.001	\$ —	149,511	149,511
Aerospace Education Services Program/Pass-through – Cornell University	43.001	—	24,764	24,764
				<u>174,275</u>
Various	43.UNKNOWN	58,957	—	58,957
Total National Aeronautics and Space Administration		<u>58,957</u>	<u>174,275</u>	<u>233,232</u>
National Endowment for the Humanities:				
Promotion of the Humanities – Federal/State Partnership/ Pass-through – New York Council for the Humanities	45.129	—	18,345	18,345
Promotion of the Humanities – Fellowships and Stipends	45.160	12,876	—	12,876
Promotion of the Humanities – Teaching and Learning Resources and Curriculum Development	45.162	140,184	—	140,184
Museums for America	45.301	26,664	—	26,664
National Leadership Grants	45.312	26,549	—	26,549
Total National Foundation on the Arts and the Humanities		<u>206,273</u>	<u>18,345</u>	<u>224,618</u>
National Science Foundation:				
Engineering Grants	47.041	343,501	—	343,501
Mathematical and Physical Sciences	47.049	453,314	—	453,314
Mathematical and Physical Sciences/Pass-through – Brigham Young University	47.049	—	4,708	4,708
Mathematical and Physical Sciences/Pass-through – Consortium for Mathematics and its Applications	47.049	—	15,779	15,779
				<u>473,801</u>
Geosciences	47.050	243,383	—	243,383
Computer and Information Science and Engineering	47.070	153,228	—	153,228
Computer and Information Science and Engineering/Pass-through – Union College	47.070	—	49,449	49,449
				<u>202,677</u>
Biological Sciences	47.074	126,100	—	126,100
Social Behavioral and Economic Sciences	47.075	431,913	—	431,913
Education and Human Resources	47.076	9,404,587	—	9,404,587
Education and Human Resources/Pass-through – Hofstra University	47.076	—	364,181	364,181
Education and Human Resources/Pass-through – University of Massachusetts	47.076	—	8,887	8,887
Education and Human Resources/Pass-through – St. Louis Science Center Foundation	47.076	—	(28,182)	(28,182)
				<u>9,749,473</u>
Total National Science Foundation		<u>11,156,026</u>	<u>414,822</u>	<u>11,570,848</u>
Small Business Administration:				
Congressional Special Initiative	59.000	181,478	—	181,478
Small Business Development Center/Pass-through – Research Foundation of SUNY	59.037	—	1,266,130	1,266,130
Total Small Business Administration		<u>181,478</u>	<u>1,266,130</u>	<u>1,447,608</u>
Environmental Protection Agency:				
Water Quality Management Planning/Pass-through – NYS Central New York Regional Planning	66.454	—	19,986	19,986
Environmental Education and Training Program	66.950	13,254	—	13,254
Various/Pass-through – NYC Department of Environmental Protection	66.UNKNOWN	—	96,303	96,303
Total Environmental Protection Agency		<u>13,254</u>	<u>116,289</u>	<u>129,543</u>

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
Nuclear Regulatory Commission:				
U.S. Nuclear Regulatory Commission Nuclear Education Grant Program	77.006	\$ 20,934	—	20,934
U.S. Department of Energy:				
Office of Science Financial Assistance Program	81.049	334,981	—	334,981
U.S. Department of Education:				
Adult Education – State Grant Program/Pass-through – NYS Education Department	84.002	—	7,357,254	7,357,254
Undergraduate International Studies and Foreign Language Programs	84.016	802	—	802
Higher Education – Institutional Aid	84.031	4,484,670	—	4,484,670
Higher Education – Institutional Aid/Pass-through – Vaughn College	84.031	—	217,283	217,283
				<u>4,701,953</u>
Career and Technical Education – Basic Grants to States/ Pass-through – NYS Education Department				
Women’s Educational Equity Act Program	84.048	—	9,020,828	9,020,828
Fund for the Improvement of Postsecondary Education	84.083	390	—	390
Minority Science and Engineering Improvement	84.116	1,029,420	—	1,029,420
Rehabilitation Services Vocational Rehabilitation Grants to State/ Pass-through – NYS Education Department	84.120	340,028	—	340,028
Rehabilitation Long-Term Training	84.126	—	3,289,044	3,289,044
Training Interpreters for Individuals who are Deaf and Individuals who are Deaf-Blind	84.129	278,043	—	278,043
Javits Fellowships	84.160	(675)	—	(675)
Safe and Drug-Free Schools and Communities-National Programs	84.170	133,230	—	133,230
Safe and Drug Free Schools and Communities State Grant/ Pass-through – NYC Department of Education	84.184	69,300	—	69,300
Bilingual Education – Professional Development	84.186	—	121,239	121,239
Fund for the Improvement of Education/Pass-through – NYC Board of Education	84.195	208,613	—	208,613
Tech-Prep Education/Pass-through – NYC Board of Education	84.215	—	570,494	570,494
Tech-Prep Education/Pass-through – NYS Education Department	84.243	—	83,888	83,888
	84.243	—	395,822	395,822
				<u>479,710</u>
Twenty-First Century Community Learning Centers/ Pass-through – NYC Board of Education				
Twenty-First Century Community Learning Centers/ Pass-through – The After School Corporation	84.287	—	144,157	144,157
Twenty-First Century Community Learning Centers/ Pass-through – NYS Education Department	84.287	—	4,307	4,307
	84.287	—	1,598,419	1,598,419
				<u>1,746,883</u>
Education Research, Development and Dissemination				
Education Research, Development and Dissemination/ Pass-through – Columbia University Teachers College	84.305	57,137	—	57,137
	84.305	—	8,901	8,901
				<u>66,038</u>
Special Education – Personnel Preparation to Improve Services and Results for Children with Disabilities				
Special Education-Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities	84.325	530,703	—	530,703
Demonstration Projects to Ensure Students with Disabilities Receive a Higher Education	84.326	333,920	—	333,920
Gaining Early Awareness and Readiness for Undergraduate Programs	84.333	216,965	—	216,965
Gaining Early Awareness and Readiness for Undergraduate Programs/Pass-through – NYS Higher Education Services Corporation	84.334	7,752,251	—	7,752,251
	84.334	—	235,369	235,369
				<u>7,987,620</u>

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal grantor/pass-through, grantor program, or cluster title	Federal CFDA or federal I.D. number	Direct	Pass-through	Total
Child Care Access Means Parents in School	84.335	\$ 919,897	—	919,897
Teacher Quality Enhancement Grants	84.336	804,149	—	804,149
Transition in Teaching	84.350	160,175	—	160,175
Mathematics and Science Partnerships/Pass-through – NYC Department of Education	84.366	—	1,384,803	1,384,803
Improving Teacher Quality State Grants/Pass-through – NYS Education Department	84.367	—	1,329,092	1,329,092
College Access Challenge Grant Program/ Pass-through – NYS Higher Education Services Corporation	84.378	—	1,642	1,642
Strengthening Minority-Serving Institutions	84.382	381,207	—	381,207
Undefined/Pass-through – National Writing Project	84.928	—	105,600	105,600
Total U.S. Department of Education		<u>17,700,225</u>	<u>25,868,142</u>	<u>43,568,367</u>
Corporation for National and Community Services:				
Learn and Serve America – Higher Education/Pass-through – Community College National Center	94.005	—	29,124	29,124
Learn and Serve America – Higher Education/Pass-through – North Hampton Community College	94.005	—	2,301	2,301
				<u>31,425</u>
Americorps	94.006	241,604	—	241,604
Planning and Program Development Grants	94.007	634,067	—	634,067
Total Corporation for National and Community Services		<u>875,671</u>	<u>31,425</u>	<u>907,096</u>
Social Security Administration:				
Social Security-Research and Demonstration	96.007	368,787	—	368,787
Social Security-Research and Demonstration/Pass-through – Mathematical Policy Research, Inc.	96.007	—	654,345	654,345
				<u>1,023,132</u>
Social Security-Work Incentives Planning and Assistance Programs	96.008	150,910	—	150,910
Total Social Security Administration		<u>519,697</u>	<u>654,345</u>	<u>1,174,042</u>
U.S. Department of Homeland Security:				
Crisis Counseling/Pass-through – NYC Department of Education	97.032	—	(19,005)	(19,005)
Homeland Security-Related Science, Technology, Engineering and Mathematics (HS STEM) Career Development Program	97.104	4,712	—	4,712
National Incident Management System (NIMS)	97.107	49,426	—	49,426
Total U.S. Department of Homeland Security		<u>54,138</u>	<u>(19,005)</u>	<u>35,133</u>
Total other programs		<u>39,139,269</u>	<u>55,781,285</u>	<u>94,920,554</u>
Total federal awards		<u>\$ 113,829,969</u>	<u>74,800,946</u>	<u>188,630,915</u>

See accompanying notes to schedule of expenditures of federal awards.

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

(1) Basis of Presentation

The accompanying schedule of expenditures of federal awards presents The Research Foundation of The City University of New York's (the Foundation) expenditures charged to federal programs. The information in this schedule is presented on the cash basis of accounting and is in accordance with the requirements of U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. The Foundation's consolidated financial statements were prepared on the accrual basis of accounting; therefore, certain amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the Foundation's consolidated financial statements. However, management has reconciled amounts presented in the consolidated financial statements to related amounts in the schedule of expenditures of federal awards.

Federal awards, principally federal student financial assistance, received and administered by The City University of New York (the University), are not included in the accompanying schedule of expenditures of federal awards because the University prepares a separate report for its federal awards expenditures.

(2) Subrecipients

Of the federal expenditures presented in the schedule, the Foundation provided federal awards to subrecipients as follows:

<u>Program title</u>	<u>Federal CFDA number</u>	<u>Amounts provided to subrecipients</u>
Research and development cluster:		
U.S. Department of Agriculture – Hispanic Serving Institutions Education Grants	10.223	\$ 21,928
U.S. Department of Commerce – Educational Partnership Program	11.481	1,425,788
U.S. Department of the Army – Basic Scientific Research	12.431	19,072
U.S. Department of the Air Force – Air Force Defense Research Sciences Program	12.800	104,390
U.S. Department of Defense	12.UNKNOWN	5,597
U.S. Department of Justice – National Institute of Justice Research, Evaluation, and Development Project Grants	16.560	24,885
U.S. Department of Transportation – Highway Planning and Construction	20.205	122,962
U.S. Department of Transportation – Federal Transit Metropolitan Planning Grants	20.505	13,406
U.S. Department of Transportation – University Transportation Centers Program	20.701	733,656
National Aeronautics and Space Administration	43.UNKNOWN	126,085

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Program title	Federal CFDA number	Amounts provided to subrecipients
National Endowment for the Humanities – Promotion of the Humanities – We the People	45.168	\$ 5,531
National Science Foundation – Engineering Grants	47.041	150,427
National Science Foundation – Computer and Information Science and Engineering	47.070	9,795
National Science Foundation – Social, Behavioral, and Economic Sciences	47.075	76,721
National Science Foundation – Education and Human Resources	47.076	788,131
National Science Foundation – Polar Programs	47.078	82,827
Environmental Protection Agency – Unknown	66.UNKNOWN	17,505
Department of Energy – Office of Science Financial Assistance Program	81.049	1,327,560
U.S. Department of Education – National Institute on Disabilities and Rehabilitation Research	84.133	953,997
U.S. Department of Health and Human Services – Special Programs for the Aging Title IV and Title II Discretionary Projects	93.048	37,323
U.S. Department of Health and Human Services – Research Related to Deafness and Communication Disorders	93.173	25,627
U.S. Department of Health and Human Services – Research and Training in Complimentary and Alternative Medicine	93.213	52,961
U.S. Department of Health and Human Services – Grants for Dental Public Health Residency Training	93.236	66,673
U.S. Department of Health and Human Services – Mental Health Research Grants	93.242	102,582
U.S. Department of Health and Human Services – Mental Health Research Career/Scientist Development Award	93.281	67,970
U.S. Department of Health and Human Services – Discovery and Applied Research for Technological Innovations to Improve Human Health	93.286	29,993
U.S. Department of Health and Human Services – Nursing Research	93.361	35,011
U.S. Department of Health and Human Services – Cardiovascular Diseases Research	93.837	49,273

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Program title	Federal CFDA number	Amounts provided to subrecipients
U.S. Department of Health and Human Services – Blood Diseases and Resource Research	93.839	\$ 45,490
U.S. Department of Health and Human Services – Arthritis, Musculoskeletal, and Skin Diseases Research	93.846	34,904
U.S. Department of Health and Human Services – Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	74,907
U.S. Department of Health and Human Services – Population Research	93.864	48,636
U.S. Department of Health and Human Services – Child Health and Human Development Extramural Research	93.865	1,289,960
U.S. Department of Health and Human Services – Aging Research	93.866	6,722
U.S. Department of Health and Human Services – Vision Research	93.867	6,887
U.S. Department of Health and Human Services – HIV Demonstration Research, Public and Professional Education Projects	93.941	13,965
U.S. Department of Health and Human Services – Epidemiologic Research Studies of AIDS and HIV in Select Population Groups	93.943	5,912
Corporation for National and Community Service – Learn and Serve America Higher Education	94.005	4,684
U.S. Department of Homeland Security – Centers for Homeland Security	97.061	17,316
U.S. Department of Homeland Security – Scholars and Fellows and Educational Programs	97.062	1,424
Total research and development cluster		<u>8,028,483</u>
Other programs:		
U.S. Department of Housing and Urban Development – Community Development Block Grants/Entitlement Grants	14.218	1,212,846
U.S. Department of Justice – Criminal Justice Research and Development Graduate Research Fellowship	16.562	18,477
U.S. Department of Transportation – Highway Research and Development Program	20.200	65,317
National Science Foundation – Engineering Grants	47.041	7,106

(Continued)

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Program title	Federal CFDA number	Amounts provided to subrecipients
National Science Foundation – Social Behavioral and Economic Sciences	47.075	\$ 206,642
National Science Foundation – Education and Human Resources	47.076	271,387
U.S. Department of Education – Career and Technical Education – Basic Grants to States	84.048	53,460
U.S. Department of Education – Fund for the Improvement of Postsecondary Education	84.116	98,223
U.S. Department of Education – Fund for the Improvement of Education	84.215	47,500
U.S. Department of Education – Twenty-First Century Community Learning Centers	84.287	455,419
U.S. Department of Education – Child Care Access means Parents in School	84.335	320,461
U.S. Department of Education – Improving Teacher Quality State Grants	84.367	139,628
U.S. Department of Health and Human Services – Mental Health Research Grants	93.242	73,303
U.S. Department of Health and Human Services – Mental Health Research Career/Scientist Development Award	93.281	46,779
U.S. Department of Health and Human Services – Temporary Assistance for Needy Families	93.558	310,625
U.S. Department of Homeland Security – National Incident Management System	97.107	27,000
Total other programs		<u>3,354,173</u>
Total federal awards		<u>\$ 11,382,656</u>



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New York, NY 10154

II-1

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

The Board of Directors
The Research Foundation of
The City University of New York:

We have audited the consolidated financial statements of The Research Foundation of The City University of New York (the Foundation) as of and for the year ended June 30, 2009, and have issued our report thereon dated October 29, 2009. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Foundation's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over financial reporting.

A deficiency in internal control over financial reporting exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

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

Compliance and Other Matters

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



We noted certain matters that we reported to the Audit Committee of the Foundation's board of directors in a separate letter dated October 29, 2009.

This report is intended solely for the information and use of the board of directors and management of the Foundation, and federal awarding agencies and pass-through entities that provided funding to the Foundation, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 29, 2009



KPMG LLP
345 Park Avenue
New York, NY 10154

**Report on Compliance with Requirements
Applicable to Each Major Program and on Internal Control over
Compliance in Accordance With OMB Circular A-133**

The Board of Directors
The Research Foundation of
The City University of New York:

Compliance

We have audited the compliance of The Research Foundation of The City University of New York (the Foundation) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* (Compliance Supplement) that are applicable to each of its major federal programs for the year ended June 30, 2009. The Foundation's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Foundation's management. Our responsibility is to express an opinion on the Foundation's compliance based on our audit.

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

In our opinion, The Research Foundation of The City University of New York complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2009.

Internal Control over Compliance

The management of the Foundation is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Foundation's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.



Accordingly, we do not express an opinion on the effectiveness of the Foundation's internal control over compliance.

A control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

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

This report is intended solely for the information and use of the board of directors and management of the Foundation, and federal awarding agencies and pass-through entities that provided funding to the Foundation, and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

January 7, 2010

**THE RESEARCH FOUNDATION OF THE
CITY UNIVERSITY OF NEW YORK**

Schedule of Findings and Questioned Costs

Year ended June 30, 2009

(1) Summary of Auditors' Results

- (a) Type of report issued on the financial statements: Unqualified opinion
- (b) Significant deficiencies in internal control disclosed by the audit of the financial statements: None reported. Material weaknesses: No
- (c) Noncompliance that is material to the financial statements: No
- (d) Significant deficiencies in internal control over major federal programs: No
Material weaknesses: No
- (e) Type of report issued on compliance for major programs: Unqualified opinion
- (f) Audit findings that are required to be reported under Section 510(a) of U.S. Office of Management and Budget Circular A-133: No
- (g) Major programs:
 - Research and Development Cluster (various CFDA numbers)
 - Workforce Investment Act Cluster (CFDA numbers 17.258, 17.259, 17.260)
 - Education and Human Resources (CFDA number 47.076)
 - Higher Education – Institutional Aid (CFDA number 84.031)
 - Rehabilitation Services Vocational Rehabilitation Grants to State (CFDA number 84.126)
- (h) Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000
- (i) Auditee qualified as a low-risk auditee under Section 530 of OMB Circular A-133: Yes

(2) Findings Related to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None

(3) Findings and Questioned Costs Related to Federal Awards

None