



**THE VANDERBILT UNIVERSITY**

OMB Circular A-133 Reports

Year ended June 30, 2009

EIN: 62-0476822

**THE VANDERBILT UNIVERSITY**

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**KPMG LLP**  
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## **Independent Auditors' Report**

Board of Trust  
The Vanderbilt University:

We have audited the accompanying consolidated statements of financial position of The Vanderbilt University and subsidiaries (Vanderbilt) 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 Vanderbilt'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 Vanderbilt'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 consolidated 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 Vanderbilt University and subsidiaries as of June 30, 2009 and 2008, and the changes in their net assets and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

As discussed in notes 2 and 11 to the consolidated financial statements, Vanderbilt adopted Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 157, as amended, *Fair Value Measurements*, in fiscal 2009. In addition, as discussed in note 6 to the consolidated financial statements, Vanderbilt adopted FASB Staff Position FAS 117-1, *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for all Endowment Funds*, in fiscal 2009.

In accordance with the *Government Auditing Standards*, we have also issued a report dated October 23, 2009 on our consideration of The Vanderbilt University's internal control over financial reporting and on our tests on its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Our audit was conducted for the purpose of forming an opinion on the 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 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 consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects, in relation to the consolidated financial statements taken as a whole.

KPMG LLP

October 23, 2009

## Consolidated Statements of Financial Position



As of June 30, 2009 and 2008 (in thousands)	2009	2008
<b>ASSETS</b>		
Cash and cash equivalents	\$ 752,397	\$ 273,924
Accounts receivable, net	344,703	327,502
Prepaid expenses and other assets	80,190	96,987
Contributions receivable, net	91,175	71,816
Student loans and other notes receivable	43,325	42,342
Investments	3,328,506	4,225,719
Property, plant, and equipment, net	1,801,485	1,706,070
Interests in trusts held by others	33,927	46,581
<b>Total assets</b>	<b>\$ 6,475,708</b>	<b>\$ 6,790,941</b>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	\$ 236,723	\$ 213,451
Accrued compensation and withholdings	218,711	201,732
Deferred revenue	117,256	117,612
Commercial paper	148,904	127,415
Actuarial liability for self-insurance	97,930	90,493
Actuarial liability for annuities payable	26,575	35,895
Government advances for student loans	17,642	16,686
Long-term debt and capital leases	1,380,317	978,749
Fair value of interest rate swap agreements, net	154,091	26,151
<b>Total liabilities</b>	<b>2,398,149</b>	<b>1,808,184</b>
<b>NET ASSETS</b>		
Unrestricted	2,120,507	2,670,016
Temporarily restricted	1,068,304	1,450,754
Permanently restricted	888,748	861,987
<b>Total net assets</b>	<b>4,077,559</b>	<b>4,982,757</b>
<b>Total liabilities and net assets</b>	<b>\$ 6,475,708</b>	<b>\$ 6,790,941</b>

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

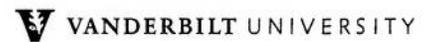
# Consolidated Statements of Activities



Years Ended June 30, 2009 and 2008 (in thousands)	2009	2008
<b>CHANGES IN UNRESTRICTED NET ASSETS</b>		
<b>OPERATING REVENUES</b>		
Tuition and educational fees, net	\$ 230,018	\$ 217,619
Government grants and contracts	329,156	305,646
Facilities and administrative costs recovery	120,071	115,352
Private gifts, grants, and contracts	87,095	87,403
Endowment distributions	146,638	134,507
Investment income	3,427	17,168
Health care services	2,051,835	1,874,913
Room, board, and other auxiliary services, net	93,883	86,309
Other sources	33,130	34,120
Net assets released from restrictions	12,301	13,057
<b>Total operating revenues</b>	<b>3,107,554</b>	<b>2,886,094</b>
<b>OPERATING EXPENSES</b>		
Instruction	415,520	390,499
Research	389,947	370,965
Health care services	1,865,368	1,730,949
Academic support	125,875	126,044
Institutional support	73,451	48,116
Student services	29,881	30,581
Public service	34,123	27,685
Room, board, and other auxiliary services	123,021	111,858
<b>Total operating expenses</b>	<b>3,057,186</b>	<b>2,836,697</b>
<b>Change in unrestricted net assets from operating activity</b>	<b>50,368</b>	<b>49,397</b>
<b>NON-OPERATING INVESTING AND DERIVATIVE ACTIVITY</b>		
Net asset reclassification for cumulative effect of a change in accounting principle	—	(1,355,677)
Change in appreciation for board-designated endowments, net of distributions	(295,299)	(26,615)
Net losses on self-insurance segregated assets	(8,293)	(3,745)
Net (losses) gains on other investments	(36,980)	5,226
Net losses on interest rate swap agreements	(271,693)	(87,077)
<b>Change in unrestricted net assets from non-operating investing and derivative activity</b>	<b>(612,265)</b>	<b>(1,467,888)</b>
<b>OTHER NON-OPERATING ACTIVITY</b>		
Gifts and contributions for plant	4,364	4,298
Net assets released from restrictions for plant	8,375	15,116
Donor designation changes	1,009	(4,474)
Other	(1,360)	354
<b>Change in unrestricted net assets from other non-operating activity</b>	<b>12,388</b>	<b>15,294</b>
<b>Decrease in unrestricted net assets</b>	<b>(549,509)</b>	<b>(1,403,197)</b>

continued on next page

Consolidated Statements of Activities (continued)



	2009	2008
<b>CHANGES IN TEMPORARILY RESTRICTED NET ASSETS</b>		
Net asset reclassification for cumulative effect of a change in accounting principle	—	1,355,677
Change in appreciation for donor-restricted endowments, net of distributions	(427,532)	(29,813)
Contributions and other	88,934	24,630
Donor designation changes	(16,951)	(3,130)
Net loss on contributions receivable	(2,119)	—
Endowment distributions	4,637	4,126
Net losses on investments	(8,743)	(6,057)
Net assets released from restrictions	(20,676)	(28,173)
<i>(Decrease) increase in temporarily restricted net assets</i>	<u>(382,450)</u>	<u>1,317,260</u>
<b>CHANGES IN PERMANENTLY RESTRICTED NET ASSETS</b>		
Contributions and other	34,111	41,302
Donor designation changes	15,942	7,604
Endowment distributions reinvested	1,442	1,617
Net (losses) gains on investments	(24,734)	506
<i>Increase in permanently restricted net assets</i>	<u>26,761</u>	<u>51,029</u>
<i>Decrease in total net assets</i>	<u>\$ (905,198)</u>	<u>\$ (34,908)</u>
<b>Net assets at beginning of year</b>	<b>\$ 4,982,757</b>	<b>\$ 5,017,665</b>
<b>Net assets at end of year</b>	<b>\$ 4,077,559</b>	<b>\$ 4,982,757</b>

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

**Consolidated Statements of Cash Flows**

Years Ended June 30, 2009 and 2008 (in thousands)	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Decrease in total net assets	\$ (905,198)	\$ (34,908)
Adjustments to reconcile change in total net assets to net cash provided by operating activities:		
Net realized losses (gains) on investments	59,519	(528,919)
Net decrease in unrealized appreciation on investments	644,408	510,251
Gifts for plant and endowment	(59,557)	(53,583)
Gifts of securities other than for plant and endowment	(63,305)	(21,848)
Depreciation and amortization	154,342	141,261
Amortization of bond discounts and premiums	(5,628)	(4,624)
Fair value of interest rate swap agreements terminated	87,153	—
Net decrease in fair value of interest rate swap agreements	134,985	87,076
Net decrease in fair value of option to execute interest rate swap	49,555	—
(Increase) decrease in:		
Accounts receivable, net of accrued investment income	(20,945)	(24,360)
Prepaid expenses and other assets, net of non-operating items	16,797	6,030
Contributions receivable	(19,359)	(6,674)
Interests in trusts held by others	12,654	2,484
Increase (decrease) in:		
Accounts payable and accrued liabilities, net of non-operating items	26,157	826
Accrued compensation and withholdings	16,979	(5,395)
Deferred revenue	(356)	32,910
Actuarial liability for self-insurance	7,437	14,110
Actuarial liability for annuities payable	(9,320)	(5,455)
<b>Net cash provided by operating activities</b>	<b>126,318</b>	<b>109,182</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of investments	(1,910,986)	(4,439,081)
Proceeds from the sale of investments	2,167,577	4,501,780
Decrease in accrued investment income	3,744	7,994
Acquisition of property, plant, and equipment	(254,400)	(257,480)
Proceeds from the disposal of property, plant, and equipment	1,758	1,909
Student loans and other notes receivable disbursed	(4,792)	(6,751)
Principal collected on student loans and other notes receivable	3,809	4,323
<b>Net cash provided by (used in) investing activities</b>	<b>6,710</b>	<b>(187,306)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Gifts for plant and endowment	59,557	53,583
Increase in government advances for student loans	956	371
Proceeds from the issuance of debt	1,148,467	313,645
Payments to retire or defease debt	(719,782)	(308,743)
Payments to terminate interest rate swap agreements	(87,153)	—
Purchase of option to execute interest rate swap	(56,600)	—
<b>Net cash provided by financing activities</b>	<b>345,445</b>	<b>58,856</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ 478,473</b>	<b>\$ (19,268)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>\$ 273,924</b>	<b>\$ 293,192</b>
<b>Cash and cash equivalents at end of year</b>	<b>\$ 752,397</b>	<b>\$ 273,924</b>

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

# NOTES to the Consolidated Financial Statements

## 1. Organization

The Vanderbilt University (Vanderbilt) is a privately endowed, coeducational, not-for-profit, nonsectarian institution located in Nashville, Tennessee. Founded in 1873, Vanderbilt owns and operates educational and research facilities as well as a health care system. Vanderbilt provides educational services to approximately 6,600 undergraduate and 5,500 graduate and professional students enrolled in its 10 schools and colleges. The Chancellor and the Board of Trust, the governing board of Vanderbilt, have oversight responsibility for all of Vanderbilt's financial affairs.

These consolidated financial statements include the accounts of all entities in which Vanderbilt has a significant financial interest and over which Vanderbilt has control, including its hospitals and clinics. All significant intercompany accounts and transactions have been eliminated in consolidation.

## 2. Summary of Significant Accounting Policies

### Basis of Presentation

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

**Unrestricted net assets** are free of donor-imposed restrictions. All revenues, gains, and losses that are not temporarily or permanently restricted by donors are included in this classification. All expenditures are reported in the unrestricted class of net assets, since the use of restricted contributions in accordance with donors' stipulations results in the release of such restrictions.

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

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

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

### Fair Value Measurements

During fiscal 2009, Vanderbilt adopted Financial Accounting Standards Board (FASB) Statement of Financial Accounting Standards No. 157, *Fair Value Measurements* (FAS 157). FAS 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 the measurement date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. FAS 157 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).

In connection with the adoption of FAS 157, Vanderbilt also adopted the measurement provisions of Accounting Standards Update No. 2009-12, *Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*, to certain investment funds that do not have readily determinable fair values including private investments, hedge funds, real estate, and other funds. This guidance amends FAS 157 and allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent. Net asset value, in many instances, may not equal fair value that would be calculated pursuant to FAS 157.

Finally, Vanderbilt also adopted FASB Statement of Financial Accounting Standards No. 159, *The Fair Value Option for Financial Assets and Financial Liabilities* (FAS 159). FAS 159 permits entities to choose to measure eligible items at fair value at specified election dates. It does not affect any existing accounting literature requiring certain assets and liabilities to be carried at fair value, and does not eliminate disclosure requirements included in other accounting standards. The fair value option may be applied instrument by instrument, is irrevocable, and is applied only to entire instruments and not to portions of instruments. Vanderbilt elected not to change the valuation methodology of its financial assets and liabilities, and thus the adoption of FAS 159 had no impact on the consolidated financial statements.

### Cash and Cash Equivalents

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

### Prepaid Expenses and Other Assets

Prepaid expenses and other assets primarily represent inventories, prepaid expenses, and other segregated investment-related assets managed by third parties that are earmarked to ultimately settle certain liabilities. This latter group of assets, reported at fair value, is excluded from the investments category since Vanderbilt will not directly benefit from the investment return. The carrying amounts for inventories and prepaid expenses are a reasonable estimate of their fair value.

### Investments

Investments are reported at fair value using the three-level hierarchy established under FAS 157, as amended. Fair values for certain alternative investments, mainly investments in limited partnerships where a ready market for the investments does not exist, are based primarily on estimates reported by fund managers. The estimated values are reviewed and evaluated by Vanderbilt.

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

Vanderbilt's management approves the strategic use of derivatives to manage market risks and exposure. Derivatives, which consist of both internally managed transactions and those entered through external investment managers, are reported at fair value. The most common strategies engaged are futures contracts, short sales, and hedges against currency translation risk for investments denominated in other than U.S. dollars. In terms of internally managed transactions, Vanderbilt has only traded future contracts with durations of less than three months.

Purchases and sales of securities are recorded on the trade dates, and realized gains and losses are determined on the basis of the average historical cost of the securities sold. Net receivables and payables arising from unsettled trades by investment managers are reported as a component of investments.

All donor-restricted and board-designated endowment investments are managed as an investment pool, unless donor-restricted endowment gift agreements require that they be held separately.

### Split-Interest Agreements and Interests in Trusts Held by Others

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

Vanderbilt also is the beneficiary of certain trusts held and administered by others. Vanderbilt's share of these trust assets is recorded at fair value as interests in trusts held by others with carrying values adjusted annually for changes in fair value.

### Property, Plant, and Equipment

Purchased property, plant, and equipment are recorded at cost, including, where appropriate, capitalized interest. Donated assets are recorded at fair value at the date of donation. Repairs and maintenance costs are expensed as incurred. Additions to the library collection are expensed at the time of purchase.

Depreciation is calculated by the straight-line method at rates estimated to allocate the cost of various classes of assets over their estimated useful lives. Property, plant, and equipment are removed from the accounting records at the time of disposal.

Conditional asset retirement obligations related to legal requirements to perform certain future activities associated with the retirement, disposal, or abandonment of assets are accrued utilizing site-specific surveys to estimate the net present value for applicable future costs, e.g., asbestos abatement or removal.

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

### Debt Portfolio Financial Instruments

Long-term debt and capital leases are reported at carrying value. Vanderbilt employs derivatives, primarily interest rate swap agreements, to manage market risks associated with variable-rate debt. Derivative financial instruments are reported at fair value with any resulting gain or loss recognized as a non-operating item in the consolidated statements of activities. Periodic net cash settlement amounts with counterparties are accounted for as adjustments to interest expense on the related debt.

Parties to interest rate swap agreements are subject to market risk for changes in interest rates as well as risk of credit loss

in the event of nonperformance by the counterparty. Vanderbilt deals only with high-quality counterparties that meet rating criteria for financial stability and credit worthiness. Additionally, the agreements require the posting of collateral when amounts subject to credit risk under swap arrangements exceed specified levels.

#### Revenue Recognition

Vanderbilt's revenue recognition policies are as follows:

**Tuition and educational fees, net**—Student tuition and educational fees are recorded as revenues during the year the related academic services are rendered. Student tuition and educational fees received in advance of services to be rendered are recorded as deferred revenue. Financial aid provided by Vanderbilt for tuition and educational fees is reflected as a reduction of tuition and educational fees. Financial aid does not include payments made to students for services provided to Vanderbilt.

**Government grants and contracts**—Revenues from government grants and contracts are recognized when allowable expenditures are incurred under such agreements.

**Facilities and administrative (F&A) costs recovery**—F&A costs recovery, historically referred to as indirect cost recovery, is recognized as revenue and represents reimbursement, primarily from the federal government, of F&A costs on sponsored activities. The federal F&A costs recovery rate for Vanderbilt's on-campus research was 53.5% in fiscal 2009 and 2008.

**Health care services**—Health care services revenue is reported at established rates, net of contractual adjustments and charity services. Third party contractual revenue adjustments under governmental reimbursement programs are accrued on an estimated basis in the period the related services are rendered. The estimated amounts are adjusted as final settlements are determined by the fiscal intermediary for each program. Health care services revenue includes that of Vanderbilt University Hospitals and Clinics, Vanderbilt Medical Group, Vanderbilt Health Services, Inc., and other activities directed toward the purpose of providing health care services to the community.

#### Contributions

Unconditional promises to give (pledges) are recognized as contribution revenue when the donor's commitment is received. Conditional promises (primarily bequest intentions) are not recorded until donor stipulations are substantially met.

Unconditional promises to give, with payments due to Vanderbilt in future periods, are recorded as increases in temporarily restricted or permanently restricted net assets at the

estimated present value of future cash flows, net of an allowance for estimated uncollectible promises. Amortization of the discount is recorded as additional contributions in the appropriate net asset class. Allowance is made for uncollectible contributions receivable based upon management's analysis of past collection experience and other judgmental factors.

Contributions with donor-imposed restrictions are recorded as unrestricted revenue if those restrictions are met in the same reporting period. Otherwise, contributions with donor-imposed restrictions are recorded as increases in temporarily restricted or permanently restricted net assets, depending on the nature of the restriction.

Contributions recorded as temporarily restricted net assets are released from restrictions and recognized as unrestricted net assets upon receipt of the gift or expiration of the time restriction, and after any donor stipulations are met. Gifts for plant facilities are released from restrictions and recognized as a non-operating item only after resources are expended for the applicable plant facilities.

Contributions receivable of pledged securities are stated at the fair value of the underlying securities. Net changes on shares pledged in prior years due to fair value changes for the underlying securities are reported separately as a non-operating gain or loss on contributions receivable in the consolidated statements of activities.

#### Operating Results

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

Endowment distributions reported as operating revenue consist of endowment returns (regardless of when such income or returns arose) distributed to support current operational needs. Vanderbilt's Board of Trust approves the determination of amounts to be distributed from the endowment pool on an annual basis. Objectives of the endowment distribution methodology include reducing the impact of capital market fluctuations on operational programs.

Operating investment income consists of dividends, interest, and gains and losses on unrestricted, non-endowed investments directly related to core operating activities. Such income includes investment returns on Vanderbilt's working capital assets and segregated proceeds for liquidity support. For working capital assets invested in long-term pooled investments managed in conjunction with endowment funds, the amount resulting from pre-established distributions from pooled investments is deemed operating investment income; the remaining

difference between total returns and distributions for these assets is reported as non-operating activity. Operating investment income also excludes investment returns on segregated gift funds and funds set aside for non-operating, capital, and debt management purposes.

In fiscal 2009 and 2008, approximately 57% and 58%, respectively, of private gifts, grants, and contracts revenue represent transactions where Vanderbilt services are provided to other parties.

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

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

#### Income Taxes

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

FASB Interpretation No. 48, *Accounting for Uncertainties in Income Taxes: an Interpretation of FASB Statement No. 109* (FIN 48), which addresses accounting for uncertainty in income taxes recognized in an entity's financial statements, was adopted by Vanderbilt in fiscal 2008. FIN 48 has had no material impact on the consolidated financial statements.

#### Use of Estimates

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

#### Subsequent Events

Effective in fiscal 2009, Vanderbilt adopted FASB Statement of Financial Accounting Standards No. 165, *Subsequent Events* (FAS 165), which establishes principles and requirements for subsequent events and applies to the accounting for and disclosure of subsequent events not addressed in other applicable generally accepted accounting principles. Management evaluated events subsequent to June 30, 2009, and through the date on which the consolidated financial statements were available for issuance, October 23, 2009. The adoption of FAS 165 had no impact on Vanderbilt's consolidated financial statements. No material subsequent events were identified for recognition or disclosure.

#### Redesignations

When donors amend or clarify intent for applicable gifts and contributions reported in a previous fiscal year, revisions are separately reflected as donor designation changes within the consolidated statements of activities.

#### Reclassifications

Certain reclassifications have been made to prior year amounts to conform to the current year presentation. One such reclassification was to segregate non-operating investment gains and losses. Unrestricted, non-operating investment gains and losses are now recorded in non-operating investing and derivative activity within the consolidated statements of activities. This reclassification reduced the previously reported fiscal 2008 change in unrestricted net assets from operating activity from \$50.9 million to \$49.4 million. Further, as described in more detail in a subsequent note, the cumulative effect of a change in accounting principle resulted in a reclassification of endowment net assets totaling \$1.36 billion as of July 1, 2007, from unrestricted net assets to temporarily restricted net assets on the consolidated statements of financial position.

### 3. Accounts Receivable

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

	2009	2008
Patient care	\$ 364,352	\$ 341,181
Students, grants, and other	96,122	107,685
Accrued investment income	3,709	7,453
Accounts receivable	464,183	456,319
Less: Allowance for bad debts	119,480	128,817
<b>Accounts receivable, net</b>	<b>\$ 344,703</b>	<b>\$ 327,502</b>

### 4. Contributions Receivable

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

	2009	2008
Unconditional promises expected to be collected:		
in one year or less	\$ 25,318	\$ 25,879
between one year and five years	74,078	57,982
in more than five years	5,471	5,750
Contributions receivable	104,867	89,611
Less: Unamortized discount	3,539	6,810
Allowance for uncollectible promises	10,153	10,985
<b>Contributions receivable, net</b>	<b>\$ 91,175</b>	<b>\$ 71,816</b>

During fiscal 2009, the Ingram family donated shares of Ingram Micro Inc. common stock to the Ingram Charitable Fund (ICF), which led to new contributions receivable from the ICF valued at \$16.4 million as of June 30, 2009. In addition, the Ingram family donated shares of Ingram Micro Inc. common stock directly to Vanderbilt, which led to \$53.2 million of contribution revenue in fiscal 2009.

Contributions receivable are discounted at a rate commensurate with the scheduled timing of receipt. Such amounts outstanding as of June 30, 2009, generally are discounted at rates ranging from 0.5% to 2.5%, and amounts outstanding as of June 30, 2008, generally are discounted at rates ranging from 2.5% to 3.5%.

The methodology for calculating an allowance for uncollectible promises is based upon management's analysis of the aging of payment schedules for all outstanding pledges. This review resulted in allowances for uncollectible promises totaling 11.5% and 12.3% of contributions receivable (excluding the ICF) as of June 30, 2009 and 2008, respectively.

In addition to pledges reported as contributions receivable, Vanderbilt had received bequest intentions of approximately \$209.1 million and \$206.8 million as of June 30, 2009 and 2008, respectively. These intentions to give are not recognized as assets due to their conditional nature.

### 5. Investments

Investments by security type as of June 30 were as follows  
(in thousands):

	2009	2008
Short-term securities and swap collateral postings	\$ 221,384	\$ 491,876
Bonds	167,965	386,067
Stocks	534,253	638,358
Partnerships	2,144,405	2,381,149
Mortgages	3,925	3,224
Real estate	208,981	279,188
Other	45,570	37,280
Net receivables for unsettled trades by investment managers	2,023	8,577
<b>Total fair value</b>	<b>\$ 3,328,506</b>	<b>\$ 4,225,719</b>
<b>Total cost</b>	<b>\$ 3,485,064</b>	<b>\$ 3,737,869</b>

Investments, in addition to cash and cash equivalents reported in the consolidated statements of financial position, provide liquidity support for the university's operations. Of these combined amounts, management estimates that, based on prevailing market conditions as of June 30, 2009, approximately \$711.3 million was available on a same-day basis and an additional \$186.0 million could be converted to cash within 30 days.

On September 29, 2008, Vanderbilt was notified that Wachovia Bank, N.A., as trustee of the Commonfund's Short Term Fund investments (the Fund), had given notice of its resignation as the trustee, had initiated the process of terminating the Fund, and had established procedures for an orderly liquidation and distribution of the assets of the Fund over a period of time. Vanderbilt had \$36.2 million and \$272.5 million invested in the Fund as of June 30, 2009 and 2008, respectively.

Neither short-term securities in the Commonfund's Short Term Fund nor postings of collateral with swap counterparties are included in the aforementioned estimates of assets available for liquidity support.

## 6. Endowment

The endowment represents only those related net assets that are under the control of Vanderbilt. Endowment-related assets include donor-restricted endowments and board-designated endowments. Gift annuities, interests in trusts held by others, contributions pending donor designation, and pledges are not considered components of the endowment.

Effective July 1, 2007, the state of Tennessee adopted legislation that incorporates the provisions outlined in the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The statutory guidelines therein relate to prudent management, investment, and expenditure of donor-restricted endowments held by charitable organizations. Particularly noteworthy is that the legislation specifies factors for fiduciaries to consider prior to making a decision to appropriate from or accumulate into an organization's endowment funds.

Within the context of this model legislation, in August 2008, the Financial Accounting Standards Board issued FASB Staff Position (FAS) 117-1 entitled *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds*. Vanderbilt has adopted this pronouncement effective with fiscal 2009 reporting. As a result, cumulative net appreciation associated with donor-restricted endowments aggregating \$1.36 billion as of July 1, 2007, were reclassified from unrestricted net assets to temporarily restricted net assets as a cumulative effect of a change in accounting principle.

The Board of Trust's interpretation of its fiduciary responsibilities for donor-restricted endowments under UPMIFA requirements, barring the existence of any donor-specific provisions, is to preserve intergenerational equity to the extent possible. Under this broad guideline, in perpetuity future endowment beneficiaries essentially should receive at least the same level of economic support that the current generation enjoys. Thus, endowment assets are invested to provide growth of the endowment through real investment return that exceeds spending over the long term. The overarching objective is to provide financial assistance towards Vanderbilt's strategic plans and enhance the institution's ability to meet its goals of preserving and enhancing the real (inflation-adjusted) purchasing power of the fund in perpetuity. In addition, assets are invested to provide a relatively predictable and stable stream of earnings to meet spending needs and attain long-term return objectives without the assumption of undue risks.

Portfolio risk undertaken to meet these objectives has had a historical risk level of 10.5% annualized standard deviation of its

nominal returns over the past 20 years, which is consistent with peer institutions. Currently, the endowment portfolio consists of three primary components, each of which is designed to serve a specific role in establishing the right balance between risk and return. Global public and private equity investments are expected to produce favorable returns in environments of accelerating growth and economic expansion. Absolute return and fixed income investments are expected to generate stable returns and preserve capital during periods of poor equity performance. Real estate and natural resources are allocations designed to provide an inflation hedge.

UPMIFA specifies that unless stated otherwise in the gift agreement instrument, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure. Barring the existence of specific instructions in gift agreements for donor-restricted endowments, Vanderbilt's policy is to report (a) the historical value for such endowments as permanently restricted net assets and (b) the net accumulated appreciation as temporarily restricted net assets. In this context, historical value represents (a) the original value of initial gifts restricted as permanent endowments plus (b) the original value of subsequent gifts along with (c) if applicable, the value of accumulations made in accordance with the direction of specific donor gift agreements.

Specific appropriation for expenditure of Vanderbilt's endowment funds occurs each spring when the Board approves the university's operations budget for the ensuing fiscal year. For fiscal years 2008 and 2009, as well as for fiscal 2010, Vanderbilt's Board approved endowment distributions based on 4.5% of the average of the previous three calendar year-end market values. Actual endowment return earned in excess of distributions is reinvested as part of Vanderbilt's endowment. For years where actual endowment return is less than distributions, the shortfall is covered by realized returns from prior years.

In addition to the foregoing general endowment distributions, the Board has authorized the use of previously reinvested income, realized capital gains, and principal related to board-designated endowments for special transinstitutional academic development initiatives. Endowment distributions reported in the consolidated statements of activities include both (a) distributions to support current operational needs and (b) supplemental endowment distributions for special academic initiatives to the extent operating expenditures have been incurred.

A summary of Vanderbilt's endowment as of June 30, 2009, follows (in thousands):

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments, at historical value	\$ —	\$ 15,690	\$ 785,856	\$ 801,546
Accumulated net appreciation of donor-restricted endowments	—	898,332	—	898,332
Board-designated endowments, at historical value	241,274	—	—	241,274
Accumulated net appreciation of board-designated endowments	892,462	—	—	892,462
<b>Endowment net assets as of June 30, 2009</b>	<b>\$ 1,133,736</b>	<b>\$ 914,022</b>	<b>\$ 785,856</b>	<b>\$ 2,833,614</b>

A summary of Vanderbilt's endowment as of June 30, 2008, follows (in thousands):

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments, at historical value	\$ —	\$ 14,323	\$ 728,537	\$ 742,860
Accumulated net appreciation of donor-restricted endowments	—	1,325,864	—	1,325,864
Board-designated endowments, at historical value	237,953	—	—	237,953
Accumulated net appreciation of board-designated endowments	1,188,762	—	—	1,188,762
<b>Endowment net assets as of June 30, 2008</b>	<b>\$ 1,426,715</b>	<b>\$ 1,340,187</b>	<b>\$ 728,537</b>	<b>\$ 3,495,439</b>

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

	2009	2008
Net realized appreciation less endowment distributions	\$ 1,889,280	\$ 2,046,718
Net unrealized appreciation	(98,486)	467,908
<b>Total</b>	<b>\$ 1,790,794</b>	<b>\$ 2,514,626</b>

From time to time, the fair value of assets associated with an endowed fund may fall below the level that a donor or UPMIFA requires in terms of maintenance of perpetual duration endowments. As of June 30, 2009 and 2008, Vanderbilt had deficiencies of this nature of approximately \$23 million and \$0, respectively. These deficiencies resulted from unfavorable market declines that occurred after the investment of recent permanently restricted contributions. Management believes these declines are relatively modest in relation to the total market value for donor-restricted endowments and that these deficiencies will be relatively short-term in nature.

Changes in endowment net assets for the year ended June 30, 2009, were as follows (*in thousands*):

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets as of June 30, 2008	\$ 1,426,715	\$ 1,340,187	\$ 728,537	\$ 3,495,439
Endowment investment return:				
Investment income	9,960	14,372	—	24,332
Net appreciation (realized and unrealized)	(243,336)	(351,110)	—	(594,446)
Total endowment investment return	(233,376)	(336,738)	—	(570,114)
Gifts and additions to endowment, net	8,759	1,366	57,319	67,444
Endowment distributions appropriated by the Board	(65,285)	(87,432)	—	(152,717)
Transfers reducing board-designated endowments	(3,077)	(3,361)	—	(6,438)
<b>Endowment net assets as of June 30, 2009</b>	<b>\$ 1,133,736</b>	<b>\$ 914,022</b>	<b>\$ 785,856</b>	<b>\$ 2,833,614</b>

Changes in endowment net assets for the year ended June 30, 2008, were as follows (*in thousands*):

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets as of June 30, 2007	\$ 2,798,672	\$ 11,777	\$ 677,809	\$ 3,488,258
Net asset reclassification for cumulative effect of a change in accounting principle	(1,355,677)	1,355,677	—	—
Endowment net assets as of July 1, 2007, after reclassification	1,442,995	1,367,454	677,809	3,488,258
Endowment investment return:				
Investment income	20,429	25,680	—	46,109
Net appreciation (realized and unrealized)	16,709	21,004	—	37,713
Total endowment investment return	37,138	46,684	—	83,822
Gifts and additions to endowment, net	14,638	2,546	50,728	67,912
Endowment distributions appropriated by the Board	(65,827)	(74,423)	—	(140,250)
Transfers reducing board-designated endowments	(2,229)	(2,074)	—	(4,303)
<b>Endowment net assets as of June 30, 2008</b>	<b>\$ 1,426,715</b>	<b>\$ 1,340,187</b>	<b>\$ 728,537</b>	<b>\$ 3,495,439</b>

## 7. Investment Return

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

	2009	2008
<b>OPERATING</b>		
Endowment distributions	\$ 146,638	\$ 134,507
Net gains on investments	3,427	17,168
<b>Total operating return</b>	<b>150,065</b>	<b>151,675</b>
<b>NON-OPERATING</b>		
<b>Unrestricted:</b>		
Change in appreciation for board-designated endowments, net of distributions	(295,299)	(26,615)
Net losses on self-insurance segregated assets	(8,293)	(3,745)
Net (losses) gains on other investments	(36,980)	5,226
<b>Temporarily restricted:</b>		
Change in appreciation for donor-restricted endowments, net of distributions	(427,532)	(29,813)
Net losses on investments	(8,743)	(6,057)
Endowment distributions	4,637	4,126
<b>Permanently restricted:</b>		
Net (losses) gains on investments	(24,734)	506
Endowment distributions reinvested	1,442	1,617
<b>Total non-operating return</b>	<b>(795,502)</b>	<b>(54,755)</b>
<b>Total investment return</b>	<b>\$ (645,437)</b>	<b>\$ 96,920</b>

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

	2009	2008
Net interest, dividend, and partnership income	\$ 71,187	\$ 80,571
Net realized (losses) gains from original cost	(59,519)	528,919
Net decrease in unrealized appreciation	(657,105)	(512,570)
<b>Total investment return</b>	<b>\$ (645,437)</b>	<b>\$ 96,920</b>

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

Fees paid directly to external investment managers (i.e., segregated investment account fees) totaled \$3.5 million and \$2.5 million in fiscal 2009 and 2008, respectively.

## 8. Property, Plant, and Equipment

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

	2009	2008
Land	\$ 60,102	\$ 54,316
Buildings and improvements	2,295,961	2,195,368
Moveable equipment	726,650	673,936
Construction in progress	189,529	109,158
Property, plant, and equipment	3,272,242	3,032,778
Less: Accumulated depreciation	1,470,757	1,326,708
<b>Property, plant, and equipment, net</b>	<b>\$ 1,801,485</b>	<b>\$ 1,706,070</b>

Purchases for the library collection are not included in the amounts above since they are expensed at the time of purchase. As of June 30, 2009, the estimated replacement cost for library collections, including processing costs to properly identify, catalog, and shelve materials, totaled about \$250 million.

Capitalized interest of \$2.7 million and \$1.7 million in fiscal 2009 and 2008, respectively, was added to construction in progress and/or buildings and improvements.

Internally developed software costs of \$2.2 million and \$2.4 million were capitalized in fiscal 2009 and 2008, respectively.

Vanderbilt has identified conditional asset retirement obligations, primarily for the costs of asbestos removal and disposal, resulting in liabilities of \$18.1 million and \$19.2 million as of June 30, 2009 and 2008, respectively. These liabilities, which are estimated using an inflation rate of 4.0% and a discount rate of 5.0%, are included in accounts payable and accrued liabilities in the consolidated statements of financial position.

## 9. Long-Term Debt, Capital Leases, and Commercial Paper

Long-term debt consists of bonds and notes payable with scheduled final maturity dates at least one year after the original issuance date. Outstanding long-term debt, capital leases, and commercial paper (CP) obligations as of June 30 were as follows (in thousands):

	Years to Nominal Maturity	Fiscal 2009 Effective Interest Rate	Outstanding Principal	
			2009	2008
<b>FIXED-RATE LONG-TERM DEBT</b>				
1996 Series A	—	6.7%	\$ —	\$ 1,145
1997 Series A	—	—	—	20,960
1998 Series B	20	5.0%	31,670	32,580
1998 Series C <sup>1</sup>	6	4.9%	12,670	14,455
2001 Series A	7	5.0%	10,220	11,415
2001 Series B <sup>1</sup>	14	5.1%	47,470	49,750
2005 Series B-2 <sup>1</sup>	—	2.9%	—	64,310
2005 Series B-3 <sup>1,2</sup>	35	3.1%	152,205	152,205
2008 Series A	9	4.0%	136,100	136,100
2008 Series B <sup>1</sup>	9	3.9%	119,950	119,950
2009 Series A	30	4.9%	97,100	—
2009 Series B <sup>1</sup>	30	5.0%	232,900	—
2009 Series A - Taxable	10	5.3%	250,000	—
HUD	—	3.0%	—	130
Note payable	—	7.3%	—	7,528
Other	—	3.0%	—	78
<b>Total fixed-rate long-term debt</b>			<b>1,090,285</b>	<b>610,606</b>
<b>VARIABLE-RATE LONG-TERM DEBT</b>				
2000 Series A	22	1.2%	58,000	59,400
2000 Series B	22	1.2%	58,000	59,400
2002 Series A	24	1.3%	20,170	20,590
2003 Series A <sup>1</sup>	10	1.2%	27,485	30,525
2005 Series A	35	1.2%	113,300	113,300
2005 Series B-1 <sup>1</sup>	—	1.8%	—	61,235
<b>Total variable-rate long-term debt</b>			<b>276,955</b>	<b>344,450</b>
Par amount of long-term debt			1,367,240	955,056
Net unamortized premium			10,507	20,742
<b>Total long-term debt</b>			<b>1,377,747</b>	<b>975,798</b>
Capital leases	1 to 4	3.5%	2,570	2,951
<b>Total long-term debt and capital leases</b>			<b>1,380,317</b>	<b>978,749</b>
Tax-exempt commercial paper	<1	1.3%	25,535	126,265
Taxable commercial paper	<1	1.4%	123,369	1,150
<b>Tax-exempt and taxable commercial paper</b>			<b>148,904</b>	<b>127,415</b>
<b>Total long-term debt, capital leases, and commercial paper</b>			<b>\$ 1,529,221</b>	<b>\$ 1,106,164</b>

<sup>1</sup>Issued under Master Trust Indenture structure.

<sup>2</sup>The 2005 B-3 bonds are fixed only through the mandatory put date of April 1, 2010.

On the put date the mode of the maturing series can be changed at Vanderbilt's discretion.

The preceding table reflects fixed/variable allocations before the effects of interest rate swap agreements used by Vanderbilt to manage its debt portfolio. Such agreements are covered in more detail in a successive note.

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

Included in the foregoing are hospital and clinic (patient care) bonds, with a principal balance outstanding of \$592.7 million as of June 30, 2009, that were issued under a Master Trust Indenture (MTI) structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group; presently, Vanderbilt's hospitals and clinics have no other members participating in its obligated group. Bonds issued under the MTI are payable solely from hospital revenues (as defined in the MTI). All MTI bonds presently outstanding are also supplemented by a Vanderbilt guarantee of debt service.

Selected information for long-term debt, CP, and interest rate swap agreements follows (*in thousands*):

	2009	2008
Interest cost paid	\$ 51,543	\$ 41,763
Interest cost expensed	\$ 55,150	\$ 37,299
Assets held by trustees for subsequent debt service as of June 30	\$ 3,257	\$ 25,502

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

2010	\$ 19,610
2011	24,365
2012	25,075
2013	30,215
2014	37,790
Thereafter	1,230,185
<b>Total</b>	<b>\$ 1,367,240</b>

Liquidity support for short-term debt is provided utilizing portfolio self-liquidity with the initial tier including cash, cash equivalents, and investments. As previously noted, as of June 30, 2009, management estimates that approximately \$711.3 million

of liquid assets were available on a same-day basis and an additional \$186.0 million was available within 30 days. Furthermore, within the context of liquidity support for short-term debt, a second tier of two bank revolving credit facilities, with maximum available commitments totaling \$375.0 million as of June 30, 2009, are in place and dedicated solely to debt portfolio liquidity. These commitments expire in March and June 2011. Since initiation of these revolving credit agreements, there have been no borrowings required to support redemptions of short-term debt.

Trust indentures for certain bond issues contain covenants and restrictions involving the issuance of additional debt, maintenance of a specified debt service coverage ratio, and the maintenance of liquidity facilities.

On July 1, 2008, Vanderbilt utilized the proceeds from tax-exempt CP in the amount of \$19.5 million issued on June 30, 2008, to refund the Series 1997A bonds. The 1997A refunding transaction resulted in an accounting loss of \$0.5 million, which is included as a non-operating item for fiscal 2009 in the consolidated statements of activities. The refunding CP notes and the Series 1997A debt are both included on the consolidated statements of financial position as of June 30, 2008.

During February 2009, Vanderbilt issued the Series 2009A taxable notes in the aggregate amount of \$250.0 million for general corporate purposes, which can include financing of working capital and other cash management needs. These taxable fixed-rate notes were issued at an interest cost of 5.25% and have a bullet maturity of April 1, 2019. Management intends to maintain investments arising from the debt issuance proceeds in a fund designated for the retirement of these taxable notes.

On April 1, 2009, Vanderbilt issued the Series 2009A and B tax-exempt fixed-rate bonds in the aggregate amount of \$330.0 million. The Series 2009A and B tax-exempt issuance provided \$100.3 million of new project funding to finance the construction, expansion, and renovation of various facilities and related equipment. The proceeds also were used to refund tax-exempt commercial paper totaling \$100.7 million, \$61.2 million of Series 2005B-1 variable-rate bonds, and \$64.3 million of Series 2005B-2 fixed-rate put bonds on their mandatory tender date of April 1, 2009. The Series 2005B-2 refunding transaction resulted in an accounting loss of \$0.4 million, which is included as a non-operating item for fiscal 2009 in the consolidated statements of activities.

In fiscal 2009, Vanderbilt amended its taxable CP program authorization to increase the amount of taxable CP that can be issued and outstanding to \$675 million from \$75 million. Subsequent to this revision, the authorized combined principal amount outstanding for both tax-exempt and taxable CP may not exceed \$675 million in the aggregate.

Under the taxable CP program \$123.4 million of notes were outstanding as of June 30, 2009, including \$114.8 million issued to support Vanderbilt's overall liquidity.

## 10. Interest Rate Swap Agreements

Vanderbilt manages the fixed/variable mix of its debt portfolio, including hedging exposure to increasing interest expense from variable-rate debt, by utilizing interest rate swap agreements.

The fair value of interest rate swap agreements is the estimated amount that Vanderbilt would pay or receive to terminate these contracts as of the report date.

The estimated fair value of outstanding swap agreements was \$154.1 million and \$26.2 million as of June 30, 2009 and 2008, respectively, and is reported as a liability in the consolidated statements of financial position. Changes in the fair value for these contracts, exclusive of realized losses due to contract terminations, amounted to an unrealized loss of \$184.5 million in fiscal 2009 and \$87.1 million in fiscal 2008.

Collateral pledging requirements included in interest rate swap agreements result in swap collateral exposure based on the fair value of the contracts. Collateral held by swap counterparties as of June 30, 2009, amounted to \$77.3 million; there were no collateral postings required as of June 30, 2008. Management estimates that a decline in long-term LIBOR-based rates to approximately 1% would reduce the fair value of the interest rate swap portfolio to approximately \$610 to \$660 million and correspondingly increase Vanderbilt's swap collateral pledging

requirements to approximately \$510 to \$560 million.

In December 2008, Vanderbilt terminated \$300.0 million notional of fixed-payer swaps and \$150.0 million notional of reverse basis swaps at a net cost of \$87.2 million to reduce swap collateral exposure as long-term LIBOR rates were at historical lows. As an additional strategy to hedge against further declines in long-term LIBOR rates, Vanderbilt also purchased an option to execute a \$500.0 million notional fixed-receiver swap on December 1, 2010. The net realized loss from the swap agreement terminations and changes in the fair value of interest rate swap agreements are included in the non-operating section of the consolidated statements of activities.

Periodic net cash settlements paid to counterparties totaled \$20.2 million and \$0.7 million in fiscal 2009 and 2008, respectively, and were reflected as adjustments to interest expense.

As of June 30, 2009, Vanderbilt's adjusted debt portfolio, after taking into account the aforementioned derivatives, was approximately 128% fixed and (28)% variable. Exclusive of the option to execute a \$500.0 million notional fixed-receiver swap, the notional amounts of interest rate swap agreements as of June 30 were as follows (*in thousands*):

Description	Rate Paid	Rate Received	Maturity	2009	2008
% of LIBOR <sup>1</sup> fixed-payer swaps	Avg fixed rate of 3.602%	68 to 70% of one-month LIBOR	21 to 35 years with gradual amortization <sup>2</sup> , corresponding to principal retirements for the Series 2000A and B bonds and the Series 2005A bonds	\$ 1,011,000	\$ 1,213,800
SIFMA <sup>3</sup> fixed-payer swaps	Avg fixed rate of 3.95%	SIFMA	n/a — terminated December 2008	\$ —	\$ 100,000
SIFMA fixed-receiver swaps	SIFMA	3.09%	April 1, 2010, corresponding to scheduled re-marketings of Series 2005B-3 bonds	\$ 152,205	\$ 316,515
Basis swaps	SIFMA	Avg of 82.2% of one-month LIBOR	25 to 26 years	\$ 500,000	\$ 500,000
Reverse basis swaps	60% of one-month LIBOR + 0.804%	SIFMA	n/a — terminated December 2008	\$ —	\$ 150,000

<sup>1</sup>London Interbank Offered Rate.

<sup>2</sup>Commencing in October 2012, the counterparty has an option to cancel 50% of the outstanding notional amount without a termination payment, which would result in a remaining fixed payment commitment of 4.175%.

<sup>3</sup>Securities Industry and Financial Markets Association.

## 11. Fair Value Measurement

Effective July 1, 2008, Vanderbilt adopted Statement of Financial Accounting Standards No.157, *Fair Value Measurements* (FAS 157), as amended, which defines fair value measurement for financial reporting. FAS 157 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value into three levels:

**Level 1 inputs** are quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the 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.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement. In accordance with FAS 157, the following table presents the financial instruments carried on the consolidated statements of financial position by valuation hierarchy level as of June 30, 2009 (*in thousands*):

	Fair Value Measurements			Total
	Level 1	Level 2	Level 3	
<b>ASSETS VALUED UNDER FAS 157</b>				
Cash and cash equivalents	\$ 752,397	\$ —	\$ —	\$ 752,397
Investments				
Short-term securities and swap collateral postings	221,384	—	—	221,384
Bonds	139,416	—	28,549	167,965
Stocks	287,788	116,785	129,680	534,253
Partnerships	161,570	135,252	1,847,582	2,144,404
Mortgages	—	—	3,925	3,925
Real estate	—	—	208,981	208,981
Other	4,320	—	41,251	45,571
Net receivables for unsettled trades by investment managers	2,023	—	—	2,023
Interests in trust held by others	—	—	33,927	33,927
<b>Total assets valued under FAS 157</b>	<b>\$ 1,568,898</b>	<b>\$ 252,037</b>	<b>\$ 2,293,895</b>	<b>\$ 4,114,830</b>
<b>LIABILITIES VALUED UNDER FAS 157</b>				
<b>Fair value of interest rate swap agreements, net</b>	<b>\$ —</b>	<b>\$ 154,091</b>	<b>\$ —</b>	<b>\$ 154,091</b>

The classification of a financial instrument within level 3 is based on the significance of the unobservable inputs to the overall fair value measurement. The following table presents a rollforward of the amounts for the year ended June 30, 2009, for level 3 financial instruments (*in thousands*):

	June 30, 2008	Net purchases	Realized gains (losses)/ (distributions)	Unrealized gains (losses)	June 30, 2009
Investments	\$ 2,577,019	\$ 415,451	\$ (261,105)	\$ (471,397)	\$ 2,259,968
Interests in trust held by others	46,581	43	—	(12,697)	33,927
<b>Total Level 3</b>	<b>\$ 2,623,600</b>	<b>\$ 415,494</b>	<b>\$ (261,105)</b>	<b>\$ (484,094)</b>	<b>\$ 2,293,895</b>

All net realized and unrealized losses on level 3 investments are reflected in the consolidated statements of activities as changes in endowment appreciation or non-operating net losses on other investments. Net unrealized losses on interests in trusts held by others are reported as non-operating net losses on other investments in the consolidated statements of activities.

## 12. Net Assets

Vanderbilt has chosen to provide further classification information for each net asset category.

**Unrestricted net assets** are internally designated into the following groups:

*Designated for operations* represents the cumulative operating activity of Vanderbilt and routine capital replacement reserves.

*Designated gifts and grants* are composed of departmental gift and grant funds.

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

*Designated for plant facilities* represents the net investment in property, plant, and equipment, as well as funds designated for future acquisitions of plant facilities and retirement of debt. These net assets also reflect the realized losses of derivative financing activities presented in the consolidated statements of cash flows.

*Board-designated endowments* are amounts set aside by the Board of Trust intended to generate income in perpetuity to support operating needs. Such amounts include cumulative appreciation on the applicable investments.

*Fair value of interest rate swap agreements, net* represents the mark-to-market valuation for such derivative contracts. Because these agreements are intended to serve as long-term hedges within the debt portfolio, segregation from other designations is maintained.

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

	2009	2008
Designated for operations	\$ 288,102	\$ 264,788
Designated gifts and grants	170,044	153,032
Designated for student loans	30,963	32,057
Designated for plant facilities	651,753	819,575
Board-designated endowments	1,133,736	1,426,715
Fair value of interest rate swap agreements, net	(154,091)	(26,151)
<b>Total unrestricted net assets</b>	<b>\$ 2,120,507</b>	<b>\$ 2,670,016</b>

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

	2009	2008
Donor-restricted endowments, at historical value	\$ 15,690	\$ 14,323
Accumulated net appreciation of donor-restricted endowments	898,332	1,325,864
Gifts and pledges	132,247	85,136
Interests in trusts held by others	5,984	7,693
Life income and gift annuities	16,051	17,738
<b>Total temporarily restricted net assets</b>	<b>\$ 1,068,304</b>	<b>\$ 1,450,754</b>

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

	2009	2008
Student scholarships	\$ 256,787	\$ 375,845
Instruction	486,735	757,050
Capital improvements	22,986	10,303
Subsequent period operations and other	301,796	307,556
<b>Total temporarily restricted net assets</b>	<b>\$ 1,068,304</b>	<b>\$ 1,450,754</b>

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

	2009	2008
Donor-restricted endowments, at historical value	\$ 785,856	\$ 728,537
Gifts and pledges	54,523	70,542
Interests in trusts held by others	27,943	38,888
Life income and gift annuities	20,426	24,020
<b>Total permanently restricted net assets</b>	<b>\$ 888,748</b>	<b>\$ 861,987</b>

Based on relative fair values as of June 30, 2009, approximately 28% of donor-restricted endowments supports scholarships, 28% supports endowed faculty chairs, 26% supports departmental operations, and 18% is for other purposes.

### 13. Natural Classification of Expenses and Allocations

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

	2009	2008
Salaries, wages, and benefits	\$ 1,821,770	\$ 1,652,809
Services	146,279	144,117
General expenses and supplies	616,769	602,314
Depreciation and amortization	154,342	141,261
Interest	55,150	37,299
Provision for bad debts	108,014	119,672
Utilities, operating leases, and other	154,862	139,225
<b>Total operating expenses</b>	<b>\$ 3,057,186</b>	<b>\$ 2,836,697</b>

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

2009	Depreciation	Interest
Instruction	\$ 18,861	\$ 4,941
Research	25,765	7,986
Health care services	61,626	27,377
Academic support	9,120	1,990
Institutional support	14,217	1,998
Student services	1,064	314
Public service	971	234
Room, board, and other auxiliary services	22,718	10,310
<b>Total</b>	<b>\$ 154,342</b>	<b>\$ 55,150</b>

2008	Depreciation	Interest
Instruction	\$ 17,935	\$ 3,106
Research	22,808	5,633
Health care services	57,838	18,955
Academic support	8,813	1,180
Institutional support	12,517	978
Student services	928	217
Public service	809	103
Room, board, and other auxiliary services	19,613	7,127
<b>Total</b>	<b>\$ 141,261</b>	<b>\$ 37,299</b>

### 14. Retirement Plans

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

Vanderbilt's obligations under these plans are fully funded by periodic transfers to the respective retirement plan administrators with the corresponding expenses recognized in the year incurred. Vanderbilt's retirement plan contributions for fiscal 2009 and 2008 were \$49.9 million and \$46.1 million, respectively.

### 15. Charity Care, Community Benefits, and Other Unrecovered Costs

Consistent with its mission, the Vanderbilt University Hospitals and Clinics (the Hospital) maintains a policy which sets forth the criteria pursuant to those health care services that are provided without expectation of payment, or, at a reduced payment rate to patients who have minimal financial resources to pay for their medical care. These services represent charity care and are not reported as revenue.

The Hospital maintains records to identify and monitor the level of charity care it provides, and these records include the amount of charges forgone for services furnished under its charity care policy and the estimated cost of those services. Charity care assistance is offered on a tiered grid, which is based on federal poverty guidelines. In addition to charity care assistance, all uninsured patients are eligible for a State of Tennessee mandated discount from billed charges for medically necessary services. For those patients with a major catastrophic medical event that does not qualify for full charity assistance, additional discounts are given based on the income level of the household using a sliding scale.

The cost of charity care provided by the Hospital was \$71.8 million and \$58.6 million in fiscal 2009 and 2008, respectively. Of the total uncompensated care provided by the Hospital (comprising charity care not reported as revenue and provision for bad debts reported as expense), 75% and 67% of the total in fiscal 2009 and 2008, respectively, was charity care. Charity care patients represent 4% of all patients treated at the Hospital in both fiscal 2009 and 2008.

In addition to the charity care services described above, the Hospital provides a number of other services to benefit the economically disadvantaged for which little or no payment is received. TennCare/Medicaid and state indigent programs do not cover the full cost of providing care to beneficiaries of those programs. As a result, in addition to direct charity care costs, the Hospital provided services related to TennCare/Medicaid and state indigent programs substantially below the cost of rendering such services.

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

For the fiscal years ended June 30, the estimated total costs of charity care, community benefits, and other unrecovered costs reported in accordance with Internal Revenue Service (IRS) reporting requirements and recommendations for IRS Form 990, *Return of Organization Exempt from Income Tax*, Schedule H were as follows (in thousands):

	2009	2008
<b>Charity care and community benefits as reported on IRS Form 990 Schedule H</b>		
Unreimbursed cost of charity care	\$ 71,800	\$ 58,600
Resident and Allied Health education	40,400	36,300
Unreimbursed cost of Medicaid/TennCare	35,200	46,000
Other community health programs	2,100	1,300
Subsidized health services	1,600	1,500
Behavioral health hospital services	1,100	—
Clinical research support	600	600
<b>Total costs of charity care and community benefits</b>	<b>152,800</b>	<b>144,300</b>
<b>Other unrecovered costs reported on IRS Form 990 Schedule H but not includable as community benefits</b>		
Unreimbursed cost of Medicare	38,200	32,500
Cost of bad debts	24,200	28,700
Unreimbursed cost of TRICARE (formerly CHAMPUS)	7,600	6,200
<b>Total other unrecovered costs</b>	<b>70,000</b>	<b>67,400</b>
<b>Total costs of charity care, community benefits, and other unrecovered costs</b>	<b>\$ 222,800</b>	<b>\$ 211,700</b>

## 16. Student Financial Aid

Vanderbilt provides financial aid to students based upon need and merit. This financial assistance is funded by institutional resources, gifts, endowment distributions, and externally sponsored aid.

In fiscal 2009 and 2008, financial aid for tuition and educational fees of \$157.9 million and \$145.2 million was applied to gross tuition and educational fees of \$387.9 million and \$362.8 million, respectively. In fiscal 2009 and 2008, financial aid for room and board of \$22.2 million and \$19.5 million was applied to gross room and board of \$60.3 million and \$54.2 million, respectively.

Loans to students from Vanderbilt funds are carried at cost, which, based on secondary market information, approximates the fair value of educational loans with similar interest rates and payment terms. Loans to qualified students are funded principally with government advances to Vanderbilt under the Perkins, Nursing, and Health Professions Student Loan Programs. Loans receivable from students under governmental loan programs, also carried at cost, can only be assigned to the federal government or its designees. Student loans receivable are reported net of allowances for estimated uncollectible accounts of \$4.3 million and \$4.0 million as of June 30, 2009 and 2008, respectively.

## 17. Lease Obligations

Vanderbilt leases certain equipment and real property. These leases are classified primarily as operating leases and have lease terms ranging up to 15 years. Total operating lease expense for fiscal 2009 and 2008 was \$57.5 million and \$52.7 million, respectively.

Future committed minimum rentals on non-cancelable operating leases with initial or remaining lease terms in excess of one year as of June 30, 2009, by fiscal year are as follows (in thousands):

2010	\$ 25,265
2011	25,711
2012	19,885
2013	15,459
2014	12,750
Thereafter	51,516
<b>Total future minimum rentals</b>	<b>\$ 150,586</b>

Vanderbilt leases over 50% of the space in the approximately 850,000-square-foot One Hundred Oaks facility, located within five miles of the main campus, primarily for medical clinic and office uses. This operating lease commenced in fiscal 2008 with an initial lease term of 12 years. In addition to having the option to renew the lease five times for additional 10-year periods, Vanderbilt will have the right of first offer to lease additional space as it becomes available. Furthermore, Vanderbilt will have additional rights to subsequently purchase the entire property during the next four years. Minimum rental payments aggregating \$52.0 million related to this space are included in the future minimum rentals above.

In conjunction with its normal business practices related to the leasing of equipment, in February 2005 and March 2004, Vanderbilt established financing mechanisms using tax-exempt bonds issued by the HEFB. As of June 30, 2009, the aggregate amount of bonds outstanding under this financing mechanism was \$21.0 million, and related payments made by Vanderbilt are reported as operating lease expense and included in the future minimum rentals above.

## 18. Related Parties

Vanderbilt contracts with certain related parties for the purchase of goods, performance of construction activities, and provision of other services. Significant purchases of goods and services from related parties typically are subject to competitive pricing analyses. During fiscal 2009 and 2008, Vanderbilt had related party transactions totaling approximately \$30.4 million and \$25.2 million, respectively.

## 19. Commitments and Contingencies

(A) *Construction.* As of June 30, 2009, approximately \$115 million was committed for projects under construction and equipment purchases.

(B) *Litigation and Regulation.* Vanderbilt is a defendant in several legal actions. Management believes that the outcome of these actions will not have a significant effect on Vanderbilt's consolidated financial position.

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

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

(D) *Employee Health and Workers Compensation Insurance.* Vanderbilt is self-insured for employee health insurance and workers compensation coverage. Actuarial liabilities are recorded based upon studies performed by actuarial firms.

(E) *Federal and State Contracts and Other Requirements.* Expenditures and F&A costs related to federal and state grants and contracts are subject to adjustment based upon review by the granting agencies. The amounts, if any, of expenditures that may be disallowed by the granting agencies cannot be determined at this time, although management expects they will not have a significant effect on Vanderbilt's consolidated financial position.

(F) *Health Care Services.* Revenue from health care services includes amounts paid under reimbursement agreements with certain third-party payers and is subject to examination and retroactive adjustments. Any differences between estimated year-end settlements and actual final settlements are reported in the year final settlements are known. Substantially all final settlements have been determined through the year ended June 30, 2006.

Under the Health Insurance Portability and Accountability Act of 1996 (HIPAA), the federal government has authority to conduct fraud and abuse investigations. HIPAA has established substantial fines and penalties for offenders. Management continues to refine policies, procedures, and organizational structures to enforce and monitor compliance with HIPAA, as well as other government statutes and regulations.

(G) *Partnership Investment Commitments.* There were \$901.9 million of commitments to venture capital, real estate, and distressed security investments as of June 30, 2009. These funds may be drawn down over the next several years upon request by the general partners. Management expects to finance these commitments with available cash and expected proceeds from the sale of securities.

(H) *McKendree Village, Inc. Debt Guaranty.* In July 1998, Vanderbilt and McKendree Village, Inc. (McKendree), a not-for-profit retirement community, entered into an affiliation agreement, including a guarantee of certain McKendree debt by the university, largely secured by asset liens on McKendree property. As of June 30, 2009, the balance of McKendree's guaranteed debt outstanding was \$16.6 million.

**VANDERBILT UNIVERSITY**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
<b>Type A:</b>						
<b>*Research</b>						
U.S. Department of Agriculture						
Scientific Cooperation and Research	10.961			\$ 1,100	—	1,100
Total CFDA	10.961			1,100	—	1,100
Total U.S Department of Agriculture				1,100	—	1,100
U.S. Department of Commerce						
Ctr for Sponsored Coastal Ocean Research-Coastal Ocean Program	11.478			230	—	230
Total CFDA	11.478			230	—	230
Measurement and Engineering Research and Standards	11.609			71,904	—	71,904
Total CFDA	11.609			71,904	—	71,904
Total U.S Department of Commerce				72,134	—	72,134
U.S. Department of Defense						
Advanced Research Projects Agency						
	12.000	N0017807C2011	BAE Systems, Inc.	—	615,414	615,414
	12.000	HTDRA105D0001DO-02	Boeing Company	—	15,695	15,695
	12.000	HR0011-09-C-0040	BAE Systems, Inc.	—	52,855	52,855
	12.000	4224224803	International Technology Center	—	241,832	241,832
Total CFDA	12.000			—	925,796	925,796
Basic Scientific Research	12.431			38,318	—	38,318
Total CFDA	12.431			38,318	—	38,318
Research and Technology Development	12.910			46,428	—	46,428
	12.910	HR0011-09-C-0012	Massachusetts Inst of Tech	—	104,652	104,652
	12.910	HR0011-05-1-0044	University of Washington	—	(30,245)	(30,245)
	12.910	HR00110810085	University of Washington	—	41,779	41,779
	12.910	W31P4Q-08-1-0003	University of Florida	—	140,820	140,820
Total CFDA	12.910			46,428	257,006	303,434
Total Advanced Research Projects Agency				84,746	1,182,802	1,267,548
Defense Secretary						
Basic, Applied, and Advanced Research in Science and Engineering	12.630	4206307453	Northrop Grumman Corporation	—	27,783	27,783
Total CFDA	12.630			—	27,783	27,783
Total Defense Secretary				—	27,783	27,783
Defense Threat Reduction Agency						
	12.000			16,129	—	16,129
Total CFDA	12.000			16,129	—	16,129
Basic and Applied Scientific Research	12.300	4224233773	Honeywell Systems	—	(1,891)	(1,891)
	12.300	SC-0008-02-0016/VAN01	ATK Mission Research	—	71,076	71,076
	12.300	HDTRA1-07-C-0037	Alnylam Pharmaceuticals, Inc.	—	8,810	8,810
	12.300	DTRA01-03-D-0007	Bae Systems, Inc.	—	50,364	50,364
Total CFDA	12.300			—	128,359	128,359

**VANDERBILT UNIVERSITY**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Basic Scientific Research - Combating Weapons of Mass Destruction	12.351			\$ 500,833	—	500,833
Total CFDA	12.351			500,833	—	500,833
Basic, Applied, and Advanced Research in Science and Engineering	12.630	HDTRA1-07-C-0047	Lynguent, Inc.	—	54,724	54,724
Total CFDA	12.630			—	54,724	54,724
Research and Technology Development	12.910			28,108	—	28,108
Total CFDA	12.910	221594	Boeing Company	—	397,224	397,224
Total Defense Threat Reduction Agency				28,108	397,224	425,332
				545,070	580,307	1,125,377
Air Force						
	12.000			136,735	—	136,735
	12.000	FA865004D3446	General Dynamics Info Tech	—	28,099	28,099
	12.000	4224244203	George Mason University	—	16,529	16,529
	12.000	4206344103	Fisk University	—	32,175	32,175
Total CFDA	12.000			136,735	76,803	213,538
Collaborative Research and Development	12.114			38	—	38
Total CFDA	12.114			38	—	38
Basic, Applied, and Advanced Research in Science and Engineering	12.630			1,007,536	—	1,007,536
Total CFDA	12.630	FA865006C2659	Combustion Science & Engineering, Inc.	—	49,239	49,239
	12.630			1,007,536	49,239	1,056,775
Air Force Defense Research Sciences Program	12.800			4,192,293	—	4,192,293
	12.800	FA9550-06-1-0244	Univ of California Berkley	—	82,796	82,796
	12.800	FA8750-05	University of Southern California	—	237,976	237,976
	12.800	FA8650-08-C-3829	Industrial Measurement Systems	—	85,068	85,068
Total CFDA	12.800			4,192,293	405,840	4,598,133
Research & Technology Development	12.910			400,217	—	400,217
Total CFDA	12.910			400,217	—	400,217
Total Air Force				5,736,819	531,882	6,268,701
Army						
	12.000			890,398	—	890,398
	12.000	W81XWH-05-1-0239	University of Rochester	—	33,153	33,153
	12.000	W31P4Q09D0010/2009-277	Univ of Alabama in Huntsville	—	4,952	4,952
Total CFDA	12.000			890,398	38,105	928,503
National Guard Civilian Youth Opportunities	12.404	W31P4Q08C0081	Advanded Engineering Technology, Inc.	—	118,865	118,865
	12.404	W9113M-09-C-0021	Advanded Engineering Technology, Inc.	—	102,930	102,930
	12.404	W9113M-07-C-0183	Advanded Engineering Technology, Inc.	—	24,128	24,128
Total CFDA	12.404			—	245,923	245,923

**VANDERBILT UNIVERSITY**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Military Medical Research & Development	12.420			\$ 5,634,141	—	5,634,141
	12.420	W81XWH06C0391/PO 738	CFD Research Corporation	—	91,522	91,522
	12.420	W81XWH-05-01-0239	University of Washington	—	39,027	39,027
	12.420	W81XWH-05-1-239	Johns Hopkins University	—	63,850	63,850
	12.420	W81XWH-05-1-0239	Iowa State University	—	42,651	42,651
	12.420	W81XWH-08-2-0032	Wake Forest University	—	45,345	45,345
	12.420	W81XWH07C0092/PO 725	CFD Research Corporation	—	182,812	182,812
	12.420	W81XWH-04-2-0031	Rutgers, The State Univ of NJ	—	69,632	69,632
Total CFDA	12.420			5,634,141	534,839	6,168,980
Basic Scientific Research	12.431	05-655K-0000	University of Nevada Las Vegas	1,397,385	—	1,397,385
	12.431	P0002289 TTU Phase 3	TN Technology University	—	180,899	180,899
	12.431	W909MY060C0040/532362	TN Technology University	—	(4,701)	(4,701)
	12.431	W15P7T07CP218	TN Technology University	—	160,278	160,278
	12.431	W911NF06C0187	Lynntech, Inc.	—	24,567	24,567
	12.431	W911NF0720046	Auburn University	—	84,103	84,103
	12.431	W911NF-06-1-0076	Univ of California, Berkley	—	195,521	195,521
	12.431	HMAOEMB060004	Boeing Company	—	1,804,383	1,804,383
Total CFDA	12.431			1,397,385	2,445,050	3,842,435
Basic, Applied, and Advanced Research in Science and Engineering	12.630	W15QKN-08-C-0440	Information System Technologies, Inc.	—	79,142	79,142
Total CFDA	12.630			—	79,142	79,142
Research & Technology Development	12.910	07-C-0312/313586	BAE Systems, Inc.	—	58,940	58,940
Total CFDA	12.910			—	58,940	58,940
Total Army				7,921,924	3,401,999	11,323,923
Navy	12.000			78,299	—	78,299
	12.000	N68335-08-C-0084	Puritan Research Corporation	—	87,502	87,502
	12.000	N00024-08-4104	Tech-X Corporation	—	38,718	38,718
Total CFDA	12.000			78,299	126,220	204,519
Basic and Applied Scientific Research	12.300			1,533,307	—	1,533,307
	12.300	N00173-06-1-G027	State University of New York	—	30,040	30,040
	12.300	N00014-08-1-0655	Univ of California, Santa Barbara	—	278,696	278,696
	12.300	N00164-02-D-6599/VAN09	ATK Mission Research	—	(8,894)	(8,894)
	12.300	SC-6599-02-0012/VAN10	ATK Mission Research	—	274,317	274,317
	12.300	N00173081G002	State University of New York	—	114,139	114,139
	12.300	N0016402C6599	ATK Mission Research	—	(18,751)	(18,751)
	12.300	4224233803	ATK Mission Research	—	(18)	(18)
	12.300	N6871105C0076	Auburn University	—	10,172	10,172
	12.300	ATK-PO24-N005	ATK Mission Research	—	387,413	387,413
	12.300	4224523773/947789	Johns Hopkins University	—	2,042	2,042
	12.300	N000140710749/57100223	Massachusetts Institute of Tech	—	69,149	69,149
	12.300	4224523793/948739	Johns Hopkins University	—	4,453	4,453
	12.300	N66001-06-C-8005	Johns Hopkins University	—	101,052	101,052
Total CFDA	12.300			1,533,307	1,243,810	2,777,117

**VANDERBILT UNIVERSITY**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Research & Technology Development	12.910	N0003008C0030003	Aero Thermo Technology, Inc.	\$ —	2,090,060	2,090,060
	12.910	N00030-05-C-0035	Aero Thermo Technology, Inc.	—	(18,951)	(18,951)
Total CFDA	12.910			—	2,071,109	2,071,109
Total Navy				1,611,606	3,441,139	5,052,745
Marines						
Basic, Applied, and Advanced Research in Science and Engineering	12.630	M67854-07-D-1035/S0812	Kansas State University	—	54,090	54,090
Total CFDA	12.630			—	54,090	54,090
Total Marines				—	54,090	54,090
National Security Agency						
Mathematical Sciences Grants Program	12.901			17,505	—	17,505
Total CFDA	12.901			17,505	—	17,505
Total National Security Agency				17,505	—	17,505
Total U.S. Department of Defense				15,917,670	9,220,002	25,137,672
U.S. Department of Education						
	84.000	4261302093	State of Idaho	—	153,026	153,026
	84.000	4262602993	University of Pennsylvania	—	106,477	106,477
Total CFDA	84.000			—	259,503	259,503
National Institute on Disability and Rehabilitation Research	84.133			220,064	—	220,064
Total CFDA	84.133			220,064	—	220,064
Education Research, Development and Dissemination	84.305			8,932,104	—	8,932,104
	84.305	4261002163	University of Michigan	—	(809)	(809)
	84.305	4262102323	Wayne County TN Schools	—	(3,645)	(3,645)
	84.305	ER-06-CO-0019 S2006-03	Learning Point Associates	—	203,477	203,477
	84.305	4262102473	State University of New York	—	315,847	315,847
	84.305	4264302003	Harvard University	—	101,624	101,624
	84.305	550619	University of Pennsylvania	—	83,700	83,700
Total CFDA	84.305			8,932,104	700,194	9,632,298
Research in Special Education	84.324			3,289,844	—	3,289,844
	84.324	UF07088	University of Florida	—	37,633	37,633
Total CFDA	84.324			3,289,844	37,633	3,327,477
Special Education Tech & Media Services for Individuals w/Disabilities	84.327			32,940	—	32,940
Total CFDA	84.327			32,940	—	32,940
Grants for Enhanced Assessment Instrument	84.368	4264302031	State of South Carolina	—	36,118	36,118
Total CFDA	84.368			—	36,118	36,118
Special Education Tech Assistance on State Data Collection	84.373			487,689	—	487,689
Total CFDA	84.373			487,689	—	487,689
Total U.S. Department of Education				12,962,641	1,033,448	13,996,089
U.S. Department of Energy						
Energy	81.000	4206344273	Oak Ridge Assoc Universities	—	1,084	1,084
	81.000	W-7405-ENG-36	Los Alamos Laboratories	—	14,114	14,114

## VANDERBILT UNIVERSITY

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Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
	81.000	PO 579879	Fermi Nat'l Accelerator Lab	\$ —	65,600	65,600
	81.000	4206314393	Fermi Nat'l Accelerator Lab	—	33,257	33,257
	81.000	66427-001-08	Los Alamos Laboratories	—	48,712	48,712
	81.000	PO578455	Fermi Nat'l Accelerator Lab	—	7,109	7,109
	81.000	PO 582762	Fermi Nat'l Accelerator Lab	—	31,860	31,860
	81.000	6400008068	UT Battelle, LLC	—	9,744	9,744
	81.000	4000070869	UT Battelle, LLC	—	24,909	24,909
	81.000	UT BATT-4000056576	UT Battelle, LLC	—	28,188	28,188
	81.000	4000049157	UT Battelle, LLC	—	148,184	148,184
	81.000	4000044834	UT Battelle, LLC	—	24,698	24,698
Total CFDA	81.000			—	437,459	437,459
University Laboratory Cooperative Program	81.004	4000053959	UT Battelle, LLC	—	179,465	179,465
Total CFDA	81.004			—	179,465	179,465
Office of Science Financial Assistance Program	81.049			6,608,490	—	6,608,490
	81.049	ZCO-7-77390-01	Nat'l Renewable Energy Lab	—	60,830	60,830
	81.049	4000068798	UT Battelle, LLC	—	15,990	15,990
	81.049	4000059921	UT Battelle, LLC	—	10,286	10,286
	81.049	DEFG0297ER82457	Physitron, Inc.	—	50	50
	81.049	4206304293	Sandia Nat'l Laboratories	—	24,784	24,784
	81.049	DEAC36-99-GO10337	Nat'l Renewable Energy Lab	—	24,192	24,192
	81.049	4000056541	UT Battelle, LLC	—	116,930	116,930
Total CFDA	81.049			6,608,490	253,062	6,861,552
Fossil Energy Research and Development	81.089	DEFC26074NT4309	Honeywell International, Inc.	—	107,098	107,098
Total CFDA	81.089			—	107,098	107,098
Office of Environmental Waste Processing	81.104	AW3310	Sandia National Laboratories	—	79	79
	81.104	229045	Sandia National Laboratories	—	6,296	6,296
Total CFDA	81.104			—	6,375	6,375
Total U.S. Department of Energy				6,608,490	983,459	7,591,949
Environmental Protection Agency						
Science to Achieve Results (STAR) Research Program	66.509			322,250	—	322,250
Total CFDA	66.509			322,250	—	322,250
Greater Research Opportunities (GRO) Research Program	66.515	05-CE-421146-VU	Auburn University	—	1,457	1,457
Total CFDA	66.515			—	1,457	1,457
Environmental Policy & Innovation Grants	66.611			116,528	—	116,528
Total CFDA	66.611			116,528	—	116,528

**VANDERBILT UNIVERSITY**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Pollution Prevention Grants Program	66.708	RN04-0004	Arcadis U.S., Inc.	\$ —	62,387	62,387
	66.708	RN04-0003	Arcadis U.S., Inc.	—	51,119	51,119
	66.708	RN09-0006	Arcadis U.S., Inc.	—	16,920	16,920
	66.708	RN09-0005	Arcadis U.S., Inc.	—	20	20
	66.708	RN06-0031	Arcadis U.S., Inc.	—	84,835	84,835
Total CFDA	66.708			—	215,281	215,281
Research, Development, Monitoring, Public Educ, Training, Demo, Stu	66.716			73,592	—	73,592
Total CFDA	66.716			73,592	—	73,592
Total Environmental Protection Agency				512,370	216,738	729,108
U.S. Department of Health & Human Services Center for Medicare and Medicaid Services	93.000			64,105	—	64,105
Total CFDA	93.000			64,105	—	64,105
Total Center for Medicare and Medicaid Services				64,105	—	64,105
Administration of Children and Families Temporary Assistance for Needy Families	93.558	GR-06-17098-00	TN Dept of Human Services	—	115,846	115,846
Total CFDA	93.558			—	115,846	115,846
Developmental Disabilities Basic Support	93.630	33135	TN Dept of Human Services	—	152	152
Total CFDA	93.630			—	152	152
Total Administration of Children and Families				—	115,998	115,998
Agency for Healthcare Research and Quality	93.000			995,354	—	995,354
Total CFDA	93.000			995,354	—	995,354
Research on Healthcare Costs, Quality and Outcomes	93.226			1,509,725	—	1,509,725
	93.226	R01HS13610	University of Wisconsin	—	(44)	(44)
	93.226	1U18HS17919	University of Alabama	—	51,250	51,250
	93.226	R01HS15508	Mayo Fdn for Med Educ & Rsch	—	37,693	37,693
Total CFDA	93.226			1,509,725	88,899	1,598,624
Total Agency for Healthcare Research and Quality				2,505,079	88,899	2,593,978
Substance Abuse and Mental Health Services Administration	93.000	27020070004	Chestnut Health Systems	—	87,870	87,870
	93.000	4264605413	State of Mississippi	—	42,224	42,224
	93.000	4264600191	Catholic Charities Diocese of Jackson, MS	—	38,415	38,415
Total CFDA	93.000			—	168,509	168,509
Projects of Regional & National Significance	93.243	Z-07-33420-00	TN Dept of MH/DD	—	2	2
	93.243	U79SM058758	Gulf Coast Mental Health Ctr	—	19,286	19,286
	93.243	GR-06-17529-00	TN Dept of Finance & Admin	—	4,130	4,130
Total CFDA	93.243			—	23,418	23,418

**VANDERBILT UNIVERSITY**  
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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Medical Assistance Program	93.778	GR-09-25697-00	TN Bureau of TennCare	\$ —	58,842	58,842
Total CFDA	93.778			—	58,842	58,842
Total Substance Abuse and Mental Health Services Admin Centers for Disease Control				—	250,769	250,769
	93.000			35,366	—	35,366
	93.000	V688P-2828	Veterans Affairs	—	208,840	208,840
Total CFDA	93.000			35,366	208,840	244,206
Global AIDS	93.067	U61CCU123541	CDC Foundation, Inc.	—	6,894	6,894
Total CFDA	93.067			—	6,894	6,894
Project Grants & Cooperative Agreements for Tuberculosis Control	93.116	RFS 34349374-09	TN Dept of Econ & Comm Dev	—	8,873	8,873
	93.116	GR-04-16108-00	TN Dept of Health	—	5,932	5,932
Total CFDA	93.116			—	14,805	14,805
Injury Prevention and Control Rsrch & State & Community Based Prog	93.136	32367	TN Dept of Health	—	1,884	1,884
	93.136	4045785053	TN Dept of Health	—	20,775	20,775
	93.136	U49CE001091	Meharry Medical College	—	51,336	51,336
Total CFDA	93.136			—	73,995	73,995
Bleeding Disorders Outreach	93.183			634,902	—	634,902
Total CFDA	93.183			634,902	—	634,902
Immunization Rsrch, Demo, Public Info & Educ-Training & Clinical	93.185			441,603	—	441,603
Total CFDA	93.185			441,603	—	441,603
Immunization Grants	93.268	U50CCU416123	TN Dept of Health	—	(1,607)	(1,607)
Total CFDA	93.268			—	(1,607)	(1,607)
Centers for Disease Control and Prevention Investigations	93.283	U50CCU416123	TN Dept of Health	—	1,307,821	1,307,821
	93.283	U01DD000199	Univ of North Carolina	—	26,618	26,618
	93.283	TS-1454	Assoc for Prevention Teach & Rsrch	—	62,463	62,463
	93.283	U90CCU416968	TN Dept of Health	—	5,543	5,543
Total CFDA	93.283			—	1,402,445	1,402,445
Total Centers for Disease Control				1,111,871	1,705,372	2,817,243
Food and Drug Administration						
Food and Drug Administration Research	93.103			119,774	—	119,774
Total CFDA	93.103			119,774	—	119,774
Total Food and Drug Administration				119,774	—	119,774
Health Resource Services Administration						
	93.000	R40MC08724	Georgetown University	—	22,154	22,154
	93.000	UA3MC11054-01-00	Massachusetts General Hosp	—	90,846	90,846
Total CFDA	93.000			—	113,000	113,000

## VANDERBILT UNIVERSITY

## Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Maternal & Child Health Fed Consolidation Program	93.110			\$ 69,094	—	69,094
	93.110	H30MC05053	Univ of North Carolina	—	21,012	21,012
Total CFDA	93.110			69,094	21,012	90,106
Coordinated HIV Services & Access to Research for Children	93.153			52,158	—	52,158
Total CFDA	93.153			52,158	—	52,158
Geriatric Education Centers	93.969	D31HP08823	Meharry Medical School	—	37,648	37,648
Total CFDA	93.969			—	37,648	37,648
Total Health Resource Services Administration				121,252	171,660	292,912
National Institutes of Health	93.000			4,088,652	—	4,088,652
	93.000	4348000203	Tufts University	—	12,912	12,912
	93.000	020911IAG153	Meharry Medical College	—	38,220	38,220
	93.000	4040090014	Univ of New Hampshire	—	17,723	17,723
	93.000	4042310024	Duke University	—	(516)	(516)
	93.000	4042740023	Duke University	—	(2,226)	(2,226)
	93.000	4043570133	HCD International, Inc.	—	18,110	18,110
	93.000	4043790074	Radiation Therapy Oncology Grp	—	14,774	14,774
	93.000	4044750053	Southwest Research Institute, Inc.	—	22,905	22,905
	93.000	4045100013	Innosense, LLC	—	21,554	21,554
	93.000	4045800254	George Washington University	—	98,480	98,480
	93.000	4046060923	Medimmune, Inc.	—	403	403
	93.000	BAA-RM-04-23	LDS Hospital	—	8,771	8,771
	93.000	CA12582	John Wayne Cancer Institute	—	9,577	9,577
	93.000	CA29605	John Wayne Cancer Institute	—	11,675	11,675
	93.000	HHSF223200830058C	Brigham and Women's Hospital	—	807	807
	93.000	HHSN271200677563C	Ionwerks, Inc.	—	38,515	38,515
	93.000	HHSF22320074102EC	Indiana University	—	8,498	8,498
	93.000	HL69254-1022	Nat'l Childhood Cancer Fdn	—	1,759	1,759
	93.000	K12DH00850	Yale University	—	108,205	108,205
	93.000	K23HD43952	University of Michigan	—	13,340	13,340
	93.000	N01AA21004	Z-Tech Corporation	—	16,463	16,463
	93.000	N01AI15444	Johns Hopkins University	—	27,275	27,275
	93.000	N01AI30025	Univ of Alabama at Birmingham	—	4,605	4,605
	93.000	N01AI45250	St Louis University	—	13,882	13,882
	93.000	N01AI80007	Stanford University	—	165,172	165,172
	93.000	N01C051106	University of Kentucky	—	140,775	140,775
	93.000	N01CM657018-16	Ohio State University	—	15,697	15,697
	93.000	N01CP0100438	Research Triangle Institute	—	2,151	2,151
	93.000	N01HD23342	Wayne State University	—	111,577	111,577
	93.000	N01MH90001	University of North Carolina	—	119,099	119,099
	93.000	N01MH90003	Univ of Texas Southwestern Med Ctr	—	124,706	124,706
	93.000	NORC290-040016	University of Chicago	—	60,116	60,116
	93.000	P01CA10445	Washington Univ in St. Louis	—	230,030	230,030
	93.000	P01DA12408	Cornell University	—	137,652	137,652
	93.000	P01HL76406	State Univ of New York (SUNY)	—	4,528	4,528
	93.000	P20MD00516	Meharry Medical College	—	1,749	1,749
	93.000	P30AG28748	Univ of California at Los Angeles	—	(1,911)	(1,911)
	93.000	P50CA70907	Univ of Texas Southwestern Med Ctr	—	2,664	2,664
	93.000	P50HD55751	University of Illinois	—	39,950	39,950
	93.000	P50HL08923	University of Colorado	—	2,470	2,470

## VANDERBILT UNIVERSITY

## Schedule of Expenditures of Federal Awards

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
	93.000	P50NS44378	Univ of California at Los Angeles	\$ —	605	605
	93.000	R01AG028786	Columbia University	—	301,235	301,235
	93.000	R01AI79253	Roswell Park Cancer Institute	—	46,587	46,587
	93.000	R01AR38648	Univ of Medicine & Dentistry of NJ	—	35,666	35,666
	93.000	R01AR52772	Children's Hospital Boston	—	8,099	8,099
	93.000	R01AR55557	Brigham and Women's Hospital	—	45,069	45,069
	93.000	R01CA116174	H Lee Moffitt Cancer Ctr	—	111,681	111,681
	93.000	R01CA116743	Rensselaer Polytechnic Institute	—	9,267	9,267
	93.000	R01CA90367	University of Iowa	—	1,130	1,130
	93.000	R01DA23879	John Hopkins University	—	11,608	11,608
	93.000	R01CA98217	Ohio State University	—	129,934	129,934
	93.000	R01CA104818	Baylor University	—	17,485	17,485
	93.000	R01DA11997	University of Michigan	—	14,474	14,474
	93.000	R01DK70219	Cincinnati Children's Hosp Rsch Fdn	—	215,054	215,054
	93.000	R01DK73488	East Carolina University	—	99,882	99,882
	93.000	R01DK75046	Harvard University	—	2,912	2,912
	93.000	R01DK77298	University of Utah	—	63,229	63,229
	93.000	R01ES10041	University of Rochester	—	28,928	28,928
	93.000	R01ES14472	Meharry Medical College	—	11,075	11,075
	93.000	R01EY016752	New York University	—	40,402	40,402
	93.000	R01GM68786	University of Massachusetts	—	145,653	145,653
	93.000	R01HD52732	Univ of Pittsburgh Medical Ctr	—	76,828	76,828
	93.000	R01HD52732	Magee-Womens Research Inst	—	20,900	20,900
	93.000	R01HL058856	Duke University	—	53,163	53,163
	93.000	R01HL68927	Johns Hopkins University	—	16	16
	93.000	R01HL76645	University of North Carolina	—	(29,420)	(29,420)
	93.000	R01HL79783	Medvis Applied Medial Visualizations, LLC	—	71,779	71,779
	93.000	R01HL85610	Cincinnati Children's Hosp Rsch Fdn	—	46,895	46,895
	93.000	R01HL87115	University of Pennsylvania	—	226,750	226,750
	93.000	R01HL91760	Johns Hopkins University	—	15,276	15,276
	93.000	R01LM09018	Carnegie Mellon University	—	84,975	84,975
	93.000	R01MD80647	University of Miami	—	206,117	206,117
	93.000	R01MH71260	Rosalind Franklin Univ of Med	—	121,427	121,427
	93.000	R01NR08425	University of Chicago	—	26,091	26,091
	93.000	R01NS39987	Mayo Fdn for Medical Educ	—	1,028	1,028
	93.000	R01NS42372	Univ of California at San Fran	—	1,166	1,166
	93.000	R01NS44876	Yale University	—	3,637	3,637
	93.000	R01NS48503	University of Pennsylvania	—	(5,034)	(5,034)
	93.000	R01NS49477	Univ of Cal at San Francisco	—	294,902	294,902
	93.000	R01NS63932	Univ of Hawaii	—	18,561	18,561
	93.000	R01PH00022	Mayo Fdn for Medical Educ	—	21,390	21,390
	93.000	R21AG28182	University of Florida	—	6,483	6,483
	93.000	R21CA125227	New York University	—	19,083	19,083
	93.000	R21DK077312	Harvard University	—	5,399	5,399
	93.000	R41DK75161	Cognosci, Inc.	—	25,993	25,993
	93.000	R41MH85768	Innuochemistry Technologies, LLC	—	61,646	61,646
	93.000	R42AI05394	Arthrochip, LLC	—	187,591	187,591
	93.000	R43CA107908	Spectros Corporation	—	73,247	73,247
	93.000	R43MH81379	Anatrace, Inc.	—	165,953	165,953
	93.000	R44NS051926	Acculight Corporation	—	165,597	165,597
	93.000	S11ES14156	Meharry Medical College	—	67,744	67,744
	93.000	U01AA13499	University of Tennessee	—	15,491	15,491
	93.000	U01AA13513	University of Tennessee	—	9,076	9,076
	93.000	U01AA16662	Virginia Commonwealth Univ	—	29,222	29,222

**VANDERBILT UNIVERSITY**  
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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
	93.000	U01AI67854	Duke University	\$ —	218	218
	93.000	U01AI68619	Family Health International	—	279,882	279,882
	93.000	U01AI68636	Social & Scientific Systems, Inc.	—	(2,829)	(2,829)
	93.000	U01AI69918	Johns Hopkins University	—	44,537	44,537
	93.000	U01CA91408	Meharry Medical College	—	(19,128)	(19,128)
	93.000	U01DK61055	George Washington University	—	3,523	3,523
	93.000	U01DK62418	Benaroya Research Institute at VA Mason	—	96,110	96,110
	93.000	U01DK66579	Renal Research Institute, Inc	—	32,078	32,078
	93.000	U01DK69322	Emory University	—	74,797	74,797
	93.000	U01DK72513	Mount Sinai School of Medicine	—	12,099	12,099
	93.000	U01EY13272	Emory University	—	9,793	9,793
	93.000	U01HL63747	Duke University	—	6,254	6,254
	93.000	U01HL68270	New England Research Institutes	—	56,903	56,903
	93.000	U01HL87318	University of Texas	—	33,497	33,497
	93.000	U01HL87318	Univ of TX Health Sci Ctr at Houston	—	10,053	10,053
	93.000	U01NS38529	University of Texas	—	93,149	93,149
	93.000	U01NS45719	Mount Sinai School of Medicine	—	40,565	40,565
	93.000	U10CA31946	Science Applications Internat'l Corp	—	188,698	188,698
	93.000	U10CA76001	Duke University	—	18,498	18,498
	93.000	U10EY14231	Jaeb Center for Health Rsch Fdn	—	2,277	2,277
	93.000	U10EY14351	University of Wisconsin	—	6,461	6,461
	93.000	U10HL80413	Duke University	—	148,975	148,975
	93.000	U24CA55727	St. Jude Hospital	—	18,921	18,921
	93.000	U38HK00014	Mayo Fdn for Medical Educ	—	(1,010)	(1,010)
	93.000	U54CA105296	Stanford University	—	134,886	134,886
	93.000	U54RR19478	Baylor University	—	28,375	28,375
Total CFDA	93.000			4,088,652	6,408,665	10,497,317
Biological Response to Environmental Health Hazards	93.113			7,374,306	—	7,374,306
	93.113	R01ES14459	Indiana University	—	12,678	12,678
Total CFDA	93.113			7,374,306	12,678	7,386,984
Applied Toxicological Research and Testing	93.114			198,005	—	198,005
Total CFDA	93.114			198,005	—	198,005
Oral Diseases and Disorders Research	93.121			1,575,366	—	1,575,366
Total CFDA	93.121			1,575,366	—	1,575,366
Injury Prevention and Control Research	93.136	U49CE001091	Meharry Medical College	—	146,564	146,564
Total CFDA	93.136			—	146,564	146,564
Human Genome Research	93.172			2,566,967	—	2,566,967
	93.172	R01HG002995	F Hutchinson Cancer Rsrch Ctr	—	165,966	165,966
	93.172	HG002647/5-32552	University of North Carolina	—	5,970	5,970
	93.172	U01HG04263	University of Washington	—	376,839	376,839
Total CFDA	93.172			2,566,967	548,775	3,115,742
Research Related to Deafness and Communication Disorders	93.173			3,504,011	—	3,504,011
	93.173	R01DC07660		—	360,391	360,391
Total CFDA	93.173			3,504,011	360,391	3,864,402

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Research & Training in Complementary and Alternative Medicine	93.213			\$ 886,353	—	886,353
	93.213	R01AT002477	Syracuse University	—	48,697	48,697
Total CFDA	93.213			886,353	48,697	935,050
Mental Health Research Grants	93.242			14,117,600	—	14,117,600
	93.242	5P50MH54156	University of Pittsburgh	—	(946)	(946)
	93.242	R01MH075041	Purdue University	—	160,083	160,083
	93.242	R56MH66128	University of Washington	—	36,998	36,998
	93.242	R01MH77647	Oregon Health & Science Univ	—	48,375	48,375
	93.242	R01MH61989	N.S. Kline Inst for Psych Rsrch	—	32,812	32,812
	93.242	P20MH078188	N.S. Kline Inst for Psych Rsrch	—	36,151	36,151
Total CFDA	93.242			14,117,600	313,473	14,431,073
Alcohol Research Programs	93.273			1,313,488	—	1,313,488
	93.273	U01AA16662	VA Commonwealth Univ	—	25,979	25,979
Total CFDA	93.273			1,313,488	25,979	1,339,467
Drug Abuse Research Programs	93.279			3,848,575	—	3,848,575
	93.279	R01DA26207	Johns Hopkins University	—	100,602	100,602
	93.279	R21DA019045	University of Wisconsin	—	40,079	40,079
Total CFDA	93.279			3,848,575	140,681	3,989,256
Mental Health Research Career/Scientist Development Award	93.281			416,138	—	416,138
Total CFDA	93.281			416,138	—	416,138
Biomedical Imaging Research	93.286			4,470,622	—	4,470,622
	93.286	R33EB00672	Oakland University	—	(404)	(404)
Total CFDA	93.286			4,470,622	(404)	4,470,218
Trans-NIH Research Support	93.310			5,602,902	—	5,602,902
Total CFDA	93.310			5,602,902	—	5,602,902
Clinical Research	93.333			40,000	—	40,000
Total CFDA	93.333			40,000	—	40,000
Health Professions Student Loans	93.342	R44CA134169	Acoustic Medical Systems, Inc.	—	18,121	18,121
Total CFDA	93.342			—	18,121	18,121
Biomedical Technology	93.371			549,253	—	549,253
Total CFDA	93.371			549,253	—	549,253
Minority Biomedical Research Support	93.375	R25GM64319	Meharry Medical College	—	(1,803)	(1,803)
Total CFDA	93.375			—	(1,803)	(1,803)
Research Infrastructure	93.389			10,100,918	—	10,100,918
	93.389	U54RR19478	Baylor College	—	66,842	66,842
	93.389	R44RR020238	Ionwerks, Inc.	—	45,314	45,314
	93.389	U54RR19453	Children's Nat'l Medical Ctr	—	221,779	221,779
	93.389	UL1RR24131	Univ of California at San Fran	—	14,921	14,921
Total CFDA	93.389			10,100,918	348,856	10,449,774

**VANDERBILT UNIVERSITY**  
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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Cancer Cause and Prevention Research	93.393			\$ 20,873,487	—	20,873,487
	93.393	R01CA120097	University of Pittsburgh	—	52,776	52,776
	93.393	R01CA120097	Univ of Pittsburgh Med Ctr	—	73,538	73,538
Total CFDA	93.393			20,873,487	126,314	20,999,801
Cancer Detection and Diagnosis Research	93.394			6,403,384	—	6,403,384
	93.394	R44CA115263	Pathfinder Therapeutics	—	66,359	66,359
Total CFDA	93.394			6,403,384	66,359	6,469,743
Cancer Treatment Research	93.395			6,117,439	—	6,117,439
	93.395	4046500014	Amer Coll of Radiology Imag	—	138,103	138,103
	93.395	4046750144	American Coll of Radiology	—	19,796	19,796
	93.395	U10CA37429	Southwest Oncology Group	—	74	74
	93.395	R44CA119502	Pathfinder Therapeutics, Inc.	—	98,685	98,685
	93.395	4047750033	Southwest Oncology Group	—	17,236	17,236
	93.395	U10CA98543	Childrens Oncology Group	—	92,582	92,582
	93.395	U10CA98543	Nat'l Childhood Cancer Fdn	—	130,280	130,280
Total CFDA	93.395			6,117,439	496,756	6,614,195
Cancer Biology Research	93.396			13,547,573	—	13,547,573
	93.396	U10CA21115	Eastern Coop Oncology Group	—	7,231	7,231
	93.396	P01CA97296	University of Chicago	—	4,720	4,720
Total CFDA	93.396			13,547,573	11,951	13,559,524
Cancer Centers Support	93.397			15,589,900	—	15,589,900
	93.397	CA126505	Science Application Internat'l Corp	—	92,961	92,961
Total CFDA	93.397			15,589,900	92,961	15,682,861
Cancer Research Manpower	93.398			739,696	—	739,696
Total CFDA	93.398			739,696	—	739,696
Cancer Research Manpower	93.399			1,243,872	—	1,243,872
	93.399	R01CA102353	Meharry Medical College	—	(234,159)	(234,159)
	93.399	U01CA114641	Meharry Medical College	—	8,976	8,976
Total CFDA	93.399			1,243,872	(225,183)	1,018,689
Family Violence Prevention & Srvces/Grants for Battered Women's Shelter	93.671			411,515	—	411,515
Total CFDA	93.671			411,515	—	411,515
Biophysics & Physiological Sciences	93.821	U54GM69338	Univ of California San Diego	—	573,844	573,844
Total CFDA	93.821			—	573,844	573,844
Heart and Vascular Research	93.837			21,258,768	—	21,258,768
	93.837	R01HL85834	Children's Memorial Hosp (Chicago)	—	31,371	31,371
	93.837	P01HL74940	University of Virginia	—	31,698	31,698
	93.837	P01HL74940	Georgetown University	—	8,688	8,688
Total CFDA	93.837			21,258,768	71,757	21,330,525
Lung Diseases Research	93.838			5,210,527	—	5,210,527
	93.838	5U01HL64857	University of Colorado	—	14,631	14,631
	93.838	R01HL81619	University of Pennsylvania	—	36,063	36,063
	93.838	P01HL61646	Cincinnati Children's Hosp Rsrch	—	3,907	3,907
	93.838	R01HL084113	University of Pittsburgh	—	77,136	77,136
Total CFDA	93.838			5,210,527	131,737	5,342,264

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Blood Diseases and Resources Research	93.839			\$ 8,568,219	—	8,568,219
Total CFDA	93.839			8,568,219	—	8,568,219
Arthritis, Muscularskeletal & Skin Diseases Research	93.846			3,570,328	—	3,570,328
	93.846	R01GM77651	University of Tennessee	—	50,362	50,362
	93.846	R21AR051945	Virginia Polytechnic Inst & State Univ	—	(7)	(7)
	93.846	1R01AR48529	University of Minnesota	—	572	572
Total CFDA	93.846			3,570,328	50,927	3,621,255
Diabetes, Endocrinology and Metabolism Research	93.847			28,782,221	—	28,782,221
	93.847	R01DK58356	University of Minnesota	—	(2,831)	(2,831)
	93.847	DK078606	Children's Hospital of Philadelphia	—	28,262	28,262
	93.847	U24DK76169	University of Georgia	—	1,914	1,914
	93.847	N01-DK-6-2203	Case Western University	—	225,854	225,854
Total CFDA	93.847			28,782,221	253,199	29,035,420
Digestive Diseases & Nutrition Research	93.848			5,069,604	—	5,069,604
	93.848	R21DK81059	Children's Hospital of Pittsburgh	—	6,793	6,793
	93.848	R01DK64592	Washington Univ in St Louis	—	15,492	15,492
Total CFDA	93.848			5,069,604	22,285	5,091,889
Kidney Diseases, Urology and Hematology	93.849			7,492,411	—	7,492,411
	93.849	P01DK65123	University of Kansas	—	83,476	83,476
	93.849	R01DK81420	Mount Sinai School of Medicine	—	19,769	19,769
	93.849	R43DK081240	Creare, Inc.	—	4,300	4,300
	93.849	R01DK77298	State of Utah	—	19,096	19,096
	93.849	U01DK58966	Maine Medical Center	—	29	29
Total CFDA	93.849			7,492,411	126,670	7,619,081
Clinical Research Related Neurological	93.853			10,717,721	—	10,717,721
	93.853	NS052386	St Jude Hospital	—	115,858	115,858
	93.853	P50NS109608	University of Pittsburgh	—	45,075	45,075
	93.853	K08NS44298	Dartmouth College	—	(23,918)	(23,918)
	93.853	P01NS26630	Duke University	—	(30,017)	(30,017)
	93.853	P01NS26630	University of Miami	—	272,265	272,265
Total CFDA	93.853			10,717,721	379,263	11,096,984
Biological Basics Research in Neuroscience	93.854			—	24,693	24,693
	93.854	U43NS41071	Meharry Medical College	—	122,853	122,853
Total CFDA	93.854			—	147,546	147,546
Allergy, Immunology and Transplantation	93.855			14,278,264	—	14,278,264
	93.855	U01AI68636	Social and Scientific Systems, Inc.	—	170,191	170,191
	93.855	P01AI59443	Univ of North Carolina	—	326,018	326,018
	93.855	U54AI57157	Duke University	—	798,001	798,001
	93.855	U54AI57157	Univ of North Carolina	—	168,509	168,509
	93.855	U19AI57229	Stanford University	—	159,689	159,689
Total CFDA	93.855			14,278,264	1,622,408	15,900,672
Microbiology and Infectious Diseases Research	93.856			178,674	—	178,674
	93.856	5U01AI46747	Fred Hutchinson Cancer Rsch Ctr	—	737,362	737,362
	93.856	U01AI01018	Cornell University	—	(1,797)	(1,797)
	93.856	U01AI41530	Univ of Alabama at Birmingham	—	(2,836)	(2,836)

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
	93.856	U19AI48231	Columbus Children's Research Inst	\$ —	194,069	194,069
	93.856	CDC 200-2002-00732	Stanford University	—	36,416	36,416
	93.856	N01AI25462	Stanford University	—	98,698	98,698
	93.856	4043620074	Social & Scientific Systems, Inc	—	(230)	(230)
	93.856	R01AI43197	Univ of Alabama at Birmingham	—	54	54
	93.856	5R01AI40350	Miriam Hospital	—	1,027	1,027
	93.856	R01AI58828	Emory University	—	(1,324)	(1,324)
	93.856	R01AI49989	University of Virginia	—	(141)	(141)
	93.856	4043621464	Social & Scientific Systems, Inc	—	10,636	10,636
Total CFDA	93.856			178,674	1,071,934	1,250,608
Pharmacology, Physiology & Biological Chemistry Research	93.859			19,138,007	—	19,138,007
	93.859	P50GM82251	University of Pittsburgh	—	282,368	282,368
	93.859	R01GM063270	New York University	—	18,983	18,983
	93.859	R01GM083607	University of Miami	—	92,726	92,726
	93.859	R01GM068430	University of Pittsburgh	—	28,863	28,863
Total CFDA	93.859			19,138,007	422,940	19,560,947
Genetics & Developmental Biology Research	93.862			13,015	—	13,015
Total CFDA	93.862			13,015	—	13,015
Population Research	93.864			515,170	—	515,170
	93.864	U54HD52668	Yale University	—	246,042	246,042
	93.864	R21HD054917	University of North Carolina	—	(4,449)	(4,449)
Total CFDA	93.864			515,170	241,593	756,763
Research For Mothers and Children	93.865			8,181,598	—	8,181,598
	93.865	R01HD47447	Dartmouth College	—	150,155	150,155
	93.865	U10HD49983	University of Pittsburgh	—	2,034	2,034
	93.865	4224500123	Rehabilitation Inst Rsrch Corp	—	79,196	79,196
	93.865	R24HD050821	Rehabilitation Inst Rsrch Corp	—	2,431	2,431
	93.865	1P01HD46261	University of Houston	—	177,286	177,286
Total CFDA	93.865			8,181,598	411,102	8,592,700
Aging Research	93.866			3,316,876	—	3,316,876
	93.866	R01AG19757	Duke University	—	(199,914)	(199,914)
	93.866	R01AG19757	University of Miami	—	3,257	3,257
	93.866	R01AG20135	Duke University	—	(477)	(477)
	93.866	P01AG002132	Univ of California at San Franse	—	44,031	44,031
	93.866	R01AG27944	University of Miami	—	447,138	447,138
	93.866	AG21547	Duke University	—	(96,233)	(96,233)
	93.866	AG21547	University of Miami	—	8,501	8,501
	93.866	R01AG22574	University of South Florida	—	42,096	42,096
	93.866	R01AG27854	University of Chicago	—	26,512	26,512
	93.866	R01AG24010	University of Washington	—	15,832	15,832
	93.866	P01AG010770	Univ of California at San Franse	—	35,552	35,552
Total CFDA	93.866			3,316,876	326,295	3,643,171
Vision Research	93.867			6,518,249	—	6,518,249
	93.867	U10EY12118	Duke University	—	(1,084)	(1,084)
	93.867	R01EY016094	Univ of Illinois at Chicago	—	129,173	129,173
	93.867	R01EY018176	Massachusetts Eye & Ear Infirmary	—	43,013	43,013
	93.867	U10EY11751	Jaeb Ctr for Health Rsrch Fdn, Inc.	—	40,494	40,494
	93.867	R01EY12118	University of Miami	—	642,796	642,796

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	93.867	R01EY15872	Harvard University	\$ —	120,609	120,609
	93.867	U10EY12118	University of Miami	—	(248,431)	(248,431)
	93.867	R01EY12894	Western Michigan University	—	191,996	191,996
	93.867	1R24EY12894	Western Michigan University	—	(33)	(33)
Total CFDA	93.867			6,518,249	918,533	7,436,782
Medical Library Assistance	93.879			809,079	—	809,079
Total CFDA	93.879			809,079	—	809,079
Resource and Manpower Dev in Environmental Health Sciences	93.894			(469)	—	(469)
Total CFDA	93.894			(469)	—	(469)
Fogarty International Research Collaborative	93.934			17,344	—	17,344
Total CFDA	93.934			17,344	—	17,344
Senior International Fellowships	93.989	U2RTW006901	Cornell University	—	(319)	(319)
Total CFDA	93.989			—	(319)	(319)
Total National Institutes of Health				269,215,628	15,711,545	284,927,173
Total Department of Health and Human Services				273,137,709	18,044,243	291,181,952
Housing and Urban Development	14.000		ABT Associates, Inc.	—	51,216	51,216
Total CFDA	14.000			—	51,216	51,216
Total Housing and Urban Development				—	51,216	51,216
US Agency for International Development						
USAID Foreign Assistance for Prog Oversea	98.001			535,718	—	535,718
Total CFDA	98.001			535,718	—	535,718
Global Development Alliance	98.011			786,895	—	786,895
	98.011	DFD100050022100	Management Systems Int'l	—	8,089	8,089
Total CFDA	98.011			786,895	8,089	794,984
Total US Agency for International Development				1,322,613	8,089	1,330,702
National Aeronautics Space Administration						
NASA Research Grants	43.000			1,464,433	—	1,464,433
	43.000	NNL06AA29C	Georgia Institute of Technology	—	114,914	114,914
	43.000	4224223653	CFD Research Corporation	—	80,327	80,327
	43.000	375-32531	Clarkson University	—	4,596	4,596
	43.000	HST-GO-10921-01-A	Space Telescope Science Inst.	—	45,233	45,233
	43.000	HST-AR-10967.01-A	Space Telescope Science Inst.	—	12,083	12,083
	43.000	HST-AR-11274.01-A	Space Telescope Science Inst.	—	37,200	37,200
	43.000	8100000850	Lockheed Martin Corporation	—	132,693	132,693
	43.000	NNA07BB97C	Universities Space Rsch Assoc	—	1,120	1,120
	43.000	HST-GO-11164.01-A	Space Telescope Science Inst.	—	58,219	58,219
	43.000	HST-GO-11231.01-A	Space Telescope Science Inst.	—	1,042	1,042
	43.000	HST-GO-11232.01-A	Space Telescope Science Inst.	—	2,349	2,349
	43.000	VAN-05-S-246	Muniz Engineering, Inc.	—	28,677	28,677
	43.000	4206323622	Harvard University	—	21,070	21,070
	43.000	GO8-9016X	Harvard University	—	12,930	12,930
	43.000	GO9-0006X	Harvard University	—	4,515	4,515
	43.000	NNX08CA40C	Qualtech Systems, Inc.	—	25,877	25,877

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	43.000	C09080012	Honeywell International, Inc.	\$ —	53,731	53,731
	43.000	4206313723	California Inst of Technology	—	52,066	52,066
	43.000	VU10NN02	MetroLaser, Inc.	—	35,171	35,171
Total CFDA	43.000			1,464,433	723,813	2,188,246
Total National Aeronautics Space Administration				1,464,433	723,813	2,188,246
National Foundation for the Arts and Humanities						
National Endowment for the Humanities						
Promotion of the Humanities Fellowship	45.160			45,272	—	45,272
Total CFDA	45.160			45,272	—	45,272
Total National Endowment for the Humanities				45,272	—	45,272
Institute of Museum Services						
Institute of Museum and Library Services	45.313			18,232	—	18,232
Total CFDA	45.313			18,232	—	18,232
Total Institute of Museum Services				18,232	—	18,232
Total National Foundation for the Arts and Humanities				63,504	—	63,504
National Science Foundation						
	47.000			41,355	—	41,355
	47.000	ECCS-0725746	Clopinet	—	21,327	21,327
	47.000	ECS 061528	University of Michigan	—	24,151	24,151
Total CFDA	47.000			41,355	45,478	86,833
Engineering Grants	47.041			1,330,199	—	1,330,199
	47.041	IIP0646322	Tetramer Technologies, LLC	—	32,515	32,515
	47.041	IIP0740683	Appliflex, LLC	—	49,805	49,805
	47.041	CBET0829977	Fisk University	—	2,699	2,699
	47.041	IIP0740397	Wavesinsolids, LLC	—	1,523	1,523
	47.041	EEC0540834	University of Minnesota	—	376,874	376,874
	47.041	CBET0651803	Johns Hopkins University	—	68,581	68,581
Total CFDA	47.041			1,330,199	531,997	1,862,196
Mathematical & Physical Sciences	47.049			2,712,589	—	2,712,589
	47.049	GSSP070020	Associated Universities, Inc.	—	713	713
Total CFDA	47.049			2,712,589	713	2,713,302
Geosciences	47.050			304,652	—	304,652
	47.050	EAR0711109	University of Chicago	—	56,007	56,007
Total CFDA	47.050			304,652	56,007	360,659
Computer and Info Sciences & Engineering	47.070			1,218,205	—	1,218,205
	47.070	CCF0424422	University of California Berkeley	—	591,143	591,143
	47.070	CNS0804230	Mississippi State University	—	(1,202)	(1,202)
	47.070	CCR0225610	University of California Berkeley	—	77,692	77,692
Total CFDA	47.070			1,218,205	667,633	1,885,838
Biological Sciences	47.074			1,908,171	—	1,908,171
Total CFDA	47.074			1,908,171	—	1,908,171

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Social, Behavioral and Economic Sciences	47.075			\$ 1,214,961	—	1,214,961
	47.075	SBE0830165	University of Georgia	—	696	696
	47.075	SBE0542013	Univ of California Sand Diego	—	585,640	585,640
Total CFDA	47.075			1,214,961	586,336	1,801,297
Educational and Human Resources	47.076			2,438,244	—	2,438,244
	47.076	ESI0227592	University of Wisconsin	—	1,747	1,747
	47.076	DUE0737198	East Carolina University	—	11,538	11,538
	47.076	ESI0454754	University of Massachusetts	—	48,112	48,112
	47.076	DUE0817486	Purdue University	—	7,547	7,547
	47.076	DRL0816406	San Diego State University	—	53,897	53,897
	47.076	DRL0733209	City College of New York	—	134,614	134,614
Total CFDA	47.076			2,438,244	257,455	2,695,699
Polar Programs	47.078			31,529	—	31,529
	47.078	2505500001005	Northern Illinois University	—	(378)	(378)
Total CFDA	47.078			31,529	(378)	31,151
International Science & Engineering	47.079	KYM12852BI07		—	7,953	7,953
Total CFDA	47.079			—	7,953	7,953
Total National Science Foundation				11,199,905	2,153,194	13,353,099
Nuclear Regulatory						
USNRC Nuclear Education Grant Program	77.006			72,466	—	72,466
	77.006	NRC3807502	Rutgers, The State Univ of NJ	—	42,350	42,350
Total CFDA	77.006			72,466	42,350	114,816
Total Nuclear Regulatory				72,466	42,350	114,816
Homeland Security						
Research Projects	97.002	5-39181	University of Memphis	—	537,590	537,590
Total CFDA	97.002			—	537,590	537,590
Total Homeland Security				—	537,590	537,590
General Service Administration						
Federal Citizen Information Center	39.009	USAF0060430001	General Dynamics Info Technology	—	20,390	20,390
Total CFDA	39.009			—	20,390	20,390
Total General Service Administration				—	20,390	20,390
Library of Congress						
Library of Congress - Library Services	42.006	SB050038 KK8126	Univ of California, Santa Barbara	—	72,472	72,472
Total CFDA	42.006			—	72,472	72,472
Total Library of Congress				—	72,472	72,472

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National Academy of Science						
National Research Council						
Other	99.000	4206304822	Ford Foundation	\$ —	1,500	1,500
Total CFDA	99.000			—	1,500	1,500
Total National Research Council				—	1,500	1,500
Total National Academy of Science				—	1,500	1,500
U.S. Department of Transportation						
Total CFDA	20.000	FA-08-21984	TN Dept of Transportation	—	6,478	6,478
Aviation Research Grants	20.108			194,824	—	194,824
Total CFDA	20.108			194,824	—	194,824
Highway Planning and Construction	20.205	FA-08-23396-00	TN Dept of Transportation	—	82,629	82,629
Total CFDA	20.205			—	82,629	82,629
Federal Transit Grants for Universities	20.502	DTRS95G0004	University of Tennessee	—	(2,000)	(2,000)
Total CFDA	20.502			—	(2,000)	(2,000)
University Transportation Centers Program	20.701	DTRS99G0004: 07-VU-S1	University of Tennessee	—	761	761
	20.701	DTRS99G0004: 07-VU-S2	University of Tennessee	—	4,819	4,819
	20.701	4224124873	University of Memphis	—	67,805	67,805
	20.701	4224124883	University of Memphis	—	49,320	49,320
	20.701	4224124893	University of Memphis	—	116,856	116,856
	20.701	4224124913	University of Memphis	—	21,749	21,749
	20.701	4224124923	University of Memphis	—	10,492	10,492
	20.701	4224124933	University of Memphis	—	23,443	23,443
	20.701	DTRT07G0004: 07-VU-SG1	University of Tennessee	—	17,276	17,276
	20.701	P0016450	University of Memphis	—	(4,910)	(4,910)
Total CFDA	20.701			—	307,611	307,611
Total U.S. Department of Transportation				194,824	394,718	589,542
Tennessee Valley Authority						
TVA Environmental Research Center	62.001			76,780	—	76,780
Total CFDA	62.001			76,780	—	76,780
Total Tennessee Valley Authority				76,780	—	76,780
Veteran Affairs						
Veteran Affairs	64.000			133,970	—	133,970
Total CFDA	64.000			133,970	—	133,970
Total Veteran Affairs				133,970	—	133,970
Total Research (excluding American Recovery and Reinvestment Act)				323,740,609	33,503,222	357,243,831

**VANDERBILT UNIVERSITY**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2009

<u>Federal Sponsor/Project Title</u>	<u>CFDA</u>	<u>Flow-through Award Number</u>	<u>Flow-through Entity</u>	<u>Direct</u>	<u>Flow-through</u>	<u>Total</u>
<b>*Research - American Recovery and Reinvestment Act (ARRA)</b>						
National Science Foundation						
ARRA: Trans-NSF Recovery Act Research Supplement	47.082			\$ 2,303	—	2,303
Total CFDA	47.082			2,303	—	2,303
Total National Science Foundation				2,303	—	2,303
U.S. Department of Health & Human Services						
National Institutes of Health						
ARRA: Trans-NIH Recovery Act Research Supplement	93.701			143,221	—	143,221
Total CFDA	93.701			143,221	—	143,221
Total National Institutes of Health				143,221	—	143,221
Total U.S. Department of Health & Human Services				143,221	—	143,221
Total Research - American Recovery and Reinvestment Act (ARRA)				145,524	—	145,524
Total Research				323,886,133	33,503,222	357,389,355
<b>Student Financial Aid</b>						
U.S. Department of Education						
Federal Supplemental ED Opportunity Grants	84.007			1,204,064	—	1,204,064
Total CFDA	84.007			1,204,064	—	1,204,064
*Federal Family Education Loan Program - School as Lender	84.032			4,500	—	4,500
Federal Family Education Loan Program - Outside Lenders	84.032			79,439,608	—	79,439,608
Total CFDA	84.032			79,444,108	—	79,444,108
Federal Work-Study Program	84.033			1,319,280	—	1,319,280
Total CFDA	84.033			1,319,280	—	1,319,280
Federal Perkins Loan Program	84.038			2,378,229	—	2,378,229
Total CFDA	84.038			2,378,229	—	2,378,229
Federal Pell Grant Program	84.063			2,468,085	—	2,468,085
Total CFDA	84.063			2,468,085	—	2,468,085
Academic Competitiveness Grants	84.375			202,337	—	202,337
Total CFDA	84.375			202,337	—	202,337
National Science & Mathematics Access to Retain Talent Grants	84.376			168,156	—	168,156
Total CFDA	84.376			168,156	—	168,156
Total U.S. Department of Education				87,184,259	—	87,184,259

**VANDERBILT UNIVERSITY**  
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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
U.S. Department of Health and Human Services						
Nurse Faculty Loan Program	93.264			\$ 222,670	—	222,670
Total CFDA	93.264			222,670	—	222,670
Nursing Student Loan Program	93.364			266,000	—	266,000
Total CFDA	93.364			266,000	—	266,000
Total U.S. Department of Health and Human Services				488,670	—	488,670
Total Student Financial Aid				87,672,929	—	87,672,929
<b>Other</b>						
U.S. Department of Education						
Spec Ed - Personnel Prep to Improve Svcs for Disabled Children	84.325			4,183,117	—	4,183,117
	84.325	57201	Pennsylvania College of Optometry	—	37,114	37,114
Total CFDA	84.325			4,183,117	37,114	4,220,231
Total U.S. Department of Education				4,183,117	37,114	4,220,231
U.S. Department of Health & Human Services						
*Agency for Healthcare Research and Quality						
	93.226	290-04-0006	TN Dept of Finance & Admin	—	418,841	418,841
	93.226	4047855014	TN Dept of Finance & Admin	—	276,847	276,847
	93.226	4047855034	TN Dept of Health	—	2,484,787	2,484,787
	93.226	4047855044	TN Dept of Health	—	(816)	(816)
Total CFDA	93.226			—	3,179,659	3,179,659
Total Agency for Healthcare Research and Quality				—	3,179,659	3,179,659
Center for Disease Control						
Global AIDS	93.067			8,323,234	—	8,323,234
Total CFDA	93.067			8,323,234	—	8,323,234
Total Center for Disease Control				8,323,234	—	8,323,234
National Institutes of Health						
Cancer Research Manpower	93.398			4,143,987	—	4,143,987
Total CFDA	93.398			4,143,987	—	4,143,987
Pharmacology, Physiology & Biological Chemistry Research	93.859			3,921,470	—	3,921,470
Total CFDA	93.859			3,921,470	—	3,921,470
*Senior International Fellowships	93.989			5,785,449	—	5,785,449
	93.989	2D43TW00018	Cornell University	—	1,444	1,444
Total CFDA	93.989			5,785,449	1,444	5,786,893
Total National Institutes of Health				13,850,906	1,444	13,852,350
Total U.S. Department of Health and Human Services				22,174,140	3,181,103	25,355,243

**VANDERBILT UNIVERSITY**  
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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
<b>Type B: Other</b>						
U.S. Department of Agriculture						
Child and Adult Care Food Program	10.558	34764499001	TN Dept of Human Services	\$ —	(3,454)	(3,454)
Total CFDA	10.558			—	(3,454)	(3,454)
Total U.S. Department of Agriculture				—	(3,454)	(3,454)
U.S. Department of Commerce						
Measurement and Engineering Research	11.609			3,670	—	3,670
Total CFDA	11.609			3,670	—	3,670
Total U.S. Department of Commerce				3,670	—	3,670
Corporation For National Service						
	94.000			152,550	—	152,550
Total CFDA	94.000			152,550	—	152,550
Learn & Serve America Higher Education	94.005			183,149	—	183,149
Total CFDA	94.005			183,149	—	183,149
Americorps	94.006	GR-99-12315-00	TN Dept of Econ & Comm Dev	—	2,434	2,434
Total CFDA	94.006			—	2,434	2,434
Training and Technical Assistance	94.009	4081105822	TN Department of Finance	—	11,707	11,707
Total CFDA	94.009			—	11,707	11,707
Total Corporation For National Service				335,699	14,141	349,840
U.S. Department of Defense						
Army						
	12.000			386,757	—	386,757
	12.000	4060804013	Battelle Memorial Institute	—	1,103	1,103
	12.000	4060804063	Battelle Memorial Institute	—	116,344	116,344
	12.000	4060804073	Battelle Memorial Institute	—	56,226	56,226
	12.000	4060804023	Battelle Memorial Institute	—	3,762	3,762
Total CFDA	12.000			386,757	177,435	564,192
Military Medical Research & Development	12.420			56,277	—	56,277
Total CFDA	12.420			56,277	—	56,277
Basic Scientific Research	12.431			31,601	—	31,601
Total CFDA	12.431			31,601	—	31,601
Total Army				474,635	177,435	652,070
Total U.S. Department of Defense				474,635	177,435	652,070
U.S. Department of State						
	19.000	S-ECAAS-09-CA-012	Institute of International Educ, Inc.	—	10,389	10,389
Total CFDA	19.000			—	10,389	10,389
Total U.S. Department of State				—	10,389	10,389

**VANDERBILT UNIVERSITY**  
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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
U.S. Department of Education						
Department of Education	84.000	4205902015	Fisk University	\$ —	28,935	28,935
	84.000	4205902023	Howard University	—	11,317	11,317
	84.000	ED-06-R-0021	Westat, Inc.	—	552,503	552,503
	84.000	S283B5050051	Learning Point Associates	—	234,165	234,165
Total CFDA	84.000			—	826,920	826,920
National Resource Centers & Fellowship	84.015			360,227	—	360,227
Total CFDA	84.015			360,227	—	360,227
Special Education Grants to States	84.027	4045705153	TN Dept. of Education	—	(12)	(12)
	84.027	GR0717948	TN Dept. of Education	—	333	333
	84.027	GR0717983	TN Dept. of Education	—	405,865	405,865
	84.027	GR-05-16690-00	TN Dept. of Education	—	318,053	318,053
Total CFDA	84.027			—	724,239	724,239
Fund for the Improvement of Postsecondary Education	84.116	4207202073	Howard University	—	(175)	(175)
Total CFDA	84.116			—	(175)	(175)
Rehabilitation Services - Vocational Rehab	84.126	GR-06-17179-00	TN Dept of Human Services	—	(19,051)	(19,051)
	84.126	GR-00-12686	TN Dept of Human Services	—	72,899	72,899
Total CFDA	84.126			—	53,848	53,848
Javits Fellowships	84.170			45,486	—	45,486
Total CFDA	84.170			45,486	—	45,486
Special Education Preschool Grants	84.173	4045705163	TN Dept of Education	—	107	107
Total CFDA	84.173			—	107	107
Special Education Grants For Infants & Families with Disabilities	84.181	4045705203	TN Dept of Education	—	(3,033)	(3,033)
	84.181	4045705213	TN Dept of Education	—	(974)	(974)
	84.181	4045705393	TN Dept of Education	—	(1)	(1)
Total CFDA	84.181			—	(4,008)	(4,008)
Safe & Drug-Free Schools & Communities	84.186	GR-09-26199	TN Dept of Education	—	25,810	25,810
	84.186	GR-07-18399	TN Dept of Education	—	38,753	38,753
Total CFDA	84.186			—	64,563	64,563
Graduate Assistance In Areas Of National Need	84.200			58,218	—	58,218
Total CFDA	84.200			58,218	—	58,218
National Institute on Student Achievement	84.305			1,744,615	—	1,744,615
	84.305	PROJ0000243	Northwestern University	—	87,077	87,077
Total CFDA	84.305			1,744,615	87,077	1,831,692
Special Education - State Personnel Development	84.323	GR-07-18009-00	TN Department of Education	—	60	60
Total CFDA	84.323			—	60	60

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Special Education Research & Innovation	84.324			\$ 57,743	—	57,743
Total CFDA	84.324			57,743	—	57,743
Spec Ed - Technical Assistance & Dissemination to Improve Svcs	84.326			522,639	—	522,639
	84.326	5830-1251-00-B	University of South Florida	—	33,583	33,583
Total CFDA	84.326			522,639	33,583	556,222
Gaining Early Awareness & Readiness for Undergraduate Program	84.334	FA-08-24222-00	TN Higher Education Commission	—	16,610	16,610
Total CFDA	84.334			—	16,610	16,610
Early Reading First	84.359			651,624	—	651,624
Total CFDA	84.359			651,624	—	651,624
Total U.S. Department of Education				3,440,552	1,802,824	5,243,376
U.S. Department of Energy						
Office of Science Financial Assistance	81.049	4000039014	UT-Battelle, LLC	—	46,900	46,900
Total CFDA	81.049			—	46,900	46,900
Total U.S. Department of Energy				—	46,900	46,900
U.S. Department of Health & Human Services						
Centers for Medicare and Medicaid Services						
Medical Assistance Program	93.778	GR-04-15873-00	TN Bureau of TennCare	—	(25,848)	(25,848)
	93.778	GR-07-18109	TN Dept of Health	—	927,270	927,270
	93.778	4046105403	TN Dept of Finance & Administration	—	169,168	169,168
	93.778	4044255113	TN Bureau of TennCare	—	287,485	287,485
	93.778	4044255123	TN Bureau of TennCare	—	50,548	50,548
	93.778	GR-03-15186	TN Bureau of TennCare	—	81	81
	93.778	GR-06-16995-00	TN Dept of Health	—	1	1
	93.778	GR-06-15873	TN Dept of Health	—	(19,459)	(19,459)
	93.778	GR-08-21729	TN Bureau of TennCare	—	606,473	606,473
Total CFDA	93.778			—	1,995,719	1,995,719
Total Centers for Medicare and Medicaid Services				—	1,995,719	1,995,719
Administration for Children and Families						
Head Start	93.600			1,148,343	—	1,148,343
Total CFDA	93.600			1,148,343	—	1,148,343
Developmental Disabilities Basic Support	93.630	GR-08-22277	TN Dept of MH/DD	—	14,256	14,256
	93.630	GR-07-18238	TN Dept of MH/DD	—	(396)	(396)
	93.630	GR-09-25187	TN Dept of MH/DD	—	82,134	82,134
	93.630	GR-09-25433	TN Dept of MH/DD	—	248,966	248,966
	93.630	4301005174	TN Dept of MH/DD	—	58	58
	93.630	GR-09-27412	TN Dept of MH/DD	—	69,678	69,678
	93.630	GR-08-22321	TN Dept of MH/DD	—	(302)	(302)
Total CFDA	93.630			—	414,394	414,394
Total Administration for Children and Families				1,148,343	414,394	1,562,737
Administration for Aging						
Special Programs for the Aging	93.043	4081105143	Metro-Nashville & Davidson Co, TN	—	(3,674)	(3,674)
Total CFDA	93.043			—	(3,674)	(3,674)

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Total Administration for Aging				\$ —	(3,674)	(3,674)
Agency for Healthcare Research and Quality						
National Research Service Awards Health	93.225			257,156	—	257,156
Total CFDA	93.225			257,156	—	257,156
Diabetes, Endocrinology & Metabolism Research	93.847			213,269	—	213,269
Total CFDA	93.847			213,269	—	213,269
Total Agency for Healthcare Research and Quality				470,425	—	470,425
Substance Abuse and Mental Health Services Administration						
	93.000	RX4285890	Georgetown University	—	18,806	18,806
	93.000	GR-05-17059	TN Dept of MH/DD	—	15,775	15,775
Total CFDA	93.000			—	34,581	34,581
Projects of Regional & National Significance	93.243			27,152	—	27,152
	93.243	Z-07-033420	TN Dept of MH/DD	—	1,592	1,592
Total CFDA	93.243			27,152	1,592	28,744
Total Substance Abuse & Mental Health Services Admin				27,152	36,173	63,325
Center for Disease Control						
	93.000			14,859	—	14,859
Total CFDA	93.000			14,859	—	14,859
Innovations in Applied Public Health	93.061			132,172	—	132,172
Total CFDA	93.061			132,172	—	132,172
Injury Prevention and Control Research	93.136	4045785034	TN Department of Health	—	6,479	6,479
	93.136	FA-07-16968	TN Department of Health	—	(6,087)	(6,087)
Total CFDA	93.136			—	392	392
Immunization Research Demonstration	93.185			646,826	—	646,826
Total CFDA	93.185			646,826	—	646,826
CDC and Prevention - Investigations and Technical Assistance	93.283	U50CCU422173	Matthew Walker Comp Health Ctr	—	25,251	25,251
Total CFDA	93.283			—	25,251	25,251
Cooperative Agreements for State Based Diabetes	93.988	4043575013	TN Dept of Health	—	60,049	60,049
Total CFDA	93.988			—	60,049	60,049
Preventive Health & Health Services Block Grant	93.991	GR-08-21425	TN Department of Health	—	833,926	833,926
Total CFDA	93.991			—	833,926	833,926
Total Center for Disease Control				793,857	919,618	1,713,475
Health Resource Services Administration						
Public Health & Social Services Emergency Fund	93.003	4016015024	TN Department of Health	—	1,126	1,126
	93.003	4016015034	TN Department of Health	—	160,780	160,780
	93.003	4016015054	TN Department of Health	—	61,468	61,468
	93.003	4016015064	TN Department of Health	—	39,011	39,011
	93.003	4016015084	TN Department of Health	—	32,605	32,605
	93.003	4016015114	TN Department of Health	—	100,000	100,000
	93.003	4096015034	TN Department of Health	—	46,201	46,201

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
	93.003	4096015054	TN Department of Health	\$ —	19,460	19,460
	93.003	4096015064	TN Department of Health	—	(9,488)	(9,488)
	93.003	4096015084	TN Department of Health	—	12,081	12,081
	93.003	4096015114	TN Department of Health	—	49,896	49,896
	93.003	4016015124	TN Department of Health	—	57,041	57,041
	93.003	4016015134	TN Department of Health	—	100,000	100,000
	93.003	4016015144	TN Department of Health	—	7,431	7,431
	93.003	4016015154	TN Department of Health	—	57,000	57,000
	93.003	4016015164	TN Department of Health	—	1,703	1,703
	93.003	4096015124	TN Department of Health	—	66,650	66,650
	93.003	4096015134	TN Department of Health	—	50,000	50,000
	93.003	GR-05-16692-00	TN Department of Health	—	247,924	247,924
Total CFDA	93.003			—	1,100,889	1,100,889
Mental Health Planning and Demo Projects	93.110			678,029	—	678,029
	93.110	H84MC00004	TN Disability Coalition	—	1,618	1,618
Total CFDA	93.110			678,029	1,618	679,647
Emergency Medical Services for Children	93.127			115,078	—	115,078
	93.127	GR-06-17942	TN Department of Health	—	3,407	3,407
	93.127	4045785493	TN Department of Health	—	(10,122)	(10,122)
	93.127	H33MC068841	TN Department of MH/DD	—	(672)	(672)
Total CFDA	93.127			115,078	(7,387)	107,691
Advanced Education Nursing Grant Program	93.247			625,563	—	625,563
Total CFDA	93.247			625,563	—	625,563
National Poison Control Systems Stabilization	93.253			444,007	—	444,007
Total CFDA	93.253			444,007	—	444,007
Professional Nurse Traineeships	93.358			201,705	—	201,705
Total CFDA	93.358			201,705	—	201,705
Basic Nurse Education & Practice Grants	93.359			842,564	—	842,564
Total CFDA	93.359			842,564	—	842,564
Development Disabilities Basic Support	93.630	GR0822320	TN Dept of Finance & Admin	—	596	596
	93.630	GR0821903	TN Department of MH/DD	—	86,024	86,024
	93.630	GR22160	TN Department of MH/DD	—	85,421	85,421
Total CFDA	93.630			—	172,041	172,041
Maternal and Child Health Services Block	93.994	4045905423	TN Department of Health	—	(536)	(536)
	93.994	4045905443	TN Department of Health	—	897,863	897,863
Total CFDA	93.994			—	897,327	897,327
Total Health Resource Services Administration				2,906,946	2,164,488	5,071,434

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
National Institutes of Health	93.000			\$ 44,789	—	44,789
	93.000	K12HD00850	Yale University	—	(811)	(811)
	93.000	R25CA102209	Meharry Medical Center	—	13,086	13,086
	93.000	TL1EB008540	Brigham and Women's Hospital	—	37,630	37,630
	93.000	U01A158257	Cornell University	—	54,571	54,571
	93.000	U54CA91408	Meharry Medical College	—	96,669	96,669
	93.000	N01LM63502	University of Maryland	—	14,953	14,953
Total CFDA	93.000			44,789	216,098	260,887
Maternal & Child Health Fed Consolidated Program	93.110	T83MC00008	Tennessee State University	—	14,073	14,073
Total CFDA	93.110			—	14,073	14,073
Biological Response to Environment Health	93.113			1,180,812	—	1,180,812
Total CFDA	93.113			1,180,812	—	1,180,812
Oral Diseases and Disorders Research	93.121			91,501	—	91,501
Total CFDA	93.121			91,501	—	91,501
Research Related To Deafness and Communication Disorders	93.173			76,464	—	76,464
Total CFDA	93.173			76,464	—	76,464
Mental Health Research Grants	93.242			467,744	—	467,744
Total CFDA	93.242			467,744	—	467,744
Alcohol National research Service Awards	93.272			27,605	—	27,605
Total CFDA	93.272			27,605	—	27,605
Alcohol Research Programs	93.273			87,620	—	87,620
Total CFDA	93.273			87,620	—	87,620
Drug Abuse National Research Service Awd	93.278			74,685	—	74,685
Total CFDA	93.278			74,685	—	74,685
Drug Abuse Research Programs	93.279			625,387	—	625,387
Total CFDA	93.279			625,387	—	625,387
Mental Health Research Career/Scientist Development Awards	93.281			168,369	—	168,369
Total CFDA	93.281			168,369	—	168,369
Mental Health National Research Service Awards	93.282			1,131,718	—	1,131,718
Total CFDA	93.282			1,131,718	—	1,131,718
Biomedical Imaging Research	93.286			741,778	—	741,778
Total CFDA	93.286			741,778	—	741,778
Clinical Research	93.333			220,522	—	220,522
Total CFDA	93.333			220,522	—	220,522
Nursing Research	93.361			97,177	—	97,177
Total CFDA	93.361			97,177	—	97,177

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Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Research Infrastructure	93.389			\$ 781,948	—	781,948
	93.389	U54RR19478	Baylor College	—	40,318	40,318
Total CFDA	93.389			781,948	40,318	822,266
Developmental Disabilities Basic Support	93.630	4042985424	TN Department of Health	—	1,150	1,150
Total CFDA	93.630			—	1,150	1,150
Cell Biology and Biophysics Research	93.821			189,520	—	189,520
Total CFDA	93.821			189,520	—	189,520
Heart and Vascular Diseases Research	93.837			2,021,001	—	2,021,001
	93.837	K01HL76623	Meharry Medical College	—	6,120	6,120
	93.837	K23HL85387	University of Cincinnati	—	17,176	17,176
Total CFDA	93.837			2,021,001	23,296	2,044,297
Lung Diseases Research	93.838			475,112	—	475,112
Total CFDA	93.838			475,112	—	475,112
Blood Diseases and Resources Research	93.839			685,964	—	685,964
	93.839	K01HL67715	Meharry Medical College	—	(16)	(16)
Total CFDA	93.839			685,964	(16)	685,948
Arthritis, Muscularskeletal & Skin	93.846			96,579	—	96,579
Total CFDA	93.846			96,579	—	96,579
Diabetes, Endocrinology and Metabolism Research	93.847			1,164,149	—	1,164,149
Total CFDA	93.847			1,164,149	—	1,164,149
Digestive Diseases & Nutrition Research	93.848			668,696	—	668,696
Total CFDA	93.848			668,696	—	668,696
Kidney Diseases, Urology and Hematology	93.849			215,376	—	215,376
Total CFDA	93.849			215,376	—	215,376
Clinical Research Related Neurological Disorders	93.853			1,316,116	—	1,316,116
Total CFDA	93.853			1,316,116	—	1,316,116
Allergy, Immunology and Transplantation	93.855			1,339,050	—	1,339,050
Total CFDA	93.855			1,339,050	—	1,339,050
Population Research	93.864			680,788	—	680,788
Total CFDA	93.864			680,788	—	680,788
Research For Mothers and Children	93.865			1,116,017	—	1,116,017
Total CFDA	93.865			1,116,017	—	1,116,017
Aging Research	93.866			409,614	—	409,614
Total CFDA	93.866			409,614	—	409,614
Vision Research	93.867			214,433	—	214,433
Total CFDA	93.867			214,433	—	214,433

**VANDERBILT UNIVERSITY**  
 Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Medical Library Assistance	93.879			\$ 626,383	—	626,383
Total CFDA	93.879			626,383	—	626,383
Total National Institutes of Health				17,036,917	294,919	17,331,836
Total U.S. Department of Health & Human Services				22,383,640	5,821,637	28,205,277
U.S. Department of Labor	17.000	AH-13665-04-60	TN Dept of Labor & Workforce Dev	—	68,490	68,490
Total CFDA	17.000			—	68,490	68,490
Total U.S. Department of Labor				—	68,490	68,490
National Aeronautics Space Administration						
NASA Grants	43.000			836,733	—	836,733
	43.000	4206303522	United Negro College Fund, Inc	—	8,500	8,500
	43.000	4206303512	United Negro College Fund, Inc	—	8,500	8,500
	43.000	HST-EO-10921.06-A	Space Telescope Science Institute	—	(4,166)	(4,166)
	43.000	HST-EO-11164.06-A	Space Telescope Science Institute	—	47,331	47,331
Total CFDA	43.000			836,733	60,165	896,898
Total National Aeronautics Space Administration				836,733	60,165	896,898
National Foundation for the Arts and Humanities						
National Endowment for the Humanities						
Promotion of the Humanities Div of Prese	45.149			1,516	—	1,516
Total CFDA	45.149			1,516	—	1,516
Promotion of the Humanities Fellowship	45.160			123,883	—	123,883
Total CFDA	45.160			123,883	—	123,883
Total National Endowment for the Humanities				125,399	—	125,399
Institute of Museum Services	45.000			39,981	—	39,981
Total CFDA	45.000			39,981	—	39,981
Total Institute of Museum Services				39,981	—	39,981
Total National Foundation for the Arts and Humanities				165,380	—	165,380
National Science Foundation						
Engineering Grants	47.041			371,169	—	371,169
	47.041	CBET0651803	Johns Hopkins University	—	2,966	2,966
Total CFDA	47.041			371,169	2,966	374,135
Mathematical & Physical Sciences	47.049			256,637	—	256,637
	47.049	DMS0349367	University of Hawaii	—	1,998	1,998
	47.049	PHY0715396	University of Norte Dame	—	1,000	1,000
Total CFDA	47.049			256,637	2,998	259,635
Computer and Info Sciences & Engineering	47.070			140,074	—	140,074
Total CFDA	47.070			140,074	—	140,074

**VANDERBILT UNIVERSITY**  
Schedule of Expenditures of Federal Awards  
Year ended June 30, 2009

Federal Sponsor/Project Title	CFDA	Flow-through Award Number	Flow-through Entity	Direct	Flow-through	Total
Biological Sciences	47.074			\$ 26,333	—	26,333
Total CFDA	47.074			26,333	—	26,333
Social, Behavioral and Economic Sciences	47.075			129,907	—	129,907
Total CFDA	47.075			129,907	—	129,907
Educational and Human Resources	47.076			518,595	—	518,595
	47.076	HRD0217629-VU-01	Tennessee State University	—	41,976	41,976
	47.076	HRD0802540	Tennessee State University	—	40,783	40,783
	47.076	DUE0717768	University of Wisconsin	—	132,662	132,662
Total CFDA	47.076			518,595	215,421	734,016
Total National Science Foundation				1,442,715	221,385	1,664,100
Homeland Security						
Assistance to Firefighters Grant	97.044	4090114754	Nat'l Assoc of Children's Hosp	—	99,637	99,637
Total CFDA	97.044			—	99,637	99,637
Total Homeland Security				—	99,637	99,637
U.S. Department of Transportation						
Federal Transit Grants for University	20.502	DTRT07G0004	University of Tennessee	—	34,004	34,004
Total CFDA	20.502			—	34,004	34,004
Total U.S. Department of Transportation				—	34,004	34,004
Tennessee Valley Authority						
TVA Environmental Research Center	62.001			168,802	—	168,802
Total CFDA	62.001			168,802	—	168,802
Total Tennessee Valley Authority				168,802	—	168,802
Total Other				29,251,826	8,353,553	37,605,379
Total Federal Awards				\$ 467,168,145	45,074,992	512,243,137

## THE VANDERBILT UNIVERSITY

### 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 (the Schedule) summarizes the expenditures of The Vanderbilt University (Vanderbilt) under federal programs for the year ended June 30, 2009. Because the Schedule presents only a selected portion of the operations of Vanderbilt, it is not intended to, and does not, present the financial position, changes in net assets, or cash flows of Vanderbilt.

For purposes of the Schedule, federal awards include all grants, contracts, and similar agreements entered into directly between Vanderbilt and agencies and departments of the federal government and all subawards to Vanderbilt by nonfederal organizations pursuant to federal grants, contracts, and similar agreements. The awards are classified into Type A and Type B programs in accordance with the provisions of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Clustered award categories are as follows:

**Research and Development** – Includes awards for systematic study directed toward fuller scientific knowledge or understanding of the subject studied, and are funded primarily by The National Institutes of Health.

**Student Financial Aid** – Includes certain awards to provide financial assistance to eligible students, primarily under the Federal Work-Study Program (FWS), Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Academic Competitiveness Grant (ACG), and National Science and Mathematics Access to Retain Talent (SMART) Grant of the U.S. Departments of Education and Health and Human Services. Vanderbilt also receives awards to make loans to eligible students under certain federal student loan programs (Federal Perkins Loan, Federal Student Nursing Loan and Nurse Faculty Loan Program). Guaranteed Loans (Stafford, Unsubsidized Stafford, Parent Loans for Undergraduate Students (PLUS), and Graduate PLUS Loans) are issued to eligible students of Vanderbilt or their parents by various financial institutions. Current year loan disbursements for these loan programs are included in the federal expenditures in the Schedule (see note 3).

#### (2) Summary of Significant Accounting Policies for the Schedule

For purposes of the Schedule, expenditures for federal programs are recognized on the accrual basis of accounting.

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

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

Expenditures for nonfinancial aid awards include indirect costs. Indirect costs allocated to such awards for the year ended June 30, 2009 were based on predetermined fixed rates negotiated with Vanderbilt's cognizant federal agency, the U.S. Department of Health and Human Services. Indirect costs and

**THE VANDERBILT UNIVERSITY**

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2009

recoveries of those costs under sponsored programs are classified as unrestricted expenditures and revenues, respectively, in Vanderbilt's financial statements.

Negative balances represent programs with unfunded expenditures prior to normal close-out procedures, which were subsequently cost-shared or transferred to nonfederal cost centers.

**(3) Federal Student Financial Assistance Programs**

Federal student financial assistance made available by Vanderbilt to eligible students or utilized by Vanderbilt for allowable administrative expenses under grant, work-study and student loan programs and guaranteed loans offered to students of Vanderbilt or their parents by financial institutions during the year ended June 30, 2009 are summarized as follows:

Grant and work-study based programs:

FWS	\$ 1,319,280
Pell	2,468,085
FSEOG	1,204,064
Academic Competitiveness Grants	202,337
National Science and Mathematics Access to Retain Talent Grants	168,156
Total	<u>\$ 5,361,922</u>

Direct loans disbursed:

Federal Perkins	2,378,229
Federal Nursing Student Loan	266,000
Nurse Faculty Loan Program	222,670
Total	<u>\$ 2,866,899</u>

Guaranteed loans disbursed:

Federal Subsidized Stafford	\$ 19,558,821
Federal Unsubsidized Stafford	29,043,370
Federal Parent Loans for Undergraduate Students	6,622,602
Federal Graduate PLUS Loans	24,219,315
Total	<u>\$ 79,444,108</u>

**THE VANDERBILT UNIVERSITY**

Notes to Schedule of Expenditures of Federal Awards and State of Tennessee Grant Activity

Year ended June 30, 2009

The Perkins, Health Profession Student Loan (HPSL), Primary Care Loan (PCL), Nursing Student Loan (NSL), Nursing Faculty Loan Program (NFLP) and Loans for Disadvantaged Students (LDS) programs are administered directly by Vanderbilt and balances and transactions relating to these programs are included in the loan funds of Vanderbilt's financial statements. Balances of loans outstanding at June 30, 2009 are as follows:

Perkins	\$	16,306,280
HPSL		207,264
PCL		148,513
NSL		1,288,287
NFLP		619,243
LDS		172
		<hr/>
	\$	<u>18,569,759</u>

Vanderbilt is responsible for the performance of certain administrative duties with respect to the guaranteed loan programs. It is not practical to determine the balance of loans outstanding to students and former students of Vanderbilt under these programs for the year ended June 30, 2009. These loans are not included in Vanderbilt's consolidated financial statements.



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

Board of Trust  
The Vanderbilt University:

We have audited the consolidated financial statements of The Vanderbilt University and subsidiaries (Vanderbilt) as of and for the year ended June 30, 2009, and have issued our report thereon dated October 23, 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 Vanderbilt's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Vanderbilt's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of Vanderbilt'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 significant deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

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

**Compliance and Other Matters**

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



This report is intended solely for the information and use of management, the audit committee, others within the entity, and the U.S Department of Health and Human Services, and other legislative or regulatory bodies governing the federal and state funds received by The Vanderbilt University and subsidiaries and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

October 23, 2009



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

Board of Trust  
The Vanderbilt University:

### **Compliance**

We have audited the compliance of The Vanderbilt University and subsidiaries (Vanderbilt) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2009. Vanderbilt'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 Vanderbilt's management. Our responsibility is to express an opinion on Vanderbilt'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 Vanderbilt's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Vanderbilt's compliance with those requirements.

In our opinion, Vanderbilt 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 Vanderbilt 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 Vanderbilt's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purposes 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 Vanderbilt'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 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 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 Trust, the audit committee, management, the U.S. Department of Health and Human Services and other legislative or regulatory bodies governing the federal and state funds received by The Vanderbilt University and subsidiaries and is not intended to be and should not be used by anyone other than these specified parties.

**KPMG LLP**

February 10, 2010

**THE VANDERBILT UNIVERSITY**  
 Schedule of Findings and Questioned Costs  
 Year ended June 30, 2009

**(1) Summary of Auditors' Results**

- (a) The type of report issued on the consolidated financial statements: **Unqualified opinion**
- (b) Significant deficiencies in internal control were disclosed by the audit of the consolidated financial statements: **None reported**  
 Material weaknesses: **None**
- (c) Noncompliance which is material to the consolidated financial statements: **None**
- (d) Significant deficiencies in internal control over major programs: **None reported**  
 Material weaknesses: **None**
- (e) The type of report issued on compliance for major programs: **Unqualified opinion**
- (f) Any audit findings which are required to be reported under Section .510(a) of OMB Circular A-133: **None**

(g) Major programs:

<u>CFDA#</u>	<u>Grantor</u>	<u>Program</u>
Various	Various	Research and Development Cluster
93.226	U.S. Department of Health and Human Services	Agency for Healthcare Research & Quality
93.989	U.S. Department of Health and Human Services	Senior International Fellowships
84.032	U.S. Department of Education	Federal Family Education Loan Program (School lending activities)

- (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 Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards***

None.

**(3) Findings and Questioned Costs Relating to Federal Awards**

None.