



RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY
(A Component Unit of the State of New Jersey)

Financial Statements, Management's Discussion
and Analysis and Schedule of Expenditures
of State Financial Assistance

June 30, 2013

(With Independent Auditors' Reports Thereon)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY
(A Component Unit of the State of New Jersey)

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Independent Auditors' Report

The Board of Governors
The Board of Trustees
Rutgers, The State University of New Jersey:

Report on the Financial Statements

We have audited the accompanying statements of net position of the business-type activities and the aggregate discretely presented component unit of Rutgers, the State University of New Jersey (the University), a component unit of the State of New Jersey, as of June 30, 2013 and 2012, and the related statements of revenues, expenses, and changes in net position, and cash flows, and the related notes to the financial statements, which collectively comprise the University's basic financial statements.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these 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 from material misstatement.

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

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



Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the discretely presented component unit of the University, as of June 30, 2013 and 2012, and the respective changes in financial position, and, where applicable, cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles.

Emphasis of Matter

Adoption of New Accounting Pronouncements

As discussed in Note 1 to the financial statements, in 2013, the University adopted Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment to GASB Statements Nos. 14 and 34* and GASB Statement No. 65, *Reporting Items Previously Recognized as Assets and Liabilities*. Our opinions are not modified with respect to these matters.

Other Matters

Required Supplementary Information

U.S. generally accepted accounting principles require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 1, 2013 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Short Hills, New Jersey
November 1, 2013

Management's Discussion and Analysis

June 30, 2013 and 2012

The following management's discussion and analysis (MD&A) provides a comprehensive overview of the financial position of Rutgers, the State University of New Jersey (the university) at June 30, 2013 and 2012, and its changes in financial position for the fiscal years then ended with fiscal year 2011 data presented for comparative purposes. Management has prepared the basic financial statements and related footnote disclosures along with this MD&A in accordance with generally accepted accounting principles as defined by the Governmental Accounting Standards Board for public colleges and universities. This MD&A should be read in conjunction with the audited financial statements and related footnotes of the university, which directly follow the MD&A.

The university's financial report includes three basic financial statements: the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. These statements focus on the financial condition of the university, the changes in financial position, and cash flows of the university as a whole rather than the accountability of funds.

In fiscal 2013, the financial reporting entity of Rutgers included 28 degree granting schools, of which 18 offered graduate programs of study. These schools are located on three regional campuses in New Brunswick (Piscataway), Newark and Camden. The university also maintains educational services in many other communities throughout the State of New Jersey. The university operates research and institutional facilities on 5,927 acres in 12 counties and 27 municipalities.

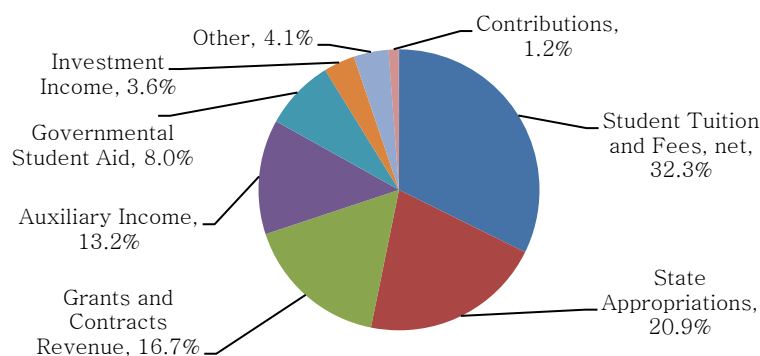
The financial statements also include the financial activity of the units of the New Market Tax Credit (NMTC) Transaction (One Washington Park), which include One Washington Park Capital, LLC, RUN Investments, LLC, and One Washington Park Holdings, LLC. The One Washington Park units provide financing services to the university classifying it as a component unit blended with those of the university. The financial statements for the Rutgers University Foundation are presented discretely. The foundation was formed to aid the university in obtaining private funds and other resources to meet the needs and achieve the goals of the university.

Financial Highlights

The university's financial condition at June 30, 2013 remained stable with net position increasing by 2.7% or \$68.9 million. Total operating revenues increased by \$29.2 million, or 2.2%, with increases of 3.9% in net student tuition and fees, and 5.0% in auxiliary net revenues, offset by a decrease of 4.5% in grant and contract revenue. Operating expenses increased 5.3% in 2013 while net nonoperating revenues increased 11.4% primarily as a result of increases in the fair value of investments.

As the State University of New Jersey, the appropriation from the State represents a vital part of the university's funding. In fiscal 2013, the State maintained the base appropriation constant with an additional appropriation for clinical legal programs on the Newark and Camden campuses resulting in an increase of \$0.4 million or 0.2% in direct state appropriations. Tuition revenue is another significant source of funding for the university. In fiscal 2013, in addition to an increase in tuition rates averaging 2.7%, enrollment was at its highest with 58,182 students.

As presented in the chart below, net student tuition and fees, state appropriation and grant and contract revenue are the three primary sources of revenue for the university.



Statement of Net Position

The Statement of Net Position presents the financial position of the university at the end of the fiscal year and includes all assets (current and noncurrent), liabilities (current and noncurrent), deferred inflows of resources, deferred outflows of resources and net position (the difference between total assets, deferred outflows, total liabilities, and deferred inflows) of the university. Current assets are classified as such if they are available to satisfy current liabilities, which are generally defined as being due within one year of the date of the statement of net position. Net position is one indicator of the financial condition of the University, while the change in net position is an indicator of whether the overall financial condition has improved or worsened during the year.

A summarized comparison of the university's assets, liabilities, deferred outflows, deferred inflows, and net position at June 30, 2013, 2012, and 2011 is as follows (dollars in thousands). 2012 and 2011 amounts are restated due to the adoption of GASB 61 and 65.

	2013	2012	2011
Assets			
Current assets	\$733,629	\$701,518	\$639,462
Noncurrent assets			
Endowment, restricted and other noncurrent cash and investments	993,827	1,035,461	1,242,489
Capital assets, net	2,317,877	2,218,288	2,014,777
Other assets	73,997	75,024	70,546
Total Assets	4,119,330	4,030,291	3,967,274
Deferred Outflows	27,311	51,439	18,662
Liabilities			
Current liabilities	425,823	371,841	328,951
Noncurrent liabilities	1,057,098	1,115,094	1,118,229
Total Liabilities	1,482,921	1,486,935	1,447,180
Deferred Inflows			21
Net Position			
Net investment in capital assets	1,230,405	1,193,363	1,133,976
Restricted - nonexpendable	429,035	370,518	368,203
Restricted - expendable	382,446	383,050	388,953
Unrestricted	621,834	647,864	642,550
Total Net Position	\$2,663,720	\$2,594,795	\$2,533,682

Current Assets and Current Liabilities

Current assets include unrestricted and restricted cash and cash equivalents, investments that mature within one year, receivables, inventories and other short-term assets. Noncurrent assets include unrestricted investments that mature in more than a year, as well as cash and cash equivalents and investments that are restricted by donors or external parties as to their use. Receivables deemed to be collectible in more than a year are also included as noncurrent. Current assets increased \$32.1 million in 2013 as opposed to a \$62.1 million increase in 2012.

Deferred outflows are the consumption of net position that are applicable to a future reporting period. Deferred outflows decreased \$24.1 million primarily due to a decline in the value of our interest rate swaps as a result of rising long-term swap rates. As a result of these rising rates, the value of the swap with Merrill Lynch decreased by \$19.7 million. Deferred outflows increased \$32.8 million in 2012.

Current liabilities include all liabilities that are payable within the next fiscal year. Unearned revenues, principally from summer programs, are also presented as current liabilities. Liabilities that are due to be paid beyond the next fiscal year are reported as noncurrent liabilities.

Current liabilities increased \$54.0 million in 2013 primarily as a result of the issuance of commercial paper in the amount of \$50.9 million to provide interim financing for several projects including, a new Rutgers facility on the Atlantic-Cape Community College Campus, the new Business School facility on the Livingston Campus and the Camden Housing project. Current liabilities increased \$42.9 million in 2012 primarily as a result of the issuance of commercial paper in the amount of \$27.0 million for interim funding of the Camden Housing Project.

The university's current assets cover current liabilities by a factor of 1.7 times, an indicator of good liquidity and the ability to bear short term demands on working capital. This coverage in 2012 was 1.9 times. The university's current assets also cover over four months of its total operating expenses, excluding depreciation.

Endowment and Other Investments

The primary financial objective of the investment management of the Endowment is to preserve and enhance its real (inflation-adjusted) purchasing power while providing a relatively predictable, stable, and constant (in real terms) stream of earnings for current use. The long term investment goal of the Endowment is to attain a total return of at least 4.5% plus inflation, fees, and costs. The investment objectives of the Endowment are based upon a long-term investment horizon allowing interim fluctuations to be viewed in an appropriate perspective. A major portion of the university's endowment is maintained in the long term investment pool managed by the university's Joint Investment Committee. The total annual return for the long-term investment pool was 11.3% in 2013 and (0.5)% in 2012. The average annual return over the 5 year period ending June 30, 2013 and 2012 was 3.9% and 1.7%, respectively.

The university distributes endowment earnings in a way that balances the annual support needed for operational purposes against the requirement to preserve the future purchasing power of the endowment. The endowment spending-rate policy is based on total return, not just cash earnings. The total distribution for the endowment was \$27.2 million in 2013 and \$24.6 million in 2012.

The university's endowments consist of permanent (true), term and quasi endowments. Permanent or true endowments are funds received from donors stipulating that the principal gift remain inviolate and be invested in perpetuity with the income generated from the investment to be expended for a specific purpose as designated by the donor. These permanent endowments increased \$58.5 million to \$429.0 million for 2013 from \$370.5 in 2012. Term endowments are those funds received from donors that function as endowment until a specified event occurs. The university's term endowments increased by \$3.3 million to \$46.0 million in 2013 from \$42.7 million in 2012. Quasi endowments consist of restricted gifts and unrestricted funds that have been designated by the university for long-term investment purposes and therefore act as endowments. The university's quasi endowments increased by \$23.5 million in 2013 to \$228.2 million from \$204.7 million in 2012.

From a net position perspective, earnings from the endowment, while expendable, are mostly restricted in use by the donors. It is important to note that of the university's endowment funds, only \$110.5 million or 15.7% (\$113.4 million or 17.6% in 2012), can be classified as unrestricted net position. From this unrestricted endowment, a significant portion of the income is internally designated by the university for scholarships, fellowships, professorships, and research efforts.

Capital Assets and Debt Activities

As a result of increasing student demand and the university's desire to meet such demand with quality academic programs and student life, the university has increased its commitment of resources to infrastructure improvement, construction of new state-of-the-art academic buildings and residential halls, as well as technology enhancement initiatives. The university administration, together with faculty, students and the communities in which each campus is located, is actively developing a strategic and capital development plan for the university which, when completed, will serve as the plan for the university's future development and growth.

Capital assets, net increased \$99.6 million in 2013, as compared to \$203.5 million in 2012. Capital additions primarily comprise replacement, renovation and new construction of academic and research facilities as well as significant investments in equipment, including information technology. Several major projects completed during 2013 include:

- The completion of the Livingston Apartments providing housing for 1,500 students in two and four bedroom apartments in addition to retail space that includes a movie theater, several restaurants and other shops.
- The completion of the new Camden Housing, 330 Cooper, a 12 story residential tower with apartment style living units configured with three and four single occupancy bedrooms housing 350 graduate students.
- The completion of the Robert E. Mortensen Hall on the Douglass Campus, featuring the Richard H Shindell Choral Hall with an adjacent choral suite for vocal ensembles and the Kevin Goetz Studio for Theater and Dance.

These additions were funded primarily with the proceeds of bonds. At June 30, 2013, the university had various projects under construction or in the design stage. Significant projects include:

- Construction of a new facility at the gateway to the Livingston Campus for the School of Business to include classrooms, instructional labs, meeting rooms, offices and a trading floor.
- Renovation of Tillet Hall on the Livingston Campus to convert the space to accommodate new lecture rooms, classrooms, computer labs, academic support offices and a campus post office.
- Construction of a new facility for the Department of Chemistry and Chemical Biology on the Busch Campus that will feature large flexible laboratories designed to evolve with changing research needs and utilizes a design that optimizes cross-team collaboration.

On June 15, 2006, the Board of Governors and Board of Trustees of the university approved a comprehensive debt policy for the university to provide an internal strategic framework for capital planning and overall debt management. In 2008, the Board of Governors and the Board of Trustees of the university approved a commercial paper program. The commercial paper program is being used for the interim financing of capital projects and temporary funding of outstanding debt issues.

Net Position

Net Position represents the residual interest in the university's assets and deferred outflows of resources after the deduction of its liabilities and deferred inflows of resources. The change in net position measures whether the overall financial condition has improved or deteriorated during the year. Net position consists of four major categories; net investment in capital assets, restricted net position (nonexpendable and expendable), and unrestricted net position. Net position increased by \$68.9 million in 2013. In 2012, net position increased \$61.1 million.

The first category, net investment in capital assets, represents the university's capital assets of land, buildings and equipment net of accumulated depreciation and net of outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. The increase of \$37.0 million in 2013 is primarily attributable to principal payments of \$40.6 million made on debt issued to finance capital projects. It also includes \$63.3 million of expenditures on capital projects not financed by debt including the addition of a performing arts wing at the Mason Gross School of the Arts, renovations at the Rutgers University Cell and DNA Repository and the installation of solar panels over a parking lot on the Livingston campus. It also includes \$30.0 million of capitalized equipment purchased in 2013. These additions were offset by the annual depreciation of \$97.6 million. In 2012, there was an increase of \$59.4 million in this category.

The next category is restricted net position, which is divided into two categories, nonexpendable and expendable. Nonexpendable restricted net position are those resources that have been set aside and invested as required by the provider of the resources. These funds are not available for expenditures, but rather must be invested in perpetuity with the earnings on those investments to be used as specified by the external donor at the time the resources are received. Nonexpendable net position increased by \$58.5 million in 2013. In 2012, nonexpendable net position increased by \$2.3 million.

Expendable restricted net position is available for expenditure by the university but must be spent for purposes as specified by external donors. There was a decrease of \$0.6 million in 2013. In 2012, there was a decrease of \$5.9 million in expendable restricted net position.

The final category is unrestricted net position. Unrestricted net position is available to the institution for any lawful purpose. Substantially all of the university's unrestricted net position has been designated by the governing boards or management to support specific programs such as student activities, research projects, continuing education and summer programs, agricultural experiment station activities, junior year abroad programs, auxiliary enterprises and other self-supporting organized activities relating to educational departments as well as capital projects. Many of these designations result from the funds being earned through special purpose fees charged for the specific purposes. The university, therefore, has an obligation to its students to maintain these funds for the purposes that they were received. The decrease in unrestricted net position in 2013 was \$26.0 million. In 2012, unrestricted net position increased \$5.3 million.

Statement of Revenues, Expenses, and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the revenues earned and the expenses incurred during the fiscal year. Activities are classified as either operating, nonoperating, or other. Revenues received and expenses incurred as a result of the university providing goods and services to its customers are considered operating. Nonoperating revenues are those received for which goods and services are not directly provided. The financial reporting model classifies state appropriations and gifts as nonoperating revenues. The operating deficit demonstrates the university's dependency on state support and gifts. In addition, appropriations, grants and gifts received by the university, specifically for capital expenditures as well as gifts received from donors as endowments, are reported as other revenues.

A summarized comparison of the university's revenues, expenses, and changes in net position for the years ended June 30, 2013, 2012, and 2011 is as follows (dollars in thousands). 2012 and 2011 are restated due to the adoption of GASB 61 and 65.

	2013	2012	2011
Operating revenues			
Student tuition and fees (net of scholarship allowance)	\$670,592	\$645,328	\$602,016
Grants and contracts	345,485	361,859	340,364
Auxiliary enterprises (net of scholarship allowance)	273,020	260,104	236,588
Other operating revenues	68,335	60,970	62,909
Total operating revenues	1,357,432	1,328,261	1,241,877
Operating expenses	1,985,392	1,886,175	1,742,684
Operating loss	(627,960)	(557,914)	(500,807)
Nonoperating revenues (expenses)			
State appropriations (including fringe benefits paid directly by the state)	432,901	429,327	438,156
Contributions	25,713	28,535	26,356
Endowment and investment income	12,428	15,851	14,220
Net increase/(decrease) in fair value of marketable investments	62,498	(11,805)	85,416
Governmental Student Aid	166,115	160,010	152,681
Interest on capital asset related debt	(52,551)	(41,140)	(39,219)
Net other nonoperating revenues	14,799	13,570	10,057
Net nonoperating revenues	661,903	594,348	687,667
Income before other revenues	33,943	36,434	186,860
Other revenues	34,982	24,679	32,433
Increase in net position	68,925	61,113	219,293
Net position at beginning of year, as restated	2,594,795	2,533,682	2,314,389
Net position at end of year	\$2,663,720	\$2,594,795	\$2,533,682

Operating revenues increased \$29.2 million in 2013, and \$86.4 million in 2012. Significant components of operating revenues include the following:

Student tuition and fees, net of scholarship allowances are the largest component of operating revenues. Tuition and fees are reflected net of scholarship allowances, which represent scholarships and fellowships applied to student accounts for tuition and residence fees. These scholarships and fellowships are funded through federal and state grant programs and gifts raised by the university. The university provided \$216.6 million of a total \$258.8 million of student aid directly to student accounts. The remaining \$42.2 million was paid to students and is reflected as scholarships and fellowships expense. Scholarship allowances allocated to tuition and fees amounted to \$176.8 million. Another \$39.8 million was allocated to residence fees, which are included in auxiliary revenues. Tuition and fees, net of scholarship allowances, increased \$25.3 million in 2013. The increase resulted primarily from an increase in tuition rates of 2.7% for undergraduates and graduate students, as well as an average increase of 2.5% in student fees. Also, full time enrollment increased by 1.0% while part time enrollment increased by 0.7%. In 2012, tuition and fees net of scholarship allowances, increased \$43.3 million. The increase in 2012 resulted from a 2.3% increase in tuition rates for undergraduates and graduate students, as well as an average increase of 2.6% in student fees. In 2012, full time enrollment also increased by 3.0% while part time enrollment decreased by 1.7%.

Grants and Contracts includes revenues for sponsored programs from federal, state and nongovernmental grants and contracts that normally provide for the recovery of direct and indirect costs, or expenses. In 2013, grants and contracts revenue decreased \$16.4 million. In 2012, grants and contracts revenue increased by \$21.5 million.

In 2013, *Federal Grants and Contracts* decreased \$22.3 million. This decline has resulted from the continuing decrease of expenditures on the few remaining awards received under the American Recovery and Reinvestment Act, as well as a general decrease in federal awards. In 2012, Federal grants increased \$27.8 million.

In 2013, *State and Municipal Grants and Contracts* decreased by \$0.4 million. In 2012, State grants increased by \$5.0 million.

Finally, in 2013, *Nongovernmental Grants and Contracts* increased \$6.4 million. A significant component of this increase resulted from a grant from the Robert Wood Johnson Foundation to provide funding for expenditures related to the integration of Rutgers with several components of the University of Medicine and Dentistry. In 2012, nongovernmental grants decreased \$11.3 million.

Auxiliary enterprise revenues include revenues from the university's housing and dining facilities, as well as other business type activities such as the bookstore and the golf course that provide support to the university's primary missions of education, research and public service. Auxiliary revenues, net of scholarship allowances, increased in 2013 by \$12.9 million while expenditures increased by \$35.4 million. Revenues increased primarily as a result of the opening of the new student apartments on the Livingston Campus providing housing for 1,500 students. Expenses increased as a result of salary increases and as a result of new positions for the new housing. The university also incurred significant one-time costs as a result of our move from the Big East to the Big Ten and the cancellation of our Athletic marketing contract to better align our marketing strategy with this transition. In 2012, auxiliary revenues, net of scholarship allowances, increased by \$23.5 million while expenditures increased by \$27.4 million. Auxiliary revenues increased partially as a result of an increase in Housing and Dining rates and due to an increase in occupancy and meal purchases. Expenses increased as a result of salary increases and as a result of new positions.

Operating expenses increased \$99.2 million in 2013, an increase of 5.3%. Operating expenses are reported by functional classification in the Statements of Revenue, Expenses, and Changes in Net Position and by natural classification in the notes to the financial statements (See Note 11). The following tables summarize the university's operating expenses by functional and natural classification.

Operating Expenses by Functional Classification
(dollars in thousands)

	2013	2012	2011
Instruction	\$721,258	\$686,444	\$647,587
Sponsored Research	228,936	221,980	213,680
Other Separately Budgeted Research	84,698	74,255	68,800
Other Sponsored Programs	82,895	88,827	87,986
Extension and Public Service	41,253	39,286	36,411
Libraries	40,694	39,464	37,035
Student Services	90,411	86,156	70,765
Operation and Maintenance of Plant	142,057	139,368	141,132
General Administration and Institutional	133,971	116,691	100,665
Scholarships and Fellowships	42,189	45,657	28,248
Depreciation	97,643	104,393	93,733
Auxiliary Enterprises	278,453	243,007	215,649
Other Operating Expenses	934	647	992
Total Operating Expenses	<u>\$1,985,392</u>	<u>\$1,886,175</u>	<u>\$1,742,683</u>

Operating Expenses by Natural Classification
(dollars in thousands)

	2013	2012	2011
Salaries and Wages	\$992,295	\$951,704	\$891,893
Fringe Benefits	273,437	248,507	231,539
Supplies and Services	622,017	581,571	525,519
Depreciation	97,643	104,393	93,733
Total Operating Expenses	<u>\$1,985,392</u>	<u>\$1,886,175</u>	<u>\$1,742,684</u>

The natural classification of expenses demonstrates that the major expenditure of the university is salaries and wages accounting for more than 50.0% of total operating expenses. Negotiated salary increases were implemented this year resulting in a part of the increase in this category. In addition, positions were added in areas such as Housing as a result of the new housing facilities that were opened. Fringe benefits also increased significantly this year primarily resulting from increases in pension and healthcare costs. The functional chart shows additional increases occurring in general administrative and institutional supplies and service costs as a result of the integration of Rutgers with several units of the University of Medicine and Dentistry.

State appropriations, including fringe benefits paid directly by the State, increased \$3.6 million in 2013. The university's base appropriation was held stable with the restoration of funding for the legal clinics for the poor in Newark and Camden resulting in a total increase of \$0.4 million. Fringe benefits paid directly by the State increased \$3.2 million in 2013 primarily as a result of increasing pension and healthcare costs. In 2012, total State appropriations, including fringe benefits paid directly by the State, decreased \$8.8 million.

Governmental Student Aid increased \$6.1 million in 2013. Federal Aid to students decreased \$1.1 million in 2013 primarily as a result of a decrease of 152 students receiving Pell Grants and a decrease of 485 students receiving Federal Supplemental Educational Opportunity Grants. State Aid to students increased \$7.2 million as a result of 214 additional students receiving Tuition Aid Grant (TAG) awards and an increase in award amounts with an increase of the maximum amount of \$292 in 2013. Governmental Student Aid increased \$7.3 million in 2012.

Contributions decreased \$2.8 million in 2013. The university did receive a significant increase of \$11.5 million, however, in endowed gifts reflected below in our additions to permanent endowments. While capital gifts and grants decreased by \$1.2 million, the combined giving in these three areas resulted in a net increase of \$7.5 million in 2013. Contributions decreased \$2.1 million in 2012.

Net increase/(decrease) in fair value of investments increased \$74.3 million in 2013 due to continued improvements in the market in 2013 resulting in unrealized gains recorded to report investments at fair market value at the end of the year. Net increase/(decrease) in fair value of investments decreased \$97.2 million in 2012.

Other revenues and expenses consist of grants and gifts received by the university for capital projects, as well as additions to permanent endowments. In 2013, this category increased \$10.3 million primarily as a result of an increase in permanent endowments. This category decreased in 2012 by \$7.8 million.

Economic Factors that will affect the future

On August 22, 2012, the Governor of New Jersey signed the New Jersey Medical and Health Sciences Education Restructuring Act (Chapter 45, P.L. 2012); which was passed by the New Jersey Senate and Assembly on June 28, 2012. This act integrates all units of the University of Medicine and Dentistry of New Jersey, except University Hospital in Newark and the School of Osteopathic Medicine in Stratford, into Rutgers effective July 1, 2013. The University of Medicine and Dentistry of New Jersey and Rutgers worked collaboratively to implement the provisions of the Act. On July 1, 2013 the units transferred from UMDNJ were incorporated into Rutgers as Rutgers Biological and Health Sciences.

As a part of this integration, the university refinanced the outstanding indebtedness of UMDNJ that was transferred to the university. The university issued 2013 Series J and K to refinance this debt on July 1, 2013. In addition, on that date, the university also issued 2013 series L to refinance the university's 2002 Series B, 2003 Series C and 2004 series E bonds. This series was also used to retire commercial paper that had been issued as interim financing for several capital projects.

On September 2013, the New Jersey Economic Development Authority issued bonds in the amount of \$237.1 million to fund several university projects including a new academic building with approximately 2,500 classroom seats, a 500 bed residence hall for honors students, a 500 bed apartment style residence building with 13,000 square feet of retail space, and a 300 space multi-story parking structure.

In addition, the University anticipates receiving funding from the state through the New Jersey Higher Education Capital Funding Programs which includes the Building Our Future Bond Act; the Higher Education Capital Improvement Fund; the Higher Education Equipment Leasing Fund; the Higher Education Facility Trust Fund and the Higher Education Technology Infrastructure Bonds. These funds will be used to support various capital and infrastructure projects, as well as providing additional funds to supplement the equipment needs of the university.

The university has also received an appropriation from the State for the Rutgers Biological and Health Sciences of \$146.5 million. This has been added to the 2013 base appropriation for Rutgers of \$262.7 million for a total appropriation in 2014 of \$409.2. During these difficult financial times, the university continues to attract high quality students. In fact, enrollment continues to increase with a total of over 65,541 students enrolled for the fall 2013 semester at the combined institution.

The university also continues to diversify its resources with gifts, grants and investment income. The university foundation is in the middle of a \$1.0 billion campaign to help meet the university's most pressing academic and financial needs. Funds raised through this campaign will be used to support academic initiatives and student services. The campaign also has a goal of doubling the university's permanent endowment to ensure that permanent resources will be available to meet the needs of our students and faculty for the future. The foundation has already raised \$818.2 million towards their goal.

STATEMENTS OF NET POSITION
JUNE 30, 2013 and 2012
(dollars in thousands)

	Rutgers, The State University of New Jersey		Component Unit Rutgers University Foundation	
	2013	2012	2013	2012
ASSETS:				
Current Assets				
Cash and Cash Equivalents	\$151,831	\$110,123	\$1,575	\$4,305
Cash and Cash Equivalents - Restricted	102,330	105,083	15,566	14,206
Short-Term Investments	339,397	336,337		
Short-Term Investments - Restricted			2,425	1,894
Accounts Receivable, net	121,375	130,861	3,284	3,134
Contributions Receivable, net			30,307	23,210
Inventories	4,433	4,012		
Prepaid Expenses and Other Assets	14,263	15,102	396	222
Total Current Assets	<u>733,629</u>	<u>701,518</u>	<u>53,553</u>	<u>46,971</u>
Noncurrent Assets				
Cash and Cash Equivalents	54,422	58,307		
Cash and Cash Equivalents - Restricted	85,955	121,741		
Long-Term Investments	171,345	216,677	16,611	16,009
Long-Term Investments - Restricted	682,105	600,329	12,207	10,626
Investments Held by Trustees - Restricted		38,407		
Accounts Receivable, net	73,997	75,024		241
Contributions Receivable, net			26,499	23,896
Cash Surrender Value of Whole Life Insurance Policies			562	506
Capital Assets, net	2,317,877	2,218,288		
Total Noncurrent Assets	<u>3,385,701</u>	<u>3,328,773</u>	<u>55,879</u>	<u>51,278</u>
TOTAL ASSETS	<u>4,119,330</u>	<u>4,030,291</u>	<u>109,432</u>	<u>98,249</u>
Deferred Outflows				
Loss on Refunding	5,859	6,750		
Interest Rate Swaps	21,452	44,689		
Total Deferred Outflows	<u>27,311</u>	<u>51,439</u>		
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>4,146,641</u>	<u>4,081,730</u>	<u>109,432</u>	<u>98,249</u>
LIABILITIES:				
Current Liabilities				
Accounts Payable and Accrued Expenses Payable to Rutgers, The State University of New Jersey	175,919	173,693	2,030	2,453
Unearned Revenue	62,549	61,991	220	557
Payroll Withholdings	13,882	11,948		
Other Payables	2,017	1,886		
Annuities Payable			874	921
Short-Term Liabilities	130,055	81,505		
Long-Term Liabilities - Current Portion	41,401	40,818		
Total Current Liabilities	<u>425,823</u>	<u>371,841</u>	<u>3,124</u>	<u>3,931</u>

(Continued)

STATEMENTS OF NET POSITION
JUNE 30, 2013 and 2012
(dollars in thousands)

	Rutgers, The State University of New Jersey		Component Unit Rutgers University Foundation	
	2013	2012	2013	2012
Noncurrent Liabilities				
Accounts Payable and Accrued Expenses	33,185	28,236	402	498
Derivative Instruments	21,452	44,689		
Annuities Payable			5,277	5,226
Long-Term Liabilities	1,002,461	1,042,169		
Total Noncurrent Liabilities	1,057,098	1,115,094	5,679	5,724
TOTAL LIABILITIES	1,482,921	1,486,935	8,803	9,655
NET POSITION:				
Net Investment in Capital Assets	1,230,405	1,193,363		
Restricted for				
Nonexpendable				
Instruction	201,076	173,096	1,259	1,144
Scholarships and Fellowships	205,008	176,772	6,053	2,660
Libraries	8,259	7,678		24
Other	14,692	12,972	1,574	465
Expendable				
Instruction	138,901	132,585	9,472	13,060
Research	83,064	91,401	30,787	17,109
Scholarships and Fellowships	72,440	67,502	6,970	8,435
Libraries	10,723	10,658	246	239
Loans	37,781	38,188		
Capital Projects	25,959	25,205	20,774	18,642
Debt Service Reserve		5,512		
Other	13,578	11,999	4,515	6,136
Unrestricted	621,834	647,864	18,979	20,680
TOTAL NET POSITION	\$2,663,720	\$2,594,795	\$100,629	\$88,594

See accompanying notes to the financial statements.

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
For the Years Ended June 30, 2013 and 2012
(dollars in thousands)

	Rutgers, The State University of New Jersey		Component Unit Rutgers University Foundation	
	2013	2012	2013	2012
OPERATING REVENUES				
Student Tuition and Fees (net of scholarship allowances of \$176,853 in 2013 and \$169,313 in 2012)	\$670,592	\$645,328		
Federal Grants & Contracts	225,195	247,532		
State & Municipal Grants & Contracts	50,268	50,695		
Nongovernmental Grants & Contracts	70,022	63,632	\$12,111	\$4,169
Auxiliary Enterprises (net of scholarship allowances of \$39,754 in 2013 and \$37,536 in 2012)	273,020	260,104		
Other Operating Revenues	68,335	60,970	4,742	4,186
Total Operating Revenues	1,357,432	1,328,261	16,853	8,355
OPERATING EXPENSES				
Educational and General				
Instruction	721,258	686,444		
Sponsored Research	228,936	221,980		
Other Separately Budgeted Research	84,698	74,255		
Other Sponsored Programs	82,895	88,827		
Extension and Public Service	41,253	39,286		
Libraries	40,694	39,464		
Student Services	90,411	86,156		
Operations and Maintenance of Plant	142,057	139,368		
General Administration and Institutional	133,971	116,691	27,078	26,299
Scholarships and Fellowships	42,189	45,657		
Depreciation	97,643	104,393		
Auxiliary Enterprises	278,453	243,007		
Distributions to Douglass Associate Alumnae			1,028	216
Other Operating Expenses	934	647		
Total Operating Expenses	1,985,392	1,886,175	28,106	26,515
Operating Loss	(627,960)	(557,914)	(11,253)	(18,160)

(Continued)

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

For the Years Ended June 30, 2013 and 2012

(dollars in thousands)

	Rutgers, The State University of New Jersey		Component Unit Rutgers University Foundation	
	2013	2012	2013	2012
NONOPERATING REVENUES				
(EXPENSES)				
State Appropriations	262,760	262,360		
State Paid Fringe Benefits	170,141	166,967		
Administrative Fees and Support from Rutgers, The State University of New Jersey			14,223	14,363
Noncash Support from Rutgers, The State University of New Jersey			1,503	1,335
Federal Appropriations	9,207	8,504		
Federal Student Aid	72,179	73,249		
State Student Aid	93,936	86,761		
Contributions	25,713	28,535	612	(506)
Endowment and Investment Income (Net of Investment Management Fees of \$4,909 in 2013 and \$3,299 in 2012)	12,428	15,851	947	1,168
Net Increase/(Decrease) in Fair Value of Investments	62,498	(11,805)	226	(854)
Interest on Capital Asset Related Debt	(52,551)	(41,140)		
Loss on Disposal of Capital Assets	(854)	(740)		
Other Nonoperating Revenues (Expenses)	6,446	5,806	15	(196)
Net Nonoperating Revenues	<u>661,903</u>	<u>594,348</u>	<u>17,526</u>	<u>15,310</u>
Income before Other Revenues (Expenses)	33,943	36,434	6,273	(2,850)
Capital Grants and Gifts	7,125	8,371	2,688	(318)
Additions to Permanent Endowments	<u>27,857</u>	<u>16,308</u>	<u>3,074</u>	<u>(2,593)</u>
Net Increase/(Decrease) in Net Position	68,925	61,113	12,035	(5,761)
Net Position - Beginning of the Year, as restated (Note 1)	<u>2,594,795</u>	<u>2,533,682</u>	<u>88,594</u>	<u>94,355</u>
Net Position - End of the Year	<u>\$2,663,720</u>	<u>\$2,594,795</u>	<u>\$100,629</u>	<u>\$88,594</u>

See accompanying notes to the financial statements.

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2013 and 2012
(dollars in thousands)

	Rutgers, The State University of New Jersey	
	2013	2012
Cash Flows from Operating Activities		
Student Tuition and Fees	\$734,824	\$724,274
Research Grants and Contracts	386,448	361,951
Payments to Employees and for Benefits	(1,029,307)	(994,736)
Payments to Suppliers	(576,957)	(522,763)
Payments for Utilities	(63,632)	(65,749)
Payments for Scholarships and Fellowships	(97,416)	(109,612)
Collection of Loans to Students and Employees	5,571	5,563
Auxiliary Enterprises Receipts:		
Housing	132,357	122,521
Dining	72,953	70,924
Athletics	13,631	17,701
Parking	7,657	8,199
Other	20,109	18,802
Other Receipts	57,386	49,948
Net Cash Used by Operating Activities	(336,376)	(312,977)
Cash Flows from Noncapital Financing Activities		
State Appropriations	262,760	262,360
Federal Appropriations	7,140	7,824
Federal and State Student Aid	165,685	157,377
Contributions for other than Capital Purposes	19,817	21,638
Contributions for Endowment Purposes	28,817	21,589
Net Cash Provided by Noncapital Financing Activities	484,219	470,788
Cash Flows from Financing Activities		
Proceeds from Capital Debt	50,860	27,000
Capital Grants and Gifts Received	7,231	6,914
Purchases of Capital Assets and Construction in Progress	(197,487)	(288,113)
Principal Paid on Capital Debt and Leases	(40,569)	(40,772)
Interest Paid on Capital Debt and Leases	(53,586)	(55,014)
Other Receipts	10,232	8,880
Net Cash Used by Financing Activities	(223,319)	(341,105)
Cash Flows from Investing Activities		
Proceeds from Sales and Maturities of Investments	1,634,554	1,930,270
Investment Income	9,879	13,676
Purchase of Investments	(1,569,673)	(1,823,557)
Net Cash Provided by Investing Activities	74,760	120,389
Net Decrease in Cash and Cash Equivalents	(716)	(62,905)
Cash and Cash Equivalents - Beginning of the year, as restated	395,254	458,159
Cash and Cash Equivalents - End of the year	\$394,538	\$395,254

(Continued)

STATEMENTS OF CASH FLOWS
For the Years Ended June 30, 2013 and 2012
(dollars in thousands)

	<u>2013</u>	<u>2012</u>
Reconciliation of Operating Loss to		
Net Cash Used by Operating Activities:		
Operating Loss	(\$627,960)	(\$557,914)
Adjustments to Reconcile Operating Loss to Net Cash		
Used by Operating Activities:		
State Paid Fringe Benefits	170,141	166,967
Depreciation	97,643	104,393
Changes in Assets and Liabilities:		
Receivables, net	16,920	(39,075)
Inventories	(421)	249
Prepaid Expenses	373	(1,151)
Accounts Payable and Accrued Expenses	2,505	10,442
Unearned Revenue	558	2,425
Payroll Withholdings	1,934	660
Other Payables	1,931	27
Net Cash Used by Operating Activities	<u><u>(\$336,376)</u></u>	<u><u>(\$312,977)</u></u>

See accompanying notes to the financial statements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

Basis of Accounting

The basic financial statements of Rutgers, The State University of New Jersey (the university) have been prepared on the accrual basis of accounting, using the economic resources measurement focus, and in accordance with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The university reports as a special purpose government engaged only in business type activities as defined in GASB Statement No. 34 *Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments* as amended by GASB Statement No. 35 *Basic Financial Statements – and Management’s Discussion and Analysis – Public Colleges and Universities*. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

GASB Statement No. 34 requires that the financial statements be presented on a comprehensive entity-wide basis, reporting the university as an economic unit.

Reporting Entity

The university’s financial statements and notes thereto include the financial statements of the Rutgers University Foundation (the foundation) and the units of the New Market Tax Credit (NMTTC) Transaction (One Washington Park), which include One Washington Park Capital, LLC, Parkside RUN Investments, LLC, and One Washington Park Holdings, LLC. The foundation was formed to aid the university in obtaining private funds and other resources to meet the needs and achieve the goals of the university. Although the foundation is a legally separate, not-for-profit organization, it exists for the benefit of the university and is considered a discretely presented component unit of the university (see Note 17). The governing body of the One Washington Park units is primarily the same as that of the university, and it provides financing services to the university classifying it as blended component units. The balances and transactions of One Washington Park units were blended with the university for reporting purposes, in accordance with GASB Statement No. 61, *The Financial Reporting Omnibus*, an amendment of GASB Statement No. 14, *The Financial Reporting Entity*. Copies of the foundation’s financial statements can be obtained by writing to the foundation at Rutgers University Foundation, Winants Hall, 7 College Avenue, New Brunswick, NJ 08901. Copies of the financial statements for One Washington Park may be obtained by writing to the Executive Director of Business and Financial Services, 249 University Avenue, Room 306, Newark, NJ 07102-1896.

Under GASB Statement No. 61, an amendment of GASB Statement No. 14 and GASB Statement No. 34, the university is considered a component unit of the State of New Jersey for financial reporting purposes. Accordingly, the university’s financial statements are included in the State of New Jersey’s Comprehensive Annual Financial Report.

New Accounting Standards Adopted

In fiscal year 2013, the university adopted four new accounting standards as follows:

GASB Statement No. 61, the *Financial Reporting Entity: Omnibus, an amendment of GASB Statements No. 14 and No. 34*, (GASB 61) modifies the existing requirements for the assessment of component units that should be included in the financial statements of the university. The objective is to improve financial reporting for a governmental financial reporting entity. GASB 61 is effective for the University’s fiscal year 2013 financial statements and is being applied retroactively to fiscal year 2012, resulting in a restatement of net position as of July 1, 2011.

GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements* (GASB 62), incorporates into the GASB’s authoritative literature certain accounting and financial reporting guidance included in the Financial Accounting Standards Board (FASB) pronouncements, which does not conflict with or contradict GASB pronouncements, and eliminates the option to apply post-November 30, 1989 FASB pronouncements that do not conflict with or contradict GASB pronouncements. Implementation of GASB 62 had no effect on the university’s net position or changes in net position for the years ended June 30, 2013 and 2012.

GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position* (GASB 63), establishes a new statement of net position format that reports separately all assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position (which is the net residual amount of the other elements). The Statement requires deferred outflows of resources and deferred inflows of resources to be reported separately from assets and liabilities. The financial reporting impact resulting from the implementation of GASB 63 in the university’s financial statements was the renaming of “Net Assets” to “Net Position,” including changing the name of the financial statement from “Statement of Net Assets” to “Statement of Net Position”.

GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities* (GASB 65), amends or supersedes the accounting and financial reporting guidance for certain items previously required to be reported as assets or liabilities. The objective is to either properly classify certain items that were previously reported as assets or liabilities as deferred outflows of resources or deferred inflows of resources or recognize certain items that were previously reported as assets and liabilities as outflows of resources (expenses) or inflows of resources (revenues). GASB 65 is effective for the university's financial statements for the fiscal year ending June 30, 2014, however, the university early adopted the provisions in 2013 effective for the fiscal year beginning July 1, 2011, resulting in a restatement of net position as of July 1, 2011.

Cash and Cash Equivalents

Current cash and cash equivalents, which are both unrestricted and restricted in nature, consist of cash on hand, and all highly liquid investments with an original maturity of three months or less except for those managed as a component of the university's investment portfolio. Noncurrent unrestricted cash and cash equivalents consist of funds that are not externally restricted and are to be used to purchase plant related items not related to capital construction. Noncurrent restricted cash and cash equivalents are externally restricted to maintain sinking or reserve funds, purchase or construct capital or other noncurrent assets, or are related to endowed funds.

Investments

Investments are recorded at fair value in the statement of net position. The year-to-year change in the fair value of investments is reported in the statements of revenues, expenses, and changes in net position as net increase (decrease) in fair value of investments.

The fair value of marketable investments is based on the last sale price on the last business day of the fiscal year as quoted by an industry standard pricing service. Securities for which no sale was reported as of the close of the last business day of the fiscal year are valued by this pricing service based on market evaluations using standard trade publications and other quote devices. Investments in non-marketable securities are reported in the financial statements based upon net asset values or the equivalent provided by external investment managers which are reviewed and evaluated by the university's management for reasonableness. Investments with a maturity greater than one year and investments externally restricted for endowment purposes and to maintain sinking or reserve funds, or to purchase or construct capital or other noncurrent assets are classified as noncurrent assets in the statement of net position.

Funds Held in Trust

Funds held in trust by others or not in the possession of, nor under the control of, the university are not included in the university's accompanying financial statements because they do not meet eligibility requirements for recognition. The market value of such funds aggregated approximately \$56.0 million at June 30, 2013 (\$52.0 million in 2012). Income derived from such irrevocable trust funds held by others, aggregating approximately \$2.1 million in 2013 (\$1.9 million in 2012), is reported in the accompanying financial statements as nonoperating revenues.

Inventories

Inventories are stated at lower of cost or market. Cost is determined principally on a first-in, first-out basis.

Capital Assets

Capital assets consist of land, buildings, land improvements and infrastructure, equipment, construction in progress and art collections. Capital assets are recorded at cost at the date of acquisition, or fair market value on the date of gift if donated, and are shown net of accumulated depreciation. Depreciation on buildings, land improvements and infrastructure, and equipment is calculated using the straight-line method over the assets' estimated useful lives, ranging from 5 to 50 years. Library books totaling approximately 5.6 million (5.5 million in 2012) volumes have not been capitalized. The capitalization threshold is \$5,000 and above. Works of art or historical treasures that are held for public exhibition, education, or research in furtherance of public service are capitalized at the fair market value of the item at the time of acquisition.

Unearned Revenue

Unearned revenue includes summer session activity which will be recognized as revenue and expense in the following fiscal year.

Net Position

Net position is the difference between the university's assets and deferred outflows of resources, and its liabilities and deferred inflows of resources. GASB Statement No. 63 requires that these resources be classified for accounting and reporting purposes into four categories as follows:

Net investment in capital assets represents the university's total investment in capital assets, net of outstanding debt obligations related to those capital assets.

Restricted net position – nonexpendable consists of endowment and similar type funds for which donors or other outside sources have stipulated, as a condition of the gift instrument, that the principal is to be maintained inviolate and in perpetuity, and invested for the purpose of producing income, which may either be expended or added to principal.

Restricted net position – expendable includes all resources for which the university is legally or contractually obligated to spend the resources in accordance with restrictions imposed by external third parties as well as Perkins loans and U.S. government grants refundable.

Unrestricted net position represents resources available to the university for educational and general operations and spendable endowment income. These resources are derived from student tuition and fees, state appropriations, and sales and services of educational departments and auxiliary enterprises. Auxiliary enterprises and several academic programs, such as summer session and continuing education, are substantially self-supporting activities that provide services for students, faculty and staff.

Under the university's decentralized management structure, it is the responsibility of individual departments to determine whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Revenue Recognition

Revenues from student tuition and fees and auxiliary enterprises are presented net of scholarship allowances applied to student accounts and are recognized in the period earned. Other payments made directly to students are presented as scholarships and are included in operating expenses in the period incurred.

Grants and contracts revenue is comprised mainly of funds received from grants from federal, State of New Jersey and municipal and other nongovernmental sources and is recognized when all eligibility requirements for revenue recognition are met, which is generally the period in which the related expenses are incurred.

Revenue from State appropriations is recognized in the fiscal year during which the State of New Jersey appropriates the funds to the university. The university is fiscally dependent upon these appropriations.

Contributions are recognized as revenues when all eligibility requirements are met, which is generally in the period donated. Additions to permanent endowments are recognized upon receipt. Endowment and investment income is recognized in the period earned.

Classification of Revenue

The university's policy for defining operating activities in the statement of revenues, expenses, and changes in net position are those that serve the university's principal purpose and generally result from exchange transactions such

as the payment received for services and payment made for the purchase of goods and services. Examples include (1) student tuition and fees, net of scholarship allowances, (2) auxiliary enterprises, net of scholarship allowances, and (3) most federal, state and municipal and other nongovernmental grants and contracts. Nonoperating revenues include activities that have the characteristics of nonexchange transactions, such as operating appropriations from the State, student aid, endowment and investment income and contributions. Interest on capital asset related debt is reported as nonoperating expenses.

Scholarships and Fellowships

Scholarships, fellowships or stipends include payments made directly to students in the form of student aid. Any aid applied directly to the students' accounts in payment of tuition and fees, housing charges and dining services is reflected as a scholarship allowance and is deducted from the university's revenues. Certain governmental grants, such as Pell grants, and other federal, state or nongovernmental programs, are recorded as nonoperating revenues in the university's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the university has recorded a scholarship discount and allowance.

The university received \$66.7 million during the year ended June 30, 2013 (\$67.5 million in 2012) from the Federal Pell Grant program, and \$83.1 million during the year ended June 30, 2013 (\$74.5 million in 2012) from Tuition Aid Grants, from the State of New Jersey, the largest state student aid program.

The university distributes loans to students under the Federal Direct Student Loan Program. Under this program, the U.S. Department of Education makes interest subsidized and unsubsidized loans, through schools, directly to students. During the year ended June 30, 2013, the university disbursed \$325.6 million (\$338.6 million in 2012) under the Federal Direct Student Loan Program. Direct student loans receivable are not included in the university's statement of net position since they are repayable directly to the U.S. Department of Education.

Income Taxes

The university is exempt from income taxes on related income pursuant to federal and state tax laws as an instrumentality of the State of New Jersey.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principals requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Restatement

Due to the university's adoption of GASB 61 and early adoption of GASB 65, net position was restated at July 1, 2011. With the adoption of GASB 61, the university is reporting the Rutgers University Foundation as a discretely presented component unit. With the adoption of GASB 65, the university is amortizing the deferred loss on debt refunding and reporting this amount as a deferred outflow. In addition, bond issuance costs are expensed and no longer amortized annually. The following is a reconciliation of the total net position as previously reported at July 1, 2011, to the restated net position (dollars in thousands).

Reconciliation of Net Position	Total Net Position
Net position at July 1, 2011, as previously reported	\$2,636,769
Adjustments:	
Adoption of GASB 61	(94,355)
Adoption of GASB 65	(8,732)
Total Adjustments	(103,087)
Net position at July 1, 2011, as restated for adoption of GASB 61 and 65	\$2,533,682

Reclassifications

Certain reclassifications of 2012 amounts have been made to conform to the 2013 presentation.

NOTE 2 – CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and Cash Equivalents

The university's net cash and cash equivalents balance at June 30, 2013 includes a cash book balance of \$76.2 million (\$97.5 million in 2012). The actual amount of cash on deposit in the university's bank accounts at June 30, 2013 was \$81.3 million (\$107.3 million in 2012). Of this amount, \$1.3 million (\$30.7 million in 2012) was insured by the Federal Deposit Insurance Corporation at June 30, 2013. At June 30, 2013, \$80.0 million (\$76.6 million in 2012) was collateralized in accordance with Chapter 64 of Title 18A of New Jersey Statutes, and no cash was uninsured and uncollateralized at June 30, 2013 and 2012.

The university's cash and cash equivalents are carried in the financial statements at fair value and consist of the following at June 30, 2013 and 2012 (dollars in thousands):

	2013	2012
Money Market Funds	\$298,177	\$254,170
Repurchase Agreements	25,216	6,860
Cash and Deposits	71,145	134,224
Total Cash and Cash Equivalents	\$394,538	\$395,254

Investments

The Board of Governors and the Board of Trustees, through the Joint Committee on Investments, exercise authority over the investment of the university's Long-Term Investment Pool. Professional investment managers manage the investment of funds in accordance with the Investment Policy as established by the Joint Committee on Investments, approved by the Board of Governors with the consent of the Board of Trustees. Additionally, a professional investment consultant monitors and reports on the Long-Term Investment Pool and the individual investment managers. Under the terms of the university's bond indentures, bond proceeds and debt service funds may be invested and reinvested only in obligations which will by their terms mature on or before the date funds are needed for expenditure or withdrawal.

The primary financial objective of the investment management of the university's Long-Term Investment Pool is to preserve and enhance the Long-Term Investment Pool's real purchasing power while providing a relatively constant stream of earnings for current use. The long-term investment objective for the Long-Term Investment Pool is to attain an average annual total return of at least 4.5%, net of inflation, fees, and costs. In 2013, the university's annual spending policy is to spend an amount not to exceed 4.3875% of a trailing 13-quarter average of the Long-Term Investment Pool's market values. For fiscal year 2014, the endowment spending policy will drop to 4.2750%. Current earned income will be used for ongoing spending requirements.

The university's investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the statement of net position.

The university's investments are carried in the financial statements at fair value and consist of the following at June 30, 2013 and 2012 (dollars in thousands):

	2013	2012
Commercial Paper	\$184,316	\$229,397
U.S. Government Treasury Securities	244,288	241,915
U.S. Government Agency Securities	53,836	94,875
Commodities	32,077	32,416
U.S. Corporate Equities	329,518	333,042
Foreign Corporate Equities	12,426	101,246
Mutual Funds	248,215	
Real Estate	38,206	39,030
Corporate Bonds	6,130	14,449
Municipal Bonds	20,807	9,835
Bonds – Other Holdings	14,645	87,419
Other Investments	8,383	8,126
Total Investments	<u>\$1,192,847</u>	<u>\$1,191,750</u>

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The operating funds of the university are managed against the expected cash requirements of these funds. The university projects its cash requirements and arranges investment maturities accordingly. Special attention is given to the interest rate environment in times of economic growth or downturns. The table below reflects the operation of this process. Endowment funds have a much longer outlook and are invested by professional managers against an index as provided in the university's investment guidelines. For the university, the following table summarizes the maturities of cash and cash equivalents and investments at June 30, 2013 and 2012 (dollars in thousands):

Investment Type	2013				
	Market Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More Than 10
Commercial Paper	\$184,316	\$184,316			
U.S. Government Treasury Securities	244,288	131,559	\$110,325		\$2,404
U.S. Government Agency Securities	53,836	16,309	37,451	\$47	29
Corporate Bonds	6,130		4,420	1,094	616
Municipal Bonds	20,807	1,003	15,074		4,730
Mutual Funds	72,549	18,514		54,035	
Bonds – Other Holdings	14,645	14,645			
Money Market Funds	298,177	298,177			
Repurchase Agreements	25,216	25,216			
Total	919,964	\$689,739	\$167,270	\$55,176	\$7,779
U.S. Corporate Equities	329,518				
Foreign Corporate Equities	12,426				
Mutual Funds	175,666				
Commodities	32,077				
Real Estate	38,206				
Other Investments	8,383				
Total	\$1,516,240				
Investment Type	2012				
	Market Value	Investment Maturities (in years)			
		Less Than 1	1-5	6-10	More Than 10
Commercial Paper	\$229,397	\$229,397			
U.S. Government Treasury Securities	241,915	105,452	\$133,779		\$2,684
U.S. Government Agency Securities	94,875	20,881	73,892	\$5	97
Corporate Bonds	14,449	10,994	3,455		
Municipal Bonds	9,835			1,045	8,790
Bonds – Other Holdings	87,419		2,734	84,685	
Money Market Funds	254,170	254,170			
Repurchase Agreements	6,860	6,860			
Total	938,920	\$627,754	\$213,860	\$85,735	\$11,571
U.S. Corporate Equities	333,042				
Foreign Corporate Equities	101,246				
Commodities	32,416				
Real Estate	39,030				
Other Investments	8,126				
Total	\$1,452,780				

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The university's Investment Policy states that individual bonds shall be rated with an investment grade by at least two of the three rating agencies (Moody's, Fitch, and Standard & Poor's (S&P)). The average credit quality of the Core Fixed Income Fund shall be maintained at AA (by S&P or equivalent rating by Moody's or Fitch) or higher. The prospect of credit risk or risk of permanent loss shall be avoided in the Core Fixed Income Fund. Issues of state or municipal agencies shall not be purchased except in unusual circumstances. A fixed income manager may invest in foreign securities up to a limit of 20% of the portfolio. At June 30, 2012, \$0.8 million of the university's money market funds included in cash and cash equivalents were not rated. At June 30, 2013, all of the university's repurchase agreements included in cash and cash equivalents were rated (none in 2012 were rated). At June 30, 2013 and 2012, the university's cash and cash equivalent and investment quality ratings as rated by Standard & Poor's were as follows (dollars in thousands):

Investment Type	Quality Rating	2013	2012
U.S. Government Treasury and Agency Securities	AAA		\$67,497
U.S. Government Treasury and Agency Securities	AA+	\$298,124	269,293
Money Market Funds	AAA	298,177	253,390
Money Market Funds	N/R		780
Repurchase Agreements	AA+	25,216	
Repurchase Agreements	N/R		6,860
Corporate Bonds	AAA	4,708	5,737
Corporate Bonds	AA+		6,912
Corporate Bonds	AA	71	1,511
Corporate Bonds	AA-	616	
Corporate Bonds	A+	540	
Corporate Bonds	A	106	196
Corporate Bonds	BBB+		93
Corporate Bonds	BBB	89	
Municipal Bonds	AAA	3,419	3,325
Municipal Bonds	AA+	4,627	1,410
Municipal Bonds	AA	5,032	770
Municipal Bonds	AA-	5,060	2,000
Municipal Bonds	A+	2,669	
Municipal Bonds	N/R		2,330
Mutual Funds	N/R	72,549	
Bonds – Other Holdings	AA		66,187
Bonds – Other Holdings	AA-		21,232
Bonds – Other Holdings	N/R	14,645	
Commercial Paper	A-1+	97,155	92,974
Commercial Paper	A-1	87,161	136,423
Total		\$919,964	\$938,920

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the university will not be able to recover the value of the investments that are in the possession of an outside party. Custodial credit risk should not be confused with market risk, which is the risk that the market value of a security may decline. The university's investment securities are exposed to custodial credit risk if the securities are uninsured and unregistered and held by the counterparty, or by its trust department or agent but not in the university's name. Money market funds and mutual funds are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form. At June 30, 2013 and 2012, the university had \$468.0 and \$371.5 million, respectively, of investments that were uninsured and unregistered and not held by the outside party in the university's name.

Investment Type	2013	2012
U.S. Corporate Equities	\$251,287	\$224,065
Foreign Corporate Equities	2,712	42,843
Mutual Funds	129,036	
Bonds – Other Holdings	14,645	33,182
Commodities	32,077	32,416
Real Estate	38,206	39,030
Total	<u>\$467,963</u>	<u>\$371,536</u>

Investments – Endowment Funds

The majority of endowment funds assets are in the Long-Term Investment Pool. Each individual fund subscribes to or disposes of units in the pools on the basis of the per-unit market value at the beginning of the three-month period within which the transaction takes place. At June 30, 2013, the market value of the Long-Term Investment Pool was \$667.5 million (\$581.2 million in 2012). In addition, the aggregate endowment market value of funds separately invested was \$35.7 million at June 30, 2013 (\$36.4 million in 2012). The investment appreciation was \$106.9 million at June 30, 2013 (appreciation of \$59.6 million in 2012). These amounts are included in restricted nonexpendable, restricted expendable and unrestricted net position.

The university employs a spending policy which provides for annual spending at a stated rate determined by the Joint Investment Committee of the Board of Governors and the Board of Trustees. Income earned above the stated rate is reinvested and added to the endowment principal, while any shortfall is covered by capital appreciation. The university complies with the "Uniform Prudent Management of Institutional Funds Act" (UPMIFA) P.L. 2009, Chapter 64, adopted by New Jersey. This law speaks to the management and use of funds held by charitable institutions.

Alternative Investments

As part of its investment strategy, the university has committed to invest a total of \$213.1 million to 46 non-marketable alternative asset partnerships, hedge funds and real estate funds at June 30, 2013 (\$186.5 million to 40 non-marketable alternative asset partnerships, hedge funds and real estate funds in 2012). As of June 30, 2013, the university has \$156.9 million of paid-in capital to these alternative assets (\$143.6 million in 2012) and \$60.6 million in unfunded commitments (\$46.8 million in 2012).

NOTE 3 – ACCOUNTS RECEIVABLES AND ALLOWANCE FOR DOUBTFUL ACCOUNTS

Accounts receivable are shown net of the allowance for doubtful accounts and are comprised of the following at June 30, 2013 and 2012 (dollars in thousands):

	Accounts Receivable	Allowance	Net 2013
	e	e	
Government Grants Receivable and Other			
Sponsored Programs	\$68,041	\$309	\$67,732
Plant Receivables	41,286		41,286
Student Notes Receivable	41,445	4,638	36,807
Federal and State Governments	19,996		19,996
Student Accounts Receivable	15,469	5,141	10,328
Interest Receivable	7,788		7,788
Other	12,535	1,100	11,435
Total	<u>\$206,560</u>	<u>\$11,188</u>	<u>\$195,372</u>
	Accounts Receivable	Allowance	Net 2012
	e	e	
Government Grants Receivable and Other			
Sponsored Programs	\$77,002	\$500	\$76,502
Plant Receivables	41,379		41,379
Student Notes Receivable	42,223	4,527	37,696
Student Accounts Receivable	18,439	4,349	14,090
Interest Receivable	13,503		13,503
Federal and State Governments	6,190		6,190
Other	17,754	1,229	16,525
Total	<u>\$216,490</u>	<u>\$10,605</u>	<u>\$205,885</u>

The allowances for doubtful accounts and notes are based upon management's best estimate of uncollectible accounts and notes at June 30, 2013 and 2012, considering type, age, collection history and other appropriate factors.

NOTE 4 – CAPITAL ASSETS

The detail of Capital Assets activity for the years ended June 30, 2013 and 2012 is as follows (dollars in thousands):

	Balance 2012	Additions	Retirements/ Capitalization	Balance 2013
Capital Assets Not Being Depreciated:				
Land	\$60,693			\$60,693
Capitalized Art Collections	59,518	\$277		59,795
Construction in Progress	367,169	149,989	\$374,870	142,288
Total	487,380	150,266	374,870	262,776
Capital Assets Being Depreciated:				
Land Improvements	281,730	21,778		303,508
Buildings	2,396,647	370,078		2,766,725
Equipment	468,587	30,834	13,650	485,771
Total	3,146,964	422,690	13,650	3,556,004
Less Accumulated Depreciation:				
Land Improvements	213,030	12,534		225,564
Buildings	855,508	53,907		909,415
Equipment	347,518	31,202	12,796	365,924
Total	1,416,056	97,643	12,796	1,500,903
Net Capital Assets Being Depreciated	1,730,908	325,047	854	2,055,101
Total Capital Assets, net	\$2,218,288	\$475,313	\$375,724	\$2,317,877

	Balance 2011	Additions	Retirements / Capitalization	Balance 2012
Capital Assets Not Being Depreciated:				
Land	\$59,474	\$1,219		\$60,693
Capitalized Art Collections	58,448	1,070		59,518
Construction in Progress	240,287	253,891	\$127,009	367,169
Total	358,209	256,180	127,009	487,380
Capital Assets Being Depreciated:				
Land Improvements	271,207	10,523		281,730
Buildings	2,257,635	139,012		2,396,647
Equipment	454,018	29,938	15,369	468,587
Total	2,982,860	179,473	15,369	3,146,964
Less Accumulated Depreciation:				
Land Improvements	193,946	19,084		213,030
Buildings	800,639	54,869		855,508
Equipment	331,707	30,440	14,629	347,518
Total	1,326,292	104,393	14,629	1,416,056
Net Capital Assets Being Depreciated	1,656,568	75,080	740	1,730,908
Total Capital Assets, net	\$2,014,777	\$331,260	\$127,749	\$2,218,288

During 2013, the university has capitalized interest expense of \$0.9 million (\$13.6 million in 2012) in construction in progress in the accompanying statement of net position.

NOTE 5 – ACCOUNTS PAYABLE AND ACCRUED EXPENSES

Accounts payable and accrued expenses consist of the following at June 30, 2013 and 2012 (dollars in thousands):

	2013	2012
Vendors	\$65,349	\$71,004
Compensated Absences	52,783	55,639
Accrued Salaries and Benefits	38,527	29,825
Workers Compensation	15,504	13,985
Interest Payable	7,134	7,333
Retainage	16,651	10,830
Other Accrued Expenses	13,156	13,313
Total Accounts Payable and Accrued Expenses	<u>\$209,104</u>	<u>\$201,929</u>

NOTE 6 – NONCURRENT LIABILITIES

Noncurrent liability activity for the years ended June 30, 2013 and 2012 is as follows (dollars in thousands):

	Balance 2012	Additions	Reductions	Balance 2013	Current Portion
Accounts Payable and Accrued Expenses	\$201,929	\$16,042	\$8,867	\$209,104	\$175,919
Long-Term Liabilities	1,082,987	2,629	41,754	1,043,862	41,401
Total Noncurrent Liabilities	<u>\$1,284,916</u>	<u>\$18,671</u>	<u>\$50,621</u>	<u>\$1,252,966</u>	<u>\$217,320</u>

	Balance 2011	Additions	Reductions	Balance 2012	Current Portion
Accounts Payable and Accrued Expenses	\$181,058	\$26,008	\$5,137	\$201,929	\$173,693
Long-Term Liabilities	1,122,493	24	39,530	1,082,987	40,818
Total Noncurrent Liabilities	<u>\$1,303,551</u>	<u>\$26,032</u>	<u>\$44,667</u>	<u>\$1,284,916</u>	<u>\$214,511</u>

NOTE 7 – COMMERCIAL PAPER

On February 28, 2007, the university instituted the commercial paper program to provide interim or short-term financing for the acquisition and construction of and improvements, repairs, replacements, additions and betterments to the facilities, and the acquisition of equipment, and other property in connection therewith, of the university, and the refinancing of certain outstanding obligations of the university. The commercial paper was to be issued either as Tax-Exempt Commercial Paper or as Taxable Commercial Paper.

The commercial paper constitute direct general obligations of the university for the payment of which, as to both principal and interest, the full faith and credit of the university are pledged. Principal of the commercial paper, to the extent not paid from proceeds of general obligation bonds and proceeds of other commercial paper, and interest on the commercial paper is payable from other available university funds. The university has entered into a Standby Commercial Paper Purchase Agreement with Wells Fargo Bank, National Association (the Liquidity Provider) under which the Liquidity Provider is obligated to purchase newly issued commercial paper to pay the principal of other commercial paper, subject to suspension or termination upon the occurrence of certain events. The Standby Commercial Paper Purchase Agreement will terminate at the close of business on April 20, 2015, unless terminated prior to such date in accordance with its terms. Morgan Stanley & Co. Incorporated will be the exclusive dealer in connection with the offering and issuance of the Series A Tax-Exempt Commercial Paper, the Series C Taxable Commercial Paper and the Series D Extendable Commercial Paper. Merrill Lynch, Fenner & Smith Incorporated will be the dealer in connection with the offering and issuance of the Series B Tax-Exempt Commercial Paper.

During fiscal year 2012, the university issued General Obligation Commercial Paper Series B for \$27.0 million. This issuance was to provide interim financing for the Camden Housing Project. In addition, using university funds, the university redeemed \$4.2 million of General Obligation Commercial Paper Series C.

During fiscal year 2013, the university issued General Obligation Commercial Paper Series A for \$31.7 million to provide interim financing for the RU Press at Gateway Building Project, the Atlantic Cape County Community College Building Project, and the Livingston Business School Project. The university also issued General Obligation Commercial Paper Series B for \$19.2 million to provide interim financing for the Camden Housing Project. In addition, using university funds, the university redeemed \$0.2 million of General Obligation Commercial Paper Series A and \$2.1 million of General Obligation Commercial Paper Series C.

Commercial Paper activity as of June 30, 2013 and June 30, 2012 is as follows (dollars in thousands):

	2012			2013
	Balance	Additions	Retirements	Balance
Series A	\$1,850	\$31,670	\$220	\$33,300
Series B	27,000	19,190		46,190
Series C	52,655		2,090	50,565
	<u>\$81,505</u>	<u>\$50,860</u>	<u>\$2,310</u>	<u>\$130,055</u>
	2011			2012
	Balance	Additions	Retirements	Balance
Series A	\$1,850			\$1,850
Series B		\$27,000		27,000
Series C	56,845		\$4,190	52,655
	<u>\$58,695</u>	<u>\$27,000</u>	<u>\$4,190</u>	<u>\$81,505</u>

NOTE 8 - LONG-TERM LIABILITIES

Long-term liability activity for the years ended June 30, 2013 and 2012 is as follows (dollars in thousands):

	Balance		Retirement	Balance	Current
	2012	Additions	s	2013	Portion
General Obligation					
Bonds Payable	\$942,585	\$24	\$31,968	\$910,641	\$32,184
Lease Obligations	100,011	2,605	9,647	92,970	9,072
Notes Payable	1,448		139	1,308	145
Loans Payable	38,943			38,943	
Total Long-Term Liabilities	<u>\$1,082,987</u>	<u>\$2,629</u>	<u>\$41,754</u>	<u>\$1,043,862</u>	<u>\$41,401</u>

	Balance		Retirement	Balance	Current
	2011	Additions	s	2012	Portion
General Obligation					
Bonds Payable	\$973,206	\$24	\$30,645	\$942,585	\$31,944
Lease Obligations	108,763		8,752	100,011	8,735
Notes Payable	1,581		133	1,448	139
Loans Payable	38,943			38,943	
Total Long-Term Liabilities	<u>\$1,122,493</u>	<u>\$24</u>	<u>\$39,530</u>	<u>\$1,082,987</u>	<u>\$40,818</u>

OTHER OBLIGATIONS OF THE UNIVERSITY

Notes Payable

Notes payable at June 30, 2013 and 2012 consist of an unsecured note payable to the U.S. Department of Education with interest at 5.5%, final installment due January 1, 2021.

Rutgers Community Park

In 1999, the university and the City of Camden entered into an agreement for the acquisition, development and construction of an outdoor recreational complex designated the Rutgers Community Park which was made available to university students and the public. On June 26, 2002, the university agreed to assume the obligation for debt service payable on an aggregate of \$1.0 million in loans that the City of Camden received from the Green Acres Program of the State of New Jersey in connection with the Rutgers Community Park, pursuant to an Amended and Restated Interlocal Services Agreement between the City of Camden and the university. The assumption of the debt service payable on the Green Acres Program of the State of New Jersey loan is a general obligation of the university secured by the full faith and credit of the university. At June 30, 2013, the outstanding amount due on the loans was \$0.4 million (\$0.5 million in 2012).

Guaranty of LEAP School Bond Financing

The Delaware River Port Authority (the Authority) issued \$8.5 million of Charter School Project Bonds, Series 2003 (LEAP Academy university Charter School, Inc.) on October 2, 2003 pursuant to the Compact, the New Jersey Act, the Pennsylvania Act and an Indenture of Trust dated as of September 1, 2003, by and between the Authority and Commerce Bank, National Association, as trustee (the Guaranty), for the purpose of financing the costs of the design, development, construction and equipping of the LEAP Academy University Charter School (the LEAP School) in Camden, New Jersey. The LEAP School will be owned and managed by the LEAP Academy University Charter School, Inc., a New Jersey not-for-profit corporation, and will serve approximately 216 students in grades 9-12. The LEAP School site is adjacent to the Camden Campus. The university's obligations under the Guaranty are a general obligation of the university secured by the full faith and credit of the university.

College Hall Student Housing Project

The university entered into a Limited Minimum Revenue Guaranty, dated January 22, 2004, pursuant to which the university agreed to pay the debt service payable for a two-year period on, and thereafter to replenish the debt service reserve account established in connection with, the Middlesex County Improvement Authority's (the MCIA) \$4.2 million aggregate principal amount of Revenue Bonds (George Street Student Housing Project), 2004 Series B. The 2004 Series B Bonds matured on August 15, 2011 and were issued, together with the MCIA's \$49.9 million Revenue Bonds (George Street Student Housing Project), 2004 Series A, to finance the cost of the planning, design, development, supervision, construction, furnishing, equipping and opening of a student housing facility for use primarily by the university's students. The university's obligations under the Limited Revenue Guaranty are a general obligation of the university secured by the full faith and credit of the university.

Loans Payable

On May 30, 2007, One Washington Park Holdings (QALICB) entered into two loan and security agreements with New Jersey Community Capital Community Development Entity (NJCC CDE) I LLC and NJCC CDE II LLC in the amounts of \$36.3 million and \$2.6 million, respectively, to finance a portion of the acquisition and renovation of the property located at One Washington Park in Newark, NJ (See Note 16). The loans bear interest at a rate of 2.33% per annum and 1.45% per annum, respectively, and are payable every December 1. The principal amounts are due to NJCC CDE I LLC and NJCC CDE II LLC on December 1, 2014.

At June 30, 2013 and 2012, the outstanding balance of the NJCC CDE I and II loans remained at \$38.9 million and \$38.9 million, respectively.

On December 15, 2010, the university entered into a lease agreement with Somerset Street Urban Renewal Associates, LLC for the Gateway Transit Village Property, which comprises the Rutgers University Bookstore, Rutgers University Press, and the common areas (the Rutgers Component). The university began rent payments on October 1, 2012, in the amount of \$0.4 million and will continue to make quarterly payments due and payable on the first business day of each quarter during the term of the lease. For lease years 1 – 7, annual lease payments amounts will be \$1.4 million, and for lease years 8 – 30, annual lease payment amounts will be \$1.7 million.

On December 23, 2010, the university entered into a loan arrangement for \$16.1 million with Somerset Street Associates 2, LLC (SSA2) for the purpose of completing the Gateway Transit Village Property. The university began receiving interest only payments on October 1, 2012, in the amount of \$0.4 million and will continue to receive such payments in quarterly installments on the first business day of each calendar quarter through January 1, 2018. Beginning April 1, 2018, SSA2 shall make quarterly payments of principal and interest in an amount sufficient to fully repay the sum of the principal amount then outstanding. Rutgers has the option to purchase all of the right, title and interest of the property in exchange of forgiving the loan to SSA2.

Bonds Payable – General Obligation

A summary of bonds issued and outstanding at June 30, 2013 and 2012 is as follows (dollars in thousands):

	Date of Series	Original Amount	Outstanding June 30,	
			2013	2012
General Obligation Refunding Bonds:				
1992 Series A, 6.51% effective, due serially to May 1, 2007 and term bonds due May 1, 2013	Feb. 1, 1992	\$94,370		\$5,180
2002 Series A, variable-rate, due serially to May 1, 2018	Feb. 1, 2002	110,000	\$53,100	57,300
2003 Series C, 3.41% effective, due serially to May 1, 2019	July 15, 2003	111,320	26,360	34,100
2010 Series I, 3.46% effective, due serially to May 1, 2025 and term bonds due May 1, 2029	Nov. 1, 2010	40,830	39,650	40,830
Total General Obligation Refunding Bonds		356,520	119,110	137,410
General Obligation Bonds:				
2002 Series B, 4.60% effective, due serially to May 1, 2012 and term bonds due May 1, 2027, 2032 and 2034	Nov. 1, 2002	50,000	24,065	24,065
2003 Series D, 3.74% effective, due serially to May 1, 2019	Dec. 1, 2003	24,805	7,100	8,730
2004 Series E, 4.69% effective, due serially to May 1, 2029 and term bonds due May 1, 2031 and 2034	July 1, 2004	86,725	74,570	76,685
2009 Series F, 4.56% effective, due serially to May 1, 2031 and term bonds due May 1, 2039	Feb. 10, 2009	233,105	207,240	214,285
2009 Series G, variable-rate, due serially to May 1, 2039	Apr. 29, 2009	80,000	73,915	75,530
2010 Series H, 3.70% effective, due serially to May 1, 2019 through May 1, 2022 and term bonds due May 1, 2029 and 2040	Nov. 1, 2010	390,990	390,990	390,990
Total General Obligation Bonds		865,625	777,880	790,285
Total Bonds		\$1,222,145	\$896,990	\$927,695

The General Obligation Bonds (GOB) Payable includes premium on bonds of \$13.7 million at June 30, 2013 (\$14.9 million in 2012, premium on bonds, net of bond discounts) related to Series 2002 B, Series 2003 C, Series 2003 D, Series 2004 E, Series 2009 F, and Series 2010 I.

General Obligation and General Obligation Refunding Bonds

The General Obligation Refunding Bonds, 1992 Series A was issued under an open-ended Indenture of Trust, dated May 1, 1987, as supplemented, and the General Obligation Refunding Bonds, 2002 Series A, were issued under an Indenture of Trust, dated February 1, 2002. These bonds were issued to finance a portion of the cost of the renovation, construction and equipping of certain academic, research support and other facilities, as well as infrastructure development and land acquisitions of the university. Under the terms of the indentures, all bonds issued are direct and general obligations of the university and are in no way an obligation of the State of New Jersey. On August 25, 2011, the university, along with First Union National Bank (predecessor to U.S. Bank, National Association), the Trustee, and TD Bank, N.A. (the Substitute Liquidity Facility), entered into a Standby Bond Purchase Agreement for General Obligation Refunding Bonds, 2002 Series A pursuant to Section 5.9(b) of the First Supplemental Indenture of Trust, dated as of February 1, 2002, which supplements the Indenture of Trust, dated as of February 1, 2002. This agreement carries an annual facility fee of 0.4% and expires on August 25, 2014. As of June 30, 2013 and 2012, no funds have been drawn against this agreement. The original purchase agreement was among the university, the Trustee, and Landesbank Hessen-Thüringen Girozentrale, New York Branch was terminated on August 25, 2011 and bore an annual facility fee of 0.3%. In connection with the delivery of the Substitute Liquidity Facility, Standard & Poor's has affirmed its AA/A-1+ rating on the bonds, and Moody's has

affirmed its Aa2, Aa2/VMIG1 and P-1 ratings on the bonds. With the adoption of GASB 65, \$1.9 million was reclassified as a loss on refunding within deferred outflows on the statement of net position on July 1, 2011.

The General Obligation Bonds, 2002 Series B, were issued in the amount of \$50.0 million and dated November 1, 2002. The 2002 Series B Bonds are secured under the provisions of an Indenture of Trust, dated as of February 1, 2002, as supplemented by a First Supplemental Indenture of Trust, dated as of February 1, 2002, each between the university and First Union National Bank (now known as Wells Fargo Bank, National Association), as trustee and a Second Supplemental Indenture of Trust, dated as of November 1, 2002, between the university and the Trustee. In September 2006, Wachovia Bank (now known as Wells Fargo Bank) sold all trustee rights to U.S. Bank. The proceeds of the 2002 Series B Bonds, together with certain other monies available to the university, were used to finance, in part, the costs of the construction of new buildings for the Department of Biomedical Engineering and the Department of Human Genetics on the Busch Campus; the renovation of Olson Hall on the Newark Campus to upgrade and expand laboratory space, conference room space, classroom space and faculty offices for the Biological Sciences and Chemistry Departments; implementation of the Housing Fire Safety Program mandating installation of automatic fire suspension systems in all student residences and certain environmental remediation, health and safety and infrastructure support in accordance with State regulations; and the financing of certain deferred maintenance and other capital improvements in accordance with the State Higher Education Capital Improvement Fund Act of 1999.

The General Obligation Refunding Bonds, 2003 Series C, were issued in the amount of \$111.3 million and dated July 15, 2003. The bonds were issued under the terms of an Indenture of Trust, dated February 1, 2002, as supplemented, and a Third Supplemental Indenture of Trust, dated as of July 1, 2003. The 2003 Series C Bonds were issued to refund in whole the university's outstanding (i) Revenue Refunding Bonds, Series S, (ii) Revenue Refunding Bonds, Series T, (iii) General Obligation Refunding Bonds, 1993 Series 1, (iv) General Obligation Refunding Bonds, 1993 Series A, and (v) General Obligation Bonds, 1993 Series B. The proceeds of the 2003 Series C Bonds, along with certain other moneys provided, were used to (i) redeem the above mentioned bonds prior to maturity, in whole on July 31, 2003, at their appropriate respective principal amounts plus the applicable redemption premium, if any and interest, and (ii) to pay certain administrative, legal, financing and incidental expenses relating to the issuance of the 2003 Series C Bonds. The university completed the advance refunding to reduce its total debt service payments over the next 16 years by \$33.8 million and to obtain an economic gain (difference between the present values of the old and new debt service payments less escrow funds used) of \$12.0 million. The difference between the reacquisition price and the net carrying amount of the old debt, \$4.4 million, was being deferred and amortized as interest expense through the year 2019 using the effective interest method. With the adoption of GASB 65, \$1.5 million of the remaining difference between the acquisition price and the net carrying amount of the debt at July 1, 2011 was reclassified as a loss on refunding within deferred outflows on the statement of net position. The \$0.3 million in issuance costs at June 30, 2011 were expensed in the period incurred and the beginning balance of net position was adjusted.

The General Obligation Bonds, 2003 Series D, were issued in the amount of \$24.8 million and dated December 1, 2003. The 2003 Series D Bonds are secured under the provisions of the Indenture of Trust, dated as of February 1, 2002, as supplemented between the university and First Union National Bank (now known as Wells Fargo Bank, National Association), as Trustee and a Fourth Supplemental Indenture of Trust, dated as of December 1, 2003, between the university and the Trustee. In September 2006, Wachovia Bank (now known as Wells Fargo Bank) sold all trustee rights to U.S. Bank. The proceeds of the 2003 Series D Bonds were being used to finance (i) the costs of construction of certain deferred capital maintenance projects on the New Brunswick Campus, the Camden Campus and the Newark Campus, each project with a minimum economic life of ten years, and (ii) certain administrative, legal, financing and incidental expenses relating to the issuance of these Bonds.

The General Obligation Bonds, 2004 Series E, were issued in the amount of \$86.7 million on July 1, 2004. The bonds were issued under the terms of an Indenture of Trust, dated as of February 1, 2002, as supplemented, between the university and the First Union National Bank (now known as Wells Fargo Bank, National Association), as Trustee, and a Fifth Supplemental Indenture of Trust, dated July 1, 2004, between the university and the Trustee. In September 2006, Wachovia Bank (now known as Wells Fargo Bank) sold all trustee rights to U.S. Bank. The 2004 Series E Bonds are authorized to be issued pursuant to the terms of the Fifth Supplemental Indenture, supplemental to and amendatory of the Master Indenture. The 2004 Series E Bonds are authorized under the provisions of Rutgers, The State University Law, constituting Chapter 65 of Title 18A of the New Jersey Statutes Annotated (the Act), and the Indenture. The 2004 Series E Bonds were issued to fund capital projects for sites and buildings located at the New Brunswick, Newark and Camden campuses of the university, which include: (i) the construction of a student-housing facility with ancillary student-related and retail space on the Newark Campus; (ii) the expansion to and renovation of the Camden Law School; (iii) the complete interior and exterior reconstruction of the Administrative Services Building II located on the New Brunswick Campus; (iv) the fit-out and equipping of the Public Safety Building on the New Brunswick Campus; and (v) the construction of a new College of Nursing Building for academic and administrative offices and teaching laboratories.

The General Obligation Bonds, 2009 Series F, were issued in the amount of \$233.1 million on February 10, 2009. The bonds were issued under the terms of an Indenture of Trust, dated as of February 1, 2002 (the Master Indenture) as supplemented by and between the university and U.S. Bank National Association (successor to Wachovia Bank, National Association and First Union National Bank), as trustee (the Trustee), and a Sixth supplemental Indenture of Trust, dated as of February 1, 2009, by and between the university and the Trustee (the sixth supplemental Indenture, and together with the Master Indenture, the Indenture). The 2009 Series F Bonds were issued for (i) the refinancing of Commercial Paper which financed the construction of various capital projects, (ii) the financing of additional capital projects of the university, (iii) the refunding of certain outstanding bonds of the university, and (iv) the payment of certain administrative, legal, financing, and incidental expenses relating to the issuance of the bonds. With the adoption of GASB 65, \$1.6 million was reclassified as a loss on refunding within deferred outflows on the statement of net position on July 1, 2011. The \$1.6 million in issuance costs at July 1, 2011, were expensed in the period incurred and the beginning balance of net position was adjusted.

The General Obligation Bonds, 2009 Series G, were issued in the amount of \$80.0 million on April 29, 2009. The bonds are secured under the provisions of an Indenture of Trust, dated as of February 1, 2002, (the Master Indenture) as supplemented by and between the university and U.S. Bank National Association (successor to Wachovia Bank, National Association and First Union National Bank), as trustee (the Trustee), and a Seventh Supplemental Indenture of Trust, dated as of May 1, 2009, by and between the university and the Trustee (the Seventh Supplemental Indenture, together with the Master Indenture, the Indenture). The 2009 Series G Bonds are authorized under the provisions of Rutgers, The State University Law, constituting Chapter 65 of Title 18A of the New Jersey Statutes Annotated (the Act), and the Indenture. The 2009 Series G Bonds were issued for (i) the refinancing of the Commercial Paper which financed the construction of various capital projects, (ii) the financing of additional capital projects of the university, and (iii) the payment of certain administrative, legal, financing, and incidental expenses relating to the issuance of these bonds. On May 6, 2009, the university, along with U.S. Bank National Association, entered into a Standby Bond Purchase Agreement for General Obligation Bonds 2009 Series G at an annual facility fee of 1.0%. This agreement was extended on May 4, 2012, with an expiration date of May 15, 2015. The agreement carries an annual facility fee of 0.4% at the university's current bond rating. As of June 30, 2013, no funds have been drawn.

The General Obligation Bonds, 2010 Series H, and the General Obligation Refunding Bonds, 2010 Series I (collectively the 2010 Series Bonds) were issued in the amount of \$391.0 million and \$40.8 million, respectively, on November 1, 2010. The bonds are secured under the provisions of an Indenture of Trust, dated as of February 1, 2002, (the Master Indenture) as supplemented by and between the university and U.S. Bank National Association, (successor to Wachovia Bank, National Association and First Union National Bank), as trustee (the Trustee), as supplemented and amended, including by the Eighth Supplemental Indenture of Trust, dated as of November 1, 2010, by and between the university and the Trustee (the Eighth Supplemental Indenture, together with the Master Indenture, the Indenture). The 2010 Series Bonds are authorized under the provisions of Rutgers, The State University Law, constituting Chapter 65 of Title 18A of the New Jersey Statutes Annotated, and the Indenture. The 2010 Series Bonds were issued to (i) finance and/or refinance a portion of the construction of various capital projects of the university (the 2010 Capital Projects), (ii) provide for the refinancing of (a) certain outstanding commercial paper of the university, and (b) the current and/or advance refunding of all or a portion of certain outstanding bonds of the university, and (iii) finance costs of issuance with respect to the 2010 Capital Projects. The bonds which were refunded in whole included General Obligation Bonds 1998 Series A (\$16.2 million), and in part General Obligation Bonds 2002 Series B (\$17.3 million), 2003 Series C (\$6.8 million), and 2003 Series D (\$3.4 million). With the adoption of GASB 65, \$1.6 million was reclassified as a loss on refunding on the statement of net position on July 1, 2011. The \$0.3 million in issuance costs at July 1, 2011, were expensed in the period incurred and the beginning balance of net position was adjusted.

All bonds bear interest at fixed-rates with the exception of 2002 Series A and 2009 Series G, which bear interest at a variable-rate. For 2002 Series A, the rates varied from a low of 0.02% to a high of 0.23% during fiscal year 2013 (a low of 0.01% to a high of 0.24% during fiscal 2012). For 2009 Series G, the rates varied from a low of 0.01% to a high of 0.24% during fiscal year 2013 (a low of 0.02% to a high of 0.29% during fiscal year 2012). With the intention of lowering its effective interest rate related to 2002 Series A and Series 2009 G, the university entered into swap agreements with JP Morgan Chase, Merrill Lynch, and Bank of New York. (See **NOTE 9** for additional information about derivatives.) The university is exposed to basis risk due to the difference between the floating rate on the bonds and the SIFMA/LIBOR rate.

The following is the synthetic rate, related to the 2002 Series A bond, at the end of fiscal years 2013 and 2012:

	Terms	2013	Terms	2012
Interest rate swap				
Fixed payment to counterparty	Fixed	3.96%	Fixed	3.96%
Variable payment from	SIFMA	-0.08%	SIFMA	-0.18%

counterparty		
Net interest rate swap payments	3.88%	3.78%
Variable rate bond coupon payments	0.05%	0.16%
Synthetic interest rate	3.93%	3.94%

The following is the synthetic rate, related to the 2009 Series G Bonds, at the end of fiscal year 2013:

	Terms	Merrill Lynch	Terms	Bank of New York
Interest rate swap				
Fixed payment to counterparty	Fixed	4.08%	Fixed	3.82%
Variable payment from counterparty	3 MO LIBOR	-0.27%	SIFMA	-0.08%
Net interest rate swap payments		3.81%		3.74%
Variable rate bond coupon payments		0.04%		0.04%
Synthetic interest rate		3.85%		3.78%

The following is the synthetic rate, related to the 2009 Series G Bonds, at the end of fiscal year 2012:

	Terms	Merrill Lynch	Terms	Bank of New York
Interest rate swap				
Fixed payment to counterparty	Fixed	4.08%	Fixed	3.82%
Variable payment from counterparty	3 MO LIBOR	-0.47%	SIFMA	-0.18%
Net interest rate swap payments		3.61%		3.64%
Variable rate bond coupon payments		0.17%		0.17%
Synthetic interest rate		3.78%		3.81%

Using rates as of the end of the fiscal year, debt service payments to maturity, assuming current interest rates remain the same for their term, are as follows (dollars in thousands):

Year	Fixed-Rate Bonds		Variable-Rate Bonds		Interest Rate Swaps, Net	Total
	Principal	Interest	Principal	Interest		
2014	\$19,340	\$39,633	\$11,580	\$56	\$4,864	\$75,473
2015	19,450	38,740	11,945	50	4,417	74,602
2016	19,550	37,855	12,410	45	3,956	73,816
2017	15,625	37,005	12,880	39	3,477	69,026
2018	16,255	36,393	13,350	33	2,979	69,010
2019-2023	94,110	170,244	10,985	121	11,520	286,980
2024-2028	128,310	145,292	13,325	97	9,275	296,299
2029-2033	168,470	107,095	16,245	69	6,534	298,413
2034-2038	193,310	58,912	19,830	33	3,177	275,262
2039-2043	95,555	8,222	4,465	2	170	108,414
Total	\$769,975	\$679,391	\$127,015	\$545	\$50,369	\$1,627,295

As rates vary, variable-rate bond interest payments and net interest rate swap payments will vary.

CAPITALIZED LEASE OBLIGATIONS

Facilities Authority

Higher Education Capital Improvement Fund (HECIP) — Under the provisions of the State of New Jersey Higher Education Capital Improvement Fund Act (the HECIP Act) of 1999 (P.L. 1999, c. 217), the university has been allocated \$169.0 million to help finance certain of its deferred maintenance and other capital needs. The funds are provided through bonds issued by the Facilities Authority. The university is obligated to pay one-third of the debt service on the bonds. On December 20, 2000, the Facilities Authority issued bonds, the university's portion of which amounted to \$75.0 million. The bonds bear an effective interest rate of 5.06% per annum and mature on September 1, 2020. Additional bonds, Series 2002 A, were issued by the Facilities Authority on November 21, 2002. The university's portion and remaining balance of the \$169.0 million amounted to \$94.0 million. The bonds bear an effective interest rate of 3.47% per annum and mature on September 1, 2022. In accordance with the act, the university is required to make annual lease payments to retire 33.3% of the bonds, representing the university's portion, including interest. The State of New Jersey is obligated to pay the remaining 66.7% of the annual debt service. At June 30, 2013, the university had a capital lease obligation of \$37.1 million (\$39.6 million in 2012).

Dormitory Safety Trust Fund (DSTF) - Under the provisions of the Dormitory Safety Trust Fund Act (the DSTF Act) (P.L. 2000, c.56), the university received a \$29.0 million interest free loan to finance the installation of fire suppression systems in buildings used as student dormitories. The New Jersey Educational Facilities Authority issued two series of bonds on August 14, 2001 to finance these loans. Series 2001A (Tax Exempt) bears an effective interest rate of 4.8% per annum, and Series 2001B (Federally Taxable) bears an effective interest rate of 6.1% per annum. Both series mature on March 1, 2016. At June 30, 2013, the university had a capital lease obligation of \$6.2 million (\$8.3 million in 2012).

Housing Authority

In connection with a redevelopment project undertaken by the Housing and Urban Development Authority of the City of New Brunswick (the Housing Authority), a series of agreements were entered into by the university, the Housing Authority and Robert Wood Johnson University Hospital, Inc., the outcome of which was the construction of a student apartment complex, parking deck, health club facility and multi-unit retail center. Pursuant to the terms of the capital lease and agreement dated July 1, 1992 between the university and the Housing Authority, the Housing Authority issued bonds in the aggregate amount of \$55.3 million on July 23, 1992, at an effective interest rate of 6.23% per annum, for the purpose of providing long-term financing for the project. On December 1, 1998, these bonds were refinanced in the aggregate amount of \$54.5 million, at an effective interest rate of 4.83% per annum. On March 25, 2011, these bonds were refinanced, once again, in the aggregate amount of \$31.3 million, at an effective interest rate of 3.2% per annum. The bonds mature serially from July 1, 2011, through July 1, 2020. In accordance with the agreement, the university is required to pay an annual rental to the Housing Authority over the life of the agreement in amounts necessary to retire the university's portion of the bonds, including interest, to provide for sinking fund and reserve account requirements and to reimburse the Housing Authority for its administrative costs. Upon retirement of the bonds, title to the student apartment complex, parking deck, health club facility and the related common space will be transferred to the university. Accordingly, the land and facilities have been capitalized with a corresponding liability classified as a capital lease obligation. At June 30, 2013, this liability was \$23.4 million (\$26.2 million in 2012). As discussed more fully below, a portion of this capital lease obligation is being funded under a sublease agreement.

Hospital Sublease

In conjunction with the Housing Authority capital lease and agreement, the university simultaneously entered into a sublease and agreement with the Robert Wood Johnson University Hospital, Inc. (the Hospital), dated July 1, 1992, whereby the Hospital agreed to lease a portion of the parking facility from the university. The sublease provides for an initial term of two years which commenced July 1992, renewable in six consecutive five year terms. In accordance with the sublease, the Hospital is required to pay an annual rental to the university over the life of the agreement, subject to termination payments to the university should the options to renew not be exercised. The payments received under this sublease are being used by the university to cover a proportional amount of the lease payments due to the Housing Authority. Upon retirement of the bonds, title to the Hospital's portion of the parking deck will be transferred to the Hospital. At June 30, 2013, the estimated present value of the Hospital sublease over the full lease term, including renewal periods, amounted to \$4.1 million (\$4.6 million in 2012). Payments required under the lease and agreement between the university and the Housing Authority are in no way conditional upon the receipt of payments from the Hospital under the sublease and agreement.

Certificates of Participation, Series 2004

Pursuant to an Agent Agreement, dated April 1, 2004, between the university, as Lessee, Lower George Street University Redevelopment Associates, LLC, a New Jersey limited liability company, as Lessor, and Wachovia Bank, National Association (now known as Wells Fargo Bank, National Association), as Agent, Certificates of Participation were issued in the amount of \$30.6 million on April 15, 2004. The Certificates of Participation represent undivided proportionate interests in the fixed rent payable by the university pursuant to the Master Lease Agreement, dated April 1, 2004, between the Lessee and Lower George Street University Redevelopment Associates, LLC. The university is obligated under the Lease to make payments of fixed rent that comprise amounts designated as interest and as principal and that are payable to the owners of the 2004 Certificates. The 2004 Certificates are being issued to finance the acquisition of the land, the preparation of the land for construction, including demolition and clearing of existing improvements, and the construction of improvements and costs of acquisition and installation of equipment. This area will primarily serve as the university's Division of Public Safety headquarters, provide additional office space for the university and provide a parking garage, all to support the university's educational functions. In addition, the 2004 Certificates are to provide for capitalized interest on the 2004 Certificates from the dates of delivery to July 1, 2005 and to pay the costs of issuance associated with the authorization, sale, execution and delivery of the 2004 Certificates. At June 30, 2013, the university had a capital lease obligation of \$26.7 million (\$27.3 million in 2012).

Future lease payments (receipts) applicable to the aforementioned capital leases at June 30, 2013 are as follows (dollars in thousands):

Year	Facilities Authority				Certificates of Participation		Total
	HECIP	DSTF (2001A)	DSTF (2001B)	Housing Authority	Hospital Sublease		
2014	\$4,462	\$2,039	\$33	\$4,052	(\$719)	\$1,860	\$11,727
2015	4,458	2,040	32	4,053	(719)	1,864	11,728
2016	4,456	2,040	32	4,052	(719)	1,861	11,722
2017	4,456			4,048	(718)	1,860	9,646
2018	4,458			4,052	(719)	1,858	9,650
2019-2023	25,482			8,099	(1,437)	9,274	41,418
2024-2028						9,258	9,258
2029-2033						9,209	9,209
2034-2038						9,169	9,169
Total Lease Payments	47,772	6,119	97	28,356	(5,031)	46,213	123,526
Less Amount Representing Interest	10,641			4,916	(900)	19,503	34,160
Present Value of Lease Payments	<u>\$37,131</u>	<u>\$6,119</u>	<u>\$97</u>	<u>\$23,440</u>	<u>(\$4,131)</u>	<u>\$26,710</u>	<u>\$89,366</u>

Miscellaneous Equipment Leases

The university has entered into certain lease-purchase agreements for equipment which are principally for a duration of one to five years depending on the application and financial advantage to the university. Such agreements are essential to the normal operation of the university, and it is expected that these arrangements, where applicable, would be renegotiated when financially advantageous. The following represents the book value of the university's equipment capital leases at June 30, 2013 and 2012 (dollars in thousands):

	2013	2012
Cost	\$10,783	\$8,212
Accumulated Depreciation	(6,132)	(4,842)
Net Book Value	<u>\$4,651</u>	<u>\$3,370</u>

The payments of these agreements include a charge for interest at various rates depending on each agreement. At June 30, 2013, the aggregate capitalized lease obligation associated with these agreements, which excludes future interest payments, is approximately \$2.9 million (\$2.5 million in 2012). The annual rentals for these capitalized lease obligations are provided for in the university's operating budget.

NOTE 9 – DERIVATIVE FINANCIAL INSTRUMENTS

The university is party to derivative financial instruments (interest rate swaps) that are reported at fair value on the statements of net position.

Objective of the swaps:

The university has entered into four separate pay-fixed, receive-variable interest rate swaps in order to protect against adverse changes in cash flows caused by variable prices, costs, rates, or terms that cause future prices to be uncertain.

For the years ended June 30, 2013 and 2012, the university had the following derivative instruments outstanding (dollars in thousands):

<u>Derivative Instrument</u>	<u>Type</u>	<u>Objective</u>	<u>Notional Amount</u>	<u>Effective Date</u>	<u>Termination Date</u>	<u>Terms</u>	<u>2013 Fair Value</u>	<u>Change in Fair Value</u>
JP Morgan & Co.	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Bond (GOB) 2002 Series A	\$53,100	2/4/2002	5/1/2018	Pay 3.96%; receive SIFMA swap index	(\$4,934)	\$1,930
Merrill Lynch	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Commercial Paper (GOCP) Series A, B, C and GOB 2009 Series G	100,000	5/1/2008	11/1/2038	Pay 4.08%; receive 100% USD-LIBOR-BBA (3 mo)	(11,645)	19,722
Bank of New York	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Bond (GOB) 2009 Series G	18,210	5/1/2007	5/1/2027	Pay 3.82%; receive SIFMA swap index	(2,617)	947
Bank of New York	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Commercial Paper (GOCP) Series A and C	13,500	3/1/2012	11/1/2017	Pay 5.13%; receive 100% USD-LIBOR-BBA (1 mo)	(2,256)	638
Total			<u>\$184,810</u>				<u>(\$21,452)</u>	<u>\$23,237</u>

<u>Derivative Instrument</u>	<u>Type</u>	<u>Objective</u>	<u>Notional Amount</u>	<u>Effective Date</u>	<u>Termination Date</u>	<u>Terms</u>	<u>2012 Fair Value</u>	<u>Change in Fair Value</u>
JP Morgan & Co.	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Bond (GOB) 2002 Series A	\$57,300	2/4/2002	5/1/2018	Pay 3.96%; receive SIFMA swap index	(\$6,864)	(\$89)
Merrill Lynch	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Commercial Paper (GOCP) Series A, B, C and GOB 2009 Series G	100,000	5/1/2008	11/1/2038	Pay 4.08%; receive 100% USD-LIBOR-BBA (3 mo)	(31,367)	31,388
Bank of New York	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Bond (GOB) 2009 Series G	18,980	5/1/2007	5/1/2027	Pay 3.82%; receive SIFMA swap index	(3,564)	1,689
Bank of New York	Pay-fixed interest rate swap	Hedge of changes in cash flows on the General Obligation Commercial Paper (GOCP) Series A and C	13,500	3/1/2012	11/1/2017	Pay 5.13%; receive 100% USD-LIBOR-BBA (1 mo)	(2,894)	734
Total			<u>\$189,780</u>				<u>(\$44,689)</u>	<u>\$33,722</u>

Fair Value:

As of June 30, 2013, the swaps had a total negative fair value of \$21.5 million (negative fair value of \$44.7 million in 2012). The fair value was provided by Prager, Sealy & Co., LLC and derived from proprietary models based on estimates about relevant future market conditions. As these are hedging derivatives, the aggregate change in fair value is reported as deferred outflows (since the swaps are in a liability position) in the statement of net position.

Credit Risk:

As of June 30, 2013 and 2012, the university was not exposed to credit risk with JP Morgan, Bank of New York and Merrill Lynch because all of the swaps had negative fair values. The credit ratings for each of the counterparties are as follows:

Derivative Instrument	2013 Counterparty Credit Rating	2012 Counterparty Credit Rating
JP Morgan & Co.	A+	A+
Merrill Lynch	A-	A-
Bank of New York - SIFMA	AA-	AA-
Bank of New York - LIBOR	AA-	AA-

In fiscal 2012, UBS requested that the university accept an assignment of our swap to the Bank of New York. Since the assignment resulted in a swap with a counterparty with a higher credit rating than the previous counterparty and it was negotiated at no cost to the university, the university agreed to the assignment.

The mark-to-market value of the swap will not require collateralization unless (i) the Qualified Swap Provider is downgraded by a nationally recognized rating agency below the two highest grade categories, and (ii) the market value of the swap exceeds the current collateralization threshold specified in the respective Agreement. Any such collateral shall consist of direct obligations of, or obligations which are guaranteed by, the United States of America or other securities weighted to take into account their relative security compared to such obligations of the United States of America. The amount of (i.e., value of) such collateral shall equal the market value of the swap in excess of the applicable collateral threshold based on the rating of such counterparty at such time. The table below shows when collateralization would be required or triggered.

Ratings by Moody's and S&P	Counterparty Collateral Threshold
AAA/Aaa	Infinite
Aa3/AA-	Infinite
A1/A+	\$20.0 million
A2/A	\$10.0 million
A3/A-	\$10.0 million
Baa1/BBB+	\$5.0 million
Baa2/BBB	\$5.0 million
Baa3/BBB-	Zero
Below Baa3/BBB- or not rated	Zero

In the table above, a Counterparty is not obligated to provide collateral if it has a credit rating in the highest two categories regardless of the mark-to market value of the swap. Collateralization would be required, for example, if the Counterparty was rated "A2/A" and the mark-to-market value of the swap exceeded \$10.0 million. In this example, the collateral required would be equal to the amount by which the mark-to market value of the swap exceeds \$10.0 million. Rutgers is subject to the same collateral requirements as the counterparty.

If either S&P or Moody's ceases to be in the business of rating debt securities and such business is not continued by a successor, a nationally recognized credit rating agency would be selected in substitution.

Basis Risk:

The pay-fixed receive-variable swaps expose the university to basis risk because the rates resulting from the Securities Industry and Financial Markets Association Index (SIFMA), for the GOB 2002 Series A and the GOB Series 2009 G swaps, 100% of USD-LIBOR-BBA (1 month and 3 month) for GOB Series 2009 G, GOCP Series A, B and C swaps are not the same rate the university pays on the hedged debt. The rates on the bonds are calculated daily by the remarketing agent, and for the commercial paper by a broker/dealer, at the lowest rate necessary to clear the market.

Rollover Risk:

The university is exposed to rollover risk on swaps only if the counterparty exercises its termination option, in which case the university will not realize the synthetic rate offered by the swaps on the underlying debt issues.

Termination Risk:

The university or any of the involved counterparties may terminate any of the swaps if the other party fails to perform under the terms of the contract. If a swap is terminated, the variable-rate debt issue would no longer carry a synthetic fixed interest rate. Also, if at termination a swap has a negative fair value, the university would be liable to the appropriate counterparty for a payment equal to the swap's fair value.

The JP Morgan & Co. swap has an optional termination provision in which they will have the right, but not the obligation to terminate the swap transaction in whole on each day that the daily weighted average of the Municipal Swap Index for any immediately preceding rolling consecutive 180 day period within the exercise period is more than 7.0% per annum. The exercise period began on November 1, 2004 and is up to, but excluding, the termination date of May 1, 2018. The date on which JP Morgan exercises its right to terminate the transaction is defined as the optional termination date. If JP Morgan exercises its right to terminate the transaction, the university shall pay two business days after the optional termination date the fixed amount for the period from and including the last fixed rate payer payment date to but excluding the optional termination date, and JP Morgan will pay two business days after the optional termination date the floating amount for the period from and including the last floating rate payer payment date to but excluding the optional termination date. Upon payment and receipt of these amounts, neither party shall have any further payment obligations related to this transaction.

NOTE 10 – COMMITMENTS

At June 30, 2013, the estimated cost of capital projects under construction, in the design stage with approved sources of funding, and in the design stage pending determination of sources of funding, aggregated approximately \$910.0 million. Anticipated sources of funding for these projects are summarized as follows (dollars in thousands):

	Total Project Funding		Estimated Total Cost
	Received at June 30, 2013	Additional Funding Required at June 30, 2013	
Borrowing	\$42,432	\$429,075	\$471,507
State		305,925	305,925
Gifts and Other Sources	108,629	23,977	132,606
Total	<u>\$151,061</u>	<u>\$758,977</u>	<u>\$910,038</u>

The university leases certain space used in general operations. Rental expense was approximately \$5.2 million in 2013 (\$4.9 million in 2012). The leases are non cancelable and have been classified as operating leases which are expected to expire through 2032. Minimum annual rental commitments approximate the following (dollars in thousands):

Year	Amount
2014	\$6,482
2015	5,774
2016	4,839
2017	4,235
2018	3,818
2019-2023	14,222
2024-2028	9,456
2029-2033	5
Total	<u>\$48,831</u>

NOTE 11 – NATURAL EXPENSES BY FUNCTIONAL CLASSIFICATION

The university reports operating expenses by functional classification. Details of these expenses by natural classification at June 30, 2013 and 2012 are as follows (dollars in thousands):

	Salaries and Wages	Fringe Benefits	Supplies and Services	Depreciation	2013 Total
Instruction	\$491,940	\$125,528	\$103,790		\$721,258
Sponsored Research	101,279	25,021	102,636		228,936
Other Separately Budgeted Research	48,341	20,887	15,470		84,698
Other Sponsored Programs	34,366	8,992	39,537		82,895
Extension and Public Service	23,798	7,408	10,047		41,253
Libraries	20,878	5,218	14,598		40,694
Student Services	38,050	12,277	40,084		90,411
Operation and Maintenance of Plant	58,376	15,627	68,054		142,057
General Administration and Institutional	67,575	18,253	48,143		133,971
Scholarships and Fellowships	4,172	82	37,935		42,189
Depreciation				\$97,643	97,643
Auxiliary Enterprises	103,520	34,144	140,789		278,453
Other Operating Expenses			934		934
Total Operating Expenses	<u>\$992,295</u>	<u>\$273,437</u>	<u>\$622,017</u>	<u>\$97,643</u>	<u>\$1,985,392</u>

	Salaries and Wages	Fringe Benefits	Supplies and Services	Depreciation	2012 Total
Instruction	\$464,846	\$119,693	\$101,905		\$686,444
Sponsored Research	96,560	23,246	102,174		221,980
Other Separately Budgeted Research	44,062	13,239	16,954		74,255
Other Sponsored Programs	38,538	10,365	39,924		88,827
Extension and Public Service	24,880	6,778	7,628		39,286
Libraries	20,676	5,193	13,595		39,464
Student Services	36,522	10,985	38,649		86,156
Operation and Maintenance of Plant	58,087	14,565	66,716		139,368
General Administration and Institutional	66,567	18,134	31,990		116,691
Scholarships and Fellowships	4,239	48	41,370		45,657
Depreciation				\$104,393	104,393
Auxiliary Enterprises	96,727	26,261	120,019		243,007
Other Operating Expenses			647		647
Total Operating Expenses	<u>\$951,704</u>	<u>\$248,507</u>	<u>\$581,571</u>	<u>\$104,393</u>	<u>\$1,886,175</u>

NOTE 12 - EMPLOYEE BENEFITS

Retirement Plans

The university has primarily two retirement plans available to its employees, the State of New Jersey Public Employees Retirement System, a defined benefit plan, and the Alternate Benefit Program, a defined contribution plan. Under these plans, participants make annual contributions, and the State of New Jersey, in accordance with State statutes, makes employer contributions on behalf of the university for these plans. Pension expense paid directly by the State of New Jersey for 2013 aggregated \$46.6 million (\$49.8 million in 2012) of which \$6.8 million (\$7.2 million in 2012) has been reimbursed to the State from amounts recovered from self-supporting operations and sponsored programs. Reimbursement is based upon a composite fringe benefit rate provided by the State for all State plans. The university is charged for contributions on behalf of employees through a fringe benefits charge assessed by the State which is included within the state paid fringe benefits in the accompanying statements of revenues, expenses, and changes in net position. The university has no direct pension obligation associated with the State plans, and no liability for such costs has been reflected in the accompanying financial statements. Summary information regarding these plans is provided below.

Public Employees Retirement System (PERS)

Plan Description — PERS is a multiple-employer, public cost-sharing retirement system which is administered by the State of New Jersey under the provisions of N.J.S.A. 43:15A. The payroll for employees covered by PERS for the year ended June 30, 2013 was \$171.7 million (\$163.4 million in 2012).

University employees of a certain classification are required as a condition of employment to be members of PERS. The formula for benefits is an annual allowance in the amount equal to years of service, divided by 55, times the final average salary. Final average salary means the average of the salaries received by the member for the last three years of membership service or the three highest fiscal years, whichever provides the largest benefit. Pension benefits fully vest on reaching ten years of credited service. Members enrolled in PERS prior to November 2, 2008, are eligible for retirement at age 60 with no minimum years of service required. Members enrolled in PERS on or after November 2, 2008, are eligible for retirement at age 62 with no minimum years of service required. Members enrolled in PERS prior to July 1, 2007, who have 25 years or more of credited service may also select early retirement without penalty at age 55 and receive full retirement benefits. Members enrolled in PERS on or after July 1, 2007, may select early retirement with an allowance reduction for each month prior to the normal retirement age as specified by the NJ Division of Pensions and Benefits. PERS also provides death and disability benefits. Benefits are established by State statute.

Members enrolled in PERS after May 21, 2010, must work 35 hours or more per week. An employee is eligible for PERS membership based upon only one position and requires the retirement system to designate the position providing the higher or highest compensation for the member from among any concurrently held positions. This position will be used as the basis for eligibility for membership, service credit, the compensation base for pension contributions, and for other pension calculations. The formula and definition of compensation to be used to calculate service, early and deferred retirement for these members changes as well. The formula for service, early and deferred retirement will be calculated as years of service, divided by 60, times the final average salary. Final average salary means the average annual compensation for the last five years of service, or any five fiscal years of membership that provide the largest possible benefit to the member or the member's beneficiary. This definition will also be used to calculate survivor pension benefits and death benefit payments, when available, to beneficiaries. The PERS members are eligible for retirement at age 62 with no minimum years of service required.

Members enrolled in PERS on or after June 28, 2011, are eligible for retirement at age 65 with no minimum years of service. The annual allowance is equal to years of service divided by 60, times the final annual average salary. Final average salary means the average salaries received by the member for the last five years (50 months for 10-month employees) of membership or the five highest fiscal years, whichever provides the largest benefit. Pension benefits fully vest on reaching 10 years of credited service.

Contributions — Covered university employees were required by PERS to contribute 6.6% of their annual compensation during fiscal year 2013 (6.5% of their annual compensation during fiscal year 2012). The PERS contribution rate will increase by 0.14% each year until the 7.5% contribution rate is reached by July 1, 2018. The State contributes the remaining amounts necessary to pay benefits when due. The State contribution is based upon annual actuarially determined percentages of total compensation of all active members. The State's annual contribution approximates the actuarially determined pension cost for the year. Employers were not required to contribute in 2013 and 2012 due to legislation enacted in 1997 by the State, which fully funded previously existing unfunded accrued liabilities of PERS through State of New Jersey bonds. The contribution requirements of the plan members and the university are established and may be amended by the state.

Employees can also make voluntary contributions to two optional State of New Jersey tax-deferred investment plans, the Supplemental Annuity Collective Trust (SACT) and the Additional Contributions Tax Sheltered (ACTS) programs. Both plans are subject to limits within the Internal Revenue Code.

The State issues publicly available financial reports that include financial statements and required supplementary information for PERS. These reports may be obtained by writing to the State of New Jersey, Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295.

Alternate Benefit Program (ABP)

Plan Description — ABP is an employer, defined contribution State retirement plan established as an alternative to PERS. The payroll for employees covered by ABP for the year ended June 30, 2013 was \$583.4 million (\$548.4 million in 2012).

Faculty, part-time lecturers, professional and administrative staff, and certain other salaried employees are eligible to participate in ABP. Employer (State) contributions vest on reaching one year of credited service. The program also provides long-term disability and life insurance benefits. Benefits are payable upon termination at the member's option unless the participant is re-employed in another institution which participates in ABP.

Contributions — The employee mandatory contribution rate for ABP is 5.0% of base salary and is matched by the State at 8.0% of base salary. Contributions can be invested with up to six investment carriers available under the plan for fiscal year 2013. Additional voluntary contributions may be made on a tax-deferred basis, subject to limits within the Internal Revenue Code. Employer contributions for the year ended June 30, 2013 were \$46.6 million (\$43.9 million in 2012). Employee contributions for the year ended June 30, 2013 were \$30.7 million (\$28.6 million in 2012).

Effective July 1, 2010, Governor Christie signed Chapter 31, P.L. 2010 into law, which only allowed employer contributions to the Alternate Benefits Program (ABP) for salaries up to \$141,000. In response to this state imposed limit, the university established the Alternate Benefits Program and Trust. Through this program, the university continues to make the full 8% employer ABP contributions for salaries in excess of \$141,000, up to the Federal IRC Annual Compensation limit (\$255,000 for 2013).

Other Retirement Plans

The university has a small number of employees enrolled in the State of New Jersey Police and Firemen's Retirement System (PFRS) and two Federal retirement plans, the Civil Service Retirement System (CSRS) and the Federal Employees Retirement System (FERS). All three of the plans are defined benefit plans and cover the university's police (PFRS) and selected positions related to the university's Cook College/New Jersey Agricultural Experiment Station (CSRS or FERS). The university also has a small number of Rutgers University Foundation employees enrolled in a contributory retirement plan under arrangements with Teacher's Insurance and Annuity Association and College Retirement Equities Fund (TIAA-CREF), which provides for the purchase of annuities for the covered employees. The university also has a small number of employees enrolled in the Defined Contribution Retirement Program (DCRP). The Defined Contribution Retirement Program (DCRP) was established under the provisions of Chapter 92, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 103, P.L. 2007. The DCRP provides eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees who are ineligible for PERS and PFRS, because the hours of work are fewer than those required for PERS and PFRS membership, are eligible for enrollment in the DCRP provided the annual salary is \$5,000 or higher. Employees enrolled in PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; and employees otherwise eligible to enroll in PERS on or after November 2, 2008, who do not earn the minimum annual salary (indexed annually) for PERS Membership but who earn a salary of at least \$5,000 annually, are eligible to enroll in the DCRP. Eligible employees contribute 5.5% of base salary and the employer match is 3% of base salary. Participation in all of these plans is limited, and the associated amounts are not significant.

Deferred Compensation Plan

University employees with membership in PERS, ABP or PFRS are eligible to participate in the State of New Jersey's Employees Deferred Compensation Plan created in accordance with Internal Revenue Code Section 457. The plan permits employees to elect pre-tax and/or after-tax Roth contributions to invest a portion of their base salary until future years. The deferred compensation is not available to employees until termination, retirement, death or unforeseeable emergency. The plan is administered by Prudential Financial. The plan does not include any matching employer (State) contributions. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts and all income attributable to those amounts, property or rights, are held in trust by the State for the exclusive benefit of the participating employees and their beneficiaries.

Postemployment Benefits Other Than Pension

In addition to providing pension benefits, the State provides certain health care and life insurance benefits for the university's retired employees, in accordance with State statutes. Full health coverage is provided to eligible employees retiring with 25 years of service credited on or before June 30, 1997 in one of the State of New Jersey's mandatory pension plans. Employees retiring with 25 years of service credited after June 30, 1997 may share in the cost of the health care provided under the State Plan according to the terms specified in the appropriate bargaining unit agreement in effect at the time the employee reaches 25 years of credited service. The rules governing the contribution rate are the same as that for active employees. Since the costs of these programs are the responsibility of the State and the retired employees, the amounts are not available to the university and no expenses or liabilities for these benefits are reflected in the university's financial statements.

NOTE 13 - COMPENSATED ABSENCES

The university accounts for compensated absences as directed by GASB Statement No. 16, *Accounting for Compensated Absences*. A liability for compensated absences (i.e. unused vacation, sick leave, and paid leave bank days) attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

The university recorded a liability for accumulated vacation time in the amount of \$36.2 million at June 30, 2013 (\$38.2 million in 2012). The liability is calculated based upon employees' accrued vacation time as of the statements of net position date and is recorded in accounts payable and accrued expenses in the accompanying statement of net position.

Payments for accumulated sick leave balances are made to retiring employees upon regular retirement. The pay out to retirees for unused accumulated sick time is calculated at the lesser of $\frac{1}{2}$ the value of earned time or \$15,000. Employees separating from the university service prior to retirement are not entitled to payments for accumulated sick leave balances. The university recorded a liability for accumulated sick leave balances in the amount of \$12.5 million at June 30, 2013 (\$13.2 million in 2012) which is included in noncurrent accounts payable and accrued expenses in the accompanying statement of net position.

The university also recorded a liability for paid leave bank days in the amount of \$4.0 million at June 30, 2013 (\$4.2 million in 2012), which is included in noncurrent accounts payable and accrued expenses in the accompanying statement of net position. Employees began using these days on July 1, 2010, and may continue for the duration of employment with the university. Once these days are exhausted, the employee will not be eligible for any additional days.

NOTE 14 - RISK MANAGEMENT

The university, jointly with 15 other higher education institutions, has established Genesis Ltd. (Genesis), a Class 2 reinsurer under the Insurance Act of 1978 of Bermuda. Genesis, a Captive Reinsurance Company, reinsures general liability, professional liability, and automobile liability risks of its shareholders. The university has approximately a 16.3% equity ownership of Genesis and receives a pro-rata share of the income generated. The university's annual premium payments to the company for insurance coverage are based on actuarial studies and are charged to expenses. The insurance policies have deductibles that vary by policy, the most significant of which provides for the payment of general liability claims.

In 2004, the university and its 15 partners formed a Vermont Reciprocal Risk Retention Group, Pinnacle Consortium of Higher Education, to further enhance and support the insurance programs and provide fronting services for Genesis. The primary purpose of this second alternate risk funding company is to reduce costs, reduce collateral requirements for Genesis and provide the flexibility to conduct business in the U.S.

The university is self-insured for workers compensation and retains various deductibles for general liability, automobile liability, and all risk property insurance. The total liability at June 30, 2013 for these items is \$15.5 million (\$14.0 million in 2012). The reserve balance recorded at June 30, 2013 is \$15.2 million (\$15.9 million in 2012). No discount rate is used. The self insurance reserve represents the estimated ultimate cost of settling claims and related expenses resulting from events that have occurred. The reserve includes the amount that will be required for future payments of claims that have been reported and claims related to events that have occurred but have not been reported (IBNR).

The university has accrued expenses for deductibles and incurred but not reported liabilities in the statement of net position. The accrued expenses are based on estimates by management and third party claims administrators and generally represent the present value of the unpaid claims including the estimates for claims incurred but not reported.

NOTE 15 - CONTINGENCIES

The university is a party to various legal actions arising in the ordinary course of its operations. While it is not feasible to predict the ultimate outcome of these actions, it is the opinion of management that the resolution of these matters will not have a material adverse effect on the university's financial statements.

The university receives funds from federal, state and private agencies under grants and contracts for research, training and other activities. The costs, both direct and indirect, charged to these grants and contracts are subject to audit and possible disallowance by the sponsoring agency. It is the university's belief that any disallowances or adjustments would not have a significant effect on the university's financial statements.

NOTE 16 – ONE WASHINGTON PARK

In September 2006, the university's Board of Governors authorized the negotiation and execution of a contract of purchase and sale and arrangement for construction financing for the Rutgers Newark Business School's relocation to One Washington Park, Newark, New Jersey, where space was consolidated for faculty offices and classrooms. The building was converted into a condominium in which 11 floors of the building along with a 15,000 square foot addition located at grade level reconstituted as the Rutgers Business School space.

The overall project budget included the following: (i) the acquisition of the Rutgers Business School Space, (ii) the construction costs needed to build out the interior and exterior of such space, (iii) the construction costs needed to improve and repair certain common elements and common building systems in the building, (iv) the fee required under the Architect's Contract, and (v) other non-construction related costs. The overall project cost was \$83.0 million. Funding for this project came from several sources, particularly, in fiscal year 2006, the State of New Jersey made a special appropriation to the university in the amount of \$18.0 million earmarked specifically for the Business School. The university is also participating in the New Markets Tax Credit (NMTC) program administered by the U.S. Treasury's Community Development Financial Institutions Fund (CDFI) and entered into a transaction with City National Bank of New Jersey, PNC Bank, National Community Investment Fund, and New Jersey Community Capital, also known as a Community Development Entity (CDE). The NMTC compliance period will end as of December 1, 2014. Once the transaction is complete, the university will control the property indirectly through its blended component units, Parkside RUN Investments, LLC and QALICB.

On October 15, 2009, the new home of the Rutgers Business School at One Washington Park was officially opened. Classes began in the facility at the start of the 2009 fall semester. The building houses Rutgers Business school classes, faculty and staff offices, departments, centers, and a police substation for added security.

NOTE 17 - RUTGERS UNIVERSITY FOUNDATION

Component Unit

The Rutgers University Foundation (the Foundation) is a legally separate, IRS tax-exempt 501(c)(3) of the Internal Revenue Code component unit of the university with a fiscal year end of June 30. The Foundation was formed to aid the university to obtain private funds and other resources to meet the needs and achieve the goals of the university for which adequate funds may not be available from other sources. To fulfill this mission, the Foundation solicits and receives gifts and pledges from private sources including individuals, corporations, and foundations. All of the financial data for the Foundation is from their audited financial statements, reported in accordance with generally accepted accounting principles promulgated by GASB. The Foundation is discretely presented in the university's financial report as it would be misleading to exclude them and they exist for the direct benefit of the university, its students, and faculty.

Cash, Cash Equivalents, and Investments

The Foundation's cash and cash equivalents are carried in the financial statements at fair value and consist of the following as of June 30, 2013 and 2012:

	2013	2012
Money Market Account	\$5,978,529	\$2,174,220
Cash and Deposits	11,162,874	16,336,855
	<u>\$17,141,403</u>	<u>\$18,511,075</u>

The Board of Overseers, through its Investment Committee, has authority over the investment of Foundation funds. Professional investment managers are engaged by the Foundation to buy, sell, invest, and reinvest portions of the assets in accordance with the investment policies and objectives established by the Investment Committee.

The primary financial objective of the Foundation's investment management of assets for the General Endowment Fund is to earn the highest yield possible without unnecessary risk to principal. To achieve the goals of safety, liquidity, and return, the assets in the General Endowment Fund are invested in laddered high quality short term fixed income securities and/or an institutional money market fund. The objective for the Planned Giving Portfolio is to maximize long term total return through a combination of income and capital appreciation in a prudent manner. To achieve the goals of growth and income, the assets within the Planned Giving Portfolio are divided into an equity

portion (equities including convertibles and cash devoted to equities) and a fixed income portion (bonds, notes, nonconvertible preferred stock, and cash devoted to fixed income).

Investments are carried in the financial statements at fair value, based on quoted market prices and consist of the following as of June 30, 2013 and 2012:

Investment Type	2013	2012
U.S. Treasury Securities	\$4,381,281	\$3,133,610
Corporate Bonds	4,304,105	3,940,905
Municipal Bonds	1,301,951	1,786,672
Mortgage-backed Securities	10,236,642	12,842,173
Asset-backed Securities	—	129,611
Preferred Stock	209,602	248,341
Common Stock	7,663,800	3,890,415
Foreign Corporate Debt Securities	720,271	662,713
Real Estate	1,242,500	1,242,500
Other Investments	1,182,294	651,147
	<u>\$31,242,446</u>	<u>\$28,528,087</u>

Custodial Credit Risk – The Foundation’s deposits are exposed to custodial credit risk if they are not covered by depository insurance and the deposits are: uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution’s trust department or agent, but not in the Foundation’s name. The deposit risk is that, in the event of the failure of a depository financial institution, the Foundation will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Foundation’s investment securities are exposed to custodial credit risk if the securities are uninsured, are not registered in the name of the Foundation and are held by either: the counterparty or the counterparty’s trust department or agent, but not in the Foundation’s name. The investment risk is that, in the event of the failure of the counterparty to a transaction, the Foundation will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

The custodial credit risk associated with the Foundation’s cash and cash equivalents includes uncollateralized deposits, including any bank balance that is collateralized with securities held by pledging financial institutions, or by its trust department or agent, but not in the Foundation’s name. As of June 30, 2013 and 2012, the amount on deposit with the banks was \$15,063,309 and \$21,640,447, respectively. As of June 30, 2013 and 2012, the Foundation had insured deposits up to the Federal Deposit Insurance Corporation (FDIC) coverage limits totaling \$250,000 and \$500,000, respectively. Cash and cash equivalents in excess of those balances are uncollateralized.

As of June 30, 2013 and 2012, the Foundation’s investments were either insured, registered, or held by the Foundation’s agent in the Foundation’s name, except for money market and mutual funds, which are not subject to custodial credit risk because their existence is not evidenced by securities that exist in physical or book entry form.

Concentration of Credit Risk – This is the risk associated with the amount of investments the Foundation has with any one issuer that exceed 5% or more of its total investments. Investments issued or explicitly guaranteed by the U.S. government and investments in mutual funds, external investment pools, and other pooled investments are excluded from this requirement.

The Foundation limits the concentration of credit risk by placing a limit on the amount the investment managers may invest in any one issuer. No initial purchase of an equity or fixed income security in any one issuer should exceed 5% of the portion of the Foundation’s assets under management by each investment manager. In addition, no single equity security should be greater than 10% of the market value of the Foundation’s assets under management. As of June 30, 2013 and 2012, respectively, there are no investments in any one issuer greater than 5% of total investments.

Credit Risk – GASB Statement No. 40 requires that disclosure be made as to the credit rating of all fixed income securities except obligations of the U.S. government or obligations explicitly guaranteed by the U.S. government. The Foundation’s investment policy states that individual bonds shall be rated investment grade by at least two recognized or authorized rating agencies (Moody’s and Standard & Poor’s). The average credit quality of the fixed income securities must be maintained at a Class “BBB/Baa” or higher as rated by both standard services (Moody’s and Standard & Poor’s). Up to 10% of the investment manager’s portfolio may be invested in securities rated “BBB/Baa” or lower as rated by both standard services (Moody’s and Standard & Poor’s). The dollar weighted average rating of the fixed income portfolio for each manager of marketable bonds shall be “A/A” or better.

As of June 30, 2013 and 2012, the Foundation’s investment quality ratings as rated by Standard & Poor’s were as follows:

Investment Type	2013		2012	
	Quality Rating	Amount	Quality Rating	Amount
US Treasury and Agency Securities	AA+	\$4,381,281	AA+	\$3,133,610
Corporate Bonds	AA+	28,317	AA+	28,689
Corporate Bonds	AA	43,879	AA	56,119
Corporate Bonds	AA-	22,694	AA-	—
Corporate Bonds	A+	177,840	A+	203,722
Corporate Bonds	A	557,150	A	617,317
Corporate Bonds	A-	1,255,371	A-	2,077,291
Corporate Bonds	BBB+	223,691	BBB+	252,281
Corporate Bonds	BBB	182,894	BBB	94,753
Corporate Bonds	BB+	90,344	BB+	69,500
Corporate Bonds	BB	1,665,151	BB	—
Corporate Bonds	BB-	—	BB-	541,233
Corporate Bonds	B	56,774	B	—
Municipal Bonds	AA+	33,416	AA+	45,602
Municipal Bonds	AA	334,949	AA	349,572
Municipal Bonds	AA-	53,011	AA-	—
Municipal Bonds	A+	459,737	A+	1,017,396
Municipal Bonds	A	384,308	A	280,409
Municipal Bonds	A-	36,530	A-	93,693
Mortgage-backed Securities	AAA	—	AAA	24,470
Mortgage-backed Securities	AA+	—	AA+	12,817,702
Mortgage-backed Securities	A	10,236,642	A	—
Asset-backed Securities	AAA	—	AAA	59,348
Asset-backed Securities	AA-	—	AA-	70,263
Foreign Debt Securities	AA	—	AA	21,538
Foreign Debt Securities	AA-	64,118	AA-	51,147
Foreign Debt Securities	A+	373,004	A+	58,714
Foreign Debt Securities	A	102,289	A	75,881
Foreign Debt Securities	A-	38,694	A-	340,485
Foreign Debt Securities	BBB+	25,934	BBB+	—
Foreign Debt Securities	BBB	50,949	BBB	114,948
Foreign Debt Securities	BBB-	65,283	BBB-	—
Preferred Stock	BBB+	60,700	BBB+	57,250
Preferred Stock	BBB	49,143	BBB	52,850
Preferred Stock	BB+	99,759	BB+	85,335
Preferred Stock	BB-	—	BB-	48,724
Preferred Stock	C	—	C	4,182
		<u>\$21,153,852</u>		<u>\$22,744,024</u>

Interest Rate Risk – This is the risk that changes in interest rates will adversely affect the fair value of an investment. The Foundation does not have a provision in the investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. While the general provisions of the investment strategy should be implemented with a long term prospective, all holdings must be sufficiently liquid so as to allow liquidation of the entire portfolio on one month's notice. In addition, annuity pooled investments in the planned giving portion of the portfolio are governed by the New Jersey Prudent Investor Act. The required reserves for this pool are reviewed utilizing actuarial assumptions of the charitable gift annuity assets. The following table summarizes the maturities as of June 30, 2013 and 2012:

2013					
Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1 — 5	6 — 10	More than 10
US Treasury Securities	\$4,381,281		\$4,289,115	\$91,519	\$647
Corporate Bonds	4,304,105	\$1,390,317	2,243,949	568,723	100,516
Municipal Bonds	1,301,951	303,621	875,735	38,755	83,840
Mortgage-backed Securities	10,236,642	—	484,332	735,752	9,016,558
Asset-backed Securities	—	—	—	—	—
Foreign Debt Securities	720,271	91,217	413,630	215,424	—
Preferred Stock	209,602	32,714	—	—	176,888
	<u>\$21,153,852</u>	<u>\$1,818,469</u>	<u>\$8,306,761</u>	<u>\$1,650,173</u>	<u>\$9,378,449</u>

2012					
Investment Type	Fair Value	Investment Maturities (in years)			
		Less than 1	1 — 5	6 — 10	More than 10
US Treasury Securities	\$3,133,610	\$25,207	\$2,128,430	\$910,463	\$69,510
Corporate Bonds	3,940,905	331,269	2,310,435	1,183,063	116,138
Municipal Bonds	1,786,672	430,440	1,144,644	28,444	183,144
Mortgage-backed Securities	12,842,172	—	144,643	1,520,416	11,177,113
Asset-backed Securities	129,611	—	129,611	—	—
Foreign Debt Securities	662,713	3,485	489,786	147,904	21,538
Preferred Stock	248,341	106,756	—	—	141,585
	<u>\$22,744,024</u>	<u>\$897,157</u>	<u>\$6,347,549</u>	<u>\$3,790,290</u>	<u>\$11,709,028</u>

Administrative Fees and Support from Rutgers, The State University of New Jersey

The Foundation's operations, including certain payroll taxes and benefits, the fair rental value of space occupied, and office furnishings used by the Foundation are supported extensively by the University for operating purposes. Funding sources for the years ended June 30, 2013 and 2012 were as follows:

	2013	2012
Administrative Fees and Support		
Endowment Administrative Fee	\$5,788,786	\$5,601,634
Athletic Development Support	424,395	411,001
University Support	8,009,501	8,350,116
	<u>\$14,222,682</u>	<u>\$14,362,751</u>

	2013	2012
Noncash Support		
Fair Rental Value of Space Occupied	\$341,679	\$331,727
University-Paid Payroll Taxes and Benefits	1,161,192	1,004,923
	<u>1,502,871</u>	<u>1,336,650</u>
	<u>\$15,725,553</u>	<u>\$15,699,401</u>

Assessment Fee Income

The Foundation charges an assessment fee on all new gifts and nongovernmental grants in order to further advancement efforts on behalf of Rutgers, the State University of New Jersey. As of June 30, 2013 and 2012, assessment fees totaling \$4,075,987 and \$3,396,702, respectively, were received.

Restricted Contributions Receivable

The anticipated receipt of contributions receivable as of June 30, 2013 and 2012 is as follows:

	2013	2012
Year Ending June 30		
Within One Year	\$32,007,045	\$24,514,673
Two to Five Years	27,413,760	24,345,665
	59,420,805	48,860,338
Less Allowance for Uncollectible Contributions Receivable	(2,614,439)	(1,754,595)
	<u>\$56,806,366</u>	<u>\$47,105,743</u>

Contributions receivable related to permanent endowments and term endowments do not meet the eligibility requirements for recognition of GASB Statement No. 33 until received. These contributions receivable, which approximated \$57,971,000 and \$37,093,000 as of June 30, 2013 and 2012, respectively, have not been included in the accompanying financial statements.

Payable to Rutgers, The State University of New Jersey

In August 2008, the Foundation received a gift of real property, comprised of five land parcels, subject to an outstanding mortgage of \$1,200,000. Rutgers, The State University of New Jersey loaned the Foundation the funds to satisfy the mortgage and the liability will be repaid to the University with the proceeds from the sale of the property. In March, 2011, two of the land parcels were sold and a portion of the proceeds was applied against the University's outstanding mortgage. In May, 2012 a third land parcel was sold and a portion of the proceeds was pending transfer to the University, to be applied against the University's outstanding mortgage, in July, 2012. As of June 30, 2013 and 2012, the remaining balance of the mortgage was \$220,423 and \$556,769, respectively.

University Receipts on Foundation Pledges

The Foundation records pledges receivables, and the associated gift income, for nonendowment related gifts and private grants based upon written commitments from these entities. From individual donors, the written support is primarily in the form of a fund agreement signed by both the donor(s) and the Foundation. Private grants obtained from private corporations and foundations are recorded upon confirmation of the grant award to the University via correspondence from the private organization. Payments on these pledges are not all received at the Foundation, as some payments are made directly to the University. Any payments made directly to the University are captured in the Foundation's Statement of Revenues, Expenses and Changes in Net Position as gift revenue as well as distributions to the University. The total of these payments to the University as of June 30, 2013 and 2012 were \$10,803,910 and \$6,073,172, respectively.

Subsequent Event

On July 1, 2013 the New Jersey Medical and Health Sciences Education Restructuring Act integrated the Cancer Institute of New Jersey and the medical schools associated with the University of Medicine and Dentistry of New Jersey (UMDNJ) with Rutgers, the State University of New Jersey, forming the Rutgers Biomedical and Health Sciences (RBHS) division. In accordance with University policy that all University development efforts are managed by the Rutgers University Foundation, the fundraising function of the New Jersey Health Foundation for the legacy UMDNJ schools was assumed by Rutgers University Foundation. New Jersey Health Foundation is providing a grant to Rutgers University Foundation of approximately \$1.3 million to support transitional fundraising costs for one year. Additionally, the Cancer Institute of New Jersey Foundation merged with the Rutgers University Foundation, with the Rutgers University Foundation being the successor organization.

NOTE 18 – SUBSEQUENT EVENTS

On August 22, 2012, Governor Chris Christie signed the New Jersey Medical and Health Sciences Education Restructuring Act (Chapter 45, P.L. 2012), which was passed by the New Jersey Senate and Assembly on June 28, 2012. This act integrates all units of the University of Medicine and Dentistry of New Jersey (UMDNJ), except University Hospital in Newark and the School of Osteopathic Medicine in Stratford, into Rutgers effective July 1, 2013.

The General Obligation Refunding Bonds, 2013 Series J (Tax Exempt) (the 2013 Series J Bonds) in the amount of \$340.9 million, the General Obligation Refunding Bonds, 2013 Series K (Federally Taxable) (the 2013 Series K Bonds) in the amount of \$134.1 million, and the General Obligation Bonds, 2013 Series L (Tax Exempt) (2013 Series L Bonds) in the amount of \$352.1 million, collectively the 2013 Series Bonds, were issued on July 1, 2013. They are secured under that provisions of and Indenture of Trust, dated as of February 1, 2002 (the Master Indenture), by and between the University and U.S. Bank National Association, successor to Wachovia Bank, National Association and First Union Nation Bank, as trustee (the Trustee), as supplemented and amended, including as amended and supplemented by a Ninth Supplemental Indenture of Trust, dated as of July 1, 2013, by and between the University and the Trustee (the Ninth Supplemental Indenture and together with the Master Indenture, the Indenture). The 2013 Series Bonds are authorized under the provisions of Rutgers, the State University Law, constituting Chapter 65 of Title 18A of the New Jersey Statutes Annotated (the Act), and the Indenture. The Ninth Supplemental Indenture was authorized pursuant to resolution adopted by the Board of Governors of the University (the Board of Governors), on April 11, 2013 with the consent and advice of the Board of Trustees of the University (the Board of Trustees) by resolution adopted on April 25, 2013.

The 2013 Series Bonds were issued in furtherance of the New Jersey Medical and Health Sciences Education Restructuring Act. Pursuant to the Restructuring Act, rights to all of the schools, institutes and centers of UMDNJ other than the School of Osteopathic Medicine and University Hospital, were transferred to the university on July 1, 2013, and all debt issued by UMDNJ allocable to such schools, institutes and centers were transferred to the university. A portion of the proceeds of the 2013 Series Bonds was used to refund certain outstanding indebtedness of UMDNJ being transferred to the university. The terms of the Restructuring Act were consented to and approved by the Board of Governors and the Board of Trustees by resolutions adopted on November 19, 2012, subject to the satisfaction of certain conditions, including, the defeasance and/or assumption of the UMDNJ Indebtedness allocable to Rowan University and University Hospital, which occurred on July 1, 2013. The Resolutions authorized the university to issue the 2013 Series Bonds to (i) refund certain outstanding indebtedness of the university and UMDNJ, (ii) finance and /or refinance the payment of certain costs of construction of certain capital projects of the university, and (iii) finance costs of issuance.

The New Jersey Economic Development Authority (the Authority) sold \$237.1 million of Rutgers University General Obligation Lease Revenue Bonds (College Avenue Redevelopment Project), Series 2013 (the Bonds), which were issued under and pursuant to (i) the New Jersey Economic Development Authority Act, P.L. 1974, Chapter 80, as supplemented and amended (the Act), (ii) a Trust Indenture, dated as of September 1, 2013 (the Indenture) between the Authority and The Bank of New York Mellon as trustee (the Trustee), and a resolution duly adopted by the Authority on May 16, 2013. The Trustee will also act as paying agent (the Paying Agent), and as registrar (the Registrar) for the Bonds. The proceeds of the Bonds will be loaned by the Authority to College Avenue Redevelopment Associates LLC (the Company) pursuant to a Loan Agreement dated as of September 1, 2013 (the Loan Agreement), between the Company and the Authority. Pursuant to the Loan Agreement, the Authority will issue the Bonds and loan the proceeds to the Company to finance, together with other available funds, the educational facilities project (the Project) being constructed by the Company on behalf of Rutgers, and to pay the costs of issuance of the Bonds. The Project entails the redevelopment and construction of (i) the Academic Building, (ii) the SAS Improvements, (iii) the Honors College Improvements, (iv) the University Housing Improvements, and (v) the University Parking Improvements. The Project is to be complete by August 2016.

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<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Employment & Training Commission</u>						
NJ STATE HEALTH CARE WORKFORCE DEVELOPMENT PROJECT	MOU	N/A	15,000	4/15/2011 to 11/30/2011	168	0
	Employment & Training Commission	SUBTOTAL	<u>15,000</u>		<u>168</u>	<u>0</u>
<u>Board of Public Utilities</u>						
AN ADVANCED ATMOSPHERIC/OCEAN ASSESSMENT PROGRAM DESIGNED TO REDUCE THE RISKS ASSOCIATED WITH OFFSHORE	2010RU-COOL	N/A	1,870,253	4/14/2011 to 4/13/2013	669,961	668,901
MAINTENANCE AND UPGRADE PLAN FOR THE NJ CLEAN ENERGY RESOURCE NETWORK SEARCHABLE DATABASE	BPU-070	N/A	60,000	12/1/2012 to 7/31/2013	29,482	29,482
NJ BPU MEMORANDUM OF AGREEMENT - MOA CLEAN ENERGY EVALUATION AND MARKET ASSESSMENT	MOA - AMENDMENT #4	N/A	1,830,281	6/1/2009 to 8/31/2013	557,645	554,340
	Board of Public Utilities	SUBTOTAL	<u>3,760,534</u>		<u>1,257,088</u>	<u>1,252,723</u>
<u>CCR-Commission on Spinal Cord Research</u>						
GUIDING AXONAL REGENERATION AND PIEZOELECTRIC POLYMERS	07-2932-SCR-E-0	N/A	58,918	6/15/2007 to 6/30/2011	(209)	(209)
RAPID NONINVASIVE OXYGENATION MONITORING IN CEREBROSPINAL INJURY	07-3061-SCR-E-0	N/A	159,500	12/15/2006 to 6/30/2012	7,126	7,126
MOLECULAR AND CELLULAR APPROACHES TO RECOVERY FOLLOWING SPINAL CORD INJURY	08-3036-SCR-E-4	75004640040016140	1,000,000	6/15/2004 to 10/31/2012	21,926	21,720
GLYCAN-MEDIATED IMPROVEMENT OF SPINAL CORD REGENERATION	08-3076-SCR-E-0	750-046-4004-001-614	275,000	12/15/2007 to 6/30/2012	1,105	0
SPINAL CORD INTRINSIC REGULATION OF REGENERATION- PROACTIVE GENSES IN ADULT ZEBRA FISH (NJCSCR)	08-3079-SCR-E-0	750-046-4220-001-614	395,870	6/15/2008 to 6/30/2013	52,348	51,550
NEURAL PRECURSOR CONTROL BY ECM FOR SPINAL CORD REGENERATION	08-3080-SCR-E-0	750-046-4220-001-614	393,158	6/15/2008 to 6/30/2012	194	(2,425)

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>CCR-Commission on Spinal Cord Research</u>						
ACUTE TREATMENT OF SIRNA FOR RHOA IN SPINAL CORD INJURY (NJSCSR-INDIVIDUAL RESEARCH GRANT)	08-3081-SCR-E-0	750-046-4220-001-614	342,064	6/15/2008 to 6/30/2012	(696)	(2,409)
INDUCING MOTOR NEURONS BY COMBINATORIAL SIGNALS FOR SPINAL CORD REGENERATION	09-3085-SCR-E-0	N/A	370,293	6/15/2009 to 6/30/2013	24,245	22,598
GABAERGIC INTERNEURONAL RESTRICTED PROGENITORS AND SPINAL CORD INJURY	09-3086-SCR-E-0	N/A	392,830	6/15/2009 to 6/30/2013	217,586	216,368
ENCAPSULATED MESENCHYMAL STEM CELLS FOR SPINAL CORD INJURY	10-2947-SCR-E-0	N/A	60,000	12/15/2009 to 6/30/2012	1,026	1,026
NANOBIOACTIVE SCAFFOLDS FOR MANAGEMENT OF SPINAL CORD INJURY	10-3090-SCR-E-0	N/A	200,000	12/15/2009 to 9/30/2013	51,093	51,093
NON-CODING DNA SEQUENCE IN OLIGODENDROCYTE DEVELOPMENT	10-3091-SCR-E-0	N/A	600,000	6/15/2010 to 6/30/2014	148,958	147,391
SPINAL CORD SIP30 MEDIATES INJURY-INDUCED NEUROPATHIC PAIN	10-3093-SCR-E-0	N/A	200,000	6/15/2010 to 6/30/2014	36,029	34,836
RULE OF OSTEOCALCIN FOLLOWING SPINAL CORD INJURY	10-3094-SCR-E-0	N/A	200,000	6/15/2010 to 6/30/2013	41,303	40,878
STUDIES OF THE MICRORNA BANTAM AND GLIAL PROLIFERATION	CSCR11ERG017	N/A	199,279	6/15/2011 to 6/30/2013	67,832	67,053
MOLECULAR MECHANISMS THAT CONTROL SPINAL COMMISSURAL AXONS LONG-RANGE PATH FINDING IN THE DEVELOPING C	CSCR11IRG011	N/A	599,880	6/15/2011 to 6/30/2014	132,844	132,200
MOLECULAR MECHANISMS OF IN VIVO NEURONAL REGENERATION AND RECONNECTION	CSCR11IRG039	N/A	589,000	6/15/2011 to 6/30/2014	224,668	221,049
MOLECULAR MECHANISM OF NOTCH1 EXPRESSION IN SPINAL CORD DEVELOPMENT AND POST-SCI RESPONSE	CSCR12FEL001	N/A	60,000	6/15/2012 to 6/30/2014	28,198	28,198
IMPROVED IMPLANTABLE MICRO-ELECTRODES FOR NEURAL SIGNAL ACQUISITION	CSCR12IRG001	N/A	593,018	6/15/2012 to 6/30/2015	64,478	64,478
MINIMALLY INVASIVE LUMBAR DELIVERY OF ENCAPSULATED MSC FOR SCI (CSCR12IRG003)	CSCR12IRG003	N/A	499,207	6/15/2012 to 6/30/2015	58,324	58,324
THERAPEUTIC POTENTIAL OF MIRNA 133B IN SPINAL CORD INJURY	CSCR12IRG014	N/A	357,905	6/15/2012 to 6/30/2014	88,058	118,709

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>CCR-Commission on Spinal Cord Research</u>						
	CCR-Commission on Spinal Cord Research	SUBTOTAL	<u>7,545,922</u>		<u>1,266,436</u>	<u>1,279,554</u>
<u>Commission on Cancer Research</u>						
TRAF3 SIGNALING PATHWAYS IN B LYMPHOMAGENESIS	10-1066-CCR-E-0	N/A	243,900	12/1/2009 to 11/30/2011	(350)	0
DEFINING ESSENTIAL REGIONS OF B2 FOR HCV INFECTION	10-1962-CCR-EO	N/A	243,900	12/1/2009 to 11/30/2011	1,703	1,722
MECHANISMS CONTROLLING STEM CELL FATE BY THE TRANSCRIPTION FACTOR YY1	MOU	N/A	0	4/1/2013 to 3/31/2014	9,962	0
	Commission on Cancer Research	SUBTOTAL	<u>487,800</u>		<u>11,315</u>	<u>1,722</u>
<u>Commission on Higher Education</u>						
MATCHING OF HIGHER EDUCATION DATA	MOU	N/A	21,270	1/1/2011 to 12/31/2011	(448)	8,892
2012 GOVERNOR SCHOOL	MOU	N/A	50,000	7/1/2012 to 12/31/2012	50,000	50,000
	Commission on Higher Education	SUBTOTAL	<u>71,270</u>		<u>49,552</u>	<u>58,892</u>
<u>DCA-Council on Affordable Housing</u>						
LEAD SAFE HOUSING REGISTRY ON-LINE MAPPING PROJECT	MOU	N/A	477,021	9/1/2008 to 12/31/2012	29,262	28,739
	DCA-Council on Affordable Housing	SUBTOTAL	<u>477,021</u>		<u>29,262</u>	<u>28,739</u>
<u>DCF-Division of Youth and Family Services</u>						
TRANSITION FOR YOUTH	12MMMR	N/A	1,101,700	7/1/2011 to 6/30/2012	89,871	82,035
ADOPTION CERTIFICATE	12MMMR	N/A	61,890	7/1/2011 to 7/31/2012	6,942	6,772
FAMILY SUCCESS CENTER	12MMMR	N/A	140,096	7/1/2011 to 7/31/2012	28,182	25,085
	DCF-Division of Youth and Family Services	SUBTOTAL	<u>1,303,686</u>		<u>124,995</u>	<u>113,892</u>

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Department of Agriculture</u>						
ANIMAL WASTE MANAGEMENT/NON-POINT SOURCE POLLUTION CONTROL	13-03	N/A	92,521	7/1/2012 to 6/30/2013	69,406	92,521
DELIVERY OF GRAPE IPM PREDICTION MODELS TO NEW JERSEY WINE GRAPE GROWERS	33601	N/A	35,530	2/1/2011 to 12/31/2013	24,750	29,206
MONITORING, TIMING AND CONTROL TACTICS FOR CRITICAL NATIVE AND INVASIVE INSECT SPECIES THAT THREATEN	33602	N/A	12,100	2/1/2011 to 12/31/2012	9,036	9,036
NEW JERSEY VITICULTURE RESEARCH & EXTENSION PROGRAM	NONE	N/A	37,584	7/1/1993 to 6/30/2014	263	2,460
	Department of Agriculture	SUBTOTAL	<u>177,735</u>		<u>103,455</u>	<u>133,223</u>
<u>Department of Children and Families</u>						
FPI NWT AND ON-GOING PROFESSIONAL DEVELOPMENT CERTIFICATE	12MMMR	N/A	190,770	7/1/2011 to 7/31/2012	29,378	25,359
THE NEW JERSEY CHILD WELFARE TRAINING PARTNERSHIP	12VZMR	N/A	3,397,909	7/1/2011 to 6/30/2012	213,502	437,792
ADOPTION CERTIFICATE PROGRAM	13MMMR	N/A	62,016	7/1/2012 to 6/30/2013	55,131	62,016
FAMILY SUCCESS CENTER TRAINING	13MMMR	N/A	282,501	7/1/2012 to 6/30/2013	218,269	282,501
TRANSITION FOR YOUTH	13MMMR	N/A	1,289,900	7/1/2012 to 6/30/2013	1,260,419	1,291,891
THE NEW JERSEY CHILD WELFARE TRAINING PARTNERSHIP/DCF LEADERSHIP ACADEMY TRAINING	13VZMR	N/A	3,784,564	7/1/2012 to 6/30/2013	3,421,332	3,290,450
NJTFCAN BOARD RETREAT	434000-0930-001	031312-22600108613	7,504	8/1/2011 to 9/30/2011	59	(1,896)
	Department of Children and Families	SUBTOTAL	<u>9,015,164</u>		<u>5,198,090</u>	<u>5,388,113</u>
<u>Department of Corrections</u>						
ARRA: NJ HELPP STATEWIDE MENTORING PROGRAM	RJAG 3-3-09/01	N/A	86,451	8/3/2012 to 2/28/2013	86,451	86,451
	Department of Corrections	SUBTOTAL	<u>86,451</u>		<u>86,451</u>	<u>86,451</u>

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Department of Education</u>						
NONTRADITIONAL CAREER RESOURCE CENTER 2010-2011	11000071	N/A	313,217	10/1/2010 to 9/30/2011	817	69
IMPROVING PARTNERSHIPS AND ACTIVE COLLABORATION FOR TEACHING (IMPACT) YEAR 3	12E00052	N/A	346,012	9/1/2011 to 8/31/2012	150,777	156,232
CAREER EQUITY RESOURCE CENTER 2011-2012	12E00056	N/A	316,968	10/1/2011 to 9/30/2012	113,677	0
CAREER EQUITY RESOURCE CENTER 2012-2013	13E00061	N/A	345,000	10/1/2012 to 9/30/2013	240,160	231,589
NJ DOE CALCULATION OF PERFORMANCE MEASURES FOR THE NEW JERSEY CONSUMER REPORT CARD	MOU	N/A	36,636	9/27/2010 to 6/30/2011	9,050	8,934
NJ DOE CALCULATION OF PERFORMANCE MEASURES FOR THE NEW JERSEY CONSUMER REPORT CARD	MOU	N/A	14,998	10/1/2011 to 12/31/2011	(16)	4,045
NJ DOE SCHOOL CLIMATE SURVEY	MOU	N/A	39,833	6/25/2012 to 11/15/2012	39,302	39,825
NJ DOE STATE PERFORMANCE PLAN - SURVEY OF PARENTS OF CHILDREN WITH DISABILITIES	MOU	N/A	169,684	1/1/2012 to 12/31/2012	59,236	62,903
NJ DOE CALCULATION OF PERFORMANCE MEASURES FOR THE NEW JERSEY CONSUMER REPORT CARD	MOU	N/A	15,000	12/4/2012 to 1/31/2013	15,926	15,000
NEW JERSEY CAREER ASSISTANCE NAVIGATOR TRAINING (NJ CAN)	MOU	N/A	83,499	12/4/2012 to 8/31/2013	66,630	66,630
EVALUATION OF THE NEW JERSEY DEPARTMENT OF EDUCATION'S TEACHERS EFFECTIVENESS EVALUATION PILOT PROGRAM	MOU	N/A	260,000	1/9/2012 to 9/30/2013	172,473	172,230
NJ DOE STATE PERFORMANCE PLAN - SURVEY OF PARENTS OF CHILDREN WITH DISABILITIES	MOU	N/A	172,768	1/1/2013 to 12/31/2013	94,046	94,046
2011 NJDOE STUDENT HEALTH SURVEY	MOU	N/A	103,906	11/1/2012 to 9/30/2014	56,644	60,000
EVALUATION OF THE DEPARTMENT OF EDUCATION'S PERSONALIZED LEARNING PLAN PILOT PROGRAM	MOU 08/25/09	N/A	99,996	7/1/2009 to 11/30/2011	892	2,207
EVALUATION OF THE DEPARTMENT OF EDUCATION'S PERSONALIZED LEARNING PLAN PILOT PROGRAM	None	N/A	49,500	9/1/2011 to 8/31/2012	15,496	12,018
NEW JERSEY KINDERGARTEN EVALUATION	SNJ DO ED MOU	N/A	108,054	6/1/2012 to 9/30/2012	104,742	0

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RESEARCH:						
DIRECT						
Department of Education						
	Department of Education	SUBTOTAL	2,475,071		1,139,852	925,728
Department of Environmental Protection						
NEW JERSEY MANUFACTURING EXCELLENCE PROGRAM (NJME)	EH11-001	101-042-4825-124-329	645,559	7/1/2008 to 12/29/2011	(3,183)	(3,429)
VISIBLE EMISSIONS AND OTHER AIR POLLUTION TRAINING FOR COUNTY ENVIRONMENTAL HEALTH AGENTS	EN11-031	N/A	31,500	1/1/2011 to 12/31/2012	9,115	8,985
COMMUNITY NOISE TRAINING TO COUNTY ENVIRONMENTAL HEALTH AGENTS	EN11-032	N/A	28,500	1/1/2011 to 12/31/2012	(172)	(172)
REPORT ON POPULATION OF BLACK SKIMMERS AND COMMON TERNS IN THE BARNEGAT BAY	FG08-075	N/A	37,409	5/1/2008 to 12/31/2012	7,854	7,854
ASSESSING THE FEASIBILITY OF NO-NET-LOSS HABITAT CONSERVATION PLANNING FOR STATEWIDE IMPLEMENT	FG13-002	N/A	65,000	2/21/2013 to 12/20/2013	20,171	20,171
THE NJ MESONET: ONGOING OPERATIONS AND MAINTENANCE	GS08-008	N/A	210,000	7/1/2008 to 12/31/2011	(639)	(822)
DEVELOPMENT OF A REAL-TIME DROUGHT ASSESSMENT TOOL USING NJ METEOROLOGICAL DATA	GS11-004	N/A	73,957	1/1/2011 to 12/21/2012	25,312	25,312
THE NJ MESONET: CONTINUED OPERATIONS AND MAINTENANCE	GS11-011	N/A	160,000	7/1/2011 to 6/30/2013	127,160	126,929
TRAILS DEVELOPMENT IN THE RUTGERS ECO PRESERVE	MOA-TRAIL2012	N/A	8,509	11/1/2011 to 8/1/2014	3,133	3,133
NEW JERSEY GREEN BUILDING MANUAL	PL08-002	08-100-042-4855-003	250,000	6/27/2008 to 12/31/2011	1	452
WATERSHED RESTORATION PLAN THROUGH THE DEVELOPMENT? ESTABLISHMENT OF TMDL'S	RP01-121	N/A	7,696,540	8/24/2001 to 2/23/2014	107,577	90,385
AN INVESTIGATION OF QUANTITY AND QUALITY OF RUNOFF FROM STOCKPILES OF RECYCLED WASTE MATERIALS	SHW-10-006	N/A	581,483	9/1/2009 to 8/31/2013	135,160	135,160
MEASUREMENT OF CHROMIUM OXIDATION DURING DRINKING WATER DISINFECTION IN NJ SOURCE AND FINISHED WATER	SR10-015	N/A	44,969	7/1/2010 to 3/30/2012	(45)	(219)

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Department of Environmental Protection</u>						
EVALUATION OF THE IMPACT OF THE DISINFECTION ON CR(+3) & CR(+6) IN POTABLE WATER: YEAR 2	SR11-012	N/A	48,850	6/30/2011 to 3/24/2013	34,057	34,057
DELINEATION OF A POTENTIAL GASEOUS ELEMENTAL MERCURY EMISSIONS SOURCE IN NORTHEASTERN NEW JERSEY	SR11-018	N/A	48,019	6/30/2011 to 9/30/2012	12,111	17,285
APPLYING INNOVATIVE DIAGNOSTIC TOOLS AT NEW JERSEY PUBLICLY FUNDED SITES	SR11-025	N/A	83,500	6/30/2011 to 7/15/2013	64,758	75,000
BENTHIC INVERTEBRATE COMMUNITY MONITORING AND INDICATOR DEVELOPMENT FOR BARNEGAT BAY	SR12-002	N/A	171,633	11/11/2011 to 9/17/2013	142,805	142,805
BENTHIC-PELAGIC DOUPLING: HARD CLAMS AS INDICATORS OF SUSPENDED PARTICULATES IN THE BARNEGAT BAY-LIT	SR12-004	N/A	132,398	10/1/2011 to 9/30/2013	67,458	66,557
ASSESSMENT OF FISH AND CRAB RESPONSES TO HUMAN ALTERATION IN BARNEGAT BAY	SR12-010	N/A	233,297	10/1/2011 to 3/31/2013	118,106	117,728
MULTI-TROPHIC LEVEL MODELING OF BARNEGAT BAY	SR12-014	N/A	124,881	11/11/2011 to 5/10/2013	86,660	99,843
ASSESSMENT OF FISH AND CRAB RESPONSES TO HUMAN ALTERATION IN BARNEGAT BAY	SR13-009	N/A	250,000	4/1/2013 to 9/30/2014	31,421	31,421
DEVELOPMENT OF BENTHIC INDICATORS FOR NEAR SHORE COASTAL WATERS OF NEW JERSEY	WM07-002	N/A	281,649	7/1/2006 to 12/31/2011	1,289	7
DISTRIBUTED DATA SERVER SERVICES (WATER MONITORING & STANDARDS)	WM09-006	N/A	60,500	10/26/2009 to 10/25/2011	32	125
TRANSITION OF CUSTOMIZED ARCGIS PROJECT FROM VBA TO PYTHON CODE	WMS11-PYTHON	N/A	5,164	10/1/2012 to 5/31/2013	5,164	5,164
DEVELOPMENT OF NEW JERSEY BEACHES DATA SYSTEM	WMS12-016-BEACHES	N/A	163,981	8/1/2012 to 4/1/2014	70,377	70,377
WATER CONSERVATION PROJECT FOR NEW JERSEY	WS11-007	N/A	150,000	7/1/2010 to 6/30/2013	51,495	51,021
INVESTIGATION OF AGRICULTURAL WATER USE IN NEW JERSEY	WS11-008	N/A	243,632	7/1/2010 to 7/1/2013	93,189	92,615
Department of Environmental Protection	SUBTOTAL		11,830,930		1,210,366	1,217,744

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Department of Health and Senior Services</u>						
AMYGDALA-ENRICHED GENES IN BEHAVIORS RELATED TO ASD	10-401-SCH-E-0	N/A	469,550	6/28/2010 to 6/27/2013	178,950	175,820
PERCEPTUAL-MOTOR ANTICIPATION IN INDIVIDUALS WITH AUTISM SPECTRUM DISORDER	10-403-SCH-E-0	N/A	275,896	6/28/2010 to 6/27/2013	17,958	13,691
PERCEPTUAL-MOTOR ANTICIPATION IN INDIVIDUALS WITH AUTISM SPECTRUM DISORDER	10-403-SCH-E-0	N/A	193,654	6/28/2010 to 6/27/2013	47,331	46,509
SNJ-DHSS REGULATION OF SYNAPTOGENESIS BY CYPIN AND NEUROLIGIN-1	10-406-SCH-E-0	N/A	469,550	6/28/2010 to 6/27/2013	46,496	43,240
REELING ABNORMALITIES IN SYNAPTOGENESIS AND ASD	10-409-SCH-E-0	N/A	381,700	6/28/2010 to 6/27/2012	(4,508)	(4,940)
AUTISM-NJ CENTER OF EXCELLENCE (NJACE) PROGRAM SITE GRANT 2012	CSAUT12APS006	N/A	2,246,919	6/15/2012 to 6/30/2017	280,347	275,216
EVALUATION FOR THE STATE PARTNERSHIP PROGRAM TO IMPROVE MINORITY HEALTH	MOA	N/A	30,000	4/1/2011 to 9/30/2011	395	(58)
SHAPING NJ SURVEILLANCE PROFILE	MOA	N/A	25,000	5/16/2012 to 6/30/2012	3,134	2,834
DIABETES AND CHILDHOOD ASTHMA MOBILIZATION GRANTS	MOA	N/A	40,000	10/1/2011 to 8/31/2012	18,311	18,645
FOOD AND DRUG SAFETY SPECIALIZED SERVICES PROGRAM	MOA	N/A	87,581	9/1/2011 to 12/31/2012	69,306	69,238
ASTHMA AWARENESS AND EDUCATION PROGRAM EVALUATION	MOA	N/A	49,876	7/16/2010 to 8/31/2013	21,928	44,240
CDC HEALTHY HOMES INITIATIVE YEAR 2	MOA	N/A	125,000	10/1/2012 to 9/30/2013	73,379	73,379
ASSESSMENT OF MEDICAL RESEARCH & TREATMENT OF AUTISM	MOA 09/15/2010	N/A	99,685	9/15/2010 to 6/14/2012	(431)	123
INCREASING HEALTH CARE PARTICIPATION IN ESAR-VHP/MRC AND UNORIVUBG VOLUNTEER COMPLIANCE WITH DATA REP	MOA-EMERGENCY FY2013	N/A	107,460	7/1/2012 to 9/30/2013	106,602	106,602
CARDIOVASCULAR HEALTH DATA ANALYTICS IN NEW JERSEY	MOU	N/A	75,000	1/14/2013 to 9/15/2013	16,704	16,704
Department of Health and Senior Services	SUBTOTAL		<u>4,676,871</u>		<u>875,902</u>	<u>881,243</u>

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Department of Labor and Workforce Development</u>						
NJ LWD CALCULATION OF PERFORMANCE MEASURES FOR THE NEW JERSEY CONSUMER REPORT CARD	MOU	N/A	58,738	7/1/2011 to 6/30/2012	5,978	3,767
NJ LWD CALCULATION OF PERFORMANCE MEASURES FOR THE NEW JERSEY CONSUMER REPORT CARD	MOU	N/A	23,521	7/1/2012 to 6/30/2013	23,738	23,521
DEI PROJECT: TECHNICAL ASSISTANCE, STAFF DEVELOPMENT, AND THEIR EVALUATION	MOU	N/A	200,000	4/1/2012 to 9/30/2013	69,028	69,008
WORKFORCE LONGITUDINAL DATA SYSTEM	MOU	N/A	783,086	10/1/2012 to 6/30/2015	31,066	31,066
NJ LWD CALCULATION OF PERFORMANCE MEASURES FOR THE NJ CONSUMER REPORT CARD	MOU NJCRC 07/23/10	N/A	53,738	7/1/2010 to 6/30/2011	0	5,046
Department of Labor and Workforce Development	SUBTOTAL		<u>1,119,083</u>		<u>129,810</u>	<u>132,408</u>
<u>Department of Law and Public Safety</u>						
2012 JUVENILE JUSTICE & DELINQUENCY PREVENTION WRITER GRANT (JJDP)	J-J:19-11-11	N/A	40,000	9/1/2012 to 10/31/2013	20,007	20,007
FUGITIVE SAFE SURRENDER (CORRECTION TO FIGURES, ONLY PARTIALLY ARRA FUNDED, REST NON-ARRA)	None	N/A	23,780	12/1/2011 to 9/30/2012	8,050	7,962
AN EVIDENCE-BASED INITIATIVE FOR COMMUNITY JUSTICE POLICY AND PRACTICE	NONE	N/A	250,000	4/15/2011 to 4/14/2013	118,371	111,091
YOUTH BUILD MODEL PROGRAM EXPANSION & INNOVATION PILOT	YB 5-09A	N/A	233,333	2/1/2010 to 7/31/2011	164	(104)
YOUTH BUILD MODEL PROGRAM EXPANSION & INNOVATION PILOT	YB-5-09B	N/A	233,333	8/1/2011 to 7/31/2012	72,188	70,854
YOUTH BUILD EXPANSION AND INNOVATION PILOT GRANT PROGRAM	YB-5-09C	N/A	213,334	8/1/2012 to 7/31/2013	146,571	146,571
Department of Law and Public Safety	SUBTOTAL		<u>993,780</u>		<u>365,351</u>	<u>356,381</u>

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Department of Military and Veterans Affairs</u>						
STUDY PROPOSAL: ECONOMIC IMPACTS OF MILITARY AND COAST GUARD INSTALLATIONS	MOA	N/A	70,000	6/1/2012 to 3/31/2013	66,582	67,076
	Department of Military and Veterans Affairs	SUBTOTAL	<u>70,000</u>		<u>66,582</u>	<u>67,076</u>
<u>Department of Transportation</u>						
TECHNOLOGY TRANSFER SPECIAL PROJECTS WORK PLAN 2011	11-60114	N/A	75,000	11/15/2010 to 11/15/2011	(122)	(82)
TRAFFIC CONTROL AND WORK ZONE SAFETY FOR HIGH VOLUME ROADS (2010-02)	9754851	N/A	278,244	1/1/2010 to 7/1/2012	68,358	80,580
NEW JERSEY LOCAL TECHNICAL ASSISTANCE PROGRAM ANNUAL WORK PLAN 2013	MOU	N/A	0	1/1/2013 to 12/31/2013	182,648	0
2012 BRIDGE RESOURCE PROGRAM	T/O # 292	N/A	1,475,000	8/14/2012 to 12/31/2013	373,132	607,698
NJDOT STATE-WIDE LARGE TRUCK MONITORING PGM: DATA COLLECTION, PROCESSING AND REPORTING	T/O #208	N/A	199,200	3/1/2009 to 7/31/2011	122	0
PARTIAL INTERCHANGES IN NEW JERSEY: DATA DEVELOPMENT AND EVALUATION	T/O #240	N/A	515,010	7/1/2009 to 11/30/2012	50,565	50,181
PAVEMENT RESOURCE PROGRAM 2010	T/O #255	N/A	1,500,001	7/1/2010 to 9/30/2011	(32,685)	7,602
PAVEMENT RESOURCE PROGRAM FY 2011-2012	T/O #269	N/A	214,680	4/20/2011 to 9/30/2013	7,254	41,943
IMPACT OF FREIGHT ON HIGHWAY INFRASTRUCTURE IN NEW JERSEY (2012-09)	T/O #290, 13-60152	N/A	149,958	9/20/2012 to 9/20/2014	92,800	92,800
NJDOT DELIVERY OF TRAINING SERVICES-2013	T/O #297	N/A	100,000	4/2/2013 to 4/1/2014	768	768
LIFECYCLE CARBON FOOTPRINT ANALYSIS OF TRANSPORTATION CAPITAL PROJECTS	TASK 238/2004R002	N/A	302,938	6/30/2009 to 6/30/2011	152	152
THE ECONOMIC IMPACT OF THE SOUTHERN NEW JERSEY PORT COMPLEX	TASK 259/2010R003	N/A	40,206	10/1/2010 to 2/28/2012	(37)	(173)
SAFE ROUTES TO SCHOOL RESOURCE CENTER - YEAR 5	TASK 262/2010R003	N/A	300,000	1/1/2011 to 12/31/2011	(512)	(393)

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>Department of Transportation</u>						
PORTABLE DATA COLLECTION SYSTEMS FOR NJDOT TRUCK MONITORING PROGRAM	TASK ORDER # 216	2008-480-078-6300-DM	275,000	5/1/2008 to 12/31/2012	84,131	75,114
ON-GOING EMERGENCY SUPPORT FUNCTION #1 - TRANSPORTATION (ESF 1)	TASK#294/2010R003	N/A	310,000	1/1/2013 to 12/31/2014	25,107	25,107
NJ BICYCLE AND PEDESTRIAN RESOURCE CENTER - YEAR 12	TASK#295/2010R003	N/A	550,000	1/1/2013 to 12/31/2013	237,407	237,407
	Department of Transportation	SUBTOTAL	<u>6,285,237</u>		<u>1,089,088</u>	<u>1,218,704</u>
<u>DEP-Mosquito Control Commission</u>						
MONITORING THE EFFICACY OF INSECTICIDES FOR MOSQUITO CONTROL IN NEW JERSEY	FG12-016	N/A	67,508	7/1/2011 to 6/30/2012	(1,638)	(2,446)
SURVEILLANCE FOR THE MOSQUITO VECTORS OF ARBOVIRUSES IN NEW JERSEY 2011-2012	FG12-017	N/A	47,980	7/1/2011 to 6/30/2012	(1,035)	(1,618)
AN ADULT MOSQUITO SURVEILLANCE PROGRAM 2011-2012	FG12-018	N/A	36,215	7/1/2011 to 6/30/2012	1,594	1,169
SURVEILLANCE FOR THE MOSQUITO VECTORS OF ARBOVIRUSES IN NEW JERSEY 2012-2013	FG13-016	N/A	49,000	7/1/2012 to 6/30/2013	48,884	48,884
AN ADULT MOSQUITO SURVEILLANCE PROGRAM 2012-2013	FG13-017	N/A	37,000	7/1/2012 to 6/30/2013	38,256	37,000
	DEP-Mosquito Control Commission	SUBTOTAL	<u>237,703</u>		<u>86,061</u>	<u>82,989</u>
<u>DEP-New Jersey Historic Trust</u>						
EVALUATING PASSAGE PERFORMANCE OF SPAWNING SHAD AND RIVER HERRING AT THE ISLAND FARM WEIR	NR12-005	N/A	79,753	1/30/2012 to 1/29/2014	31,061	31,061
	DEP-New Jersey Historic Trust	SUBTOTAL	<u>79,753</u>		<u>31,061</u>	<u>31,061</u>
<u>DHS-Div of Mental Health and Addiction Services</u>						
EVALUATION SUPPORT FOR REGIONAL COALITIONS	12-777-ADA-0	N/A	132,053	1/1/2012 to 12/31/2012	131,572	131,573

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>DHS-Div of Mental Health and Addiction Services</u>						
SPF SIG EVALUATION OF THE STATE PREVENTION FRAMEWORK: STATE INCENTIVE GRANT	7555600086 SPF-SIG	7555600086	800,000	6/15/2008 to 9/30/2012	42,909	52,465
2010 NEW JERSEY MIDDLE SCHOOL DRUG AND ALCOHOL SURVEY	MOA	N/A	396,932	8/15/2009 to 5/31/2011	(347)	336
STATE PREVENTION ENHANCEMENT	MOA	N/A	429,000	11/1/2011 to 5/24/2013	344,406	343,569
2012 NEW JERSEY MIDDLE SCHOOL DRUG AND ALCOHOL SURVEY	MOA	N/A	472,601	8/15/2011 to 9/30/2013	112,387	110,833
CERTIFICATE PROGRAM IN COMMUNITY-BASED PLANNING	MOA	N/A	49,794	2/28/2013 to 6/30/2014	9,173	9,173
EVALUATION OF DISCHARGES FROM HAGEDORN STATE HOSPITAL IN THE COMMUNITY	MOA	N/A	675,420	11/15/2012 to 1/31/2015	60,164	60,164
WORKFORCE DEVELOPMENT INITIATIVE: ALCOHOL AND DRUG COUNSELOR EDUCATION (MOA)	MOA 6-23-2011	N/A	3,400,000	8/1/2011 to 7/31/2014	678,844	676,558
DHS-Div of Mental Health and Addiction Services SUBTOTAL			<u>6,355,800</u>		<u>1,379,108</u>	<u>1,384,671</u>
<u>DHS-Division of Disability Services</u>						
RESOURCES & STRATEGIES FOR ENHANCING TRANSPORTATION FOR NEW JERSEY'S DISABLED POPULATION	WAIVER U315 MEDICAID	N/A	100,000	1/1/2010 to 6/30/2012	380	2,282
DHS-Division of Disability Services SUBTOTAL			<u>100,000</u>		<u>380</u>	<u>2,282</u>
<u>DHSS-New Jersey Commission on Brain Injury Research</u>						
EFFECT OF DIFFUSED AXONAL INJURY ON DENDRITE AND MYELIN.	07-3202-BIR-E-O	N/A	299,834	4/1/2007 to 3/31/2010	(163)	0
SYNAPTIC ARCHITRECTURE PRESERVATION BY URIC ACID AND P2Y1 ANTAGONISTS AFTER TB1	08-3209-BIR-E-1	N/A	1,980,000	6/1/2008 to 5/31/2012	(11,954)	(11,954)
BRAIN INFLAMMATION LEADS TO NEURONAL CELL DEATH.	10-3211-BIR-E-3	N/A	494,999	6/1/2008 to 5/31/2012	(5,235)	(6,510)
EVALUATION OF GENIPIN AS A MULTI-POTENT THERAPEUTIC AGENT FOLLOWING BRAIN INJURY	10-3215-BIR-E-0	N/A	495,000	6/1/2010 to 5/31/2014	137,639	153,578

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>DHSS-New Jersey Commission on Brain Injury Research</u>						
A FEM KINEMATIC MODEL FOR BRAIN WHITE MATTER	10-3219-BIR-E-0	N/A	192,324	6/1/2010 to 5/31/2014	12,770	12,870
EFFECTS OF DIFFUSED AXONAL INJURY ON MYELIN AND MYELIANTED AXONS	CBIR11PJT012	N/A	540,000	6/1/2011 to 5/31/2014	185,756	192,580
MESENCHYMAL STROMAL CELLS AS TBI THERAPEUTIC	CBIR12IRG019	N/A	540,000	6/1/2012 to 5/31/2015	111,766	111,766
THE ROLE OF MTOR SIGNALING IN RECOVERY AFTER TRAUMATIC BRAIN INJURY	CBIR12MIG011	N/A	2,034,000	6/1/2012 to 5/31/2015	801,982	790,058
DHSS-New Jersey Commission on Brain Injury Research SUBTOTAL			<u>6,576,157</u>		<u>1,232,561</u>	<u>1,242,388</u>
<u>DHSS-PHILEP</u>						
SMART PHONE APPS CONNECT TO THE INCIDENT COMMAND FUNCTION OF HIPPOCRATES SITUATIONAL AWARENESS SYSTEM	MOA	N/A	226,340	3/1/2011 to 7/30/2011	4,436	3,320
DHSS-PHILEP SUBTOTAL			<u>226,340</u>		<u>4,436</u>	<u>3,320</u>
<u>DLPS-Division of Criminal Justice</u>						
NEW JERSEY VICTIM ASSISTANCE ACADEMY	VWAF-23	N/A	60,000	10/1/2011 to 9/30/2012	21,953	21,412
VICTIM AND WITNESS ADVOCACY FUND GRANT PROGRAM - VF	VWAF-24	N/A	102,768	3/1/2012 to 8/30/2013	79,155	79,155
DLPS-Division of Criminal Justice SUBTOTAL			<u>162,768</u>		<u>101,108</u>	<u>100,567</u>
<u>DLPS-Division of Highway Traffic Safety</u>						
CROSSING GUARD TRAINING	MOU	N/A	0	5/1/2013 to 12/31/2013	7,532	0
DLPS-Division of Highway Traffic Safety SUBTOTAL			<u>0</u>		<u>7,532</u>	<u>0</u>

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>DLPS-Juvenile Justice Commission</u>						
GOVERNOR'S STRATEGY FOR SAFE STREETS AND NEIGHBORHOODS	DB0142	N/A	266,311	6/1/2009 to 8/31/2011	(73)	(155)
MUNICIPAL PLANNING FOR SAFE STREETS AND NEIGHBORHOODS	MOU	N/A	335,616	7/1/2012 to 5/31/2014	117,009	117,009
MUNICIPAL PLANNING FOR SAFE STREETS AND NEIGHBORHOODS	None	N/A	104,884	9/1/2011 to 8/20/2012	16,403	15,873
	DLPS-Juvenile Justice Commission	SUBTOTAL	<u>706,811</u>		<u>133,339</u>	<u>132,727</u>
<u>DS-New Jersey Historical Commission</u>						
NJ UNDERGRADUATE HISTORY INTERNSHIP PROGRAM (PGM: NJHC-PUBLIC HISTORY)	11HIST403APR	N/A	4,521	6/30/2011 to 6/29/2012	108	108
THE THOMAS EDISON PAPERS V8-9	HC-GOS-2012	N/A	92,018	7/1/2011 to 6/30/2012	(5,223)	(5,295)
THE THOMAS EDISON PAPERS V8-9	HC-GOS-2013	N/A	92,018	7/1/2012 to 6/30/2013	113,161	92,018
RUTGERS FOCUS/RUTGERS NEWSLETTER PRESERVATION MICROFILMING AND DIGITIZATION PROJECT	HC-PROMINI-2013-RUTGE	N/A	7,980	2/1/2013 to 1/31/2014	73	7,980
	DS-New Jersey Historical Commission	SUBTOTAL	<u>196,537</u>		<u>108,119</u>	<u>94,811</u>
<u>DS-NJ State Council on the Arts</u>						
CO-SPONSORED PROJECT ARTS BUILD COMMUNITIES	1214X09RU/P	N/A	7,315	7/1/2011 to 6/30/2012	(27)	(151)
	DS-NJ State Council on the Arts	SUBTOTAL	<u>7,315</u>		<u>(27)</u>	<u>(151)</u>
<u>New Jersey Meadowlands Commission</u>						
MERI RESEARCH FELLOWS PROGRAM	NONE	N/A	15,295	7/1/2009 to 7/31/2011	187	187
INSTITUTE FOR MEADOWLANDS STUDY	NONE	N/A	315,985	7/1/2004 to 12/31/2012	(1,650)	(2,204)
	New Jersey Meadowlands Commission	SUBTOTAL	<u>331,280</u>		<u>(1,463)</u>	<u>(2,017)</u>

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RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

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YEAR ENDED JUNE 30, 2013

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<u>RESEARCH:</u>						
<u>DIRECT</u>						
<u>New Jersey Turnpike Authority</u>						
TRAFFIC SIMULATION MODELING AND ANALYSIS OF INTERCHANGE 14A AND PROPOSED CONCEPT 11D	AGREEMENT 21-11, TASK	N/A	57,500	4/1/2012 to 2/15/2013	44,635	56,082
NEW JERSEY TURNPIKE AND GARDEN STATE PARKWAY MAINTENANCE SNOW PROGRAM AND IMPROVEMENTS TO LANE CLOSURE APPLICATION PROGRAM	T/O # D1 A200.259	N/A	200,000	6/30/2012 to 12/31/2013	92,665	150,000
STRUCTURAL ENGINEERING AND TRAFFIC MODELING SUPPORT FOR CONTRACT # T100.125 NB-HCE ZONE 3 DECK RECONSTRUCTION, 2011-2012	T/O # D3	N/A	749,965	7/30/2010 to 7/30/2013	300,194	265,986
TECHNICAL SUPPORT FOR HIGH-PERFORMANCE CONCRETE (HPC) MIX DESIGN AND SPECIFICATIONS IMPROVEMENTS	T/O #D4	N/A	749,991	7/30/2010 to 7/30/2013	369,226	367,899
	New Jersey Turnpike Authority	SUBTOTAL	<u>1,757,456</u>		<u>806,720</u>	<u>839,967</u>
<u>NJ Commission on Science and Technology</u>						
EDISON INNOVATION CENTERS OF EXCELLENCE FEDERAL MATCHING PROGRAM	08-2042-014-96	08-100-082-2042-014-	407,435	3/1/2009 to 12/31/2011	148	0
	NJ Commission on Science and Technology	SUBTOTAL	<u>407,435</u>		<u>148</u>	<u>0</u>
<u>Parole Board</u>						
MAP/RESAP ANALYSIS	MOU	N/A	13,097	7/1/2010 to 6/30/2012	207	207
A RECIDIVISM ANALYSIS OF SUPERVISED OFFENDERS ASSIGNED TO NJSPB RESIDENTIAL COMMUNITY PROGRAMS	MOU	N/A	20,000	4/5/2012 to 6/30/2013	22,308	20,000
TRENTON PRISONER REENTRY DEMONSTRATION PROJECT	NONE	N/A	29,474	2/1/2009 to 6/30/2011	(264)	(264)
	Parole Board	SUBTOTAL	<u>62,571</u>		<u>22,251</u>	<u>19,943</u>
RESEARCH: DIRECT		SUBTOTAL	<u>67,599,481</u>		<u>16,915,097</u>	<u>17,075,151</u>

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<u>RESEARCH:</u>						
<u>PASS THROUGH</u>						
<u>Board of Public Utilities</u>						
<u>Nostrum Energy LLC</u>						
NOVEL LINEAR WIND/TIDAL-POWERED CLEAN ENERGY PROPOSAL	10-204-001-81	10-204-001-81	40,000	5/1/2011 to 8/31/2013	8,435	11,604
NJ CLIMATE CHOICE HOME PILOT PROJECT - LIFE CYCLE COSTING ANALYSIS	N/A	N/A	87,000	9/1/2009 to 8/1/2013	36,276	36,276
	Board of Public Utilities	SUBTOTAL	<u>127,000</u>		<u>44,711</u>	<u>47,880</u>
<u>Commission on Higher Education</u>						
<u>New Jersey Institute of Technology</u>						
MEDIATORS OF MICROGLIAL INFLAMMATION	10-399-SCH-N-0	10-399-SCH-N-0	74,989	6/28/2010 to 12/31/2012	5,230	5,230
	Commission on Higher Education	SUBTOTAL	<u>74,989</u>		<u>5,230</u>	<u>5,230</u>
<u>Department of Environmental Protection</u>						
<u>Division of Motor Vehicles</u>						
GREEN INFRASTRUCTURE MUNICIPAL OUTREACH & TECHNICAL ASSISTANCE PROGRAM.	#2619 NO.42-13	N/A	135,000	3/1/2013 to 12/31/2013	6,153	6,153
MUSCONETCONG RIVER - WATERSHED RESTORATION PLAN	RP06-073	RP06-073	96,954	10/1/2006 to 7/30/2012	5,182	4,974
ADDRESSING AG NPS IN PRIORITY WATERSHEDS OF THE RARITAN RIVER BASIN	RP10-090	RP10-090	10,000	7/15/2010 to 7/15/2013	638	638
NJWSA-NJDEP TARGETED IMPLEMENTATION PROJECTS	RP10-090	RP10-090	112,190	7/1/2010 to 6/30/2014	35,379	34,189
	Department of Environmental Protection	SUBTOTAL	<u>354,144</u>		<u>47,352</u>	<u>45,954</u>
<u>Department of Human Services</u>						
<u>Central Jersey Family Health Consortium Inc</u>						
SAFE KIDS NJ EVALUATION	MOU	N/A	12,500	2/1/2013 to 6/30/2013	9,012	9,012
	Department of Human Services	SUBTOTAL	<u>12,500</u>		<u>9,012</u>	<u>9,012</u>

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<u>RESEARCH:</u>						
<u>PASS THROUGH</u>						
<u>Department of Labor and Workforce Development</u>						
<u>Small & Associates, Inc</u>						
RUTGERS UNIVERSITY INNOVATION AND EXPANSION GRANT	DVRS2012-51	DVRS2012-51	78,671	1/1/2012 to 12/31/2012	26,311	26,720
TECHNOLOGY AND ENTREPRENEURSHIP TALENT NETWORK	N/A	N/A	86,462	6/15/2011 to 6/30/2012	6,615	25,037
Department of Labor and Workforce Development	SUBTOTAL		165,133		32,926	51,757
<u>Department of Transportation</u>						
<u>CUNY-Transportation Research Center</u>						
IMPACT ANALYSIS OF RECREATIONAL TRANSIT SERVICES ON LOCAL COMMUNITY ECONOMIC DEVELOPMENT	MOU	T.O. RF-CUNY-46	202,604	10/1/2012 to 9/30/2013	18,357	18,357
DRAINAGE INFORMATION, ANALYSIS AND MAPPING SYSTEM PROJECT	NJIT-2005	NJIT-2005	100,000	1/7/2010 to 6/30/2012	(2,840)	(2,840)
CUSTOMIZATION OF TELUS NJDOT'S INTERACTIVE WEBSITE FOR THE DISPLAY OF CAPITAL PROGRAMMING PROJECT	NJIT-2005	NJIT-2005	300,000	9/1/2010 to 12/31/2012	65,716	73,087
LANDFILL CLOSURE WITH DREDGE MATERIALS DESKTOP ANALYSIS	None	N/A	106,081	5/10/2012 to 10/31/2013	69,649	69,649
NEW JERSEY DOT SURVEY DEVELOPMENT	PROJECT # 52059O	2007PPD622/#0704506	8,585	9/21/2012 to 3/31/2013	7,738	8,585
IMPACT ANALYSIS OF RECREATIONAL TRANSIT SERVICES ON LOCAL COMMUNITY ECONOMIC DEVELOPMENT	T.O.75144-04-24	T.O. RF-CUNY-46	86,761	10/1/2012 to 9/30/2013	41,974	41,974
ENVIRONMENTAL MANAGEMENT SYSTEM FOR TRANSPORTATION MAINTENANCE OPERATIONS	T/O #92	T/O #92	79,644	9/1/2009 to 8/31/2011	(567)	(462)
WORK ZONE SAFETY ANALYSIS	T/O #94	T/O #94	158,190	1/1/2010 to 6/30/2012	(4,687)	(7,229)
SIGN MAINTENANCE MANAGEMENT SYSTEM AND RETRO REFLECTIVITY COMPLIANCE PROGRAM FOR NJDOT	T/O #98	T/O #98	120,000	12/1/2010 to 6/30/2013	12,472	29,189
	Department of Transportation	SUBTOTAL	1,161,865		207,812	230,310
RESEARCH: PASS THROUGH		SUBTOTAL	1,895,631		347,043	390,143
RESEARCH:		TOTAL	69,495,112		17,262,140	17,465,294

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<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Employment & Training Commission</u>						
NJ PLACE - NEW JERSEY PATHWAYS LEADING APPRENTICES TO A COLLEGE EDUCATION PY12-13	MOA	N/A	211,565	9/1/2012 to 8/31/2013	127,353	127,353
	Employment & Training Commission	SUBTOTAL	<u>211,565</u>		<u>127,353</u>	<u>127,353</u>
<u>Higher Education Student Assistance Authority</u>						
FAFSA COMPLETION WORKSHOPS	MOU	N/A	7,500	12/1/2012 to 6/14/2013	3,479	3,750
	Higher Education Student Assistance Authority	SUBTOTAL	<u>7,500</u>		<u>3,479</u>	<u>3,750</u>
<u>CCR-Commission on Spinal Cord Research</u>						
PROMOTING MYELINATION ON ADULT AXON BY SOLUBLE NEUREGULIN-1	10-2948-SCR-E-O	N/A	60,000	12/15/2009 to 6/30/2012	(1,048)	(1,048)
NEURONAL SIGNALING IN RESPONSE TO HYPOXIA	10-2950-SCR-E-0	N/A	150,000	6/15/2010 to 12/30/2013	50,651	50,651
THE NNA-1 CARBOXYPEPTIDASE AND C. ELEGANS NEUROREGENERATION	10-2951-SCR-E-0	N/A	150,000	6/15/2010 to 4/30/2014	41,566	41,566
BIOACTIVE SCAFFOLDS & HESC-DERIVED NEURONS FOR TREATING SCI	11-2957-SCR-E-0	N/A	60,000	6/15/2011 to 6/30/2013	31,815	31,815
STRESS INDUCED NEUROPLASTICITY IF C. ELEGANS: A NEW PARADIGM TO STUDY NEURONAL OUTGROWTH	CSCR12FEL004	N/A	150,000	6/15/2012 to 6/30/2015	40,863	40,863
	CCR-Commission on Spinal Cord Research	SUBTOTAL	<u>570,000</u>		<u>163,847</u>	<u>163,847</u>
<u>Commission on Cancer Research</u>						
MODULATION OF THE UBIQUITIN PROTEASOME SYSTEM BY EXTRACELLULAR SIGNALING	DFHS13PPC008	N/A	0	4/1/2013 to 3/31/2015	10,055	0
ELUCIDATING THE FUNCTIONS OF HCV GLYCOPROTEIN E1 (DFHS12CRP001) ABDUL KHAN POST DOC.	MOU	N/A	91,000	7/1/2012 to 6/30/2014	43,172	43,172
	Commission on Cancer Research	SUBTOTAL	<u>91,000</u>		<u>53,227</u>	<u>43,172</u>

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Commission on Cancer Research</u>						
<u>Commission on Higher Education</u>						
RUTGERS-CAMDEN AIM HIGH ACADEMY	12YR2-801180-AHA-13	N/A	127,000	12/1/2011 to 8/10/2012	106,694	0
NEW JERSEY MINORITY ACADEMIC CAREER (MAC) DOCTORAL FELLOWSHIP -MIODRAG KAPOR	MOU	N/A	60,000	9/1/2008 to 6/30/2011	(353)	(353)
	Commission on Higher Education	SUBTOTAL	<u>187,000</u>		<u>106,341</u>	<u>(353)</u>
<u>DCF-Division of Youth and Family Services</u>						
TRANSITIONS FOR YOUTH & YOUTH ADVISORY BOARD	11MMMR DCFP2.01-2007	N/A	1,027,456	7/1/2010 to 11/30/2011	(21)	(883)
THE NEW JERSEY CHILD WELFARE TRAINING PARTNERSHIP	11VZMR	N/A	3,223,740	7/1/2010 to 6/30/2011	(15)	615
	DCF-Division of Youth and Family Services	SUBTOTAL	<u>4,251,196</u>		<u>(36)</u>	<u>(268)</u>
<u>DE-Commission on National and Community Service-AmeriCorp</u>						
RUTGERS OCPE-CNCS-AMERICORPS TRAINING SERIES	MOA	N/A	34,884	1/1/2011 to 12/31/2011	34,884	34,884
	DE-Commission on National and Community Service-AmeriCorp	SUBTOTAL	<u>34,884</u>		<u>34,884</u>	<u>34,884</u>
<u>DE-Office of Early Childhood Education</u>						
NEW JERSEY COUNCIL FOR YOUNG CHILDREN DATA SYSTEMS INVESTIGATION	MOU	N/A	511,548	7/5/2011 to 8/31/2013	219,337	251,688
	DE-Office of Early Childhood Education	SUBTOTAL	<u>511,548</u>		<u>219,337</u>	<u>251,688</u>
<u>Department of Agriculture</u>						
SUMMER FOOD AGREEMENT 07-1304	07-1304	N/A	17,083	7/2/2012 to 8/7/2012	17,083	17,083
SUMMER FOOD AGREEMENT 07-1908	07-1908	N/A	9,500	7/2/2012 to 8/7/2012	9,500	9,500

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Department of Agriculture</u>						
ASSISTANCE REGARDING NOISE STANDARDS FOR WIND TURBINES ON FARMS	MOA	N/A	10,550	1/10/2012 to 7/10/2012	(1,658)	(1,658)
INTENSIVE NUTRIENT MANAGEMENT EDUCATION PROGRAM (PGM: DIVISION OF RURAL RESOURCES)	MOU	N/A	249,700	1/1/2008 to 6/30/2013	41,868	43,846
RUTGERS COOPERATIVE EXTENSION NUTRIENT MANAGEMENT EDUCATION PROGRAM	MOU	N/A	150,000	11/23/2009 to 12/31/2013	22,148	147,842
ANIMAL WASTE MANAGEMENT EDUCATION PROGRAM FOR HORSE FARM OPERATORS	MOU	N/A	150,000	11/23/2009 to 3/31/2015	28,518	82,610
	Department of Agriculture	SUBTOTAL	<u>586,833</u>		<u>117,459</u>	<u>299,223</u>
<u>Department of Children and Families</u>						
FOSTER CARE COUNSELING PROJECT	11BFMM	N/A	147,393	7/1/2010 to 6/30/2011	(1,951)	4,811
FOSTER CARE COUNSELING PROJECT	12BFMM	N/A	147,624	7/1/2011 to 6/30/2012	234	(1,893)
SASP, RPE AND RAPE PREVENTION (13AUMW)	13AUMW	N/A	28,410	11/1/2012 to 6/30/2013	28,410	28,410
FOSTER CARE COUNSELING PROJECT	13BFMM	N/A	147,624	7/1/2012 to 6/30/2013	141,287	147,624
2013 NJDCF TASK FORCE ON ABUSE AND NEGLECT	A0 016 16306000028	N/A	60,000	4/1/2013 to 9/30/2013	4,400	4,400
2012 DCF/NJTFCAN SKILL BUILDING CONFERENCE	AO 016016306000018 & 19	N/A	23,200	7/1/2012 to 12/31/2012	23,200	23,200
2013 NEW JERSEY GOVERNOR'S CONFERENCE FOR WOMEN	MOU	N/A	127,250	4/19/2013 to 6/30/2013	35,431	35,431
	Department of Children and Families	SUBTOTAL	<u>681,501</u>		<u>231,011</u>	<u>241,983</u>
<u>Department of Community Affairs</u>						
2008 LATINO FELLOWS LEADERSHIP INSTITUTE	2008-05155-2176-06	N/A	267,511	5/1/2008 to 12/31/2011	0	(125)
UNIFORM CONSTRUCTION CODE ENFORCEMENT TRAINING/MULTI DWELLING	2011-002 PO726386	N/A	1,270,797	7/1/2010 to 12/31/2011	(92)	(370)
COUNCIL ON AFFORDABLE HOUSING (COAH)	2011-002 PO7286386	N/A	13,973	7/1/2010 to 6/30/2011	(1,567)	(1,771)

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Department of Community Affairs</u>						
UNIFORM CONSTRUCTION CODE ENFORCEMENT TRAINING/MULTI DWELLING	2012-001	N/A	1,200,568	7/1/2011 to 6/30/2012	105,769	102,652
COUNCIL ON AFFORDABLE HOUSING (COAH) TRAINING	2012-002	N/A	11,438	7/1/2011 to 6/30/2012	2,678	2,568
UNIFORM CONSTRUCTION CODE ENFORCEMENT TRAINING/MULTI DWELLING	2013-001 PO7658038	N/A	1,490,344	7/1/2012 to 6/30/2013	1,136,456	1,136,456
	Department of Community Affairs	SUBTOTAL	<u>4,254,631</u>		<u>1,243,244</u>	<u>1,239,410</u>
<u>Department of Education</u>						
IMPROVING PARTNERSHIP AND ACTIVE COLLABORATION FOR TEACHING (IMPACT)	10-ER07-G03/11000099	N/A	342,079	9/1/2010 to 8/31/2011	75	38,721
IMPROVING PARTNERSHIPS AND ACTIVE COLLABORATION FOR TEACHING (YEAR 3)	12E00054	N/A	341,230	9/1/2011 to 8/31/2012	95,610	94,089
21ST CENTURY COMMUNITY LEARNING CENTERS PROGRAM	13E00050	N/A	549,719	9/1/2012 to 8/31/2013	366,782	359,676
NJ DOE STATE PERFORMANCE PLAN - SURVEY OF PARENTS OF CHILDREN WITH DISABILITIES	MOU	N/A	15,852	1/1/2011 to 1/31/2012	(1,183)	(1,509)
DEVELOPING SAFE AND CIVIL SCHOOLS: A COORDINATED APPROACH FOR SOCIAL-EMOTIONAL-CHARACTER DEVELOPMENT	MOU	N/A	806,511	7/1/2009 to 6/30/2012	1,801	1,509
NEW JERSEY KINDERGARTEN ENGLISH LANGUAGE ARTS MODEL CURRICULUM ASSESSMENT DEVELOPMENT	MOU	N/A	49,602	5/7/2012 to 5/31/2013	45,661	45,661
NEW JERSEY PRESCHOOL QUALITY EVALUATION STUDY	MOU	N/A	200,484	2/27/2013 to 10/31/2013	176,523	176,523
NJ DOE STATE PERFORMANCE PLAN - POST SCHOOL OUTCOMES STUDY: INDICATOR 14	MOU INDICATOR #14	N/A	140,666	8/2/2010 to 6/29/2012	4,653	4,127
	Department of Education	SUBTOTAL	<u>2,446,143</u>		<u>689,922</u>	<u>718,797</u>
<u>Department of Environmental Protection</u>						
VISIBLE EMISSIONS AND OTHER AIR POLLUTION TRAINING FOR COUNTY ENVIRONMENTAL HEALTH AGENTS	EN09-031	N/A	62,932	6/30/2009 to 6/29/2011	(156)	3,058

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Department of Environmental Protection</u>						
VISIBLE EMISSIONS AND OTHER AIR POLLUTION TRAINING FOR COUNTY ENVIRONMENTAL HEALTH AGENTS	EN12-031	N/A	37,500	7/1/2012 to 12/31/2013	30,235	30,235
COMMUNITY NOISE TRAINING TO COUNTY ENVIRONMENTAL HEALTH AGENTS	EN12-032	N/A	28,500	7/1/2012 to 6/30/2013	28,045	28,045
NEW JERSEY RECYCLING CERTIFICATION SERIES 2012-2013	MOU	N/A	0	9/1/2012 to 8/31/2013	53,130	0
NEW JERSEY RECYCLING CERTIFICATION SERIES 2010-2012	None	N/A	103,753	9/1/2011 to 12/31/2012	33,355	32,721
COOPERATIVE AGREEMENT WITH NJDEP-COUNTY ENVIRONMENTAL AND RESOURCE MANAGEMENT AGENTS (319(H) NONPOIN	RP08-048	N/A	746,284	5/30/2008 to 5/29/2012	(19,048)	(22,785)
NEW JERSEY PROJECT WET (WATER EDUCATION FOR TEACHERS) PROGRAM-2011	RP11-046	N/A	217,000	4/1/2011 to 12/31/2013	83,050	82,806
NEW JERSEY RECYCLING CERTIFICATION SERIES 2010-2012	SHW 11-005	N/A	272,869	7/1/2010 to 9/30/2012	34,474	33,413
RECYCLING PROMOTION AND COMMUNICATION	SW02-09	N/A	400,000	6/28/2002 to 12/31/2013	40,821	40,700
Department of Environmental Protection	SUBTOTAL		<u>1,868,838</u>		<u>283,906</u>	<u>228,193</u>
<u>Department of Health and Senior Services</u>						
BIOTERRORISM PREPAREDNESS FY 11-13	2010-13 MOA	N/A	1,113,000	8/10/2010 to 9/29/2013	254,839	253,320
OEMS ELECTRONIC CERTIFICATION TOOL	MOA	N/A	294,996	9/1/2010 to 6/30/2011	1,083	1,219
DISTANCE-LEARNING INJECTION/NEEDLE SAFETY FOR PUBLIC HEALTH PROFESSIONALS AND HEALTH CARE PROVIDERS	MOA	N/A	25,000	3/17/2011 to 11/30/2011	200	75
INFECTIOUS DISEASE SUMMITS FOR NEW JERSEY 2012	MOA	N/A	40,000	3/1/2012 to 7/31/2012	21,397	21,397
ONLINE REPORTING SYSTEM FOR LOCAL HEALTH DEPARTMENTS	MOA	N/A	144,644	5/22/2012 to 9/30/2013	143,697	143,697
ADULT PROTECTIVE SERVICES	MOA	N/A	86,156	4/1/2013 to 3/31/2014	19,748	19,748
STATE-WIDE HEART DISEASE, STROKE AND OBESITY PREVENTION WORKSITE WELLNESS PROJECT	SP13-56-HSP	N/A	117,000	9/1/2012 to 6/30/2013	112,208	112,208
Department of Health and Senior Services	SUBTOTAL		<u>1,820,796</u>		<u>553,172</u>	<u>551,664</u>

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YEAR ENDED JUNE 30, 2013

<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Department of Human Services</u>						
PROJECT NATURAL SETTING THERAPEUTIC MANAGEMENT (NSTM)	54MG13R	N/A	521,392	7/1/2012 to 6/30/2013	497,631	521,392
NATIONAL TEEN-TO-TEEN SEXUALITY EDUCATION PROJECT	P5ME9R	N/A	100,000	7/1/2008 to 6/30/2012	4,219	4,219
	Department of Human Services	SUBTOTAL	<u>621,392</u>		<u>501,850</u>	<u>525,611</u>
<u>Department of Labor and Workforce Development</u>						
RUTGERS UNIVERSITY HEALTH INFORMATION MANAGEMENT CONSORTIUM FY12	CT110601	N/A	121,360	7/5/2011 to 7/5/2012	77,966	77,966
RUTGERS UNIVERSITY OCPE NJ FOOD COUNCIL-NJ FOOD COUNCIL FY12	CT120145	N/A	342,704	12/2/2011 to 12/2/2012	265,830	270,830
RUTGERS UNIVERSITY SYSTEMS OF CARE FY12	CT120174	N/A	113,880	1/5/2012 to 1/5/2013	98,130	98,130
RUTGERS UNIVERSITY OCPE HEALTHCARE CONSORTIUM FY12	CT120332	N/A	312,800	4/11/2012 to 4/11/2013	153,245	217,701
RUTGERS UNIVERSITY WD-LITERACY CONSORTIUM FY12	LT102679	N/A	164,500	5/7/2012 to 11/7/2013	92,350	92,350
NEW JERSEY PATHWAYS LEADING APPRENTICES TO A COLLEGE EDUCATION (NJ PLACE) FY 2012	MOA	N/A	196,372	7/1/2011 to 8/31/2012	29,409	27,101
RUTGERS FINANCIAL SERVICES PARTNERS CONSORTIUM FY13	MOU	N/A	0	3/1/2013 to 3/1/2014	15,568	33,061
RUTGERS HEALTHCARE PARTNERS CONSORTIUM FY13	MOU	N/A	0	3/1/2013 to 3/1/2014	158,158	147,200
RUTGERS OCPE NJ FOOD COUNCIL FY13	OCT-FY13-001	N/A	374,800	1/3/2013 to 1/2/2014	82,453	97,200
	Department of Labor and Workforce Development	SUBTOTAL	<u>1,626,416</u>		<u>973,109</u>	<u>1,061,539</u>
<u>Department of Law and Public Safety</u>						
FY09 EXERCISE SUPPORT PROGRAM - PASS THRU GRANT	2009-EMPG-P150-12	N/A	15,000	10/1/2008 to 9/30/2012	15,000	15,000
DRUNK DRIVING ENFORCEMENT FUND	N/A	N/A	0	11/16/2006 to 2/28/2014	(1,157)	19,321
	Department of Law and Public Safety	SUBTOTAL	<u>15,000</u>		<u>13,843</u>	<u>34,321</u>

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RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Department of State</u>						
RUTGERS T.E.E.M. GATEWAY-AMERICORPS PROGRAM-CNCS - FY 12-13	13AMER015AFO	N/A	10,426	9/1/2012 to 8/31/2013	10,337	10,426
	Department of State	SUBTOTAL	<u>10,426</u>		<u>10,337</u>	<u>10,426</u>
<u>Department of the Treasury</u>						
NJ APPORTIONMENT COMMISSION TECHNICAL ASSISTANCE	CK#0010474132	N/A	11,643	6/15/2011 to 2/28/2013	(323)	(905)
	Department of the Treasury	SUBTOTAL	<u>11,643</u>		<u>(323)</u>	<u>(905)</u>
<u>Department of Transportation</u>						
RUTGERS COMPREHENSIVE ALCOHOL AND TRAFFIC (RCAT) EDUCATION AND ENDORSEMENT	MOU	N/A	0	10/1/2012 to 9/30/2013	24,354	0
PAVEMENT RESOURCE PROGRAM FY 2011-2012	T/O #269	N/A	698,750	4/20/2011 to 9/30/2013	127,693	81,820
	Department of Transportation	SUBTOTAL	<u>698,750</u>		<u>152,047</u>	<u>81,820</u>
<u>DEP-NJ Division of Fish and Wildlife</u>						
NJ BOATERS PUMP OUT GUIDE POSTER REVISION	7227969	N/A	22,442	7/1/2010 to 6/30/2012	561	540
DELAWARE BAY SHELL PLANTING FOR ATHOS I RESTORATION	NONE	N/A	38,747	7/1/2011 to 12/31/2016	7,894	7,894
	DEP-NJ Division of Fish and Wildlife	SUBTOTAL	<u>61,189</u>		<u>8,455</u>	<u>8,434</u>
<u>DE-State Library</u>						
NETWORK FUNDING FOR STATEWIDE LIBRARY SERVICES	2011-1122	N/A	55,000	7/1/2010 to 6/30/2011	296	296
NETWORK FUNDING FOR STATEWIDE LIBRARY SERVICES	2012-1128	N/A	45,000	7/1/2011 to 6/30/2012	1,926	(1,099)
NETWORK FUNDING FOR STATEWIDE LIBRARY SERVICES	2013-1134	N/A	44,000	7/1/2012 to 6/30/2013	44,165	44,000
	DE-State Library	SUBTOTAL	<u>144,000</u>		<u>46,387</u>	<u>43,197</u>

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<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>DIRECT</u>						
<u>DE-State Library</u>						
<u>DHS-Div of Mental Health and Addiction Services</u>						
RUTGERS ALLIANCE FOR SUSTAINABLE RISK REDUCTION (STRATEGIC PREVENTION FRAMEWORK COMMUNITY IMPLEMENTED	10-767-ADA-0	N/A	430,548	7/1/2009 to 9/30/2011	781	(2,111)
RUTGERS ALLIANCE FOR SUSTAINABLE RISK REDUCTION	12-767-ADA-0	N/A	187,210	10/1/2011 to 9/30/2012	116,941	115,914
13-715-ADA-0 CONTRACT FOR PREVENTION SERVICES	13-715-ADA-0	N/A	241,873	7/1/2012 to 6/30/2013	235,153	235,153
2012 RUTGERS SCHOOLS OF ALCOHOL AND DRUG STUDIES	MOA-2012	N/A	39,700	6/1/2012 to 5/31/2013	28,100	28,100
2013 RUTGERS SCHOOL OF ALCOHOL AND DRUG STUDIES AND 2014 CPES	MOU	N/A	129,000	6/1/2013 to 5/31/2014	30,800	30,800
DHS-Div of Mental Health and Addiction Services	SUBTOTAL		<u>1,028,331</u>		<u>411,775</u>	<u>407,856</u>
<u>DHS-Division of Developmental Disabilities</u>						
PROJECT NATURAL SETTING THERAPEUTIC MANAGEMENT (NSTM)	54MG11R	N/A	521,280	7/1/2010 to 6/30/2011	(817)	(2,446)
PROJECT NATURAL SETTING THERAPEUTIC MANAGEMENT (NSTM)	54MG12R	N/A	513,178	7/1/2011 to 6/30/2012	(24,966)	(34,933)
DHS-Division of Developmental Disabilities	SUBTOTAL		<u>1,034,458</u>		<u>(25,783)</u>	<u>(37,379)</u>
<u>DHS-Division of Family Development</u>						
FAMILY DEVELOPMENT CREDENTIAL PROGRAM	FW11017	N/A	215,144	7/1/2010 to 6/30/2011	(1)	609
FAMILY DEVELOPMENT CREDENTIAL PROGRAM	FW12017	N/A	183,402	7/1/2011 to 6/30/2012	17,301	14,794
DHS-Division of Family Development	SUBTOTAL		<u>398,546</u>		<u>17,300</u>	<u>15,403</u>
<u>DHSS-Division of Aging and Community Service</u>						
ADULT PROTECTIVE SERVICES	MOA	N/A	258,468	4/1/2010 to 3/31/2013	47,735	46,155

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>DHSS-Division of Aging and Community Service</u>						
	DHSS-Division of Aging and Community Service	SUBTOTAL	258,468		47,735	46,155
<u>DHSS-PHILEP</u>						
LICENSING DATABASE DEVELOPMENT - PHASE I AND II	MOA	N/A	47,000	1/1/2011 to 6/30/2012	(1,014)	(1,211)
NJDHSS - ESAR - VHP/MRC FY-12 (OFFICE OF PREPAREDNESS AND EMERGENCY OPERATIONS)	MOA	N/A	99,144	8/1/2011 to 6/30/2012	(7,099)	(7,759)
NJDHSS OEMS ELECTRONIC CERTIFICATION PLATFORM - FY-12	MOA	N/A	150,000	9/1/2011 to 6/30/2012	(303)	(537)
PERFORMANCE MANAGEMENT TO NJ LOCAL HEALTH DEPARTMENTS-NJDHSS	MOA	N/A	744,000	3/8/2011 to 9/29/2012	382,592	379,925
ADMINISTRATION OF FOCUS GROUPS REGARDING THE ALTERNATE CARE SITE/EXPANDED TREATMENT AREA (ACS/ETA) P	MOA 060512	N/A	20,000	6/5/2012 to 7/31/2012	20,000	20,000
	DHSS-PHILEP	SUBTOTAL	1,060,144		394,176	390,418
<u>DLPS-Division of Criminal Justice</u>						
NEW JERSEY VICTIM ASSISTANCE ACADEMY	MOU	N/A	8,700	10/1/2011 to 9/30/2012	4,298	8,700
	DLPS-Division of Criminal Justice	SUBTOTAL	8,700		4,298	8,700
<u>DLPS-Division of Highway Traffic Safety</u>						
RUTGERS COMPREHENSIVE ALCOHOL AND TRAFFIC EDUCATION PROGRAM (RCAT)	AL11-10-06-02	N/A	70,700	10/1/2010 to 9/30/2011	0	(3,859)
RUTGERS COMPREHENSIVE ALCOHOL AND TRAFFIC EDUCATION PROGRAM (RCAT)	AL-12-10-06-01	N/A	39,646	10/1/2011 to 9/30/2012	19,999	18,944
MIDDLESEX COUNTY CHILD PASSENGER SAFETY SEAT INSPECTION & EDUCATION PROGRAM (FED-2013-RUTGERS, THE S	MOU	N/A	0	10/1/2012 to 9/30/2013	4,669	0

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>DLPS-Division of Highway Traffic Safety</u>						
RUTGERS UNIVERSITY CHILD SAFETY SEAT INSPECTION & EDUCATION PROGRAM	OP11-21-01-09	N/A	78,239	10/1/2010 to 9/30/2011	(1)	11,276
MIDDLESEX COUNTY CHILD PASSENGER SAFETY SEAT INSPECTION & EDUCATION PROGRAM	OP-12-21-01-15	N/A	53,629	10/1/2011 to 9/30/2012	34,368	42,202
2010-2011 NEW JERSEY WORK ZONE SAFETY TRAINING PROGRAM	RS11-61-03-01,TASK3	N/A	82,188	10/1/2010 to 9/30/2011	(61)	(344)
	DLPS-Division of Highway Traffic Safety	SUBTOTAL	<u>324,402</u>		<u>58,974</u>	<u>68,219</u>
<u>DLPS-Juvenile Justice Commission</u>						
CAREERS IN LANDSCAPE MANAGEMENT, FLORICULTURE, AND EQUINE STUDIES FY2012	FY2012	N/A	83,500	7/1/2011 to 6/30/2013	36,154	35,980
HIGH-RISK YOUTH OFFENDER REENTRY AND FAMILY STRENGTHENING INITIATIVES	GR#1104	N/A	16,782	4/1/2011 to 6/30/2012	1,687	0
MEASURING OUTCOMES AND IMPACT OF JUVENILE REENTRY SERVICES AND SANCTIONS	GR#1105	N/A	148,999	5/1/2011 to 8/31/2012	(1,442)	0
MUNICIPAL PREVENTION PLANNING	NONE	N/A	240,000	1/1/2009 to 8/31/2011	(1,163)	(1,334)
MUNICIPAL PREVENTION PLANNING	None	N/A	240,000	9/1/2011 to 6/30/2014	90,974	90,204
CAREERS IN LANDSCAPE MANAGEMENT, FLORICULTURE, AND EQUINE STUDIES FY 2011	SF1108	N/A	43,490	7/1/2010 to 6/30/2011	392	392
	DLPS-Juvenile Justice Commission	SUBTOTAL	<u>772,771</u>		<u>126,602</u>	<u>125,242</u>
<u>DLPS-Office of Victim Witness Advocacy</u>						
RUTGERS DOMESTIC VIOLENCE LEGAL ASSISTANCE PROJECT	NONE	N/A	55,000	1/1/2011 to 12/31/2011	239	(163)
	DLPS-Office of Victim Witness Advocacy	SUBTOTAL	<u>55,000</u>		<u>239</u>	<u>(163)</u>

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<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>DIRECT</u>						
<u>DS-Business Action Center</u>						
NJ BUSINESS ACTION CENTER OF THE DEPT. OF STATE/NJSBDC	FISCAL YEAR 2012	N/A	250,000	7/1/2011 to 6/30/2012	28,181	78,572
NEW JERSEY SMALL BUSINESS DEVELOPMENT CENTERS	FISCAL YEAR 2013	N/A	234,606	7/1/2012 to 6/30/2013	164,256	231,901
NEW JERSEY SMALL BUSINESS DEVELOPMENT CENTERS	FY 2013	N/A	15,394	7/1/2012 to 6/30/2013	14,518	14,518
DS-Business Action Center SUBTOTAL			<u>500,000</u>		<u>206,955</u>	<u>324,991</u>
<u>DS-New Jersey Historical Commission</u>						
PUBLICATION SUBVENTION FOR "NEW JERSEY RE-EXAMINED: A NEW HISTORY OF THE GARDEN STATE"	11HIST408APR	N/A	18,503	5/1/2011 to 10/1/2012	2,726	2,738
MARION THOMPSON WRIGHT LECTURE SERIES - 2013	7731372	N/A	7,500	1/1/2013 to 6/30/2013	7,500	7,500
GENERAL OPERATING SUPPORT, FY 2012	HC-GOS-2012-RUTGERS U	N/A	86,996	7/1/2011 to 6/30/2012	23,921	23,453
GENERAL OPERATING SUPPORT - FY2013	HC-GOS-2013-000032	N/A	87,138	7/1/2012 to 6/30/2013	80,576	80,576
NJ HISTORY INTERNSHIP PROGRAM	HC-PROMINI-2012 RUTGE	N/A	4,000	7/1/2012 to 6/30/2013	4,000	4,000
PRESERVING MEMORY: NEWARK AND RUTGERS IN THE 1960'S AND 1970'S	HC-PROMINI-2012-RUTGE	N/A	11,443	2/1/2012 to 7/1/2013	7,252	7,252
DS-New Jersey Historical Commission SUBTOTAL			<u>215,580</u>		<u>125,975</u>	<u>125,519</u>
<u>DS-NJ State Council on the Arts</u>						
ARTS LITERACY PROGRAMS	1015B040251	N/A	10,500	7/1/2009 to 6/30/2010	(309)	(309)
MULTICULTURAL PROGRAMS	1019B090380	N/A	18,000	7/1/2009 to 6/30/2010	946	946
BRODSKY CTR FOR PRINT & PAPER - GENERAL PROGRAM SUPPORT (GPS)	1105X02BROD	N/A	13,831	7/1/2010 to 6/30/2011	(54)	2,589
GENERAL PROGRAM SUPPORT (FY12)	1205X02BROD	N/A	13,139	7/1/2011 to 6/30/2012	267	399
JANE VOORHEES ZIMMERLI: GENERAL PROGRAM SUPPORT FY'2011	1205X02RU/J	N/A	125,073	7/1/2011 to 6/30/2012	1,313	(782)

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<u>OTHER:</u>						
<u>DIRECT</u>						
<u>DS-NJ State Council on the Arts</u>						
RCCA'S PUBLIC, EDUCATION AND COMMUNITY ARTS PROGRAMS	1214X02	N/A	163,500	7/1/2011 to 6/30/2012	9,772	0
ARTS MANAGEMENT INTERNSHIP	1214X09RU/S	N/A	20,000	6/1/2012 to 8/31/2013	2,964	18,000
ARTS LITERACY PARTNERSHIP	1215B04	N/A	11,025	7/1/2011 to 6/30/2012	(2,770)	0
GENERAL PROGRAM SUPPORT (FY13)	1305X020121	N/A	13,139	7/1/2012 to 6/30/2013	13,139	13,139
GENERAL OPERATION SUPPORT - FY 13	1305X020142	N/A	125,073	7/1/2012 to 6/30/2013	126,993	125,073
PAUL ROBESON GALLERY NJSCA GENERAL PROJECT SUPPORT GPS FY13	1305X020143	N/A	14,701	7/1/2012 to 6/30/2013	28,916	14,701
RCCA'S NORTH CAMDEN SCHOOLS PARTNERSHIP	1315BO40016	N/A	12,750	7/1/2012 to 7/31/2013	12,013	12,013
RCCA EXHIBITION AND EDUCATION PROGRAMS	MOU	N/A	163,500	7/1/2012 to 7/31/2013	166,179	163,500
	DS-NJ State Council on the Arts	SUBTOTAL	<u>704,231</u>		<u>359,369</u>	<u>349,269</u>
<u>DS-Office of Faith Based Initiatives</u>						
NJ SOCIAL ENTREPRENEURSHIP SUMMIT	MOU	N/A	14,000	5/1/2012 to 10/31/2013	9,785	14,000
	DS-Office of Faith Based Initiatives	SUBTOTAL	<u>14,000</u>		<u>9,785</u>	<u>14,000</u>
<u>NJ Commission on Science and Technology</u>						
RUTGERS ECO COMPLEX BUSINESS INCUBATOR (HIGH TECH BUSINESS INCUBATOR GRANT)	10-2042-014-20	N/A	100,132	1/1/2010 to 6/30/2011	(2,512)	(2,555)
	NJ Commission on Science and Technology	SUBTOTAL	<u>100,132</u>		<u>(2,512)</u>	<u>(2,555)</u>
<u>Office of Legislative Services</u>						
STATE HOUSE EXPRESS CIVICS EDUCATION PROGRAM	CK#0010821249	N/A	240,000	7/1/2005 to 6/30/2014	22,951	61,136
HENRY J. RAIMONDO NEW JERSEY LEGISLATIVE FELLOWS PROGRAM	CK#0011045909	N/A	69,000	7/1/2012 to 6/30/2013	69,000	69,000

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<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Office of Legislative Services</u>						
STATE OF NEW JERSEY APPROPRIATION FOR THE LIPMAN CHAIR IN POLITICAL LEADERSHIP	NONE	N/A	800,000	4/15/2005 to 6/30/2013	100,000	100,000
	Office of Legislative Services	SUBTOTAL	<u>1,109,000</u>		<u>191,951</u>	<u>230,136</u>
<u>Parole Board</u>						
CORRECTIONAL PROGRAM CHECKLIST TRAINING PROPOSAL: NEW JERSEY STATE PAROLE	None	N/A	50,000	12/6/2011 to 3/31/2013	(17,013)	5,594
	Parole Board	SUBTOTAL	<u>50,000</u>		<u>(17,013)</u>	<u>5,594</u>
<u>Treasury-New Jersey Economic Development Authority</u>						
NEW JERSEY SMALL BUSINESS DEVELOPMENT CENTER/NJSBDC	FISCAL YEAR 2011	N/A	51,484	7/1/2010 to 6/30/2011	(453)	(8,830)
	Treasury-New Jersey Economic Development Authority	SUBTOTAL	<u>51,484</u>		<u>(453)</u>	<u>(8,830)</u>
OTHER: DIRECT		SUBTOTAL	<u>28,397,498</u>		<u>7,442,224</u>	<u>7,730,361</u>

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<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>PASS THROUGH</u>						
<u>Commission on Higher Education</u>						
<u>New Jersey Institute of Technology</u>						
NJIT CONSORTIUM FOR PRE-COLLEGE	995530	N/A	128,139	7/1/2010 to 6/30/2011	(150)	(150)
NJIT CONSORTIUM FOR PRE-COLLEGE	995690	N/A	125,887	7/1/2011 to 6/30/2012	(4,754)	(4,754)
Commission on Higher Education SUBTOTAL			<u>254,026</u>		<u>(4,904)</u>	<u>(4,904)</u>
<u>Department of Education</u>						
<u>Piscataway Township Board of Education</u>						
PISCATAWAY SCHOOL-BASED CLINIC: THE HAVEN PROGRAM	IDEIA	IDEIA	275,564	7/1/2011 to 6/30/2012	1,051	(1,988)
PISCATAWAY SCHOOL-BASED CLINIC: THE HAVEN PROGRAM	PO # 13-1644	IDEIA	278,813	7/1/2012 to 6/30/2013	271,619	271,619
Department of Education SUBTOTAL			<u>554,377</u>		<u>272,670</u>	<u>269,631</u>
<u>Department of Environmental Protection</u>						
<u>Ocean County PIC</u>						
OCEAN COUNTY ENVIRONMENTAL STUDIES AND CAREER EXPLORATION 2012	12-510-C111A-122	N/A	44,800	7/1/2012 to 8/31/2012	44,800	44,800
TO PRIORITIZE AND IMPLEMENT TARGETED STORM WATER MANAGEMENT STRATEGIES TO REDUCE NUTRIENT, PATHOGEN,	JCNEER319 SUB1	RP11-38	8,000	7/19/2012 to 1/18/2015	3,079	8,000
YEAR 2 CAMDEN GREEN INFRASTRUCTURE PROGRAM	R-11:08-109	N/A	69,945	7/1/2011 to 6/30/2012	74	(772)
Department of Environmental Protection SUBTOTAL			<u>122,745</u>		<u>47,953</u>	<u>52,028</u>
<u>Department of Labor and Workforce Development</u>						
<u>Wilkin & Guttenplan, P.C.</u>						
WILKIN & GUTTENPLAN-FY11	CT110533	CT110533	1,600	5/3/2011 to 5/3/2012	835	835
TWO RIVER COMMUNITY BANK FY12	CT110615	CT110615	16,920	7/5/2011 to 7/5/2012	7,882	7,882
ROBINS' NEST INC. FY12	CT110626	CT110626	19,294	7/5/2011 to 7/5/2012	13,939	13,939
VALLEY NATIONAL BANK FY12	CT110647	CT110647	32,060	7/7/2011 to 7/7/2012	8,183	8,183
BACHARACH INSTITUTE FOR REHABILITATION FY12	CT120047	CT120047	13,760	10/7/2011 to 10/7/2012	8,283	8,283

(Continued)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2013

<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>PASS THROUGH</u>						
<u>Department of Labor and Workforce Development</u>						
UNITY BANK FY12	CT120158	CT120158	3,200	1/5/2012 to 1/5/2013	1,609	1,609
BANK OF PRINCETON FY12	CT120182	CT120182	10,400	1/5/2012 to 1/5/2013	8,594	8,594
COOPER HEALTH SYSTEMS - COOPER CONSORTIUM 2012	CT120225	CT120225	349,600	2/6/2012 to 5/6/2013	247,732	286,911
ST JOSEPH'S MEDICAL CENTER FY12 - 2	CT120270	CT120270	74,320	3/13/2012 to 3/13/2013	8,699	8,699
SAINT PETERS HEALTHCARE SYSTEM - SAINT PETERS CONSORTIUM FY12	CT120274	CT120274	202,800	3/15/2012 to 6/15/2013	131,170	131,170
TECHNOLOGY AND ENTREPRENEURSHIP TALENT NETWORK	MOU	22-3269507	61,000	8/1/2012 to 6/30/2013	62,108	61,000
FY09 THE LATINO OCCUPATIONAL SAFETY AND HEALTH INITIATIVE (LOSHI)-RETROACTIVE NEW	N/A	N/A	46,852	7/1/2007 to 6/30/2008	0	(738)
FY09 THE LATINO OCCUPATIONAL SAFETY AND HEALTH INITIATIVE (LOSHI)-RETROACTIVE NEW	N/A	N/A	23,472	7/1/2007 to 6/30/2009	0	(308)
TRENTON COALITION FOR EDUCATIONAL, EMPLOYMENT AND ENTREPRENEURIAL SKILL DEVELOPMENT	PY2010-576	PY2010-576	174,002	12/1/2010 to 9/30/2012	37,077	36,039
Department of Labor and Workforce Development	SUBTOTAL		<u>1,029,280</u>		<u>536,111</u>	<u>572,098</u>
<u>DLPS-Division of Criminal Justice</u>						
<u>Parole Board</u>						
SUPERVISING FEMALE CLIENTS: FINDING SUCCESS IN BEHAVIOR AND RATIONAL CHANGE	MOU	N/A	9,379	9/14/2012 to 9/21/2012	9,379	9,379
DLPS-Division of Criminal Justice	SUBTOTAL		<u>9,379</u>		<u>9,379</u>	<u>9,379</u>
<u>DS-NJ State Council on the Arts</u>						
<u>County of Essex</u>						
DANCE SYMPOSIA SERIES, 2013	MOA	N/A	3,400	1/1/2013 to 12/31/2013	1,500	2,550
DANCE SYMPOSIA SERIES, 2012	None	N/A	3,400	1/1/2012 to 12/31/2012	2,400	2,400
DS-NJ State Council on the Arts	SUBTOTAL		<u>6,800</u>		<u>3,900</u>	<u>4,950</u>

(Continued)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2013

<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>PASS THROUGH</u>						
<u>NJ Commission on Science and Technology</u>						
<u>Englewood Hospital and Medical Center</u>						
ENGLEWOOD HOSPITAL AND MEDICAL CENTER FY12	CT120243	CT120243	13,360	3/13/2012 to 3/13/2013	11,092	11,092
	NJ Commission on Science and Technology	SUBTOTAL	13,360		11,092	11,092
OTHER: PASS THROUGH		SUBTOTAL	1,989,967		876,201	914,274
OTHER:		TOTAL	30,387,465		8,318,425	8,644,635
<u>STUDENT FINANCIAL ASSISTANCE:</u>						
<u>DIRECT</u>						
<u>Commission on Higher Education</u>						
EDUCATIONAL OPPORTUNITY FUND (EOF) - ARTICLE III	2601-100-074-2601-001	5400-100-030010	5,788,291	7/1/2012 to 6/30/2013	5,782,003	5,782,003
	Commission on Higher Education	SUBTOTAL	5,788,291		5,782,003	5,782,003
<u>Higher Education Student Assistance Authority</u>						
TUITION AID GRANT	2150-100-082-2150-007	5400-100-040070	83,252,422	7/1/2012 to 6/30/2013	83,112,297	83,195,709
DISTINGUISHED SCHOLARS	2150-100-082-2150-010	5400-100-040130	521,079	7/1/2012 to 6/30/2013	520,800	520,800
URBAN SCHOLARS	2150-100-082-2150-011	5400-100-040140	166,005	7/1/2012 to 6/30/2013	166,005	166,005
URBAN SCHOLARS - GOVERNOR'S	2150-100-082-2150-012	5400-100-040150	62,500	7/1/2012 to 6/30/2013	62,500	62,500
NEW JERSEY STARS II	2155-100-082-2160-058	N/A	777,759	7/1/2012 to 6/30/2013	777,759	777,759
NEW JERSEY CLASS LOAN PROGRAM	NONE	N/A	17,950,762	7/1/2012 to 6/30/2013	17,950,762	17,950,762
	Higher Education Student Assistance Authority	SUBTOTAL	102,730,527		102,590,123	102,673,535
STUDENT FINANCIAL ASSISTANCE: DIRECT		SUBTOTAL	108,518,818		108,372,126	108,455,538
STUDENT FINANCIAL ASSISTANCE:		TOTAL	108,518,818		108,372,126	108,455,538

(Continued)

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE

YEAR ENDED JUNE 30, 2013

<u>State Grantor / Pass-Through Grantor / Program or Cluster Title</u>	<u>Grant/Reference No.</u>	<u>Account Number</u>	<u>Award Amount</u>	<u>Grant Period</u>	<u>FY Disbursements</u>	<u>FY Funds Received</u>
<u>OTHER:</u>						
<u>DIRECT</u>						
<u>Department of State-Higher Education Administration</u>						
GENERAL UNIVERSITY OPERATIONS SUPPORT	2410-140-829500-5	11-100-074-2410-001	241,018,000	7/1/2012 to 6/30/2013	241,018,000	241,018,000
AGRICULTURAL EXPERIMENT STATION	2415-140-829510-5	11-100-074-2415-001	21,742,000	7/1/2012 to 6/30/2013	21,742,000	21,742,000
FICA REIMBURSEMENTS	NONE	N/A	42,020,085	7/1/2012 to 6/30/2013	42,020,085	42,020,085
FRINGE BENEFITS OTHER THAN FICA	NONE	N/A	46,670,330	7/1/2012 to 6/30/2013	46,670,330	46,670,330
Department of State-Higher Education Administration	SUBTOTAL		<u>351,450,415</u>		<u>351,450,415</u>	<u>351,450,415</u>
<u>Higher Education Student Assistance Authority</u>						
EDUCATIONAL OPPORTUNITY FUND (EOF) - ARTICLE IV	2601-100-074-2601-002	5400-100-030020	3,397,974	7/1/2012 to 6/30/2013	3,397,974	3,397,974
Higher Education Student Assistance Authority	SUBTOTAL		<u>3,397,974</u>		<u>3,397,974</u>	<u>3,397,974</u>
OTHER: DIRECT	SUBTOTAL		<u>354,848,389</u>		<u>354,848,389</u>	<u>354,848,389</u>
OTHER:	TOTAL		<u>354,848,389</u>		<u>354,848,389</u>	<u>354,848,389</u>
	TOTAL		<u>\$563,249,784</u>		<u>\$488,801,080</u>	<u>\$489,413,856</u>

See accompanying notes to Schedule of Expenditures of State Financial Assistance.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

Notes to Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2013

(1) Basis of Presentation

The purpose of the schedule of expenditures of State financial assistance (the schedule) is to present a summary of those activities of Rutgers, The State University of New Jersey (the University) for the year ended June 30, 2013, which have been financed by the State of New Jersey (State awards). For purposes of the schedule, State awards include all State of New Jersey assistance and procurement relationships entered into directly between the University and the State of New Jersey and sub-awards from non-State organizations made under State sponsored agreements. The information in this schedule is presented in accordance with the requirements of New Jersey Office of Management and Budget Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the 2013 basic financial statements. Because the schedule presents only a selected portion of the activities of the University, it is not intended to and does not present either the financial position, changes in financial position, or cash flows of the University. The University has included expenditures and adjustments on prior year grant awards where extensions have been granted from funding agencies or additional funding is expected from funding agencies.

The accounting principles followed by the University in preparing the accompanying schedule are as follows:

- Student Financial Assistance – Disbursements are recognized on the accrual basis of accounting for awards made to students and for allowable administrative expenses of running such programs.
- Awards Other Than Student Financial Assistance – Disbursements (expenditures) for direct costs are recognized as incurred using the accrual method of accounting and the cost accounting principles contained in the U.S. Office of Management and Budget Circular A-21, Cost Principles for Educational Institutions. Under those cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Moreover, expenditures include a portion of costs associated with general University activities which are allocated to State expenditures under negotiated formulas commonly referred to as facilities and administrative (“F&A”) costs rates. F&A costs applicable to these cost recoveries are classified as unrestricted expenses in the statements of revenues, expenses, and changes in net position. Credit disbursement amounts typically result from grant or contract closing adjustments or transfers.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

Notes to Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2013

(2) Subrecipients

Of the State of New Jersey expenditures presented in the schedule of expenditures of State financial assistance, the University provided State of New Jersey awards to subrecipients as follows:

Program title	Amount provided to subrecipients
2012 Bridge Resource Program	\$ 215,745
21st Century Community Learning Centers Program	110,079
NJ HELPP Statewide Mentoring Program	44,451
Autism-NJ Center of Excellence (NJACE) Program Site Grant 2012	39,339
An Advanced Atmospheric/Ocean Assessment Program Designed to Reduce the Risks Associated with Offshore	88,237
Assessment of Fish and Crab Responses to Human Alteration in Barnegat Bay	42,306
Benthic Invertebrate Community Monitoring and Indicator Development for Barnegat Bay	57,000
Customization of TELUS NJDOT'S Interactive Website for the Display of Capital Programming Project	40,912
Career Equity Resource Center 2011-2012	9,060
Career Equity Resource Center 2012-2013	21,230
DEI Project: Technical Assistance, Staff Development, and Their Evaluation	6,885
Delineation of a Potential Gaseous Elemental Mercury Emissions Source in Northeastern New Jersey	7,854
Effects of diffused axonal injury on myelin and myelinated axons	53,027
Evaluation of Genipin as a Multi-Potent Therapeutic Agent Following Brain Injury	34,345
Improving Partnerships and Active Collaboration for Teaching (IMPACT) Year 3	43,073
Improving Partnerships and Active Collaboration for Teaching (year 3)	62,787
Landfill Closure with Dredge Materials Desktop Analysis	42,184
Lead Safe Housing Registry On-line Mapping Project	10,800
Molecular mechanisms that control spinal commissural axons long-range path finding in the developing C	35,833
Multi-Trophic Level Modeling of Barnegat Bay	34,310
Municipal Planning for Safe Streets and Neighborhoods	40,964
NJ BPU Memorandum of Agreement – MOA Clean Energy Evaluation and Market Assessment	220,132
NJ Business Action Center of the Dept. of State/NJSBDC	16,099
New Jersey Council for Young Children Data Systems Investigation	35,516
New Jersey Small Business Development Centers	69,659
Partial Interchanges in New Jersey: Data Development and Evaluation	53,336
Sign Maintenance Management System and Retro reflectivity Compliance Program for NJDOT	8,362

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

Notes to Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2013

Program title	Amount provided to subrecipients
Synaptic Architecture Preservation by Uric Acid and P2Y1 Antagonists after TB1	\$ 2,492
The New Jersey Child Welfare Training Partnership	133,102
The New Jersey Child Welfare Training Partnership/DCF Leadership Academy Training	1,682,552
The Role of mTOR Signaling in Recovery After Traumatic Brain Injury	183,664
Traffic Control and Work Zone Safety for High Volume Roads (2010-02)	47,102
Transition for Youth	135,611
Watershed Restoration Plan through the Development? Establishment of TMDL's	44,666
Youth Build Expansion and Innovation Pilot Grant Program	787
Youth Build Model Program Expansion and Innovation Pilot	24,500
Total amount provided to subrecipients	\$ <u>3,698,001</u>

(3) NJCLASS Program

The University is responsible only for the performance of certain administrative duties with respect to the NJCLASS Program and, accordingly, these loans are not included in the University's basic financial statements. It is not practical to determine the balance of loans outstanding to students of the University under this program at June 30, 2013.

(4) FICA Reimbursements and Fringe Benefits other than FICA Programs

The amounts included in the schedule represent the amount of cash received by the University from the State of New Jersey for FICA reimbursements and retirement plans. An additional estimated amount representing other net fringe benefit costs of approximately \$81,451,000 is included in the University's basic financial statements, but not included in the schedule. This amount, paid on behalf of the University by the State of New Jersey, is only an estimate as the actual amount is not readily determinable.



KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

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

The Board of Governors
The Board of Trustees
Rutgers, The State University of New Jersey:

We have audited, 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, the financial statements of the business-type activities and the aggregate discretely presented component unit of Rutgers, the State University of New Jersey (the University), a component unit of the State of New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated November 1, 2013, which contained an unmodified opinion on those financial statements with an emphasis of matter paragraph regarding the University's adoption of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment to GASB Statements Nos. 14 and 34* and GASB Statement No. 65, *Reporting Items Previously Recognized as Assets and Liabilities*. The financial statements of the blended and discretely presented component units of Rutgers, The State University of New Jersey were not audited in accordance with *Government Auditing Standards* and accordingly this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance with the blended and discretely presented component units of Rutgers, The State University of New Jersey.

Internal Control Over Financial Reporting

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

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



Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2013-001, that we consider to be a significant deficiency.

Compliance and Other Matters

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

The University's Response to the Finding

The University's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The University's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

KPMG LLP

Short Hills, New Jersey
November 1, 2013



KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

**Independent Auditors' Report on Compliance for Each Major Program;
Report on Internal Control Over Compliance; and Report on Schedule of Expenditures
of State Financial Assistance Required by New Jersey OMB Circular 04-04,
*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid***

The Board of Governors
The Board of Trustees
Rutgers, The State University of New Jersey:

Report on Compliance for Each Major State Program

We have audited Rutgers, the State University of New Jersey's (the University) compliance with the types of compliance requirements described in the *New Jersey OMB Circular 04-04 Compliance Supplement* that could have a direct and material effect on each of the University's major State of New Jersey programs for the year ended June 30, 2013. The University's major State of New Jersey programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major State of New Jersey programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and New Jersey OMB Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards and New Jersey OMB Circular 04-04 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 State of New Jersey program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State of New Jersey program. However, our audit does not provide a legal determination of the University's compliance.



Opinion on Each Major State of New Jersey Program

In our opinion, the University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major State of New Jersey programs for the year ended June 30, 2013.

Report on Internal Control Over Compliance

Management of the University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major State of New Jersey program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State of New Jersey program and to test and report on internal control over compliance in accordance with New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of New Jersey OMB Circular 04-04. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 04-04

We have audited the financial statements of the business-type activities and the aggregate discretely presented component unit of the University as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the University's basic financial statements. We issued our report thereon dated November 1, 2013, which contained unmodified opinions on those financial statements with an emphasis of matter paragraph regarding the University's adoption of Governmental Accounting Standards Board (GASB) Statement No. 61, *The Financial Reporting Entity: Omnibus*, an amendment to GASB Statements Nos. 14 and 34 and GASB Statement No. 65, *Reporting Items Previously Recognized as Assets and Liabilities*. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by New Jersey OMB Circular 04-04 and is not a required part of the basic financial



statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

KPMG LLP

Short Hills, New Jersey
March 28, 2014

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

Schedule of Findings and Questioned Costs

Year ended June 30, 2013

(1) Summary of Auditor's Results:

- (a) Unmodified opinions were issued on the financial statements of the business-type activities and the aggregate discretely presented component unit of Rutgers, The State University of New Jersey (the University), a component unit of the State of New Jersey, as of and for the year ended June 30, 2013, which collectively comprise the University's basic financial statements.
- (b) Significant deficiencies in internal control disclosed by the audit of the basic financial statements of the University as of and for the year ended June 30, 2013: **one finding was reported (2013-001)** Material weaknesses: **no**
- (c) The audit disclosed no instances of noncompliance which are material to the basic financial statements of the University as of and for the year ended June 30, 2013.
- (d) Significant deficiencies in internal control over the major State of New Jersey programs of the University for the year ended June 30, 2013: **none reported** Material weaknesses: **no**
- (e) An unmodified opinion was issued on the University's compliance with its major State of New Jersey programs for the year ended June 30, 2013.
- (f) There were no audit findings which are required to be reported under New Jersey OMB Circular 04-04 for the year ended June 30, 2013.
- (g) The major State of New Jersey programs of the University for the year ended June 30, 2013 were as follows:
 - Research and Development Cluster
 - Student Financial Assistance Cluster
 - State Appropriation to State Colleges and Universities:
 - General University Operations Support
 - Agricultural Experiment Station
- (h) The dollar threshold used to distinguish between type A and type B programs was \$3,000,000 for State of New Jersey awards for the year ended June 30, 2013.
- (i) The University qualified as a low-risk auditee for State of New Jersey awards for the year ended June 30, 2013.

RUTGERS, THE STATE UNIVERSITY OF NEW JERSEY

Schedule of Findings and Questioned Costs

Year ended June 30, 2013

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

2013-001 – PeopleSoft Application – Information Technology General and Application Controls over User Access

Criteria:

The A-102 Common Rule and OMB Circular A-110 (2 CFR part 215) require that non-Federal entities receiving Federal awards (i.e., auditee management) establish and maintain internal control designed to reasonably ensure compliance with Federal laws, regulations, and program compliance requirements. OMB Circular A-133 requires auditors to obtain an understanding of the non-Federal entity's internal control over Federal programs sufficient to plan the audit to support a low assessed level of control risk for major programs, plan the testing of internal control over major programs to support a low assessed level of control risk for the assertions relevant to the compliance requirements for each major program, and, unless internal control is likely to be ineffective, perform testing of internal control as planned.

As part of an entity's internal controls to reasonably ensure compliance over Federal laws and regulations, an entity must maintain an effective control environment over their information technology systems used to generate and process information to administer Federal programs in accordance with the respective rules and regulations that govern the program.

Condition:

The University maintains and utilizes PeopleSoft as its information technology (IT) application to maintain human resource records and process payroll and benefits transactions. There are a limited number of IT users that have administrative privileges in PeopleSoft based upon their job responsibilities. Such job responsibilities allow users access to specific modules to perform their required functions and allow proper segregation of duties within the application and processing of transactions.

As part of the University's process of ongoing monitoring of access to programs and data within PeopleSoft, the University should perform, on an annual basis, a review of user access and proper segregation of duties of the users by sending the user list to the respective department managers. Upon review by the department manager, a user's access should be verified that it is still appropriate and either retained, disabled, modified or deleted. While the University performed such user access reviews over other key IT applications during fiscal year 2013, such review was not performed over users of the PeopleSoft application.

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Furthermore, there are certain IT controls within the PeopleSoft application to ensure only authorized users have the required and appropriate access based upon their job functions. Such controls include segregation of duties to process payroll and perform changes to salary and benefits information, limiting changes to charging instructions, and processing and approving payroll and benefits transactions. The following were noted as a result of the audit procedures performed:

- One user had inappropriate access to process payroll and perform changes to salary and benefits information;
- Four users had inappropriate access to change charging instructions; and
- Six users had inappropriate access to process and approve payroll and benefit transactions.

It was noted that during fiscal year 2013, there were no actual instances of inappropriate access or changes made to the PeopleSoft application.

Cause:

The University did not perform the appropriate user access reviews over the PeopleSoft application during fiscal year 2013.

Effect:

The risk that such instances of inappropriate access or changes occurring is elevated given the instances noted as a result of the audit procedures performed.

Recommendation:

We recommend that the University ensure that proper reviews of user access and segregation of duties over the PeopleSoft application be performed on at least an annual basis and to ensure that individuals have the appropriate levels of access based upon their job functions.

View of Responsible Official:

The individual that had access to both process payroll and perform salary and benefit changes had been a part of the implementation team for the system and had that access to be able to test the system during the design and implementation. This access was to be removed when the system went live, but somehow access to salary and benefit changes was not deleted. This access has now been deleted. There were no transactions to change salaries or benefits initiated by this individual since the system has been in production.

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Four individuals from University departments were inappropriately given a central admin role in the commitment accounting module of the system. This role allowed these individuals to retroactively adjust the salary charges between accounts within their area of responsibility. This role does not permit any change in salary payment. It only provides access to change the account a salary is charged to. It does not provide global access for these redistributions, but only to accounts within the individual's area of responsibility. We currently limit this access to allow a department to retroactively make these changes for no more than the prior two pay periods. Any changes required prior to that time period require explanation and approval in order to ensure compliance with federal regulations on federal grants. A new electronic process is in development that will allow all departments to make these changes for payments made within 90 days of the date of the change. In the meantime, the access for these individuals has been changed.

Of the six users that had access to prepare and approve time, one was a departmental user. That individual has been identified and their access has been corrected. The remaining five individuals are members of the central payroll staff. These individuals were granted this access to be able to respond to questions from departmental users. Without this access, they would not be able to see the transactions in question, making it difficult to respond. Since this was needed, we developed a report so that we could ensure that these individuals did not prepare or approve any inappropriate time. Unfortunately, we did not print these reports to document that the review had taken place. We were able to document that no inappropriate transactions had been made. We will now print the report, initial and date to document that the review did take place. It is also important to note that the system has controls in place that will not permit anyone to prepare and approve their own time.

We are also developing a report that will identify individuals with both a preparer and approval role in any module of the system which will review regularly to monitor inappropriate access. In addition, we will develop a report of all roles that will be distributed annually to departments for their verification of all appropriate individuals that have access to their data.

Since implementation of the PeopleSoft HR/Payroll module, the University has been involved in resolving a number of system modifications. Unfortunately, this delayed our progress on implementing a process to verify users. We will begin implementation of a process to annually review the access list with departments.

(3) Findings and Questioned Costs Relating to State of New Jersey Awards:

No findings or questioned costs which are required to be reported.