

The University of Michigan
Reports on Federal Awards in Accordance
with OMB Circular A-133
For the Year Ended June 30, 2013
EIN 38-6006309

The University of Michigan

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Independent Auditor's Report

The Regents of the University of Michigan

Report on the Financial Statements

We have audited the accompanying financial statements of the University of Michigan (the "University"), as of and for the years ended June 30, 2013 and 2012 and the related notes to the financial statements which collectively comprise the statements of net position and the related statements of revenues, expenses and changes in net position and cash flows.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on 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 our 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, we consider internal control relevant to the University'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 University's internal control. Accordingly, we express no such opinion. An audit also includes



evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the University at June 30, 2013 and 2012, and the changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

The accompanying management's discussion and analysis on pages 4 through 28 is required by accounting principles generally accepted in the United States of America to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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 audits 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 Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the University's financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the financial statements.



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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 18, 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 for the year ended June 30, 2013. 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.

PricewaterhouseCoopers LLP

September 18, 2013

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)

Introduction

The following discussion and analysis provides an overview of the financial position of the University of Michigan (the "University") at June 30, 2013 and 2012 and its activities for the three fiscal years ended June 30, 2013. This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, which follow this section.

The University is a comprehensive public institution of higher learning with approximately 61,000 students and 7,500 faculty members on three campuses in southeast Michigan. The University offers a diverse range of degree programs from baccalaureate to post-doctoral levels through 19 schools and colleges, and contributes to the state and nation through related research and public service programs. The University also has a nationally renowned health system which includes three hospitals, 40 health centers, more than 120 outpatient clinics, the University's Medical School and Michigan Health Corporation, a wholly-owned corporation created to pursue joint venture and managed care initiatives. The University, in total, employs approximately 44,000 permanent employees and 13,000 temporary staff.

The University consistently ranks among the nation's top universities by various measures of quality, both in general academic terms, and in terms of strength of offerings in specific academic disciplines and professional subjects. Research is central to the University's mission and a key aspect of its strong reputation among educational institutions. The University is widely recognized for the breadth and excellence of its research enterprise as well as for the exceptional level of cooperation across disciplines, which allows faculty and students to address the full complexity of real-world challenges. The University's Health System also has a tradition of excellence in teaching, advancement of medical science and patient care, consistently ranking among the best health care systems in the nation.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Financial Highlights

The University's financial position remains strong, with assets of \$16.4 billion and liabilities of \$4.9 billion at June 30, 2013, compared to assets of \$15.7 billion and liabilities of \$4.9 billion at June 30, 2012. Net position, which represents the residual interest in the University's assets after liabilities are deducted, totaled \$11.5 billion at June 30, 2013 as compared to \$10.8 billion at June 30, 2012. Changes in net position represent the University's results of operations and are summarized for the years ended June 30, 2013 and 2012 as follows:

	2013	2012
	(in millions)	
Operating revenues and educational appropriations	\$ 5,676.4	\$ 5,391.5
Private gifts for operating activities	168.6	131.6
Operating and net interest expenses	(6,162.1)	(5,878.9)
	(317.1)	(355.8)
Net investment income	847.3	68.7
Endowment and capital gifts/grants and other	199.7	116.0
Increase (decrease) in net position	\$ 729.9	\$ (171.1)

Net position increased \$730 million in fiscal 2013 after a decrease of \$171 million in fiscal 2012 primarily due to volatility in net investment income which totaled \$847 million and \$69 million in 2013 and 2012, respectively.

In 2013, operating revenues and educational appropriations increased 5.3 percent, or \$285 million, while total operating and net interest expenses increased 4.8 percent, or \$283 million. Gifts for operating activities, endowment and capital increased significantly in 2013 as the silent phase of the University's next major fundraising campaign is underway.

The results of operations reflect the University's focus on maintaining its national standards academically, in research and in health care in a competitive recruitment environment for faculty and health care professionals. At the same time, the University is addressing constrained state appropriations and rising health care, regulatory and facility costs with aggressive cost cutting and productivity gains to help preserve access to affordable higher education for Michigan families. To achieve aggressive and sustainable long-term goals for cost cutting and productivity gains, the University is also strategically utilizing resources to bridge cuts and support enterprise-wide information technology projects and other initiatives.

The University's long-term investment strategy combined with its endowment spending policy serves to insulate operations from expected volatility in the capital markets and provide for a stable and predictable level of spending distributions from the endowment. Endowment spending rate distributions totaled \$276 million and \$270 million in 2013 and 2012, respectively. The success of the University's long-term investment strategy is evidenced by strong returns over sustained periods of time and the ability to limit losses in the face of challenging markets.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

The University invests its financial assets in pools with distinct risk and liquidity characteristics based on its needs, with most of its financial assets invested in two such pools. The University's working capital is primarily invested in relatively short duration, liquid assets, through its Daily and Monthly Portfolios, while the endowment is invested, along with the noncurrent portion of the insurance and benefit reserves, in an equity oriented long-term strategy, through its Long Term Portfolio.

Using the Financial Statements

The University's financial report includes three financial statements: the Statement of Net Position; the Statement of Revenues, Expenses and Changes in Net Position; and the Statement of Cash Flows. These financial statements are prepared in accordance with Governmental Accounting Standards Board ("GASB") principles, which establish standards for external financial reporting for public colleges and universities.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

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 and liabilities of the University. The difference between total assets and total liabilities — net position — is one indicator of the current financial condition of the University, while the change in net position is an indication of whether the overall financial condition has improved or worsened during the year. A comparison of the University's assets, liabilities and net position at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in millions)	
Current assets	\$ 2,155	\$ 2,107
Noncurrent assets:		
Endowment, life income and other investments	8,674	7,949
Capital assets, net	5,369	5,338
Other	237	263
Total assets	16,435	15,657
Current liabilities	1,399	1,588
Noncurrent liabilities	3,553	3,316
Total liabilities	4,952	4,904
Net position	\$ 11,483	\$ 10,753

The University continues to maintain and protect its strong financial foundation. This financial health, as reflected in the statement of net position at June 30, 2013 and 2012, results from the prudent utilization of financial resources including careful cost controls, preservation of endowment funds, conservative utilization of debt and adherence to a long-range capital plan for the maintenance and replacement of the physical plant.

Current assets consist primarily of cash and cash equivalents, operating and capital investments and accounts receivable and totaled \$2.2 billion and \$2.1 billion at June 30, 2013 and 2012, respectively. Cash, cash equivalents and investments for operating activities totaled \$934 million at June 30, 2013, which represents approximately two months of total expenses excluding depreciation.

Current liabilities consist primarily of accounts payable, accrued compensation, unearned revenue, commercial paper, the current portion of bonds payable and net long-term bonds payable subject to remarketing. Current liabilities totaled \$1.4 billion and \$1.6 billion at June 30, 2013 and 2012, respectively.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Endowment, Life Income and Other Investments

The composition of the University's endowment, life income and other investments at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in millions)	
Endowment investments	\$ 8,382	\$ 7,691
Life income investments	111	101
Noncurrent portion of insurance and benefits obligations investments	181	157
	<u>\$ 8,674</u>	<u>\$ 7,949</u>

The University's endowment funds consist of both permanent endowments and funds functioning as endowment. Permanent endowments are those funds received from donors with the stipulation that the principal remain inviolate and be invested in perpetuity to produce income that is to be expended for the purposes specified by the donors. Funds functioning as endowment consist of amounts (restricted gifts or unrestricted funds) that have been allocated by the University for long-term investment purposes, but are not limited by donor stipulations requiring the University to preserve principal in perpetuity. Programs supported by endowment funds include scholarships, fellowships, professorships, research efforts and other important programs and activities.

The University uses its endowment funds to support operations in a way that strikes a balance between generating a predictable stream of annual support for current needs and preserving the purchasing power of the endowment funds for future periods. The major portion of the endowment is maintained in the University Endowment Fund, a unitized pool which represents a collection of approximately 7,800 separate (individual) funds, the majority of which are restricted for specific purposes. The University Endowment Fund is invested in the University's Long Term Portfolio, a single diversified investment pool.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

The endowment spending rule provides for distributions from the University Endowment Fund to the University units that benefit from the endowment fund. Commencing with the quarter ending September 30, 2010, the annual distribution rate began to be reduced from 5 percent of the one-quarter lagged seven year moving average fair value of University Endowment Fund shares to 4.5 percent. This change is one element of an ongoing financial management strategy that has allowed the University to effectively weather the recent recession while avoiding drastic measures taken by many of our peer institutions, such as faculty hiring freezes, furloughs, program cuts or halting construction. To avoid negative impacts of this change on near-term budgets, endowment distributions are being managed toward the new rate by keeping quarter to quarter distributions per share unchanged and gradually moving toward the 4.5 percent rate when increases in share value would otherwise result in higher per share distributions. The length of the implementation period will depend on the actual investment returns and resulting changes in share values experienced during the implementation period.

To protect endowment principal in the event of a prolonged market downturn, distributions are limited to 5.3 percent of the current fair value of fund shares. Any capital gains or income generated above the endowment spending rate are reinvested so that in lean times funds will be available for distribution. In addition, departments may also use withdrawals from funds functioning as endowment to support capital expenditures and operations.

Endowment spending rate distributions totaled \$276 million, \$270 million and \$266 million and withdrawals from funds functioning as endowment totaled \$24 million, \$39 million and \$44 million in 2013, 2012 and 2011, respectively. Total spending rate distributions combined with withdrawals from funds functioning as endowment averaged 4.8 percent, 5.2 percent and 5.4 percent of the current year average fair value of the University Endowment Fund for 2013, 2012 and 2011, respectively. Over the past ten years, total spending rate distributions combined with withdrawals from funds functioning as endowment averaged 5.1 percent.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Capital and Debt Activities

One of the critical factors in continuing the quality of the University's academic, research and clinical programs is the development and renewal of capital assets. The University continues to implement its long-range plan to modernize its complement of older facilities, along with balanced investment in new construction.

Capital asset additions totaled \$519 million in 2013, as compared to \$591 million in 2012. Capital asset additions primarily represent renovation and new construction of student residence, academic, research, clinical and athletic facilities, as well as significant investments in equipment, including information technology. Current year capital asset additions were primarily funded with net position and gifts designated for capital purposes of \$463 million, as well as debt proceeds of \$56 million. Construction in progress, which totaled \$328 million at June 30, 2013 and \$227 million at June 30, 2012, includes important projects for student residential life, research, instruction, patient care and athletics.

At June 30, 2013, renovations of East Quadrangle, the Lawyers Club building and the John P. Cook building continue. The infrastructure of these student residences is being thoroughly upgraded, including wireless high-speed network access, accessibility improvements, renovated bath facilities and new plumbing, heating, cooling, ventilation, fire detection and suppression systems. In addition, energy conservation measures are being implemented to improve the energy performance of the overall buildings.

Renovation of East Quadrangle, which was originally constructed in 1940, is part of the University's residential life initiatives and follows the extensive renovations to Alice Lloyd, Mosher Jordan, Stockwell and Couzens residence halls in previous years. This project includes improved dining and Residential College facilities as well as new spaces for living-learning initiatives, student interaction and community. The Lawyers Club and John P. Cook buildings comprise the student-housing portion of the Law Quadrangle and were opened in 1924 and 1931, respectively. One of the largest gifts ever made to the Law School is helping to revitalize these student living spaces and create a sense of community, while preserving the historic collegiate gothic exteriors. In honor of the gift, the north wing of the Lawyers Club will be called the Charles T. Munger Residences. These projects are expected to be completed in August 2013.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Expansion of the George Granger Brown Memorial Laboratories building, which houses the Department of Mechanical Engineering, is also in process at June 30, 2013. Originally constructed in 1958, this building will be expanded by 62,500 gross square feet to add research laboratories and offices for faculty and graduate students to support emerging research endeavors. Designed to support interdisciplinary collaboration within the University and with other academic institutions and industry, the expansion also provides spaces to enhance the ability to realize ultra-high-resolution measurements at molecular and atomic scales to enable researchers to study the forces at work at the smallest scales and advance nanotechnologies in energy, manufacturing, healthcare and biotechnology. This project is expected to be completed in Summer 2014.

Projects completed in 2013 include renovation and expansion of the Michigan Memorial Phoenix Laboratory and Crisler Arena. The renovation and expansion of Michigan Memorial Phoenix Laboratory created state-of-the-art research laboratory space to support the Michigan Memorial Phoenix Energy Institute's energy-related research. This project included transformation of approximately 10,000 gross square feet into advanced laboratories for energy research, replacement of the facility's existing electrical substation and the addition of 10,000 gross square feet of new space for research, collaboration and interaction and administrative offices for the Institute. This facility will serve as a fulcrum for energy-related activities at the University, providing outstanding facilities for energy research and inter-disciplinary cooperation.

The renovation of Crisler Arena, which was originally built in 1967, included core infrastructure improvements, replacement of spectator seating to accommodate accessible seats, improved circulation and egress, increased number of restrooms and concession areas and the addition of other fan amenities. The expansion of this facility, now known as the Crisler Center, added approximately 63,000 gross square feet for new spectator entrances, retail spaces, ticketing areas, indoor and outdoor meeting and entertainment spaces as well as a private club area, media center and production studio. The expansion incorporated many environmentally responsible features, such as a high performance building envelope, natural lighting and low emitting carpet and paint products, and received a Leadership in Energy and Environmental Design (LEED) gold certification.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

The University takes its financial stewardship responsibility seriously and works diligently to manage its financial resources effectively, including the prudent use of debt to finance capital projects. A strong debt rating is an important indicator of the University's success in this area. In February 2013, Moody's Investors Service, Inc. ("Moody's") affirmed its highest credit rating (Aaa) for bonds backed by a broad revenue pledge based on extremely strong credit fundamentals, including significant financial resources, strong market position and consistent operating performance derived from a well diversified revenue base. Standard & Poor's Ratings Services ("Standard & Poor's") also affirmed its highest credit rating (AAA) based on the University's national reputation for academic and research excellence, strong financial resources, positive financial performance, exceptional record of fundraising and manageable debt burden and capital plan. Only two other public universities have received the highest credit ratings from both Moody's and Standard & Poor's.

Long-term debt activity for the year ended June 30, 2013, and the type of revenue it is supported by, is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
	(in millions)			
Commercial Paper:				
General revenues	\$ 63	\$ 88	\$ 96	\$ 55
Bonds and Notes:				
General revenues	1,421	412	81	1,752
Hospital revenues	280		280	-
Faculty Group Practice revenues	60		60	-
Student residences revenues	2		2	-
	<u>\$ 1,826</u>	<u>\$ 500</u>	<u>\$ 519</u>	<u>\$ 1,807</u>

The University utilizes commercial paper, backed by a general revenue pledge, to provide interim financing for its capital improvement program. Outstanding commercial paper is converted to long-term debt financing, as appropriate, within the normal course of business. At June 30, 2013 and 2012, commercial paper totaled \$55 million and \$63 million, respectively.

During 2013, consistent with capital and debt financing plans, the University issued \$355 million of variable rate tax-exempt general revenue bonds, and \$54 million of fixed rate tax-exempt general revenue bonds, with a net original issue premium of \$3 million. Bond proceeds, which totaled \$412 million, were utilized to refund \$266 million of Hospital Revenue Bonds and \$57 million of Medical Service Plan Revenue Bonds, convert \$23 million of commercial paper to long-term debt, and provide \$66 million for capital projects and debt issuance costs.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

The University maintains a combination of fixed and variable rate debt, which totaled \$1.8 billion at June 30, 2013 and 2012. The composition of the University's debt at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in millions)	
Variable rate:		
Commercial paper	\$ 55	\$ 63
Bonds	864	854
Fixed rate bonds	888	909
	<u>\$ 1,807</u>	<u>\$ 1,826</u>

A significant portion of the University's variable rate bonds are subject to remarketing and, in accordance with GASB Interpretation No. 1, such debt is classified as current unless supported by long-term liquidity arrangements, such as lines of credit or standby bond purchase agreements, which could refinance the debt on a long-term basis. In the event that variable rate bonds are put back to the University by the debt holder, management believes that the bonds will be remarketed within a reasonable amount of time. The University's strong credit rating facilitates the remarketing of its debt. In addition, the University maintains four remarketing agents to achieve a wide distribution of its variable rate debt.

While fixed rate bonds typically have a higher effective rate of interest as compared to variable rate bonds, they reduce the volatility of required debt service payments and do not require liquidity support, such as letters of credit or guarantees.

Effective interest rates averaged 2.2 percent in 2013 and 2.3 percent in 2012, including the amortization of bond premiums and discounts and federal subsidies for interest on taxable Build America Bonds. Interest expense net of federal subsidies received for interest on taxable Build America Bonds and interest capitalized during construction totaled \$41 million in 2013 and \$37 million in 2012, while capitalized interest on debt financed construction in progress totaled \$2 million and \$6 million in 2013 and 2012, respectively.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Obligations for Postemployment Benefits

In accordance with the provisions of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, the University recognizes the cost of postemployment benefits during the periods when employees render their services. Using current actuarial assumptions, and presuming a continuation of the current level of benefits, the University's obligations for postemployment benefits totaled \$1.70 billion and \$1.67 billion at June 30, 2013 and 2012, respectively. Since a portion of retiree medical services will be provided by the University's Health System, this liability is net of the related margin and fixed costs of providing those services which totaled \$290 million and \$263 million at June 30, 2013 and 2012, respectively.

By implementing a series of health benefit initiatives over the past eight years, the University has favorably impacted its actuarial accrued liability for postemployment benefits by approximately \$486 million as of June 30, 2013. These initiatives have included cost sharing changes, elimination of Medicare Part B reimbursements for certain retirees and adjustment of retirement eligibility criteria. The University amortizes changes in actuarial assumptions, plan design and experience gains and losses over a ten year closed period. Accordingly, the liability for net postemployment benefits obligations recorded in the statement of net position differs from the actuarial accrued liability by the unamortized portion of these changes. At June 30, 2013, the recorded liability for net postemployment benefits obligations totaled \$1.70 billion and the actuarial accrued liability totaled \$1.34 billion.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Net Position

Net position represents the residual interest in the University's assets after liabilities are deducted. The composition of the University's net position at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in millions)	
Net investment in capital assets	\$ 3,637	\$ 3,598
Restricted:		
Nonexpendable:		
Permanent endowment corpus	1,432	1,346
Expendable:		
Net appreciation of permanent endowments	1,339	1,193
Funds functioning as endowment	1,748	1,597
Restricted for operations and other	602	493
Unrestricted	2,725	2,526
	<u>\$ 11,483</u>	<u>\$ 10,753</u>

Net investment in capital assets represents the University's capital assets net of accumulated depreciation and outstanding principal balances of debt related to the acquisition, construction or improvement of those assets. The \$39 million increase reflects the University's continued development and renewal of its capital assets in accordance with its long-range capital plan.

Restricted nonexpendable net position represents the historical value (corpus) of gifts to the University's permanent endowment funds. The \$86 million increase primarily represents new gifts. Restricted expendable net position is subject to externally imposed stipulations governing their use. This category of net position includes net appreciation of permanent endowments, funds functioning as endowment and net position restricted for operations, facilities and student loan programs. Restricted expendable net position totaled \$3.7 billion at June 30, 2013, as compared to \$3.3 billion at June 30, 2012.

Although unrestricted net position is not subject to externally imposed stipulations, all of the University's unrestricted net position has been designated for various academic and research programs and initiatives, as well as capital projects. Unrestricted net position at June 30, 2013 and 2012 totaled \$2.7 billion and \$2.5 billion, respectively. At June 30, 2013, unrestricted net position included funds functioning as endowment of \$3.7 billion offset by unfunded obligations for postemployment benefits of \$1.7 billion. At June 30, 2012, unrestricted net position included funds functioning as endowment of \$3.5 billion offset by unfunded obligations for postemployment benefits of \$1.7 billion. Unrestricted net position also included other net resources of \$700 million at June 30, 2013 and 2012.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Statement of Revenues, Expenses and Changes in Net Position

The statement of revenues, expenses and changes in net position presents the University's results of operations. In accordance with GASB reporting principles, revenues and expenses are classified as either operating or nonoperating. A comparison of the University's revenues, expenses and changes in net position for the three years ended June 30, 2013 is summarized as follows:

	2013	2012 (in millions)	2011
Operating revenues:			
Student tuition and fees, net of scholarship allowances	\$ 1,064.7	\$ 998.4	\$ 915.7
Sponsored programs	1,076.0	1,045.8	1,072.9
Patient care revenues, net	2,786.1	2,601.8	2,411.1
Other	390.5	392.6	378.1
	5,317.3	5,038.6	4,777.8
Operating expenses	6,121.0	5,842.1	5,437.8
Operating loss	(803.7)	(803.5)	(660.0)
Nonoperating and other revenues (expenses):			
State educational appropriations	315.9	307.6	361.9
Federal Pell grants	43.2	45.3	46.7
Private gifts for operating activities	168.6	131.6	127.8
Net investment income	847.3	68.7	1,633.0
Interest expense, net	(49.3)	(45.1)	(33.1)
Federal subsidies for interest on Build America Bonds	8.2	8.3	7.1
State capital appropriations		0.1	0.8
Endowment and capital gifts and grants	212.1	107.6	82.3
Other	(12.4)	8.3	(5.2)
Nonoperating and other revenues, net	1,533.6	632.4	2,221.3
Increase (decrease) in net position	729.9	(171.1)	1,561.3
Net position, beginning of year	10,753.2	10,924.3	9,363.0
Net position, end of year	\$ 11,483.1	\$ 10,753.2	\$ 10,924.3

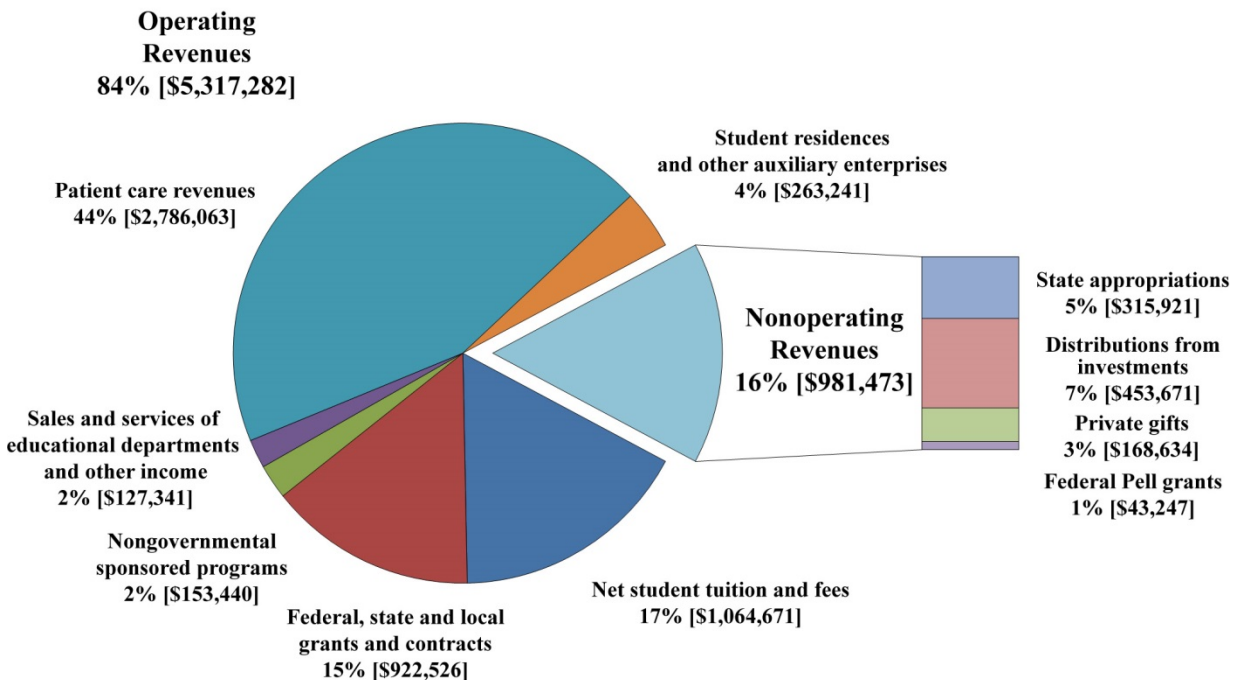
One of the University's greatest strengths is the diverse streams of revenue that supplement its student tuition and fees, including private support from individuals, foundations and corporations, along with government and other sponsored programs, state appropriations and investment income. The University continues to aggressively seek funding from all possible sources consistent with its mission in order to supplement student tuition and prudently manage the financial resources realized from these efforts to fund its operating activities, which include instruction, patient care and research.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

The following is a graphic illustration of revenues by source, both operating and nonoperating, which are used to fund the University's operating activities for the year ended June 30, 2013 (amounts are presented in thousands of dollars). Significant recurring sources of the University's revenues are considered nonoperating, as defined by GASB, such as state appropriations, distributions from investments, private gifts and federal Pell grants.

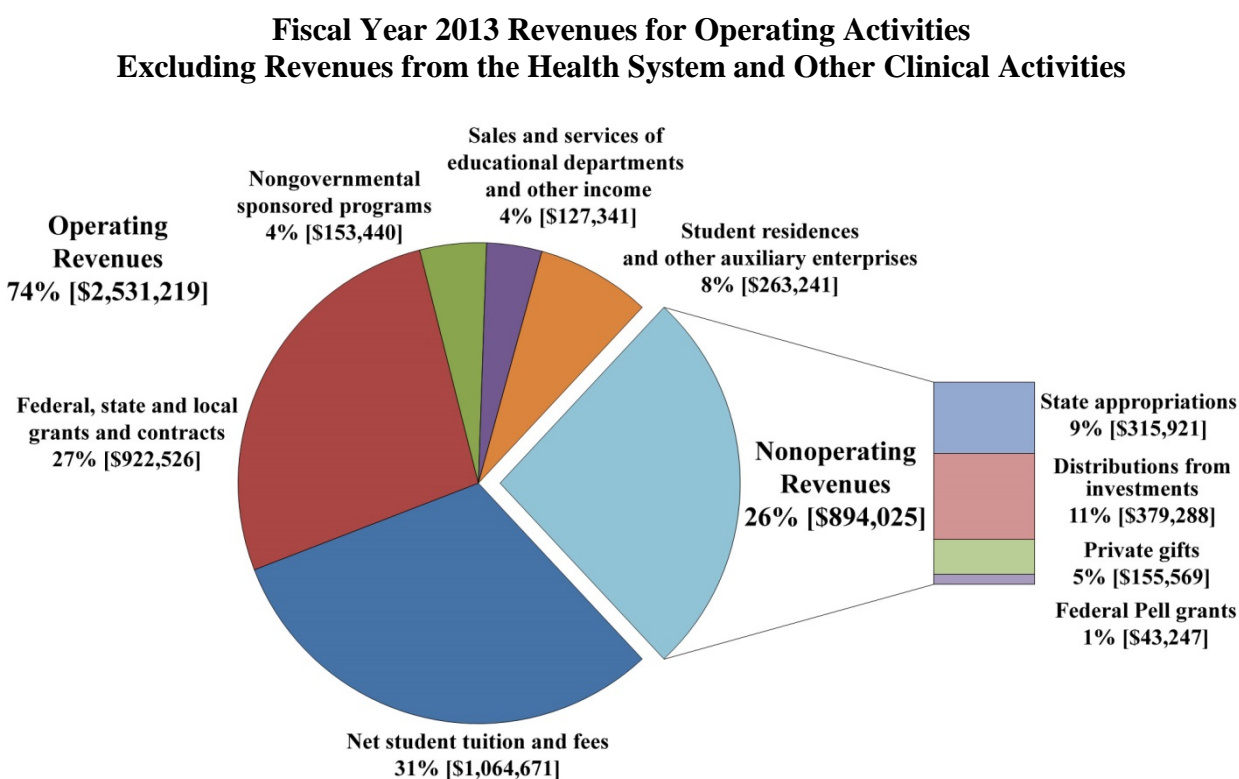
Fiscal Year 2013 Revenues for Operating Activities



THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

The University measures its performance both for the University as a whole and for the University without its Health System and other clinical activities. The exclusion of these activities allows a clearer view of the operations of the schools and colleges, as well as central administration. The following is a graphic illustration of University revenues by source, both operating and nonoperating, which are used to fund operating activities other than the Health System and other clinical activities, for the year ended June 30, 2013 (amounts are presented in thousands of dollars).



Tuition and state appropriations are the primary sources of funding for the University's academic programs. There is a relationship between the growth or reduction in state support and the University's ability to restrain tuition fee increases. Together, net student tuition and fees and state appropriations increased 6 percent, or \$75 million, to \$1.38 billion in 2013, as compared to 2 percent, or \$28 million, to \$1.31 billion in 2012.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

The University has been able to avoid the severe cuts and double digit tuition increases experienced elsewhere in the country because of a prudent long-term plan which anticipated the realities of the state's challenging economy. The University's plan includes an ongoing commitment to cost containment and reallocating resources to the highest priorities to provide support for innovative new academic initiatives to maintain academic excellence and help students keep pace with the ever evolving needs of society.

In 2013, the University's state educational appropriations increased by 3 percent, or \$8 million, to \$316 million. This follows a year when the University received the largest cut in state appropriations in its history, a 15 percent, or \$54 million reduction in 2012.

For the three years ended June 30, 2013, net student tuition and fees revenue consisted of the following components:

	2013	2012	2011
	(in millions)		
Student tuition and fees	\$ 1,349.1	\$ 1,269.7	\$ 1,177.9
Scholarship allowances	(284.4)	(271.3)	(262.2)
	<u>\$ 1,064.7</u>	<u>\$ 998.4</u>	<u>\$ 915.7</u>

In 2013, net student tuition and fees revenue increased 7 percent, or \$66 million, to \$1.06 billion, which reflects a 6 percent, or \$79 million, increase in gross tuition and fee revenues offset by a 5 percent, or \$13 million increase in scholarship allowances. Tuition rate increases in 2013 were 2.8 percent for resident undergraduate students, 3.5 percent for nonresident undergraduate students and 3.0 percent for most graduate students on the Ann Arbor campus, with a 3.7 percent tuition rate increase for most undergraduate and graduate students on the Dearborn campus and 3.6 percent and 2.8 percent tuition rate increases for undergraduate and graduate students on the Flint campus, respectively. The University also experienced moderate growth in the number of students, particularly nonresident students.

In 2012, net student tuition and fees revenue increased 9 percent, or \$83 million, to \$998 million, which reflects an 8 percent, or \$92 million, increase in gross tuition and fee revenues offset by a 3 percent, or \$9 million increase in scholarship allowances. Tuition rate increases in 2012 were 6.7 percent for resident undergraduate students, 4.9 percent for nonresident undergraduate students and 4.9 percent for most graduate students on the Ann Arbor campus, with a 6.9 percent tuition rate increase for undergraduate and graduate students on the Dearborn campus and 6.8 percent and 4.9 percent tuition rate increases for Flint campus undergraduate and graduate students, respectively. The University also experienced moderate growth in the number of students, particularly nonresident students.

The University's tuition increases have consistently been among the lowest in the state, even in years of significant reductions in state appropriations, which reflects a commitment to affordable higher education for Michigan families. At the same time, the University has also increased scholarship and fellowship expenses and related allowances to benefit students in financial need.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

While tuition and state appropriations fund a large percentage of University costs, private support is becoming increasingly essential to the University's academic distinction. Private gifts for other than capital and permanent endowment purposes totaled \$169 million in 2013, as compared to \$132 million in 2012 and \$128 million in 2011.

The University receives revenues for sponsored programs from various government agencies and private sources, which normally provide for both direct and indirect costs to perform these sponsored activities, with a significant portion related to federal research. Revenues for sponsored programs increased 3 percent, or \$30 million, to \$1.1 billion in 2013, which is consistent with the national trend of stabilized federal research funding, supplemented by increased revenue from industry sponsored activities. Revenues for sponsored programs decreased 3 percent, or \$27 million, to \$1.0 billion in 2012, primarily due to the spend down of federal stimulus awards from the American Recovery and Reinvestment Act of 2009.

Patient care revenues are principally generated within the University's hospitals and ambulatory care facilities under contractual arrangements with governmental payers and private insurers. Patient care revenues increased 7 percent, or \$184 million, to \$2.8 billion in 2013, as compared to an increase of 8 percent, or \$191 million, to \$2.6 billion in 2012. The increased revenues for both years primarily resulted from a growth in outpatient and inpatient volume, as well as increased reimbursement rates from third party payers.

Net investment income totaled \$847 million in 2013, compared to \$69 million in 2012 and \$1.6 billion in 2011. In a reversal from 2012, when fixed income gained strongly and equity oriented investments fell, developed markets equities, absolute return strategies, and private equity investments realized double digit positive returns in 2013 while fixed income experienced small losses. In 2011, most asset classes experienced double digit positive returns as financial markets rebounded from the significant losses experienced in 2009.

The University's endowment investment policies are designed to maximize long-term total return, while its income distribution policy is designed to preserve the value of the endowment and generate a predictable stream of spendable income.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Endowment and capital gifts and grants totaled \$212 million in 2013 as compared to \$108 million and \$82 million in 2012 and 2011, respectively, with the significant increase in 2013 due primarily to capital gifts. Private gifts for permanent endowment purposes totaled \$78 million in 2013, as compared to \$56 million in 2012 and \$57 million in 2011. Capital gifts and grants totaled \$134 million in 2013, as compared to \$52 million in 2012 and \$25 million in 2011. Over the past three years, major capital gifts have been received in support of the University's wide-ranging building initiatives which include graduate student housing, the Health System, Law School, Stephen M. Ross School of Business, College of Engineering, and Intercollegiate Athletics current and planned capital projects.

In addition to revenue diversification, the University continues to make cost containment an ongoing priority. This is necessary as the University continues to face significant financial pressures, particularly in the areas of compensation and benefits, which represent 64 percent of total expenses, as well as in the areas of energy, technology and ongoing maintenance of facilities and infrastructure.

A comparative summary of the University's expenses for the three years ended June 30, 2013 is as follows (amounts in millions):

	2013		2012		2011	
Operating:						
Compensation and benefits	\$ 3,965.0	64%	\$ 3,804.3	65%	\$ 3,633.8	66%
Supplies and services	1,555.8	25	1,473.7	25	1,299.6	24
Depreciation	476.9	8	443.1	7	390.1	7
Scholarships and fellowships	123.3	2	121.0	2	114.3	2
	6,121.0	99	5,842.1	99	5,437.8	99
Nonoperating:						
Interest, net	41.1	1	36.8	1	26.0	1
	\$ 6,162.1	100%	\$ 5,878.9	100%	\$ 5,463.8	100%

The University is committed to recruiting and retaining outstanding faculty and staff and the compensation package is one way to successfully compete with peer institutions and nonacademic employers. The resources expended for compensation and benefits increased 4 percent, or \$161 million, to \$4.0 billion in 2013, as compared to a 5 percent, or \$171 million, increase to \$3.8 billion in 2012. Of the 2013 increase, compensation increased 4 percent, to \$3.1 billion, and employee benefits increased 4 percent, to \$901 million. For 2012, compensation increased 6 percent, to \$2.9 billion, and employee benefits increased 2 percent, to \$870 million. During 2013 and 2012, nursing and other health professionals were added to support higher patient volume levels associated with the new facility for C.S. Mott Children's Hospital and Von Voigtlander Women's Hospital, which opened in fiscal 2012.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Health care benefits are one of the most significant employee benefits. Over the past several years, the University has implemented initiatives to better control its rate of increase, encourage employees to choose the lowest cost health care plan that meets their needs and share a larger portion of health care cost increases with employees.

Compared to most employers, the University is in a unique position to utilize internal experts to advise and guide its health care and drug plans. For example, the Pharmacy Benefits Advisory Committee, which consists of internal experts including Health System physicians, School of Pharmacy faculty and an on-staff pharmacist, monitors the safety and effectiveness of covered medications as well as optimizes appropriate prescribing, dispensing and cost effective use of prescription drugs. The University also actively promotes and manages generic drug utilization and has achieved an 84 percent generic dispensing rate in 2013, as compared to 82 percent in 2012 and 76 percent in 2011.

In addition, the University utilizes its nationally recognized health policy experts to guide future health plan strategies. After careful review, a series of changes are being implemented to help the University maintain competitive active and retiree benefits while helping control the growth in costs.

During 2013, the University began to implement changes to eligibility requirements for retiree health benefits and the related amount of the University's contributions. These changes are based on the work of a committee on retiree health benefits that was formed to propose a means to maintain competitive retiree health benefits while helping address the acceleration of health benefits costs for current and future retirees and their dependents. To assist current employees with the transition, these changes, which were originally announced in 2011, are being phased in gradually over the eight-year period January 1, 2013 through January 1, 2021.

Commencing January 1, 2013, the University utilizes a point system to determine retirement eligibility, where points represent the combination of age and years of service for full-time employees. The points needed for retirement total 76 in 2013 and will gradually be increased to 80 by 2021. During this time period, the University's contributions towards health care benefits for employees who retire in each of these years will gradually be reduced. Employees who retire after December 31, 2020 will need a minimum of twenty years of service to receive the maximum retiree health benefit contribution. Specifically, the University's contributions towards health care benefits will decrease from 87.5 percent for the retiree and 65 percent for any dependents for those employees who retire in 2013 to a maximum of 80 percent for the retiree and 50 percent for any dependents for those employees who retire in 2021. For new hires, the maximum University contribution upon retirement with twenty or more years of service will be 68 percent for the retiree and 26 percent for any dependents. These adjustments will keep the University's retiree benefits competitive with peer institutions while producing an estimated \$9 million reduction in annual cash outlay by 2020 and an estimated \$165 million reduction in annual cash outlay by 2040.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

During 2012, the University substantially completed a multi-year phase in of a new health benefits cost sharing program. Once fully implemented in July 2014, the University's overall contribution toward the health care of employees, retirees and dependents is expected to be 70 percent of the total cost of premiums, co-pays and deductibles. Down from an 80 percent overall contribution in 2009, the new target is more in line with average contributions of peer universities and health systems. In addition, the University's health premium contribution for part-time employees working between 20 and 31 hours per week was reduced from 100 percent to 80 percent of the contribution made for full-time staff in the lowest salary band. Once fully implemented, these changes are expected to reduce the University's annual cash outlay for health care expenses by approximately \$31 million.

The MHealthy initiative is a university-wide effort to improve the health and well-being of faculty, staff and their dependents by creating a culture of health, reducing health risks in our population, and containing health related costs through prevention, early intervention. Over the past four years, more than 33,000 of the University's employees participated in a health risk assessment, allowing them to learn more about their health risks and take action to improve them through follow-up programs and services. In 2013 alone, 56 percent of employees completed a health risk assessment and more than 80 percent of participating employees also completed at least one qualifying health and wellness program. MHealthy has also begun to provide special targeted health improvement programs to high-risk job families. A three-year evaluation of the program's impact was completed in 2012 by faculty researchers from the Michigan Institute for Clinical and Health Research and the University's Health Management Research Center. Faculty and staff who participated all three years showed statistically significant improvement in their risk levels, with the number of high risk individuals decreasing and the number of low risk individuals increasing.

These initiatives and programs reflect the reality of the national landscape, while remaining true to the commitment we make to our employees for a robust benefits package.

Supplies and services expenses increased 6 percent, or \$82 million, to \$1.6 billion in 2013, as compared to an increase of 13 percent, or \$174 million, to \$1.5 billion in 2012. These increases were primarily due to growth in patient care related expenses as well as activation costs associated with significant capital projects. During 2012, a new facility for the C.S. Mott Children's and Von Voigtlander Women's Hospitals was placed in service and the University implemented several significant information technology systems, including the first phase of an electronic medical record and patient billing system and a new donor and alumni relationship system. In addition, the University experienced increased self insurance costs in 2012 due to higher incurred losses in medical professional liability and workers compensation.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Depreciation expense increased 8 percent, or \$34 million, to \$477 million in 2013, as compared to a 14 percent, or \$53 million, increase to \$443 million in 2012. The increased depreciation expense is primarily related to the completion of current year capital projects, as well as the impact of a full year of depreciation for the capital projects completed during the prior year. Capital assets placed in service during 2013 include the renovation and expansion of Crisler Arena and the Michigan Memorial Phoenix Laboratory. During 2012, capital assets placed in service included a new facility for C.S. Mott Children's and Von Voigtlander Women's Hospitals, renovation of Alice Lloyd Hall, and the new William Davidson Player Development Center. In addition, the remaining net book value of certain capital assets of the legacy children and women's hospitals that were deemed to have no future utility were written off in 2012 based on current renovation plans for that facility.

Net interest expense increased \$4 million in 2013 to \$41 million, from \$37 million in 2012 and \$26 million in 2011. The significant increase in 2012 primarily resulted from a decrease in the amount of capitalized interest on debt financed construction due to decreased construction in process.

In addition to their natural (object) classification, it is also informative to review operating expenses by function. A comparative summary of the University's expenses by functional classification for the three years ended June 30, 2013 is as follows (amounts in millions):

	2013		2012		2011	
Operating:						
Instruction	\$ 924.5	15%	\$ 892.5	15%	\$ 853.1	16%
Research	750.2	12	718.8	12	733.5	13
Public service	148.9	2	129.6	2	131.5	2
Institutional and academic support	530.8	9	504.5	9	486.3	9
Auxiliary enterprises:						
Patient care	2,752.5	44	2,532.4	43	2,285.2	42
Other	157.6	3	215.6	4	168.5	3
Operations and maintenance of plant	256.3	4	284.6	5	275.3	5
Depreciation	476.9	8	443.1	7	390.1	7
Scholarships and fellowships	123.3	2	121.0	2	114.3	2
	6,121.0	99	5,842.1	99	5,437.8	99
Nonoperating:						
Interest, net	41.1	1	36.8	1	26.0	1
	\$ 6,162.1	100%	\$ 5,878.9	100%	\$ 5,463.8	100%

Instruction expenses increased 4 percent, or \$32 million in 2013, and 5 percent, or \$39 million in 2012. This increase is consistent with the modest level of growth in the related revenue sources offset by cost containment efforts.

To measure its total volume of research expenditures, the University considers research expenses, included in the above table, as well as research related facilities and administrative expenses, research initiative and start-up expenses and research equipment purchases. These amounts aggregated \$1.33 billion in 2013, as compared to \$1.27 billion in 2012 and \$1.24 billion in 2011. This represents an increase of 7 percent, or \$92 million, from 2011 to 2013.

THE UNIVERSITY OF MICHIGAN

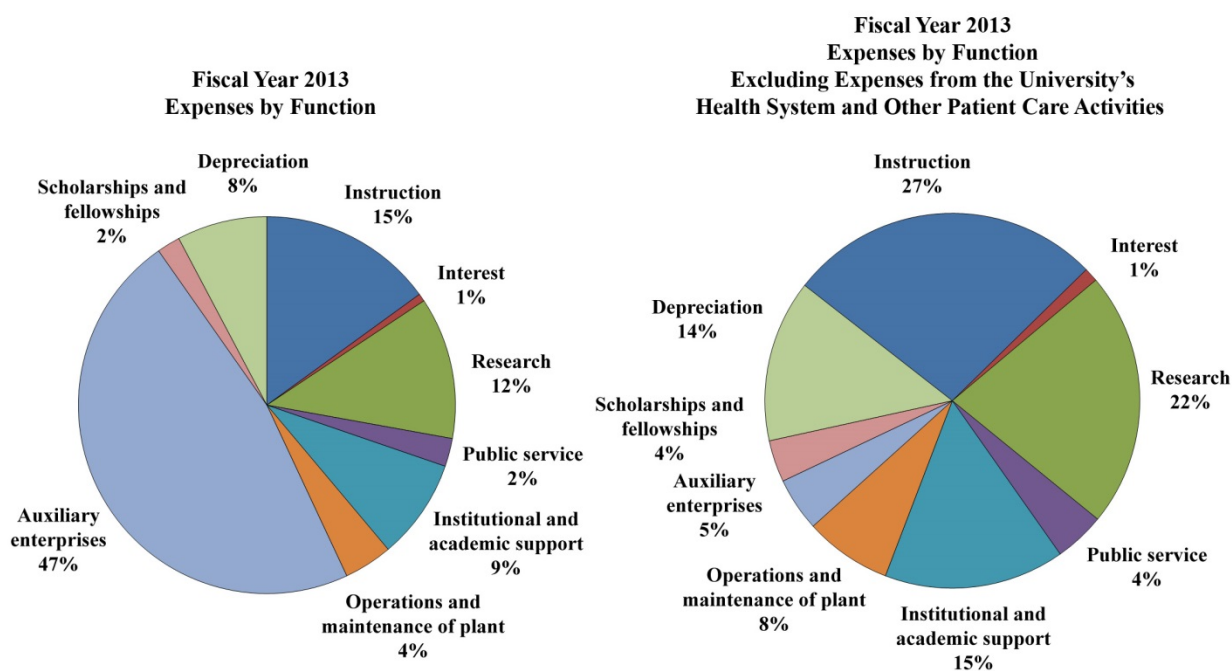
Management's Discussion and Analysis (Unaudited)--Continued

Patient care expenses increased 9 percent, or \$221 million, in 2013 and 11 percent, or \$247 million, in 2012. These increases are the result of increased patient activity from the opening of the new children and women's hospital facility, including costs of staffing, medical supplies and pharmaceuticals.

Total scholarships and fellowships provided to students aggregated \$426 million in 2013, as compared to \$411 million in 2012 and \$395 million in 2011, an increase of 8 percent over the past two years. Tuition, housing and fees revenues are reported net of aid applied to students' accounts, while amounts paid directly to students are reported as scholarship and fellowship expense. Scholarships and fellowships for the three years ended June 30, 2013 are summarized as follows:

	2013	2012	2011
	(in millions)		
Paid directly to students	\$ 123.3	\$ 121.0	\$ 114.3
Applied to tuition and fees	284.4	271.3	262.2
Applied to University Housing	18.0	19.0	18.2
	<u>\$ 425.7</u>	<u>\$ 411.3</u>	<u>\$ 394.7</u>

The following graphic illustrations present total expenses by function, with and without the University's Health System and other patient care activities:



THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

Statement of Cash Flows

The statement of cash flows provides additional information about the University's financial results by reporting the major sources and uses of cash. A comparative summary of the statement of cash flows for the years ended June 30, 2013 and 2012 is as follows:

	2013	2012
	(in millions)	
Cash received from operations	\$ 5,270.9	\$ 5,011.9
Cash expended for operations	(5,575.2)	(5,332.5)
Net cash used in operating activities	(304.3)	(320.6)
Net cash provided by investing activities	64.0	141.3
Net cash used in capital and related financing activities	(463.3)	(436.2)
Net cash provided by noncapital financing activities	566.2	537.7
Net decrease in cash and cash equivalents	(137.4)	(77.8)
Cash and cash equivalents, beginning of year	238.7	316.5
Cash and cash equivalents, end of year	\$ 101.3	\$ 238.7

Cash received from operations primarily consists of student tuition, sponsored program grants and contracts and patient care revenues. Significant sources of cash provided by noncapital financing activities, as defined by GASB, include state appropriations, federal Pell grants and private gifts used to fund operating activities.

Economic Factors That Will Affect the Future

The University continues to face significant financial challenges to its academic programs, stemming from the State's uncertain financial circumstances. Given the continuation of this difficult economic environment, it is noteworthy that the University maintains the highest credit ratings of Moody's (Aaa) and Standard & Poor's (AAA). Achieving and maintaining the highest credit ratings provides the University a high degree of flexibility in securing capital funds on the most competitive terms. This flexibility, along with ongoing efforts toward revenue diversification and cost containment, will enable the University to provide the necessary resources to support a consistent level of excellence in service to students, patients, the research community, the state and the nation.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

A crucial element to the University's future continues to be a strong relationship with the state of Michigan. Historically, there has been a relationship between the growth, or reduction, of state support and the University's ability to control tuition increases. Over the past several years, the University has successfully addressed the realities of the state's difficult economy and, pursuant to a long-range plan, continues to work relentlessly to cut and mitigate operational costs in order to remain affordable and preserve access, while protecting the academic enterprise.

The University's budget for 2014 anticipates a 2.2 percent increase in state educational appropriations and achieves the lowest tuition rate increase for Ann Arbor campus resident undergraduates since 1985 of 1.1 percent and the largest ever increase in financial aid, which includes a 13.7 percent increase in centrally awarded financial aid. Nonresident undergraduate tuition rates will increase 3.2 percent, while most graduate and professional rates will increase 1.8 percent. Resident undergraduate tuition rates on the Dearborn and Flint campuses will increase 3.5 percent.

While tuition and state appropriations fund a large percentage of University costs, private support is becoming increasingly essential to the University's academic distinction. In November 2013, the University will kick off the most ambitious fundraising campaign in its history.

The University continues to execute its long-range plan to modernize and expand its complement of older facilities while adding key new facilities for instruction, research, patient care and residential life. This strategy addresses the University's growth and the continuing effects of technology on teaching, clinical and research activities. Authorized costs to complete construction and other projects totaled \$1.17 billion at June 30, 2013. Funding for these projects is anticipated to include \$1.13 billion from gifts, grants and net position designated for capital purposes as well as future borrowings and \$42 million from the utilization of unexpended debt proceeds.

While the University's Hospitals and Health Centers are well positioned to maintain a strong financial position in the near term, ongoing constraints on revenue are expected due to fiscal pressures from employers and federal and state governments. Management believes that much of the payment pressure can be offset by growth in patient volume and continued efforts to contain certain costs.

The University will continue to employ its long-term investment strategy to maximize total returns, at an appropriate level of risk, while utilizing a spending rate policy to preserve endowment capital and insulate the University's operations from temporary market volatility.

THE UNIVERSITY OF MICHIGAN

Management's Discussion and Analysis (Unaudited)--Continued

As a labor-intensive organization, the University faces competitive pressures related to attracting and retaining faculty and staff. Moreover, consistent with the national landscape, the University also faces rising costs of health benefits for its employees and retirees. The University has successfully taken and will continue to take proactive steps to respond to these challenges while protecting the quality of the overall benefits package.

U.S. health care reform will also influence benefits planning. Since the Affordable Care Act was signed into law in March 2010, and affirmed by the Supreme Court, new regulatory requirements will affect health plans, providers and employers alike. The implementation of the changes has begun and will span several years into the future, with most changes taking place by 2015. University experts are diligently reviewing and assessing the short and long-term impacts on our health plans and our health system to develop clear strategies and options for the future that will ensure compliance over the coming years of regulatory change.

While it is not possible to predict the ultimate results, management believes that the University's financial condition will remain strong.

THE UNIVERSITY OF MICHIGAN

Consolidated Statement of Net Position

	June 30,	
	2013	2012
	(in thousands)	
Assets		
Current Assets:		
Cash and cash equivalents	\$ 101,327	\$ 238,690
Investments for operating activities	832,280	737,384
Investments for capital activities	357,495	388,637
Investments for student loan activities	60,732	55,706
Accounts receivable, net	574,810	494,787
Current portion of notes and pledges receivable, net	118,648	59,553
Current portion of prepaid expenses and other assets	66,907	78,254
Cash collateral held by agent	43,000	54,300
Total Current Assets	<u>2,155,199</u>	<u>2,107,311</u>
Noncurrent Assets:		
Endowment, life income and other investments	8,674,180	7,948,955
Notes and pledges receivable, net	206,982	196,692
Prepaid expenses and other assets	29,455	66,718
Capital assets, net	5,369,400	5,337,664
Total Noncurrent Assets	<u>14,280,017</u>	<u>13,550,029</u>
Total Assets	<u><u>\$ 16,435,216</u></u>	<u><u>\$ 15,657,340</u></u>
Liabilities and Net Position		
Current Liabilities:		
Accounts payable	\$ 219,581	\$ 195,055
Accrued compensation and other	354,745	350,508
Unearned revenue	214,381	200,966
Current portion of insurance and benefits reserves	86,173	84,155
Current portion of obligations for postemployment benefits	61,258	56,131
Commercial paper and current portion of bonds payable	117,907	135,193
Long-term bonds payable subject to remarketing, net	267,060	482,202
Collateral held for securities lending	43,000	54,300
Deposits of affiliates and others	35,283	29,988
Total Current Liabilities	<u>1,399,388</u>	<u>1,588,498</u>
Noncurrent Liabilities:		
Accrued compensation	64,944	68,498
Insurance and benefits reserves	109,415	102,821
Obligations for postemployment benefits	1,636,833	1,615,433
Obligations under life income agreements	46,849	44,056
Government loan advances	91,418	91,211
Bonds payable	1,421,935	1,208,869
Deposits of affiliates and other	181,305	184,757
Total Noncurrent Liabilities	<u>3,552,699</u>	<u>3,315,645</u>
Total Liabilities	<u>4,952,087</u>	<u>4,904,143</u>
Net Position:		
Net investment in capital assets	3,637,027	3,597,540
Restricted:		
Nonexpendable	1,432,191	1,345,859
Expendable	3,689,208	3,283,639
Unrestricted	2,724,703	2,526,159
Total Net Position	<u>11,483,129</u>	<u>10,753,197</u>
Total Liabilities and Net Position	<u><u>\$ 16,435,216</u></u>	<u><u>\$ 15,657,340</u></u>

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

THE UNIVERSITY OF MICHIGAN

**Consolidated Statement of Revenues, Expenses
and Changes in Net Position**

	Year Ended June 30,	
	2013	2012
	(in thousands)	
Operating Revenues		
Student tuition and fees	\$ 1,349,057	\$ 1,269,703
Less scholarship allowances	284,386	271,276
Net student tuition and fees	1,064,671	998,427
Federal grants and contracts	914,012	901,764
State and local grants and contracts	8,514	4,154
Nongovernmental sponsored programs	153,440	139,840
Sales and services of educational departments	124,533	127,473
Auxiliary enterprises:		
Patient care revenues (net of provision for bad debts of \$114,025 in 2013 and \$105,618 in 2012)	2,786,063	2,601,803
Student residence fees (net of scholarship allowances of \$18,008 in 2013 and \$19,201 in 2012)	89,035	94,134
Other revenues	174,206	168,204
Student loan interest income and fees	2,808	2,772
Total Operating Revenues	5,317,282	5,038,571
Operating Expenses		
Compensation and benefits	3,965,030	3,804,225
Supplies and services	1,555,800	1,473,665
Depreciation	476,898	443,132
Scholarships and fellowships	123,287	121,040
Total Operating Expenses	6,121,015	5,842,062
Operating loss	(803,733)	(803,491)
Nonoperating Revenues (Expenses)		
State educational appropriations	315,921	307,582
Federal Pell grants	43,247	45,288
Private gifts for other than capital and endowment purposes	168,634	131,602
Net investment income	847,273	68,650
Interest expense, net	(49,342)	(45,096)
Federal subsidies for interest on Build America Bonds	8,251	8,258
Total Nonoperating Revenues, Net	1,333,984	516,284
Income (loss) before other revenues (expenses)	530,251	(287,207)
Other Revenues (Expenses)		
Capital gifts and grants	134,498	51,934
State capital appropriations		100
Private gifts for permanent endowment purposes	77,567	55,742
Other	(12,384)	8,366
Total Other Revenues, Net	199,681	116,142
Increase (decrease) in net position	729,932	(171,065)
Net position, Beginning of Year	10,753,197	10,924,262
Net position, End of Year	\$ 11,483,129	\$ 10,753,197

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

THE UNIVERSITY OF MICHIGAN

Consolidated Statement of Cash Flows

	Year Ended June 30,	
	2013	2012
	(in thousands)	
Cash Flows From Operating Activities		
Student tuition and fees	\$ 1,065,578	\$ 1,003,383
Federal, state and local grants and contracts	914,079	899,174
Nongovernmental sponsored programs	158,017	149,902
Sales and services of educational departments and other	298,140	295,671
Patient care revenues	2,726,203	2,549,627
Student residence fees	88,801	93,892
Payments to employees	(3,063,397)	(2,962,246)
Payments for benefits	(872,199)	(806,769)
Payments to suppliers	(1,501,979)	(1,427,728)
Payments for scholarships and fellowships	(123,287)	(121,025)
Student loans issued	(14,377)	(14,761)
Student loans collected	17,339	17,497
Student loan interest and fees collected	2,808	2,772
Net Cash Used in Operating Activities	(304,274)	(320,611)
Cash Flows From Investing Activities		
Interest and dividends on investments, net	55,231	55,934
Proceeds from sales and maturities of investments	3,849,010	3,583,260
Purchases of investments	(3,804,124)	(3,704,732)
Net (increase) decrease in cash equivalents from noncurrent investments	(50,795)	209,804
Net increase (decrease) in deposits of affiliates and others	14,678	(3,002)
Net Cash Provided by Investing Activities	64,000	141,264
Cash Flows From Capital and Related Financing Activities		
Private gifts and other receipts	93,820	58,056
State capital appropriations		100
Proceeds from issuance of capital debt	500,053	326,730
Principal payments on capital debt	(489,259)	(189,366)
Interest payments on capital debt, net of capitalized interest	(54,792)	(47,895)
Federal subsidies for Build America Bonds interest	8,258	8,258
Payments for bond refunding and related costs	(1,500)	(650)
Purchases of capital assets, including capitalized interest	(520,926)	(592,357)
Proceeds from sales of capital assets	1,055	890
Net Cash Used in Capital and Related Financing Activities	(463,291)	(436,234)
Cash Flows From Noncapital Financing Activities		
State educational appropriations	314,405	317,454
Federal Pell grants	43,247	45,288
Private gifts and other receipts	207,982	177,698
Student direct lending receipts	345,412	371,963
Student direct lending disbursements	(346,634)	(372,703)
Amounts received for annuity and life income funds	8,828	4,886
Amounts paid to annuitants and life beneficiaries and related expenses	(7,038)	(6,849)
Net Cash Provided by Noncapital Financing Activities	566,202	537,737
Net decrease in cash and cash equivalents	(137,363)	(77,844)
Cash and Cash Equivalents, Beginning of Year	238,690	316,534
Cash and Cash Equivalents, End of Year	\$ 101,327	\$ 238,690

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

THE UNIVERSITY OF MICHIGAN

Consolidated Statement of Cash Flows--Continued

	Year Ended June 30,	
	2013	2012
	(in thousands)	
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (803,733)	\$ (803,491)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	476,898	443,132
Changes in assets and liabilities:		
Accounts receivable, net	(74,109)	(48,579)
Prepaid expenses and other assets	9,919	(7,199)
Accounts payable	32,969	36,526
Accrued compensation and other	5,228	(4,177)
Unearned revenue	13,415	7,165
Insurance and benefits reserves	8,612	21,100
Obligations for postemployment benefits	26,527	34,912
Net cash used in operating activities	\$ (304,274)	\$ (320,611)

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

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements

June 30, 2013 and 2012

Note 1--Organization and Summary of Significant Accounting Policies

Organization and Basis of Presentation: The University of Michigan (the “University”) is a state-supported institution with an enrollment of approximately 61,000 students on its three campuses. The financial statements include the individual schools, colleges and departments, the University of Michigan Hospitals and Health Centers, Michigan Health Corporation (a wholly-owned corporation created to pursue joint venture and managed care initiatives) and Veritas Insurance Corporation (a wholly-owned captive insurance company). While the University is a political subdivision of the state of Michigan, it is not a component unit of the State in accordance with the provisions of Governmental Accounting Standards Board (“GASB”) Statement No. 14, *The Financial Reporting Entity*. The University is classified as a state instrumentality under Internal Revenue Code Section 115, and is also classified as a charitable organization under Internal Revenue Code Section 501(c)(3), and is therefore exempt from federal income taxes. Certain activities of the University may be subject to taxation as unrelated business income under Internal Revenue Code Sections 511 to 514.

The University reports as a special purpose government entity engaged primarily in business type activities, as defined by GASB, on the accrual basis. Business type activities are those that are financed in whole or in part by fees charged to external parties for goods or services.

The financial statements of all controlled organizations are included in the University’s financial statements; affiliated organizations that are not controlled by, and not dependent on the University, such as booster and alumni organizations, are not included.

During 2013, the University adopted GASB Statement No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position*. The adoption of this statement did not have a material impact on the University’s financial statements.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 1--Organization and Summary of Significant Accounting Policies--Continued

Net position is categorized as:

- Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt related to the acquisition, construction or improvement of those assets.
- Restricted:
 - Nonexpendable – Net position subject to externally imposed stipulations that it be maintained permanently. Such net position includes the corpus portion (historical value) of gifts to the University's permanent endowment funds and certain investment earnings stipulated by the donor to be reinvested permanently.
 - Expendable – Net position whose use by the University is subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time. Such net position includes net appreciation of the University's permanent endowment funds that have not been stipulated by the donor to be reinvested permanently.
- Unrestricted: Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management or the Board of Regents. Substantially all unrestricted net position is designated for academic and research programs and initiatives and capital programs.

Summary of Significant Accounting Policies: For purposes of the statement of cash flows, the University considers all highly liquid investments purchased with a maturity of three months or less, to be cash equivalents. Cash equivalents representing assets of the University's endowment, life income and other investments are included in noncurrent investments as these funds are not used for operating purposes.

Investments are reported in four categories in the statement of net position. Investments reported as endowment, life income and other investments are those funds invested in portfolios that are considered by management to be of a long duration. Investments for student loan and capital activities are those funds that are intended to be used for these specific activities. All other investments are reported as investments for operating activities.

Investments in marketable securities are carried at fair value, as established by the major securities markets. Purchases and sales of investments are accounted for on the trade date basis. Investment income is recorded on the accrual basis. Realized and unrealized gains and losses are reported in investment income.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 1--Organization and Summary of Significant Accounting Policies--Continued

Investments in nonmarketable limited partnerships are generally carried at fair value provided by the management of the investment partnerships as of March 31, 2013 and 2012, as adjusted by cash receipts, cash disbursements and securities distributions through June 30, 2013 and 2012, in order to provide an approximation of fair value at June 30. In addition, the carrying amount of these investments is adjusted for June 30 information from management of the investment partnerships when necessary to provide a reasonable estimate of fair value as of June 30, 2013 and 2012. Because these investments are not readily marketable, the estimated value is subject to uncertainty and, therefore, may differ from the value that would have been used had a ready market for the investments existed and such differences could be material.

Derivative instruments, such as financial futures, forward foreign exchange contracts and interest rate swaps held in investment portfolios, are recorded on the contract date and are carried at fair value using listed price quotations or amounts that approximate fair value. To facilitate trading in financial futures, the University is required to post cash or securities to satisfy margin requirements of the exchange where such futures contracts are listed. The University monitors the required amount of cash and securities on deposit for financial futures transactions and withdraws or deposits cash or securities as necessary.

Investments denominated in foreign currencies are translated into U.S. dollar equivalents using year-end spot foreign currency exchange rates. Purchases and sales of investments denominated in foreign currencies and related income are translated at spot exchange rates on the transaction dates.

Accounts receivable are recorded net of a provision for uncollectible accounts receivable. The provision is based on management's judgment of potential uncollectible amounts, which includes such factors as historical experience and type of receivable.

The University receives pledges and bequests of financial support from corporations, foundations and individuals. Revenue is recognized when a pledge representing an unconditional promise to pay is received and all eligibility requirements, including time requirements, have been met. In the absence of such a promise, revenue is recognized when the gift is received. Permanent endowment pledges do not meet eligibility requirements, as defined by GASB, and are not recorded as assets until the related gift is received.

Unconditional promises to give that are expected to be collected in future years are recorded at the present value of the estimated future cash flows. The discounts on these amounts are computed using risk-free interest rates applicable to the years in which the promises are made, commensurate with expected future payments. An allowance for uncollectible pledges receivable is provided based on management's judgment of potential uncollectible amounts and includes such factors as prior collection history, type of gift and nature of fundraising.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 1--Organization and Summary of Significant Accounting Policies--Continued

Capital assets are recorded at cost or, if donated, at appraised value at the date of donation. Depreciation of capital assets is provided on a straight-line basis over the estimated useful lives of the respective assets, which generally range from four to forty years. The University does not capitalize works of art or historical treasures that are held for exhibition, education, research or public service. These collections are neither disposed of for financial gain nor encumbered in any means. Accordingly, such collections are not recognized or capitalized for financial statement purposes.

Unearned revenue consists primarily of cash received from grant and contract sponsors which has not yet been earned under the terms of the agreement. Unearned revenue also includes amounts received in advance of an event, such as student tuition and advance ticket sales related to future fiscal years.

Deposits of affiliates and others represent cash and invested funds held by the University as a result of agency relationships with various groups. Noncurrent deposits of affiliates represent the portion of endowment and similar funds held by the University on behalf of others.

The University holds life income funds for beneficiaries of the pooled income fund, charitable remainder trusts and the gift annuity program. These funds generally pay lifetime income to beneficiaries, after which the principal is made available to the University in accordance with donor intentions. All life income fund assets, including those held in trust, are recorded at fair value. The present value of estimated future payments due to life income beneficiaries is recorded as a liability.

For donor restricted endowments, the Uniform Prudent Management of Institutional Funds Act, as adopted in Michigan, permits the Board of Regents to appropriate amounts for endowment spending rule distributions as is considered prudent. The University's policy is to retain net realized and unrealized appreciation with the endowment after spending rule distributions. Net appreciation of permanent endowment funds, which totaled \$1,339,000,000 and \$1,193,000,000 at June 30, 2013 and 2012, respectively, is recorded in restricted expendable net position. The University's endowment spending rule is further discussed in Note 2.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 1--Organization and Summary of Significant Accounting Policies--Continued

Student tuition and residence fees are presented net of scholarships and fellowships applied to student accounts, while stipends and other payments made directly to students are presented as scholarship and fellowship expenses.

Patient care revenues are reported net of contractual allowances and bad debt expenses. Contractual allowances are established based on agreements with third-party payers that provide payments for patient care services at amounts different from established rates. Patient care services are primarily provided through the University of Michigan Health System, which includes the Hospitals and Health Centers, the Faculty Group Practice of the University of Michigan Medical School and the Michigan Health Corporation. Patient care services are also provided through University Health Services, which provides health care services to students, faculty and staff and Dental Faculty Associates, which provides dental care services performed by faculty dentists.

Patient care services are provided to patients who meet certain criteria under the Hospitals and Health Centers' charity care policy without charge or at amounts less than its established rates. Accordingly, charity care is not reported as revenue in the accompanying statement of revenues, expenses and changes in net position. Charges forgone for charity care services totaled \$54,803,000 and \$34,811,000 in 2013 and 2012, respectively.

Other auxiliary enterprise revenues primarily represent revenues generated by intercollegiate athletics, parking, student unions, university press and student publications.

The University's policy for defining operating activities as reported on the statement of revenues, expenses and changes in net position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Nearly all of the University's expenses are from exchange transactions. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues, as defined by GASB, including state appropriations, federal Pell grants, gifts and investment income.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates. The most significant areas that require management estimates relate to self-insurance and benefits obligations.

Reclassifications: Certain prior year amounts have been reclassified to conform with current year presentations.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments

Summary: The University maintains centralized management for substantially all of its cash and investments.

Working capital of individual university units is invested in the University Investment Pool ("UIP"). Together with the University's short-term insurance and other benefits reserves, the UIP is invested in the Daily and Monthly Portfolios, which are principally invested in investment-grade money market securities, U.S. government and other fixed income securities and absolute return strategies.

The University collectively invests substantially all of the assets of its endowment funds along with a portion of its insurance and benefits reserves, charitable remainder trusts and gift annuity program in the Long Term Portfolio. The longer investment horizon of the Long Term Portfolio allows for an equity-oriented strategy to achieve higher expected returns over time, and permits the use of less liquid alternative investments, providing for equity diversification beyond the stock markets. The Long Term Portfolio includes investments in domestic and non-U.S. stocks and bonds, commingled funds and limited partnerships consisting of venture capital, private equity, real estate, natural resources and absolute return strategies.

The University also separately invests certain insurance reserves, endowments and charitable remainder trusts, unexpended bond proceeds and other funds with investment restrictions outside of the Daily, Monthly and Long Term Portfolios.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments--Continued

Authorizations: The University's investment policies are governed and authorized by University Bylaws and the Board of Regents. The approved asset allocation policy for the Long Term Portfolio sets a general target of 80 percent equities and 20 percent fixed income securities, within a permitted range of 65 to 90 percent for equities and 10 to 35 percent for fixed income securities. Since diversification is a fundamental risk management strategy, the Long Term Portfolio is broadly diversified within these general categories.

The endowment spending rule provides for distributions from the University Endowment Fund to the University entities that benefit from the endowment fund. Commencing with the quarter ending September 30, 2010, the annual distribution rate began to be reduced from 5 percent of the one-quarter lagged seven year moving average fair value of fund shares to 4.5 percent. Distributions are being managed toward the new rate by keeping quarter to quarter distributions per share unchanged and moving toward the 4.5 percent rate when increases in the value of fund shares would otherwise result in higher per share distributions. To protect endowment principal in the event of a prolonged market downturn, distributions are limited to 5.3 percent of the current fair value of fund shares. Distributions are also made from the UIP to University entities based on the 90-day U.S. Treasury Bill rate. The University's costs to administer and grow the University Endowment Fund and UIP are funded by investment returns.

Cash and Cash Equivalents: Cash and cash equivalents, which totaled \$101,327,000 and \$238,690,000 at June 30, 2013 and 2012, respectively, represent short-term money market investments in mutual funds, overnight collective funds managed by the University's custodian or short-term highly liquid investments registered as securities and held by the University or its agents in the University's name. Of its cash and cash equivalents, the University had actual cash balances in its bank accounts in excess of Federal Deposit Insurance Corporation ("FDIC") limits in the amount of \$13,026,000 and \$92,000 at June 30, 2013 and 2012, respectively. Under FDIC rules implemented during 2011, the University's noninterest-bearing transaction accounts had temporarily unlimited insurance coverage through December 31, 2012. Effective January 1, 2013, the FDIC reduced its coverage to \$250,000 per insured depository institution. The University does not require its deposits to be collateralized or insured.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments--Continued

Investments: At June 30, 2013 and 2012, the University's investments, which are held by the University or its agents in the University's name, are summarized as follows:

	2013	2012
	(in thousands)	
Cash equivalents, noncurrent	\$ 88,641	\$ 37,846
Fixed income securities	2,034,823	1,640,239
Commingled funds	1,864,955	1,630,173
Equity securities	910,308	783,792
Nonmarketable alternative investments	5,019,809	5,029,814
Other investments	6,151	8,818
	<u>\$ 9,924,687</u>	<u>\$ 9,130,682</u>

The University's investment strategy, like that of most other institutions, incorporates certain financial instruments that involve, to varying degrees, elements of market risk and credit risk in excess of amounts recorded in the financial statements. Market risk is the potential for changes in the value of financial instruments due to market changes, including interest and foreign exchange rate movements and fluctuations embodied in forwards, futures and commodity or security prices. Market risk is directly impacted by the volatility and liquidity of the markets in which the underlying assets are traded. Credit risk is the possibility that a loss may occur due to the failure of a counterparty to perform according to the terms of the contract. The University's risk of loss in the event of a counterparty default is typically limited to the amounts recognized in the statement of net position and is not represented by the contract or notional amounts of the instruments.

Fixed income securities have inherent financial risks, including credit risk and interest rate risk. Credit risk for fixed income securities is the risk that the issuer will not fulfill its obligations. Nationally recognized statistical rating organizations ("NSROs"), such as Moody's and Standard & Poor's, assign credit ratings to security issues and issuers that indicate a measure of potential credit risk to investors. Fixed income securities considered investment grade are those rated at least Baa by Moody's and BBB by Standard & Poor's. To manage credit risk, the University specifies minimum average and minimum absolute quality NSRO ratings for securities held pursuant to its management agreements.

The University minimizes concentration of credit risk, the risk of a large loss attributed to the magnitude of the investment in a single issuer of fixed income securities, by diversifying its fixed income issues and issuers and holding U.S. Treasury securities which are considered to have minimal credit risk. The University also manages this risk at the account level by limiting each fixed income manager's holding of any non-U.S. government issuer to 5 percent of the value of the investment account.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments--Continued

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of fixed income securities. Effective duration, a commonly used measure of interest rate risk, incorporates a security's yield, coupon, final maturity, call features and other imbedded options into one number expressed in years that indicates how price-sensitive a security or portfolio of securities is to changes in interest rates. The effective duration of a security or portfolio indicates the approximate percentage change in fair value expected for a one percent change in interest rates. The longer the duration, the more sensitive the security or portfolio is to changes in interest rates. The weighted average effective duration of the University's fixed income securities was 4.5 years at June 30, 2013, compared to 5.6 years at June 30, 2012. The University manages the effective duration of its fixed income securities at the account level, where fixed income managers generally may not deviate from the duration of their respective benchmarks by more than 25 percent.

The composition of fixed income securities at June 30, 2013 and 2012, along with credit quality and effective duration measures, is summarized as follows:

2013						
	U.S. Government	Investment Grade	Non- Investment Grade (in thousands)	Not Rated	Total	Duration (in years)
U.S. Treasury	\$ 532,978				\$ 532,978	2.7
U.S. Treasury inflation protected	319,351				319,351	2.9
U.S. government agency	378,079	\$ 2,884			380,963	0.5
Mortgage backed		33,459	\$ 20,331	\$ 1,365	55,155	1.7
Asset backed		21,354	2,184		23,538	4.9
Corporate and other		653,778	58,152	10,908	722,838	8.8
	\$ 1,230,408	\$ 711,475	\$ 80,667	\$ 12,273	\$ 2,034,823	4.5

2012						
	U.S. Government	Investment Grade	Non- Investment Grade (in thousands)	Not Rated	Total	Duration (in years)
U.S. Treasury	\$ 251,671				\$ 251,671	4.7
U.S. Treasury inflation protected	351,700				351,700	4.6
U.S. government agency	218,340				218,340	0.6
Mortgage backed		\$ 27,593	\$ 19,322	\$ 1,999	48,914	0.4
Asset backed		31,680	2,091		33,771	2.3
Corporate and other		717,245	11,462	7,136	735,843	8.4
	\$ 821,711	\$ 776,518	\$ 32,875	\$ 9,135	\$ 1,640,239	5.6

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments--Continued

Of the University's fixed income securities, 95 percent and 97 percent were rated investment grade or better at June 30, 2013 and 2012, and 64 percent and 55 percent of these securities consisted of either U.S. treasury and government agencies or non-U.S. government securities rated AAA/Aaa at June 30, 2013 and 2012, respectively.

Commingled (pooled) funds include Securities and Exchange Commission regulated mutual funds and externally managed funds, limited partnerships and corporate structures which are generally unrated and unregulated. Certain commingled funds may use derivatives, short positions and leverage as part of their investment strategy. These investments are structured to limit the University's risk exposure to the amount of invested capital. The composition of commingled funds at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Absolute return	\$ 795,019	\$ 772,830
U.S. equities	265,073	225,631
Non-U.S./global equities	746,108	590,330
U.S. fixed income	51,007	33,714
Other	7,748	7,668
	<u>\$ 1,864,955</u>	<u>\$ 1,630,173</u>

Commingled funds have liquidity (redemption) provisions, which enable the University to make full or partial withdrawals with notice, subject to restrictions on the timing and amount. Of the University's commingled funds at June 30, 2013 and 2012, approximately 72 percent and 71 percent are redeemable within one year, with 50 and 48 percent redeemable within 90 days under normal market conditions. The remaining amounts are redeemable beyond one year, with redemption of certain funds dependent on disposition of the underlying assets.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments--Continued

Nonmarketable alternative investments consist of limited partnerships and similar vehicles involving an advance commitment of capital called by the general partner as needed and distributions of capital and return on invested capital as underlying strategies are concluded during the life of the partnership. There is no active secondary market for these alternative investments, which are generally unrated and unregulated, and the liquidity of these investments is dependent on actions taken by the general partner. The composition of these partnerships at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Private equity	\$ 1,293,353	\$ 1,295,654
Real estate	1,281,143	1,176,080
Venture capital	948,372	959,906
Absolute return	766,836	797,173
Natural resources	730,105	801,001
	<u>\$ 5,019,809</u>	<u>\$ 5,029,814</u>

The University's limited partnership investments are diversified in terms of manager selection and industry and geographic focus. At June 30, 2013 and 2012, no individual partnership investment represented 5 percent or more of total investments. The University's committed but unpaid obligation to these limited partnerships is further discussed in Note 13.

Absolute return strategies in the commingled funds and nonmarketable alternative investments classifications include long/short stock programs, merger arbitrage, intra-capital structure arbitrage and distressed debt investments. The goal of absolute return strategies is to provide, in aggregate, a return that is consistently positive and uncorrelated with the overall market.

The University participates in non-U.S. developed and emerging markets through commingled funds invested in non-U.S./global equities and absolute return strategies. Although substantially all of these funds are reported in U.S. dollars, price changes of the underlying securities in local markets as well as changes to the value of local currencies relative to the U.S. dollar are embedded in investment returns. In addition, a portion of the University's equity securities and nonmarketable alternative investments are denominated in foreign currencies, which must be settled in local (non-U.S.) currencies. Forward foreign currency contracts are typically used to manage the risks related to fluctuations in currency exchange rates between the time of purchase or sale and the actual settlement of foreign securities. Various investment managers acting for the University also use forward foreign exchange contracts in risk-based transactions to carry out their portfolio strategies, which may result in short exposure to certain foreign currencies.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments--Continued

Foreign exchange risk is the risk that investments denominated in foreign currencies may lose value due to adverse fluctuations in the value of the U.S. dollar relative to foreign currencies. The value of the University's non-U.S. dollar holdings net of outstanding forward foreign exchange contracts totaled \$959,154,000, or 10 percent of total investments at June 30, 2013, and \$993,456,000, or 11 percent of total investments at June 30, 2012. Non-U.S. dollar exposures are summarized as follows:

	2013	2012
	(in thousands)	
Euros	\$ 745,144	\$ 554,088
British pounds sterling	195,440	152,504
Canadian dollar	45,391	79,117
Japanese yen	60,882	51,082
Other	(87,703)	156,665
	<u>\$ 959,154</u>	<u>\$ 993,456</u>

The University manages foreign exchange risk through the use of forward foreign currency contracts and manager agreements that provide minimum diversification and maximum exposure limits by country and currency.

The Monthly Portfolio held positions in bond futures at June 30, 2013, while the Daily and Monthly Portfolios held positions in bond futures at June 30, 2012. Bond futures are used to adjust the duration of cash equivalents and the fixed income portion of the portfolios. During 2013, the University removed the bond futures overlay in the Daily Portfolio to shorten its duration.

The Long Term Portfolio and the Monthly Portfolio participate in a short-term, fully collateralized, securities lending program administered by the University's master custodian. Together, the Portfolios had \$41,443,000 and \$51,987,000 in securities loans outstanding at June 30, 2013 and 2012, respectively. At loan inception, an approved borrower must deliver collateral of cash, securities or letters of credit to the University's lending agent equal to 102 percent of fair value for domestic securities and 105 percent for foreign securities. Collateral positions are monitored daily to insure that borrowed securities are never less than 100 percent collateralized. At June 30, 2013, collateral of \$43,000,000 (104 percent of securities on loan) includes invested cash of \$40,975,000 and U.S. government securities of \$2,025,000, while at June 30, 2012, collateral of \$54,300,000 (104 percent of securities on loan) consisted entirely of invested cash.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 2--Cash and Investments--Continued

Cash collateral held by the University's lending agent, along with the offsetting liability to return the collateral at loan termination, are recorded in the statement of net position. Neither the University nor its securities lending agent has the ability to pledge or sell securities received as collateral unless a borrower defaults. Securities loans may be terminated upon notice by either the University or the borrower.

Note 3--Accounts Receivable

The composition of accounts receivable at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Patient care	\$ 608,538	\$ 529,079
Sponsored programs	96,099	84,303
State educational appropriations	57,440	55,924
Student accounts	24,145	23,482
Other	43,083	36,750
	829,305	729,538
Less provision for uncollectible accounts receivable	254,495	234,751
	<u>\$ 574,810</u>	<u>\$ 494,787</u>

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 4--Notes and Pledges Receivable

The composition of notes and pledges receivable at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Notes:		
Federal student loan programs	\$ 85,793	\$ 87,628
University student loan funds	18,829	19,916
Other	488	537
	105,110	108,081
Less allowance for doubtfully collectible notes	3,100	3,100
Total notes receivable, net	102,010	104,981
Gift pledges:		
Capital	124,088	91,054
Operations	108,257	73,896
	232,345	164,950
Less:		
Allowance for doubtfully collectible pledges	6,455	11,303
Unamortized discount to present value	2,270	2,383
Total pledges receivable, net	223,620	151,264
Total notes and pledges receivable, net	325,630	256,245
Less current portion	118,648	59,553
	<u>\$ 206,982</u>	<u>\$ 196,692</u>

The principal repayment and interest rate terms of federal and university loans vary considerably. The allowance for doubtfully collectible notes only applies to University funded notes and the University portion of federal student loans, as the University is not obligated to fund the federal portion of uncollected student loans. Federal loan programs are funded principally with federal advances to the University under the Perkins and various health professions loan programs.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 4--Notes and Pledges Receivable--Continued

Payments on pledges receivable at June 30, 2013 are expected to be received in the following years ended June 30 (in thousands):

2014	\$ 104,405
2015	40,275
2016	24,071
2017	17,069
2018	13,619
2019 and after	32,906
	<hr/>
	\$ 232,345
	<hr/>

As discussed in Note 1, permanent endowment pledges do not meet eligibility requirements, as defined by GASB, until the related gift is received. Accordingly, permanent endowment pledges totaling approximately \$48,080,000 and \$57,642,000 at June 30, 2013 and 2012, respectively, are not recognized as assets in the accompanying financial statements. In addition, bequest intentions and other conditional promises are not recognized as assets until the specified conditions are met because of uncertainties with regard to their realizability and valuation.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 5--Capital Assets

Capital assets activity for the years ended June 30, 2013 and 2012 is summarized as follows:

2013				
	Beginning Balance	Additions	Retirements	Ending Balance
	(in thousands)			
Land	\$ 94,743	\$ 6,171		\$ 100,914
Land improvements	111,806	5,238	\$ 4,743	112,301
Infrastructure	223,292	8,566		231,858
Buildings	6,775,245	245,338	121,688	6,898,895
Construction in progress	226,816	101,602		328,418
Property held for future use	47,073	(16,294)		30,779
Equipment	1,692,537	145,460	98,162	1,739,835
Library materials	495,702	23,020		518,722
	9,667,214	519,101	224,593	9,961,722
Less accumulated depreciation	4,329,550	476,898	214,126	4,592,322
	<u>\$ 5,337,664</u>	<u>\$ 42,203</u>	<u>\$ 10,467</u>	<u>\$ 5,369,400</u>

2012				
	Beginning Balance	Additions	Retirements	Ending Balance
	(in thousands)			
Land	\$ 94,365	\$ 378		\$ 94,743
Land improvements	106,849	5,065	\$ 108	111,806
Infrastructure	217,591	5,701		223,292
Buildings	6,021,971	850,314	97,040	6,775,245
Construction in progress	824,907	(598,091)		226,816
Property held for future use	53,823	(6,750)		47,073
Equipment	1,628,714	312,096	248,273	1,692,537
Library materials	473,414	22,288		495,702
	9,421,634	591,001	345,421	9,667,214
Less accumulated depreciation	4,228,461	443,132	342,043	4,329,550
	<u>\$ 5,193,173</u>	<u>\$ 147,869</u>	<u>\$ 3,378</u>	<u>\$ 5,337,664</u>

The increase in construction in progress of \$101,602,000 in 2013 represents the amount of capital expenditures for new projects of \$441,873,000 net of assets placed in service of \$340,271,000. The decrease in construction in progress of \$598,091,000 in 2012 represents the amount of capital expenditures for new projects of \$498,442,000 net of assets placed in service of \$1,096,533,000. Interest of \$1,504,000 and \$6,073,000 was capitalized in 2013 and 2012, respectively.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 6--Long-term Debt

Long-term debt at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Commercial Paper:		
Tax-exempt, variable rate (.14%)*	\$ 44,395	\$ 57,575
Taxable, variable rate (.14%)*	10,945	5,370
General Revenue Bonds:		
Series 2013A, 2.00% to 5.00% through 2029	53,510	
unamortized premium	2,861	
Series 2012A, variable rate (.05%)* through 2036	50,000	50,000
Series 2012B, variable rate (.02%)* through 2042	65,000	65,000
Series 2012C, 2.00% to 5.00% through 2017	83,920	89,605
unamortized premium	11,426	13,802
Series 2012D-1, variable rate (.01%)* to fixed via swap through 2025	75,745	
deferred amount on refunding	(18,796)	
Series 2012D-2, variable rate (.04%)* to fixed via swap through 2026		
and variable rate 2027 through 2030	82,645	
deferred amount on refunding	(7,539)	
Series 2012E**, variable rate (.26%)* through 2033	95,029	
Series 2012F**, variable rate (.46%)* through 2043	100,970	
Series 2010A, taxable-Build America Bonds, 4.926% to 5.593% through 2040	163,110	163,110
Series 2010C, 2.00% to 5.00% through 2027	171,440	178,820
unamortized premium	12,748	14,363
Series 2010D, taxable-Build America Bonds, 1.051% to 5.333% through 2041	204,655	212,345
Series 2009A, 2.50% to 5.00% through 2029	79,305	86,680
Series 2009B, variable rate (.13%)* through 2039	118,710	118,710
unamortized premium	6,273	6,724
Series 2009D, taxable-Build America Bonds, 5.155% to 6.172% through 2030	89,815	89,815
Series 2008A, variable rate (.05%)* through 2038	105,810	105,810
Series 2008B, variable rate (.05%)* to fixed via swap through 2026		
and variable rate 2027 through 2028	101,240	106,665
Series 2005A, 5.00% through 2018	12,830	17,560
unamortized premium	426	704
unamortized loss on extinguishment	(37)	(72)
Series 2002, variable rate (.05%)* to fixed via swap through 2018		
and variable rate 2019 through 2032	89,080	95,035
General Revenue Refunding Bonds:		
Series 2003, 3.50% to 5.00% through 2015	1,365	6,745
unamortized premium	23	118
unamortized loss on extinguishment	(2)	(18)
Hospital Revenue Bonds:		
Series 2007A, variable rate		26,195
Series 2007B, variable rate		44,310
Series 2005A, variable rate		69,315
Series 2005B, variable rate		61,900
Hospital Revenue Refunding Bonds:		
Series 2002A, fixed rate		35,015
unamortized premium		213
unamortized loss on extinguishment		(1,251)
Series 1998A-2, variable rate		44,670
Medical Service Plan Revenue Bonds, Series 1995A, variable rate		26,200
Medical Service Plan Revenue Refunding Bonds, Series 1998A-1, variable rate		33,595
Housing Energy Conservation HUD Loan, fixed rate		1,636
	1,806,902	1,826,264
Less:		
Commercial paper and current portion of bonds payable	117,907	135,193
Long-term bonds payable subject to remarketing, net	267,060	482,202
	\$ 1,421,935	\$ 1,208,869

* Denotes variable rate at June 30, 2013

** Denotes variable rate bonds not subject to remarketing

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 6--Long-term Debt--Continued

Certain variable rate bonds have remarketing features which allow bondholders to put debt back to the University. Accordingly, variable rate bonds payable with such remarketing features are classified as current unless supported by long-term liquidity agreements, such as lines of credit or standby bond purchase agreements, which can refinance the debt on a long-term basis. The classification of the University's variable rate bonds payable at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Variable rate bonds payable subject to remarketing	\$ 688,230	\$ 847,405
Less:		
Current principal maturities	18,405	17,635
Long-term liquidity agreements:		
Unsecured line of credit	150,000	150,000
Standby bond purchase agreements	252,765	197,568
Long-term bonds payable subject to remarketing, net	<u>\$ 267,060</u>	<u>\$ 482,202</u>

The University's available line of credit and standby bond purchase agreements were entirely unused at June 30, 2013.

In connection with certain issues of variable rate debt, the University has entered into various floating-to-fixed interest rate swaps to convert all or a portion of the associated variable rate debt to synthetic fixed rates to protect against the potential of rising interest rates. The fair value, significant terms and other information about the University's interest rate swaps is discussed in Note 7.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 6--Long-term Debt--Continued

Long-term debt activity and the type of revenue it is supported by for the year ended June 30, 2013 is summarized as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
		(in thousands)		
Commercial Paper:				
General revenues	\$ 62,945	\$ 88,257	\$ 95,862	\$ 55,340
Bonds and Notes:				
General revenues	1,421,521	411,796	81,755	1,751,562
Hospital revenues	280,367		280,367	-
Faculty Group Practice revenues	59,795		59,795	-
Student residences revenues	1,636		1,636	-
	<u>\$ 1,826,264</u>	<u>\$ 500,053</u>	<u>\$ 519,415</u>	<u>\$ 1,806,902</u>

The University maintains a combination of variable and fixed rate debt, with effective interest rates that averaged approximately 2.2 percent and 2.3 percent in 2013 and 2012, respectively, including the amortization of bond premiums and discounts and net of federal subsidies for interest on taxable Build America Bonds. The University utilizes commercial paper to provide interim financing for its capital improvement program. The Board of Regents has authorized the issuance of up to \$150,000,000 in commercial paper backed by a general revenue pledge. Outstanding commercial paper debt is converted to long-term debt financing, as appropriate, within the normal course of business.

During 2013, the University issued \$408,840,000 of General Revenue Bonds with a net original issue premium of \$2,956,000. Total bond proceeds of \$411,796,000 were utilized to convert \$22,865,000 of commercial paper to long-term debt, refund \$266,275,000 of Hospital Revenue Bonds and \$57,125,000 of Medical Service Plan Revenue Bonds, and provide \$64,031,000 for capital projects and \$1,500,000 for debt issuance costs. General Revenue Bonds issued in 2013 include \$355,330,000 of variable rate bonds (Series 2012D-1, 2012D-2, 2012E, and 2012F) and \$53,510,000 of fixed rate bonds (Series 2013A).

During 2012, the University issued \$204,605,000 of General Revenue Bonds with a net original issue premium of \$14,595,000. Total bond proceeds of \$219,200,000 were utilized to convert \$119,310,000 of commercial paper to long-term debt and provide \$99,240,000 for capital projects and \$650,000 for debt issuance costs. General Revenue Bonds issued in 2012 include \$115,000,000 of variable rate bonds (Series 2012A and Series 2012B) and \$89,605,000 of fixed rate bonds (Series 2012C).

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 6--Long-term Debt--Continued

Debt obligations are generally callable by the University and mature at various dates through fiscal 2043. Principal maturities and interest on debt obligations, based on scheduled bond maturities, for the next five years and in subsequent five-year periods are as follows:

	Principal	Interest*	Total
	(in thousands)		
2014	\$ 111,674	\$ 42,160	\$ 153,834
2015	58,520	40,846	99,366
2016	54,655	39,469	94,124
2017	119,230	38,029	157,259
2018	51,815	33,445	85,260
2019-2023	282,345	146,659	429,004
2024-2028	338,895	107,589	446,484
2029-2033	313,195	58,516	371,711
2034-2038	340,295	32,128	372,423
2039-2043	128,895	5,767	134,662
	1,799,519	\$ 544,608	\$ 2,344,127
Plus unamortized premiums, net	33,718		
Less deferred amount on refunding	26,335		
	<u>\$ 1,806,902</u>		

* Interest on variable rate debt is estimated based on rates in effect at June 30, 2013; amounts do not reflect federal subsidies to be received for Build America Bonds interest

If all variable rate bonds were put back to the University and existing unsecured lines of credit and standby bond purchase agreements were not extended upon their current expiration dates, the total principal payments due in 2014 would increase to \$378,734,000, total principal payments due in 2015 would increase to \$401,440,000, total principal payments due in 2016 would increase to \$226,420,000 and total principal payments due in 2017 would increase to \$143,510,000. Accordingly, principal payments due in subsequent years would be reduced to \$29,720,000 in 2018; \$146,605,000 in 2019 through 2023; \$220,960,000 in 2024 through 2028; \$104,735,000 in 2029 through 2033; \$92,925,000 in 2034 through 2038; and \$54,470,000 in 2039 through 2043. There would not be a significant impact on annual interest payments due to the low variable rate of interest on these bonds.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 7--Derivative Instruments

Derivatives held by the University are recorded at fair value in the statement of net position in accordance with GASB Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*. For hedging derivative instruments that are effective in significantly reducing an identified financial risk, as defined by the Statement, the corresponding change in fair value is deferred and included in the statement of net position. For all other derivative instruments, changes in fair value are reported as net investment income (loss).

Derivative instruments held by the University at June 30, 2013 and 2012 are summarized as follows:

	2013		2012	
	Notional Amount	Fair Value	Notional Amount	Fair Value
	(in thousands)			
Investment Derivative Instruments:				
Investment portfolios:				
Futures	\$ 11,176	\$ (224)	\$ 352,820	\$ 186
Foreign currency forwards	862,093	(5,411)	557,644	(4,844)
Other	79,430	(2,537)	87,019	314
	\$ 952,699	\$ (8,172)	\$ 997,483	\$ (4,344)
Floating-to-fixed interest rate swap on debt	\$ 34,450	\$ (2,069)	\$ 40,405	\$ (3,600)
Effective Cash Flow Hedges:				
Floating-to-fixed interest rate swaps on debt	\$ 218,435	\$ (32,066)	\$ 230,115	\$ (44,869)

The University utilizes bond futures in its investment portfolios to adjust the duration of cash equivalents and fixed income securities, while foreign currency forward contracts are utilized to settle securities and transactions denominated in foreign (non-US dollar) currencies and manage foreign exchange risk. Other derivative instruments in the University's investment portfolios consist primarily of interest rate swaps, credit default swaps, and total return swaps used to carry out investment and portfolio strategies.

In connection with certain issues of variable rate debt, the University has entered into various floating-to-fixed interest rate swaps to convert all or a portion of the associated variable rate debt to synthetic fixed rates to protect against the potential of rising interest rates. The fair value generally represents the estimated amount that the University would pay to terminate the swap agreements at the statement of net position date, taking into account current interest rates and creditworthiness of the underlying counterparty. The notional amount represents the underlying reference of the instrument and does not represent the amount of the University's settlement obligations.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 7--Derivative Instruments--Continued

In accordance with GASB Statement No. 53, an interest rate swap is considered an effective cash flow hedge if the swap payments received substantially offset the payments made on the associated debt and changes in fair value are deferred. An interest rate swap that is not considered an effective cash flow hedge, in accordance with the provisions of this Statement, is deemed to be an investment derivative instrument and changes in fair value are recorded as net investment income (loss).

At June 30, 2013 and 2012, the fair value of floating-to-fixed interest rate swaps associated with the University's variable rate debt is a liability of \$34,135,000 and \$48,469,000, respectively, and is included in the statement of net position as part of noncurrent other liabilities. The majority of the University's interest rate swaps qualify as effective hedges as defined by GASB Statement No. 53. The corresponding deferred outflow of resources for the fair value of swaps deemed effective cash flow hedges totaled \$5,731,000 and \$44,869,000, at June 30, 2013 and 2012, respectively, and is included in the statement of net position as part of noncurrent other assets. Three bond issues were refunded in 2013 and the deferred outflow of resources related to the effective cash flow hedges associated with these bonds was reclassified to deferred amount on refunding and net against bonds payable. The deferred amount on refunding is being amortized into interest expense over the remaining term of the refunding bonds and totaled \$26,335,000 at June 30, 2013.

The change in fair value of derivative instruments, which includes realized gains and losses on positions closed, for the years ended June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Investment Derivative Instruments:		
Investment portfolios:		
Futures	\$ 947	\$ 18,998
Foreign currency forwards	21,305	(1,198)
Other	(5,133)	(1,679)
	<u>\$ 17,119</u>	<u>\$ 16,121</u>
Floating-to-fixed interest rate swap on debt	<u>\$ 1,531</u>	<u>\$ (1,132)</u>
Effective Cash Flow Hedges:		
Floating-to-fixed interest rate swaps on debt	<u>\$ 12,803</u>	<u>\$ (16,257)</u>

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 7--Derivative Instruments--Continued

The University's interest rate swaps, along with their associated variable rate debt and significant terms, are summarized below.

The floating-to-fixed interest rate swap associated with the Series 2008B General Revenue Bonds has a notional amount of \$84,525,000 and \$89,950,000 at June 30, 2013 and 2012, respectively, covering a portion of the principal outstanding and the notional amount decreases as principal on the underlying bonds is repaid. Effective from April 1, 2008, the University makes payments based on a fixed rate of 3.105 percent and receives variable rate payments from the swap counterparty based on 68 percent of One-Month USD LIBOR, until the swap terminates in April 2026. The University has the option to terminate the swap upon five business day written notice and payment of the fair market compensation for the value of the swap. This swap is considered an effective hedge at June 30, 2013 and 2012 and has a fair value of (\$9,075,000) and (\$13,610,000), respectively.

The floating-to-fixed interest rate swap associated with the Series 2005B Hospital Revenue Bonds has the notional amount of \$58,315,000 and \$61,900,000 at June 30, 2013 and 2012, respectively. The Series 2005B Hospital Revenue Bonds were refunded on February 1, 2013, and the swap is now associated with the Series 2012D-2 General Revenue Bonds. Effective from December 1, 2005, the University makes payments based on a fixed rate of 3.229 percent and receives variable rate payments from the swap counterparty based on 68 percent of the One-Month USD LIBOR, until the bonds mature in December 2025. The University has the option to terminate the swap upon five business day written notice and payment of the fair market compensation for the value of the swap. This swap is considered an effective hedge at June 30, 2013 and 2012 and has a fair value of (\$6,414,000) and (\$9,365,000), respectively.

The floating-to-fixed interest rate swap associated with the Series 2002 General Revenue Bonds has a notional amount of \$34,450,000 and \$40,405,000 at June 30, 2013 and 2012, respectively, covering a portion of the principal outstanding and the notional amount decreases as principal on the underlying bonds is repaid. Effective from June 1, 2007, the University makes payments based on a fixed rate of 3.5375 percent and receives variable rate payments from the swap counterparty based on 68 percent of One-Month USD LIBOR, through April 1, 2009, and 63 percent of the Five-Year USD LIBOR Swap Rate for the balance of the term, through April 2018. The University has the option to terminate the swap upon five business day written notice and payment of the fair market compensation for the value of the swap. This swap is not considered an effective hedge at June 30, 2013 and 2012 and has a fair value of (\$2,069,000) and (\$3,600,000), respectively.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 7--Derivative Instruments--Continued

The floating-to-fixed interest rate swap associated with the Series 1998A-2 Hospital Revenue Refunding Bonds has a notional amount of \$44,670,000 at June 30, 2013 and 2012 tied to the outstanding balance of the bonds. The Series 1998A-2 Hospital Revenue Refunding Bonds were refunded on January 4, 2013, and the swap is now associated with the Series 2012D-1 General Revenue Bonds. Effective from May 14, 1998, the University makes payments based on a fixed rate of 4.705 percent and receives variable rate payments from the swap counterparty based on the floating Securities Industry and Financial Markets Association (SIFMA) Municipal Index through the final maturity dates of the underlying bonds in December 2024. The counterparty has the option of terminating the swaps if for any 180-day period the average variable rate is more than 7.0 percent. This swap is considered an effective hedge at June 30, 2013 and 2012 and has a fair value of (\$11,596,000) and (\$15,416,000), respectively.

The floating-to-fixed interest rate swap associated with the Series 1998A-1 Medical Service Plan Revenue Refunding Bonds has a notional amount of \$30,925,000 and \$33,595,000 at June 30, 2013 and 2012, respectively, tied to the outstanding balance of the bonds. The Series 1998A-1 Medical Service Plan Revenue Refunding Bonds were refunded on January 4, 2013, and the swap is now associated with the Series 2012D-1 General Revenue Bonds. Effective from May 14, 1998, the University makes payments based on a fixed rate of 4.685 percent and receives variable rate payments based on the floating SIFMA Municipal Index through the final maturity dates of the underlying bonds in December 2021. The counterparty has the option of terminating the swaps if for any 180-day period the average variable rate is more than 7.0 percent. This swap is considered an effective hedge at June 30, 2013 and 2012 and has a fair value of (\$4,981,000) and (\$6,478,000), respectively.

Using rates in effect at June 30, 2013, the projected cash flows for the floating-to-fixed interest rate swaps deemed effective hedges in accordance with the provisions of GASB Statement No. 53, along with the debt service requirements of the associated variable rate debt, are summarized as follows:

	Variable Rate Bonds		Swap Payments,	Total
	Principal	Interest	Net	Payments
	(in thousands)			
2014	\$ 12,165	\$ 90	\$ 7,681	\$ 19,936
2015	12,675	85	7,258	20,018
2016	13,205	80	6,827	20,112
2017	13,775	75	6,349	20,199
2018	14,020	70	5,880	19,970
2019-2023	84,930	269	21,566	106,765
2024-2028	98,440	110	9,477	108,027
2029-2030	10,420	3		10,423
	\$ 259,630	\$ 782	\$ 65,038	\$ 325,450

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 7--Derivative Instruments--Continued

By using derivative financial instruments to hedge exposures to changes in interest rates, the University is exposed to termination risk and basis risk. There is termination risk with floating-to-fixed interest rate swaps because the University or swap counterparty may terminate a swap if the other party fails to perform under the terms of the contract or its credit rating falls below investment grade. Termination risk is the risk that the associated variable rate debt no longer carries a synthetic fixed rate and if at the time of termination a swap has a negative fair value, the University is liable to the counterparty for payment equal to the swap's fair value. The University is also exposed to basis risk because some of the variable payments paid to the University by the counterparties are based on a percentage of LIBOR. Basis risk is the risk that changes in the relationship between SIFMA and LIBOR may impact the synthetic fixed rate of the variable rate debt. The University is not exposed to credit risk because the swaps have negative fair values.

The University is subject to collateral requirements with its counterparties on certain derivative instrument positions. To meet trading margin requirements for bond futures, the University had cash and U.S. government securities with a fair value of \$611,000 and \$2,389,000 at June 30, 2013 and 2012, respectively, on deposit with the its futures broker as collateral. To meet collateral requirements for a total return swap with a notional amount of \$56,695,000 at June 30, 2013, the University posted cash collateral of \$3,760,000 in May 2013, which is still outstanding at June 30, 2013; collateral is required when the mark-to-market reaches a minimum threshold of \$3,000,000.

For certain floating-to-fixed interest rate swaps, the University was required to post collateral if the fair value of the liability of the swap reaches a minimum threshold. For the swap that was associated with the Series 1998A-1 Medical Service Plan Revenue Refunding Bonds, the University posted collateral of \$1,200,000 during the first half of Fiscal 2013, which was returned in January 2013, and \$1,200,000 for less than 90 days during Fiscal 2012. At June 30, 2013, there are no collateral requirements for interest rate swaps associated with the University's debt.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 8--Self-Insurance

The University is self-insured for medical malpractice, workers' compensation, directors and officers' liability, property damage, auto liability and general liability through Veritas Insurance Corporation, a wholly-owned captive insurance company. The University is also self-insured for various employee benefits through internally maintained funds.

Claims and expenses are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Those losses include an estimate of claims that have been incurred but not reported and the future costs of handling claims. These liabilities are generally based on actuarial valuations and are reported at present value, discounted at a rate of 6 percent.

Changes in the total reported liability for insurance and benefits obligations for the years ended June 30, 2013 and 2012 are summarized as follows:

	2013	2012
	(in thousands)	
Balance, beginning of year	\$ 186,976	\$ 165,876
Claims incurred and changes in estimates	474,310	464,826
Claim payments	(465,698)	(443,726)
Balance, end of year	195,588	186,976
Less current portion	86,173	84,155
	<u>\$ 109,415</u>	<u>\$ 102,821</u>

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 9--Postemployment Benefits

The University provides retiree health and welfare benefits, primarily medical, prescription drug, dental and life insurance coverage, to eligible retirees and their eligible dependents. Substantially all of the approximately 38,000 full-time permanent University employees may become eligible for these benefits if they reach retirement age while working for the University. For employees retiring on or after January 1, 1987, contributions toward health and welfare benefits are shared between the University and the retiree and can vary based on date of hire, date of retirement, age and coverage elections.

The University also provides income replacement benefits, retirement savings contributions and health and life insurance benefits to substantially all permanent University employees that are enrolled in a University sponsored long-term disability plan and qualify, based on disability status while working for the University, to receive basic or expanded long-term disability benefits. Contributions toward the expanded long-term disability plan are shared between the University and employees and vary based on years of service, annual base salary and coverage elections. Contributions toward the basic long-term disability plan are paid entirely by the University.

These postemployment benefits are provided through single-employer plans administered by the University. The Executive Vice Presidents of the University have the authority to establish and amend benefit provisions of the plans.

The University's annual postemployment benefits expense is actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. Projections of benefits are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided and announced future changes at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point.

The University implemented GASB Statement No. 45 in 2008 and elected to amortize its initial unfunded actuarial accrued liability over one year, the minimum period allowed by the Statement. The University also elected to amortize subsequent changes in actuarial assumptions, plan design and experience gains and losses over a ten year closed period. Therefore, the liability for net postemployment benefits obligations recorded in the statement of net position will differ from the actuarial accrued liability by the unamortized portion of these changes. At June 30, 2013, the recorded liability for net postemployment benefits obligations and the actuarial accrued liability totaled \$1,698,091,000 and \$1,340,017,000, respectively.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 9--Postemployment Benefits--Continued

Changes in the total reported liability for postemployment benefits obligations for the years ended June 30, 2013 and 2012 are summarized as follows:

	2013		
	Retiree Health and Welfare	Long-term Disability (in thousands)	Total
Balance, beginning of year	\$ 1,531,220	\$ 140,344	\$ 1,671,564
Service cost	43,330	2,656	45,986
Amortization of assumption changes, plan changes and net actuarial (gains) losses	(71,676)	1,126	(70,550)
Interest cost	93,098	11,059	104,157
Payments of current premiums and claims	(39,688)	(13,378)	(53,066)
Balance, end of year	1,556,284	141,807	1,698,091
Less current portion	44,189	17,069	61,258
	<u>\$ 1,512,095</u>	<u>\$ 124,738</u>	<u>\$ 1,636,833</u>

	2012		
	Retiree Health and Welfare	Long-term Disability (in thousands)	Total
Balance, beginning of year	\$ 1,498,395	\$ 138,257	\$ 1,636,652
Service cost	43,599	3,138	46,737
Amortization of assumption changes, plan changes and actuarial (gains) losses	(62,590)	222	(62,368)
Interest cost	91,102	10,895	101,997
Payments of current premiums and claims	(39,286)	(12,168)	(51,454)
Balance, end of year	1,531,220	140,344	1,671,564
Less current portion	42,402	13,729	56,131
	<u>\$ 1,488,818</u>	<u>\$ 126,615</u>	<u>\$ 1,615,433</u>

Since a portion of retiree medical services will be provided by the University's Health System, the liability for postemployment benefit obligations is net of the related margin and fixed costs of providing those services which totaled \$290,402,000 of actuarial accrued liability at June 30, 2013 and \$262,905,000 at June 30, 2012. In accordance with GASB Statement No. 45, the University's liability for postemployment benefit obligations at June 30, 2013 is not reduced by the anticipated Medicare Retiree Drug Subsidy for future periods of approximately \$170,000,000 on an actuarial accrued liability basis.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 9--Postemployment Benefits--Continued

The annual required contribution represents a level of funding that an employer is projected to need in order to prefund its obligations for postemployment benefits over its employees' years of service and totals \$105,503,000 and \$110,210,000 at June 30, 2013 and 2012, respectively. The University has no obligation to make contributions in advance of when insurance premiums or claims are due for payment and currently pays for postemployment benefits on a pay-as-you-go basis. The University's obligations for postemployment benefits at June 30, 2013, 2012 and 2011 as a percentage of covered payroll of \$2,979,189,000, \$2,826,760,000 and \$2,665,924,000, was 57, 59 and 61 percent, respectively.

The University's liability for postemployment benefits obligations was calculated using the projected unit credit method. Significant actuarial methods and assumptions used in the valuation for years ended June 30, 2013 and 2012 are as follows:

	2013	
	<u>Retiree Health and Welfare</u>	<u>Long-term Disability</u>
Discount Rate	6.08%	7.88%
Immediate/Ultimate Administrative Trend Rate	0.0%/3.0%	0.0%/3.0%
Immediate/Ultimate Medical Trend Rate	6.0%-8.0%/5.0%	6.0%-8.0%/5.0%
Immediate/Ultimate Rx Trend Rate	7.0%/5.0%	7.0%/5.0%
Expected Retirement Age (Faculty/Staff/Union)	66/62/61	Not Applicable
Mortality/Termination Table	RP-2000 Generational	2005 SOA Life Waiver (Modified)
	2012	
	<u>Retiree Health and Welfare</u>	<u>Long-term Disability</u>
Discount Rate	6.08%	7.88%
Immediate/Ultimate Administrative Trend Rate	3.0%/3.0%	3.0%/3.0%
Immediate/Ultimate Medical Trend Rate	6.0%-7.0%/5.0%	6.0%-7.0%/5.0%
Immediate/Ultimate Rx Trend Rate	7.0%/5.0%	7.0%/5.0%
Expected Retirement Age (Faculty/Staff/Union)	66/62/61	Not Applicable
Mortality/Termination Table	RP-2000 Generational	2005 SOA Life Waiver (Modified)

During fiscal 2011, the University announced changes to eligibility requirements for retiree health benefits and the related amount of the University's contributions. To assist current employees with the transition, changes will be phased in gradually over the eight year period January 1, 2013 through January 1, 2021.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 10--Retirement Plan

The University has a defined contribution retirement plan for all qualified employees through the Teachers Insurance and Annuity Association - College Retirement Equities Fund ("TIAA-CREF") and Fidelity Management Trust Company ("FMTC") mutual funds. All regular and supplemental instructional and primary staff are eligible to participate in the plan based upon age and service requirements. Participants maintain individual contracts with TIAA-CREF, or accounts with FMTC, and are fully vested.

Eligible employees generally contribute 5 percent of their pay and the University generally contributes an amount equal to 10 percent of employees' pay to the plan. The University contribution commences after an employee has completed one year of employment. Participants may elect to contribute additional amounts to the plans within specified limits that are not matched by University contributions. Contributions and covered payroll under the plan (excluding participants' additional contributions) for the three years ended June 30, 2013 are summarized as follows:

	2013	2012	2011
		(in thousands)	
University contributions	\$ 234,036	\$ 226,517	\$ 214,905
Employee contributions	\$ 122,094	\$ 117,127	\$ 108,981
Payroll covered under plan	\$ 2,979,189	\$ 2,826,760	\$ 2,665,924
Total payroll	\$ 3,092,257	\$ 2,963,848	\$ 2,802,045

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 11--Net Position

The composition of net position at June 30, 2013 and 2012 is summarized as follows:

	2013	2012
	(in thousands)	
Net investment in capital assets	\$ 3,637,027	\$ 3,597,540
Restricted:		
Nonexpendable:		
Permanent endowment corpus	1,432,191	1,345,859
Expendable:		
Net appreciation of permanent endowments	1,338,629	1,193,281
Funds functioning as endowment	1,748,356	1,597,480
Restricted for operations and other	602,223	492,878
Unrestricted	2,724,703	2,526,159
	<u>\$ 11,483,129</u>	<u>\$ 10,753,197</u>

Unrestricted net position, as defined by GASB, is not subject to externally imposed stipulations; however, they are subject to internal restrictions. For example, unrestricted net position may be designated for specific purposes by action of management or the Board of Regents. At June 30, 2013 and 2012, all of the unrestricted net position has been designated for academic and research programs and initiatives and capital programs.

Note 12--Federal Direct Lending Program

The University distributed \$346,634,000 and \$372,703,000 for the years ending June 30, 2013 and 2012, respectively, for student loans through the U.S. Department of Education ("DoED") federal direct lending program. These distributions and related funding sources are not included as expenses and revenues in the accompanying financial statements. The statement of net position includes a receivable of \$2,586,000 and \$1,364,000 at June 30, 2013 and 2012, respectively, for DoED funding received subsequent to distribution.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 13--Commitments and Contingencies

Authorized expenditures for construction and other projects unexpended as of June 30, 2013 were \$1,173,130,000. Of these expenditures, approximately \$1,131,377,000 will be funded by internal sources, gifts, grants and future borrowings and the remaining \$41,753,000 will be funded using unexpended debt proceeds.

Under the terms of various limited partnership agreements approved by the Board of Regents or by University officers, the University is obligated to make periodic payments for advance commitments to venture capital, private equity, real estate, natural resources and absolute return strategies. As of June 30, 2013, the University had committed, but not paid, a total of \$2,153,349,000 in funding for these alternative investments. Based on historical capital calls and discussions with those managing the limited partnerships, outstanding commitments for such investments are anticipated to be paid in the following years ended June 30 (in thousands):

2014	\$ 755,831
2015	536,200
2016	379,238
2017	193,636
2018	103,801
2019 and beyond	184,643
	<u>\$ 2,153,349</u>

These commitments are generally able to be called prior to an agreed commitment expiration date and therefore may occur earlier or later than estimated.

The University has entered into operating leases for space, which expire at various dates through 2027. Outstanding commitments for these leases are expected to be paid in the following years ended June 30 (in thousands):

2014	\$ 29,481
2015	21,083
2016	11,775
2017	8,806
2018	5,590
2019-2023	19,040
2024-2027	5,541
	<u>\$ 101,316</u>

Operating lease expenses totaled \$34,252,000 and \$32,856,000 in 2013 and 2012, respectively.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 13--Commitments and Contingencies--Continued

Substantial amounts are received and expended by the University under federal and state programs and are subject to audit by cognizant governmental agencies. This funding relates to research, student aid, patient care and other programs. The University believes that any liabilities arising from such audits will not have a material effect on its financial position.

The University is a party to various pending legal actions and other claims in the normal course of business, and is of the opinion that the outcome thereof will not have a material adverse effect on its financial position.

THE UNIVERSITY OF MICHIGAN

Notes to Consolidated Financial Statements--Continued

Note 14--Operating Expenses by Function

Operating expenses by functional classification for the years ended June 30, 2013 and 2012 are summarized as follows:

	2013				
	Compensation and Benefits	Supplies and Services	Depreciation (in thousands)	Scholarships and Fellowships	Total
Instruction	\$ 797,370	\$ 127,157			\$ 924,527
Research	489,283	260,901			750,184
Public service	96,487	52,386			148,873
Academic support	194,688	47,467			242,155
Student services	70,961	21,364			92,325
Institutional support	145,676	50,668			196,344
Operations and maintenance of plant	41,371	214,907			256,278
Auxiliary enterprises	2,129,194	780,950			2,910,144
Depreciation			\$ 476,898		476,898
Scholarships and fellowships				\$ 123,287	123,287
	\$ 3,965,030	\$ 1,555,800	\$ 476,898	\$ 123,287	\$ 6,121,015

	2012				
	Compensation and Benefits	Supplies and Services	Depreciation (in thousands)	Scholarships and Fellowships	Total
Instruction	\$ 771,636	\$ 120,816			\$ 892,452
Research	488,738	230,004			718,742
Public service	87,945	41,659			129,604
Academic support	191,354	40,975			232,329
Student services	68,837	20,120			88,957
Institutional support	133,302	49,941			183,243
Operations and maintenance of plant	40,269	244,300			284,569
Auxiliary enterprises	2,022,144	725,850			2,747,994
Depreciation			\$ 443,132		443,132
Scholarships and fellowships				\$ 121,040	121,040
	\$ 3,804,225	\$ 1,473,665	\$ 443,132	\$ 121,040	\$ 5,842,062

The University of Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
RESEARCH AND DEVELOPMENT CLUSTER				
Agriculture, Department of				
Direct		10		\$ 1,804,958
Pass-Through:				
Kansas State University	S13008	10		231,777
Purdue University	8000041930-AG	10		58,166
University of Kentucky Research Foundation	3048108673-12-664	10		66,839
University of Wisconsin	394K273	10		32,385
University of Wisconsin	460K795	10		15,337
Commerce, Department of-National Institute of Standards & Technology				
Direct		11		220,413
Pass-Through:				
Powertrain Engineering & Manufacturing Alliance (PEMA)	SubK dtd 2/18/08	11		(15,886)
			ARRA-Measurement and Engineering Research and Standards	
University of Maryland, The	Z767303	11.609		95,960
Virginia Polytechnic Institute and State University	Subaward No. 416055-19337	11		131,223
Commerce, Department of-National Oceanic and Atmospheric Administration				
Direct		11		5,234,962
Pass-Through:				
Earth Resources Technology, Inc (ERT)	Sub Contract No. 8106-Sub02	11		24,258
Institute for Learning Innovation	Contract under 8106-SUB03	11		13,909
Louisiana Universities Marine Consortium (LUMCON)	UM10-1,LUMCON# 674169D	11		20,116
Michigan, State of, Environmental Quality, Department of	12-309-07	11		23,721
Michigan, State of, Environmental Quality, Department of	12-309-08	11		9,802
Nature Conservancy, The	Subaward #100912-1	11		67,810
Ohio State University Research Foundation	RF01066360	11		(334)
University of Maryland, The	CA 12-07 07-5-25684	11		112,933
University of Vermont	23869/Watzin/Beletsky Init	11		(32)
Commerce, Department of-Office of the Secretary				
Direct		11		977,728
Pass-Through:				
Research Triangle Institute	888-12-16-14 T.O.9-312-0212349	11		4,132
Corporation for National and Community Service				
Pass-Through:				
Jump Start for Young Children, Inc	120200	94		8,793
Defense, Department of-Air Force, Department of the				
Direct		12		13,530,388
Pass-Through:				
Advanced Ceramics Manufacturing, Inc	Roundtable Res.Agmt	12		(29)
Alion Science and Technology	SUB1122445	12		5,411
Ambiq Micro Inc.	Roundtable Research Agreement	12		60,113
ARTIS Research and Risk Modeling Corporation	2010-06	12		132,357
BARRON ASSOCIATES, INC	446-SC01	12		66,187
Carnegie-Mellon University	1150119-294717	12		31,655
Cascade Technologies, Inc	Roundtble Res Agmt 7/1/12	12		1,481
Case Western Reserve University	RES507576	12		52,214
CFD Research Corporation	9043	12		30,000
Creare, Inc.	57172	12		21,237
Creare, Inc.	66174	12		45,600
ElectroDynamic Applications, Inc.	P.O. 10260001	12		19,774
ERC, Inc.	PO RS120242	12		63,538
Georgia Institute of Technology	RC413-G5	12		9,768
Harvard University	133486 -09	12		32,093
HyPerComp, Inc	HPCI-Michigan-2010-01	12		(23,953)
Isocline Engineering LLC	Agreement Letter	12		47,664

The University of Michigan
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Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Marshall University Research Corporation	2011-153/212149	12		105,304
Massachusetts Institute of Technology	7000126569	12		170,479
Massachusetts Institute of Technology	7000184396	12		101,802
Massachusetts Institute of Technology	PO 7000188972	12		5,000
Michigan Aerospace Corporation	F3535-062012	12		39,945
Michigan State University	61-3598H	12		575
New York University	F6752-01 UW344756-3	12		32,558
Northrop Grumman Corporation	7500080919	12		35,812
Ohio State University, The	60029346	12		341,111
Ohio State University, The	60035093/GRT00027335	12		47,087
Omega Optics, Inc	Subcontract Agreement	12		15,659
Pennsylvania State University	4011-UM-AFOSR-0646	12		43,445
RadiaBeam Technologies	Roundtable Research Agreement	12		31,044
Signal Innovations Group, Inc	43.001	12		(55)
Solid State Scientific Corporation	1204-56	12		59,769
Texas Engineering Experiment Station	A7755	12		57,634
UES, Inc.	S-875-120-004	12		(221)
UES, Inc.	Subcontract S-875-040-008	12		76,684
Universal Technology Corporation	11-S587-068-01-C1	12		19,084
Universal Technology Corporation	11-S590-0020-34-C4	12		7,257
University of California - Santa Barbara	KK1234	12		272,070
University of Illinois-Urbana-Champaign	2012-02298-02 (A0080)	12		48,138
University of Illinois-Urbana-Champaign	2012-03966-01- (A0076)	12		26,580
University of Maryland, The	0000005315	12		61,856
University of North Carolina-Chapel Hill	5-55041	12		47,339
University of Pittsburgh Medical Center (UPMC)	SCA-110927-07	12		3,000
University of Wisconsin	124K821	12		196,573
Virginia Polytechnic Institute and State University	416214-19337	12		16,557
Virginia Polytechnic Institute and State University	430547-19337	12		188,150
Virginia Polytechnic Institute and State University	450045-19337	12		108,818
Defense, Department of-Army, Department of the				
Direct		12		24,685,651
Pass-Through:				
Albany Engineered Composites, Inc.	4500078293	12		(11,353)
Arizona State University	13-949	12		248,617
BAE Systems	316095	12		1,490,116
Battelle Memorial Institute	US001-0000288099	12		36,884
Battelle Memorial Institute	US001-0000288100	12		57,403
Baylor College of Medicine	101744037	12		26,148
BBN Technologies	Cooperative Agreement	12		85,533
California State University	UM230897	12		40,043
Carnegie-Mellon University	1130131-281859	12		76,332
Columbia University	5-21124	12		30,697
DCS Corporation	APX02-0003	12		338,638
DCS Corporation	APX02-N002 Task Order 0002	12		5,260
Duke University	W99NF-10-1-0231	12		159,592
EMAG Technologies, Inc.	Roundtable Res Agmt	12		33,799
EPIR, Ltd.	0015-11-SUMI-0001	12		5
Georgia Institute of Technology	RC217-G5	12		132,260
Harvard University	5060400.0102	12		3,690
HStar	Roundtable Research Agreement	12		17,178
InformMed, Inc	Roundtable Res Agmt	12		21,930
Innovative Biotherapies	Proj Spec Add to Mstr Agmt	12		35,052
Innovative Biotherapies	Proj Spec Addend for Res Agmt	12		9,455
Innovative Biotherapies	Proj.Spec Addend to Mstr Agmt	12		27,699
Jackson, Henry, Foundation	Subaward No. 721680	12		117,761

The University of Michigan
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Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Johns Hopkins University	114322	12		102,945
Materials Modification, Inc	Research Agreement	12		80,782
Methodist Hospital - Houston	Const.Agmt#27010021-0016	12		13,904
Michigan State University	RC102123A	12		19,401
National Neurovision Research Institute (NNRI)	NNSP-CL-0212-0061-MICH-NER	12		74,415
National Trauma Institute (NTI)	Subaward Agmt: NTI-TRA-10	12		47,766
NeoStem	Agreement	12		236,488
Northwestern University	PROJ0001899 610473300060026163	12		93,270
Pennsylvania State University	4248-UM-USA-0267	12		132,288
Pryor Medical Inc	Agmt	12		4,467
Rice University	R17831	12		69,673
Robotics Technology Consortium	69-201008	12		9,081
Rutgers University	4-29429-Org 10578-PO S1695011	12		299,689
Rutgers University	4815-435145-10220	12		72,991
Rutgers University	Ag 4669; Ac 4-29429; Org 10578	12		77,517
Tissue Genesis, Inc.	Idependent Contractor Services	12		209,865
Triton Systems, Inc	TSI-2377-10-82254	12		(3,614)
University of Arkansas for Medical Sciences	37147	12		51,866
University of Delaware	27816	12		76,219
University of Leeds	RG.ELEC.473923	12		8,914
University of Maryland, The	Z885204	12		369,688
University of Maryland, The	Z918809	12		150,141
University of Rhode Island	PO 29423 / 0002921/000072011	12		46,905
Vertical Lift Consortium (VLC)	2011-B-11-05.3-A17	12		5,471
Veterans Education & Research Assoc of MI (VERAM)	V-SUBUM-11-10	12		264,046
Veterans Medical Research Foundation	08409-307799	12		1,559
Virginia Polytechnic Institute and State University	450152-19337	12		58,376
Defense, Department of-Defense Advanced Research Projects Agency				
Direct		12		2,520,519
Pass-Through:				
BAE Systems	Subcontract # 794369	12		157,551
Boston Dynamics	Subcontract Agreement	12		65,986
Carnegie-Mellon University	1041388-237996	12		13,558
Charles Stark Draper Laboratory, Inc.	PO SC001-0000000577	12		30,053
Duke University	SPS 160423	12		96,518
Georgia Institute of Technology	R9292-G1	12		45,425
Harvard University	123723-5043741	12		690,464
HRL Laboratories, LLC	Advanced Agmt	12		89,108
IBM	5003797841	12		(109,300)
Indiana University	BL-4348706-UM/PO #1083805	12		73,067
Innovega Inc	SCENICC	12		(25,031)
Lockheed Martin Corporation	DR3410480E	12		128,092
Microelectronics Advanced Research Corporation (MARCO)	2013-MA-2384	12		337,717
NextGen Aeronautics, Inc	10-15	12		183,336
Nico Technologies Corporation	Research Agmt	12		145,659
Ntrepid Corporation	Research Agmt	12		13,623
Oregon State University	X0130A-B	12		207,938
Princeton University	00001762	12		387,293
Raytheon Company	4200401169	12		78,898
Rice University	R16181	12		29,760
Santa Fe Institute	SFI 20121016	12		40,283
Soar Technology, Inc.	10207.01	12		212,335
Teledyne Scientific and Imaging, LLC	Contact#BOU540888	12		186,379
University of California - Berkeley	00008160	12		247,103
University of California - Berkeley	SA7005	12		110,377
University of Chicago	45634-E	12		239,070

The University of Michigan
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Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
University of Houston	R-11-0047	12		148,259
University of Illinois-Urbana-Champaign	2013-01024-03 C4932	12		93,676
University of Minnesota	A003571409	12		7,578
Defense, Department of-Defense Threat Reduction Agency				
Direct		12		3,268,077
Pass-Through:				
Alion Science and Technology	PO# SUB1111876/TASK# 003	12		7,909
FLIR Radiation, Inc	#1152 subcontract agmt 7/8/09	12		115,233
Massachusetts Institute of Technology	5710002583	12		5,496
Mayo Clinic	MAYO-JAX-004	12		(1,001)
University of Nebraska	25-0521-156-002	12		65,193
Defense, Department of-National Security Agency				
Direct		12		9,155
Defense, Department of-Navy, Department of the				
Direct		12		15,954,720
Pass-Through:				
BMT Designers & Planners, Inc.	2755-080-22/N00178-04-D-4023	12		8,548
Boston Dynamics	Subcontract Agreement	12		98,183
Eastern Michigan University	P003477	12		273,386
EMAG Technologies, Inc.	Roundtable Resech Agmt	12		(1,388)
ePack, Inc	N12A-T008	12		24,284
Focus: Hope	11STD00000028	12		49,513
Focus: Hope	Membership Agmt	12		4,533
GE Energy Power Conversion Naval Systems Inc.	001021	12		81,644
Georgia Institute of Technology	R7570-G1	12		165,386
Intelligent Automation, Inc.	N00014-11-M-0347	12		15,960
Lightning Packs LLC	Email author of May 1-2,2011	12		174,799
Michigan Engineering Services	Agreement	12		53,429
Michigan Engineering Services	P.O. 1021.1	12		138,756
NextGen Aeronautics, Inc	11-12	12		(131)
Soluxra, LLC	Roundtable Res Agmt	12		41,658
University of California - Irvine	2010-2514	12		73,359
University of California - Santa Barbara	KK8153,Prime: N00014-08-1-0655	12		37,857
University of California-San Diego	10293740	12		9,220
University of New Mexico-Health Sciences Cntr	271286-871E	12		62,829
University of Pittsburgh	0019713 (406200-3)	12		31,704
Woods Hole Oceanographic Institute	A100892	12		66,829
Defense, Department of-Other				
Direct		12		11,164
Pass-Through:				
BAE Systems	739525	12		75,223
CBRITE	W 15P7T-08-C-P410-01	12		155,497
CFD Research Corporation	9090	12		16,661
Dynamics Research Corporation	14463 PETT-UMICHIGAN	12		73,478
Eastern Michigan University	R73613	12		79,840
Intelligent Automation, Inc.	2003-1	12		9,955
Sarcoma Alliance for Research Through Collaboration (SARC)	Clinical Trial SARC 006	12		3,327
Spectral Sciences, Inc	9616	12		16,504
Spectral Sciences, Inc	P.O.# 9706	12		37,693
Director of National Intelligence, Office of the				
Pass-Through:				
Applied Research Associates	S-001061.00000.UM, PO11-00011	99		(106)
Columbia University	1 (Acct. #5-21194)	99		208,690
Columbia University	1 (GG005955-05)	99		50,715
SRI International	69-000541, Release 1	99		244,278
Education, Department of				

The University of Michigan
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Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Direct		84		6,932,289
Pass-Through:				
Books For Kids	Research Agreement	84		25,380
Center for Applied Special Technology (CAST)	UM010112-16MI	84		7,982
Columbia University	OSP #511135	84		409,964
Huron Valley Public Schools	09-01394	84		25,014
Kessler Foundation	293-03	84		24,249
Kessler Foundation	307-03	84		11,831
Michigan, State of, Strategic Fund	11-00-11	84		52,178
National Bureau of Economic Research	R305A120269-7700	84		62,482
New York University	12-A0-000282-01 Proj#102005	84		1,472
Northwestern University	Subaward SP0016568-PROJ0004257	84		14,468
Rehabilitation Institute of Chicago	H133B090024	84		178,245
Texas A & M University	S090025-Acct 415099	84		31,187
University of Illinois-Urbana-Champaign	2011-04078-01 Grant A0843	84		36,881
University of Pittsburgh	0005455	84		41,812
University of Texas Southwestern Medical Center	Sub Award & 120612	84		10,000
University of Washington	708171	84		40,218
Energy, Department of				
Direct		81.049	ARRA-Office of Science Financial Assistance Program	4,439,373
Direct		81.087	ARRA-Renewable Energy Research and Development	50,604
Direct		81		23,701,389
Pass-Through:				
Alliance for Sustainable Energy, LLC	XFT-8-88508-01	81		186,626
Arbor Photonics, Inc	Exhibit A to Mstr Agmt 6/1/11	81		148,962
Argonne National Laboratory	3F-31141	81		126,815
Battelle Energy Alliance, LLC	00087993	81		112,892
Battelle Energy Alliance, LLC	00088043	81		37,496
Battelle Energy Alliance, LLC	00089536	81		233,054
Battelle Energy Alliance, LLC	00089651	81		96,423
Battelle Energy Alliance, LLC	00091752	81		147,713
Battelle Energy Alliance, LLC	00092040	81		79,554
Battelle Energy Alliance, LLC	00096443	81		35,434
Battelle Energy Alliance, LLC	00102642	81		199,390
Battelle Energy Alliance, LLC	00118430	81		303,875
Battelle Energy Alliance, LLC	00120867	81		158,895
Battelle Energy Alliance, LLC	00121535	81		64,211
Battelle Energy Alliance, LLC	00123357	81		52,486
Battelle Energy Alliance, LLC	00127073	81		84,479
Battelle Energy Alliance, LLC	00128697	81		134,142
Battelle Energy Alliance, LLC	0091877	81		229,467
Battelle Energy Alliance, LLC	120441	81		184,481
Battelle Energy Alliance, LLC	Contract No. 00120072	81		211,904
Battelle Memorial Institute	119375	81		2,921
Battelle Memorial Institute	146170	81		219,319
Bettis Atomic Power Laboratory	7005005	81		119,347
Brookhaven Science Associates, LLC	176085	81		(161)
Brookhaven Science Associates, LLC	205265	81		64,254
Brookhaven Science Associates, LLC	211167	81		20,002
Brookhaven Science Associates, LLC	241382	81		32,320
Brookhaven Science Associates, LLC	Subcnt#205265PO#BNL0000210343	81		(7,573)
Carnegie Institution of Washington	4-3253-20	81		16,182
Carnegie Institution of Washington	4-3253-21	81		53,187
Chrysler Group L.L.C.	Agmt dtd 4/1/10,SUB-DE-EE00027	81	ARRA	620,945

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Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Clemson University	1495-225-2008167	81		137,881
Colorado School of Mines	400465/0134119	81		103,205
Columbia University	GG009028	81		272,217
Detroit Economic Growth Corporation (DEGC)	Diana Flora	81		10,853
Drexel University	210035-3668	81		104,372
Eaton Innovation Center	0011-37948	81		44,059
Eaton Innovation Center	PO 0011-37252	81		89,936
Fermi National Accelerator Laboratory	602651	81		52,316
Fermi National Accelerator Laboratory	603678	81		5,088
Ford Motor Company	A10 PO09157787	81		194,906
Ford Motor Company	A10 PO09157787 001	81		5,430
GE Global Research	400138055	81		39,434
GE Global Research	400145188	81		201,455
General Motors Company	DE-EE0002217	81		45,201
General Motors Company	GVS01142	81.086	ARRA-Conservation Research and Development	301,142
General Motors Corporation	GVS00350	81.086	ARRA-Conservation Research and Development	71,013
General Motors Corporation	TCS26480	81		692,622
Georgia Institute of Technology	RD537-S3	81		21,760
Hewlett-Packard Company	Fixed Price Agreement	81		189,828
Idaho National Engineering and Environmental Laboratory	00101016	81		(47,062)
Idaho National Engineering and Environmental Laboratory	00102030	81		348,047
Idaho National Engineering and Environmental Laboratory	00102333	81		60,848
Idaho National Engineering and Environmental Laboratory	00103195	81		360,082
Idaho National Engineering and Environmental Laboratory	00132507	81		26,714
Idaho National Engineering and Environmental Laboratory	DE-AC07-05ID14517	81		38,622
Integrated Sensors, LLC	Research Agreement	81		34,192
Krell Institute	Sponsor Award Letter	81		984
Lawrence Livermore National Security, LLC	B598242	81		21,278
Lawrence Livermore National Security, LLC	B602919	81		94,562
Los Alamos National Security, LLC	123139-1	81		13,398
Los Alamos National Security, LLC	129021	81		127,008
Los Alamos National Security, LLC	232272	81		2,586
Los Alamos National Security, LLC	DE-AC52-06NA25396 /224799-1	81		12,967
Michigan State University	61-3212D	81		176,740
Michigan Technological University	P0076114	81		125,265
Northwestern University	611-8289300-60024673 PROJ00001	81.049	ARRA-Office of Science Financial Assistance Program	133,463
Northwestern University	PROJ0001507	81		94,316
Oak Ridge National Laboratory	4000079632	81		255,639
Ohio State University, The	60026686-UM/RF01261744	81		133,038
Oregon State University	G0115A-A	81		70,966
Pacific Northwest National Laboratories	102038	81		19,312
Pacific Northwest National Laboratories	181391	81		83,631
Pacific Northwest National Laboratories	192095	81		32,609
Radiation Monitoring Devices, Inc.	C-12-21	81		56,211
Robert Bosch Corporation	Roundtable Res Agmt 4/1/10	81		977,471
Sandia National Laboratories	1077298	81		96,690
Sandia National Laboratories	1110471	81		23,178
Sandia National Laboratories	1146658	81		63,991
Sandia National Laboratories	1285393/1325799	81		7,227
Sandia National Laboratories	1289208	81		31,027
Sandia National Laboratories	651105	81		17,925
Sandia National Laboratories	943330	81		36,138
Sandia National Laboratories	PO 1274540	81		26,898
Sandia National Laboratories	PO# 1081780	81		48,708

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Sandia National Laboratories	PO#1209963	81		20,237
Stanford University	21747220-40367-B	81		114,043
Stanford University	96880	81		17,507
Stony Brook University	#1801030-2-51055	81		248,315
United States Automotive Materials Partnership LLC	12-2808-AMP	81		51,644
United States Automotive Materials Partnership LLC	13-2815-AMP	81		63,909
United States Automotive Materials Partnership LLC	13-2816-AMP	81		51,016
Universal Display Corporation	Amendment Letter No. 10	81		126,516
Universities Research Association	12-S-20 Wilson, Jonathon	81		18,000
Universities Research Association	Gustafson, H. #11-F-07	81		4,989
University of California - Berkeley	00007824/po 2000087369	81		50,708
University of California - Lawrence Berkeley National Laboratory	6906363	81		175,202
University of California - Lawrence Berkeley National Laboratory	7014080	81		45,717
University of California - Lawrence Berkeley National Laboratory	B598244	81		19,216
University of California - Santa Barbara	KK1113	81		199,264
University of Houston	R-12-0038	81		880
			ARRA-Office of Science Financial Assistance	
University of Notre Dame, The	209008	81.049	Program	621,525
University of Oregon	234172K	81		22,152
University of Rochester	PO 415933-G/UR#5-28853	81		256,487
University of Rochester	PO415385-G;UR Acct#5-23738	81		64,252
University of South Carolina	12-2009/PO #31715	81		(30,446)
			ARRA-Office of Science Financial Assistance	
University of Southern California	10054480	81.049	Program	169,829
University of Tennessee	A13-0708-S001	81		10,501
University of Utah	PO# 0000150493 Award#10019241	81		28,067
University of Washington	737066	81		206,160
			ARRA-Office of Science Financial Assistance	
University of Wisconsin	238K523	81.049	Program	30,789
UT-Battelle, LLC	4000067426	81		8,034
UT-Battelle, LLC	4000089179	81		2,852
UT-Battelle, LLC	4000095462	81		(9,365)
UT-Battelle, LLC	4000101356	81		(121,248)
UT-Battelle, LLC	4000109042	81		49,041
UT-Battelle, LLC	4000109889	81		2,003,361
UT-Battelle, LLC	400100844	81		202,901
Vortex Hydro Energy, LLC	Roundable Research Agreement	81		76,239
Environmental Protection Agency				
Direct		66		2,064,160
Pass-Through:				
Alion Science and Technology	007931-001-BDM / SUB2191783 RE	66		(1,715)
American Chemistry Council	4949	66		222,955
Great Lakes Commission	GLAD 2010-1	66		17,962
Great Lakes Observing System (GLOS)	Proj # EPA-636-03	66		160,852
Health Effects Institute (HEI)	Res Agmnt #4782-RFA08-1/09-3-2	66		32,681
MACTEC	606409003 task order 0003	66		4,826
Michigan State University	61-3370UM	66		42,467
Michigan State University	61-3383F	66		(16,470)
Michigan State University	RC063384UM-BC	66		145,602
Michigan State University	RC063384UM-EC	66		300,494
Michigan State University	RC063384UM-P1	66		211,453
State University of New York at Buffalo	GL00E00522-CILER	66		20,062
University of Washington	412177	66		86,232
University of Washington	690299	66		151,555
Water Environment Research Foundation	U1R09	66		(3,202)
Federal Reserve System				

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Direct		18		211,265
Health and Human Services, Department of-Administration for Children and Families				
Pass-Through:				
Columbia University	1 (Acct#5-36804)	93		157,054
Columbia University	Sub #1(GG006373-02)	93		512,475
Research Foundation of State University of New York	1098400-7-59109	93		15,277
Research Foundation of State University of New York	Sub#12-47,RF #62495	93		33,402
Health and Human Services, Department of-Agency for Health Care Research and Quality				
Direct		93.715	ARRA-Recovery Act (Comparative Effectiveness Research - AHRQ)	595,318
Direct		93		5,565,868
Pass-Through:				
Abt Associates, Inc.	27082	93	ARRA	194,658
American Hospital Association	80399	93		400,036
Baylor Research Institute	5 R01 HS017718-03	93		2,736
Florida State University	R01600	93		16,337
Health Research and Educational Trust	80104	93		160,255
Health Research and Educational Trust	80384	93		100,549
Kaiser Permanente Northern California	115-9022-13	93.715	ARRA-Recovery Act (Comparative Effectiveness Research - AHRQ)	27,849
Massachusetts General Hospital	217197	93.715	ARRA-Recovery Act (Comparative Effectiveness Research - AHRQ)	276,118
Michigan State University	RC060967UM	93.715	ARRA-Recovery Act (Comparative Effectiveness Research - AHRQ)	85,061
National Opinion Research Center	Subcontract 7407U-M01	93		30,837
University of California - Davis	Agmt # 201013395-7	93		34,950
University of Maryland, The	SR00002015	93		142,320
University of North Carolina	5-30939	93		3,362
University of Toledo	F2013-1	93		31,764
Yale University	M13A11625 (A09178)	93		1,402
Health and Human Services, Department of-Centers for Disease Control and Prevention				
Direct		93		14,685,311
Pass-Through:				
American Thrombosis & Hemostasis Network	ATHN2011002-HTC3-1	93		10,942
Association for Prevention Teaching and Research	TS-1410, 5U50CD3000-860-21	93		45,650
Association of American Medical Colleges	MM-1149-10/10	93		41,396
Genesee County	Contract of October 1, 2011	93		19,770
Michigan, State of, Community Health, Department of	20120489	93		2,886
Michigan, State of, Community Health, Department of	20122451	93		6,488
National Association for Chronic Disease Directors	0512012	93		29,799
National Association for Chronic Disease Directors	06222012	93		330,230
National Association for Chronic Disease Directors	0972013	93		90,947
National Association of County and City Health Officials	2013-011101	93		214,202
North Dakota Farm Bureau Foundation	Letter dtd 10/31/08	93		714
Research Foundation of Mental Hygiene, Inc.	108587	93		26,814
The Center for Construction Research and Training (CPWR)	CPWR Awd ltr dtd 3/19/12	93		24,733
University of Chicago	41907	93		592
University of Cincinnati	COEUS #005814	93		(10,059)
University of Miami, Florida, The	66894T; PO	93		31,871
University of Texas Medical Branch at Galveston (UTMB)	11-083/PO #UOSPC-0000000623	93		16,221
University of Utah	10023181-00	93		26,003
University of Washington	746737	93		42,423
Yale University	M12A11320 (A08918)	93		97,074
Yale University	M13A11571 (A09111)	93		49,839

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Health and Human Services, Department of-Centers for Medicare and Medicaid Services				
Direct		93		2,253,931
Pass-Through:				
Arbor Research Collaborative For Health	HHSM-500-T0001	93		2,842,373
Arkansas, State of	4600028430	93		21,310
Arkansas, State of	Contract #4600024647 Amd #1	93		472,065
Arkansas, State of	Contract#4600021164	93		118
Catapult Consultants, LLC	7038-2	93		8,490
Catapult Consultants, LLC	Work Order No. 004 and SOW	93		6,586
Duke University	203-9402	93		321,213
Florida Medical Quality Assurance, Inc	Subcontract Agmt Dtd 9/1/11	93		89,644
Michigan, State of, Community Health, Department of	20121288	93		4,901
Health and Human Services, Department of-Food and Drug Administration				
Direct		93		1,269,260
Pass-Through:				
Harvard Pilgrim Health Care	Task Order HHSF22301005T	93		9,875
National Institute for Pharmaceutical Technology and Education (NIPTE)	NIPTE-UO1-MI-0001-2012	93		39,616
National Institute for Pharmaceutical Technology and Education (NIPTE)	NIPTE-UO1-MI-002-2012	93		3,891
Health and Human Services, Department of-Health Resources and Services Administration				
Direct		93		2,072,844
Pass-Through:				
Altarum Institute	IC-11-103	93		13,746
American International Health Alliance, Inc.	H-F9-ETH-13-0-PTR-SPUM-00	93		11,974
Atlas Research	Subcontractor Agreement	93		7,519
Genetic Alliance	Agreement dated 10/1/12	93		26,695
Michigan Public Health Institute	K-38822-115-504200	93		4,482
National Kidney Foundation of Michigan	NKFM Agrmnt dtd 9/1/10	93		20,676
Health and Human Services, Department of-National Institutes of Health				
Direct		93.701	ARRA-Trans-NIH Recovery Act Research Support	10,633,905
Direct		93		467,699,594
Pass-Through:				
3D Biomatrix, Inc.	Research Agmnt dtd 6/4/12	93		104,394
Academy for Educational Development (AED)	4406-05-S-Umich-01	93		24,006
Albert Einstein College of Medicine	310127	93		17,081
Allegheny-Singer Research Institute (ASRI)	Subaward Agmt	93		7,316
American College of Radiology	1334	93		16,908
American College of Radiology	ACRIN 6654	93		158,085
American College of Radiology	ACRN 6690 Case Reimb Form	93		7,028
American College of Radiology	Member Agreement	93		176,609
American Institutes for Research	03111	93		79,928
Arbor Research Collaborative For Health	Appendix A to Proj Master Agmt	93		103,329
Arbor Research Collaborative For Health	Appendix D to Project Master A	93		7,626
Arbor Research Collaborative For Health	Appendix E to Prj Master Agmt	93		4,215
Arbor Ultrasound Technologies, LLC	Agreement	93		9,143
Arbor Ultrasound Technologies, LLC	Append 1 to Mstr Agmt 17369	93		17,774
Arbor Ultrasound Technologies, LLC	Appendix 2 to Master Research	93		10,081
ArchieMD, Inc.	Roundtable Research Agreement	93		116,675
ArchieMD, Inc.	Rsrch Agmt	93		85,029
Arizona State University	11-669	93		28,116
Arizona State University	12-751	93		1,151
Baylor College of Medicine	101532647	93		42,811
Baylor College of Medicine	101663466	93		89,032
Baylor College of Medicine	101706744	93		91,991

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Baylor College of Medicine	104510058/ PO 5600735405	93		48,643
Beckman Research Institute-City of Hope	22109.914987.6692/PO #B005959	93		16,526
Beckman Research Institute-City of Hope	22390.914991.6695	93		13,339
Beth Israel Deaconess Medical Center	01024500	93		90,561
Billings Clinic	Research site subk	93		64,624
Biodiscovery LLC	Roundtable Research Agmt	93		66,581
Boston College	1387-1	93.701	ARRA-Trans-NIH Recovery Act Research Support	85,494
Boston College	1750-1	93		197,807
Boston College	5001926-1	93		205,083
Boston University	4145-5/PO#RA208158NGO	93		7,218
Boston University	4198-5, PO#RA208433NGC	93		(41,772)
Boston University	9500231162, 450000082	93.701	ARRA-Trans-NIH Recovery Act Research Support	23,962
Boston University	9500300288	93		34,905
Boston University	9500301510	93		244,006
Breonics, Inc	Roundtable Rsrch Agrmt	93		15
Brigham and Women's Hospital	106694	93		52,531
Brigham and Women's Hospital	106699	93		1,066
Brigham and Women's Hospital	106933	93		97,566
Brigham and Women's Hospital	107049	93		138,241
Brigham and Women's Hospital	107404	93		39,335
Brigham and Women's Hospital	ACOSOG	93		400
Brigham and Women's Hospital	Purchased Agmt	93		13,213
Brigham and Women's Hospital	Res Subawd Agmt 106476	93		128,619
Broad Institute	5215910-5500000191	93.701	ARRA-Trans-NIH Recovery Act Research Support	(1,681)
Brown University	00000319,P.O.#P263066	93		13,528
Butler Hospital	Subaward #9199	93		29,316
California Pacific Medical Center	2803227-S142/PO 118437	93		338,681
Carnegie-Mellon University	1090341-274134	93		57,875
Case Western Reserve University	RES505968	93		12,233
Case Western Reserve University	RES506709	93		(2,777)
Case Western Reserve University	RES507542	93		140,562
Case Western Reserve University	RES507897/Prime R01AR062546	93		10,495
Children's Hospital of Boston	0000233005	93		14,943
Children's Hospital of Boston	PO # 0000493901	93		21,592
Children's Hospital of Los Angeles	510/8020-RGF006368-00	93		13,500
Children's Hospital of Philadelphia, The	2 R01 HL-082914-07	93		4,340
Children's Hospital of Philadelphia, The	320953-01-01	93		21,137
Children's Hospital of Philadelphia, The	9500010213	93		219,541
Children's Hospital of Philadelphia, The	950677RSUB	93		32,336
Children's Hospital of Philadelphia, The	951212RSUB	93		664
Children's Hospital of Philadelphia, The	PO#960319-RSUB	93		4,799
Children's National Medical Center	30001498-13-02	93		14,676
Cincinnati Children's Hospital Medical Center	106691	93.701	ARRA-Trans-NIH Recovery Act Research Support	(567)
Cincinnati Children's Hospital Medical Center	108712/PO #3100197465	93		5,403
Cincinnati Children's Hospital Medical Center	110356/PO#3100287720	93		24,527
Cincinnati Children's Hospital Medical Center	3100167966	93		(28,658)
City of Hope Medical Center	50023.91465.6693	93		21,032
Cleveland Clinic Foundation (CCF)	Po 119SUB	93		18,641
Cold Spring Harbor Lab	Award# 25604257; PO# 920809-SV	93		80,854
Colorado State University	G-4498-1	93		73,355
Colorado State University	G-4526-1	93		105,488
Columbia University	1 (Acct #5-30233)	93		112,736

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Columbia University	1 (Acct. #5-30237)	93		7,749
Columbia University	4 (Acct. #5-30254)	93		7,834
Columbia University	5-31084	93		6,431
Columbia University	5-38337	93		147,652
Columbia University	Sub #2(GG005727)PO G02837	93		62,875
Columbia University	Sub award#2, (Acct#5-39891)	93		22,848
Columbia University	Subaward #1(GG005727-04)	93		481
Columbia University	Subaward #3(Acct #5-30761)	93		13,549
Columbia University	Subaward #3(GG005727-03)	93		219,870
Compact Membrane Systems, Inc	Research Agreement dtd 7/23/12	93		36,240
			ARRA-Trans-NIH Recovery Act Research Support	
Cornell University	1 RC2-MD-004767-01	93.701		4,915
Cornell University	10070943	93		15,551
Cornell University	12040475	93		99,065
Cornell University	12050660	93		265,400
Creighton University	R01 AR054496	93		107,347
			ARRA-Trans-NIH Recovery Act Research Support	
Dana-Farber Cancer Institute	Subaward 2800601	93.701		3,466
Dartmouth College	364	93		24,148
Dartmouth College	521	93		15,546
Dartmouth College	818	93		127,526
Dartmouth College	Subaward No. 636	93		24,494
Duke University	11-NIH-1034	93		1,849
Duke University	12-NIH-1062	93		86,384
Duke University	12-NIH-1088	93		76,769
Duke University	203-1633	93		147,227
Duke University	CHEER Network	93		16,287
Duke University	Duke SPS No.155509(Site 51)	93		10,728
Duke University	Duke Univ U01 DK065176	93		5,189
Duke University	N01AI-05419	93		57,758
Duke University	PTN Site #UMH05	93		1,642
Duke University	SPS 169427	93		248,501
Easter Seals	Third Party Procurement Contra	93		9,018
Echelon Biosciences, Inc (EBI)	Subcontract Agmt	93		33,000
Emory University	S496432	93		49,260
Emory University	S852866	93		4,155,425
Emory University	T026688	93		173,911
Florida State University	R01534	93		25,745
Forsyth Institute, The	16376-UMICH2380	93		11,681
Forsyth Institute, The	21127UM-2335	93		346,747
General Electric Company	700174652	93		(1,326)
			ARRA-Trans-NIH Recovery Act Research Support	
George Washington University	09-S41	93.701		(123)
George Washington University	S-DPP1213-JB04	93		31,045
George Washington University	S-DPP1314-JB04	93		13,604
George Washington University	S-GRD1213-EA39	93		19,548
Georgetown University	RX 4265-053-UM-MORGENSTERN	93		12,948
Georgetown University	RX 4265-082-UM-Sanchez	93		25,194
Georgia Health Sciences University	25034.16	93		32,807
Georgia Health Sciences University	25034-2	93		97,042
Georgia Health Sciences University	25034-3	93		31,941
Georgia Health Sciences University	25732-4	93		42,634
Group Health Research Institute	#2012104635	93		61,493
HAMZTEC, LLC	Roundtable Research Agreement	93		122,738
Harvard	116061-5051313	93		96,796
Harvard University	123641	93		103,161

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Harvard University	23570/114089	93		71,159
Hektoen Institute for Medical Research, The	1215-324-UM1	93		52,682
Henry Ford Health System	R01 HL114981	93		76,701
Henry Ford Health System	R34 HL109296	93		30,066
Henry Ford Health System	SC under 1R01HL092412-01A2	93		316
Henry Ford Health System	subcontract	93		168,617
Henry Ford Health System	Subcontract MENU Gen Y Stdy	93		338,393
Henry M. Jackson Foundation for the Advancement of Military Medicine, Inc (HJF)	2194/63006-2194-726591	93.701	ARRA-Trans-NIH Recovery Act Research Support	2,713
Henry M. Jackson Foundation for the Advancement of Military Medicine, Inc (HJF)	306115-12.99-63006 PO#755421	93		7,643,309
Hispanic Association of Colleges and Universities (HACU)	Fixed price Contract	93		27,549
Hutchinson, Fred, Cancer Research Center	0000753057	93		250,727
Hutchinson, Fred, Cancer Research Center	0000760247	93		103,246
Hutchinson, Fred, Cancer Research Center	Subaward #0000697127	93.701	ARRA-Trans-NIH Recovery Act Research Support	478,051
Hutchinson, Fred, Cancer Research Center	Subaward #000693277	93		125,562
Indiana University	IN4686663UM/PO 1179263	93		2,517
Indiana University	IN4686836UMICH	93.701	ARRA-Trans-NIH Recovery Act Research Support	(26)
Indiana University	IN4686883UM; PO# 963639	93		130,616
Indiana University	IUPUI-4693821-UM	93.701	ARRA-Trans-NIH Recovery Act Research Support	(44,444)
Indiana University	PO 552182	93		13,296
Innovative Biotherapies	Prj Spc Addendum	93		39,082
Innovative Biotherapies	Project Specific Addendum	93		5,260
Instituto de Nutricion de Centro America y Panama	subcontract	93		59,849
Integrated Sensing Systems (ISSYS)	Award Letter	93		104,167
Integrated Sensing Systems (ISSYS)	Award ltr dtd 11/21/2011	93		494
Intelligent Prosthetic Systems	Roundtable Resrch Agmnt	93		3,589
Jaeb Center for Health Research	U10 EY020797	93		25,005
Jaeb Center for Health Research	U10EY14231	93		10,835
Johns Hopkins University	2000348825	93		50,998
Johns Hopkins University	2000801825	93		141,374
Johns Hopkins University	Agmt of 5/1/05 (EY014660)	93		3,000
Johns Hopkins University	Agreement Dated 12/22/11	93		97,485
Johns Hopkins University	Agreement of 7/6/07	93		76,786
Joslin Diabetes Center	Research Subaward agmt	93		27,720
Joslin Diabetes Center	Sub3DoriaR03DK094484	93		839
Joslin Diabetes Center	Sub4DoriaR03Dk094484	93		346
Kaiser Foundation Research Institute	115-9834-03-M2	93		19,719
Kwame Nkrumah University of Science and Technology (KNUST)	819CHS051101/1R24TW00889901	93		157,968
Kwame Nkrumah University of Science and Technology (KNUST)	819OGR071101	93		14,478
Louisiana State University	12-05-001	93		14,223
Lynx Design	Resch Agmt dtd 9/23/11	93		13,771
M.D. Anderson Cancer Center	Basic Research Agreement	93		(1,059)
Magee Womens Research Institute	7230	93		4,010
Magee Womens Research Institute	Subaward Agmt 7279	93		10,482
Maine Medical Center	111-003	93		279,942
Massachusetts General Hospital	219923	93		14,897
Massachusetts General Hospital	Agmt under R01 NS042147-01A2	93		35
Massachusetts General Hospital	Prime#R01NS052592-02	93		12,089
Massachusetts General Hospital	Research Services Agreement	93		20,694
Massachusetts General Hospital	Subaward No. 221502	93		74,574
Mayo Clinic	1 P01 AG041122-01	93		24,972
Mayo Clinic	2 P01 NS044233-06A2	93		314,161

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Mayo Clinic	5U01AI069544-05 Rev	93		95,724
Mayo Clinic	sub 5R01CA133049-04	93		21,313
Mayo Clinic	Sub Agmnt 5 R01 DK077950-04	93		57,662
Mayo Clinic	Subaward No. 1U01HL108712-01	93		9,781
Mayo Clinic	Subaward No. 5U01HL108712-02	93		78,737
Mayo Clinic Rochester	2 R01 NS04155806 A2	93.701	ARRA-Trans-NIH Recovery Act Research Support	62,484
MC3 Inc	Appendix C to Master Agreement	93		233,401
MC3 Inc	Appendix F to Master Agreement	93		38,178
MC3 Inc	Appendix G to Project Master A	93		15,409
MedArray, Inc.	Research Agreement	93		127,664
Medical College of Wisconsin	Research Agreement	93		16,312
Medical College of Wisconsin	Subaward No. 1	93		179
Medical Cyberworlds, Inc	9R44TR000360-02A1	93		51,434
Medical University of Ohio	942536	93		378
Michigan Critical Care Consultants, Inc.	Appendix E to Prjt Master Agmt	93		112,967
Michigan Critical Care Consultants, Inc.	Appendix F to Project Master A	93		317,037
Michigan Public Health Institute	K-30204-115-504200	93		(8,747)
Michigan Public Health Institute	K-30205-116-504200	93		27,108
Michigan Public Health Institute	K-30206-116-504200	93		8,992
Michigan State University	61-0037UM	93		32,071
Michigan State University	61-0047UM	93		28,223
Michigan State University	61-0850UM	93		4,461
Michigan State University	61-0860UM Prm#1U19AI08968301	93		80,844
Michigan State University	61-1407UM	93		252,840
Michigan State University	RC100161UM	93		75,220
Michigan State University	RC100246UMI	93		32,002
Michigan State University	RC100254UM	93		26,100
Michigan State University	RC100780UM	93		133,718
Michigan State University	RC10241UM-NCS	93		186,598
Michigan State University	Sub Award No RC060945UM	93.701	ARRA-Trans-NIH Recovery Act Research Support	34,028
Michigan State University	Sub No 61-0029UM	93		5,027
Minneapolis Medical Research Foundation (MMRF)	Clinical Research Participatio	93		112,276
Mount Sinai Medical Center, The	0255-1214-4609	93		65,070
Mount Sinai Medical Center, The	0255-1215-4609	93		8,485
Mount Sinai Medical Center, The	0255-1356-4609	93		30,422
Mount Sinai Medical Center, The	0255-5032-4609	93		538
Mount Sinai Medical Center, The	Clin Rrsch Agrmnt dtd 8/19/11	93		16,309
National Bureau of Economic Research	33-4118-07-2-80-147	93		212,830
National Bureau of Economic Research	40-4128	93		4,883
National Bureau of Economic Research	B-33-4118-07-03-80-147	93		(43,327)
National Bureau of Economic Research	Subaward No. B33-4118-07-4-80-	93		337,010
National Childhood Cancer Foundation	Contract # 020751	93		90,305
National Childhood Cancer Foundation	U01CA9745209	93		24,824
National Marrow Donor Program (NMDP)	Master Agmt #13703	93		87,885
National Marrow Donor Program (NMDP)	Protocol Rider # 0701	93		105,705
National Marrow Donor Program (NMDP)	Protocol Rider # 0702	93		63,539
National Opinion Research Center	11-PAF01232	93.701	ARRA-Trans-NIH Recovery Act Research Support	4,621
National Surgical Adjuvant Breast and Bowel Project (NSABP) Foundation, Inc.	Amendment #2 PFED16-MIC-01	93		19,665
National Surgical Adjuvant Breast and Bowel Project (NSABP) Foundation, Inc.	MICHIGAN-DMP-1-YR27	93		39,848
National Surgical Adjuvant Breast and Bowel Project (NSABP) Foundation, Inc.	Michigan-YR23	93		(437)
New England Research Institute	Award Letter	93		(9,133)
New England Research Institute	Subk under U10 HL068270	93		40,340
New England Research Institute	U01 HL065238	93		4,000

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New England Research Institute	U10HL068270	93		57,391
New York University	12-00881/PO M130009182	93		123,650
North Shore University Hospital	EH06-201 S25	93		49,188
North Shore-Long Island Jewish Health System	500491UMICH PO#186150	93		165,088
Northeastern University	500208 and 500209	93		130,120
Northeastern University	50024178050/50024278050	93		488,760
Northeastern University	500299	93		48,079
Northeastern University	500300	93		31,384
			ARRA-Trans-NIH Recovery Act Research Support	
Northern California Institute for Research & Education, Inc. (NCIRE)	Sub Agmt 1456	93.701		43,922
Northern California Institute for Research & Education, Inc. (NCIRE)	YAF1637-07,081786	93		11,158
Northwestern University	SP0013157-PROJ0003518	93		46,057
Ohio State University Research Foundation	60020639, PO # RF01293940	93		36,962
Ohio State University, The	60026141/RF01210918	93		29,325
Ohio State University, The	60034096 / PO RF01310394	93		89,076
Ohio State University, The	60035315 / PO RF01296080	93		36,992
Ohio State University, The	RF01280314 / 60034706	93		116,071
Omeros Corporation	Sponsor ltr dtd 5/1/13	93		6,980
ONL Therapeutics	R43 EY022512	93		41,375
Patient Provider Communications, Inc	Agmt dtd 11/10/10	93		4,640
Patient Provider Communications, Inc	Sponsor Ltr Auth dtd 2/15/13	93		12,949
Pennsylvania State University	3140-UM-DHHS-0075	93		718,010
Pennsylvania State University	4245-UM-DHHS-0709	93		3,534
Pennsylvania State University	4263-UM-DHHS-8140	93		1,564
Pennsylvania State University	4434-UM-DHHS-9606	93		89,658
Pennsylvania State University	4579-UM-DHHS-6016	93		(299)
Pennsylvania State University	UMI GM094526	93		46,288
Phrixus Pharmaceuticals, Inc	Agreement	93		92,605
Pixel Velocity	Roundtable Res.Agmt	93		(220)
Portland State University	Index 203645/201REY321	93		104,380
Princeton University	00001809	93		13,885
Princeton University	00001869	93		18,130
Princeton University	00001912	93		92,392
PSA Team	Contract dtd 9/12/11	93		37,308
			ARRA-Trans-NIH Recovery Act Research Support	
Purdue University	4102-31814	93.701		10,165
Purdue University	4102-41070	93		87,886
Radiation Monitoring Devices, Inc.	C11-45	93		611
Rand Corporation	9920080002	93		93,042
Rand Corporation	9920080119	93		16,560
Rand Corporation	9920120105	93		35,567
Rand Corporation	Subawd-9920120132	93		48,948
Renova Life, Inc.	Contract dated 10/5/10	93		103,984
Research Foundation of Mental Hygiene, Inc.	PO # 108074	93		71,287
Research Foundation of State University of New York	1098816/1/55773	93		380
Research Foundation of State University of New York	PO:R823677;1101731/4/60712	93		5,300
Research Foundation of State University of New York	RF Local File #1075090-2-48351	93		56,847
Rhode Island Hospital	HL077221	93		(16,942)
Roswell Park Cancer Institute	21-01	93		34,311
Roswell Park Cancer Institute	55-0949-02	93		(7,218)
Rush University Medical Center	1 R21 ES020404-01A1	93		28,976
Rush University Medical Center	5P30AG010161-22	93		33,396
Rutgers University	Rutgers #3766 / PO# S1236353	93		93,127
Salk Institute for Biological Studies	P0099462	93		40,793
Sanford-Burnham Medical Research Institute	56455-11775-UMICH	93		9,166
Sanford-Burnham Medical Research Institute	57564-12175-UOM 01	93		23,704

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Sarcoma Alliance for Research Through Collaboration (SARC)	7 under U54CA168512	93		156,680
Sarcoma Alliance for Research Through Collaboration (SARC)	Subaward #7 - Proj #3	93		256,071
Sarcoma Alliance for Research Through Collaboration (SARC)	Subaward #7, Core C	93		4,374
Science Applications International Corporation (SAIC)	10XS178	93		368
Science Applications International Corporation (SAIC)	11XS189	93		4,361,862
Science Applications International Corporation (SAIC)	12XS505	93		13,095
Science Applications International Corporation (SAIC)	29XS091	93		138,240
Science Applications International Corporation (SAIC)	29XS161	93		34,258
Science Applications International Corporation (SAIC)	SWOG S0819 11XS192	93		1,076,800
Sonetics Ultrasound, Inc.	Fixed Price Research Agreement	93		26,793
Southern Illinois University Medical School	520317	93		420,657
Southern Illinois University Medical School	520395	93		125,240
St. Jude Children's Research Hospital	111287180-7466337	93		13,331
St. Jude Children's Research Hospital	111287190-7522146	93		3,670
St. Jude Children's Research Hospital	Purchased svcs agmt	93		4,749
Stanford University	2945151-104354-B	93		16,257
Stanford University	60050098-104913-B	93		225,137
Stanford University	60156510-39087-B	93		183,360
State University of New York	1105675/1/55773	93		6,916
State University of New York	11-14	93		2,409
Syracuse University	23620-02268 SO2	93		25,830
Technion - Israel Institute of Technology	R01 GM094792	93		104,905
The Feinstein Institute for Medical Research	PO GRT286122	93		(52,826)
The Feinstein Institute for Medical Research	PO GRT286122, 500297	93		(2,215)
The Research Institute at Nationwide Children's Hospital	701111; PO# WX00194529	93		21,635
The University of Texas Health Science Center at Houston	0007721B	93		(67,587)
Therapeutics System Research Lab, Inc. (TSRL, Inc.)	Agreement	93		(4,027)
Tufts University	HS2648	93		6,059
Tulane University	TUL-HSC-412-12-13	93		4,991
University of Alabama	000388010-046	93		170,245
University of Alabama	000430850-002 / R01AG043972	93		42,862
University of Alabama at Birmingham (UAB)	000383981-002	93		34,051
University of Arizona	61325	93		8,911
University of Arkansas for Medical Sciences	37347	93		9,340
University of Bath	RE-PA0278A	93		189,092
University of Buffalo	R833985	93		9,591
University of California	10313964	93		78,546
University of California	10314706-SUB	93		47,984
University of California	2000 G QG873	93		11,355
University of California	ADC-035	93		31,475
University of California - Davis	Sub # 0800038	93		(1,280)
University of California - Irvine	2011-2709	93		17,265
University of California - Los Angeles	1215 G PA206	93		19,723
University of California - Los Angeles	1440 G PB 906	93		227,954
University of California - Los Angeles	1460 F KB114	93		68,167
University of California - Los Angeles	1550GNA961	93		17,261
University of California - Los Angeles	1556 GPC530	93		168,772
University of California - Los Angeles	1719 B PB601	93		33,501
University of California - Los Angeles	1920-G-KB309	93		88,343
University of California - Los Angeles	Subaward 1558 G NB524	93		2,394
University of California - San Francisco	4516SC	93		25,297
University of California - San Francisco	4911sc	93		12,207
University of California - San Francisco	5787SC	93		73,702
University of California - San Francisco	5824SC	93.701	ARRA-Trans-NIH Recovery Act Research Support	955,690
University of California - San Francisco	7285sc	93		28,857

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University of California - San Francisco	7384sc	93		739,691
University of California - San Francisco	7411sc	93		4,983
University of California - San Francisco	ITN10146-00sc	93		64,107
University of California - San Francisco	N01-AI-15416,Agmt ITN10203-00	93		12,034
University of California - San Francisco	Subaward 7196sc	93		75,656
University of California - San Francisco	Subcontract #3680SC	93		14,426
University of California-San Diego	10302052	93		91,444
University of California-San Diego	ADC-030	93		5,526
University of California-San Diego	ADC-037	93		33,437
University of California-San Diego	ADC-039	93		138,283
University of California-San Diego	CTA #6-0 UMICH ADNI-GO	93.701	ARRA-Trans-NIH Recovery Act Research Support	(5,682)
University of California-San Diego	PO# 10321837	93		(2,421)
University of Chicago	35829-003S3-B	93.701	ARRA-Trans-NIH Recovery Act Research Support	(14,831)
University of Chicago	39778-5-30819	93		135,355
University of Chicago	39778-530977,Proj RP3	93		311,660
University of Chicago	FP000607	93		17,904
University of Chicago	FP046846	93		178,076
University of Chicago	HHSN26120062001C-TRACS 31249	93		134,010
University of Chicago	Subaward #5792	93		53,214
University of Cincinnati	COEUS#005695/PO#L13-4500067758	93		5,442
University of Cincinnati	Sub award No. 007532	93		99,095
University of Colorado	1547677, PO#10000168545	93		16,358
University of Colorado	1550017/1000171003	93		52,960
University of Colorado	1550220/1000188965	93		132,341
University of Colorado	FY12.576.008/2-5-22958	93.701	ARRA-Trans-NIH Recovery Act Research Support	604
University of Colorado	FY13.608.001	93		16,747
University of Colorado	Project No. 2-5-27544	93		71,652
University of Florida, The	UF10177	93.701	ARRA-Trans-NIH Recovery Act Research Support	(21,297)
University of Florida, The	UF12316 / 00098337	93		37,305
University of Ghana Medical School	1U54HG006939-01	93		253,654
University of Hawaii	KA0014-	93		73,345
University of Illinois at Chicago	2012-03036-01-00	93		277,006
University of Illinois at Chicago	2012-06244-01-00	93		92,194
University of Illinois at Chicago	Document #0411	93		8,249
University of Iowa	W000211688, PO#1000822733	93		4,823
University of Iowa	W000239032; PO 1000854166	93		3,595
University of Iowa	W000285700 / PO No. 1000787890	93		1,725
University of Iowa	W000408766	93		16,509
University of Kansas	FY2013-050	93		41,767
University of Kansas	FY2013-067 (Prime R03EB015077)	93		3,559
University of Kansas	QK859010	93		9,966
University of Kentucky Research Foundation	3048105116-09-228	93		148,949
University of Kentucky Research Foundation	3048109330-13-153	93		26
University of Maryland, The	0000008687	93		262,227
University of Maryland, The	CA 13-16- 07-5-29025	93		312
University of Maryland, The	PO# SR000001889	93		15,675
University of Maryland, The	SR00000236	93		(4,059)
University of Massachusetts Medical Center	Subawd 6144298/RFS2013044	93		25,322
University of Miami, Florida, The	66971E/PO# M174905	93		26,709
University of Miami, Florida, The	M159075-66696G	93.701	ARRA-Trans-NIH Recovery Act Research Support	(205)
University of Miami, Florida, The	PO # M165251	93		25,604

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University of Minnesota	A485621505	93		183,506
University of Minnesota	A485621506	93		885,156
University of Minnesota	A844603902	93		(4,716)
University of Minnesota	N000483802	93		10,482
University of Minnesota	N001204501	93		409,308
University of Minnesota	N001364902	93		3,337
University of Minnesota	P001344007	93		253,054
University of Mississippi	66101310813-UM	93		23,822
University of Missouri	C00028567-1	93		7,164
University of Missouri	C00040381-1	93		19,515
University of Nebraska	Subaward No. 36-5360-2141-001	93		25,295
University of North Carolina	5-30069	93.701	ARRA-Trans-NIH Recovery Act Research Support	15,101
University of North Carolina	5-31525	93		130,213
University of North Carolina	5-50413	93		14,125
University of North Carolina-Chapel Hill	5 U01 NS042167	93		(1,307)
University of North Carolina-Chapel Hill	5-30788	93		148,133
University of North Carolina-Chapel Hill	5-31833	93		97,161
University of Pennsylvania	547810	93		2,910
University of Pennsylvania	553367	93.701	ARRA-Trans-NIH Recovery Act Research Support	21,556
University of Pennsylvania	558118	93		8,483
University of Pennsylvania	559669/PO# 2918910	93		33,006
University of Pennsylvania	Empty	93		13,055
University of Pennsylvania	PO	93		145,839
University of Pennsylvania	PO # 2900258	93		47,245
University of Pennsylvania	PO# 2860498, Agmt. 554545	93		26,634
University of Pennsylvania	PO#3028657	93		41,640
University of Pennsylvania	Sub No 555844, PO 2917891	93.701	ARRA-Trans-NIH Recovery Act Research Support	85,521
University of Pittsburgh	0001162 (113596-5)	93		6,816
University of Pittsburgh	0004651 / 111882-1	93		7,015
University of Pittsburgh	0011424 (118245-2) 116289-6	93		(35,481)
University of Pittsburgh	0014136 (118907-2)	93		549,472
University of Pittsburgh	0020149(118590-1)	93		173,469
University of Pittsburgh	0024088 (122208+1)	93		274,340
University of Pittsburgh	0024922 (120171-6)	93		142,313
University of Pittsburgh	0030562 (122523-1)	93		30,712
University of Pittsburgh	9004611 (122926-4)	93		76,114
University of Pittsburgh	Sub awd#0001190 ..	93		329
University of Pittsburgh	Subawd #0021239(120181-1)	93		15,628
University of Rochester	415077-G 5-24613	93		(20,471)
University of Rochester	415740-G	93		126,500
University of Rochester	415910-G, UR#5-26394	93		67,806
University of Rochester	UR Acct 5/24571/PO 415699-G	93		(79)
University of South Carolina	13-2253	93		193,662
University of South Carolina	13-2347(11530-FA84) P.O.#42158	93		24,422
University of South Florida	Site #1326-1U01-DK61055	93		9,522
University of Southern California	140828	93		(756)
University of Southern California	157933	93		687,801
University of Southern California	H50856	93		16,580
University of Southern California	PO10042711	93		10,630
University of Southern California	Y92563	93		170,452
University of Texas at Austin	UTA11-000402	93		19,175
University of Texas at Austin	UTA11-000668	93		24,466
University of Texas at Austin	UTA11-000820	93		58,140

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University of Texas at Dallas	0006439A	93		31,994
University of Texas at Dallas	0007224C	93.701	ARRA-Trans-NIH Recovery Act Research Support	(313)
University of Texas at Dallas	11080798/98110450	93		88,837
University of Texas at Dallas	150670/130450	93		(34)
University of Texas Health Science Center at San Antonio	150428/130450	93		50,204
University of Texas Health Science Center at San Antonio	150671/131201	93		22,708
University of Texas Health Science Center at San Antonio	150956/131201	93		41
University of Texas Health Science Center at San Antonio	151146/131201	93		(1,493)
University of Texas Health Science Center at San Antonio	154279	93		2,265,872
University of Texas Health Science Center at San Antonio	Agreement No. 152987	93		21,065
University of Texas Medical Branch at Galveston (UTMB)	13-029, PO# UOSPC-0000000783	93		1,370
University of Texas Southwestern Medical Center	GMO111129	93		99,159
University of Texas Southwestern Medical Center	GMO120506	93		5,843
University of Toledo	Agmt. No. NS 2005-080	93		7,535
University of Toledo	N2004-43, PO#19385	93		19,984
University of Toledo	N2013-39	93		4,190
University of Toledo	NS 2010-26	93.701	ARRA-Trans-NIH Recovery Act Research Support	81,959
University of Toledo	TBA by UT	93		40,196
University of Toledo	X2013-4	93		47,928
University of Utah	10004099	93		5,046
University of Utah	10009050-18 Capitated	93		118,538
University of Utah	10009050-18, PO#0000151144	93	ARRA	(380)
University of Utah	2408022-09,	93		195,285
University of Virginia	GC11822-140136	93		200,274
University of Virginia	GC11822-143307	93		44,403
University of Virginia	GC12046-138143	93		13,116
University of Virginia	GC12107-138778	93		1,054,694
University of Washington	605011	93		11,000
University of Washington	661125	93		178,644
University of Washington	684460	93		40,641
University of Washington	725025	93		22,058
University of Washington	733645	93		61,568
University of Washington	737516	93		21,711
University of Washington	742864	93		54,979
University of Washington	747686	93		51,093
University of Washington	748139	93		76,794
University of Washington	748307	93		20,217
University of Washington	750274	93		15,000
University of Washington	750574	93		28,190
University of Washington	Subaward # 721793	93		438
University of Wisconsin	336K490	93		68,680
University of Wisconsin	379K363	93		85,996
University of Wisconsin	381K743	93		465,212
University of Wisconsin	412K086	93		19,585
University of Wisconsin	455K184	93		732
University of Wisconsin	836F463	93		(9,191)
Urban Institute, The		93		32,007
Van Andel Research Institute	UM-NCI-BH-10-40181-1	93		127,052
Vanderbilt University	VUMC 41036	93		7,681
Vanderbilt University	VUMC38231	93		46,764
Wake Forest University	WFUHS 30225	93		36,586
Washington University	Subaward # WU-09-375	93		132
Washington University	Subaward #WU-09-369	93		27,675
Washington University	WU-10-167, PO#2911457A	93		(643)

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Washington University	WU-13-263, PO#2917402W	93		2,447
Washington University in St. Louis	WU-12-194, PO# 2917169W	93		82,603
Washington University in St. Louis	WU-13-188 PO#2917169W	93		71,073
Washington University in St. Louis	WU-13-31; PO#2916359W	93		61,827
Washington University in St. Louis	WU-13-78/ PO # 2916721W	93		55,981
Wayne State University	PO# P0507439	93		22,960
Wayne State University	WSU09018;PO#P0494592	93		5,763
Wayne State University	WSU09081-PO# P0495991	93.701	ARRA-Trans-NIH Recovery Act Research Support	403
Wayne State University	WSU11005-A3	93		272,009
Wayne State University	WSU11029	93		42,310
Wayne State University	WSU11047-A2; PO# P0511378	93		28,919
Wayne State University	WSU11085,PO#P0516728	93		15,641
Wayne State University	WSU13011	93		19,443
Wayne State University	WSU13040	93		4,670
Wayne, John, Cancer Institute	Agmt dtd 8/10/06	93		1,577
West Virginia University	83-109AUM / PO# 50069667	93		(16,792)
Yale University	A08152(M11A11003)	93		32,824
Yale University	A08168(M11A10986)	93		12,851
Yale University	A08254(M11A11079)	93		18,068
Yale University	M08A00761 (A08383)	93		2,347
Yale University	M12A11207/ A08509	93		16,605
Yale University	M12A11301 (AS0201)	93.701	ARRA-Trans-NIH Recovery Act Research Support	(27,192)
Yale University	M12A11333 (A08685)	93		417,324
Yale University	M12A11379 (A08021)	93		1,083
Yale University	Srv agm dtd 7/25/12	93		29,741
Yale University	Sub award C10A10829	93		129,963
Yale University	U10 D055925 prime	93		15,412
Health and Human Services, Department of-Office of the Secretary				
Pass-Through:				
Duke University	203-9296	93.276	ARRA-Drug-Free Communities Support Program Grants	91,777
Educational Development Center, Inc.	90AP2672 11392.0.00.02.00.000	93		9,679
Johns Hopkins University	T15 OC000048	93.721	ARRA-Health Information Technology Professionals in Health Care	59,265
Stanford University	60229334-104354-J	93		3,275
Urban Institute, The	08350-020-00-UMI-01	93		7,878
Health and Human Services, Department of-Substance Abuse and Mental Health Services Adm.				
Direct		93		1,215,691
Pass-Through:				
American Indian Health and Family Services of SE Michigan, Inc (AIHFS)	Agreement dtd 8/29/11	93		73,210
Starfish Family Services	Subgrant Agmt	93		20,113
University of California - Davis	Subaward No. 201120402-01	93		20,000
Homeland Security, Department of				
Direct		97		1,589,505
Pass-Through:				
Eastern Michigan University	P0038910	97		9,615
Radiation Monitoring Devices, Inc.	C11-24	97		24,580
Texas A & M University	570775	97		442
Housing and Urban Development, Department of				
Direct		14		22,753
Pass-Through:				
Washtenaw, County of	CR 43669-115782	14		12,886
Institute of Museum and Library Services				

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Direct		3		710,641
Pass-Through:				
University of Maryland, The	Z929605	3		7,385
Interior, Department of the				
Direct		15		241,196
Pass-Through:				
Michigan Tech Research Institute	070910Z1	15		(299)
Michigan, State of, Natural Resources, Department of	751B9200004	15		77,513
Michigan, State of, Natural Resources, Department of	PO#777P1300488, proj 237016	15		(13,971)
National Fish and Wildlife Foundation	0501.12.032465	15		51,297
Justice, Department of				
Direct		16		1,962,900
Pass-Through:				
Michigan Public Health Institute	C-27069-115-504200	16		(166)
National Aeronautics and Space Administration				
Direct		43		14,903,220
Pass-Through:				
Alion Science and Technology	PO SCR1100627	43		73,440
Biomedware	Agmt dtd 8/2/11	43		14,681
Boston College	50019*20-1	43		1,024
California Institute of Technology	2-1087640	43		30,294
California Institute of Technology	44A-1085637	43		275,792
California Institute of Technology	44A-1093998	43		2,895
Carnegie Institution of Washington	DTM-3250-04	43		648,858
CFD Research Corporation	1484	43		108,068
Eastern Michigan University	R73213.1	43		20,604
ElectroDynamic Applications, Inc.	NNX11CC56C/PO# 11020001	43		130,750
Jet Propulsion Laboratory	1266313	43		581,434
Jet Propulsion Laboratory	1266314	43		63,952
Jet Propulsion Laboratory	1344183	43		(50)
Jet Propulsion Laboratory	1352405	43		(2)
Jet Propulsion Laboratory	1364924	43		7,048
Jet Propulsion Laboratory	1371383	43		2,386
Jet Propulsion Laboratory	1371476	43		15,100
Jet Propulsion Laboratory	1371593	43		7,985
Jet Propulsion Laboratory	1377380	43		39,082
Jet Propulsion Laboratory	1393453	43		69,724
Jet Propulsion Laboratory	1409449	43		396,383
Jet Propulsion Laboratory	1411301	43		43,757
Jet Propulsion Laboratory	1416972	43		82,336
Jet Propulsion Laboratory	1416974	43		29,473
Jet Propulsion Laboratory	1427417	43		31,826
Jet Propulsion Laboratory	1427898	43		81,717
Jet Propulsion Laboratory	1427977	43		65,111
Jet Propulsion Laboratory	1430980	43		1,973
Jet Propulsion Laboratory	1431266	43		283
Jet Propulsion Laboratory	1434435	43		566,981
Jet Propulsion Laboratory	1434703	43		1,140
Jet Propulsion Laboratory	1435616	43		9,340
Jet Propulsion Laboratory	1442686	43		2,627
Jet Propulsion Laboratory	1445710	43		11,844
Jet Propulsion Laboratory	1447157	43		19,031
Jet Propulsion Laboratory	1449038	43		131,754
Jet Propulsion Laboratory	1452321	43		8,230
Jet Propulsion Laboratory	1454700	43		101,732
Jet Propulsion Laboratory	1456531	43		8,543

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Jet Propulsion Laboratory	1456564	43		65,000
Jet Propulsion Laboratory	1456625	43		26,133
Jet Propulsion Laboratory	1476699	43		10,917
Jet Propulsion Laboratory	RSA 1464604	43		17,384
Michigan Tech Research Institute	PO# P0085592/090916Z1	43		169,192
National Institute of Aerospace	X13-7142-UM	43		10,271
National Space Biomedical Research Institute	SA02801; Master NCC 9-58 46	43		12,767
National Space Biomedical Research Institute	SA02802	43		153,058
Nevada System of Higher Education	663.1845.01	43		39,266
Northrop Grumman Corporation	7600010627	43		3,856
Ohio State University, The	60014113	43		39,936
Picomatrix, Inc.	Subcontract	43		105,186
San Jose State University	21-1614-4877	43		146,808
South Dakota State University	3TF330	43		51,695
Southwest Research Institute	699056KC	43		87,666
Southwest Research Institute	A99201MO	43		1,198,864
Southwest Research Institute	B99073JD	43		19,654
Southwest Research Institute	E99061MO	43		30,305
Space Telescope Science Institute	47959	43		7,769
Space Telescope Science Institute	HST-AR-12129.01-A	43		3,203
Space Telescope Science Institute	HST-AR-12839.01-A	43		21,295
Space Telescope Science Institute	HST-AR-12846-.02-A	43		513
Space Telescope Science Institute	HST-GO-11583.01-A	43		23,015
Space Telescope Science Institute	HST-GO-11589-01.A	43		12,382
Space Telescope Science Institute	HST-GO-11608.01-A	43		27,504
Space Telescope Science Institute	HST-GO-11613.14-A	43		50,882
Space Telescope Science Institute	HST-GO-11616.03-A	43		39,983
Space Telescope Science Institute	HST-GO-12060.52-A	43		60,551
Space Telescope Science Institute	HST-GO-12213.01-A	43		33,986
Space Telescope Science Institute	HST-GO-12238.07-A	43		22,703
Space Telescope Science Institute	HST-GO-12557.01-A	43		9,103
Space Telescope Science Institute	HST-GO-12591.01-A	43		10,422
Space Telescope Science Institute	HST-GO-13003-.02-A	43		6,608
Space Telescope Science Institute	HST-GO-13050.01-A	43		4,494
Space Telescope Science Institute	HST-GO-13108.03-A	43		198
Space Telescope Science Institute	HST-HF-51287.01-A	43		99,316
Streamline Numerics, Inc	Fixed Price Research Agreement	43		9,207
Tethers Unlimited, Inc.	TUI-120713-UM	43		30,000
United Negro College Fund Special Programs Corporation	Award letter	43		21,914
University of California - Berkeley	SA4765-26309 PO0001077462	43		27,139
University of California - Los Angeles	2090 G MA823	43		20,310
University of California - Los Angeles	2090 G NA117	43		27,296
University of Colorado	1546525/PO 1000106275	43		86,005
University of Colorado	1548642, PO #1000031576	43		22,688
University of Florida, The	UF09150	43		53,080
University of Maryland, The	Z634020	43		198,281
University of Maryland-Baltimore County (UMBC)	0000011129	43		16,128
University of Massachusetts	S120 000000 0016; PO0001268631	43		9,007
University of Miami, Florida, The	C1000412-66796M Prime#NNX11AF0	43		9,350
University of Notre Dame, The	201826	43		14,013
University of Southern California	34704771 PO 10054840	43		96,578
University of Virginia	GR10008-129918	43		691
National Endowment for the Humanities				
Direct		6		66,178
Pass-Through:				
Michigan Humanities Council	2830 H11	6		(3,918)

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Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
National Science Foundation				
Direct		47.082	ARRA-Trans-NSF Recovery Act Reasearch Support	7,083,526
Direct		47		88,134,133
Pass-Through:				
American Educational Research Association	Agreement	47		107,376
American Educational Research Association	Letter dtd 6/22/11	47		15,417
American Geographers, Association of	Subcontract # F7110	47		13,734
Arizona State University	subaward no 13-066	47		28,812
Baker-Calling	research agreement	47		61,113
Boston University	4500000704	47		21,621
California Institute of Technology	42B-1093325	47		20,538
California Institute of Technology	75ADV 109481	47		43,023
Carnegie Institution of Washington	9-10424-01	47		817,055
Carnegie Institution of Washington	9-10424-02	47		7,508
Carnegie-Mellon University	1121322-236717	47.082	ARRA-Trans-NSF Recovery Act Reasearch Support	20,441
Children's Hospital of Philadelphia, The	Lawson No. 27065-212780413-50	47		5,845
Children's Hospital of Philadelphia, The	Lawson No. 27065-212780413-55	47		11,707
Columbia University	PHY-9722537	47		(11,927)
Columbia University	Sub #8(GG006141)PO#G03016	47		316,223
Columbia University	Sub#7(GG006141)PO#G03009	47		283,857
Computing Research Association (CRA)	4/15/11	47		1,800
Computing Research Association (CRA)	CIF-C-66	47		21,582
Consortium for Ocean Leadership	T320A2	47		(3,749)
Consortium for Ocean Leadership	T335A2	47		3,094
Consortium for Ocean Leadership	T338A2	47		20,689
Cornell University	44771-7472	47		1,412,501
Cornell University	61468-B809773	47		70,365
Cornell University	64184 9947	47		29,381
Cornell University	66281-10037	47		4,782
Duke University	13-NSF-1004	47		34,489
EKSO Bionics	Agreement	47		59,878
Emory University	S880506	47		36,976
Evigia Systems, Inc	Roundtable Research Agreement	47		17,526
Florida International University	800001088-01	47		31,931
Georgia Institute of Technology	R9758-G4	47		56,918
Georgia State University	SP00010644-02	47		88,056
Harvard University	108051-5021742	47		26,672
Harvard University	108075-5026906	47		462,168
Harvard University	123658 5039998	47		26,995
Harvard University	131926	47.082	ARRA-Trans-NSF Recovery Act Reasearch Support	24,453
HiperNap, LLC	Roundtable Res Agmt	47		8,763
Hofstra University	25340 Michigan	47.070	ARRA-Computer and Information Science and Engineering	135,720
Illinois State University	11C128.09	47		1,452
Inmatech	Research Agreement	47		33,031
Inmatech	RT Research Agmt dtd 9/23/11	47		10,869
Intelligent Prosthetic Systems	Check# 1059 dtd 12/18/07	47		33,227
Internet 2	Subaward Agmt	47.082	ARRA-Trans-NSF Recovery Act Reasearch Support	152,099
Iowa State University	420-62-29	47		18,753
Iowa State University	420-72-34/I9 69672 23	47		162,278
Marine Biological Laboratory	40985	47		152,194
Mathematical Association of America	MOU	47		84,348

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Michigan State University	RC062052UM	47		16,062
Michigan State University	RC062064UM	47		16,759
Michigan State University	RC100168UM	47		161,506
Michigan State University	RC101276UM	47		37,632
Michigan State University	RC101476UM	47		7,861
National Collegiate Inventors and Innovators Alliance (NCIIA)	Approval letter	47		52,724
Norfolk State University (NSU)	F1040044	47		2,487
North Carolina State University	2012-1067-04	47		65,828
OG Technologies, Inc.	PO# 3093	47		201,825
Ohio State University, The	60031346	47		34,831
Ohio State University, The	EEC 0914790	47		79,865
PicoCal, Inc.	Award ltr	47		16,750
Princeton University	00002031	47		84,541
Raytheon Company	BBN #14059 PO #9500011107	47		44,813
Rice University	PHY 1308264	47		18,718
Seton Hall University	AERA-UM1	47		8,027
South Dakota State University	USD 1028	47		(128)
SRI International	115-000028	47		74,509
State University of New York	12-52	47		7,464
State University of New York at Buffalo	PTAEO#1087905/2/54259	47		93,564
Syracuse University	25050 02898 S02 Prime BCS 1132	47		50,950
The Algebra Project, Inc	ESI-0822175	47		47,039
Thixomat, Inc.	Research Agreement	47		2,905
University of Arizona	Y553599	47		50,964
University of Arizona	y562574	47		10,253
University of California - Berkeley	DRL0822119/00007899/BB00014193	47		15,686
University of California - Berkeley	PO#1636871	47		10,695
University of California - Los Angeles	100 G NB315	47		55,714
University of California - Santa Barbara	KK1233	47		64,420
University of California-San Diego	10293887	47		46,938
University of California-San Diego	10301095	47		129,947
University of Central Florida	UCF 65016192	47		(7,373)
University of Colorado	1549246/PO# 100104659	47		19,935
University of Colorado	1549958 PO#1000175809	47		38,475
University of Denver	SC37058A-02-00	47		39,872
University of Georgia	RR197-021/4940116	47		108,712
University of Georgia	RR551-481/4784726	47		(599)
University of Illinois-Urbana-Champaign	2009 01053 01	47		68,593
University of Illinois-Urbana-Champaign	2009 04479 01	47		99,594
University of Illinois-Urbana-Champaign	2010-03235-01 Code A1694	47		110,354
University of Illinois-Urbana-Champaign	2010-07322-01/A13408	47		41,041
University of Maryland, The	Z326101	47.082	ARRA-Trans-NSF Recovery Act Reasearch Support	50,325
University of Maryland, The	Z370804	47		67,667
University of Massachusetts	10-005620 A 00	47		18,532
University of Massachusetts	11-006642 G 00	47		27,876
University of Massachusetts	13-007317 A	47		696
University of Massachusetts	S 2013 20541	47		32,675
University of Minnesota	A528605612	47		(511)
University of Minnesota	H002341902	47		32,300
University of Minnesota	H0441632901	47		15,406
University of Missouri	C00026277-1	47		(5,521)
University of Nebraska	25-0550-0001-129	47		(1,468)
University of Notre Dame, The	201646	47		124,653
University of Washington	431145	47		5,879
University of Washington	728670	47		5,071

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University of Washington	744904	47		338,342
University of Wisconsin	028K755	47		25,535
University of Wisconsin	159K832	47.082	ARRA-Trans-NSF Recovery Act Reasearch Support	143,861
University of Wisconsin	364K350	47		76,391
University of Wisconsin	420K976	47		69,516
Virginia Commonwealth University	PT095050 - SC100044	47		28,955
Virginia Commonwealth University	PT106594-SC103006	47		7,016
Virginia Polytechnic Institute and State University	P2447613	47		30,217
Vortex Hydro Energy, LLC	Roundtable Res Agmt	47		21,061
Wesleyan University	WESU 5011048122	47		773
Woods Hole Oceanographic Institute	A100793	47		37,512
Nuclear Regulatory Commission				
Direct		77		1,033,353
Smithsonian Institution				
Direct		60		525,023
Social Security Administration				
Direct		96		2,797,705
State, Department of				
Direct		19		448,260
Pass-Through:				
National Academy of Sciences	PGA-P210884	19		71,726
Transportation, Department of-Federal Aviation Administration				
Direct		20		168,734
Transportation, Department of-Federal Highway Administration				
Direct		20		12,278,381
Pass-Through:				
Battelle Memorial Institute	US001-0000364509	20		8,763
CDM Smith	1500-004-001-CS	20		31,673
Michigan, State of, Transportation, Department of	2010-0296 Auth 9	20		111,857
Michigan, State of, Transportation, Department of	2010-0296, Auth 8	20		167,208
Michigan, State of, Transportation, Department of	2010-0436	20		215,493
Michigan, State of, Transportation, Department of	2012-0770	20		232,750
Michigan, State of, Transportation, Department of	2013-0068 Auth Z1	20		3,386
Michigan, State of, Transportation, Department of	Contract 2009-0747,Auth Z4	20		16,361
Michigan, State of, Transportation, Department of	Contract 2009-0747,Auth Z6	20		1,852
Michigan, State of, Transportation, Department of	Contract 2010-0296 Auth 5	20		103,048
National Academy of Sciences	HR 17-57/SUB0000048	20		191,439
Purdue University	Subagreement 4108-47673	20		42,020
Soils & Materials Engineers, Inc.	62093.08	20		41,447
Soils & Materials Engineers, Inc.	PP 47973	20		(499)
Southeast Michigan Council of Governments	P.O. 9800	20		1,679
Virginia Polytechnic Institute and State University	451054-19337	20		51,565
Virginia Polytechnic Institute and State University	451205-19337	20		105,745
Wayne State University	P0519851 & Index #3-37438	20		82,018
Transportation, Department of-Federal Motor Carrier Safety Administration				
Direct		20		209,063
Transportation, Department of-Federal Railroad Administration				
Pass-Through:				
Ensco International	Technical Services Subcontract	20		144,388
Transportation, Department of-Federal Transit Administration				
Direct		20		23,660
Pass-Through:				
Westat	8943-S-001	20		52,811
Transportation, Department of-Maritime Administration				
Pass-Through:				

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University of Maryland, The	CA 12-21 07-5-25698	20		57,199
Transportation, Department of-National Highway Traffic Safety Administration				
Direct		20		1,153,531
Pass-Through:				
Meritor WABCO	Research Agmt	20		9,069
Meritor WABCO	Research Agmt	20		(1,233)
Michigan, State of, State Police	TR-12-13	20		9,720
Michigan, State of, State Police	TR-13-01	20		170,738
Michigan, State of, State Police	TR-13-02	20		69,728
Nissan Technical Center, North America	Agreement	20		(1,097)
Nissan Technical Center, North America	PO#7400057242	20		120,383
Virginia Polytechnic Institute and State University	451127-19337	20		29,116
Virginia Polytechnic Institute and State University	451209-19337	20		76,905
Virginia Polytechnic Institute and State University	451210-19337	20		35,105
Transportation, Department of-Other				
Direct		20		327,185
Pass-Through:				
Battelle Memorial Institute	269974	20		279,227
Battelle Memorial Institute	PO US001-0000293848	20		217,145
Battelle Memorial Institute	US001-0000311804	20		175,126
Battelle Memorial Institute	US001-0000325639	20		9,044
HNTB Michigan, Inc	HNTB Proj# 56332-DS-001	20		26,615
Michigan, State of, State Police	TR-12-01	20		109,257
Michigan, State of, State Police	TS-12-03	20		38,031
Michigan, State of, Transportation, Department of	Contract 2009-0747,Auth Z1	20		(196)
National Academy of Sciences	SHRP-S-09	20		(10,419)
Science Applications International Corporation (SAIC)	P010093870	20		(7,439)
University of Wisconsin	Univ#144 051055 4 - GLMR#10011	20		59,358
Virginia Polytechnic Institute and State University	451125-19337	20		56,007
United States Agency for International Development				
Direct		98		26,606
Pass-Through:				
Africare-Liberia	AID-OAA-A-10-00034	98		68,185
American Research Center in Egypt	Contract dtd 2/14/13	98		28,093
Oregon State University	RD011G-B	98		324,390
Research Triangle Institute	2-330-0212934	98		172,471
University of California - Berkeley	AID-OAAA-A-13-00002 00008195	98		4,475
University of Wisconsin	164K894	98		172,786
United States Institute of Peace				
Pass-Through:				
Princeton University	00001877	99		(287)
Veterans Affairs, Department of				
Direct		64		611,499
Total research and development cluster				\$ 860,842,897

STUDENT FINANCIAL AID CLUSTER

Education, Department of

Direct	84.007	Federal Supplemental Educational Opportunity Grant	\$ 1,951,530
Direct	84.033	Federal Work-Study Program	4,096,208
Direct	84.038	Federal Perkins Loan Program Federal Capital Contributions (Note 5)	-
Direct	84.063	Federal Pell Grant Program	43,188,743
Direct	84.268	William D. Ford Federal Direct Loan Program (Note 4)	-

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Direct Health and Human Services, Department of-Health Resources and Services Administration		84.379	Teacher Education Assistance for College and Higher Education Grants (TEACH Grants)	53,262
Direct		93.264	Nurse Faculty Loan Program (NFLP) (Note 5) Health Professions Student Loans, Including Primary Care Loans/Loans for Disadvantaged Students (Note 5)	-
Direct		93.342	Nursing Student Loans (Note 5)	-
Direct		93.364	Scholarships for Health Professions Students from Disadvantaged Backgrounds (Note 5)	-
Direct		93.925	Scholarships for Health Professions Students from Disadvantaged Backgrounds	-
Direct		93.925		227,308
Total student financial aid cluster				\$ 49,517,051
FEDERAL TRANSIT CLUSTER				
Transportation, Department of-Federal Transit Administration Pass-Through:				
Ann Arbor Transportation Authority	Agmt dtd 2/28/10	20.500	ARRA-Federal Transit_Capital Investment Grants	\$ 289,594
MEDICAID CLUSTER				
Health and Human Services, Department of-Centers for Medicare and Medicaid Services				
Pass-Through:				
Michigan, State of, Community Health, Department of	20111560	93.778	Medical Assistance Program	(2,003)
Michigan, State of, Community Health, Department of	20120487	93.778	Medical Assistance Program	273,584
Michigan, State of, Community Health, Department of	20120495	93.778	Medical Assistance Program	7,832
Michigan, State of, Community Health, Department of	20120500	93.778	Medical Assistance Program	47,906
Michigan, State of, Community Health, Department of	20121288	93.778	Medical Assistance Program	489,874
Michigan, State of, Community Health, Department of	20130548	93.778	Medical Assistance Program	772,446
Michigan, State of, Community Health, Department of	20131026	93.778	Medical Assistance Program	101,044
Michigan, State of, Community Health, Department of	20131041	93.778	Medical Assistance Program	30,786
Michigan, State of, Community Health, Department of	20131043	93.778	Medical Assistance Program	183,586
Health and Human Services, Department of-Office of the Secretary Pass-Through:				
Michigan Primary Care Association	Agreement	93.778	Medical Assistance Program	720,880
Michigan Primary Care Association	FY11-12 Agreement	93.778	Medical Assistance Program	216,630
Michigan Primary Care Association	Grant Agreement	93.778	Medical Assistance Program	201,870
Michigan, State of, Community Health, Department of	20120480	93.778	Medical Assistance Program	103,363
Michigan, State of, Community Health, Department of	20120488	93.778	Medical Assistance Program	96,919
Michigan, State of, Community Health, Department of	20131038	93.778	Medical Assistance Program	800,626
Michigan, State of, Community Health, Department of	20131039	93.778	Medical Assistance Program	176,629
Total Medicaid cluster				\$ 4,221,972
National Institute of Standards and Technology Construction Grant Program				
Commerce, Department of-National Institute of Standards & Technology				
Direct		11.618	National Institute of Standards and Technology Construction Grant Program	\$ 3,142,575
Affordable Care Act (ACA) Nurse-Managed Health Clinics				
Health and Human Services, Department of-Health Resources and Services Administration				

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Direct		93.515	Affordable Care Act (ACA) Nurse-Managed Health Clinics	<u>\$ 517,204</u>
Health Care and Other Facilities				
Health and Human Services, Department of-Health Resources and Services Administration				
Direct		93.887	Health Care and Other Facilities	<u>\$ 967,150</u>
NON-CLUSTER				
Agriculture, Department of				
Pass-Through:				
Baker College of Owosso	Subcontract dtd 11/1/11			\$ 5,216
City of Cadillac	Research Agreement of 8/1/12			33,346
Ducks Unlimited, Inc.	Agreement	10.5	Cooperative Extension Service	4,257
Michigan, State of, Education, Department of	810000039	10.558	Child and Adult Care Food Program	37,798
Ottawa, County of	Agreement approved on 1/16/12			(4,963)
Commerce, Department of-Economic Development Administration				
Direct		11.303	Economic Development_Technical Assistance	314,038
Commerce, Department of-National Oceanic and Atmospheric Administration				
Direct		11.417	Sea Grant Support	1,642,999
Direct		11.463	Habitat Conservation	193,432
Direct		11.IPA		206,456
Pass-Through:				
Consortium for Ocean Leadership	SA#13-27			15,695
Great Lakes Observing System (GLOS)	NA10NOS0120041	11.012	Integrated Ocean Observing System (IOOS)	3,850
Great Lakes Observing System (GLOS)	MPA/SGN-09	11.473	Coastal Services Center	7,792
			Coastal Zone Management Administration	
Michigan, State of, Environmental Quality, Department of	13-RIP-001	11.419	Awards	6,289
Thunder Bay National Marine Sanctuary Foundation	Agreement			36,396
University of Wisconsin	Invoices	11.417	Sea Grant Support	3,934
Commerce, Department of-Office of the Secretary				
Direct		11.313	Trade Adjustment Assistance for Firms	1,205,705
Direct		11.IPA		223,932
Pass-Through:				
University of Maryland, The	Z760004			86,675
University of Rochester	Z777101			316,512
Corporation for National and Community Service				
Pass-Through:				
Catholic Social Services	service agreement as of 1/1/13	94.019	Social Innovation Fund	802
Jump Start for Young Children, Inc	120200	94.006	AmeriCorps	42,292
Jump Start for Young Children, Inc	Co-op Agmt 120200	94.006	AmeriCorps	(78)
National College Advising Corps	Check #01-757866 dtd 2/9/11			(250)
National College Advising Corps	Memo dtd 8/15/12			104,439
Defense, Department of-Air Force, Department of the				
Direct		12.800	Air Force Defense Research Sciences Program	1,137
Pass-Through:				
ERC, Inc.	RS130040			3,381
Massachusetts Institute of Technology	7000196208			12,000
Massachusetts Institute of Technology	PO#7000179836			(79)
Soar Technology, Inc.	10191.01			(407)
Universal Technology Corporation	12-S590-0020-49-C7			2,752
Defense, Department of-Army, Department of the				
Direct		12.431	Basic Scientific Research	4,790
Pass-Through:				
Oxazogen, Inc	Subcontract Agreement to W56HZ			344
Defense, Department of-Defense Advanced Research Projects Agency				

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Pass-Through: BAE Systems	827684			28,007
Defense, Department of-Defense Threat Reduction Agency				
Pass-Through: Mercury Data Systems	UM-VINS-001			125,410
Defense, Department of-National Security Agency				
Direct		12.901	Mathematical Sciences Grants Program	10,007
Direct		12.Wire Trnsfr #05506100000099		10,880
Defense, Department of-Navy, Department of the				
Direct		12.300	Basic and Applied Scientific Research	25,998
Direct		12.IPA		93,172
Direct		12.N00140-06-G-0028		3,038
Direct		12.N65540-10-C-003		4,888,721
Pass-Through: GE Global Research	400093500			276
Vortex Hydro Energy, LLC	Signed Quote			14,080
Defense, Department of-Other				
Pass-Through:				
Institute of International Education	NSEP-U631063-UMICH-ARA	12.550	The Language Flagship Grants to Institutions of Higher Education	89,764
Institute of International Education	sub NA NSEP U631023-	12.550	The Language Flagship Grants to Institutions of Higher Education	10,015
Institute of International Education	NSEP-U631073-UMICH-ARA			248,674
Sarcoma Alliance for Research Through Collaboration (SARC)	SARC016			3,700
Education, Department of				
Direct		84.015	National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program Undergraduate International Studies and Foreign	2,816,582
Direct		84.016	Language Programs	31,985
Direct		84.116	Fund for the Improvement of Postsecondary Education	134,508
Direct		84.170	Javits Fellowships	117,773
Direct		84.195	Bilingual Education_Professional Development	143,146
Direct		84.220	Centers for International Business Education	159,205
Pass-Through:				
Arizona, State of	Agmt dtd 10/01/11	84.002	Adult Education - Basic Grants to States	6,036
Arkansas, State of, Department of Workforce Education	PO #00029793	84.002	Adult Education - Basic Grants to States	755
Flint Community Schools	Indep Contractor Agree 7/1/12			15,334
Flint Community Schools	Independent Contractor Agreement			15,334
Massachusetts, State of	12230Umichiganideal	84.002	Adult Education - Basic Grants to States	3,686
Michigan Campus Compact	MC Grant # GU11-04	84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	15,000
Michigan, State of, Education, Department of	110290-6625	84.367	Improving Teacher Quality State Grants	79,852
Michigan, State of, Education, Department of	120290-4508	84.367	Improving Teacher Quality State Grants	105,961
Michigan, State of, Education, Department of	111030-1011/PO#313P13000227	84.378	College Access Challenge Grant Program	9,053
Michigan, State of, Strategic Fund	11-00-12	84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	16,362
Michigan, State of, Strategic Fund	11-00-18	84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	24,361
Michigan, State of, Strategic Fund	11-00-19	84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	31,280
Michigan, State of, Strategic Fund	12-00-19	84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	50,559

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Michigan, State of, Strategic Fund	Grant 12-00-12	84.334	Gaining Early Awareness and Readiness for Undergraduate Programs	40,106
Michigan, State of, Strategic Fund	Revised Gan and Agmnt 11/13			41,496
Minnesota, State of	1049099	84.002	Adult Education - Basic Grants to States	7,915
Missouri, State of	7/1/12 Agmt	84.002	Adult Education - Basic Grants to States	3,653
Missouri, State of	Agmt dtd 07/01/11	84.002	Adult Education - Basic Grants to States	6
National Writing Project	00-MI03-SEED2012	84.367	Improving Teacher Quality State Grants	21,255
National Writing Project	00-M103			5,034
North Carolina, State of, Community College System	NCCCS 2-23	84.002	Adult Education - Basic Grants to States	(69)
North Carolina, State of, Community College System	PO# NC10000965	84.002	Adult Education - Basic Grants to States	23,022
			National Resource Centers Program for Foreign Language and Area Studies or Foreign Language and International Studies Program and Foreign Language and Area Studies Fellowship Program	
Ohio State University Research Foundation	60026108/PO RF01262749	84.015	Language and Area Studies Fellowship Program	8,455
Pennsylvania, State of, Department of Education	CK#221914	84.002	Adult Education - Basic Grants to States	(828)
Texas, State of	Agreement 10-28-11	84.002	Adult Education - Basic Grants to States	16,410
Various Sponsors	FY 12-13 St Membership Awards	84.002	Adult Education - Basic Grants to States	84,981
Energy, Department of				
Direct		81.049	Office of Science Financial Assistance Program	37,403
			Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	
Direct		81.117	ARRA-Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training and Technical Analysis/Assistance	185,276
Direct		81.117		307,531
Pass-Through:				
Battelle Energy Alliance, LLC	00102732			10,387
Battelle Memorial Institute	201074			161,947
Clean Energy Coalition	CECGF2010-01	81.086	ARRA-Conservation Research and Development	58,160
Krell Institute	ORAU-FELLOWSHIP	81.049	Office of Science Financial Assistance Program	3,386
Michigan, State of, Licensing and Regulatory Affairs, Department of	BES-10-166	81.119	State Energy Program Special Projects	180,102
Michigan, State of, Strategic Fund	MEO-13-016	81.041	State Energy Program	2,511
Oak Ridge National Laboratory	4000083689			41,044
			Nuclear Energy Research, Development and Demonstration	18
University of South Carolina	Subaward#11-1855/PO#31715	81.121		38,537
University of South Carolina	12-2145/PO #51344			14,624
University of Wisconsin	255K415/Prime DE-EE003996	81.086	ARRA-Conservation Research and Development	
Environmental Protection Agency				
Direct		66.469	Great Lakes Program	228,794
Health and Human Services, Department of-Administration for Children and Families				
Direct		93.652	Adoption Opportunities	1,291,138
Pass-Through:				
Michigan Human Services, Inc.	CSGRNT-12-81001	93.564	Child Support Enforcement Research	229,941
Michigan, State of, Human Services, Department of	ADMIN-12-99002	93.667	Social Services Block Grant	93,937
Michigan, State of, Human Services, Department of	ADMIN 12-82001	93.674	Chafee Foster Care Independence Program	3,136
Michigan, State of, Human Services, Department of	YIT-13-25001	93.674	Chafee Foster Care Independence Program	89,088
Michigan, State of, Human Services, Department of	COUN12-99422			378
Health and Human Services, Department of-Administration on Aging				
Pass-Through:				
Area Agency on Aging - Michigan	Agreement of 10/1/12			39,976
Area Agency on Aging - Michigan	Direct Svc Purch Agmt			568
Area Agency on Aging - Michigan	Email Dated 8/21/12			5,674
Area Agency on Aging - Michigan	letter 7-1-11			23,838
Area Agency on Aging - Michigan	Various Checks			17,381
Catholic Social Services	Adult Day Service			36,332
Washtenaw, County of	40833-000-SC CR 41431			16,979

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Washtenaw, County of	Email Dated 9/26/12			37,397
Health and Human Services, Department of-Agency for Health Care Research and Quality				
Pass-Through:				
Improve Care Now, Inc.	Agreement			12,581
Health and Human Services, Department of-Centers for Disease Control and Prevention				
Direct		93.068	Chronic Diseases: Research, Control, and Prevention	681,517
Direct		93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	537,197
Direct		93.IPA		52,918
Pass-Through:				
Association of Immunization Managers (AIM)	Agreement for Services			20,983
Hemophilia Foundation of Michigan	CDC11-12-HTC446	93.184	Disabilities Prevention	11,780
Hemophilia Foundation of Michigan	CDC12-13-HTC446	93.184	Disabilities Prevention	13,743
McKing Consulting Corporation	Subcontract Agmnt- 4554			47,613
Michigan Coalition Against Domestic and Sexual Violence, The (MCADSV)	Award ltr dtd 3/4/11	93.136	Injury Prevention and Control Research and State and Community Based Programs	41,891
Michigan, State of, Community Health, Department of	20131514	93.268	Immunization Cooperative Agreements	52,385
Michigan, State of, Community Health, Department of	20120490	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	859
Michigan, State of, Community Health, Department of	20120499	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	4,699
Michigan, State of, Community Health, Department of	20122090	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	6,965
Michigan, State of, Community Health, Department of	20122091	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	483
Michigan, State of, Community Health, Department of	20130548	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	445
Michigan, State of, Community Health, Department of	20131632	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	4,325
Michigan, State of, Community Health, Department of	20120484	93.712	ARRA-ARRA - Immunization	2,314
National Kidney Foundation of Michigan	Agmt dtd 9/1/10	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	105,010
Public Health Foundation	10106877502	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	524,876
RTI International	2-312-0211796			4,083
Health and Human Services, Department of-Centers for Medicare and Medicaid Services				
Pass-Through:				
Michigan, State of, Community Health, Department of	20131556	93.283	Centers for Disease Control and Prevention_Investigations and Technical Assistance	4,529
Health and Human Services, Department of-Food and Drug Administration				
Direct		12.HHSF223201000082C		339,738
Direct		12.HHSF223201210354P		116,868
Pass-Through:				
Fors Marsh Group	Agmt			1,223
Health and Human Services, Department of-Health Resources and Services Administration				

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Direct		93.117	Preventive Medicine and Public Health Residency Training Program, Integrative Medicine Program, and National Coordinating Center for Integrative Medicine	57,524
Direct		93.127	Emergency Medical Services for Children	889,524
Direct		93.134	Grants to Increase Organ Donations	2,268,530
Direct		93.178	Nursing Workforce Diversity	627,855
Direct		93.247	Advanced Nursing Education Grant Program	230,547
			Nurse Education, Practice Quality and Retention	
Direct		93.359	Grants	68,356
			Affordable Care Act (ACA) Public Health	
Direct		93.516	Training Centers Program	655,229
Direct		93.822	Health Careers Opportunity Program	229,269
			Grants to Provide Outpatient Early Intervention	
Direct		93.918	Services with Respect to HIV Disease	633,985
Pass-Through:				
ACMG Foundation for Genetic and Genomic Medicine	1 U22MC24100-04	93.110	Maternal and Child Health Federal Consolidated Programs	19,261
Hemophilia Foundation of Michigan	Contract dated 5/29/2012	93.110	Maternal and Child Health Federal Consolidated Programs	26,119
Michigan, State of, Community Health, Department of	20131958	93.110	Maternal and Child Health Federal Consolidated Programs	13,349
Michigan, State of, Community Health, Department of	20131960	93.110	Maternal and Child Health Federal Consolidated Programs	8,899
Michigan, State of, Community Health, Department of	20120580	93.994	Maternal and Child Health Services Block Grant to the States	9,208
Michigan, State of, Community Health, Department of	20131608	93.994	Maternal and Child Health Services Block Grant to the States	10,352
National Kidney Foundation of Michigan	Agreement	93.134	Grants to Increase Organ Donations	49,206
Health and Human Services, Department of-National Institutes of Health				
Direct		93.121	Oral Diseases and Disorders Research	24,000
			Research Related to Deafness and	
Direct		93.173	Communication Disorders	27,296
Direct		93.242	Mental Health Research Grants	13,562
			ARRA-National Center for Research Resources,	
Direct		93.702	Recovery Act Construction Support	3,200,519
			Diabetes, Digestive, and Kidney Diseases	
Direct		93.847	Extramural Research	39,053
			Extramural Research Programs in the	
Direct		93.853	Neurosciences and Neurological Disorders	28,501
			Allergy, Immunology and Transplantation	
Direct		93.855	Research	(1,746)
			Child Health and Human Development	
Direct		93.865	Extramural Research	24,921
Direct		93.866	Aging Research	1,013
Direct		93.879	Medical Library Assistance	39,734
Direct		12.BRCF Invoices		23,539
Direct		12.Dept Ref No. TC8/12F		88,420
Direct		12.HHSN261201000061I	ARRA	18,311
Direct		12.HHSN261201000063I	ARRA	5,492
Direct		12.HHSN271201200443P		33,635
Direct		93.IPA		30,841
Pass-Through:				
American College of Radiology	1343	93.399	Cancer Control	18,453
American College of Radiology	Check #159245			1,843
Baylor College of Medicine	5600605770	93.395	Cancer Treatment Research	4,530

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Beth Israel Deaconess Medical Center	sub award 01026053	93.837	Cardiovascular Diseases Research	14,529
Brigham and Women's Hospital	Research Services Agreement	93.837	Cardiovascular Diseases Research	1,638
Cancer Trials Support Unit (CTSU)	Various Checks	93.395	Cancer Treatment Research	1,055,690
Cancer Trials Support Unit (CTSU)	Check 829180			15,375
Children's Hospital of Los Angeles	NANT Master Clin Tr Rider Agmt			9,459
Children's Hospital of Philadelphia, The	AALL07P1	93.395	Cancer Treatment Research	390
Children's Hospital of Philadelphia, The	Per Case Reimbursement: CCOP W	93.395	Cancer Treatment Research	75
Children's Hospital of Philadelphia, The	UM1CA097452	93.395	Cancer Treatment Research	21,229
Children's Hospital of Philadelphia, The	Work Order Amd #1 to Master	93.395	Cancer Treatment Research	63,790
Children's Hospital of Philadelphia, The	PO960306-RSUB/9500010213			16,936
Children's Hospital of Philadelphia, The	WORK ORDER			14,510
Children's Hospital of Philadelphia, The	Work Order to the Master Agree			49,048
Children's Hospital of Wisconsin, Inc.	U10 HL068270	93.837	Cardiovascular Diseases Research	650
Duke University	Various protocols	93.395	Cancer Treatment Research	15,571
			ARRA-Trans-NIH Recovery Act Research	
Duke University	SPS#165191	93.701	Support	11,441
Duke University	U 10 HL080413 prime	93.838	Lung Diseases Research	145,432
			Allergy, Immunology and Transplantation	
Duke University	Duke ID2032065	93.855	Research	13,804
Duke University	SPS # 182730			11,721
Econometrica	2241-0001-UM			48,779
			Child Health and Human Development	
Fenway Health	5R25HD064426-03	93.865	Extramural Research	16,959
			Child Health and Human Development	
Fenway Health	Agreement	93.865	Extramural Research	283
Fenway Health	Agreement			11,539
			Diabetes, Digestive, and Kidney Diseases	
George Washington University	S-GRD1213-EA27	93.847	Extramural Research	94,461
Gynecologic Oncology Group	Agreement	93.395	Cancer Treatment Research	8,116
Harvard University	Recharge Approval	93.242	Mental Health Research Grants	46,426
Harvard University	5052318	93.837	Cardiovascular Diseases Research	90,639
			Extramural Research Programs in the	
Henry Ford Hospital	Subcont dtd 9/1/12	93.853	Neurosciences and Neurological Disorders	2,798
Indiana University	Indiana Request			(3,890)
			NIEHS Hazardous Waste Worker Health and	
International Union, UAW	Amend #5 to Res.Agmt 9/6/05	93.142	Safety Training	203,630
Johns Hopkins University	PO# 2000473371	93.837	Cardiovascular Diseases Research	(15,255)
Johns Hopkins University	5/292001599029	93.867	Vision Research	15,516
			Child Health and Human Development	
Kessler Foundation	349-01	93.865	Extramural Research	975
National Academy of Sciences	IOM-2000000714			1,708
National Marrow Donor Program (NMDP)	C#10207/TC#592	93.395	Cancer Treatment Research	22,383
New England Research Institute	Subcontract under U10 HL068270	93.837	Cardiovascular Diseases Research	18,540
Northern California Institute for Research & Education, Inc. (NCIRE)	1571	93.866	Aging Research	163,475
Phrixus Pharmaceuticals, Inc	Agreement			2,679
			Allergy, Immunology and Transplantation	
Purdue University	Quote Acceptance	93.855	Research	(287)
Radiological Society of North America	HHSN268201000050C			43,309
Sanford-Burnham Medical Research Institute	Q212338			3,240
Science Applications International Corporation (SAIC)	28XS125			1,673,155
Science Applications International Corporation (SAIC)	Agreement # 12XS366			43,118
Sloan-Kettering Cancer Institute	Invoice			1,343
The Association of State and Territorial Health Officials (ASTHO)	16013_002			47,288
			Child Health and Human Development	
The Feinstein Institute for Medical Research	500373	93.865	Extramural Research	1,545
University of California - Berkeley	Quote			910

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University of California - Davis	Agmt	93.855	Allergy, Immunology and Transplantation Research	1,124
University of Illinois at Chicago	2010-06621	93.879	Medical Library Assistance	1,527
University of Illinois-Urbana-Champaign	2012-05394-03 (AA935)	93.859	Biomedical Research and Research Training	1,512
University of Miami, Florida, The	U01 NS040406-10	93.853	Extramural Research Programs in the Neurosciences and Neurological Disorders	636,250
University of Texas at Dallas	PP#UTHSC-0000501176	93.846	Arthritis, Musculoskeletal and Skin Diseases Research	9,049
University of Texas Southwestern Medical Center	#130201	93.394	Cancer Detection and Diagnosis Research	38,826
University of Texas Southwestern Medical Center	R01HL091078	93.837	Cardiovascular Diseases Research	2,897
University of Toledo	EXT Ord No.UM-2013-0381-0386	93.837	Cardiovascular Diseases Research	836
University of Toledo	Recharge Services Order Form d	93.837	Cardiovascular Diseases Research	975
Various Sponsors	Agreement			19,825
Various Sponsors	PO 514631			32,570
Washington University	Sub award WU-10-126	93.701	ARRA-Trans-NIH Recovery Act Research Support	(1,531)
Washington Unversity in St. Louis	WU-13-197/2917333W	93.35	National Center for Advancing Translational Sciences	32,776
Washington Unversity in St. Louis	Sub no. WU-12-120, PO#2917401T	93.389	National Center for Research Resources	(224)
Health and Human Services, Department of-Office of the Secretary Pass-Through: American Institutes for Research	946.02595.001			29,160
Ingham, County of	Agreement of 10/1/02	93.919	Cooperative Agreements for State-Based Comprehensive Breast and Cervical Cancer Early Detection Programs	8,405
Michigan, State of, Community Health, Department of	20122981	93.070	Environmental Public Health and Emergency Response	6,655
Michigan, State of, Community Health, Department of	20120501	93.889	National Bioterrorism Hospital Preparedness Program	(4,840)
Michigan, State of, Community Health, Department of	20131044	93.889	National Bioterrorism Hospital Preparedness Program	176,658
Michigan, State of, Human Services, Department of	Admin 11-82001	93.674	Chafee Foster Care Independence Program	(135)
National Kidney Foundation of Michigan	70-6450-20-10-7341	93.290	National Community Centers of Excellence in Women's Health	53,531
Health and Human Services, Department of-Substance Abuse and Mental Health Services Adm.				
Direct Pass-Through:		93.243	Substance Abuse and Mental Health Services_Projects of Regional and National Significance	168,735
Inter-Tribal Council of Michigan, Inc	Agreement dtd 10/01/11	93.104	Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED)	88,103
Michigan, State of, Community Health, Department of	20120503	93.243	Substance Abuse and Mental Health Services_Projects of Regional and National Significance	8,042
Michigan, State of, Community Health, Department of	20131045	93.243	Substance Abuse and Mental Health Services_Projects of Regional and National Significance	4,040
Homeland Security, Department of				
Direct		97.044	Assistance to Firefighters Grant	148,752
Direct		97.IPA		152,154
Pass-Through:				
Michigan, State of, State Police	PDMC-PL-05-MI-2009-006	97.047	Pre-Disaster Mitigation	7,508
Michigan, State of, State Police	2010-BF-T0-0008	97.078	Buffer Zone Protection Program (BZPP)	218,000
Radiation Monitoring Devices, Inc.	C13-15			39,272

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Texas Veterinary Medical Diagnostic Laboratory (TVMDL)	Various Pos	97.061	Centers for Homeland Security	27,250
Housing and Urban Development, Department of				
Direct		14.S1C5AAC0006		672
Pass-Through:				
Washtenaw, County of	contract	14.231	Emergency Solutions Grant Program	8,524
Institute of Museum and Library Services				
Direct		45.303	Conservation Project Support	74,914
Direct		45.312	National Leadership Grants	346,954
Direct		45.313	Laura Bush 21st Century Librarian Program	136,885
Pass-Through:				
Harvard University	137263-03			(11,254)
University of California - Los Angeles	0285 GMA123/FAU 4-622171	45.313	Laura Bush 21st Century Librarian Program	16,204
Interior, Department of the				
Direct		15.875	Economic, Social, and Political Development of the Territories	19,968
Direct		15.G11PX02167		36,864
Pass-Through:				
Michigan, State of, Natural Resources, Department of	Agmt 5/1/10-fed id C-8-M ID C-	15.614	Coastal Wetlands Planning, Protection and Restoration Act	57,425
National Fish and Wildlife Foundation	32224	15.662	Great Lakes Restoration	64,223
National Fish and Wildlife Foundation	27916	15.663	National Fish and Wildlife Foundation	(14,309)
Justice, Department of				
Direct		16.IPA		11,243
Pass-Through:				
Michigan, State of, State Police	20094108	16.803	ARRA-Recovery Act - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/ Grants to States and Territories	258,042
National Aeronautics and Space Administration				
Direct		43.008	Education	615,434
Direct		43.NNC12VA30P		878
Direct		43.NNG09FG00C		18,378
Direct		43.NNG11PU50C		152,497
Pass-Through:				
Jet Propulsion Laboratory	1406608			(22,322)
Jet Propulsion Laboratory	1456335			199,385
Jet Propulsion Laboratory	1469862			35,152
Jet Propulsion Laboratory	1475708			369
Jet Propulsion Laboratory	1480025			157
Universities Space Research Association	06711-003	43.007	Space Operations	16,639
National Archives and Records Administration				
Direct		89.003	National Historical Publications and Records Grants	56,079
Direct		89.NAMA-10-C-0006		375,585
National Endowment for the Arts				
Direct		45.024	Promotion of the Arts_Grants to Organizations and Individuals	74,212
Pass-Through:				
Michigan, State of, Council for Arts and Cultural Affairs	12OP0114OS	45.025	Promotion of the Arts_Partnership Agreements	7,169
Michigan, State of, Council for Arts and Cultural Affairs	12OP0171OS	45.025	Promotion of the Arts_Partnership Agreements	8,264
Michigan, State of, Council for Arts and Cultural Affairs	13OP0166OS	45.025	Promotion of the Arts_Partnership Agreements	9,289
Michigan, State of, Council for Arts and Cultural Affairs	13OP0218OS	45.025	Promotion of the Arts_Partnership Agreements	66,000
National Endowment for the Humanities				
Direct		45.149	Promotion of the Humanities_Division of	91,996
Direct		45.160	Promotion of the Humanities_Fellowships and	(34,828)
Pass-Through:				
American Musicological Society	Award ltr dtd 1/19/12	45.161	Promotion of the Humanities_Research	44,887

The University of Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Michigan Humanities Council	Grant Agreement			14,980
Peace Corps				
Direct		77.PC-12-8-045		10,382
President, Executive Office of the				
Direct		99.IPA		(39,961)
State, Department of				
Direct		19.014	One-Time International Exchange Grant Program	30,948
			International Programs to Combat Human	
Direct		19.019	Trafficking	82,825
			Professional and Cultural Exchange Programs -	
Direct		19.415	Citizen Exchanges	496,431
Pass-Through:				
United States-India Educational Foundation(USIEF)	USIEF/OSI2012/03			60,862
Transportation, Department of-Federal Highway Administration				
Pass-Through:				
Michigan, State of, Transportation, Department of	2006-0667			(172,550)
Transportation, Department of-National Highway Traffic Safety Administration				
Pass-Through:				
National Safety Council	Award Letter dtd 11/10/11			11,713
National Safety Council	ltr of Agmt			4,584
Treasury, Department of the				
Direct		21.008	Low Income Taxpayer Clinics	55,691
Veterans Affairs, Department of				
Direct		64.506-C21133		8,500
Direct		64.506-D27027		1,191
Direct		64.506NC3000		27,545
Direct		64.523D27014		10,905
Direct		64.526-12-4-2212-0828		44,113
Direct		64.IPA		3,570
Direct		64.IPA		9,217
Direct		64.IPA		481
Direct		64.IPA		19,795
Direct		64.IPA		76,179
Direct		64.IPA		6,797
Direct		64.IPA		4,231
Direct		64.IPA		4,209
Direct		64.IPA		37,801
Direct		64.IPA		86,135
Direct		64.IPA		33,984
Direct		64.IPA		6,881
Direct		64.IPA		5,177
Direct		64.IPA		(4,027)
Direct		64.IPA		45,596
Direct		64.IPA		37,257
Direct		64.IPA		(338)
Direct		64.IPA		34,838
Direct		64.IPA		36,904
Direct		64.IPA		4,605
Direct		64.IPA		45,955
Direct		64.IPA		(49,501)
Direct		64.IPA		3,075
Direct		64.IPA		731
Direct		64.IPA		22,424
Direct		64.IPA		59,865
Direct		64.IPA		111,668
Direct		64.IPA		19,642

The University of Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Direct		64.IPA		19,941
Direct		64.IPA		23,121
Direct		64.IPA		26,857
Direct		64.IPA		54,095
Direct		64.IPA		51,262
Direct		64.IPA		2,618
Direct		64.IPA		965
Direct		64.IPA		87,559
Direct		64.IPA		64,107
Direct		64.IPA		74,737
Direct		64.IPA		3,165
Direct		64.IPA		112,718
Direct		64.IPA		50,812
Direct		64.IPA		63,350
Direct		64.IPA		97,589
Direct		64.IPA		94,199
Direct		64.IPA		59,823
Direct		64.IPA		68,643
Direct		64.IPA		2,074
Direct		64.IPA		26,625
Direct		64.IPA		21,526
Direct		64.IPA		418
Direct		64.IPA		(6)
Direct		64.IPA		20,718
Direct		64.IPA		11,515
Direct		64.IPA		48,944
Direct		64.IPA		73,996
Direct		64.IPA		34,524
Direct		64.IPA		92,629
Direct		64.IPA		4,960
Direct		64.IPA		28,514
Direct		64.IPA		12,552
Direct		64.IPA		70,004
Direct		64.IPA		9,724
Direct		64.IPA		60,834
Direct		64.IPA		46,763
Direct		64.IPA		10,930
Direct		64.IPA		55,065
Direct		64.IPA		9,074
Direct		64.IPA		15,266
Direct		64.IPA		46,081
Direct		64.IPA		28,364
Direct		64.IPA		696
Direct		64.IPA		8,623
Direct		64.IPA		8,031
Direct		64.IPA		27,105
Direct		64.IPA		61,909
Direct		64.IPA		8,760
Direct		64.IPA		34,123
Direct		64.IPA		61,247
Direct		64.IPA		12,475
Direct		64.IPA		33,589
Direct		64.IPA		10,573
Direct		64.IPA		11,407
Direct		64.IPA		20,228
Direct		64.IPA		2,695

The University of Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Direct		64.IPA		11,376
Direct		64.IPA		33,867
Direct		64.IPA		5,796
Direct		64.IPA		4,831
Direct		64.IPA		64,087
Direct		64.IPA		(1)
Direct		64.IPA		10,127
Direct		64.IPA		12,475
Direct		64.IPA		86,571
Direct		64.IPA		11,261
Direct		64.IPA		57,449
Direct		64.IPA		40,075
Direct		64.IPA		7,672
Direct		64.IPA		6,395
Direct		64.IPA		9,786
Direct		64.IPA		8,649
Direct		64.IPA		31,712
Direct		64.IPA		57,796
Direct		64.IPA		(1,132)
Direct		64.IPA		106,128
Direct		64.IPA		12,152
Direct		64.IPA		3,033
Direct		64.IPA		8,030
Direct		64.IPA		4,169
Direct		64.IPA		15,185
Direct		64.IPA		113,098
Direct		64.IPA		486
Direct		64.IPA		30,052
Direct		64.IPA		20,501
Direct		64.IPA		19,475
Direct		64.IPA		47,749
Direct		64.IPA		15,070
Direct		64.IPA		11,041
Direct		64.IPA		26,480
Direct		64.IPA		1,630
Direct		64.IPA		27,613
Direct		64.IPA		32,878
Direct		64.IPA		43,445
Direct		64.IPA		32,015
Direct		64.IPA		33,370
Direct		64.IPA		47,608
Direct		64.IPA		55,239
Direct		64.IPA		60,291
Direct		64.IPA		37,709
Direct		64.IPA		8,263
Direct		64.IPA		7,675
Direct		64.IPA		48,197
Direct		64.IPA		6,113
Direct		64.IPA		4,161
Direct		64.IPA		31,387
Direct		64.IPA		7,321
Direct		64.IPA		67,663
Direct		64.IPA		10,121
Direct		64.IPA		5,134
Direct		64.IPA		17,911
Direct		64.IPA		14,942

The University of Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Direct		64.IPA		12,973
Direct		64.IPA		13,601
Direct		64.IPA		28,290
Direct		64.IPA		18,993
Direct		64.IPA		8,577
Direct		64.IPA		56,847
Direct		64.IPA		5,235
Direct		64.IPA		6,453
Direct		64.IPA		3,616
Direct		64.IPA		17,819
Direct		64.IPA		14,642
Direct		64.IPA		14,732
Direct		64.IPA		7,071
Direct		64.IPA		2,022
Direct		64.IPA		6,390
Direct		64.IPA		6,943
Direct		64.IPA		31,140
Direct		64.IPA		4,374
Direct		64.IPA		7,928
Direct		64.IPA		35,794
Direct		64.IPA		50,513
Direct		64.IPA		27,747
Direct		64.IPA		12,837
Direct		64.IPA		33,577
Direct		64.IPA		2,651
Direct		64.IPA		6,139
Direct		64.IPA		18,781
Direct		64.IPA		7,292
Direct		64.IPA		19,980
Direct		64.IPA		21,157
Direct		64.IPA		20,612
Direct		64.IPA		29,306
Direct		64.Sample Analysis/Fee		28,745
Direct		64.VA House Officers		10,058,178
Direct		64.VA240-13-D-0002; PO 526D35002		15,322
Direct		64.VA246-12-C-025 #483-C20115		187,895
Direct		64.VA251-12-C-0062(506-D27037)		348
Direct		64.VA251-12-P-2136/PO# 553-D20015		5,678
Direct		64.VA251-13-C-0047 (PO 506-D37016		715
Direct		64.VA251-13-J-0025; PO 506-C31005		3,946
Direct		64.VA251-BO-0150 (PO 506C10103)		23,140
Direct		64.VA251-P-1016/506-D30002		72,025
Direct		64.VA251-P-1087/506-D37003		7,488
Direct		64.VA251-P-1094/506-D37011		45,491
Direct		64.VA251-P-1098 PO#506-D27039		49,365
Direct		64.VA251P1131/#506-C11492		94,250

The University of Michigan
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2013

Cluster Title/Federal Grantor/Program/Pass-Through Grantor	Pass-Through Award Identifier	Federal CFDA Number	CFDA Program Title	Federal Expenditures
Direct		64.VA526-D25010		25,089
Direct		64.VA673-D15136/PO 673-D15136		27,551
	Total non-cluster			\$ 53,878,828
	Total federal expenditures			\$ 973,377,271

University of Michigan

Notes to Schedule of Expenditures of Federal Awards

1. Summary of Significant Accounting Policies

The accompanying Schedule of Expenditures of Federal Awards (the "SEFA") includes all federal grant transactions of the University of Michigan (the "University") recorded on the accrual basis of accounting. The information in the SEFA is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the SEFA may differ from amounts presented in, or used in the presentation of, the consolidated financial statements. Negative amounts presented in the SEFA represent adjustments, in the normal course of business, to expenditures reported in prior years. Complete CFDA numbers (except for direct R&D awards which are listed in total by Federal awarding agency) and pass-through numbers are provided on the SEFA when available.

2. Indirect Costs

The University's cognizant agent (the Department of Health and Human Services) has approved predetermined, indirect cost rates for the University's organized research, instruction, and other sponsored activities through June 30, 2016, as follows:

	<u>July 1, 2012 – June 30, 2014</u>	<u>July 1, 2014 – June 30, 2015</u>	<u>July 1, 2015 – June 30, 2016</u>
On-campus research	55.5%	55.5%	55%
Off-campus research	26%	26%	26%
On-campus instruction	54%	54%	54%
Other sponsored activities	30%	29%	29%

3. Subrecipient Awards

During 2013, the University disbursed approximately \$96,362,000 to subrecipients. Of that amount, \$88,422,000 related to research and development cluster awards and \$7,940,000 related to non-cluster awards as detailed below.

<u>CFDA Program</u>	<u>CFDA Number</u>	<u>Amount</u>
Naval Engineering Education Consortium	12.N65540-10-C-003	\$ 3,159,000
Grants to Increase Organ Donations	93.134	2,208,000
Adoption Opportunities	93.652	875,000
Affordable Care Act Nurse-Managed Health Clinics	93.515	426,000
Emergency Medical Services for Children	93.127	419,000
Chronic Diseases: Research, Control, and Prevention	93.068	354,000
Medical Assistance Program	93.778	323,000
Other	Various	176,000
Total disbursements for non-cluster awards		<u>\$ 7,940,000</u>

The University of Michigan

Notes to Schedule of Expenditures of Federal Awards

4. Federal Direct Loan Program

Under the William D. Ford Federal Direct Loan Program, students and parents borrow funds directly from the federal government; the University is responsible for verifying student eligibility, electronically transmitting the loan records to the federal processor and distributing the loan funds directly to the student account or parent borrower. During the fiscal year ended June 30, 2013, the University's students and parents received the following amount of new loans under this program.

	<u>CFDA Number</u>	<u>Loans issued</u>
Direct Student Loans:		
Undergraduate subsidized	84.268	\$ 69,850,554
Undergraduate unsubsidized	84.268	198,098,342
Graduate	84.268	25,987,485
Direct Parent Loans for Undergraduate Students	84.268	52,697,315
		<u>\$ 346,633,696</u>

5. University-Administered Federal Loan Programs

The University administers the following federal loan programs:

	<u>CFDA Number</u>	<u>Outstanding balance at June 30, 2013</u>
Department of Education, Federal Perkins Program	84.038	<u>\$ 67,010,989</u>
Department of Health and Human Services:		
Health Professions Loan Program - Medicine/Primary Care	93.342	2,592,798
Health Professions Loan Program - Pharmacy	93.342	1,358,388
Health Professions Loan Program - Dentistry	93.342	7,129,824
		<u>11,081,010</u>
Disadvantaged Student Loan Program - Medicine/Primary Care	93.925	2,800,159
Disadvantaged Student Loan Program - Pharmacy	93.925	63,965
Disadvantaged Student Loan Program - Dentistry	93.925	194,276
		<u>3,058,400</u>
Nursing Student Loan - Baccalaureate	93.364	1,899,820
Nursing Student Loan - Graduate	93.364	227,242
		<u>2,127,062</u>
Nursing Faculty Loan Program	93.264	<u>2,515,019</u>
Total federal loans outstanding		<u><u>\$ 85,792,480</u></u>

The University of Michigan

Notes to Schedule of Expenditures of Federal Awards

5. University-Administered Federal Loan Programs (continued)

The total of new loans issued during the fiscal year ended June 30, 2013 is identified below.

	CFDA Number	Loans issued
Department of Education, Federal Perkins Program	84.038	<u>\$ 9,399,481</u>
Department of Health and Human Services:		
Health Professions Loan Program - Pharmacy	93.342	130,500
Health Professions Loan Program - Dentistry	93.342	<u>860,255</u>
		<u>990,755</u>
Disadvantaged Student Loan Program - Medicine/Primary Care	93.925	540,368
Disadvantaged Student Loan Program - Dentistry	93.925	<u>158,890</u>
		<u>699,258</u>
Nursing Student Loan - Baccalaureate	93.364	263,925
Nursing Student Loan - Graduate	93.364	<u>65,006</u>
		<u>328,931</u>
Nursing Faculty Loan Program	93.264	<u>381,963</u>
Total federal loans issued July 1, 2012 – June 30, 2013		<u><u>\$ 11,800,388</u></u>

Loan cancellations for the fiscal year ended June 30, 2013 totaled \$578,401 for the Federal Perkins Program and \$75,763 for the Nursing Faculty Loan program.



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

The Regents of the University of Michigan

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 University of Michigan (the "University"), which comprise the statement of net position as of June 30, 2013 and the related statements of revenues, expenses and changes in net position and cash flows for the year then ended, and the related notes to the financial statements, which collectively comprise the University's financial statements, and have issued our report thereon dated September 18, 2013.

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 a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



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

Compliance and Other Matters

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

Purpose of this Report

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

PricewaterhouseCoopers LLP

September 18, 2013



**Independent Auditor's Report on Compliance with Requirements
That Could Have a Direct and Material Effect on Each Major Program and on Internal
Control Over Compliance in Accordance with OMB Circular A-133**

The Regents of the University of Michigan

Report on Compliance for Each Major Federal Program

We have audited the University of Michigan (the "University") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2013. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the University's major federal programs based on our audit of the types of compliance requirements referred to above. We did not audit the University's compliance with the requirements governing billing, record-keeping, payment processing, reporting and due diligence compliance requirements specified by Federal Perkins Loan Program and described in the *OMB Circular A-133 Compliance Supplement*. Compliance with these requirements was audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the University's compliance with those requirements, is based solely on the report of the other auditors. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.



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

Opinion on Each Major Federal Program

In our opinion, based on our audit and the report of other auditors, 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 federal programs for the year ended June 30, 2013.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2013-001 and 2013-002. Our opinion on each major federal program is not modified with respect to these matters.

The University's response to the noncompliance findings identified in our audit is described in the accompanying management's corrective action plan. The University's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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, except as noted in the following paragraph, we considered the University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the University's internal control over compliance.

We did not consider internal control over compliance with the billing, record-keeping, payment processing, reporting and due diligence compliance requirements specified by Federal Perkins Loan Program and described in the OMB Circular A-133 *Compliance Supplement*. Internal control over these compliance requirements was considered by the other auditors referred to above; and our report, insofar as it relates to the University's internal control over those compliance requirements, is based solely upon the report of the other auditors.



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

Our consideration and the other auditors' 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. Also, the report of the other auditors did not identify any deficiencies in internal control over compliance that they consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been identified.

Purpose of this Report

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

PricewaterhouseCoopers LLP

March 14, 2014

The University of Michigan
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section I – Summary of Independent Accountant’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified not considered to be material weaknesses? ☐ Yes ☒ None reported

Noncompliance material to financial statements noted? ☐ Yes ☒ No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ☐ Yes ☒ No
- Significant deficiency(ies) identified not considered to be material weakness(es)? ☐ Yes ☒ None reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133? ☒ Yes ☐ No

Identification of major programs:

CFDA Number(s)

Various

Various

11.618

93.515

93.887

Name of Federal Program or Cluster

Research and Development Cluster

Student Financial Aid Cluster

National Institute of Standards and Technology

Construction Grant Program

Affordable Care Act (ACA) Nurse-Managed Clinics

Health Care and Other Facilities

Dollar threshold used to distinguish between Type A and Type B programs: \$4,219,373

Auditee qualified as low-risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

None.

The University of Michigan
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section III – Federal Award Findings and Questioned Costs

Finding No. 2013-001 – Return of Title IV Funds (Student Financial Aid Cluster)

Grantor(s): Department of Education

Award(s): William D. Ford Federal Direct Loan Program, 84.268, awarded for academic year 2012-2013

Criteria – When a recipient of Title IV grant or loan assistance does not begin attendance or withdraws from an institution during a payment period or period of enrollment, disbursed Title IV grant and loan funds are to be returned in accordance with the calculation and timeline prescribed by the Code of Federal Regulations (34 CFR 682.607). The school must return the lesser of – the amount of Title IV funds that the student does not earn; or the amount of institutional charges that the student incurred for the payment period or period of enrollment multiplied by the percentage of the funds not earned.

Condition – For 2 of the 60 Ann Arbor campus students selected for testing from a list of 279 students who withdrew during the 2012-13 year, an inaccurate amount of Title IV aid was returned to the Department of Education.

Context – The Ann Arbor campus Office of Financial Aid’s process to determine returns of Title IV funds consists of identifying student withdrawals on a timely basis and then completing a standard template that is formula-based to determine the amount of aid to return. During our testing we noted the following:

- One of the students selected had an error in the return calculation which resulted from improperly excluded university housing charges. The amount to return is the lesser of the amount of Title IV funds the student did not earn or the amount of institutional charges that were not earned, based on the date of withdrawal. In this case, institutional charges were less than the aid; however, the return calculation improperly excluded on-campus housing charges which resulted in a \$2,706 understatement of the amount of Title IV funds returned by the University. The University has now returned this amount to the Department of Education.
- Another student selected was identified by the University as an unofficial withdrawal but the student’s return calculation was only partially completed and, therefore, the return calculation was not fully completed until we brought it to management’s attention. The University immediately calculated a refund of \$2,244 and remitted it to the Department of Education.

Effect – The Department of Education did not receive the appropriate amount of Title IV funds on a timely basis.

Cause – The University erred in and missed the Title IV return of funds calculation. These were not detected in the review process and were a result of human error.

The University of Michigan
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section III – Federal Award Findings and Questioned Costs (continued)

Recommendation – The University should enhance their existing review procedures to review the calculations in order to ensure that all identified withdrawals have had return of Title IV funds calculations completed and that the amount of Title IV funds that are required to be returned have been accurately calculated in accordance with 34 CFR 682.607.

Views of Responsible Officials – The University concurs with the auditor’s finding and recommendation. The Office of Financial Aid will expand review procedures to ensure that a Return of Title IV calculation is accurately completed for all withdrawn students and any necessary return of funds are accurately processed. By having all calculations reviewed by a second aid officer, mistakes like these will be caught.

Finding No. 2013-002 – Subrecipient Monitoring – Federal Funding Accountability and Transparency Act (“FFATA”) Report Submissions

Grantor(s): Department of Defense (Department of the Navy), Department of Health and Human Services (Center for Disease Control and Prevention, Centers for Medicare and Medicaid Services, National Institutes of Health), National Aeronautics and Space Administration, National Science Foundation

Award(s): - R&D Cluster:

Award Title	CFDA #
End Stage Renal Disease (ESRD) Data Utilization	N/A Contract
Preclinical development of an NT3-expressing HSV Vector	93.853
Collaborative Research: SEED-PA. A Practical Instrument for Assessing Individual Ethics Initiatives	47.076
Core_plus_Option_A_B_Proposal for Influenza Vaccine Effectiveness Research	93.185
The Challenge of Individualizing Treatments for Patients with Breast Cancer	93.393
Aqueous Humor Dynamic Components that Determine Intraocular Pressure Variance	93.867
Passive and Active Friction Drag Reduction of Turbulent Flows Over Super-Hydrophobic Surfaces	12.300
Optically Driven Quantum Dot Spins for Quantum Computing: Coherence Between Spins in Entangled States	47.049
Capacity Building for Lifespan Focused Substance Use Disorder Research in Ukraine	93.989
Development of Feedhorn-coupled Multichroic Polarimeters for the Inflation Probe Mission	43.001

The University of Michigan
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section III – Federal Award Findings and Questioned Costs (continued)

Criteria – First-tier subawards and subcontracts from non-ARRA funded awards, or awards funded with both ARRA and non-ARRA funding, and amendments or modifications to these subawards/subcontracts are subject to reporting under the Federal Funding Accountability and Transparency Act (FFATA), as required by Section 1512 of the Recovery Act. FFATA reporting is required by the prime recipient at www.fsrs.gov within one month after the month obligation is made for subawards/amendments obligated individually in excess of \$25,000 and with original parent grant start dates after October 1, 2010, when FFATA requirements were enacted.

Condition – For 8 of the 25 FFATA reports selected for testing from all fiscal year 2013 FFATA reports, the report submission occurred after the required one month following the month in which the subcontracting obligation was made

For 2 of the 25 FFATA reports selected for testing from all fiscal year 2013 FFATA reports, no report submission was made although the selections were individual amendments with obligation amounts in excess of the \$25,000 threshold.

Delinquent report submissions are summarized as follows:

Subrecipient	Amount Obligated	Date Obligated	Required By Submission Date	Actual Submission Date	CFDA #
Arbor Research Collaborative For Health	\$ 34,171	2/23/2013	3/31/2013	5/31/2013	N/A Contract
The Regents of the University of Colorado	\$ 107,769	4/26/2013	5/31/2013	6/11/2013	43.001
Lawrence Technological University	\$ 42,250	12/19/2012	1/31/2013	2/22/2013	47.076
Shkola Okhorony Zdorov'ya, Tov	\$ 33,780	10/30/2012	11/30/2012	2/20/2013	93.989
Emory University	\$ 61,397	3/14/2013	4/30/2013	6/11/2013	93.393
University of Nebraska	\$ 76,974	7/23/2012	8/31/2012	9/28/2012	93.867
Johns Hopkins University	\$ 50,000	11/14/2012	12/31/2012	2/20/2013	12.300
University of California, San Diego	\$ 59,967	7/16/2012	8/31/2012	9/28/2012	47.049
Diamyd Inc (Periphagen)	\$ 92,360	5/5/2013	6/30/2013	N/A - not submitted	93.853
Henry Ford Health System	\$ 157,262	8/17/2012	9/30/2012	N/A - not submitted	93.185

Context – The FFATA reporting process requires Contract Administrators from the University's Office of Contract Administration to prepare and submit FFATA reports on a timely basis by visiting www.fsrs.gov and appropriately populating the required fields.

The University of Michigan
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2013

Section III – Federal Award Findings and Questioned Costs (continued)

Effect – Information required by the federal government to be made available for public review regarding the use of federal funding was not made available in a timely manner, or in some instances the information has not yet been made available, causing direct non-compliance with federal law.

Cause – The Office of Contracts Administration did not perform an accurate review of new subawards and amendments in fiscal year 2013 to determine all FFATA reports that were required for submission, and further did not ensure timely submission of the reports based on the FFATA requirements.

Recommendation – The University should enhance their existing procedures for preparing and submitting FFATA reports. All reports that require submission should be kept separate from those not requiring submission and a monthly review should be conducted to ensure that those FFATA reports requiring submission by month-end have been properly input into the www.fsrs.gov database and are submitted by the proper Office of Contract Administration representative.

Views of Responsible Officials – The University concurs with the auditor's finding and recommendation. All FFATA reporting will now be prepared and submitted immediately after an applicable subaward or amendment has been fully signed and is in the process of being activated. This change will result in FFATA reporting being an embedded activity as part of the activation process of a new subaward or amendment and will ensure reports are submitted within established requirements.

The University of Michigan

Schedule of Status of Prior Year Findings and Questioned Costs

Finding No. 2012-1 – Monitoring Vendors for Suspension and Debarment (Research and Development Cluster and Navel Education Engineering Consortium)

Grantor(s): Various

Award(s):

Research and Development Cluster:

- Department of Commerce, National Oceanic and Atmospheric Administration, Cooperative Institute for Limnology and Ecosystems Research, CFDA No. 11.432, Sponsor Reference No. NA07OAR432006
- Department of Commerce, Office of the Secretary, Cyber-enabled Wireless Monitoring Systems for Protection of Deteriorating National Infrastructure Systems, CFDA No. 11.616, Sponsor Reference No. 70NANB9H9008
- Departments of Health and Human Services, National Institutes of Health, Drug Use and Life Styles of American Youth, CFDA No. 93.279, Sponsor Reference No. 5 R01 DA001411-37
- Department of Transportation, Federal Highway Administration, Safety Pilot Model Deployment, CFDA No. 20.RD, Sponsor Reference No. DTFH61-11-C-0040

Other:

- Department of Defense, Navy, Naval Engineering Education Consortium, CFDA No. / Sponsor Reference No. 12.N65540-10-C-003

Criteria – Non-Federal entities are prohibited from contracting with or making subawards under covered transactions to parties that are suspended or debarred or whose principals are suspended or debarred. “Covered transactions” include those procurement contracts for goods and services awarded under a nonprocurement transaction (e.g., grant or cooperative agreement) that are expected to equal or exceed \$25,000 or meet certain other specified criteria. 2 CFR section 180.220 of the government wide nonprocurement debarment and suspension guidance contains those additional limited circumstances. All nonprocurement transactions (i.e. subawards to subrecipients), irrespective of award amount, are considered covered transactions.

Condition – We selected ten procurement expenditures for testing. Although none of the vendors associated with these transactions were on the Federal Government’s excluded parties list, we noted that for seven of these expenditures, there was no evidence that the University performed a verification check in the current year to determine whether the vendor associated with the covered transaction is suspended or debarred by the Federal Government other than the purchase order which references the terms and conditions applicable to awards issued under Federal Government Grants, including no debarment or suspension.

The University of Michigan

Schedule of Status of Prior Year Findings and Questioned Costs

Context – The University performs a verification check of vendor's status for a covered transaction when a vendor is entered into their system as a new vendor. When the vendor is identified as being suspended or debarred, the University will not enter into a contract with the vendor. However, there is no evidence of a process in place to perform regular verification checks after the initial verification check to monitor any subsequent changes in vendor's status. In March 2012, the University implemented the Visual Compliance Database which consistently monitors the vendors' status and notifies the University when there is any change. Only vendors who became a new vendor after the implementation of the database in March 2012 are monitored in this database, and existing vendors are not formally monitored.

Effect – The University may enter into a transaction with vendors who are suspended or debarred by the Federal Government.

Recommendation – The University should implement procedures to perform regular verification checks of vendors' status to ensure that they are not entering into a contract with vendors who are either suspended or debarred by the Federal Government.

Views of Responsible Officials – The University concurs with the auditor's finding and recommendation. We have a project underway to explore options for ensuring that all vendors are consistently monitored for changes in status subsequent to the initial verification that is done before we add a new vendor. A course of action will be finalized by June 30, 2013 and fully implemented by December 31, 2013. In the meantime, as a mitigating control, all purchase orders, requests for quotation and contracts include a vendor acknowledgement that the entity is not presently debarred excluded or suspended and that they will notify the university if their status changes. In addition, the University participates in a network of peer institutions that shares information about vendors that have experienced a change in status and been added to the excluded parties listing.

Current Year Status – In addition to the March 2012 implementation of ongoing monitoring for new vendors noted above, the University has expanded its agreement with Visual Compliance to include ongoing review of any changes in status for all active vendors. Ongoing review for changes in status for all vendors by the Visual Compliance database was fully implemented as of December 31, 2013.

The University of Michigan

6032 Wolverine Tower
3003 S. State Street
Ann Arbor, Michigan 48109

CHERYL L. SOPER
Controller and Director of
Financial Operations

(734) 764-7214
Fax (734) 647-5284

March 14, 2014

RE: Reporting Package [_.320(c)(4)] - Corrective action plan [_.315(c)]

1. Name of the contact person responsible for corrective actions planned:

Cheryl Soper
Controller and Director of Financial Operations
The University of Michigan (386006309)
6032 Wolverine Tower
3003 South State Street
Ann Arbor, MI 48109-1287
Phone: 734-764-7214
E-mail: clsoper@umich.edu

2. Corrective actions planned:

The corrective action plan for each finding is contained in the Views of Responsible Officials section below.

Finding No. 2013-001 – Return of Title IV Funds (Student Financial Aid Cluster)

Grantor(s): Department of Education

Award(s): William D. Ford Federal Direct Loan Program, 84.268, awarded for academic year 2012-2013

Criteria – When a recipient of Title IV grant or loan assistance does not begin attendance or withdraws from an institution during a payment period or period of enrollment, disbursed Title IV grant and loan funds are to be returned in accordance with the calculation and timeline prescribed by the Code of Federal Regulations (34 CFR 682.607). The school must return the lesser of – the amount of Title IV funds that the student does not earn; or the amount of institutional charges that the student incurred for the payment period or period of enrollment multiplied by the percentage of the funds not earned.

Condition – For 2 of the 60 Ann Arbor campus students selected for testing from a list of 279 students who withdrew during the 2012-13 year, an inaccurate amount of Title IV aid was returned to the Department of Education.

Context – The Ann Arbor campus Office of Financial Aid’s process to determine returns of Title IV funds consists of identifying student withdrawals on a timely basis and then completing a standard template that is formula-based to determine the amount of aid to return. During our testing we noted the following:

- One of the students selected had an error in the return calculation which resulted from improperly excluded university housing charges. The amount to return is the lesser of the amount of Title IV funds the student did not earn or the amount of institutional charges that were not earned, based on the date of withdrawal. In this case, institutional charges were less than the aid; however, the return calculation improperly excluded on-campus housing charges which resulted in a \$2,706 understatement of the amount of Title IV funds returned by the University. The University has now returned this amount to the Department of Education.
- Another student selected was identified by the University as an unofficial withdrawal but the student’s return calculation was only partially completed and, therefore, the return calculation was not fully completed until we brought it to management’s attention. The University immediately calculated a refund of \$2,244 and remitted it to the Department of Education.

Effect – The Department of Education did not receive the appropriate amount of Title IV funds on a timely basis.

Cause – The University erred in and missed the Title IV return of funds calculation. These were not detected in the review process and were a result of human error.

Recommendation – The University should enhance their existing review procedures to review the calculations in order to ensure that all identified withdrawals have had return of Title IV funds calculations completed and that the amount of Title IV funds that are required to be returned have been accurately calculated in accordance with 34 CFR 682.607.

Views of Responsible Officials – The University concurs with the auditor’s finding and recommendation. The Office of Financial Aid will expand review procedures to ensure that a Return of Title IV calculation is accurately completed for all withdrawn students and any necessary return of funds are accurately processed. By having all calculations reviewed by a second aid officer, mistakes like these will be caught.

Anticipated Completion Date – March 31, 2014.

Finding No. 2013-002 – Subrecipient Monitoring – Federal Funding Accountability and Transparency Act (“FFATA”) Report Submissions

Grantor(s): Department of Defense (Department of the Navy), Department of Health and Human Services (Center for Disease Control and Prevention, Centers for Medicare and Medicaid Services, National Institutes of Health), National Aeronautics and Space Administration, National Science Foundation

Award(s): - R&D Cluster:

Award Title	CFDA #
End Stage Renal Disease (ESRD) Data Utilization	N/A Contract
Preclinical development of an NT3-expressing HSV Vector	93.853
Collaborative Research: SEED-PA. A Practical Instrument for Assessing Individual Ethics Initiatives	47.076
Core_plus_Option_A_B_Proposal for Influenza Vaccine Effectiveness Research	93.185
The Challenge of Individualizing Treatments for Patients with Breast Cancer	93.393
Aqueous Humor Dynamic Components that Determine Intraocular Pressure Variance	93.867
Passive and Active Friction Drag Reduction of Turbulent Flows Over Super-Hydrophobic Surfaces	12.300
Optically Driven Quantum Dot Spins for Quantum Computing: Coherence Between Spins in Entangled States	47.049
Capacity Building for Lifespan Focused Substance Use Disorder Research in Ukraine	93.989
Development of Feedhorn-coupled Multichroic Polarimeters for the Inflation Probe Mission	43.001

Criteria – First-tier subawards and subcontracts from non-ARRA funded awards, or awards funded with both ARRA and non-ARRA funding, and amendments or modifications to these subawards/subcontracts are subject to reporting under the Federal Funding Accountability and Transparency Act (FFATA), as required by Section 1512 of the Recovery Act. FFATA reporting is required by the prime recipient at www.fsrc.gov within one month after the month obligation is made for subawards/amendments obligated individually in excess of \$25,000 and with original parent grant start dates after October 1, 2010, when FFATA requirements were enacted.

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Delinquent report submissions are summarized as follows:

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The Regents of the University of Colorado	\$ 107,769	4/26/2013	5/31/2013	6/11/2013	43.001
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University of Nebraska	\$ 76,974	7/23/2012	8/31/2012	9/28/2012	93.867
Johns Hopkins University	\$ 50,000	11/14/2012	12/31/2012	2/20/2013	12.300
University of California, San Diego	\$ 59,967	7/16/2012	8/31/2012	9/28/2012	47.049
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Context – The FFATA reporting process requires Contract Administrators from the University's Office of Contract Administration to prepare and submit FFATA reports on a timely basis by visiting www.fsrs.gov and appropriately populating the required fields.

Effect – Information required by the federal government to be made available for public review regarding the use of federal funding was not made available in a timely manner, or in some instances the information has not yet been made available, causing direct non-compliance with federal law.

Cause – The Office of Contracts Administration did not perform an accurate review of new subawards and amendments in fiscal year 2013 to determine all FFATA reports that were required for submission, and further did not ensure timely submission of the reports based on the FFATA requirements.

Recommendation – The University should enhance their existing procedures for preparing and submitting FFATA reports. All reports that require submission should be kept separate from those not requiring submission and a monthly review should be conducted to ensure that those FFATA reports requiring submission by month-end have been properly input into the www.fsrs.gov database and are submitted by the proper Office of Contract Administration representative.

Views of Responsible Officials – The University concurs with the auditor's finding and recommendation. All FFATA reporting will now be prepared and submitted immediately after an applicable subaward or amendment has been fully signed and is in the process of being activated. This change will result in FFATA reporting being an embedded activity as part of the activation process of a new subaward or amendment and will ensure reports are submitted within established requirements.

Anticipated Completion Date – March 31, 2014