



VANDERBILT UNIVERSITY

OMB Circular A-133 Reports

Year ended June 30, 2010

EIN: 62-0476822

VANDERBILT UNIVERSITY

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KPMG LLP
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Independent Auditors' Report

Board of Trust,
Vanderbilt University:

We have audited the accompanying consolidated statements of financial position of Vanderbilt University and subsidiaries (Vanderbilt) as of June 30, 2010 and 2009, and the related consolidated statements of activities and cash flows for the years then ended. These consolidated financial statements are the responsibility of Vanderbilt's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

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

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Vanderbilt University and subsidiaries as of June 30, 2010 and 2009, and the changes in their net assets and their cash flows for the years then ended in conformity with U.S. generally accepted accounting principles.

In accordance with the *Government Auditing Standards*, we have also issued our report dated October 28, 2010 on our consideration of Vanderbilt's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The accompanying Schedule of Expenditures of Federal Awards and Schedule of State of Tennessee Grant Activity for the year ended June 30, 2010 are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the State of Tennessee, and are not a required part of the consolidated financial statements. Such information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and, in our opinion, is fairly stated in all material respects, in relation to the consolidated financial statements taken as a whole.

KPMG LLP

October 28, 2010

Vanderbilt University

Consolidated Statements of Financial Position

As of June 30, 2010 and 2009 (in thousands)

	2010	2009
ASSETS		
Cash and cash equivalents	\$ 959,157	\$ 752,397
Accounts receivable, net	405,714	344,703
Prepaid expenses and other assets	90,235	80,190
Contributions receivable, net	77,039	91,175
Student loans and other notes receivable, net	41,640	43,325
Investments	3,374,127	3,328,506
Investments allocable to minority interests	77,695	-
Property, plant, and equipment, net	1,807,284	1,801,485
Interests in trusts held by others	36,393	33,927
Total assets	\$ 6,869,284	\$ 6,475,708
LIABILITIES		
Accounts payable and accrued liabilities	\$ 255,100	\$ 236,723
Accrued compensation and withholdings	225,049	218,711
Deferred revenue	124,650	117,256
Commercial paper	301,248	148,904
Actuarial liability for self-insurance	102,758	97,930
Actuarial liability for annuities payable	31,464	26,575
Government advances for student loans	18,868	17,642
Long-term debt and capital leases	1,206,134	1,380,317
Fair value of interest rate exchange agreements, net	230,776	154,091
Minority interests in investment partnerships	77,695	-
Total liabilities	2,573,742	2,398,149
NET ASSETS		
Unrestricted	2,241,335	2,120,507
Temporarily restricted	1,108,024	1,068,304
Permanently restricted	946,183	888,748
Total net assets	4,295,542	4,077,559
Total liabilities and net assets	\$ 6,869,284	\$ 6,475,708

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

Vanderbilt University

Consolidated Statement of Activities

Year Ended June 30, 2010 (in thousands)

	2010			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
REVENUES AND OTHER SUPPORT				
Tuition and educational fees, net	\$ 237,623	\$ -	\$ -	\$ 237,623
Government grants and contracts	360,861	-	-	360,861
Facilities and administrative costs recovery	131,558	-	-	131,558
Private gifts, grants, and contracts	78,099	8,988	37,215	124,302
Endowment distributions	146,749	4,717	1,607	153,073
Investment income	19,341	(1,928)	8,165	25,578
Health care services	2,279,232	-	-	2,279,232
Room, board, and other auxiliary services, net	99,874	-	-	99,874
Other sources	32,214	-	-	32,214
Net assets released from restrictions	11,116	(11,116)	-	-
Total revenues and other support	3,396,667	661	46,987	3,444,315
EXPENSES				
Instruction	430,172	-	-	430,172
Research	401,612	-	-	401,612
Health care services	2,058,702	-	-	2,058,702
Public service	39,489	-	-	39,489
Academic support	120,666	-	-	120,666
Student services	32,493	-	-	32,493
Institutional support	51,497	-	-	51,497
Room, board, and other auxiliary services	128,446	-	-	128,446
Total expenses	3,263,077	-	-	3,263,077
Change in unrestricted net assets from operating activity	133,590			
OTHER CHANGES IN NET ASSETS				
Change in appreciation of endowment, net of distributions	40,800	52,942	-	93,742
Net gains on self-insurance assets	7,531	-	-	7,531
Net gains on other investments	7,679	-	-	7,679
Net losses on interest rate exchange agreements	(76,685)	-	-	(76,685)
Net gains on contributions receivable	-	229	-	229
Gifts and contributions for plant	4,351	-	-	4,351
Net assets released from restrictions for plant	7,007	(7,007)	-	-
Donor designation changes	(3,343)	(7,105)	10,448	-
Other	(102)	-	-	(102)
Total other changes in net assets	(12,762)	39,059	10,448	36,745
Increase in net assets	\$ 120,828	\$ 39,720	\$ 57,435	\$ 217,983
Net assets, June 30, 2009	\$ 2,120,507	\$ 1,068,304	\$ 888,748	\$ 4,077,559
Net assets, June 30, 2010	\$ 2,241,335	\$ 1,108,024	\$ 946,183	\$ 4,295,542

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

Vanderbilt University

Consolidated Statement of Activities

Year Ended June 30, 2009 (in thousands)

	2009			Total
	Unrestricted	Temporarily Restricted	Permanently Restricted	
REVENUES AND OTHER SUPPORT				
Tuition and educational fees, net	\$ 230,018	\$ -	\$ -	\$ 230,018
Government grants and contracts	329,156	-	-	329,156
Facilities and administrative costs recovery	120,071	-	-	120,071
Private gifts, grants, and contracts	87,095	88,934	34,111	210,140
Endowment distributions	146,638	4,637	1,442	152,717
Investment income	3,427	(8,743)	(24,734)	(30,050)
Health care services	2,051,835	-	-	2,051,835
Room, board, and other auxiliary services, net	93,883	-	-	93,883
Other sources	33,130	-	-	33,130
Net assets released from restrictions	12,301	(12,301)	-	-
Total revenues and other support	3,107,554	72,527	10,819	3,190,900
EXPENSES				
Instruction	415,520	-	-	415,520
Research	389,947	-	-	389,947
Health care services	1,865,368	-	-	1,865,368
Public service	34,123	-	-	34,123
Academic support	125,875	-	-	125,875
Student services	29,881	-	-	29,881
Institutional support	73,451	-	-	73,451
Room, board, and other auxiliary services	123,021	-	-	123,021
Total expenses	3,057,186	-	-	3,057,186
Change in unrestricted net assets from operating activity	50,368			
OTHER CHANGES IN NET ASSETS				
Change in appreciation of endowment, net of distributions	(295,299)	(427,532)	-	(722,831)
Net losses on self-insurance assets	(8,293)	-	-	(8,293)
Net losses on other investments	(36,980)	-	-	(36,980)
Net losses on interest rate exchange agreements	(271,693)	-	-	(271,693)
Net losses on contributions receivable	-	(2,119)	-	(2,119)
Gifts and contributions for plant	4,364	-	-	4,364
Net assets released from restrictions for plant	8,375	(8,375)	-	-
Donor designation changes	1,009	(16,951)	15,942	-
Other	(1,360)	-	-	(1,360)
Total other changes in net assets	(599,877)	(454,977)	15,942	(1,038,912)
(Decrease) increase in net assets	\$ (549,509)	\$ (382,450)	\$ 26,761	\$ (905,198)
Net assets, June 30, 2008	\$ 2,670,016	\$ 1,450,754	\$ 861,987	\$ 4,982,757
Net assets, June 30, 2009	\$ 2,120,507	\$ 1,068,304	\$ 888,748	\$ 4,077,559

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

Vanderbilt University

Consolidated Statements of Cash Flows

Years Ended June 30, 2010 and 2009 (in thousands)

	2010	2009
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase (decrease) in total net assets	\$ 217,983	\$ (905,198)
Adjustments to reconcile change in total net assets to net cash provided by operating activities:		
Net realized losses on investments	20,305	59,519
Net (increase) decrease in unrealized appreciation on investments	(265,203)	644,408
Gifts for plant and endowment	(71,252)	(59,557)
Gifts of securities other than for plant and endowment	(27,673)	(63,305)
Depreciation and amortization	162,530	154,342
Amortization of bond discounts and premiums	(4,384)	(5,628)
Payments to terminate interest rate exchange agreements	-	87,153
Net decrease in fair value of interest rate exchange agreements	71,179	134,985
Net decrease in fair value of option to execute interest rate exchange agreement	5,506	49,555
(Increase) decrease in:		
Accounts receivable, net of accrued investment income	(61,642)	(20,945)
Prepaid expenses and other assets	(10,045)	16,797
Contributions receivable	14,136	(19,359)
Interests in trusts held by others	(2,466)	12,654
Increase (decrease) in:		
Accounts payable and accrued liabilities, net of non-operating items	19,299	26,157
Accrued compensation and withholdings	6,338	16,979
Deferred revenue	7,394	(356)
Actuarial liability for self-insurance	4,828	7,437
Actuarial liability for annuities payable	4,889	(9,320)
Net cash provided by operating activities	91,722	126,318
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of investments	(2,545,899)	(1,910,986)
Proceeds from sales of investments	2,772,849	2,167,577
Purchases of investments allocable to minority interests	(62,617)	-
Proceeds from sales of investments allocable to minority interests	38,778	-
Decrease in accrued investment income	631	3,744
Acquisitions of property, plant, and equipment	(170,388)	(254,400)
Proceeds from disposals of property, plant, and equipment	1,137	1,758
Student loans and other notes receivable disbursed	(2,515)	(4,792)
Principal collected on student loans and other notes receivable	4,200	3,809
Net cash provided by investing activities	36,176	6,710
CASH FLOWS FROM FINANCING ACTIVITIES		
Gifts for plant and endowment	71,252	59,557
Increase in government advances for student loans	1,226	956
Proceeds from debt issuances	884,179	1,148,467
Payments to retire or defease debt	(901,634)	(719,782)
Payments to terminate interest rate exchange agreements	-	(87,153)
Purchase of option to execute interest rate exchange agreement	-	(56,600)
Proceeds from minority interests in investment partnerships	62,617	-
Payments to minority interests in investment partnerships	(38,778)	-
Net cash provided by financing activities	78,862	345,445
Net increase in cash and cash equivalents	\$ 206,760	\$ 478,473
Cash and cash equivalents at beginning of year	\$ 752,397	\$ 273,924
Cash and cash equivalents at end of year	\$ 959,157	\$ 752,397

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

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Notes to the Consolidated Financial Statements

1. Organization

The Vanderbilt University (Vanderbilt) is a privately endowed, coeducational, not-for-profit, nonsectarian institution located in Nashville, Tennessee. Founded in 1873, Vanderbilt owns and operates educational, research, and patient care facilities. Vanderbilt provides educational services to approximately 6,800 undergraduate and 5,700 graduate and professional students enrolled in its 10 schools and colleges. The Chancellor and the

Board of Trust, the governing board of Vanderbilt, have oversight responsibility for all of Vanderbilt's financial affairs.

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

2. Summary of Significant Accounting Policies

Basis of Presentation

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

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

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

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

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

Fair Value Measurements

During fiscal 2009, Vanderbilt adopted Financial Accounting Standards Board (FASB) Accounting Standards Codification 820, *Fair Value Measurements and Disclosure* (ASC 820). This standard defines fair value, requires expanded disclosures about fair value measurements, and establishes a three-level hierarchy for fair value measurements based on the observable inputs to the valuation of an asset or liability at the measurement date. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC 820 prioritizes the inputs to the valuation techniques used to measure fair value by

giving the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements).

Furthermore, ASC 820 considers certain investment funds that do not have readily determinable fair values including private investments, hedge funds, real estate, and other funds. ASC 820 allows for the estimation of the fair value of investments in investment companies for which the investment does not have a readily determinable fair value using net asset value per share or its equivalent.

Cash and Cash Equivalents

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

Prepaid Expenses and Other Assets

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

Investments

Investments are reported at fair value using the three-level hierarchy established under ASC 820. Fair values for certain alternative investments, mainly investments in limited partnerships where a ready market for the investments does not exist, are based primarily on estimates reported by fund managers. The estimated values are reviewed and evaluated by Vanderbilt.

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

Vanderbilt sometimes uses derivatives to manage investment market risks and exposure. Derivatives, which consist of both internally managed transactions and those entered through external investment managers, are reported at fair value. The most common strategies engaged are futures contracts, short sales, and hedges against currency translation risk for investments denominated in

other than U.S. dollars. For internally managed transactions, Vanderbilt has only traded future contracts with durations of less than three months.

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

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

Investments Allocable to Minority Interests and Minority Interests in Investment Partnerships

For entities in which other organizations are minority equity participants to Vanderbilt's controlling interest, assets are reported at fair value as investments allocable to minority interests. Liabilities representing such organizations' minority interests are recorded based on contractual provisions, which represent an estimate of a settlement value assuming the entity was liquidated in an orderly fashion as of the report date.

Split-Interest Agreements and Interests in Trusts Held by Others

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

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

Property, Plant, and Equipment

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

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

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

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

Debt Portfolio Financial Instruments

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

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

Revenue Recognition

Vanderbilt's revenue recognition policies are:

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

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

Facilities and administrative (F&A) costs recovery—F&A costs recovery is recognized as revenue and represents reimbursement, primarily from the federal government, of F&A costs on sponsored activities. Vanderbilt's federal F&A costs recovery rate for on-campus research was 55.0% in fiscal 2010 and 53.5% in fiscal 2009. Vanderbilt's federal F&A costs recovery rate for off-campus (adjacent) research was 28.5% in both fiscal 2010 and 2009.

Health care services—Health care services revenue is reported at established rates, net of contractual adjustments and charity services. Third party contractual revenue adjustments under governmental reimbursement programs are accrued on an estimated basis in the period the related services are rendered. The estimated amounts are adjusted as final settlements are determined by the fiscal intermediary for each program. Health care services revenue includes that of Vanderbilt University Hospitals and Clinics; Vanderbilt Medical Group, a physician practice program; Vanderbilt Health Services, Inc., which includes wholly owned and joint ventured businesses such as the Vanderbilt Stallworth Rehabilitation Hospital, radiation oncology centers, imaging services, outpatient surgery centers, and home health care services; and other activities directed toward the purpose of providing health care services to the community.

Contributions

Unconditional promises to give (pledges) are recognized as contribution revenue when the donor's commitment is received. Pledges with payments due to Vanderbilt in future periods are recorded as increases in temporarily restricted or permanently restricted net assets at the estimated present value of future cash flows, net of an allowance for estimated uncollectible promises.

Vanderbilt University

Amortization of the discount is recorded as contribution revenue in the appropriate net asset class. Allowance is made for uncollectible contributions receivable based upon management's analysis of past collection experience and other judgmental factors.

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

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

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

In contrast to unconditional promises as described above, conditional promises (primarily bequest intentions) are not recorded until donor contingencies are substantially met.

Operating Results

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

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

Operating investment income consists of dividends, interest, and gains and losses on unrestricted, non-endowed investments directly related to core operating activities. Such income includes investment returns on Vanderbilt's working capital assets. For working capital assets invested in long-term pooled investments managed in conjunction with endowment funds, the amount resulting from pre-established distributions from pooled investments is deemed operating investment income; the remaining difference between total returns and distributions for these assets is reported as non-operating activity. Operating investment income also excludes investment returns on segregated gift funds and funds set aside for non-operating purposes such as segregated assets for

self-insurance relative to malpractice and professional liability and assets on deposit with trustees.

In fiscal 2010 and 2009, approximately 53% and 57%, respectively, of private gifts, grants, and contracts revenue represent transactions where Vanderbilt services were provided to other parties.

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

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

Income Taxes

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

Use of Estimates

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

Subsequent Events

Effective in fiscal 2009, Vanderbilt adopted ASC 855, *Subsequent Events*, which establishes principles and requirements for subsequent events and applies to the accounting for and disclosure of subsequent events not addressed in other applicable generally accepted accounting principles. Management evaluated events subsequent to June 30, 2010, and through the date on which the consolidated financial statements were available for issuance, October 28, 2010. The adoption of ASC 855 had no impact on Vanderbilt's consolidated financial statements. No material subsequent events were identified for recognition or disclosure.

Resignations

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

Reclassifications

Certain reclassifications have been made to prior year amounts to conform to the current year presentation.

3. Accounts Receivable

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

	2010	2009
Patient care	\$ 416,132	\$ 364,352
Students, grants, and other	101,612	96,122
Accrued investment income	3,078	3,709
Accounts receivable, gross	520,822	464,183
Less: Allowance for bad debts	115,108	119,480
Accounts receivable, net	\$ 405,714	\$ 344,703
Days receivable	43.0	39.4

Gross patient care receivables represented 79.9% and 78.5% of total gross receivables as of June 30, 2010 and 2009, respectively. The 14.2% year-over-year increase in patient care receivables is attributed to the growth in patient care volumes and contributed to the 12.2% year-over-year increase in total gross receivables. The growth in receivables was accompanied by a 3.7% decrease in allowance for bad debts (of which approximately 96% is related to patient care). This decline was driven by an overall average improvement in the patient care payor mix. Primarily as a result of these combined factors, days receivable increased to 43.0 days as of June 30, 2010, from 39.4 days as of June 30, 2009.

4. Contributions Receivable

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

	2010	2009
Unconditional promises expected to be collected:		
in one year or less	\$ 28,149	\$ 25,318
between one year and five years	58,081	74,078
in more than five years	4,811	5,471
Contributions receivable	91,041	104,867
Less: Unamortized discount	2,322	3,539
Allowance for uncollectible promises	11,680	10,153
Contributions receivable, net	\$ 77,039	\$ 91,175

Contributions receivable are discounted at a rate commensurate with the scheduled timing of receipt. Such amounts outstanding as of June 30, 2010, generally were discounted at rates ranging from 0.5% to 2.0%, and amounts outstanding as of June 30, 2009, generally were discounted at rates ranging from 0.5% to 2.5%.

The methodology for calculating an allowance for uncollectible promises is based upon management's analysis of the aging of payment schedules for all outstanding pledges. This review resulted in allowances for uncollectible promises totaling 12.8% and 11.5% of contributions receivable (excluding the ICF) as of June 30, 2010 and 2009, respectively.

As of June 30, 2009, contributions receivable included a \$16.4 million balance from the Ingram Charitable Fund (ICF), which was fully received by Vanderbilt during fiscal 2010.

In addition to pledges reported as contributions receivable, Vanderbilt had received bequest intentions of approximately \$221.9 million and \$209.1 million as of June 30, 2010 and 2009, respectively. These intentions to give are not recognized as assets due to their conditional nature.

5. Investments

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

	2010	2009
Short-term securities and derivative contract collateral	\$ 132,303	\$ 221,384
Bonds	216,919	167,965
Stocks	575,277	534,253
Partnerships	2,218,972	2,144,404
Loans	3,941	3,925
Real estate	202,349	208,981
Other	35,099	45,571
Net (payables) receivables for unsettled trades by investment managers	(10,733)	2,023
Total fair value	\$ 3,374,127	\$ 3,328,506
Total cost	\$ 3,265,482	\$ 3,485,064

In addition to investments reported in the table above, Vanderbilt has investments allocable to minority interests reported at fair value. In August 2009, Vanderbilt entered into two partnership agreements to acquire, hold, and manage private fund assets within the endowment. These new partnerships are controlled subsidiaries of Vanderbilt. Over a 10-year period, the limited partners (of which Vanderbilt is the majority limited partner) are required to fund capital contributions up to \$217.0 million, as called by the general partners of the private fund assets held within these new partnerships. The limited minority partners are required

to fund initial contributions up to \$179.2 million before Vanderbilt would be required to fund the potential remaining \$37.8 million.

During fiscal 2010, the minority limited partners funded capital commitments totaling \$62.6 million. Additionally, Vanderbilt made payments to the minority limited partners of \$38.8 million reflecting a distribution of earnings and returned capital from the underlying private fund assets. For the year ended June 30, 2010, the minority limited partners' interests in the results of the underlying returns from the private fund assets were \$53.9 million. As a result of these transactions, Vanderbilt has an obligation to the minority limited partners, calculated in accordance with the partnership agreements, of \$77.7 million as of June 30, 2010.

Investments, along with cash and cash equivalents, provide liquidity support for the university's operations. Of these combined amounts, Vanderbilt estimates that, based on prevailing market conditions as of June 30, 2010, amounts totaling \$931.7 million were available on a same-day basis and an additional \$526.7 million was available within 30 days.

Excluding derivative instruments that may be held by investment managers as part of their respective investment strategies, Vanderbilt held financial futures derivative contracts with notional values of \$201.6 million and \$57.9 million as of June 30, 2010 and 2009, respectively. The fair market value of such contracts is settled daily between counterparties.

6. Endowment

The endowment represents only those related net assets that are under the control of Vanderbilt. Endowment-related assets include donor-restricted endowments and quasi-endowments. The latter category includes institutional endowments and reinvested endowment distributions on donor-designated endowments. Gift annuities, interests in trusts held by others, contributions pending donor designation, and permanently restricted contributions receivable are not considered components of the endowment.

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

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

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

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

Board-appropriated endowment distributions may not be fully expended during a particular fiscal year. Accordingly, endowment distributions may be approved for reinvestment into the endowment.

In addition to the foregoing general endowment distributions, the Board of Trust has authorized the use of previously reinvested income, realized capital gains, and principal related to institutional endowments for special transinstitutional academic development initiatives. A summary of Vanderbilt's endowment for the fiscal years ended June 30 follows (*in thousands*):

2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments, at historical value	\$ ---	\$ 19,304	\$ 841,527	\$ 860,831
Accumulated net appreciation of donor-restricted endowments	---	951,275	---	951,275
Quasi-endowments				
Institutional endowments				
At historical value	135,849	---	---	135,849
Accumulated net appreciation	773,796	---	---	773,796
Reinvested distributions of donor-designated endowments				
At historical value	130,192	---	---	130,192
Accumulated net appreciation	155,664	---	---	155,664
Endowment net assets as of June 30, 2010	\$ 1,195,501	\$ 970,579	\$ 841,527	\$ 3,007,607

2009

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowments, at historical value	\$ ---	\$ 15,690	\$ 785,856	\$ 801,546
Accumulated net appreciation of donor-restricted endowments	---	898,332	---	898,332
Quasi-endowments				
Institutional endowments				
At historical value	114,175	---	---	114,175
Accumulated net appreciation	745,436	---	---	745,436
Reinvested distributions of donor-designated endowments				
At historical value	127,099	---	---	127,099
Accumulated net appreciation	147,026	---	---	147,026
Endowment net assets as of June 30, 2009	\$ 1,133,736	\$ 914,022	\$ 785,856	\$ 2,833,614

Vanderbilt University

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

	2010	2009
Net realized appreciation less endowment distributions	\$ 1,732,076	\$ 1,889,280
Net unrealized appreciation	148,659	(98,486)
Total	\$ 1,880,735	\$ 1,790,794

In striving to meet the overarching objectives for the endowment, over the past 20 years, there has been an 11.3% annualized standard deviation in Vanderbilt's returns. This level of risk is consistent with that accepted by peer institutions. Currently, the endowment portfolio consists of three primary components, each of which is designed to serve a specific role in establishing the right balance between risk and return. Global public and private equity investments are expected to produce favorable returns in environments of accelerating growth and economic expansion.

Absolute return and fixed income investments are expected to generate stable returns and preserve capital during periods of poor equity performance. Real estate and natural resources allocations are designed to provide an inflation hedge.

From time to time, the fair value of assets associated with an endowed fund may fall below the level that a donor or UPMIFA requires in terms of maintenance of perpetual duration endowments. As of June 30, 2010 and 2009, Vanderbilt had deficiencies of this nature of approximately \$18 million and \$23 million, respectively. These deficiencies resulted from unfavorable market declines that occurred after the investment of recent permanently restricted contributions. Vanderbilt believes these declines are modest in relation to the total market value for donor-restricted endowments and that these deficiencies will be relatively short-term in nature. Changes in endowment net assets for the fiscal years ended June 30 were as follows (*in thousands*):

2010

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Endowment net assets as of June 30, 2009	\$ 1,133,736	\$ 914,022	\$ 785,856	\$ 2,833,614
Endowment investment return:				
Investment income, net of fees	2,054	2,938	---	4,992
Net appreciation (realized and unrealized)	99,500	142,323	---	241,823
Total endowment investment return	101,554	145,261	--	246,815
Gifts and additions to endowment, net	28,251	3,610	55,671	87,532
Endowment distributions	(64,665)	(88,408)	---	(153,073)
Transfers for investment administration costs	(3,375)	(3,906)	---	(7,281)
Endowment net assets as of June 30, 2010	\$ 1,195,501	\$ 970,579	\$ 841,527	\$ 3,007,607

2009

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

7. Investment Return

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

	2010	2009
OPERATING		
Endowment distributions	\$ 146,749	\$ 146,638
Investment income	19,341	3,427
Total operating return	166,090	150,065
NON-OPERATING		
Unrestricted:		
Change in appreciation of quasi-endowments, net of distributions	40,800	(295,299)
Net gains (losses) on self-insurance assets	7,531	(8,293)
Net gains (losses) on other investments	7,679	(36,980)
Temporarily restricted:		
Endowment distributions	4,717	4,637
Investment income	(1,928)	(8,743)
Change in appreciation of donor-restricted endowments, net of distributions	52,942	(427,532)
Permanently restricted:		
Endowment distributions reinvested	1,607	1,442
Investment income	8,165	(24,734)
Total non-operating return	121,513	(795,502)
Total investment return	\$ 287,603	\$ (645,437)

8. Property, Plant, and Equipment

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

	2010	2009
Land	\$ 66,978	\$ 60,102
Buildings and improvements	2,485,343	2,295,961
Moveable equipment	795,152	726,650
Construction in progress	86,948	189,529
Property, plant, and equipment	3,434,421	3,272,242
Less: Accumulated depreciation	1,627,137	1,470,757
Property, plant, and equipment, net	\$ 1,807,284	\$ 1,801,485

Purchases for the library collection are not included in the amounts above since they are expensed at the time of purchase. As of June 30, 2010, the estimated replacement cost for library collections, including processing costs to properly identify, catalog, and shelve materials, totaled about \$266 million.

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

	2010	2009
Net interest, dividend, and partnership income	\$ 39,552	\$ 71,187
Net realized losses from original cost	(20,305)	(59,519)
Increase (decrease) in unrealized appreciation	268,356	(657,105)
Total investment return	\$ 287,603	\$ (645,437)

Investment returns are reported net of returns attributed to limited partners on investments allocable to minority interests.

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

Fees paid directly to external investment managers (i.e., segregated investment account fees) totaled \$7.9 million and \$3.5 million in fiscal 2010 and 2009, respectively.

Capitalized interest of \$2.8 million and \$2.7 million in fiscal 2010 and 2009, respectively, was added to construction in progress and/or buildings and improvements.

Internally developed software costs of \$3.3 million and \$2.2 million were capitalized in fiscal 2010 and 2009, respectively.

Vanderbilt has identified conditional asset retirement obligations, primarily for the costs of asbestos removal and disposal, resulting in liabilities of \$18.6 million and \$18.1 million as of June 30, 2010 and 2009, respectively. These liabilities, which are estimated using an inflation rate of 4.0% and a discount rate of 5.0% based on relevant factors at origination, are included in accounts payable and accrued liabilities in the consolidated statements of financial position.

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

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

commercial paper (CP) obligations as of June 30 were as follows (in thousands):

	Years to Nominal Maturity	Fiscal 2010 Effective Interest Rate	Outstanding Principal	
			2010	2009
FIXED-RATE DEBT				
Series 1998 B	19	5.0%	\$ 30,710	\$ 31,670
Series 1998 C ¹	5	4.9%	10,805	12,670
Series 2001 A	6	5.1%	8,970	10,220
Series 2001 B ¹	13	5.1%	45,085	47,470
Series 2005 B-3 ¹	--	3.1%	---	152,205
Series 2008 A	8	4.0%	133,600	136,100
Series 2008 B ¹	8	3.9%	115,950	119,950
Series 2009 A	29	4.9%	97,100	97,100
Series 2009 B ¹	29	5.0%	232,900	232,900
Series 2009 A Taxable Notes	9	5.3%	250,000	250,000
Total fixed-rate debt			925,120	1,090,285
VARIABLE-RATE DEBT				
Series 2000 A	21	0.4%	56,500	58,000
Series 2000 B	21	0.4%	56,500	58,000
Series 2002 A	23	0.4%	19,725	20,170
Series 2003 A ¹	9	0.4%	24,280	27,485
Series 2005 A	34	0.3%	113,300	113,300
Total variable-rate debt			270,305	276,955
Par amount of long-term debt			1,195,425	1,367,240
Net unamortized premium			6,123	10,507
Total long-term debt			1,201,548	1,377,747
Capital leases	1 to 4	5.6%	4,586	2,570
Total long-term debt and capital leases			1,206,134	1,380,317
Tax-exempt commercial paper	<1	0.5%	177,740	25,535
Taxable commercial paper	<1	0.5%	123,508	123,369
Tax-exempt and taxable commercial paper			301,248	148,904
Total long-term debt, capital leases, and commercial paper			\$ 1,507,382	\$ 1,529,221

¹ Issued under Master Trust Indenture structure.

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

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

Included in the foregoing are hospital and clinic (patient care) bonds, with a principal balance outstanding of \$429.0 million as of June 30, 2010, that were issued under a Master Trust Indenture (MTI) structure. The MTI provides the flexibility for multiple parties to participate in debt issuances as part of an obligated group; presently, Vanderbilt's hospitals and clinics have no other members participating in the obligated group. Bonds issued under the MTI are payable from hospital revenues (as defined in the MTI). All MTI bonds presently outstanding are also supplemented by a Vanderbilt guarantee of debt service.

Trust indentures for certain bond issues contain covenants and restrictions involving the issuance of additional debt, maintenance of a specified debt service coverage ratio, and the maintenance of liquidity facilities. Vanderbilt believes it is in compliance with such covenants and restrictions as of June 30, 2010.

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

	2010	2009
Interest cost paid	\$ 88,863	\$ 51,543
Accrued interest expense	\$ 78,788	\$ 55,150
Assets held by trustees for subsequent debt service as of June 30	\$ 3,431	\$ 3,257

Payments for interest costs occur on varying scheduled payment dates for debt, maturity dates for CP, and settlement dates for interest rate exchange agreements. Accrued interest expense is calculated based on applicable interest rates for the respective debt, CP, and interest rate exchange agreements as of the end of the respective fiscal year.

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

2011	\$ 24,365
2012	25,075
2013	30,215
2014	37,790
2015	46,585
Thereafter	1,031,395
Total	\$ 1,195,425

Liquidity support for short-term debt is provided by university self-liquidity. As of June 30, 2010, Vanderbilt estimates that \$931.7 million of liquid assets were available on a same-day basis and an additional \$526.7 million was available within 30 days. A second tier of liquidity support in the form of two bank revolving credit facilities, with maximum available commitments totaling \$375.0 million as of June 30, 2010, are in place and dedicated solely to debt portfolio liquidity. These commitments expire in March 2011 and June 2011. Since initiation of these revolving credit agreements, there have been no borrowings required to support redemptions of short-term debt.

On June 1, 2010, Vanderbilt entered into agreements with two banks to provide lines of credit with maximum available commitments totaling \$200.0 million. These lines of credit, which may be drawn upon for general operating purposes, expire in May 2012 and May 2013. No amounts were drawn on these credit facilities as of June 30, 2010. Trial draws totaling \$10.0 million occurred subsequent to June 30, 2010, were retired shortly thereafter, and were not outstanding as of the date on which the consolidated financial statements were available for issuance.

Vanderbilt's offering statements provide combined tax-exempt and taxable CP programs of up to \$675 million. However, issuance of incremental taxable CP beyond that outstanding at June 30, 2010, would require approval by Vanderbilt's Board of Trust and issuance of additional tax-exempt CP for "new money" projects would require approval by both Vanderbilt's Board of Trust and the HEFB as conduit issuer. On April 1, 2010, Vanderbilt utilized proceeds from the tax-exempt CP program in the amount of \$152.2 million to refund the Series 2005 B-3 tax-exempt fixed-rate put bonds on their mandatory tender date. Combined with other tax-exempt CP, on June 30, 2010, Vanderbilt had \$177.7 million outstanding. Under Vanderbilt's taxable CP program \$123.5 million of notes were outstanding as of June 30, 2010, including \$114.9 million to support Vanderbilt's overall liquidity.

10. Interest Rate Exchange Agreements

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

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

In December 2008, Vanderbilt terminated \$300.0 million of fixed-payer interest rate exchange contracts and \$150.0 million of reverse basis interest rate exchange contracts at a net cost of \$87.2 million to reduce collateral exposure. Concurrently, to hedge against further declines in long-term LIBOR rates, Vanderbilt purchased an option to execute a \$500.0 million notional fixed-receiver interest rate exchange contract on December 1, 2010.

The estimated fair value of outstanding interest rate exchange agreements was \$230.8 million and \$154.1 million as of June 30, 2010 and 2009, respectively, and is reported as a liability in the consolidated statements of financial position. Changes in the fair value for these contracts, exclusive of realized losses due to contract terminations in fiscal 2009, amounted to an unrealized loss of \$76.7 million in fiscal 2010 and \$184.5 million in fiscal 2009. Net realized losses from contract terminations and changes

in the fair value of interest rate exchange agreements are both included in the non-operating section of the consolidated statements of activities.

Collateral pledging requirements included in interest rate exchange agreements result in collateral exposure based on the fair value of the contracts. Collateral held by counterparties as of June 30, 2010 and 2009, amounted to \$122.7 million and \$77.3 million, respectively. Management estimates that a decline in long-term LIBOR-based rates to approximately 2% would reduce the fair value of the derivative portfolio to approximately \$460 million and correspondingly increase Vanderbilt's collateral pledging requirements to approximately \$360 million.

Periodic net cash settlements paid to counterparties totaled \$30.4 million and \$20.2 million in fiscal 2010 and 2009, respectively, and were reflected as adjustments to interest expense.

As of June 30, 2010, Vanderbilt's adjusted debt portfolio, after taking into account the aforementioned exchange agreements, was approximately 129% fixed. Exclusive of the option to execute a \$500.0 million notional fixed-receiver interest rate exchange agreement, the notional amounts of these agreements as of June 30 were as follows (*in thousands*):

Description	Rate Paid	Rate Received	Maturity	2010	2009
% of LIBOR ¹ fixed-payer interest rate exchange agreements ²	Avg fixed rate of 3.60%	68 to 70% of one-month LIBOR	20 to 34 years with \$193,000 of notional amortization matched to principal retirements for the Series 2000A and B bonds and the Series 2005A bonds	\$ 1,008,000	\$ 1,011,000
SIFMA ³ fixed-receiver interest rate exchange agreements	SIFMA	3.09%	Matured April 1, 2010	---	\$ 152,205
Basis interest rate exchange agreement	SIFMA	Avg of 82.2% of one-month LIBOR	24 to 25 years	\$ 500,000	\$ 500,000

¹ London Interbank Offered Rate

² For an amortizing fixed-payer interest rate exchange agreement that will have a notional balance of \$51.6 million in October 2012, the counterparty will be able to exercise an option to terminate the contract, in whole or in part and at no cost, at any time from that date until the final maturity in October 2030.

³ Securities Industry and Financial Markets Association

11. Net Assets

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

Unrestricted net assets are internally designated into the following groups:

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

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

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

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

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

Fair value of interest rate exchange agreements, net represents the mark-to-market valuation for such contracts. Because these agreements are intended to manage interest rate risks within the debt portfolio, segregation from other designations is maintained.

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

	2010	2009
Designated for operations	\$ 435,735	\$ 288,102
Designated gifts and grants	178,703	170,044
Designated for student loans	31,346	30,963
Designated for plant facilities	630,826	651,753
Quasi-endowments	1,195,501	1,133,736
Fair value of interest rate exchange agreements, net	(230,776)	(154,091)
Total unrestricted net assets	\$ 2,241,335	\$ 2,120,507

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

	2010	2009
Donor-restricted endowments at historical value	\$ 19,304	\$ 15,690
Accumulated net appreciation of donor-restricted endowments	951,275	898,332
Gifts and pledges	115,211	132,247
Interests in trusts held by others	6,189	5,984
Life income and gift annuities	16,045	16,051
Total temporarily restricted net assets	\$ 1,108,024	\$ 1,068,304

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

	2010	2009
Student scholarships	\$ 268,324	\$ 256,787
Instruction	491,086	486,735
Capital improvements	12,584	22,986
Subsequent period operations and other	336,030	301,796
Total temporarily restricted net assets	\$ 1,108,024	\$ 1,068,304

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

	2010	2009
Donor-restricted endowments at historical value	\$ 841,527	\$ 785,856
Gifts and pledges	50,904	54,523
Interests in trusts held by others	30,204	27,943
Life income and gift annuities	23,548	20,426
Total permanently restricted net assets	\$ 946,183	\$ 888,748

Based on relative fair values as of June 30, 2010, approximately 28% of donor-restricted endowments support scholarships, 26% supports endowed faculty chairs, 25% supports departmental operations, and 21% are for other purposes.

12. Fair Value Measurement

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

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

Level 2 inputs are inputs other than quoted prices included in Level 1 that are either directly or indirectly observable for the assets or liabilities.

Level 3 inputs are unobservable inputs for the assets or liabilities.

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

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

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

The following table presents a rollforward of amounts for level 3 financial instruments for the year ended June 30, 2010 (*in thousands*):

	June 30, 2009	Net purchases and sales	Realized gains (losses) / (distributions)	Unrealized gains (losses)	June 30, 2010
LEVEL 3 ASSETS					
Investments	\$ 2,259,968	\$ 407,171	\$ (381,673)	\$ 123,552	\$ 2,409,018
Investments allocable to minority interests	--	62,617	(38,778)	53,856	77,695
Interests in trusts held by others	33,927	---	(688)	3,154	36,393
Total Level 3	\$ 2,293,895	\$ 469,788	\$ (421,139)	\$ 180,562	\$ 2,523,106

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

As a measure of liquidity, the frequencies that investments may be redeemed or liquidated are also noted in the following tables, along with the numbers of days notice required to liquidate investments.

As of June 30, 2010, 97% of cash and cash equivalents were available on a same-day basis.

Short-term securities and derivative contract collateral are comprised primarily of amounts posted as collateral in accordance with interest rate exchange agreements and unspent bond proceeds with trustees. Vanderbilt does not recognize a redemption or liquidation frequency for these amounts.

Bonds and stocks provide varying levels of liquidity as defined in the following tables. As of June 30, 2010, 68% and 50% of bond values and stock values, respectively, were available for daily redemption requests with liquidity within 30 days.

Partnerships include hedge funds, which comprise the predominant share of partnerships with monthly, quarterly, and annual redemption frequencies. Notice may be provided to the fund managers to exit from the respective funds in the time periods noted.

As of June 30, 2010, 10% of partnerships are comprised of hedge funds in "lock up" periods of up to three years, during which redemptions or liquidations are not allowed per terms of the respective agreements with fund managers. Additionally, 7% of partnerships are in "soft lock up" periods of up to three years, during which redemptions or liquidations may occur but are subject to withdrawal penalties ranging from 2.00% to 4.75%. These "soft lock up" partnerships are included in the allocations to redemption frequencies of monthly, quarterly, and annually in the tables on the following page.

Of the total fair values for partnerships and real estate, 48% and 100%, respectively, are reported as illiquid as of June 30, 2010. These amounts predominantly consist of limited partnerships, which include partnerships in private equity venture capital and natural resources. Under the terms of these limited partnership agreements, Vanderbilt is obligated to remit additional funding periodically as capital calls are exercised by the general partner. These partnerships have a limited existence and the agreements may provide for annual extensions for the timing of disposing portfolio positions and returning capital to investors. Depending on market conditions, the ability or inability of a fund to execute its strategy, and other factors, the general partner may extend the terms or request an extension of terms of a fund beyond its originally anticipated existence or may liquidate the fund prematurely. Vanderbilt cannot anticipate such changes because they are based on unforeseen events. As a result, the timing and amount of future capital calls or distributions in any particular year are uncertain and the related market values are reported as illiquid.

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

Vanderbilt University

2010

	Fair Value Measurements				Group %	Redemption or Liquidation Frequency	Days Notice
	Level 1	Level 2	Level 3	Total			
ASSETS REPORTED AT FAIR VALUE							
Cash and cash equivalents	\$ 959,157	\$ ---	\$ ---	\$ 959,157	97% 3%	Daily Daily	same-day 2-90 days
Short-term securities and derivative contract collateral	132,303	---	---	132,303	100%	n/a	n/a
Bonds	196,275	---	20,644	216,919	59% 9% 32%	Daily Daily Daily	next-day 2-30 days >30 days
Stocks	356,254	107,602	111,421	575,277	50% 18% 15% 17%	Daily Bi-Weekly Daily Annually	2-30 days 2-30 days >30 days >30 days
Partnerships	31,708	151,039	2,097,579	2,280,326	5% 31% 6% 10% 48%	Monthly Quarterly Annually Lock up Illiquid	>30 days >30 days >30 days >30 days n/a
Loans	---	---	3,941	3,941	100%	Illiquid	n/a
Real estate	---	---	218,690	218,690	100%	Illiquid	n/a
Other	661	---	34,438	35,099	100%	n/a	n/a
Net payables for unsettled trades by investment managers	(10,733)	---	---	(10,733)	100%	n/a	n/a
Interests in trusts held by others	---	---	36,393	36,393	100%	n/a	n/a
Total assets reported at fair value	\$ 1,665,625	\$ 258,641	\$ 2,523,106	\$ 4,447,372			
LIABILITIES REPORTED AT FAIR VALUE							
Interest rate exchange agreements, net	\$ ---	\$ 230,776	\$ ---	\$ 230,776			

2009

	Fair Value Measurements				Group %	Redemption or Liquidation Frequency	Days Notice
	Level 1	Level 2	Level 3	Total			
ASSETS REPORTED AT FAIR VALUE							
Cash and cash equivalents	\$ 752,397	\$ ---	\$ ---	\$ 752,397	97% 3%	Daily Daily	same-day 2-90 days
Short-term securities and derivative contract collateral	221,384	---	---	221,384	100%	n/a	n/a
Bonds	139,416	---	28,549	167,965	55% 2% 43%	Daily Monthly Daily	next-day 2-30 days >30 days
Stocks	287,788	116,785	129,680	534,253	39% 21% 5% 19% 16%	Daily Bi-Weekly Monthly Daily Annually	2-30 days 2-30 days 2-30 days >30 days >30 days
Partnerships	161,570	135,252	1,847,582	2,144,404	8% 4% 28% 10% 8% 42%	Daily Monthly Quarterly Annually Lock up Illiquid	2-30 days >30 days >30 days >30 days >30 days n/a
Loans	---	---	3,925	3,925	100%	Illiquid	n/a
Real estate	---	---	208,981	208,981	100%	Illiquid	n/a
Other	4,320	---	41,251	45,571	100%	n/a	n/a
Net receivables for unsettled trades by investment managers	2,023	---	---	2,023	100%	n/a	n/a
Interests in trusts held by others	---	---	33,927	33,927	100%	n/a	n/a
Total assets reported at fair value	\$ 1,568,898	\$ 252,037	\$ 2,293,895	\$ 4,114,830			
LIABILITIES REPORTED AT FAIR VALUE							
Interest rate exchange agreements, net	\$ ---	\$ 154,091	\$ ---	\$ 154,091			

13. Natural Classification of Expenses and Allocations

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

	2010	2009
Salaries, wages, and benefits	\$ 1,935,164	\$ 1,821,770
Services	170,218	146,279
General expenses and supplies	642,907	616,769
Depreciation and amortization	162,530	154,342
Interest	78,788	55,150
Provision for bad debts	119,907	108,014
Utilities, operating leases, and other	153,563	154,862
Total operating expenses	\$ 3,263,077	\$ 3,057,186

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

2010		
	Depreciation	Interest
Instruction	\$ 19,114	\$ 5,884
Research	25,087	8,463
Health care services	70,201	42,660
Public service	1,149	375
Academic support	8,780	2,696
Student services	907	444
Institutional support	14,682	3,234
Room, board, and other auxiliary services	22,610	15,032
Total	\$ 162,530	\$ 78,788

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

14. Retirement Plans

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

Vanderbilt's obligations under these plans are fully funded by monthly transfers to the respective retirement plan administrators with the corresponding expenses recognized in the year incurred. Vanderbilt's retirement plan contributions for fiscal 2010 and 2009 were \$53.1 million and \$49.9 million, respectively.

15. Student Financial Aid

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

In fiscal 2010 and 2009, financial aid for tuition and educational fees of \$177.8 million and \$157.9 million was applied to gross tuition and educational fees of \$415.4 million and \$387.9 million, respectively. In fiscal 2010 and 2009, financial aid for room and board of \$25.8 million and \$22.2 million was applied to gross room and board of \$63.4 million and \$60.3 million, respectively.

Loans to students from Vanderbilt funds are carried at cost, which, based on secondary market information, approximates the fair value of educational loans with similar interest rates and payment terms. Loans to qualified students historically have been funded principally with government advances to Vanderbilt under the Perkins, Nursing, and Health Professions Student Loan Programs. Loans receivable from students under governmental loan programs, also carried at cost, can only be assigned to the federal government or its designees. Student loan receivables are reported net of allowances for estimated uncollectible accounts of \$4.3 million as of June 30, 2010 and 2009.

16. Charity Care, Community Benefits, and Other Unrecovered Costs

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

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

The cost of charity care provided by the Hospital was \$79.3 million and \$71.8 million in fiscal 2010 and 2009, respectively. Of the total uncompensated care provided by the Hospital (comprising charity care not reported as revenue and expense reported as provision for bad debts), 74% and 75% of the total in fiscal 2010 and 2009, respectively, was charity care. Charity care patients represent 4% of all total patients treated at the Hospital in both fiscal 2010 and 2009.

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

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

The estimated total costs of charity care, community benefits, and other unrecovered costs at June 30, reported in accordance with Internal Revenue Service (IRS) reporting requirements for Form 990 Schedule H were as follows (*in thousands*):

	2010	2009
Charity care and community benefits using guidelines for IRS Form 990 Schedule H		
Unreimbursed cost of charity care	\$ 79,300	\$ 71,800
Resident and Allied Health education	45,100	40,400
Unreimbursed cost of TennCare/ Medicaid	45,800	35,200
Other community health programs	5,700	2,100
Subsidized health services	1,500	1,600
Behavioral health hospital services	3,800	1,100
Clinical research support	600	600
Total costs of charity care and community benefits	181,800	152,800
Other unrecovered costs using guidelines for IRS Form 990 Schedule H but not includable as community benefits		
Unreimbursed cost of Medicare	45,300	38,200
Cost of bad debts	28,300	24,200
Unreimbursed cost of TRICARE	8,700	7,600
Total other unrecovered cost	82,300	70,000
Total cost of charity care, community benefits, and other unrecovered costs	\$ 264,100	\$ 222,800

17. Lease Obligations

Vanderbilt leases certain equipment and real property. These leases are classified primarily as operating leases and have lease terms of up to 15 years. Total operating lease expense in fiscal 2010 and 2009 was \$59.6 million and \$57.5 million, respectively.

As of June 30, 2010, future committed minimum rentals by fiscal year on non-cancelable operating leases with initial or remaining lease terms in excess of one year are as follows (*in thousands*):

2011	\$ 27,970
2012	22,852
2013	17,937
2014	15,407
2015	13,228
Thereafter	50,574
Total future minimum rentals	\$ 147,968

Vanderbilt leases over 50% of the space in the approximately 850,000-square-foot One Hundred Oaks facility, located within five miles of the main campus, primarily for medical clinic and office uses. This operating lease commenced in fiscal 2008 with an initial lease term of 12 years. In addition to having five 10-year renewal options, Vanderbilt will have the right of first offer to lease additional space as it becomes available. Minimum aggregate rental payments of \$49.0 million related to this space are included in the future minimum rentals.

18. Related Parties

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

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

duty or responsibility, including the conduct or reporting of research.

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

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

19. Commitments and Contingencies

(A) *Construction.* As of June 30, 2010, approximately \$35.3 million was contractually committed for projects under construction and equipment purchases.

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

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

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

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

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

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

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

(I) *Partnership Investment Commitments.* There were \$828.3 million of commitments to venture capital, real estate, and private equity investments as of June 30, 2010. These funds may be drawn down over the next several years upon request by the general partners. Vanderbilt expects to finance these commitments with available cash and expected proceeds from the sales of securities. In addition, Vanderbilt is a secondary guarantor for \$121.2 million of commitments for certain investment vehicles where minority limited partners in subsidiaries that Vanderbilt controls have the primary obligations.

(J) *McKendree Village, Inc. Debt Guaranty.* In July 1998, Vanderbilt and McKendree Village, Inc. (McKendree), a not-for-profit retirement community, entered into an affiliation agreement, including a guarantee of certain McKendree debt by the university, largely secured by asset liens on McKendree property. As of June 30, 2010, the balance of McKendree's guaranteed debt outstanding was \$15.4 million.

VANDERBILT UNIVERSITY
Schedule of Expenditures of Federal Awards
Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Type A:							
*Research and Development							
	U.S. Department of Agriculture						
	Scientific Cooperation and Research	10.961			\$ 20,950	—	20,950
	Total CFDA	10.961			20,950	—	20,950
	Total U.S. Department of Agriculture				20,950	—	20,950
	U.S. Department of Commerce						
	Total CFDA	11.000			103,320	—	103,320
	Measurement and Engineering Research and Standards	11.609			103,320	—	103,320
	Total CFDA	11.609			203,080	—	203,080
	Total U.S. Department of Commerce				203,080	—	203,080
	U.S. Department of Defense						
	Advanced Research Projects Agency						
		12.000	N0017807C2011	BAE Systems, Inc.	—	569,351	569,351
		12.000	HTDRA105D0001DO-02	Boeing Company	—	(15,695)	(15,695)
		12.000	HR0011-09-C-0040	BAE Systems, Inc.	—	20,681	20,681
	Total CFDA	12.000			—	574,337	574,337
	Research and Technology Development						
		12.910	HR0011-09-C-0012	Massachusetts Inst of Tech	—	73,131	73,131
		12.910	N10AP20003	US Department of Interior	—	23,990	23,990
		12.910	HR00110810085	University of Washington	—	70,281	70,281
		12.910	W31P4Q-08-1-0003	University of Florida	—	53,004	53,004
	Total CFDA	12.910			—	220,406	220,406
	Total Advanced Research Projects Agency				—	794,743	794,743
	Defense Secretary						
	Basic, Applied, and Advanced Research in Science and Engineering	12.630	PO8200129215	Northrop Grumman Corporation	—	158,345	158,345
		12.630	PO8200137351	Northrop Grumman Corporation	—	360,040	360,040
	Total CFDA	12.630			—	518,385	518,385
	Total Defense Secretary				—	518,385	518,385
	Defense Threat Reduction Agency						
		12.000			724,140	—	724,140
	Total CFDA	12.000			724,140	—	724,140
	Basic and Applied Scientific Research						
		12.300	N00173091G029	State University of New York (SUNY)	—	86,332	86,332
		12.300	SC-0008-02-0016-VAN01	ATK Mission Research	—	(14,020)	(14,020)
	Total CFDA	12.300			—	72,312	72,312
	Basic Scientific Research - Combating Weapons of Mass Destruction	12.351			1,138,329	—	1,138,329
	Total CFDA	12.351			1,138,329	—	1,138,329
	Military Medical Research and Development						
		12.420	HDTRA1-10-P-0024	CFD Research	—	8,522	8,522
	Total CFDA	12.420			—	8,522	8,522
	Basic, Applied, and Advanced Research in Science and Engineering						
		12.630	HDTRA1-10-P-0023	Lynguent, Inc.	—	14,520	14,520
	Total CFDA	12.630			—	14,520	14,520
	Research and Technology Development						
		12.910			217,190	—	217,190
		12.910	221594	Boeing Company	—	252,197	252,197
	Total CFDA	12.910			217,190	252,197	469,387
	Total Defense Threat Reduction Agency				2,079,659	347,551	2,427,210

VANDERBILT UNIVERSITY
Schedule of Expenditures of Federal Awards
Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Air Force		12.000			\$ 47,036	—	47,036
		12.000	FA865004D3446	General Dynamics Info Tech	—	53,048	53,048
		12.000	GS04T09DBC0017-HPTI	High Performance Technologies, Inc.	—	76,428	76,428
		12.000	FA87500820020	George Mason University	—	106,636	106,636
		12.000	4206344103	Fisk University	—	(5,869)	(5,869)
Total CFDA		12.000			47,036	230,243	277,279
Basic, Applied, and Advanced Research in Science and Engineering		12.630			(8,013)	—	(8,013)
Total CFDA		12.630			(8,013)	—	(8,013)
Air Force Defense Research Sciences Program		12.800			3,651,953	—	3,651,953
		12.800	FA955009C1036	Vextec	—	11,273	11,273
		12.800	FA8650-08-C-3829	Industrial Measurement Systems	—	59,717	59,717
Total CFDA		12.800			3,651,953	70,990	3,722,943
Research & Technology Development		12.910			—	—	—
		12.910	FA875008C0022/BBN/AFRL	BBNT Solutions, LLC	—	108,167	108,167
Total CFDA		12.910			—	108,167	108,167
Total Air Force					3,690,976	409,400	4,100,376
Army		12.000			990,400	—	990,400
		12.000	W81XWH-05-1-0239	University of Rochester	—	166,848	166,848
		12.000	W81XWH-05-1-0239	Cranfield University	—	9,359	9,359
		12.000	W81XWH-05-1-0239	Columbia University	—	53,718	53,718
		12.000	W81XWH-09-2-0108	Johns Hopkins University	—	75,182	75,182
		12.000	P010022224	Science Applications International Corp	—	46,597	46,597
		12.000	W911NF0820004	University of California, Berkeley	—	62,766	62,766
		12.000	W31P4Q09D0010/2009-277	Univ of Alabama in Huntsville	—	24,090	24,090
Total CFDA		12.000			990,400	438,560	1,428,960
Collaborative Research and Development		12.114			622	—	622
Total CFDA		12.114			622	—	622
National Guard Civilian Youth Opportunities		12.404	W31P4Q08C0081	Advanced Engineering Technology, Inc.	—	25,758	25,758
		12.404	W9113M-09-C-0021	Advanced Engineering Technology, Inc.	—	252,010	252,010
Total CFDA		12.404			—	277,768	277,768
Military Medical Research & Development		12.420			3,868,814	—	3,868,814
		12.420	W81XWH06C0391/PO 738	CFD Research Corporation	—	13,320	13,320
		12.420	W81XWH-05-01-0239	University of Washington	—	90,149	90,149
		12.420	W81XWH-05-1-239	Johns Hopkins University	—	61,728	61,728
		12.420	W81XWH-05-1-0239	Iowa State University	—	43,599	43,599
		12.420	W81XWH-09-2-0020	Rehabilitation Institute Research Corp	—	120,231	120,231
		12.420	W81XWH07C0092	CFD Research Corporation	—	199,687	199,687
		12.420	W81XWH-04-2-0031	Rutgers, The State Univ of NJ	—	93,205	93,205
Total CFDA		12.420			3,868,814	621,919	4,490,733
Basic Scientific Research		12.431			917,261	—	917,261
		12.431	P0002289 TTU Phase 3	TN Technology University	—	155,628	155,628
		12.431	4224544233	TN Technology University	—	213,596	213,596
		12.431	W911NF0720046	Auburn University	—	5,943	5,943
		12.431	W911NF-06-1-0076	Univ of California, Berkley	—	156,259	156,259
		12.431	HMAOEMB060004	Boeing Company	—	2,037,879	2,037,879
Total CFDA		12.431			917,261	2,569,305	3,486,566
Basic, Applied, and Advanced Research in Science and Engineering		12.630	W15QKN-08-C-0440	Information System Technologies, Inc.	—	46,121	46,121
Total CFDA		12.630			—	46,121	46,121

VANDERBILT UNIVERSITY
Schedule of Expenditures of Federal Awards
Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Research & Technology Development		12.910	4224224803	International Technology Center	\$ —	(140)	(140)
Total CFDA		12.910			—	(140)	(140)
Total Army					5,777,097	3,953,533	9,730,630
Navy		12.000			15,455	—	15,455
		12.000	N0017804D4042	EG&G Technical Services, Inc.	—	641,717	641,717
Total CFDA		12.000			15,455	641,717	657,172
Basic and Applied Scientific Research		12.300			1,361,814	—	1,361,814
		12.300	N00014-08-1-0655	Univ of California, Santa Barbara	—	251,824	251,824
		12.300	SC-6599-02-0012/VAN10	ATK Mission Research	—	(146,675)	(146,675)
		12.300	N00173081G002	State University of New York	—	(13,280)	(13,280)
		12.300	N0016402C6599	ATK Mission Research	—	(1,190)	(1,190)
		12.300	4224233803	ATK Mission Research	—	(48)	(48)
		12.300	4224233823	ATK Mission Research	—	(6,982)	(6,982)
		12.300	N68335-08-C-0084	Puritan Research Corporation	—	97,466	97,466
		12.300	ATK-PO24-N005	ATK Mission Research	—	12,587	12,587
		12.300	N00421-08D-0012	Databuoy, LLC	—	45,660	45,660
		12.300	N000140710749/57100223	Massachusetts Institue of Tech	—	113,024	113,024
		12.300	N00164-09-P-1005	EG&G Technical Services, Inc.	—	15,010	15,010
		12.300	4224523806/961075	Johns Hopkins University	—	29,664	29,664
		12.300	N66001-06-C-8005	Johns Hopkins University	—	31,379	31,379
Total CFDA		12.300			1,361,814	428,439	1,790,253
Basic Scientific Research - Combating Weapons of Mass Destruction		12.351			3,681	—	3,681
Total CFDA		12.351			3,681	—	3,681
Research & Technology Development		12.910	N0003008C0030003	Aero Thermo Technology, Inc.	—	843,964	843,964
		12.910	PO DL-H-543153	Charles Stark Draper Laboratory, Inc.	—	(8,547)	(8,547)
		12.910	PO DL-H-551036	Charles Stark Draper Laboratory, Inc.	—	(16,926)	(16,926)
		12.910	N00030-05-C-0035	Aero Thermo Technology, Inc.	—	(53,513)	(53,513)
Total CFDA		12.910			—	764,978	764,978
Total Navy					1,380,950	1,835,134	3,216,084
Marines		12.630	M67854-07-D-1035/S0812	Kansas State University	—	51,968	51,968
Basic, Applied, and Advanced Research in Science and Engineering		12.630			—	51,968	51,968
Total CFDA		12.630			—	51,968	51,968
Total Marines					—	51,968	51,968
National Security Agency		12.901			27,401	—	27,401
Mathematical Sciences Grants Program		12.901			27,401	—	27,401
Total CFDA		12.901			27,401	—	27,401
Total National Security Agency					27,401	—	27,401
Total U.S. Department of Defense					12,956,083	7,910,714	20,866,797
U.S. Department of Education		84.000	4261302093	State of Idaho	—	52	52
		84.000	4361-GR1027642	TN Higher Education Commission	—	208,470	208,470
		84.000	4262602993	University of Pennsylvania	—	6,970	6,970
Total CFDA		84.000			—	215,492	215,492
National Institute on Disability and Rehabilitation Research		84.133			80,991	—	80,991
Total CFDA		84.133			80,991	—	80,991
Education Research, Development and Dissemination		84.305			10,424,538	—	10,424,538
		84.305	4261002163	University of Michigan	—	18	18
		84.305	ER-06-CO-0019 S2006-03	Learning Point Associates	—	118,079	118,079

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
		84.305	4262102473	State University of New York	—	224,559	224,559
		84.305	4264302003	Harvard University	—	7,384	7,384
		84.305	550619	University of Pennsylvania	—	177,464	177,464
	Total CFDA	84.305			10,424,538	527,504	10,952,042
	Research in Special Education	84.324			2,988,073	—	2,988,073
		84.324	UF07088	University of Florida	—	26,269	26,269
	Total CFDA	84.324			2,988,073	26,269	3,014,342
	Grants for Enhanced Assessment Instrument	84.368	4264302031	State of South Carolina	—	111,624	111,624
		84.368	4264302063	State of Pennsylvania	—	245,481	245,481
	Total CFDA	84.368			—	357,105	357,105
	Special Education Tech Assistance on State Data Collection	84.373			330,525	—	330,525
	Total CFDA	84.373			330,525	—	330,525
	Total U.S. Department of Education				13,824,127	1,126,370	14,950,497
	U.S. Department of Energy						
	Energy	81.000			25,322	—	25,322
		81.000	4206344273	Oak Ridge Assoc Universities	—	31,172	31,172
		81.000	PO 579879	Fermi Nat'l Accelerator Lab	—	108,817	108,817
		81.000	66427-001-08	Los Alamos Laboratories	—	50,202	50,202
		81.000	PO578455	Fermi Nat'l Accelerator Lab	—	25,714	25,714
		81.000	PO 582762	Fermi Nat'l Accelerator Lab	—	39,246	39,246
		81.000	6400008068	UT Battelle, LLC	—	40,181	40,181
		81.000	3400133973	UT Battelle, LLC	—	737	737
		81.000	4000683323	UT Battelle, LLC	—	18,050	18,050
		81.000	4000084740	UT Battelle, LLC	—	150,059	150,059
		81.000	4000091167	UT Battelle, LLC	—	3,860	3,860
		81.000	4000089092	UT Battelle, LLC	—	54,184	54,184
		81.000	4000049157	UT Battelle, LLC	—	150,764	150,764
		81.000	4000044834	UT Battelle, LLC	—	43,407	43,407
	Total CFDA	81.000			25,322	716,393	741,715
	University Laboratory Cooperative Program	81.004	4000053959	UT Battelle, LLC	—	208,649	208,649
	Total CFDA	81.004			—	208,649	208,649
	Office of Science Financial Assistance Program	81.049			2,314,293	—	2,314,293
		81.049	ZCO-7-77390-01	Nat'l Renewable Energy Lab	—	66,625	66,625
		81.049	4224234263	Southern Methodist University	—	99,789	99,789
		81.049	4000056541	UT Battelle, LLC	—	80,552	80,552
	Total CFDA	81.049			2,314,293	246,966	2,561,259
	Fossil Energy Research and Development	81.089	DEFPC26074NT4309	Honeywell International, Inc.	—	143,463	143,463
	Total CFDA	81.089			—	143,463	143,463
	Office of Environmental Waste Processing	81.104	PO 925757	Sandia National Laboratories	—	95,031	95,031
	Total CFDA	81.104			—	95,031	95,031
	Total Department of Energy - Chicago				2,339,615	1,410,502	3,750,117
	Department of Energy - Germantown						
	Office of Science Financial Assistance Program	81.049			5,523,401	—	5,523,401
	Total CFDA	81.049			5,523,401	—	5,523,401
	Total Department of Energy - Germantown				5,523,401	—	5,523,401
	Department of Energy - Golden						
	Office of Science Financial Assistance Program	81.049			318,468	—	318,468
	Total CFDA	81.049			318,468	—	318,468
	Total Department of Energy - Golden				318,468	—	318,468
	Total U.S. Department of Energy				8,181,484	1,410,502	9,591,986

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Environmental Protection Agency							
Science to Achieve Results (STAR) Research Program		66.509			\$ 43,213	—	43,213
Total CFDA		66.509			43,213	—	43,213
Environmental Policy & Innovation Grants		66.611			85,304	—	85,304
Total CFDA		66.611			85,304	—	85,304
Pollution Prevention Grants Program		66.708	RN04-0004	Arcadis U.S., Inc.	—	(616)	(616)
		66.708	RN09-0004	Arcadis U.S., Inc.	—	27,836	27,836
		66.708	RN09-0006	Arcadis U.S., Inc.	—	15,912	15,912
		66.708	RN09-0005	Arcadis U.S., Inc.	—	13,439	13,439
		66.708	RN06-0031	Arcadis U.S., Inc.	—	(3,551)	(3,551)
Total CFDA		66.708			—	53,020	53,020
Research, Development, Monitoring, Public Educ, Training, Demo, Stu		66.716			99,765	—	99,765
Total CFDA		66.716			99,765	—	99,765
Total Environmental Protection Agency					228,282	53,020	281,302
U.S. Department of Health & Human Services							
Administration of Children and Families							
		93.000	90 CA1765	Children's Trust of South Carolina	—	66,434	66,434
Total CFDA		93.000			—	66,434	66,434
Temporary Assistance for Needy Families		93.558	GR-06-17098-00	TN Dept of Human Services	—	(102)	(102)
Total CFDA		93.558			—	(102)	(102)
Head Start		93.600			4,847	—	4,847
Total CFDA		93.600			4,847	—	4,847
Developmental Disabilities Basic Support		93.630	33135	TN Dept of Human Services	—	(14,190)	(14,190)
Total CFDA		93.630			—	(14,190)	(14,190)
Total Administration of Children and Families					4,847	52,142	56,989
Agency for Healthcare Research and Quality							
		93.000			1,522,131	—	1,522,131
Total CFDA		93.000			1,522,131	—	1,522,131
Research on Healthcare Costs, Quality and Outcomes		93.226			1,337,283	—	1,337,283
		93.226	R01HS13610	University of Wisconsin	—	(23)	(23)
		93.226	1U18HS17919	University of Alabama	—	175,094	175,094
		93.226	R18HS018036	Research Fdn for Mental Hygiene, Inc	—	21,202	21,202
		93.226	R01HS15508	Mayo Fdn for Med Educ & Rsch	—	17,502	17,502
Total CFDA		93.226			1,337,283	213,775	1,551,058
Total Agency for Healthcare Research and Quality					2,859,414	213,775	3,073,189
Substance Abuse and Mental Health Services Administration							
		93.000	4264605413	State of Mississippi	—	52,351	52,351
		93.000	4264600191	Catholic Charities Diocese of Jackson, MS	—	45,206	45,206
Total CFDA		93.000			—	97,557	97,557
Projects of Regional & National Significance		93.243	U79SM058758	Gulf Coast Mental Health Ctr	—	51,378	51,378
		93.243	GR-06-17529-00	TN Dept of Finance & Admin	—	(1,469)	(1,469)
Total CFDA		93.243			—	49,909	49,909
Medical Assistance Program		93.778	GR-09-25697-00	TN Bureau of TennCare	—	15,058	15,058
Total CFDA		93.778			—	15,058	15,058
Total Substance Abuse and Mental Health Services Admin					—	162,524	162,524

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Centers for Disease Control		93.000			\$ 166,069	—	166,069
		93.000	V688P-2828	Veterans Affairs	—	274,239	274,239
Total CFDA		93.000			166,069	274,239	440,308
Innovations in Applied Public Health Research		93.061			92,880	—	92,880
Total CFDA		93.061			92,880	—	92,880
Project Grants & Cooperative Agreements for Tuberculosis Control		93.116	RFS 34349374-09	TN Dept of Econ & Comm Dev	—	14,874	14,874
		93.116	GR-04-16108-00	TN Dept of Health	—	(2,738)	(2,738)
Total CFDA		93.116			—	12,136	12,136
Injury Prevention and Control Rsrch & State & Community Based Prog		93.136	FA-10-29659-00	TN Dept of Health	—	21,856	21,856
		93.136	4045785053	TN Dept of Health	—	5,163	5,163
		93.136	U49CE001091	Meharry Medical College	—	(8,905)	(8,905)
Total CFDA		93.136			—	18,114	18,114
Bleeding Disorders Outreach		93.183			92,572	—	92,572
Total CFDA		93.183			92,572	—	92,572
Immunization Rsrch, Demo, Public Info & Educ-Training & Clinical		93.185			2,324,876	—	2,324,876
Total CFDA		93.185			2,324,876	—	2,324,876
Immunization Grants		93.268	U50CCU416123	TN Dept of Health	—	(6,069)	(6,069)
Total CFDA		93.268			—	(6,069)	(6,069)
Centers for Disease Control and Prevention Investigations		93.283	U50CCU416123	TN Dept of Health	—	1,425,589	1,425,589
		93.283	U01DD000199	Univ of North Carolina	—	29,787	29,787
		93.283	TS-1454	Assoc for Prevention Teach & Rsrch	—	22,628	22,628
		93.283	SU50CD300860-22	Assoc for Prevention Teach & Rsrch	—	82,430	82,430
		93.283	FA-10-29364-00	TN Dept of Health	—	23,800	23,800
		93.283	FA-09-28686-00	TN Dept of Health	—	29,276	29,276
Total CFDA		93.283			—	1,613,510	1,613,510
Total Centers for Disease Control					2,676,397	1,911,930	4,588,327
Food and Drug Administration		93.103			359,711	—	359,711
Food and Drug Administration Research		93.103	4043000033	Children's Hospital Boston	—	1,996	1,996
Total CFDA		93.103			359,711	1,996	361,707
Total Food and Drug Administration					359,711	1,996	361,707
Health Resource Services Administration		93.000	UA3MC11054-01-00	Massachusetts General Hosp	—	(517)	(517)
Total CFDA		93.000			—	(517)	(517)
Maternal & Child Health Fed Consolidation Program		93.110	H30MC05053	Univ of North Carolina	—	20,026	20,026
		93.110	UAMC11054	Massachusetts General Hosp	—	65,743	65,743
		93.110	4044100033	Massachusetts General Hosp	—	49,553	49,553
Total CFDA		93.110			—	135,322	135,322
Coordinated HIV Services & Access to Research for Children		93.153			22,657	—	22,657
Total CFDA		93.153			22,657	—	22,657
National Bioterrorism Hospital Preparedness		93.889	4060800093	TN Dept of Health	—	197,007	197,007
Total CFDA		93.889			—	197,007	197,007
Geriatric Education Centers		93.969	D31HP08823	Meharry Medical School	—	(708)	(708)
Total CFDA		93.969			—	(708)	(708)
Total Health Resource Services Administration					22,657	331,104	353,761
National Institutes of Health		93.000			5,288,017	—	5,288,017
		93.000	020911IAG153	Meharry Medical College	—	34,930	34,930
		93.000	4043570133	HCD International, Inc.	—	(95)	(95)
		93.000	4043790074	Radiation Therapy Oncology Grp	—	1,365	1,365
		93.000	4044750053	Southwest Research Institute, Inc.	—	11,916	11,916
		93.000	4045100013	Innosense, LLC	—	12,314	12,314
		93.000	4045800254	George Washington University	—	23,384	23,384
		93.000	4046060923	Medimmune, Inc.	—	1,109	1,109

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		93.000	AE67039	University of Alabama at Birmingham	5	—	44,343
		93.000	CA12582	John Wayne Cancer Institute	—	—	36,385
		93.000	HHSF22200830058C	Brigham and Women's Hospital	—	—	3,310
		93.000	HHSN26820080003C	University of Pennsylvania	—	—	57,709
		93.000	HHSN268200900034C	Westat, Inc.	—	—	105,568
		93.000	HHSN271200677563C	Ionwerks, Inc.	—	—	6,058
		93.000	HL69254-1022	Nat'l Childhood Cancer Fdn	—	—	1,039
		93.000	K12DH00850	Yale University	—	—	(1,359)
		93.000	N01A15444	Johns Hopkins University	—	—	60
		93.000	N01A30025	Univ of Alabama at Birmingham	—	—	6,224
		93.000	N01A45250	St Louis University	—	—	16,657
		93.000	N01C051106	University of Kentucky	—	—	67,377
		93.000	N01CM657018-16	Ohio State University	—	—	7,745
		93.000	N01HD23342	Wayne State University	—	—	95,916
		93.000	N01HV28181	University of South Carolina	—	—	39,762
		93.000	N01MH90001	University of North Carolina	—	—	20,419
		93.000	N01MH90003	Univ of Texas Southwestern Med Ctr	—	—	60,228
		93.000	NCRC290-040016	University of Chicago	—	—	1,935
		93.000	P01CA10445	Washington Univ in St. Louis	—	—	37,029
		93.000	P01DA12408	Cornell University	—	—	102,278
		93.000	P01HL74940	University of Virginia	—	—	13,919
		93.000	P50HD55751	University of Illinois	—	—	84,758
		93.000	R01AA16781	Wayne State University	—	—	69,037
		93.000	R01A179253	Roswell Park Cancer Institute	—	—	104,787
		93.000	R01AR55557	Brigham and Women's Hospital	—	—	34,979
		93.000	R01CA09271	Ohio State University	—	—	93,699
		93.000	R01CA104818	Baylor University	—	—	35,685
		93.000	R01CA116174	H Lee Moffitt Cancer Ctr	—	—	118,747
		93.000	R01DA23879	Johns Hopkins University	—	—	86,149
		93.000	R01DA11997	University of Michigan	—	—	15,418
		93.000	R01DK75046	Harvard University	—	—	18,010
		93.000	R01DK77298	University of Utah	—	—	75,442
		93.000	R01DK80315	University of Minnesota	—	—	5,000
		93.000	R01ES10041	University of Rochester	—	—	2,056
		93.000	R01ES14472	Meharry Medical College	—	—	61,555
		93.000	R01GM68786	University of Massachusetts	—	—	120
		93.000	R01HD52732	University of Pennsylvania	—	—	60,091
		93.000	R01HD57284	University of Washington	—	—	32,005
		93.000	R01HL87115	University of Pennsylvania	—	—	125,227
		93.000	R01HL95132	Social & Scientific Systems, Inc.	—	—	335
		93.000	R01MD080647	University of Miami	—	—	137,155
		93.000	R01MH66128	University of Washington	—	—	55,035
		93.000	R01MH71260	Rosalind Franklin Univ of Med	—	—	(195)
		93.000	R01NS39987	Mayo Fdn for Medical Educ	—	—	36
		93.000	R01NS48503	University of Pennsylvania	—	—	(1,309)
		93.000	R01NS49477	Univ of Cal at San Francisco	—	—	(104,735)
		93.000	R03DK69322	Emory University	—	—	81,132
		93.000	R21AG28182	University of Florida	—	—	9,881
		93.000	R37AR38648	University of Medicine & Dentistry of NJ	—	—	(1,335)
		93.000	R41DK75161	Cognosci, Inc.	—	—	671
		93.000	R41MH85768	Immunochemistry Technologies, LLC	—	—	152,140
		93.000	R42AB05394	Arthroclip, LLC	—	—	207,948
		93.000	R43CA107908	Spectros Corporation	—	—	24,913
		93.000	R43GM87129	CFD Research Corporation	—	—	2,826
		93.000	R43HL79783	Medvis Applied Medial Visualizations, LLC	—	—	29,462
		93.000	R43MH81379	Anatrace, Inc.	—	—	5
		93.000	R44NS051926	Acculight Corporation	—	—	33,734
		93.000	S11ES14156	Meharry Medical College	—	—	(1,447)
		93.000	U01AA13499	University of Tennessee	—	—	(198)
		93.000	U01A67693	Massachusetts General Hospital	—	—	6,555
		93.000	U01A68619	Family Health International	—	—	328,434
		93.000	U01A69918	Johns Hopkins University	—	—	(677)
		93.000	U01CA136792	University of Southern California	—	—	8,565
		93.000	U01CA094986	Johns Hopkins University	—	—	1,384
		93.000	U01DK61055	George Washington University	—	—	(1,349)
		93.000	U01DK61230	George Washington University	—	—	39
		93.000	U01DK66579	Renal Research Institute, Inc	—	—	4,320
		93.000	U01DK70219	Cincinnati Children's Hosp Rsch Fdn	—	—	(24,075)
		93.000	U01DK72513	Mount Sinai School of Medicine	—	—	(46,463)
		93.000	U01HG004263	University of Washington	—	—	68,574

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		93.000	U01HL63747	Duke University	\$ —	595	595
		93.000	U01HL68270	New England Research Institutes	—	70,836	70,836
		93.000	U01HL87318	Univ of TX Health Sci Ctr at Houston	—	59,149	59,149
		93.000	U01NS45719	Mount Sinai School of Medicine	—	28,616	28,616
		93.000	U10CA76001	Duke University	—	2,934	2,934
		93.000	U10CA98543	Childrens Oncology Group	—	1,019	1,019
		93.000	U10EY13272	Emory University	—	(1,020)	(1,020)
		93.000	U10EY14351	University of Wisconsin	—	9,279	9,279
		93.000	U10HL80413	Duke University	—	46,348	46,348
		93.000	U24CA557217	St. Jude Hospital	—	9,450	9,450
		93.000	U24CA55727	St. Jude Hospital	—	9,442	9,442
		93.000	U38HK00014	Mayo Fdn for Medical Educ	—	1,010	1,010
		93.000	U54CA91408	Meharry Medical College	—	106,580	106,580
		93.000	U54GM62114	University of Texas	—	6	6
		93.000	U54NS41071	Meharry Medical College	—	43,174	43,174
		93.000	U54RR19478	Baylor University	—	(277)	(277)
	Total CFDA	93.000			5,288,017	3,188,792	8,476,809
	Maternal & Child Health Federal Consolidated Program	93.110	UA43MC11054	Massachusetts General Hospital	—	326,821	326,821
	Total CFDA	93.110			—	326,821	326,821
	Biological Response to Environmental Health Hazards	93.113			7,314,681	—	7,314,681
		93.113	R01ES14459	Indiana University	—	21,585	21,585
		93.113	R01ES10041	University of Rochester	—	68,821	68,821
		93.113	S11ES14156	Meharry Medical College	—	112,875	112,875
	Total CFDA	93.113			7,314,681	203,281	7,517,962
	Oral Diseases and Disorders Research	93.121			1,274,901	—	1,274,901
	Total CFDA	93.121			1,274,901	—	1,274,901
	Injury Prevention and Control Research	93.136	U49CE001091	Meharry Medical College	—	194,736	194,736
	Total CFDA	93.136			—	194,736	194,736
	Human Genome Research	93.172			3,688,568	—	3,688,568
		93.172	R01HG002995	F Hutchinson Cancer Rsrch Ctr	—	232,912	232,912
		93.172	U01HG04608	Marshfield Clinic Research Foundation	—	193,006	193,006
		93.172	U01HG04263	University of Washington	—	252,944	252,944
	Total CFDA	93.172			3,688,568	678,862	4,367,430
	Research Related to Deafness and Communication Disorders	93.173			4,050,965	—	4,050,965
		93.173	R01DC07660	University of Kansas	—	238,106	238,106
	Total CFDA	93.173			4,050,965	238,106	4,289,071
	Research & Training in Complementary and Alternative Medicine	93.213			1,026,259	—	1,026,259
		93.213	R01AT002477	Syracuse University	—	41,742	41,742
	Total CFDA	93.213			1,026,259	41,742	1,068,001
	Research on Healthcare Costs, Quality & Outcomes	93.226			681,195	—	681,195
	Total CFDA	93.226			681,195	—	681,195
	Mental Health Research Grants	93.242			12,581,620	—	12,581,620
		93.242	R42MH076317	Perception Research Systems, Inc.	—	7,056	7,056
		93.242	R01MH075041	Purdue University	—	61,283	61,283
		93.242	R01MH63104	Washington University in St. Louis	—	21,153	21,153
		93.242	R56MH66128	University of Washington	—	(7,328)	(7,328)
		93.242	R01MH84874	University of Chicago	—	45,952	45,952
		93.242	R01MH77647	Oregon Health & Science Univ	—	43,503	43,503
		93.242	R01MH61989	N.S. Kline Inst for Psych Rsrch	—	63,549	63,549
		93.242	R01MH80759	University of Southern California	—	138,053	138,053

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		93.242	R01MH83706	University of Chicago	\$ —	80,479	80,479
		93.242	P20MH078188	N.S. Kline Inst for Psych Rsrch	—	23,413	23,413
Total CFDA		93.242			12,581,620	477,113	13,058,733
Alcohol Research Programs		93.273			1,205,300	—	1,205,300
		93.273	P20AA17828	VA Commonwealth Univ	—	26,303	26,303
		93.273	U01AA16662	VA Commonwealth Univ	—	54,493	54,493
Total CFDA		93.273			1,205,300	80,796	1,286,096
Drug Abuse Scientist Development Award		93.277			53,170	—	53,170
Total CFDA		93.277			53,170	—	53,170
Drug Abuse Research Programs		93.279			2,911,459	—	2,911,459
		93.279	R01DA26207	Johns Hopkins University	—	102,382	102,382
		93.279	R01DA23892	Johns Hopkins University	—	83,521	83,521
Total CFDA		93.279			2,911,459	185,903	3,097,362
Mental Health Research Career/Scientist Development Award		93.281			435,083	—	435,083
Total CFDA		93.281			435,083	—	435,083
Biomedical Imaging Research		93.286			3,511,688	—	3,511,688
		93.286	R21EB09513	Oakland University	—	1,937	1,937
		93.286	R33EB00672	Oakland University	—	(1,136)	(1,136)
Total CFDA		93.286			3,511,688	801	3,512,489
Trans-NIH Research Support		93.310			6,750,711	—	6,750,711
Total CFDA		93.310			6,750,711	—	6,750,711
Health Professions Student Loans		93.342	R44CA134169	Acoustic Medical Systems, Inc.	—	76,953	76,953
Total CFDA		93.342			—	76,953	76,953
Nursing Research		93.361			270,530	—	270,530
		93.361	R01NR11042	Pennsylvania Stats University	—	5,668	5,668
Total CFDA		93.361			270,530	5,668	276,198
Biomedical Technology		93.371			419,298	—	419,298
		93.371	R41RR20835	Alerion Biomedical, Inc.	—	(4,665)	(4,665)
Total CFDA		93.371			419,298	(4,665)	414,633
Minority Biomedical Research Support		93.375	MD00516	Meharry Medical College	—	11,396	11,396
Total CFDA		93.375			—	11,396	11,396
Research Infrastructure		93.389			11,236,181	—	11,236,181
		93.389	U54RR19478	Baylor College	—	8,145	8,145
		93.389	R44RR020238	Ionwerks, Inc.	—	51,695	51,695
		93.389	U54RR19453	Children's Nat'l Medical Ctr	—	23,559	23,559
Total CFDA		93.389			11,236,181	83,399	11,319,580
Cancer Cause and Prevention Research		93.393			16,276,868	—	16,276,868
		93.393	U01CA136792	University of Southern California	—	72,510	72,510
		93.393	U01CA88160	Fred Hutchinson Cancer Research Ctr	—	14,124	14,124
		93.393	R01CA131874	Fred Hutchinson Cancer Research Ctr	—	12,430	12,430
		93.393	R01CA141439	University of Washington	—	118,592	118,592
		93.393	R01CA120097	University of Pittsburgh	—	50,979	50,979
		93.393	R01CA120097	Univ of Pittsburgh Med Ctr	—	39,627	39,627
Total CFDA		93.393			16,276,868	308,262	16,585,130
Cancer Detection and Diagnosis Research		93.394			5,689,746	—	5,689,746
		93.394	R01CA136647	University of California, Davis	—	14,707	14,707
		93.394	R21CA125227	New York University	—	472	472
		93.394	R21CA125227	Mount Sinai School of Medicine	—	29,817	29,817
Total CFDA		93.394			5,689,746	44,996	5,734,742
Cancer Treatment Research		93.395			6,202,910	—	6,202,910
		93.395	4045000615	Frontier Science & Tech Research Fdn	—	187	187
		93.395	4046500014	Amer Coll of Radiology Imng	—	140,126	140,126
		93.395	4046750144	American Coll of Radiology	—	11,215	11,215
		93.395	4047750033	Southwest Oncology Group	—	13,969	13,969
		93.395	R21CA123881	University of Washington	—	37,675	37,675

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
		93.395	R44CA119502	Pathfinder Therapeutics, Inc.	\$ —	87,266	87,266
		93.395	R41CA130191	Cumberland Pharmaceuticals, Inc.	—	25,421	25,421
		93.395	P01CA129243	Memorial Sloan-Kettering Cancer Ctr	—	72,064	72,064
		93.395	CA29605	John Wayne Cancer Institute	—	(19)	(19)
		93.395	R01CA125757	Washington University in St. Louis	—	69,899	69,899
		93.395	U01CA118953	Fred Hutchinson Cancer Research Ctr	—	36,762	36,762
		93.395	U10CA98543	Childrens Oncology Group	—	112,683	112,683
		93.395	U10CA98543	Nat'l Childhood Cancer Fdn	—	127,693	127,693
	Total CFDA	93.395			6,202,910	734,941	6,937,851
Cancer Biology Research		93.396			12,305,283	—	12,305,283
		93.396	R01CA136924	University of South Carolina	—	4,544	4,544
		93.396	P01CA13106	Cold Spring Harbor Laboratory	—	171,527	171,527
		93.396	P01CA97296	University of Chicago	—	40,533	40,533
	Total CFDA	93.396			12,305,283	216,604	12,521,887
Cancer Centers Support		93.397			16,560,022	—	16,560,022
		93.397	U54CA112967	Massachusetts Institute of Technology	—	40,417	40,417
		93.397	CA126505	Science Application International Corp	—	26,448	26,448
	Total CFDA	93.397			16,560,022	66,865	16,626,887
Cancer Research Manpower		93.398			870,776	—	870,776
	Total CFDA	93.398			870,776	—	870,776
Cancer Research Manpower		93.399			1,596,791	—	1,596,791
		93.399	CA107612	Meharry Medical College	—	14,824	14,824
		93.399	R01CA120558	University of Utah	—	47,767	47,767
		93.399	U54CA136465	Stanford University	—	145,877	145,877
		93.399	U01CA114641	Meharry Medical College	—	7,520	7,520
	Total CFDA	93.399			1,596,791	215,988	1,812,779
Family Violence Prevention & Svcs/Grants for Battered Women's Shelter		93.671			(1,025)	—	(1,025)
	Total CFDA	93.671			(1,025)	—	(1,025)
Biophysics & Physiological Sciences		93.821	U54GM69338	Univ of California San Diego	—	574,016	574,016
	Total CFDA	93.821			—	574,016	574,016
Heart and Vascular Research		93.837			22,740,157	—	22,740,157
		93.837	R01HL85834	Children's Memorial Hosp (Chicago)	—	4,203	4,203
		93.837	R21HL091465	Rutgers, The State Univ of New Jersey	—	48,382	48,382
		93.837	R01HL92577	Boston University	—	5,880	5,880
		93.837	U01HL87318	Univ of Texas Health Science Ctr at Houston	—	49,837	49,837
		93.837	U01HL69757	Meharry Medical College	—	19,643	19,643
		93.837	R01HL07938	University of Washington	—	14,976	14,976
		93.837	R01HL07923	University of Washington	—	175,675	175,675
		93.837	R01HL76645	University of North Carolina	—	15,937	15,937
		93.837	R01HL66072	University of Mississippi	—	2	2
		93.837	P01HL74940	University of Virginia	—	(2,360)	(2,360)
		93.837	P01HL74940	Georgetown University	—	(901)	(901)
	Total CFDA	93.837			22,740,157	331,274	23,071,431
Lung Diseases Research		93.838			5,904,568	—	5,904,568
		93.838	U01HL64857	University of Colorado	—	(18,479)	(18,479)
		93.838	R01HL81619	University of Pennsylvania	—	34,568	34,568
		93.838	R01HL91760	Johns Hopkins University	—	25,300	25,300
		93.838	U10HL80413	Duke University	—	16,485	16,485
		93.838	R01HL97163	National Jewish Medical & Resrch Ctr	—	126,191	126,191
		93.838	P01HL61646	Cincinnati Children's Hosp Resrch	—	(56)	(56)
		93.838	R01HL85610	Cincinnati Children's Hosp Resrch	—	48,263	48,263
		93.838	R01HL084113	University of Pittsburgh	—	56,772	56,772
		93.838	P50HL08923	University of Colorado	—	21,561	21,561
	Total CFDA	93.838			5,904,568	310,605	6,215,173
Blood Diseases and Resources Research		93.839			7,486,014	—	7,486,014
	Total CFDA	93.839			7,486,014	—	7,486,014
Arthritis, Muscularskeletal & Skin Diseases Research		93.846			3,586,653	—	3,586,653
		93.846	R01GM77651	University of Tennessee	—	41,823	41,823

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		93.846	R01AR56834	Rhode Island Hospital	—	14,163	14,163
		93.846	1R01AR48529	University of Minnesota	—	81	81
	Total CFDA	93.846			3,586,653	56,067	3,642,720
	Diabetes, Endocrinology and Metabolism Research	93.847			39,370,274	—	39,370,274
		93.847	R01DK58197	University of South Alabama	—	67,973	67,973
		93.847	4204500933	Medical College of Georgia	—	7,587	7,587
		93.847	R21DK81059	University of Pittsburgh	—	3,729	3,729
		93.847	U01DK62418	Benaroya Rsrch Institute at Virginia Mason	—	31,001	31,001
		93.847	R01DK82779	University of California, Systemwide	—	36,840	36,840
		93.847	DK078606	Children's Hospital of Philadelphia	—	22,510	22,510
		93.847	U24DK76169	University of Georgia	—	(40)	(40)
		93.847	N01-DK-6-2203	Case Western University	—	205,683	205,683
	Total CFDA	93.847			39,370,274	375,283	39,745,557
	Digestive Diseases & Nutrition Research	93.848			791,232	—	791,232
		93.848	R21DK81059	Children's Hospital of Pittsburgh	—	(1,212)	(1,212)
		93.848	R01DK64592	Washington Univ in St Louis	—	3,092	3,092
	Total CFDA	93.848			791,232	1,880	793,112
	Kidney Diseases, Urology and Hematology	93.849			1,341,613	—	1,341,613
		93.849	P01DK65123	University of Kansas	—	(27,145)	(27,145)
		93.849	U01DK70219	Cincinnati Children's Hosp Rsrch Fdn	—	195,243	195,243
		93.849	R01DK81420	Mount Sinai School of Medicine	—	16,716	16,716
	Total CFDA	93.849			1,341,613	184,814	1,526,427
	Clinical Research Related Neurological	93.853			11,155,364	—	11,155,364
		93.853	NS052386	St Jude Hospital	—	83,445	83,445
		93.853	R41NS63705	Newurotargeting, LLC	—	41,362	41,362
		93.853	R01NS046668	University of Colorado	—	140	140
		93.853	R01NS63932	University of Hawaii	—	66,200	66,200
		93.853	U01NS44876	Yale University	—	432	432
		93.853	U01NS38529	University of Texas	—	54,734	54,734
		93.853	U01NS49640	Massachusetts General Hospital	—	17,037	17,037
		93.853	K08NS44298	Dartmouth College	—	(5,271)	(5,271)
		93.853	R01NS49477	Univ of California at San Francisco	—	310,837	310,837
		93.853	P01NS26630	Duke University	—	(8,309)	(8,309)
		93.853	P01NS26630	University of Miami	—	86,078	86,078
	Total CFDA	93.853			11,155,364	646,685	11,802,049
	Biological Basics Research in Neuroscience	93.854	U43NS41071	Meharry Medical College	—	30,717	30,717
		93.854	NS37912	Northwestern University	—	(25,697)	(25,697)
		93.854	U54NS41071	Meharry Medical College	—	115,885	115,885
	Total CFDA	93.854			—	120,905	120,905
	Allergy, Immunology and Transplantation	93.855			15,839,944	—	15,839,944
		93.855	U01AI68636	Social and Scientific Systems, Inc.	—	351,839	351,839
		93.855	U01AI68614	Fred Hutchinson Cancer Rsrch Ctr	—	880,302	880,302
		93.855	P01AI78064	Oregon Health & Science University	—	281,769	281,769
		93.855	R24AI67039	University of Alabama at Birmingham	—	43,021	43,021
		93.855	R01AI083145	University of Cape Town (South Africa)	—	18,229	18,229
		93.855	U19AI67854	Duke University	—	4,080	4,080
		93.855	P01AI59443	Univ of North Carolina	—	174,641	174,641
		93.855	U54AI57157	Duke University	—	(9,633)	(9,633)
		93.855	R33AI76096	University of Alabama at Birmingham	—	22,029	22,029
		93.855	U01AI69918	Johns Hopkins University	—	49,860	49,860

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
		93.855	U54AI57157	Univ of North Carolina	\$ —	939,901	939,901
		93.855	U01AI57229	Stanford University	—	152	152
Total CFDA		93.855			15,839,944	2,756,190	18,596,134
Microbiology and Infectious Diseases Research		93.856			2,096	—	2,096
		93.856	SU01AI46747	Fred Hutchinson Cancer Rsch Ctr	—	(16,669)	(16,669)
		93.856	U01AI41530	Univ of Alabama at Birmingham	—	(757)	(757)
		93.856	U19AI48231	Columbus Children's Research Inst	—	220,052	220,052
		93.856	CDC 200-2002-00732	Stanford University	—	10,559	10,559
		93.856	N01AI25462	Stanford University	—	(26)	(26)
		93.856	5R01AI40350	Miriam Hospital	—	(2,709)	(2,709)
		93.856	R01AI58828	Emory University	—	(1,144)	(1,144)
Total CFDA		93.856			2,096	209,306	211,402
Pharmacology, Physiology & Biological Chemistry Research		93.859			18,912,733	—	18,912,733
		93.859	U54GM93442	University of Illinois	—	4,361	4,361
		93.859	P50GM82251	University of Pittsburgh	—	301,976	301,976
		93.859	R01GM68786	University of Massachusetts	—	107,825	107,825
		93.859	P50GM76659	University of Pittsburgh	—	4,569	4,569
		93.859	R01GM083607	University of Miami	—	130,538	130,538
		93.859	R01GM068430	University of Pittsburgh	—	(3,379)	(3,379)
Total CFDA		93.859			18,912,733	545,890	19,458,623
Genetics & Developmental Biology Research		93.862			(8,873)	—	(8,873)
Total CFDA		93.862			(8,873)	—	(8,873)
Population Research		93.864			563,175	—	563,175
Total CFDA		93.864	U54HD52668	Yale University	—	275,821	275,821
Research For Mothers and Children		93.864			563,175	275,821	838,996
		93.865			8,784,179	—	8,784,179
		93.865	R01HD47447	Dartmouth College	—	48,722	48,722
		93.865	R01HD52732	University of Pennsylvania	—	23,472	23,472
		93.865	4045900114	Children's National Medical Center	—	64,991	64,991
		93.865	HD41249	University of Michigan	—	41,166	41,166
		93.865	U10HD49983	University of Pittsburgh	—	447	447
		93.865	4045900074	University of Alabama at Birmingham	—	57,770	57,770
		93.865	4045900084	University of Alabama at Birmingham	—	27,499	27,499
		93.865	R01HD39961	University of Connecticut	—	136,793	136,793
		93.865	4224500123	Rehabilitation Inst Rsrch Corp	—	64,887	64,887
		93.865	R24HD050821	Rehabilitation Inst Rsrch Corp	—	40,571	40,571
		93.865	1P01HD46261	University of Houston	—	5,163	5,163
Total CFDA		93.865			8,784,179	511,481	9,295,660
Aging Research		93.866			3,306,127	—	3,306,127
		93.866	R01AG19757	Duke University	—	(35,370)	(35,370)
		93.866	R01AG20135	Duke University	—	190	190
		93.866	P01AG002132	Univ of California at San Franc	—	162,924	162,924
		93.866	R01AG27944	University of Miami	—	653,875	653,875
		93.866	AG21547	Duke University	—	(5,234)	(5,234)
		93.866	R01AG028786	Columbia University	—	351,231	351,231
		93.866	R01AG27854	University of Chicago	—	4,885	4,885
		93.866	P01AG010770	Univ of California at San Franc	—	53,139	53,139
Total CFDA		93.866			3,306,127	1,185,640	4,491,767
Vision Research		93.867			8,032,075	—	8,032,075
		93.867	U10EY12118	Duke University	—	(5)	(5)
		93.867	R01EY016094	Univ of Illinois at Chicago	—	29,443	29,443
		93.867	R01EY018176	Massachusetts Eye & Ear Infirmary	—	(20,607)	(20,607)
		93.867	R01EY018176	Tufts University	—	21,483	21,483
		93.867	U10EY11751	Jaeb Ctr for Health Rsrch Fdn, Inc.	—	42,962	42,962
		93.867	R01EY15872	Harvard University	—	107,807	107,807
		93.867	U10EY12118	University of Miami	—	502,530	502,530
		93.867	R01EY12894	Western Michigan University	—	179,716	179,716
Total CFDA		93.867			8,032,075	863,329	8,895,404

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
	Medical Library Assistance	93.879			\$ 1,389,954	—	1,389,954
		93.879	R01LM10098	Darmouth University	—	15,490	15,490
		93.879	R56LM7948	Michigan State University	—	31,630	31,630
	Total CFDA	93.879			<u>1,389,954</u>	<u>47,120</u>	<u>1,437,074</u>
	Resource and Manpower Dev in Environmental Health Sciences	93.894			(1,782)	—	(1,782)
	Total CFDA	93.894			<u>(1,782)</u>	<u>—</u>	<u>(1,782)</u>
	Fogarty International Research Collaborative	93.934			38,976	—	38,976
	Total CFDA	93.934			<u>38,976</u>	<u>—</u>	<u>38,976</u>
	Senior International Fellowships	93.989			52,686	—	52,686
	Total CFDA	93.989			<u>52,686</u>	<u>—</u>	<u>52,686</u>
	Total National Institutes of Health				<u>271,488,162</u>	<u>16,373,666</u>	<u>287,861,828</u>
	Total U.S. Department of Health and Human Services				<u>277,411,188</u>	<u>19,047,137</u>	<u>296,458,325</u>
	U.S. Agency for International Development						
	USAID Foreign Assistance for Prog Oversea	98.001			342,397	—	342,397
	Total CFDA	98.001			<u>342,397</u>	<u>—</u>	<u>342,397</u>
	Global Development Alliance	98.011			1,392,950	—	1,392,950
	Total CFDA	98.011	DFDI00050022100	Management Systems Int1	<u>—</u>	<u>(4,387)</u>	<u>(4,387)</u>
	Total U.S. Agency for International Development				<u>1,392,950</u>	<u>(4,387)</u>	<u>1,388,563</u>
	National Aeronautics Space Administration				<u>1,735,347</u>	<u>(4,387)</u>	<u>1,730,960</u>
	NASA Research Grants	43.000			1,852,161	—	1,852,161
		43.000	NNL06AA29C	Georgia Institute of Technology	—	29,750	29,750
		43.000	NNL05AA37C	Georgia Institute of Technology	—	(1,184)	(1,184)
		43.000	PO 345834	Boeing Company	—	47,099	47,099
		43.000	375-32531	Clarkson University	—	84,853	84,853
		43.000	HST-GO-10921.01-A	Space Telescope Science Inst.	—	1,626	1,626
		43.000	HST-AR-10967.01-A	Space Telescope Science Inst.	—	37	37
		43.000	HST-AR-11274.01-A	Space Telescope Science Inst.	—	5,158	5,158
		43.000	810000850	Lockheed Martin Corporation	—	149,204	149,204
		43.000	HST-GO-11164.01-A	Space Telescope Science Inst.	—	23,391	23,391
		43.000	HST-GO-11231.01-A	Space Telescope Science Inst.	—	31,134	31,134
		43.000	HST-GO-11232.01-A	Space Telescope Science Inst.	—	32,571	32,571
		43.000	JP100521	Scientific, Inc.	—	174	174
		43.000	4224213505 T0028.01	Tracelabs, Inc.	—	5,406	5,406
		43.000	4206313723	California Inst of Technology	—	(2,066)	(2,066)
		43.000	VU11NN03	MetroLaser, Inc.	—	121,285	121,285
		43.000	NCC9-58-55	Baylor University	—	108,715	108,715
		43.000	4206323622	Harvard University	—	5,983	5,983
		43.000	G08-9016X	Harvard University	—	30,616	30,616
		43.000	G09-0006X	Harvard University	—	19,406	19,406
		43.000	NNX08CA40C	Qualtech Systems, Inc.	—	59,762	59,762
		43.000	C09080012	Honeywell International, Inc.	—	46,543	46,543
		43.000	C09090018	Honeywell International, Inc.	—	30,112	30,112
		43.000	200975	BAE Systems, Inc.	—	(338)	(338)
		43.000	985	CFD Research Corporation	—	59,673	59,673
	Total CFDA	43.000			<u>1,852,161</u>	<u>888,910</u>	<u>2,741,071</u>
	Total National Aeronautics Space Administration				<u>1,852,161</u>	<u>888,910</u>	<u>2,741,071</u>
	National Foundation for the Arts and Humanities						
	National Endowment for the Humanities						
	Promotion of the Humanities Fellowship	45.160			30,262	—	30,262
	Total CFDA	45.160			<u>30,262</u>	<u>—</u>	<u>30,262</u>
	Total National Endowment for the Humanities				<u>30,262</u>	<u>—</u>	<u>30,262</u>

VANDERBILT UNIVERSITY
Schedule of Expenditures of Federal Awards
Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Institute of Museum Services							
Institute of Museum and Library Services		45.313			\$ 21,128	—	21,128
Total CFDA		45.313			21,128	—	21,128
Total Institute of Museum Services					21,128	—	21,128
Total National Foundation for the Arts and Humanities					51,390	—	51,390
National Science Foundation							
Engineering Grants		47.041			1,001,488	—	1,001,488
		47.041	HP0740683	Appliflex, LLC	—	30,815	30,815
		47.041	HP0945488	Kent Optronics, Inc.	—	38,105	38,105
		47.041	CBET0829977	Fisk University	—	3,939	3,939
		47.041	CMM0904287	George Washington University	—	32,353	32,353
		47.041	EE0540834	University of Minnesota	—	316,196	316,196
		47.041	CBET0651803	Johns Hopkins University	—	76,015	76,015
Total CFDA		47.041			1,001,488	497,423	1,498,911
Mathematical & Physical Sciences		47.049			3,207,522	—	3,207,522
Total CFDA		47.049			3,207,522	—	3,207,522
Geosciences		47.050			232,405	—	232,405
		47.050	EAR0711109	University of Chicago	—	48,069	48,069
Total CFDA		47.050			232,405	48,069	280,474
Computer and Info Sciences & Engineering		47.070			1,087,968	—	1,087,968
		47.070	CCF0424422	University of California Berkley	—	698,097	698,097
		47.070	0726763	Virginia Polytechnic Institute & State Univ	—	43,207	43,207
Total CFDA		47.070			1,087,968	741,304	1,829,272
Biological Sciences		47.074			1,565,409	—	1,565,409
Total CFDA		47.074			1,565,409	—	1,565,409
Social, Behavioral and Economic Sciences		47.075			1,264,218	—	1,264,218
		47.075	SBE0542013	Univ of California Sand Diego	—	786,271	786,271
Total CFDA		47.075			1,264,218	786,271	2,050,489
Educational and Human Resources		47.076			2,715,799	—	2,715,799
		47.076	4221003031	Tennessee State University	—	28,936	28,936
		47.076	DUE0737198	East Carolina University	—	7,859	7,859
		47.076	ESI0454754	University of Massachusetts	—	31,221	31,221
		47.076	DUE0817486	Purdue University	—	103,405	103,405
		47.076	DRL0814571	Harvard University	—	19,691	19,691
		47.076	DRL0816406	San Diego State University	—	167,479	167,479
		47.076	DRL0733209	City College of New York	—	121,590	121,590
Total CFDA		47.076			2,715,799	480,181	3,195,980
Polar Programs		47.078			47,292	—	47,292
Total CFDA		47.078			47,292	—	47,292
Office of Cyberinfrastructure		47.080			11,754	—	11,754
Total CFDA		47.080			11,754	—	11,754
Total National Science Foundation					11,133,855	2,553,248	13,687,103
Nuclear Regulatory Commission							
USNRC Nuclear Education Grant Program		77.006			—	—	—
		77.006	NRC3807502	Rutgers, The State Univ of NJ	—	16,037	16,037
Total CFDA		77.006			—	16,037	16,037
Total Nuclear Regulatory Commission					—	16,037	16,037
U.S. Department of Homeland Security							
Research Projects		97.002	5-39181	University of Memphis	—	164,447	164,447
Total CFDA		97.002			—	164,447	164,447
State & Local Homeland Security Training		97.005	4224214796	National White Collar Crime Center	—	191,224	191,224
Total CFDA		97.005			—	191,224	191,224

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Centers for Homeland Security		97.061	P910602535	University of Minnesota	\$ —	5,223	5,223
Total CFDA		97.061			—	5,223	5,223
Homeland Security Advanced Research Project		97.065	FA8750-09-2-0157	State University of New York	—	19,996	19,996
Total CFDA		97.065			—	19,996	19,996
Homeland Security, Research, Testing, Evaluation & Demonstration of Tech		97.108	4206314753	Cornell University	—	81,458	81,458
Total CFDA		97.108			—	81,458	81,458
Total U.S. Department of Homeland Security					—	462,348	462,348
General Service Administration		39.000	CSES-09-01	Centra Technology, Inc.	—	174,452	174,452
Total CFDA		39.000			—	174,452	174,452
Total General Service Administration					—	174,452	174,452
U.S. Department of Transportation		20.000	Task Order 4	University of Memphis	—	25,001	25,001
		20.000	Task Order 5	University of Memphis	—	69,497	69,497
Total CFDA		20.000			—	94,498	94,498
Aviation Research Grants		20.108			371,295	—	371,295
Total CFDA		20.108			371,295	—	371,295
Highway Planning and Construction		20.205	FA-08-23396-00	TN Dept of Transportation	—	(1,812)	(1,812)
		20.205	18083-FA1030278	TN Dept of Transportation	—	9,212	9,212
Total CFDA		20.205			—	7,400	7,400
		20.701	4224124893	University of Memphis	—	(1,855)	(1,855)
		20.701	4224124913	University of Memphis	—	54,001	54,001
		20.701	4224124923	University of Memphis	—	58,246	58,246
		20.701	4224124933	University of Memphis	—	29,917	29,917
		20.701	4224124973	University of Memphis	—	57,119	57,119
		20.701	DTRT07G0004: 07-VU-SG1	University of Tennessee	—	3,194	3,194
Total CFDA		20.701			—	200,622	200,622
Total U.S. Department of Transportation					371,295	302,520	673,815
Tennessee Valley Authority		62.001			(1,247)	—	(1,247)
TVA Environmental Research Center		62.001			(1,247)	—	(1,247)
Total CFDA		62.001			(1,247)	—	(1,247)
Total Tennessee Valley Authority					(1,247)	—	(1,247)
Veteran Affairs		64.000			(6,753)	—	(6,753)
Veteran Affairs		64.000			(6,753)	—	(6,753)
Total CFDA		64.000			(6,753)	—	(6,753)
Total Veteran Affairs					(6,753)	—	(6,753)
Total Research and Development, excluding ARRA					328,064,562	33,940,871	362,005,433
Research and Development- American Recovery and Reinvestment Act (ARRA)							
National Science Foundation		47.082			3,534,379	—	3,534,379
ARRA: Trans-NSF Recovery Act Research Supplement		47.082	CMM0727207	Johns Hopkins University	—	4,131	4,131
		47.082	IP0924043	Appliflex, LLC	—	104,161	104,161
		47.082	EPS0919436	University of Tennessee	—	118,784	118,784
Total CFDA		47.082			3,534,379	227,076	3,761,455
Total National Science Foundation					3,534,379	227,076	3,761,455

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
U.S. Department of Health & Human Services							
Agency for Healthcare Research and Quality							
	Recovery Act – Comparative Effectiveness Research - AHRQ□	93.715			\$ 446,502	—	446,502
	Total CFDA	93.715			446,502	—	446,502
	Total Agency for Healthcare Research and Quality				446,502	—	446,502
Centers for Disease Control							
	ARRA: Preventing Healthcare-Associated Infections	93.717	GR-10-30967	TN Dept of Health	—	44,072	44,072
	Total CFDA	93.717			—	44,072	44,072
	Total Centers for Disease Control				—	44,072	44,072
National Institutes of Health							
	ARRA: Trans-NIH Recovery Act Research Supplement	93.701			30,216,657	—	30,216,657
		93.701	P01A58113	Mount Sinai School of Medicine	—	181,237	181,237
		93.701	U01HG04728	Massachusetts Eye and Ear Infirmary	—	30,029	30,029
		93.701	R01DK78606	Children's Hospital of Philadelphia	—	41,437	41,437
		93.701	RC1DK86817	University of Maryland	—	37,539	37,539
		93.701	RC2HL101816	Harvard University	—	198,660	198,660
		93.701	U01A69918	John Hopkins University	—	77,753	77,753
		93.701	U01A68636	Social and Scientific Systems, Inc.	—	14,652	14,652
		93.701	US4CA143798	Memorial Sloan-Kettering Cancer Ctr	—	8,981	8,981
		93.701	4043790323	Meharry Medical College	—	89,894	89,894
		93.701	RC2HL10174	University of Michigan	—	66,810	66,810
		93.701	UL1RR25780	University of Colorado	—	3,386	3,386
		93.701	R01AR55557	Brigham and Women's Hospital	—	10,669	10,669
		93.701	R21MH89465	University of Southern California	—	62,464	62,464
		93.701	R01HD56949	Harvard University	—	89,281	89,281
		93.701	U01CA139275	Cincinnati Children's Hosp Research Fdn	—	15,416	15,416
		93.701	U10CA98543	National Childhood Cancer Foundation	—	21,973	21,973
		93.701	RC1CA146882	Indiana University	—	12,898	12,898
		93.701	HL100951	Emory University	—	5,689	5,689
		93.701	R01AG33005	University of Florida	—	43,138	43,138
		93.701	R01EY016094	University of Illinois	—	44,465	44,465
		93.701	R21MH085254	University of North Carolina	—	26,142	26,142
		93.701	UL1RR025747	University of North Carolina	—	26,467	26,467
		93.701	R21NS064534	John Hopkins University	—	17,850	17,850
		93.701	HHSN26020040012C	John Hopkins University	—	26,848	26,848
		93.701	20010-03958-10	University of Illinois	—	14,132	14,132
		93.701	P01CA29605	John Wayne Cancer Institute	—	2	2
		93.701	HD055478	Rehabilitation Institute Research Corp	—	7,536	7,536
		93.701	R21DC009654	East Tennessee State University	—	18,773	18,773
		93.701	UL1RR24160	University of Rochester	—	16,646	16,646
	Total CFDA	93.701			30,216,657	1,210,767	31,427,424
	Total National Institutes of Health				30,216,657	1,210,767	31,427,424
	Total U.S. Department of Health & Human Services				30,663,159	1,254,839	31,917,998
	Total Research and Development - American Recovery and Reinvestment Act (ARRA)				34,197,538	1,481,915	35,679,453
	* Total Research and Development including ARRA				362,262,100	35,422,786	397,684,886
Student Financial Aid							
U.S. Department of Education							
	Federal Supplemental ED Opportunity Grants	84.007			1,389,257	—	1,389,257
	Total CFDA	84.007			1,389,257	—	1,389,257
	Federal Family Education Loan Program - School as Lender	84.032			81,503,951	—	81,503,951
	Total CFDA	84.032			81,503,951	—	81,503,951
	Federal Work-Study Program	84.033			1,179,980	—	1,179,980
	Total CFDA	84.033			1,179,980	—	1,179,980
	Federal Perkins Loan Program	84.038			1,622,059	—	1,622,059
	Total CFDA	84.038			1,622,059	—	1,622,059

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
	Federal Pell Grant Program	84.063			\$ 3,795,475	—	3,795,475
	Total CFDA	84.063			3,795,475	—	3,795,475
	Academic Competitiveness Grants	84.375			253,325	—	253,325
	Total CFDA	84.375			253,325	—	253,325
	National Science & Mathematics Access to Retain Talent Grants	84.376			215,851	—	215,851
	Total CFDA	84.376			215,851	—	215,851
	Teacher Education Assistance for Colleges and Higher Education Grants	84.379			6,000	—	6,000
	Total CFDA	84.379			6,000	—	6,000
	Total U.S. Department of Education				89,965,898	—	89,965,898
	U.S. Department of Health and Human Services						
	Nurse Faculty Loan Program	93.264			777,684	—	777,684
	Total CFDA	93.264			777,684	—	777,684
	Nursing Student Loan Program	93.364			271,000	—	271,000
	Total CFDA	93.364			271,000	—	271,000
	Total U.S. Department of Health and Human Services				1,048,684	—	1,048,684
	Student Financial Aid - American Recovery and Reinvestment Act (ARRA)						
	U.S. Department of Education						
	Federal Work-Study Program	84.033			415,705	—	415,705
	Total CFDA	84.033			415,705	—	415,705
	Total U.S. Department of Education				415,705	—	415,705
	Total Student Financial Aid - American Recovery and Reinvestment Act (ARRA)				415,705	—	415,705
	Total Student Financial Aid				91,430,287	—	91,430,287
Other							
	U.S. Department of Education						
	* Spec Ed - Personnel Prep to Improve Svcs for Disabled Children	84.325	57201	Pennsylvania College of Optometry	3,887,336	—	3,887,336
	Total CFDA	84.325			—	22,180	22,180
	Total U.S. Department of Education				3,887,336	22,180	3,909,516
	U.S. Department of Health & Human Services						
	Center for Disease Control						
	Global AIDS	93.067			12,398,686	—	12,398,686
	Total CFDA	93.067			12,398,686	—	12,398,686
	National Institutes of Health						
	* Cancer Research Manpower	93.398			4,115,157	—	4,115,157
	Total CFDA	93.398			4,115,157	—	4,115,157
	Biomedical Research & Research Training	93.859			4,142,970	—	4,142,970
	Total CFDA	93.859			4,142,970	—	4,142,970
	International Research & Research Training	93.989			7,131,036	—	7,131,036
	Total CFDA	93.989			7,131,036	—	7,131,036
	Total National Institutes of Health				15,389,163	—	15,389,163
	Total U.S. Department of Health and Human Services				27,787,849	—	27,787,849

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Type B:							
Other							
Corporation For National Service		94.000			\$ 143,745	—	143,745
Total CFDA		94.000			143,745	—	143,745
Learn & Serve America Higher Education		94.005			94,608	—	94,608
Total CFDA		94.005			94,608	—	94,608
Total Corporation For National Service					238,353	—	238,353
U.S. Department of Defense							
Defense Secretary							
Military Medical Research & Development		12.420			268	—	268
Total CFDA		12.420			268	—	268
Total Defense Secretary					268	—	268
Army							
		12.000			373,540	—	373,540
		12.000	4060804063	Battelle Memorial Institute	—	36,783	36,783
		12.000	4060804073	Battelle Memorial Institute	—	18,148	18,148
Total CFDA		12.000			373,540	54,931	428,471
Military Medical Research & Development		12.420			177,336	—	177,336
Total CFDA		12.420	W81XWH-09-1-0161	Meharry Medical College	—	2,870	2,870
Total CFDA		12.420			177,336	2,870	180,206
Basic Scientific Research		12.431			19,841	—	19,841
Total CFDA		12.431			19,841	—	19,841
Total Army					570,717	57,801	628,518
Total U.S. Department of Defense					570,985	57,801	628,786
U.S. Department of State							
		19.000			13,065	—	13,065
		19.000	S-ECAAS-09-CA-012	Academy for Educational Development	—	(803)	(803)
		19.000	4262604893	Academy for Educational Development	—	120,007	120,007
		19.000	4486004752	Institute of International Educ, Inc.	—	23,906	23,906
Total CFDA		19.000			13,065	143,110	156,175
Academic Exchange Programs - Teachers		19.408	S-ECAAS-09-CAA-023	Academy for Educational Development	—	13,873	13,873
Total CFDA		19.408	SECAAS09CA0223	Academy for Educational Development	—	125,644	125,644
Total CFDA		19.408			—	139,517	139,517
Total U.S. Department of State					13,065	282,627	295,692
U.S. Department of Education							
Department of Education		84.000	4262342093	Benetech Initiative	—	92,947	92,947
		84.000	4262602053	South Bend Community School Corp	—	2,045	2,045
		84.000	4205902023	Howard University	—	22,280	22,280
		84.000	ED-06-R-0021	Westat, Inc.	—	553,517	553,517
		84.000	S283B050051	Learning Point Associates	—	232,068	232,068
Total CFDA		84.000			—	902,857	902,857
National Resource Centers & Fellowship		84.015			434,439	—	434,439
Total CFDA		84.015			434,439	—	434,439
Overseas Program - Faculty Research Abroad		84.019			86,277	—	86,277
Total CFDA		84.019			86,277	—	86,277
Overseas Program - Doctoral Dissertation Research Abroad		84.022			15,791	—	15,791
Total CFDA		84.022			15,791	—	15,791

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
		84.027	GR0717983	TN Dept. of Education	\$ —	413,512	413,512
		84.027	4044505023	TN Dept. of Education	—	305,575	305,575
		84.027	GR-05-16690-00	TN Dept. of Education	—	(7,731)	(7,731)
	Total CFDA	84.027			—	711,356	711,356
	Rehabilitation Services - Vocational Rehab	84.126	GR-06-17179-00	TN Dept of Human Services	—	914	914
		84.126	GR-00-12686	TN Dept of Human Services	—	65,844	65,844
	Total CFDA	84.126			—	66,758	66,758
	Eisenhower Mathematics & Science Education - State Grants	84.164	GR-5-10236-5-00	TN Higher Education Commission	—	6	6
	Total CFDA	84.164			—	6	6
	Javits Fellowships	84.170			2,500	—	2,500
	Total CFDA	84.170			2,500	—	2,500
	Special Education Preschool Grants	84.173	4045705163	TN Dept of Education	—	(111)	(111)
		84.173	GR0718020	TN Dept of Education	—	(7)	(7)
	Total CFDA	84.173			—	(118)	(118)
	Special Education Grants For Infants & Families with Disabilities	84.181	4045705203	TN Dept of Education	—	(241)	(241)
		84.181	4045705393	TN Dept of Education	—	1	1
	Total CFDA	84.181			—	(240)	(240)
	Safe & Drug-Free Schools & Communities	84.186	GR-09-26199	TN Dept of Education	—	24,712	24,712
	Total CFDA	84.186			—	24,712	24,712
	Graduate Assistance In Areas Of National Need	84.200			207,689	—	207,689
	Total CFDA	84.200			207,689	—	207,689
	National Institute on Student Achievement	84.305			1,783,378	—	1,783,378
		84.305	PROJ0000243	Northwestern University	—	145,164	145,164
	Total CFDA	84.305			1,783,378	145,164	1,928,542
	Special Education Research & Innovation	84.324			170,142	—	170,142
	Total CFDA	84.324			170,142	—	170,142
	Spec Ed - Technical Assistance & Dissemination to Improve Svcs	84.326			672,369	—	672,369
		84.326	5830-1251-00-B	University of South Florida	—	35,184	35,184
	Total CFDA	84.326			672,369	35,184	707,553
	Gaining Early Awareness & Readiness for Undergraduate Program	84.334	FA-09-27795-00	TN Higher Education Commission	—	16,905	16,905
	Total CFDA	84.334			—	16,905	16,905
	Early Reading First	84.359			952,652	—	952,652
	Total CFDA	84.359			952,652	—	952,652
	Total U.S. Department of Education				4,325,237	1,902,584	6,227,821
	U.S. Department of Energy						
	Office of Science Financial Assistance	81.049	4000039014	UT-Battelle, LLC	—	3,028	3,028
	Total CFDA	81.049			—	3,028	3,028
	Total U.S. Department of Energy				—	3,028	3,028
	U.S. Department of Health & Human Services						
	Centers for Medicare and Medicaid Services						
	Medical Assistance Program	93.778	GR-04-15873-00	TN Bureau of TennCare	—	158	158
		93.778	GR-07-18109	TN Dept of Health	—	1,374,233	1,374,233
		93.778	4046105403	TN Dept of Finance & Administration	—	112,040	112,040
		93.778	4044255113	TN Bureau of TennCare	—	(839)	(839)
		93.778	GR-03-15186	TN Bureau of TennCare	—	(81)	(81)
		93.778	GR-07-15873	TN Dept of Health	—	(808)	(808)
		93.778	GR-10-29770	TN Dept of Finance & Administration	—	286,375	286,375

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Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
		93.778	GR-09-21729	TN Bureau of TennCare	\$ —	597,400	597,400
		93.778	GR-08-21729	TN Bureau of TennCare	—	(4,344)	(4,344)
	Total CFDA	93.778			—	2,364,134	2,364,134
	Total Centers for Medicare and Medicaid Services Administration for Children and Families				—	2,364,134	2,364,134
		93.000	4045350012	TN Department of Children's Services	—	19,846	19,846
	Total CFDA	93.000			—	19,846	19,846
	Head Start	93.600			1,068,578	—	1,068,578
	Total CFDA	93.600			1,068,578	—	1,068,578
	Developmental Disabilities Basic Support	93.630	GR-08-22277	TN Dept of MH/DD	—	(362)	(362)
		93.630	GR-09-25187	TN Dept of MH/DD	—	11,269	11,269
		93.630	GR-09-25433	TN Dept of MH/DD	—	(2,506)	(2,506)
		93.630	7598-GR1028790	TN Dept of MH/DD	—	71,849	71,849
		93.630	7597-GR1028791	TN Dept of MH/DD	—	252,332	252,332
		93.630	GR-08-21903	TN Dept of MH/DD	—	(6,759)	(6,759)
		93.630	GR-08-22160	TN Dept of MH/DD	—	(6,914)	(6,914)
		93.630	GR-09-27412	TN Dept of MH/DD	—	246	246
		93.630	7596-GR1028787	TN Dept of MH/DD	—	170,705	170,705
	Total CFDA	93.630			—	489,860	489,860
	Child Health & Human Development Extramural Research	93.865			519,918	—	519,918
	Total CFDA	93.865			519,918	—	519,918
	Total Administration for Children and Families				1,588,496	509,706	2,098,202
	Agency for Healthcare Research and Quality						
	National Research Service Awards Health	93.225			198,579	—	198,579
	Total CFDA	93.225			198,579	—	198,579
	Research on Healthcare Costs, Quality & Outcomes	93.226	GR0617554	TN Dept of Finance & Administration	—	2,249,506	2,249,506
	Total CFDA	93.226			—	2,249,506	2,249,506
	Total Agency for Healthcare Research and Quality				198,579	2,249,506	2,448,085
	Substance Abuse and Mental Health Services Administration						
		93.000	RX4285890	Georgetown University	—	34,886	34,886
	Total CFDA	93.000	90YD0268	Georgetown University	—	50,056	50,056
		93.000			—	84,942	84,942
	Projects of Regional & National Significance	93.243	Z-07-033420	TN Dept of MH/DD	—	28	28
	Total CFDA	93.243			—	28	28
	Total Substance Abuse & Mental Health Services Admin				—	84,970	84,970
	Center for Disease Control						
		93.000			27,683	—	27,683
	Total CFDA	93.000			27,683	—	27,683
	Innovations in Applied Public Health	93.061			72,703	—	72,703
	Total CFDA	93.061			72,703	—	72,703
		93.136	FA-07-16968	TN Department of Health	—	(2,026)	(2,026)
	Total CFDA	93.136			—	(2,026)	(2,026)
	Immunization Research Demonstration	93.185			510,960	—	510,960
	Total CFDA	93.185			510,960	—	510,960
	CDC and Prevention - Investigations and Technical Assistance	93.283	4014225003	TN Department of Health	—	29,847	29,847
		93.283	FA-09-28692-00	TN Department of Health	—	82,565	82,565
	Total CFDA	93.283			—	112,412	112,412
	HIV Demonstration, Research, Public & Professional Education Proj	93.941	U47PS323096	Association of Public Health Laboratories	—	164,854	164,854
	Total CFDA	93.941			—	164,854	164,854

VANDERBILT UNIVERSITY
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Preventive Health & Health Services Block Grant		93.991	GR-08-21425	TN Department of Health	\$ —	556,622	556,622
Total CFDA		93.991			—	556,622	556,622
Total Center for Disease Control					611,346	831,862	1,443,208
Health Resource Services Administration		93.000	D36AH10050	Meharry Medical College	—	(2,103)	(2,103)
		93.000	4090015473	TN Dept of MH/DD	—	40,883	40,883
		93.000	4096015144	TN Dept of Health	—	15,000	15,000
Total CFDA		93.000			—	53,780	53,780
Public Health & Social Services Emergency Fund		93.003	4016015024	TN Department of Health	—	124	124
		93.003	4016015064	TN Department of Health	—	11,266	11,266
		93.003	4016015084	TN Department of Health	—	126	126
		93.003	4096015064	TN Department of Health	—	7,770	7,770
		93.003	4096015084	TN Department of Health	—	102	102
		93.003	4096015114	TN Department of Health	—	104	104
		93.003	4016015124	TN Department of Health	—	40,459	40,459
		93.003	4016015144	TN Department of Health	—	12,626	12,626
		93.003	4016015164	TN Department of Health	—	47,949	47,949
		93.003	4096015124	TN Department of Health	—	21,272	21,272
		93.003	Z-04-019661	TN Department of Health	—	795	795
		93.003	GR-05-16692-00	TN Department of Health	—	129,014	129,014
Total CFDA		93.003			—	271,607	271,607
Medical Reserve Corps Small Grant Program		93.008			2	—	2
Total CFDA		93.008			2	—	2
Mental Health Planning and Demo Projects		93.110			680,208	—	680,208
		93.110	H30MC05053	University of North Carolina	—	2,066	2,066
		93.110	H84MC00004	TN Disability Coalition	—	17,804	17,804
Total CFDA		93.110			680,208	19,870	700,078
Emergency Medical Services for Children		93.127			130,357	—	130,357
		93.127	4045785493	TN Department of Health	—	(188)	(188)
Total CFDA		93.127			130,357	(188)	130,169
National AIDS Education and Training Center		93.145			22,866	—	22,866
Total CFDA		93.145			22,866	—	22,866
Advanced Education Nursing Grant Program		93.247			572,883	—	572,883
Total CFDA		93.247			572,883	—	572,883
National Poison Control Systems Stabilization		93.253			477,256	—	477,256
Total CFDA		93.253			477,256	—	477,256
Rapid Expansion of Antiretroviral Therapy Prog for HIV-Infected Persons		93.266	U91HA06801	Cornell University	—	54,943	54,943
Total CFDA		93.266			—	54,943	54,943
Professional Nurse Traineeships		93.358			245,882	—	245,882
Total CFDA		93.358			245,882	—	245,882
Basic Nurse Education & Practice Grants		93.359			709,973	—	709,973
Total CFDA		93.359			709,973	—	709,973
Development Disabilities Basic Support		93.630	GR0822320	TN Dept of Finance & Admin	—	1,793	1,793
		93.630	GR0921903	TN Department of MH/DD	—	(16,672)	(16,672)
		93.630	GR1021903	TN Department of MH/DD	—	60,189	60,189
		93.630	GR1022160	TN Department of MH/DD	—	53,548	53,548
		93.630	GR0922160	TN Department of MH/DD	—	6	6
Total CFDA		93.630			—	98,864	98,864

VANDERBILT UNIVERSITY
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
National Bioterrorism Hospital Preparedness		93.889	GR1030375	TN Department of Health	\$ —	573,007	573,007
		93.889	GR1030377	TN Department of Health	—	138,538	138,538
		93.889	4096015044	TN Department of Health	—	2,005	2,005
Total CFDA		93.889			—	713,550	713,550
Preventive Health & Health Services Block Grant		93.911	H2AIT16623	Community Health Network, Inc.	—	58,332	58,332
Total CFDA		93.911			—	58,332	58,332
Rural Health Care Svcs Outreach, Rural Health Network Develop		93.912			8,115	—	8,115
Total CFDA		93.912			8,115	—	8,115
Geriatric Education Centers		93.969	D31HP08823	Meharry Medical College	—	69,809	69,809
Total CFDA		93.969			—	69,809	69,809
Maternal and Child Health Services Block		93.994	4045905423	TN Department of Health	—	532	532
		93.994	4045905443	TN Department of Health	—	(63)	(63)
		93.994	4045905463	TN Department of Health	—	863,708	863,708
Total CFDA		93.994			—	864,177	864,177
Total Health Resource Services Administration					2,847,542	2,204,744	5,052,286
National Institutes of Health		93.000			38,476	—	38,476
		93.000	4045350023	American Acad of Child & Adoles Psych	—	19,704	19,704
		93.000	K12HD00850	Yale University	—	55	55
		93.000	R25CA102209	Meharry Medical College	—	8,030	8,030
		93.000	T32AI07281	Meharry Medical College	—	26,742	26,742
		93.000	TL1EB008540	Brigham and Women's Hospital	—	1,346	1,346
		93.000	U01AI58257	Cornell University	—	22,630	22,630
		93.000	U01AI69421	Cornell University	—	34,049	34,049
		93.000	N01LM63502	University of Maryland	—	(2,106)	(2,106)
Total CFDA		93.000			38,476	110,450	148,926
Biological Response to Environment Health		93.113			786,656	—	786,656
Total CFDA		93.113			786,656	—	786,656
Oral Diseases and Disorders Research		93.121			139,511	—	139,511
Total CFDA		93.121			139,511	—	139,511
Research Related To Deafness and Communication Disorders		93.173			113,315	—	113,315
Total CFDA		93.173			113,315	—	113,315
Mental Health Research Grants		93.242			420,634	—	420,634
Total CFDA		93.242			420,634	—	420,634
Alcohol Research Programs		93.273			(1,737)	—	(1,737)
Total CFDA		93.273			(1,737)	—	(1,737)
Drug Abuse National Research Service Awd		93.278			379	—	379
Total CFDA		93.278			379	—	379
Drug Abuse Research Programs		93.279			445,594	—	445,594
Total CFDA		93.279			445,594	—	445,594
Mental Health Research Career/Scientist Development Awards		93.281			158,560	—	158,560
Total CFDA		93.281			158,560	—	158,560
Mental Health National Research Service Awards		93.282			721,771	—	721,771
Total CFDA		93.282			721,771	—	721,771
Biomedical Imaging Research		93.286			427,361	—	427,361
Total CFDA		93.286			427,361	—	427,361
Trans-NIH Research Support		93.310	TL1EB08540	Brigham and Women's Hospital	—	41,796	41,796
Total CFDA		93.310			—	41,796	41,796

VANDERBILT UNIVERSITY
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Clinical Research		93.333			\$ 19,958	—	19,958
Total CFDA		93.333			19,958	—	19,958
Nursing Research		93.361			8,816	—	8,816
Total CFDA		93.361			8,816	—	8,816
Research Infrastructure		93.389			1,174,784	—	1,174,784
Total CFDA		93.389			1,174,784	—	1,174,784
Job Opportunities and Basic Skills Training		93.561	GR-99-12123	TN Department of Human Services	—	3,457	3,457
Total CFDA		93.561			—	3,457	3,457
Developmental Disabilities Basic Support		93.630	4042985424	TN Department of Health	—	(3,336)	(3,336)
Total CFDA		93.630			—	(3,336)	(3,336)
Cell Biology and Biophysics Research		93.821			9,131	—	9,131
Total CFDA		93.821			9,131	—	9,131
Heart and Vascular Diseases Research		93.837			1,040,743	—	1,040,743
Total CFDA		93.837	K23HL85387	University of Cincinnati	—	43,241	43,241
					1,040,743	43,241	1,083,984
Lung Diseases Research		93.838			781,961	—	781,961
Total CFDA		93.838			781,961	—	781,961
Blood Diseases and Resources Research		93.839			607,709	—	607,709
Total CFDA		93.839			607,709	—	607,709
Arthritis, Muscularskeletal & Skin		93.846			129,472	—	129,472
Total CFDA		93.846			129,472	—	129,472
Diabetes, Endocrinology and Metabolism Research		93.847			2,872,924	—	2,872,924
Total CFDA		93.847			2,872,924	—	2,872,924
Digestive Diseases & Nutrition Research		93.848			3,189	—	3,189
Total CFDA		93.848			3,189	—	3,189
Kidney Diseases, Urology and Hematology		93.849			17,998	—	17,998
Total CFDA		93.849			17,998	—	17,998
Clinical Research Related Neurological Disorders		93.853			1,627,808	—	1,627,808
Total CFDA		93.853			1,627,808	—	1,627,808
Allergy, Immunology and Transplantation		93.855			1,165,639	—	1,165,639
Total CFDA		93.855			1,165,639	—	1,165,639
Population Research		93.864			261,987	—	261,987
Total CFDA		93.864			261,987	—	261,987
Research For Mothers and Children		93.865			603,363	—	603,363
Total CFDA		93.865			603,363	—	603,363
Aging Research		93.866			412,805	—	412,805
Total CFDA		93.866			412,805	—	412,805
Vision Research		93.867			272,428	—	272,428
Total CFDA		93.867			272,428	—	272,428
Medical Library Assistance		93.879			659,052	—	659,052
Total CFDA		93.879			659,052	—	659,052
Total National Institutes of Health					14,920,287	195,608	15,115,895
Total U.S. Department of Health & Human Services					20,166,250	8,440,530	28,606,780

VANDERBILT UNIVERSITY
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
U.S. Agency for International Development		98.000			\$ 453,151	—	453,151
Total CFDA		98.000			453,151	—	453,151
Total U.S. Agency for International Development					453,151	—	453,151
U.S. Department of Labor		17.000	4224304753	Calhoun Community College	—	13,811	13,811
Total CFDA		17.000			—	13,811	13,811
Total U.S. Department of Labor					—	13,811	13,811
National Aeronautics Space Administration		43.000			798,579	—	798,579
NASA Grants		43.000	4206303522	United Negro College Fund, Inc	—	10,000	10,000
		43.000	HST-EO-11164.06-A	Space Telescope Science Institute	—	8,306	8,306
Total CFDA		43.000			798,579	18,306	816,885
Total National Aeronautics Space Administration					798,579	18,306	816,885
National Foundation for the Arts and Humanities		45.160			41,381	—	41,381
National Endowment for the Humanities		45.160			—	19,250	19,250
Promotion of the Humanities Fellowship		45.160	4204904562	Amer Sch of Classical Studies at Athens	41,381	19,250	60,631
Total CFDA		45.160			41,381	19,250	60,631
Total National Endowment for the Humanities					41,381	19,250	60,631
Total National Foundation for the Arts and Humanities					41,381	19,250	60,631
National Science Foundation		47.041			156,841	—	156,841
Engineering Grants		47.041	EEC0540834	University of Minnesota	—	26,781	26,781
Total CFDA		47.041			156,841	26,781	183,622
Mathematical & Physical Sciences		47.049			326,868	—	326,868
		47.049	PHY0715396	University of Norte Dame	—	5,199	5,199
Total CFDA		47.049			326,868	5,199	332,067
Computer and Info Sciences & Engineering		47.070			137,362	—	137,362
		47.070	CCF0424422	University of Norte Dame	—	15,665	15,665
Total CFDA		47.070			137,362	15,665	153,027
Biological Sciences		47.074			28,472	—	28,472
Total CFDA		47.074			28,472	—	28,472
Social, Behavioral and Economic Sciences		47.075			36,844	—	36,844
Total CFDA		47.075			36,844	—	36,844
Educational and Human Resources		47.076			438,841	—	438,841
		47.076	HRD0802540	Tennessee State University	—	63,992	63,992
		47.076	DUE0717768	University of Wisconsin	—	106,296	106,296
Total CFDA		47.076			438,841	170,288	609,129
Total National Science Foundation					1,125,228	217,933	1,343,161
U.S. Department of Transportation		20.502	DTRT07G0004	University of Tennessee	—	15,775	15,775
Federal Transit Grants for University		20.502			—	15,775	15,775
Total CFDA		20.502			—	15,775	15,775
Total U.S. Department of Transportation					—	15,775	15,775
Tennessee Valley Authority		62.001			114,685	—	114,685
TVA Environmental Research Center		62.001			114,685	—	114,685
Total CFDA		62.001			114,685	—	114,685
Total Tennessee Valley Authority					114,685	—	114,685
Total Other					59,522,099	10,993,825	70,515,924

VANDERBILT UNIVERSITY
 Schedule of Expenditures of Federal Awards
 Year ended June 30, 2010

Program	Federal Sponsor/Project Title	CFDA	Pass-through Award Number	Pass-through Entity	Direct	Pass-through	Total
Other - American Recovery and Reinvestment Act (ARRA)							
U.S. Department of Education							
	ARRA: Spec Educ-Grants for Infants & Families, Recovery Act	84.393	DGA-C000012	TN Department of Education	\$ —	11,773	11,773
	Total CFDA	84.393			—	11,773	11,773
	ARRA: State Fiscal Stabilization Fund	84.397	GR-10-29055-00	TN Department of Health	—	375,000	375,000
	Total CFDA	84.397			—	375,000	375,000
	Total U.S. Department of Education				—	386,773	386,773
U.S. Department of Health & Human Services							
National Institutes of Health							
	* ARRA: Trans-NIH Recovery Act Research Supplement	93.701			1,794,805	—	1,794,805
	Total CFDA	93.701			1,794,805	—	1,794,805
	Total U.S. Department of Health & Human Services				1,794,805	—	1,794,805
U.S. Department of Justice							
	ARRA: E B Memorial Justice Assistance Grant Program	16.803	GR-10-29892	TN Department of Children's Services	—	36,577	36,577
	Total CFDA	16.803			—	36,577	36,577
	Total U.S. Department of Justice				—	36,577	36,577
National Science Foundation							
	*ARRA: Trans-NSF Recovery Act Research Support	47.082			304,367	—	304,367
	Total CFDA	47.082	EEC0851930	Northwestern University	—	3,145	3,145
	Total National Science Foundation				304,367	3,145	307,512
	Total Other - American Recovery and Reinvestment Act (ARRA)				2,099,172	426,495	2,525,667
	Total Other including ARRA				61,621,271	11,420,320	73,041,591
	Total Federal Awards				\$ 515,313,658	46,843,106	562,156,764

The accompanying notes are an integral part of the schedule.
 See accompanying independent auditors' report on supplementary information.

*Indicates major program.

VANDERBILT UNIVERSITY

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2010

(1) Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (Schedule 1) and Schedule of State of Tennessee Grant Activity (Schedule 2) – (collectively, the Schedules) summarize the expenditures of Vanderbilt University (Vanderbilt) under federal and state programs for the year ended June 30, 2010. Because the Schedules present only a selected portion of the operations of Vanderbilt, they are not intended to, and do not, present the financial position, changes in net assets, or cash flows of Vanderbilt.

For purposes of Schedule 1, federal awards include all grants, contracts, and similar agreements entered into directly between Vanderbilt and agencies and departments of the federal government and all subawards to Vanderbilt by nonfederal organizations pursuant to federal grants, contracts, and similar agreements. The awards are classified into Type A and Type B programs in accordance with the provisions of Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Clustered award categories are as follows:

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

Student Financial Aid – Includes certain awards to provide financial assistance to eligible students, primarily under the Federal Work-Study Program (FWS), Scholarship Program for Students of Exceptional Financial Need (EFN), Federal Pell Grant, and Federal Supplemental Educational Opportunity Grant (FSEOG) of the U.S. Departments of Education and Health and Human Services. Vanderbilt also receives awards to make loans to eligible students under certain federal student loan programs (Federal Perkins Loan, Health Profession Student Loan, Primary Care Loan, Federal Student Nursing Loan and Loans to Disadvantaged Students). Guaranteed Loans awarded under the Federal Family Education Loan Program (Stafford, Unsubsidized Stafford, Parent Loans for Undergraduate Students, and Graduate PLUS Loans) are issued to eligible students of Vanderbilt or their parents by various financial institutions. Current year loan disbursements for these loan programs are included in the federal expenditures in Schedule 1 (see note 3).

(2) Summary of Significant Accounting Policies for the Schedule

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

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

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

Expenditures for certain non student financial aid awards include indirect costs. Indirect costs allocated to such awards for the year ended June 30, 2010 were based on predetermined fixed rates negotiated with

VANDERBILT UNIVERSITY

Notes to Schedule of Expenditures of Federal Awards

Year ended June 30, 2010

Vanderbilt's cognizant federal agency, the U.S. Department of Health and Human Services. Indirect costs and recoveries of those costs under sponsored programs are classified as unrestricted expenditures and revenues, respectively, in Vanderbilt's financial statements.

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

(3) Federal Student Financial Assistance Programs

Federal student financial assistance made available by Vanderbilt to eligible students or utilized by Vanderbilt for allowable administrative expenses under grant, work-study and student loan programs and guaranteed loans offered to students of Vanderbilt or their parents by financial institutions during the year ended June 30, 2010 are summarized as follows:

Grant and work-study based programs:

FWS	\$ 1,595,685
Pell	3,795,475
FSEOG	<u>1,389,257</u>
Total	<u>\$ 6,780,417</u>

Direct loans disbursed:

Federal Perkins	\$ 1,622,059
Federal Nursing Student Loan	271,000
Nurse Faculty Loan Program	<u>777,684</u>
Total	<u>\$ 2,670,743</u>

Guaranteed loans disbursed:

Federal Stafford	\$ 18,625,889
Federal Unsubsidized Stafford	30,084,133
Federal Parent Loans for Undergraduate Students PLUS	6,019,699
Federal Graduate PLUS Loans	<u>26,774,230</u>
Total	<u>\$ 81,503,951</u>

VANDERBILT UNIVERSITY

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

Year ended June 30, 2010

The Perkins, Health Profession Student Loan (HPSL), Primary Care Loan (PCL), Nursing Student Loan (NSL), Nursing Faculty Loan Program (NFLP) and Loans for Disadvantaged Students (LDS) programs are administered directly by the University and balances and transactions relating to these programs are included in Vanderbilt's consolidated financial statements. Balances of loans outstanding at June 30, 2010 are as follows:

Perkins	\$ 16,228,831
HPSL	158,737
PCL	102,106
NSL	1,285,534
NFLP	800,873
LDS	<u>512,800</u>
	<u>\$ 19,088,881</u>

Vanderbilt is responsible for the performance of certain administrative duties with respect to the guaranteed loan programs. It is not practical to determine the balance of loans outstanding to students and former students of Vanderbilt under these programs for the year ended June 30, 2010. These loans are not included in Vanderbilt's consolidated financial statements.



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

Board of Trust
Vanderbilt University:

We have audited the consolidated financial statements of Vanderbilt University and subsidiaries (Vanderbilt) as of and for the year ended June 30, 2010, and have issued our report thereon dated October 28, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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



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

KPMG LLP

October 28, 2010



KPMG LLP
Suite 1000
401 Commerce Street
Nashville, TN 37219-2422

**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**

Board of Trust
Vanderbilt University:

Compliance

We have audited Vanderbilt University and subsidiaries' (Vanderbilt) compliance of with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Vanderbilt's major federal programs for the year ended June 30, 2010. Vanderbilt's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Vanderbilt's management. Our responsibility is to express an opinion on Vanderbilt's compliance based on our audit.

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

In our opinion, Vanderbilt complied, in all material respects, with the 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, 2010. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, 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 2010-1 and 2010-2.

Internal Control Over Compliance

Management of Vanderbilt is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Vanderbilt's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but



not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Vanderbilt's internal control over compliance.

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

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

Vanderbilt's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit Vanderbilt's response, and accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Board of Trust, the Audit Committee of the Board of Trust, management, the U.S. Department of Health and Human Services and other legislative or regulatory bodies governing the federal and state funds received by Vanderbilt University and subsidiaries, federal awarding agencies, and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

KPMG LLP

March 9, 2011

VANDERBILT UNIVERSITY
Schedule of Findings and Questioned Costs
Year ended June 30, 2010

(1) Summary of Auditors' Results

- (a) The type of report issued on the consolidated financial statements: **Unqualified opinion**
- (b) Significant deficiencies in internal control were disclosed by the audit of the consolidated financial statements: **None reported**

Material weaknesses: **None**

- (c) Noncompliance which is material to the consolidated financial statements: **None**
- (d) Significant deficiencies in internal control over major programs: **None reported**

Material weaknesses: **None**

- (e) The type of report issued on compliance for major programs: **Unqualified opinion**
- (f) Any audit findings which are required to be reported under Section .510(a) of OMB Circular A-133: **See Findings 2010-01 and 2010-02**

(g) Major programs:

CFDA#	Grantor	Program
Various 93.701	Various Department of Health and Human Services	Research and Development Cluster Trans-NIH Recovery Act Research Support
93.398	Department of Health and Human Services	Cancer Research Manpower
84.325	Department of Education	Personnel Preparation to Improve Services and Results for Children with Disabilities
47.082	National Science Foundation	Trans-NSF Recovery Act Research Support Program

- (h) Dollar threshold used to distinguish between Type A and Type B programs: **\$3,000,000**
- (i) Auditee qualified as a low-risk auditee under Section .530 of OMB Circular A-133: **Yes**

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

None

VANDERBILT UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2010

(3) Findings and Questioned Costs Relating to Federal Awards

See Findings 2010-1 and 2010-2

Finding 2010-1: Activities Allowed / Unallowed

Finding Type: *Noncompliance*

CFDA#: *93.701*

Federal Agency: *National Institutes of Health*

Federal Award Year: *2009-2010*

Requirement

In accordance with OMB Circular A-21, facilities and administrative (F&A) costs shall be distributed to applicable sponsored agreements on the basis of modified total direct costs (MTDC), consisting of all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or contract. Equipment, capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships as well of the portion of each subgrant and subcontract in excess of \$25,000 shall be excluded from MTDC. The rate utilized should represent the previously negotiated F&A cost rate, applied to MTDC.

Condition

We calculated allowable F&A costs based upon MTDC and the previously negotiated F&A cost rate for the sponsored agreements under this program (8%). The actual F&A costs charged exceeded our calculation of allowable F&A costs by \$22,860.

Vanderbilt University returned the inappropriate F&A costs by adjusting subsequent drawdowns.

Questioned Cost

\$22,860, which has been subsequently reimbursed to the grantor.

Possible Asserted Cause and Effect

Costs were incorrectly included in the MTDC used to calculate the allowable F&A costs charged, resulting in higher F&A costs than what is allowable under the grant agreement. The calculation is automated; however the query that pulls MTDC incorrectly included account numbers for several accounts that should have been excluded from MTDC.

Recommendation

We recommend that Vanderbilt add an additional level of supervisory review of query parameters entered into the system which calculates F&A costs in order to ensure that appropriate costs are excluded from total direct costs to compute the correct modified total direct costs base for F&A calculation.

VANDERBILT UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2010

Views of Responsible Management

The University agrees with the recommendation. This grant inadvertently allocated F&A costs on subcontract activity over \$25,000. Adjusting entries have been made and the system parameters have been corrected as appropriate. Any reimbursements owed to the sponsor have been completed. The University has developed processes within the central accounting offices to monitor the calculation of F&A costs on sponsored programs on a bimonthly basis to ensure that the correct amount of F&A is calculated during the life of an award.

VANDERBILT UNIVERSITY
Schedule of Findings and Questioned Costs
Year ended June 30, 2010

Finding 2010-2: Activities Allowed / Unallowed

Finding Type: Noncompliance

CFDA#: Research and Development Cluster:

<u>Instance Number</u>	<u>CFDA Number</u>	<u>Federal Award Number</u>	<u>Federal Sponsor/Project Title</u>	<u>Direct/Flow-through Entity</u>	<u>Questioned Costs</u>
1	12.000	FA865004D3446	Air Force	General Dynamics Info Tech	605
2	12.000	FA87500820020	Air Force	George Mason University	1,023
3	12.000	W81XWH0610567	Army	Direct	823
4	12.351	HDTRA11010047	Basic Scientific Research	Direct	122
5	12.420	W81XWH0510179	Military Medical Research & Development	Direct	7,675
6	12.910	N10AP20003	Research & Technology Development	Direct	200
7	47.076	ESIO454754	Educational and Human Resources	Univ. of Massachusetts	403
8	66.708	RN09-0005	Pollution Prevention Grants Program	Arcadis U.S., Inc.	112
9	66.708	RN09-0004	Pollution Prevention Grants Program	Arcadis U.S., Inc.	232
10	93.000	1R21AG28182	National Institutes of Health	University of Florida	36
11	93.000	1R01ES014472	National Institutes of Health	Meharry Medical College	45
12	93.000	1K23HD040325	National Institutes of Health	Direct	74
13	93.000	5U01DK069322	National Institutes of Health	Emory University	342
14	93.000	5U01HG004263	National Institutes of Health	University of Washington	662
15	93.000	1R43AI063681	National Institutes of Health	Direct	1,326
16	93.000	2R44AI058620	National Institutes of Health	Direct	1,521
17	93.000	9R01MD080647	National Institutes of Health	University of Miami	1,613
18	93.000	HHSN272200800058C	National Institutes of Health	Direct	1,904
19	93.103	HHSF223200510009C	Food and Drug Administration Research	Direct	265
20	93.172	5U01HG004603	Human Genome Research	Direct	180
21	93.173	1R01DC006893	Research - Deafness & Comm Disorders	Direct	25,657
22	93.213	5R21AT003844	Research & Training in Comp & Alter Med	Direct	424
23	93.242	1R01MH082867	Mental Health Research Grants	Direct	36
24	93.242	5R01MH061989	Mental Health Research Grants	N.S. Kline Inst - Psych Rsrch	58
25	93.393	2R01CA102729	Cancer Cause and Prevention Research	Direct	617
26	93.393	1R01CA118332	Cancer Cause and Prevention Research	Direct	3,949
27	93.396	1R01CA108856	Cancer Biology Research	Direct	28
28	93.396	1R01CA113734	Cancer Biology Research	Direct	67
29	93.396	1R01CA115707	Cancer Biology Research	Direct	416
30	93.397	5U54CA113007	Cancer Centers Support	Direct	135
31	93.837	1R01HL088364	Heart and Vascular Research	Direct	1,972
32	93.846	1R21AR055231	Arthritis, Muscularskeletal & Skin Dis Rsrch	Direct	227
33	93.847	2R01DK060667	Diabetes, Endocrin & Metabolism Rsrch	Direct	2,234
34	93.853	1K02NS055979	Clinical Research Related Neurological	Direct	21
35	93.853	1R21NS058787	Clinical Research Related Neurological	Direct	203
36	93.853	5R01NS032830	Clinical Research Related Neurological	Direct	2,374
37	93.855	5U01AI078407	Allergy, Immunology & Transplantation	Direct	42
38	93.855	1P01AI059443	Allergy, Immunology & Transplantation	University of North Carolina	684
39	93.859	2R01GM051366	Pharm, Physio & Biolog Chem Research	Direct	335
40	93.866	5R01AG022574	Aging Research	Direct	129
41	93.866	5R01AG019085	Aging Research	Direct	1,598
42	93.867	2R01EY012894	Vision Research	Western Michigan Univ.	157

VANDERBILT UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2010

Federal Award Year: 2009-2010

Requirement

In accordance with OMB Circular A-21, facilities and administrative (F&A) costs shall be distributed to applicable sponsored agreements on the basis of modified total direct costs (MTDC), consisting of all salaries and wages, fringe benefits, materials and supplies, services, travel, and subgrants and subcontracts up to the first \$25,000 of each subgrant or contract. Equipment, capital expenditures, charges for patient care and tuition remission, rental costs, scholarships, and fellowships as well of the portion of each subgrant and subcontract in excess of \$25,000 shall be excluded from MTDC. The rate utilized should represent the previously negotiated F&A cost rate, applied to MTDC.

Condition

For a sample of fifty sponsored agreements in the population of the Research and Development cluster, we calculated allowable F&A costs based upon MTDC and the previously negotiated F&A cost rate for the sponsored agreements under the program. For one center in our sample, the actual F&A costs charged exceeded our calculation of allowable F&A costs by \$1,598.

Vanderbilt subsequently performed a complete review of all F&A costs charged under the Research and Development cluster during the 2010 fiscal year. This review identified 42 instances (including the one described above) whereby F&A costs charged were in excess of allowable F&A costs, with overcharges totaling \$60,528. Vanderbilt returned the inappropriate F&A costs by adjusting subsequent drawdowns during fiscal year 2011. Management's review also identified 35 instances whereby F&A costs charged were lower than allowable F&A costs, with undercharges totaling \$53,027. None of the projects with identified errors caused any previously closed-out grants to be re-opened. We selected an additional sample of thirty sponsored agreements from the population of Vanderbilt's complete review and noted agreement with the conclusion reached by Vanderbilt for each of the sample items.

Questioned Cost

\$60,528, calculated as the total identified by Vanderbilt in its complete review (including the \$1,598 originally identified in our sample), which has been subsequently reimbursed to the grantors.

Possible Asserted Cause and Effect

In some instances, costs were incorrectly included in MTDC used to calculate the allowable F&A costs charged, resulting in higher F&A costs than what is allowable under the grant agreement. The calculation is automated; however, the query that pulls MTDC incorrectly included account numbers for several accounts that should have been excluded from MTDC. In other instances, the rate utilized was not the previously negotiated rate (the rate had been mis-keyed).

Recommendation

We recommend that Vanderbilt University add an additional level of supervisory review of query parameters and F&A rates entered into the system which calculates F&A costs in order to ensure that

VANDERBILT UNIVERSITY

Schedule of Findings and Questioned Costs

Year ended June 30, 2010

appropriate costs are excluded from total direct costs to compute the correct modified total direct costs base for F&A calculation.

Views of Responsible Management

The University agrees with the recommendation. The issue described above relates to the correct calculation of F&A costs. As a result of the auditors finding one instance of the F&A costs being incorrectly calculated within the R&D cluster, the University did a 100% review of all R&D projects and verified the F&A costs charged. For any instance where the F&A costs were not correct, adjusting entries have been made and the system parameters have been corrected as appropriate. Any reimbursements owed to sponsors have been completed. The University has developed processes within the central accounting offices to monitor the calculation of F&A costs on sponsored programs on a bimonthly basis to ensure that the correct amount of F&A is calculated during the life of an award.