

UNIVERSITY OF ROCHESTER ANNUAL REPORT

2013-2014







An Even Sharper Vision

We embarked on an ambitious strategic plan approved by the Board of Trustees in October 2013. In that plan, we envision a University built on the Rochester ideal—that great research is inextricably linked to great teaching and successful community engagement.

During the next five years we will make major commitments to data science, health care, faculty growth in Arts, Sciences & Engineering, new or expanded programs to support learning and research, improved infrastructure, and classroom and library renovation.

We have made enormous progress already, and I look forward to reporting on our future transformation.

We are confident that we will successfully complete *The Meliora Challenge*, our first comprehensive campaign since 1924. With just under two years to go, the Campaign has passed the \$1 billion mark and enabled the establishment of more than 80 endowed professorships. We are

grateful for the support demonstrated by members of the University family and recognize the important role that alumni and friends play in our success.

We are building on our role as the region's largest employer and engine of economic development. We are proud to continue the legacy of George Eastman, for whom the success of the Rochester community was paramount. During the period covered in this report, College Town and additional student apartments at Brooks Landing neared completion. We dedicated Centennial Sculpture Park at the Memorial Art Gallery as a public space to celebrate the arts. We have become engaged in an initiative to revitalize East High School, the largest public high school in Rochester.

By 2018, our University will include a new Golisano Children's Hospital, a new imaging sciences and pediatric ambulatory building, and a new data science facility named

in honor of the Wegman family to help anchor the science and engineering quadrangle.

We are confident about our future. Our transformation is gathering momentum as we strengthen our faculty, students, and programs; translate innovation from our campus to a broader world; and increase our geographic and cultural diversity.

We are becoming "ever better" in every aspect of the Rochester ideal. I thank you for your part in making it happen.

Joel Seligman





Ever Better Learning Opportunities

“Our fundamental objective is to strengthen our position as one of this nation’s leading research universities. At Rochester this means strength not only in research but also as a university that is strong in liberal arts undergraduate education; professional training in the schools of business, education, medicine, and nursing; outstanding clinical care throughout our health system; and commitment to the creative arts exemplified by the Eastman School of Music.”
—President Joel Seligman and Provost Peter Lennie,
“Aiming Higher: The University’s Strategic Plan, 2013–2018”

◀ Rochester’s newest building is a hub for the arts, humanities, sciences, and engineering. Ronald Rettner Hall for Media Arts and Innovation was named in honor of University Trustee Ronald Rettner, entrepreneur, business executive, developer, and advocate of education, whose lead gift made the building possible. The building, which was formally opened last fall, features recording studios, high-end computers, 3-D printers, and other technology.

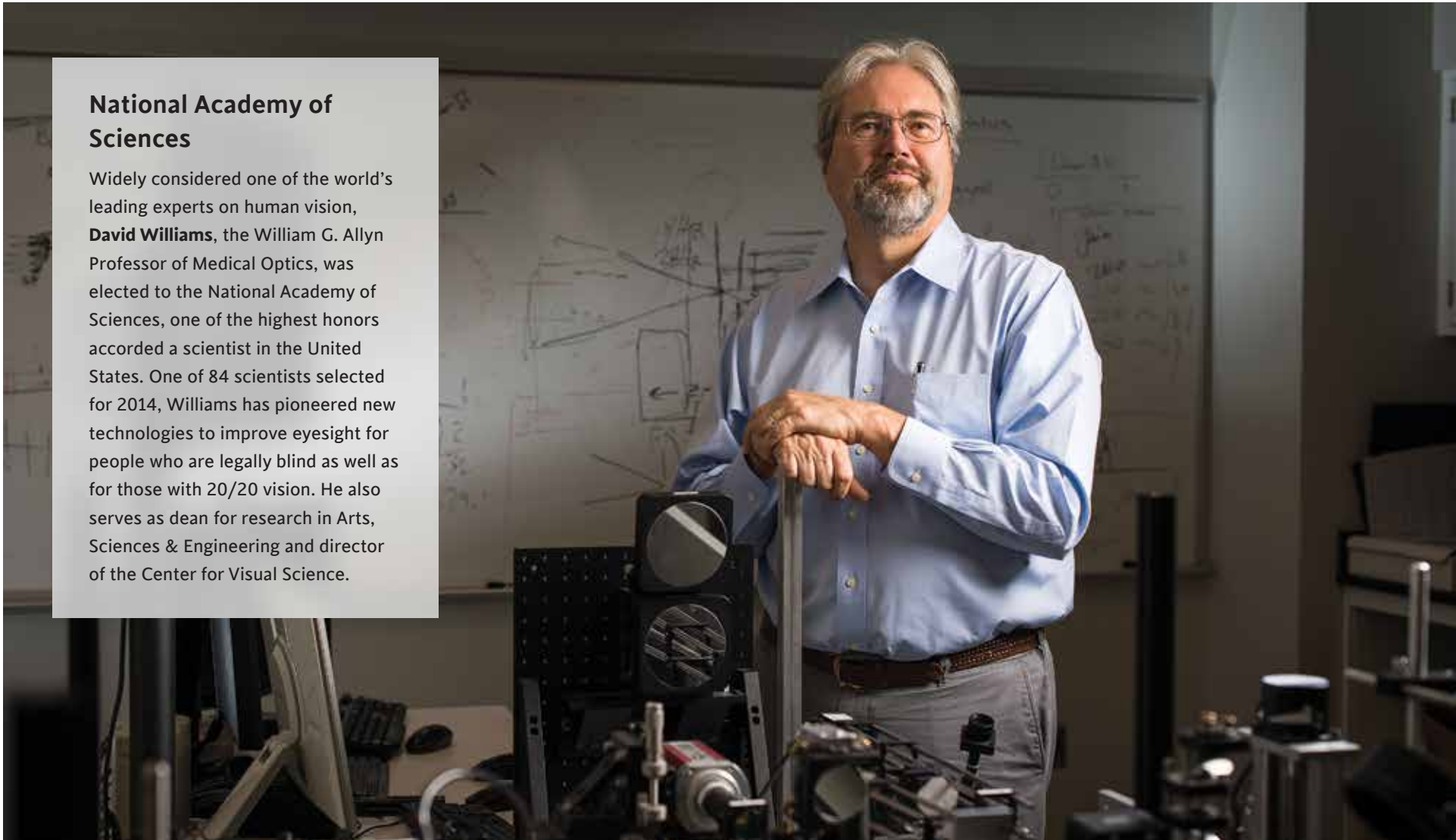
J. ADAM FENSTER

Field-leading Faculty

Every academic year, Rochester faculty members earn recognition from their national and international colleagues for their research, scholarship, and teaching, as well as for their service to their disciplines and their students.

National Academy of Sciences

Widely considered one of the world's leading experts on human vision, **David Williams**, the William G. Allyn Professor of Medical Optics, was elected to the National Academy of Sciences, one of the highest honors accorded a scientist in the United States. One of 84 scientists selected for 2014, Williams has pioneered new technologies to improve eyesight for people who are legally blind as well as for those with 20/20 vision. He also serves as dean for research in Arts, Sciences & Engineering and director of the Center for Visual Science.



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Signature Honors

The Meliora Challenge celebrated a milestone in 2014: the \$1.2 billion comprehensive campaign reached its goal of establishing 80 new endowed professorships. With two years to go, the target was increased to 100 endowed positions by the time the Campaign is scheduled to end in June 2016. A total of 20 faculty members were recognized this year as holders of positions established as part of the Campaign.



Govind Agrawal
Dr. James C. Wyant
Professor in Optics



James Aquavella
Catherine E. Aquavella
Distinguished Professor
in Ophthalmology



Riccardo Betti
Robert L. McCrory
Professor



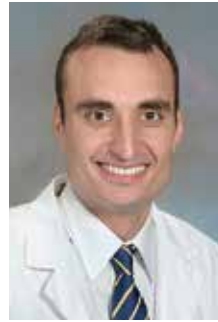
Mark Bills
Hazel Fyfe Professor in
Economics



Yuhchyan Chen
Richard T. Bell Endowed
Professor



Steven Ching
Adeline Lutz
Distinguished Professor
in Ophthalmology



Ray Dorsey
David M. Levy Professor
in Neurology



Kenneth Gross
Alan F. Hilfiker
Distinguished Professor
in English



Ron Kaniel
Jay S. and Jeanne P.
Benet Professor of
Finance



Stephen Kates
Hansjörg Wyss
Professor



Ruth Lawrence
Northumberland Trust
Professor in Pediatrics



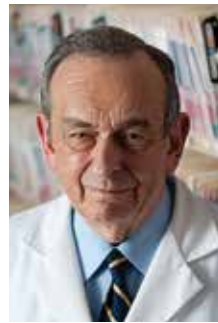
John Looney Jr.
Dr. Stephen I. Rosenfeld and
Elise A. Rosenfeld Distinguished
Professor in Allergy and Clinical
Immunology



Jonathan Mink
Frederick A. Horner, M.D.
Endowed Professor in
Pediatric Neurology



Gary Morrow
Benefactor Distinguished
Professor



Arthur Moss
Bradford C. Berk, MD,
PhD Distinguished
Professor



Robert Novy-Marx
Lori and Alan S.
Zekelman Professor of
Business Administration



Walter Pegoli
Joseph M. Lobozzo II
Professor



Anton Porsteinsson
William and Sheila Konar
Endowed Professor



Joan Shelley Rubin
Dexter Perkins
Professor in History



Joanna Wu
Susanna and Evans Y.
Lam Professor

Student Success

Rochester students are recognized each year by some of the most competitive and highly regarded honors programs available to undergraduates and graduate students in the United States. Here's a small selection of honorees from the 2013–14 year.



Humanity in Action

Lendsey Achudi '14, an international relations major from Maseno, Kenya, and Jonathan Johnson '14, an anthropology and political science major from Crystal River, Florida, were selected for a fellowship program by the international education organization Humanity in Action.



Jack Kent Cooke Foundation

Erika Pinkerton, a master's student at the Eastman School, received a Graduate Arts Award from the Jack Kent Cooke Foundation. A violin student in the studio of Juliana Athayde, associate professor of violin, Pinkerton was one of 20 honorees from across the country.

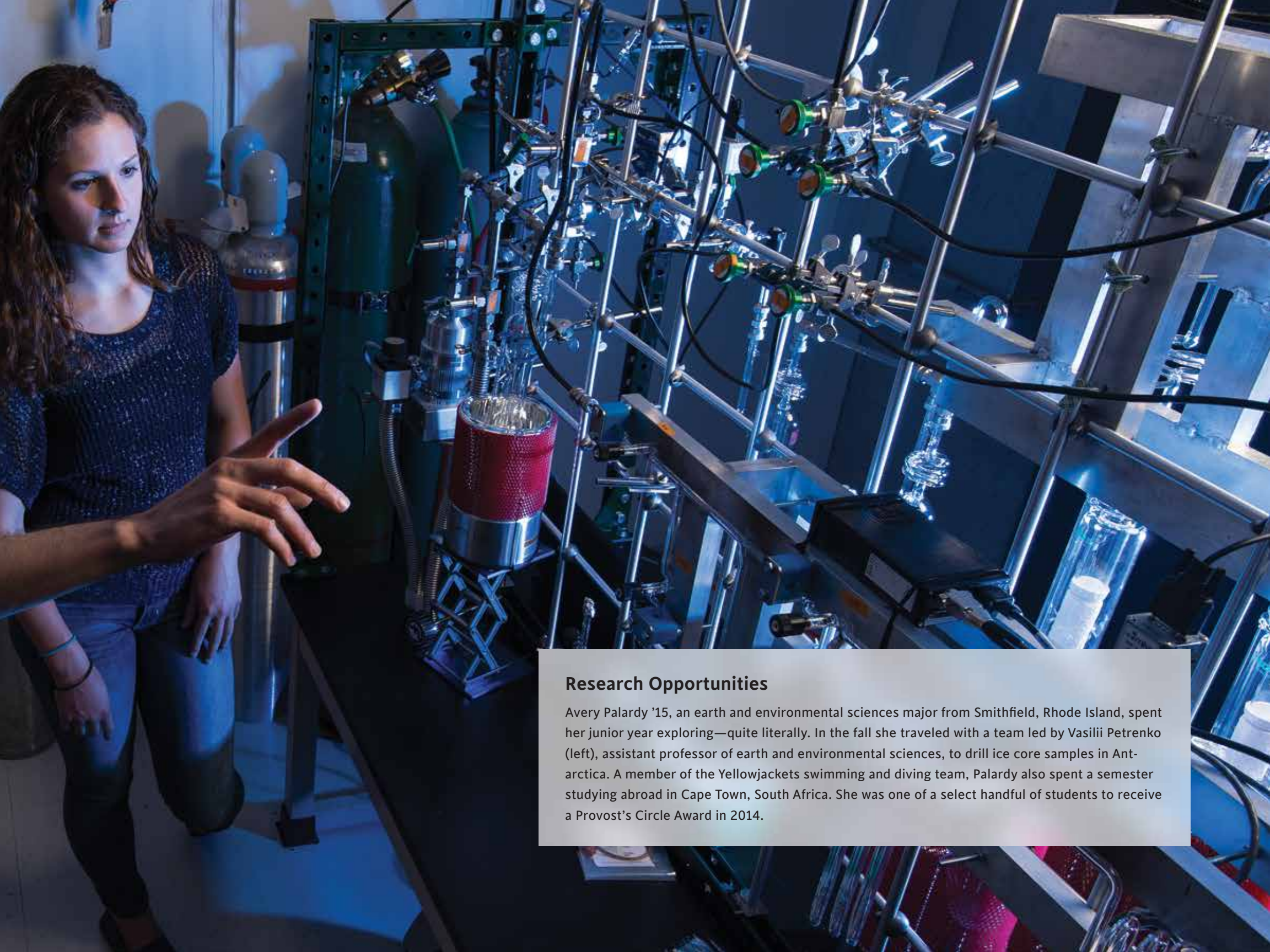


National Science Foundation

Amanda Chen '14, a biomedical engineering major from Danville, California, received a National Science Foundation Research Fellowship. She also received a scholarship from the Whitaker Foundation's international program to conduct graduate study at the University of Cambridge.



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Research Opportunities

Avery Palardy '15, an earth and environmental sciences major from Smithfield, Rhode Island, spent her junior year exploring—quite literally. In the fall she traveled with a team led by Vasilii Petrenko (left), assistant professor of earth and environmental sciences, to drill ice core samples in Antarctica. A member of the Yellowjackets swimming and diving team, Palardy also spent a semester studying abroad in Cape Town, South Africa. She was one of a select handful of students to receive a Provost's Circle Award in 2014.

Give Peace a Chance

Marissa Balonon-Rosen '14, '14E coordinated a two-month-long project called "Pianos for Peace," in which she and Lauren Petrilli '13 placed pianos in public spaces as a way to encourage residents to play the pianos, take lessons with volunteer teachers, interact with students and other community members, and turn the pianos into works of art.

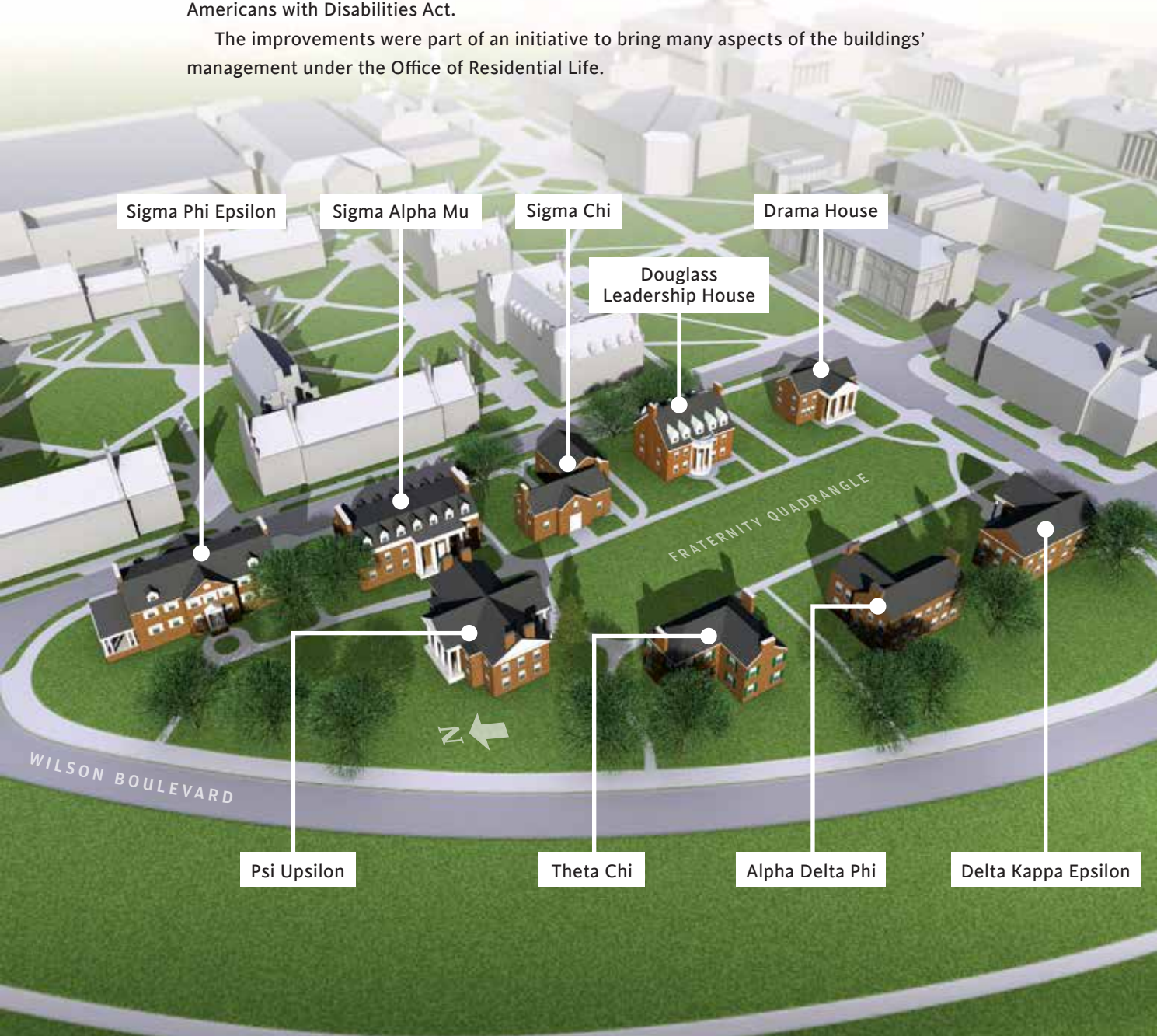


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Fraternity Quad Refurbished

The historic Fraternity Quad received a substantial facelift, thanks to a multimillion-dollar investment by the University. Six of the houses, many of which date to the opening of the River Campus in the 1930s, received major upgrades and improvements to address aging mechanical and electrical systems and to make sure the structures comply with the Americans with Disabilities Act.

The improvements were part of an initiative to bring many aspects of the buildings' management under the Office of Residential Life.



UNIVERSITY ATHLETICS

Super Season

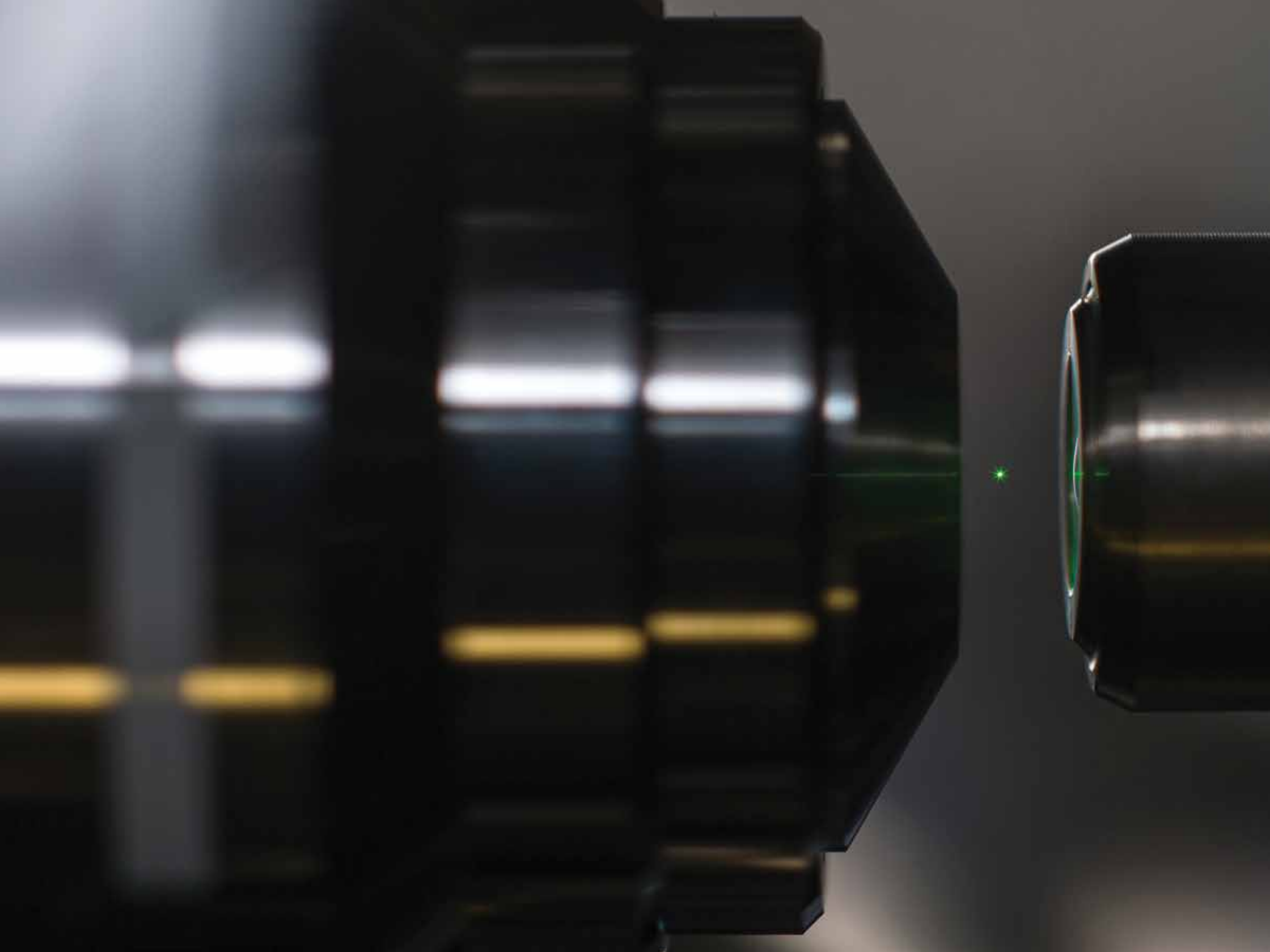
The Yellowjacket softball team made the program's first trip to the NCAA Division III national championship this spring, capping off a season that included a No. 13 national ranking, hosting the program's first super regional and an earlier regional competition. The team won the Liberty League championship and just missed tying the program's record for most wins in a season, finishing at 32-14.

Storied Seasons

A total of 16 student-athletes earned All-America honors for their accomplishments during the 2013-14 seasons, one of the most distinguished years in athletics history.

- Keith Grafmeyer '15
- Alex Swanger '15
- Neil Cordell '16
- Ryosei Kobayashi '17
- Mario Yanez Tapia '17
- Lauren Bailey '15
- Vicky Luan '16
- Karen Meess '14
- Khamai Simpson '17
- Emily Simon '17
- Alex Veech '17
- Danielle Neu '17
- Nicholas Palladino '14
- Emily Widra '15
- Tayler Fravel '14
- Nina Korn '14

STEVE BOERNER



An Ever Greater Research University

“[The] research enterprise, placed firmly in a residential educational setting, also contributes immeasurably to the strengths and distinctiveness of undergraduate education. . . . Our opportunity in the 21st century is to accelerate our progress by building on our greatest strengths—our faculty, our outstanding academic departments and schools, and our multidisciplinary programs.”

—President Joel Seligman and Provost Peter Lennie

“Aiming Higher: The University’s Strategic Plan, 2013–2018”

◀ A diamond with a diameter roughly a thousandth the size of a human hair floats in free space, trapped by a laser as part of a series of experiments led by Nick Vamivakas, assistant professor of optics, and Levi Neukich, a PhD student in physics. The work explores a new optical approach to measuring friction in materials at the scale of microns, research that may have implications for developments in computing and communications technologies.

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Destiny with Data

The University plans to be a big player when it comes to big data. Rochester announced a \$50 million commitment—in addition to more than \$50 million spent in recent years—to greatly expand work in the burgeoning field of data science.

The initiative will include the creation of an Institute for Data Science, construction of a state-of-the-art building to house it, and as many as 20 new faculty members with expertise in the field.

The proposed \$25 million, 50,000-square-foot facility will create a science and engineering quadrangle flanked by Hutchison and Goergen Halls, Carlson Library, and the Computer Studies Building.

The new building will be named in honor of the Wegman family in recognition of \$10 million in leadership support for the project from the Wegman Family Charitable Foundation.

The building will become a home for faculty in medicine, science, and engineering, the humanities, education, business, and other disciplines to conduct data science research and studies.

J. ADAM FENSTER



▲ On behalf of the Wegman Family Charitable Foundation, University Trustee Danny Wegman announced a \$10 million gift for data science and a \$7 million gift for the new Golisano Children's Hospital.

◀ A new building for the Institute for Data Science (opposite, in a conceptual rendering by Kennedy & Violich Architecture, Ltd.) will complete a science and engineering quadrangle flanked by Hutchison and Goergen Halls, Carlson Library, and the Computer Studies Building.

KENNEDY & VIOLICH ARCHITECTURE

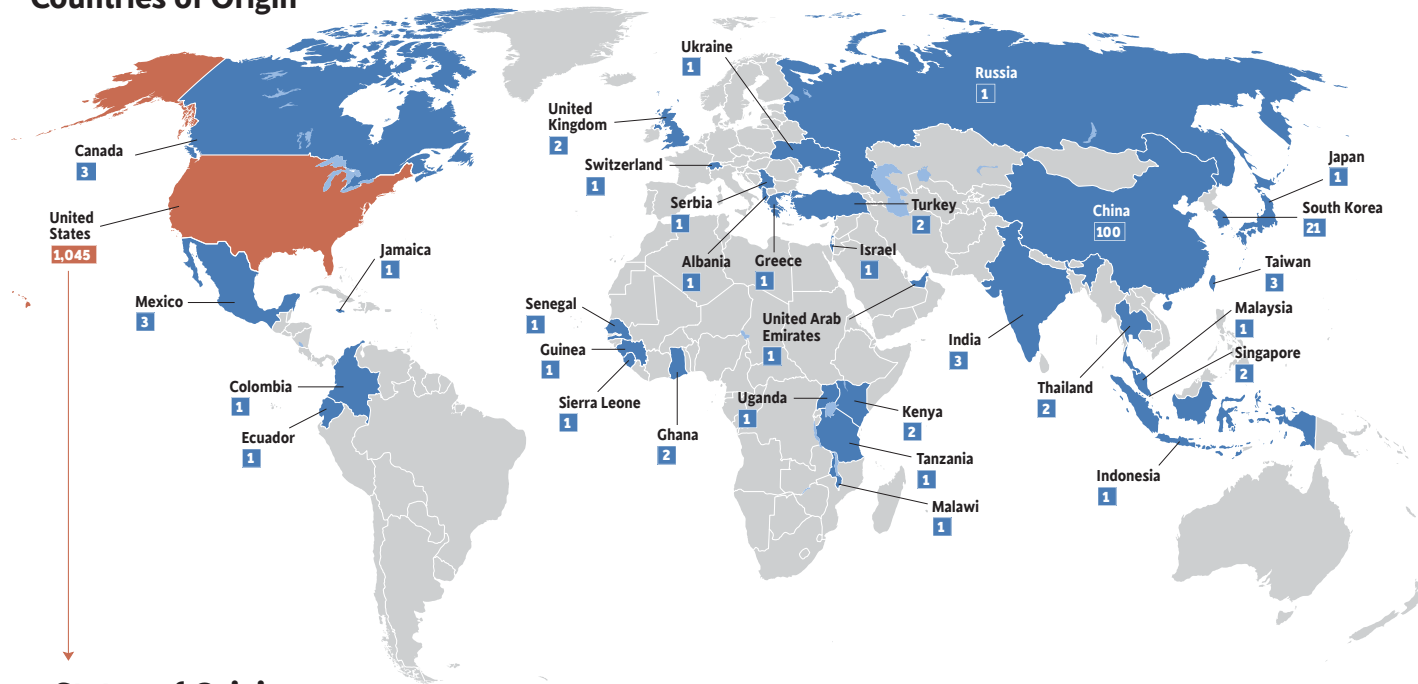


Moments of Mastery

British cellist Steven Isserlis leads a master class in Hatch Recital Hall during a visit to the Eastman School of Music in February. The acclaimed musician was one of several leading musical artists who shared their experiences with Eastman students over the course of the year. Others included violinists Christian Tetzlaff and Irvine Arditti, pianist Leon Fleischer, soprano Dawn Upshaw, and flutist James Galway.

EASTMAN SCHOOL OF MUSIC

Countries of Origin



States of Origin

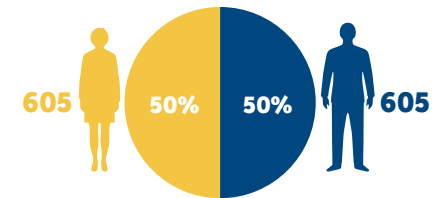
6	Alaska	3	Kentucky	1	Oklahoma
8	Arizona	8	Maine	11	Oregon
1	Arkansas	24	Maryland	58	Pennsylvania
30	California	95	Massachusetts	1	Puerto Rico
14	Colorado	6	Michigan	8	Rhode Island
23	Connecticut	4	Minnesota	2	South Carolina
2	Delaware	6	Missouri	4	Tennessee
2	District of Columbia	1	Montana	22	Texas
18	Florida	9	New Hampshire	1	Utah
6	Georgia	47	New Jersey	7	Vermont
5	Hawaii	1	New Mexico	13	Virginia
19	Illinois	514	New York	10	Washington
6	Indiana	5	North Carolina	2	West Virginia
4	Iowa	1	North Dakota	1	Wisconsin
1	Kansas	34	Ohio	1	Wyoming

Senior Portrait

More than 1,200 undergraduates in the College received degrees during the 2014 commencement ceremonies. Here's a snapshot of where the students in the graduating class came from, and what they studied at Rochester.

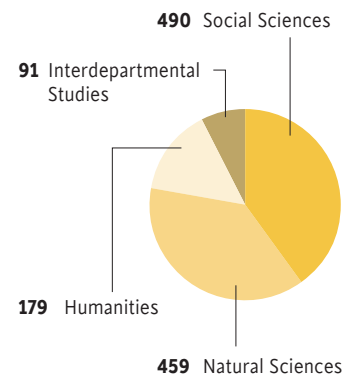
Gender Breakdown

The 1,210 members of the 2014 graduating class divide equally between men and women.

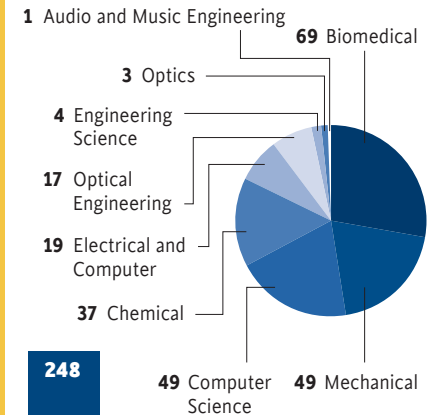


Distribution of Majors in the College

ARTS & SCIENCES (BY DIVISION)



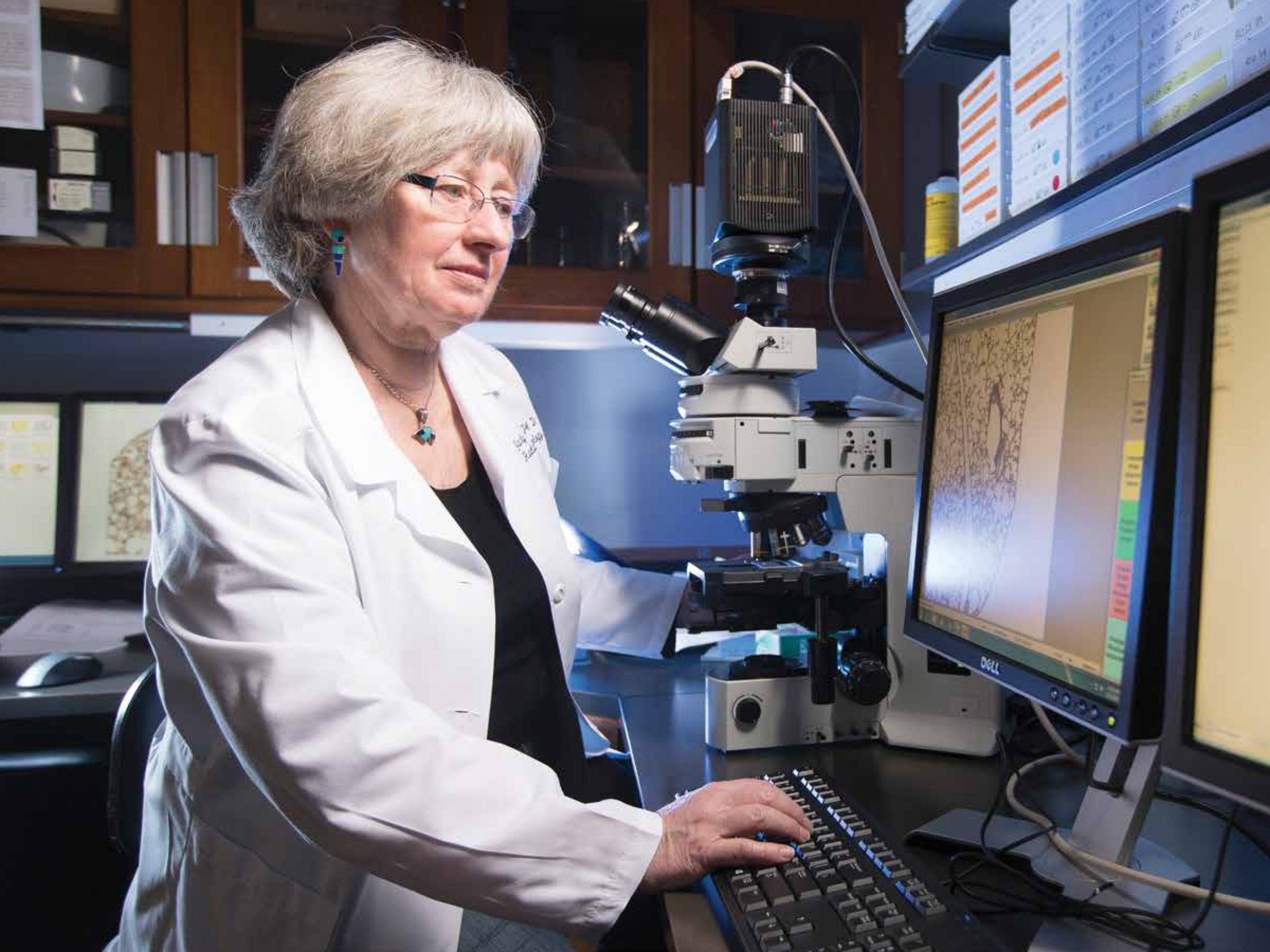
ENGINEERING

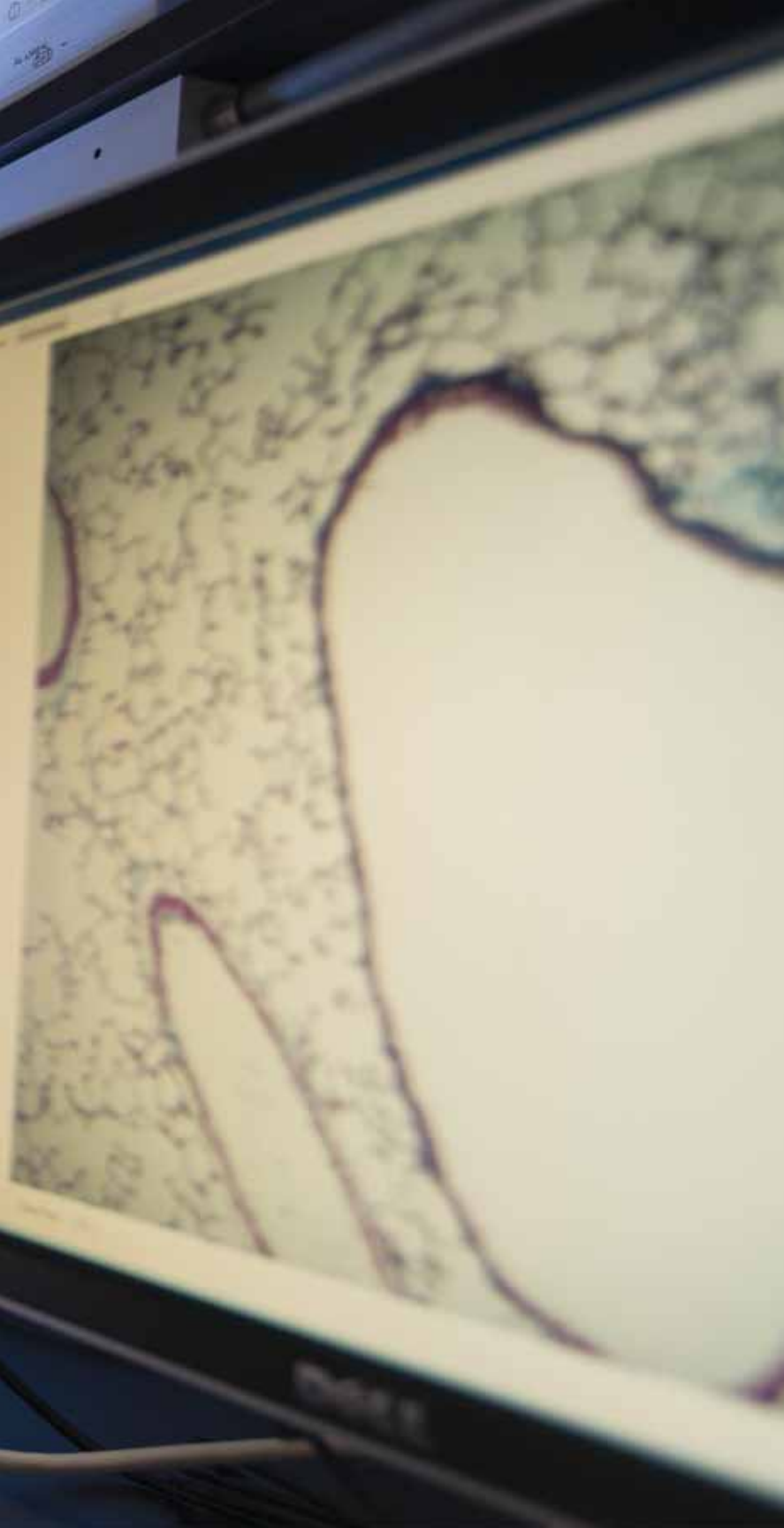


(Note: Information includes double and triple majors.) TOTAL

1,219 TOTAL

248 TOTAL





Ever Better Care

“Over time the Medical Center is evolving into a health system where increasingly tertiary and quaternary care will be referred to our flagship hospital, Strong Memorial, while routine cases more often will be handled at locations throughout our region. We are particularly focusing on becoming the referral center of choice for pediatrics, cancer, cardiovascular, neurology, and orthopaedics.”

—President Joel Seligman, address to the Faculty Senate, September 2014

◀ Jacqueline Williams, professor of environmental medicine in the School of Medicine and Dentistry and of radiation oncology at the Wilmot Cancer Institute, explores how to predict which people are more likely to suffer harm from radiation when they are treated for cancer. She has been recognized by colleagues in the leading worldwide academic societies for her research.

MATT WITTMAYER



An Expanding Network . . .

A former hospital in Brockport, New York, became part of the Medical Center's growing network of clinical centers covering much of western New York.

The network also includes F. F. Thompson Hospital in Canandaigua, Highland Hospital, and three collaborating institutions: Noyes Memorial Hospital in Dansville, Jones Memorial Hospital in Wellsville, and Wyoming County Community Health System in Warsaw.

The network reflects an effort to prepare the Medical Center for an emerging shift to a "population health" approach to care, in which physicians, nurses, and other health care professionals manage the wellness of a large population.

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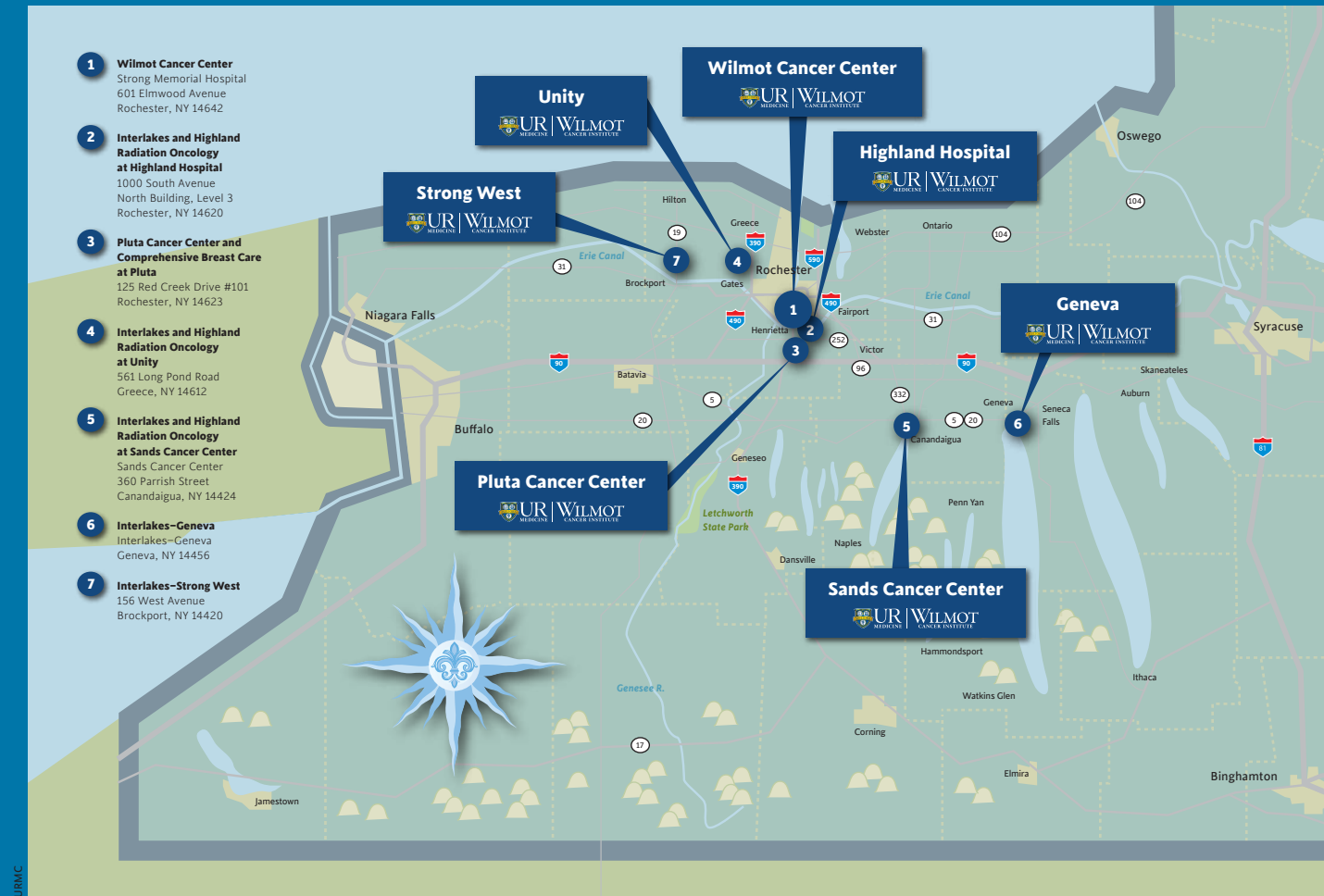


MEDICINE of THE HIGHEST ORDER

... and a New Name

As the University's health care network has grown, so has its commitment to provide a wide breadth of clinical care services for patients and their families.

That growth was captured in the network's new name: UR Medicine. Intended to better capture the breadth of patient care services that the University's clinical units deliver across all affiliated institutions and collaborative programs, the new identity will be used to incorporate all aspects of the patient care network. Those include Strong Memorial Hospital (along with its components Golisano Children's Hospital, Wilmot Cancer Institute, Flaum Eye Institute, Strong West, and others), Highland Hospital, Thompson Health, Eastman Institute for Oral Health, the Highlands at Brighton, the Highlands Living Center, and the University of Rochester Medical Faculty Group.



Wilmot Cancer Institute Expands Its Mission

The University's clinical and research programs in cancer, along with a growing network of satellite locations, have been reorganized under the newly launched Wilmot Cancer Institute. As part of an effort to expand and deepen the institute's mission, UR Medicine also launched a \$30 million comprehensive campaign with a focus on cancer research. The spring announcement included \$4 million in support from the Wilmot family and the James P. Wilmot Foundation. With the James P. Wilmot Cancer Center at the Medical Center as its hub, the new institute encompasses seven satellite treatment facilities and all cancer research activities at the University.





An Ever Greater Commitment to Success

“This is a special day, literally a red-letter day; I encourage everyone to take a deep breath and stop and smell the roses. It’s important to celebrate the victories.”

—President Joel Seligman during a November 20 announcement that *The Meliora Challenge* had passed the \$1 billion mark in 2013. Planned to be completed in 2016, the Campaign is the largest comprehensive fundraising effort in the University’s history.

◀ A commitment of more than \$4 million from James Aquavella, professor of ophthalmology, pushed *The Meliora Challenge* past the historic \$1 billion mark. A clinician and researcher in the Flaum Eye Institute, Aquavella made the gift in memory of his late wife, Kay, who was a nurse and administrator at the institute.

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Campus Commitments

Since holding the first classes in rented space in a single building in downtown Rochester in 1850, the University has grown to a multicampus complex that recognizes its historic roots while looking to the future.

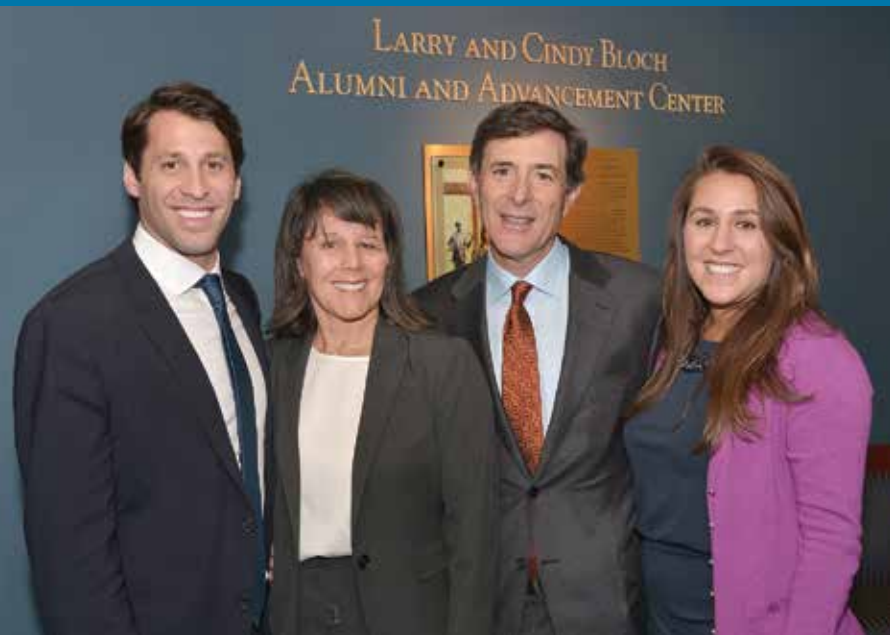
Golisano Children's Hospital

The largest single capital project in the University's history, the new Golisano Children's Hospital features 245,000 square feet of space dedicated to children and their families. Construction began in fall 2012, and the building is scheduled to open in 2015. The hospital is named in honor of B. Thomas Golisano, founder and chairman of Paychex, Inc. He became the namesake in 2002, in recognition of his \$14 million gift that helped the Medical Center recruit outstanding faculty and expand programs in areas such as cardiac care, general surgery, and neuro-medicine. In 2012, Golisano made an additional gift of \$20 million, which kicked off the campaign for the new building.

More recently, the project received significant support from the Wegman Family Charitable Foundation.



BRANDON VICK



Bloch Alumni and Advancement Center

The Alumni and Advancement Center has been renamed the Larry and Cindy Bloch Alumni and Advancement Center in recognition of the couple's support of the University and, in particular, its Advancement programs. University Trustee Larry Bloch '75 chairs the Board's Development Committee and has served on several leadership committees for the Board of Trustees. He and his wife, Cindy, also established the James D. Thompson Chief Advancement Officer position.

◀ Larry '75 and Cindy Bloch (center) were joined by their children, Matt '13S (MBA) (left) and Reisa (right), to mark the dedication of the Larry and Cindy Bloch Alumni and Advancement Center.



Eastman Quad Evolves

Some of the historic buildings on the Eastman Quadrangle will have some of their historic luster restored. University Trustee Ronald Rettner has established the Ronald Rettner Campus Improvement Fund to support work to revamp the iconic halls as learning spaces and to bring them up to date for the 21st century. The project began this summer with a multifloor renovation of Morey Hall.



Introducing the Prince Athletic Complex

Rochester's athletic facilities, including Fauver Stadium, are undergoing a significant renovation and expansion.

Construction began this summer and includes infrastructure and other improvements to Fauver Stadium, the Lyman Outdoor Tennis Center, the baseball field, and outdoor practice areas.

The complex has been renamed the Brian F. Prince Athletic Complex in recognition of a lead gift from Brian Prince '86, '89S (MBA) in honor of his parents, Richard and Christine Prince.

Prince, the president and chief executive officer of ORIX USA Corporation, was recruited to the University's men's soccer program in 1982, where he served as team captain.



Believe.

City of Rochester, NY
Loraly A. Warren, Mayor
Rochester City Council

Give where
you Live.





J. ADAM FENSTER

An Ever More Important Community Role

“We’re all in this together. As our Board Chair Ed Hajim ’58 has often noted, ‘A great university can be no greater than the community in which it lives.’ ”
—President Joel Seligman, in remarks during a Presidential Symposium that he convened in February to explore efforts to improve the public K–12 educational system in Rochester

◀ Outside the venerable Eastman Theatre, Gibbs Street is transformed into “Jazz Street” during the annual Xerox Rochester International Jazz Festival, a weeklong celebration of music. Many of the spaces of the Eastman School of Music, as well as the sidewalks of Gibbs and Main Streets, and the neighborhoods surrounding Eastman in downtown Rochester also are the vibrant venues for many of the activities during the First Niagara Rochester Fringe Festival, a two-week celebration that regularly attracts more than 50,000 people.

Improving East High School

The University has embarked on a project aimed at helping improve Rochester's East High School. Working with the New York State Education Department, the Rochester City School District, its collective bargaining units, and the East High School community, the University received approval to finalize a proposal to allow the Warner School of Education to become the equivalent of the superintendent of East High. If the plan is approved by the state, the University, led by Steve Uebbing, professor at the Warner School, would provide overall management and supervision of East High.

"We began this work because of our commitment to our city and its K-12 students and because we believe there are few challenges more important to our country than revitalizing K-12 education in urban environments," President Joel Seligman said in announcing the partnership. "This is a core mission for a school of education."



A New Interchange

A \$14.8 million project to improve safety and mobility along Interstate 390 just south of the University is expected to set the stage for economic development projects, including expansion at the University, helping to create new jobs and boosting the region's profile.

The project, which got under way last June and is part of a larger \$70 million project to improve access in the area, an initiative spearheaded by the University and regional political, economic, and business leaders.

25th Annual Wilson Day

Members of the Class of 2017 help landscape an area of Henry Lomb Park in Rochester during this fall's annual Wilson Day. Named in honor of Xerox founder Joseph Wilson '31 and part of orientation activities since 1988, the initiative is designed to help each freshman class get to know the Rochester area by working with service, civic, and social agencies for a day of community service.



A large, light-colored, textured sculpture of a head dominates the left side of the image. In the foreground, a smaller sculpture of a face with two circular eyes and a simple mouth is visible. A woman with long blonde hair, wearing a red t-shirt and blue jeans, stands on top of the smaller face sculpture, smiling. The background shows a clear blue sky and some bare trees.

Centennial Sculpture Park Dedicated

A 10-acre showcase of public art and landscaped urban space, Centennial Sculpture Park is designed to celebrate the Memorial Art Gallery's cultural leadership as well as to build stronger ties to the gallery's surrounding neighborhoods. The park was dedicated with several ceremonies in the summer and fall of 2013.

Guided by the belief of the museum's chief benefactor, Emily Sibley Watson, that a world-class museum enriches the cultural and civic life of the community, the park features installations by four internationally recognized sculptors as well as sculptures from the gallery's collections, interactive walkways, whimsical gathering places, and venues for public performances—all integrated with other arts and cultural initiatives such as ARTWalk, an effort to transform the Neighborhood of the Arts into an outdoor museum.

Data Points

- **25,768: full- and part-time employees**
- **\$1.5 billion: paid in wages to employees living in the Rochester Metropolitan Area**
- **\$241 million: spent per year on capital projects (five-year average)**
- **\$196 million: goods and services purchased in the Rochester Metropolitan Area**
- **24,700: hotel reservations**
- **59,291: patients discharged from UR Medicine hospitals**
- **1,960,51: total outpatient visits to UR Medicine's acute, emergency, urgent care facilities**
- **47,500: number of visitors to the Memorial Art Gallery**
- **22,000: attendees at headline concerts at Kodak Hall at Eastman Theatre and Kilbourn Hall**

Sources: "The University of Rochester: Economic Impact," May 2014, prepared by the Center for Governmental Research, and University insitutional data. Figures are for Jan. 1 to Dec. 31, 2013.

Leadership Transitions

Eastman School of Music

Jamal Rossi '87E (DMA), a member of the Eastman faculty and administration who has served in leadership roles in music for more than two decades, was named the Joan and Martin Messinger Dean of the Eastman School of Music. A saxophonist and professor of woodwinds, Rossi joined Eastman in 2005 as senior associate dean. In 2007, he was named executive associate dean, supervising a project to renovate Eastman Theatre and construct the Eastman East Wing. Rossi was formally named Messinger Dean in May. Last fall he was appointed dean when the late Douglas Lowry, who had served as Messinger Dean from 2007 to 2013, resigned because of illness.

Simon Business School

Andrew Ainslie, an administrator at UCLA's Anderson School of Management, was named dean of the Simon Business School. At Anderson, he oversaw the full-time MBA program, with responsibility for admissions, student services, and career placement. Ainslie joined the Anderson faculty in 2000. From 1997 to 2000 he was an assistant professor of marketing at Cornell University's Johnson Graduate School of Management. He succeeds Mark Zupan, who finished a 10-year tenure as dean on June 30.

Memorial Art Gallery Director

Jonathan Binstock is the new Mary W. and Donald R. Clark Director of the Memorial Art Gallery. Most recently a senior vice president and senior advisor in modern and contemporary art for Citi Private Bank's Art Advisory & Finance group in New York City, he brings more than a decade of curatorial work in major American museums. Binstock succeeds Grant Holcomb, who retired in August after nearly 29 years in the position.

Chief Advancement Officer

Thomas Farrell '88, '94W (MS) has been named the James D. Thompson Chief Advancement Officer and senior vice president of Advancement. Most recently the chief development officer for the University of Illinois and president/CEO of the University of Illinois Foundation, Farrell began at Rochester on November 1, 2014. He succeeds James Osterholt, who had served as interim chief advancement officer since last fall. He is the first Thompson Chief Advancement Officer, a position made possible through a gift from University Trustee Larry Bloch '75 and his wife, Cindy.



Jamal Rossi



Andrew Ainslie



Jonathan Binstock



Thomas Farrell

Financial Statements

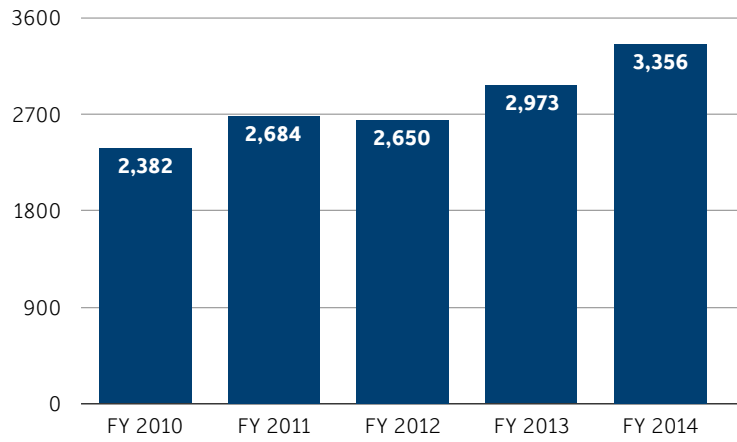
Operating Revenues (in thousands)	2014	2013
Tuition and Fees	\$ 421,397	\$ 389,344
Less: Scholarships and Fellowships	(177,904)	(162,473)
Net Tuition and Fees	243,493	226,871
Grants and Contracts	347,768	400,772
Gifts and Pledges	106,652	81,408
Hospital and Faculty Practice Patient Care Activities	2,249,400	2,078,284
Auxillary Enterprises	96,828	91,028
Royalty Income	26,025	24,299
Other Sources	58,858	51,132
Endowment Investment Income and Gains Allocated to Operations	85,729	86,766
Total Operating Revenue	\$ 3,214,753	\$ 3,040,560

Financial Statements are prepared on the accrual basis of accounting and in conformity with generally accepted accounting principles (GAAP) in the United States of America. Gifts and pledges include unconditional transfers of assets and promises to pay that are reported at net present value. Grants and contracts include governmental grants as well as grants from private and charitable foundation sources. Amounts reported under GAAP differ from totals reported in the charts on page 32, which are based on advancement industry key metric definitions.

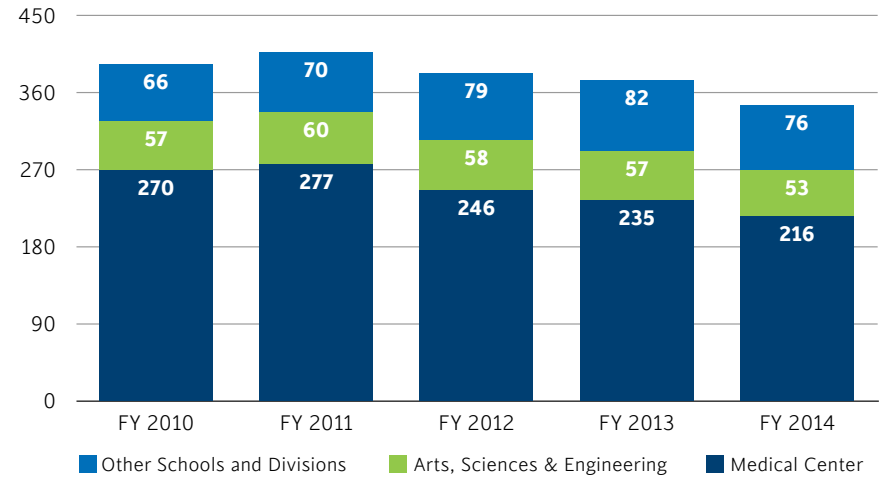
Operating Expenses (in thousands)	2014	2013
Salaries and Wages	\$ 1,545,092	\$ 1,475,021
Fringe Benefits	444,600	420,403
Total Compensation	1,989,692	1,895,424
Supplies, Business, and Professional	600,207	566,783
Utilities, Maintenance, and Facilities Costs	190,961	183,816
Depreciation and Interest	225,612	217,761
Other	74,650	70,022
Total Operating Expenses	3,081,122	2,933,806
Change in Net Assets from Operating Activities	\$ 133,631	\$ 106,754

Non-Operating Activities (in thousands)	2014	2013
Investment Income and Net Appreciation	\$ 338,326	\$ 206,962
Endowment Investment Income and Gains Allocated to Operations	(85,729)	(86,766)
Other Changes, Net	(9,841)	48,265
Change in Net Assets from Non-Operating Activities	242,756	168,461
Change in Net Assets before Cumulative Effect of Acquisition	376,387	275,215
Cumulative Effect of Acquisition	6,431	48,279
Change in Net Assets	\$ 382,818	\$ 323,494

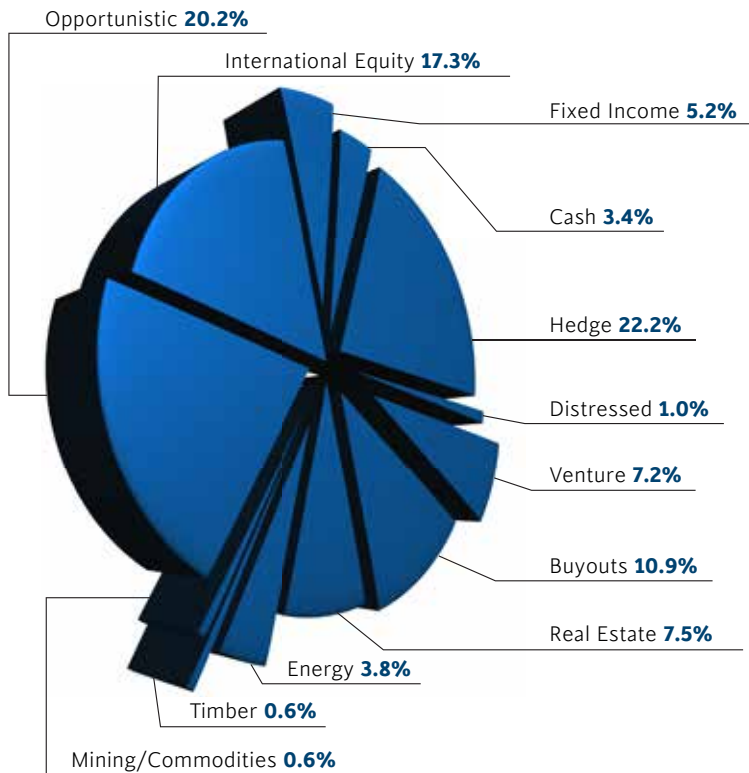
Total Net Assets (in \$millions)



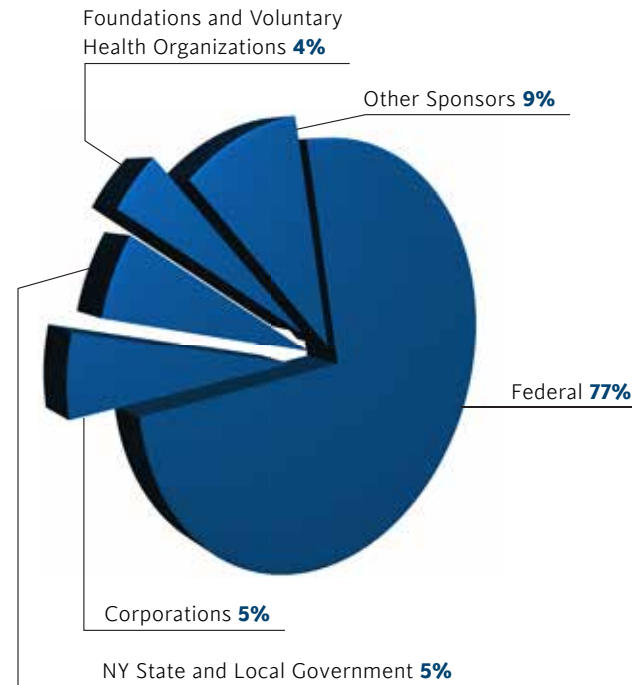
Sponsored Program Expenditure (in \$millions)



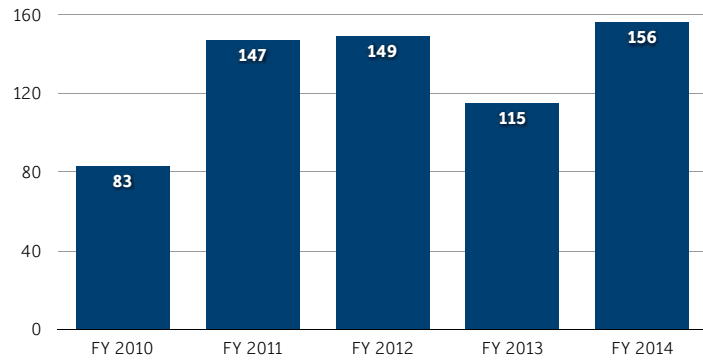
Endowment Asset Allocation



Sponsored Program Expenditure

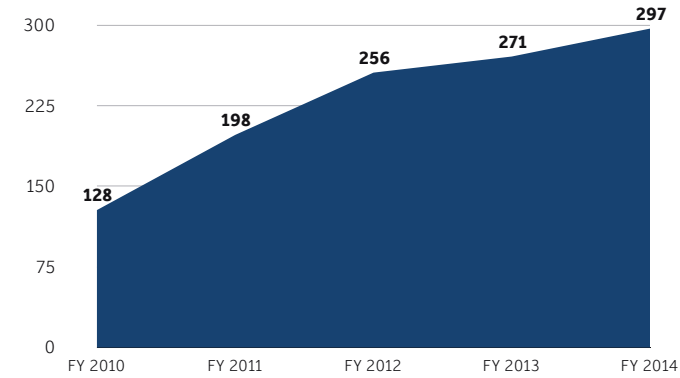


Advancement Key Metrics



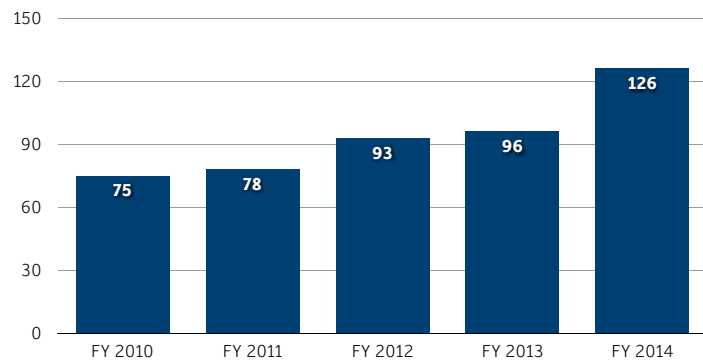
Total Commitments

For Fiscal Year ending June 30, 2014, the University booked Total Commitments of \$156M, which was 130% of the Fiscal 2014 target of \$120M. These results were a 36% increase from the Fiscal Year 2013 performance of \$115M and the largest single fiscal year commitments number in the history of the program.



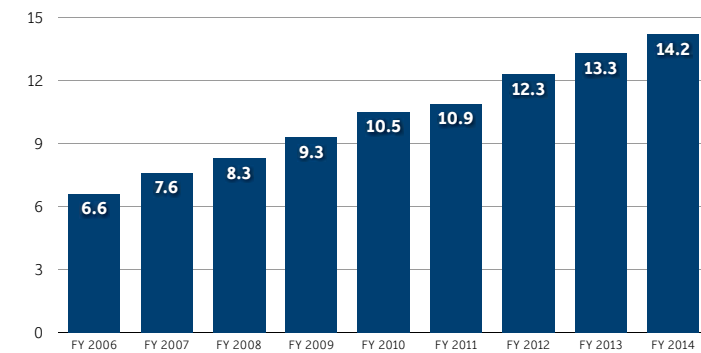
Book of Pledges

The University added nearly \$69M to the Book of Pledges in Fiscal Year 2014, drew nearly \$39M in pledge payments, and adjusted approximately \$4M in pledge balances. Total pledge balance at the end of Fiscal Year 2014 was \$297M. The current Book of Pledges is composed of approximately \$134M or 45% of pledges that are due to mature in fewer than 10 years and \$163M or 55% due to mature in greater than 10 years.



Total Cash

Total Cash booked through June 30, 2014, was \$126M, which was 132% of the Fiscal Year 2014 target of \$95M. This represents a 31% growth over the Fiscal Year 2013 Total Cash number of \$96M. New Cash, as defined by Outright Gifts + Current Year Payments (payments received in the same fiscal year as the pledge was made), contributed \$87M, a 37% growth to the overall Total Cash number. Prior Year Payments (payments on pledges received in prior fiscal years) contributed the remaining \$39M, a growth of 20% from Fiscal Year 2013.



Annual Fund Cash

The Annual Fund delivered another strong year ending at \$14.2M in cash received for Fiscal Year 2014. This performance marked the ninth-consecutive year of growth. Strong performance from George Eastman Circle, which accounts for approximately half of the cash received, drove the momentum to surpass the Fiscal Year target of \$13.9M. The Annual Fund is still on track to triple by Fiscal Year 2016 from its pre-Campaign base Fiscal Year 2005.

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