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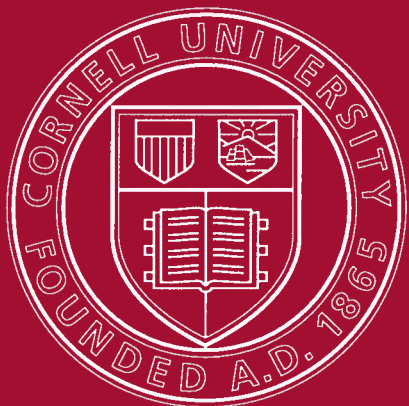
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Financial Plan

Operating and Capital

May 2010



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FROM THE VICE PRESIDENT FOR PLANNING & BUDGET

To the Cornell University Board of Trustees:

This booklet summarizes Cornell University's 2010-11 financial plan, which is being submitted to the Board of Trustees for review and approval. The document includes detailed budgets for the two operating divisions of the university and a summary capital plan. Operating revenue is expected to decline by 2.2 percent for the Ithaca campus in 2010-11 and grow by 7.4 percent for the Joan and Sanford I. Weill Medical College and Graduate School of Medical Sciences (including the Weill Cornell Medical College in Qatar). Overall, revenues are planned to increase 1.4 percent from the current-year forecast, to \$3.115 billion, and operating expenditures to increase 2.7 percent, to \$3.124 billion.

At the end of fiscal year 2009-10, the Ithaca campus will have a recurring annual expenditure deficit of nearly \$102 million. Actions are being taken to permanently reduce the deficit, which will result in a deficit of \$39.5 million on the Ithaca campus by the end of fiscal 2010-11. Weill Cornell Medical College will have an \$11.5 million operating surplus at the end of the 2010-11 fiscal year. The capital planning process was changed this year with new principles adopted to guide the activity. For 2010-11, the capital plan, which addresses Cornell's most important facility needs, shows estimated expenditures of \$409.5 million for approved projects in 2010-11.

The New York State Legislature has not approved a 2010-11 budget as of this writing. Cornell appropriations were reduced by 2.8 percent in fiscal 2009-10, and the State University of New York has indicated that Cornell can expect a 7.7 percent reduction in state appropriations for 2010-11. The state budget outlook continues to be challenging, and it is quite possible that we will continue to experience in-year expenditure constraints in addition to reduced appropriations.

The special topics in this booklet, which begin on page 8, focus on the special initiatives we are undertaking to create operating efficiencies across the Ithaca campus, and faculty demographic and staffing trend analyses that will inform our efforts in working toward the important strategic plan goal to recruit and support a diverse and talented faculty, staff, and student body.

Cornell engaged external consultants to review our operations for savings and efficiency opportunities. As a result, potential annual savings of up to \$78 million

were identified in a number of administrative and support areas that we think can be achieved without impacting our academic mission. We established an Initiatives Coordination Office as part of the Planning and Budget function to work with a number of teams across the Ithaca campus to develop plans to achieve the savings over the next five years.

President Skorton and Provost Fuchs led a number of important planning processes over the past year in an effort to prepare Cornell for the future even as we are experiencing a decline in operating resources. We've worked with colleagues across the campus to develop a strategic plan that identifies an overarching aspiration for the university: to be widely recognized as a top-ten research university in the nation and the world, and a model university for the interweaving of liberal education and fundamental knowledge with practical education and impact on societal and world problems. The strategic plan treats Cornell University as a single unit in recognition of the challenges and opportunities of Cornell's changing environment. We expect to gain enhanced institutional capacity as we work together to implement the strategic plan. To this end we formed a Budget Model Task Force to review the complex budget environment at Cornell. The task force returned a recommendation to adopt a singular approach to budget planning for the Ithaca campus. A campus-wide team has now been assembled to develop a plan to implement the task force's recommendations.

The financial plan detailed in this booklet includes budget allocations and a suite of capital construction projects (which are either contemplated or underway) that will help us achieve the strategic objectives coming out of these many planning activities. In addition, our fundraising drive – *Far Above... The Campaign for Cornell* – will help us advance these priorities over the long term and is more than two-thirds of the way toward its fund-raising goal. We continue to depend on the guidance and help of trustees, faculty, staff, students, alumni, and friends to make these plans a reality.



Elmira Mangum
Vice President for Planning and Budget

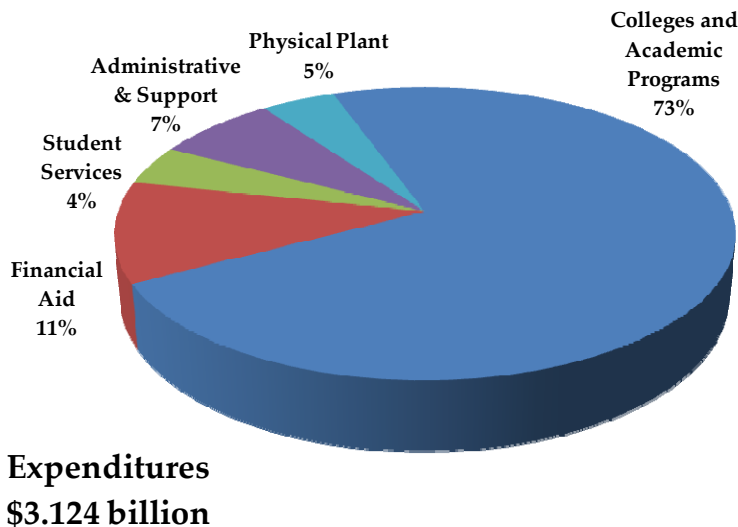
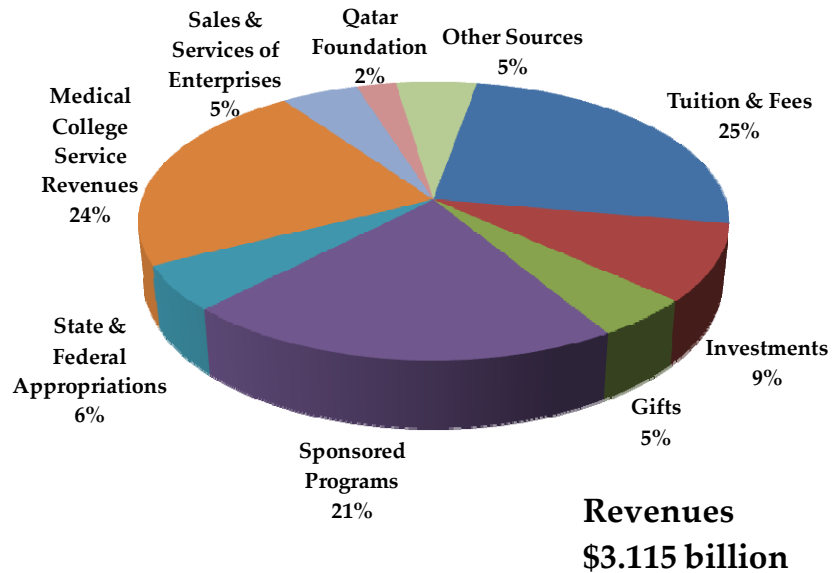
OPERATING PLAN - HIGHLIGHTS

Cornell's composite 2010-11 operating plan is illustrated below. As shown, the proposed plan includes:

- A \$39 million projected deficit balance, after factoring in net transfers to and from non-operating funds, is planned for fiscal 2010-11 operations for the Ithaca campus, while the Medical College, including the Qatar campus, estimates a surplus of \$11 million.
- Salaries, wages, and benefits on the Ithaca campus are projected to decrease slightly over

the fiscal 2009-10 projection, while Medical College salaries and wages are projected to increase by 6 percent.

- Sponsored revenues are planned to decrease by 12 percent on the Ithaca campus, while the Cornell Weill Medical College and Qatar Medical campuses are planning increases in sponsored direct revenues of 6 and 88 percent, respectively. The sponsored view of the fiscal 2010-11 plan for the Ithaca campus can be seen in detail in Appendix Q on page 51.



OPERATING PLAN - HIGHLIGHTS

Composite Operating Plan

(dollars in thousands)

	08-09 Actual	09-10 Budget	09-10 Forecast	10-11 Plan	Change from Forecast to Plan	
					Dollars	Percent
Resources						
1. Tuition & Fees	697,510	726,391	733,868	776,002	42,134	5.7%
2. Investment Distributions	285,176	296,789	308,743	277,736	(31,007)	-10.0%
3. Unrestricted Gifts	47,778	36,710	49,512	47,189	(2,323)	-4.7%
4. Restricted Gifts	112,006	109,050	97,023	98,601	1,578	1.6%
5. Sponsored Programs (direct)	435,181	431,605	484,699	449,907	(34,792)	-7.2%
6. Sponsored Programs (F&A)	121,606	123,396	135,994	130,732	(5,262)	-3.9%
7. Sponsored Programs (Qatar)	5,590	1,793	21,272	39,891	18,619	87.5%
8. Institutional Allowances	26,910	31,063	31,173	33,182	2,009	6.4%
9. State Appropriations	163,337	167,042	158,796	146,634	(12,162)	-7.7%
10. Federal Appropriations	18,789	17,938	17,900	18,542	642	3.6%
11. Physician Organization (PO)	513,340	522,956	555,914	610,620	54,706	9.8%
12. NYPH (purchased services)	86,718	95,300	92,966	94,690	1,724	1.9%
13. Enterprise Sales & Services	146,188	148,952	148,364	152,608	4,244	2.9%
14. Qatar Foundation	74,893	78,660	78,999	78,541	(458)	-0.6%
15. Educational Activities and Other Sources	168,748	156,963	157,605	160,156	2,551	1.6%
16. Subtotal In-Year Revenues	2,903,770	2,944,608	3,072,828	3,115,031	42,203	1.4%
Uses of Resources						
17. Salaries & Wages (including benefits)	1,715,269	1,654,684	1,660,478	1,696,491	36,013	2.2%
18. Undergraduate Financial Aid	152,025	177,351	180,500	197,546	17,046	9.4%
19. Graduate Financial Aid	130,135	137,679	142,309	148,860	6,551	4.6%
20. General Expense	733,430	745,992	752,093	800,024	47,931	6.4%
21. Qatar	80,483	80,453	99,271	117,432	18,161	18.3%
22. Other Expenses	61,523	59,407	59,000	49,524	(9,476)	-16.1%
23. University Cost Redistributions	0	0	0	0	0	
24. Subtotal Expenditures	2,872,864	2,855,566	2,893,651	3,009,877	116,226	4.0%
25. Internal Expense on Taxable Debt	0	20,349	29,500	24,500	(5,000)	-16.9%
26. Debt Repayment	68,291	93,030	118,844	89,821	(29,023)	-24.4%
27. Subtotal Debt Repayment	68,291	113,379	148,344	114,321	(34,023)	-22.9%
28. Net before Transfers	(37,385)	(24,337)	30,833	(9,167)	(40,000)	-129.7%
Transfers (To)/From Non-Operating Support						
29. Endowment	16,050	5,882	4,472	9,919	5,447	
30. Project Support	(56,150)	(41,666)	(92,000)	(61,267)	30,733	
31. Reserves	0	0	29,500	32,497	2,997	
32. Subtotal Transfers	(40,100)	(35,784)	(58,028)	(18,851)	39,177	
33. Net from Operations	(77,485)	(60,121)	(27,195)	(28,018)	(823)	

OPERATING PLAN - HIGHLIGHTS

Composite Operating Plan - By Division

(dollars in thousands)

	Ithaca Campus	Medical College	10-11 Plan	09-10 Forecast	Change from Forecast to Plan	
					Dollars	Percent
Resources						
1. Tuition & Fees	747,782	28,220	776,002	733,868	42,134	5.7%
2. Investment Distributions	236,216	41,520	277,736	308,743	(31,007)	-10.0%
3. Unrestricted Gifts	45,397	1,792	47,189	49,512	(2,323)	-4.7%
4. Restricted Gifts	49,079	49,522	98,601	97,023	1,578	1.6%
5. Sponsored Programs (direct)	316,729	133,178	449,907	484,699	(34,792)	-7.2%
6. Sponsored Programs (F&A)	83,597	47,135	130,732	135,994	(5,263)	-3.9%
7. Sponsored Programs (Qatar)	0	39,891	39,891	21,272	18,619	87.5%
8. Institutional Allowances	0	33,182	33,182	31,173	2,009	6.4%
9. State Appropriations	146,437	197	146,634	158,796	(12,162)	-7.7%
10. Federal Appropriations	18,542	0	18,542	17,900	642	3.6%
11. Physician Organization (PO)	0	610,620	610,620	555,914	54,706	9.8%
12. NYPH (purchased services)	0	94,690	94,690	92,966	1,724	1.9%
13. Enterprise Sales & Services	131,529	21,079	152,608	148,364	4,244	2.9%
14. Qatar Foundation	0	78,541	78,541	78,999	(458)	-0.6%
15. Educational Activities and Other Sources	122,802	37,354	160,156	157,605	2,551	1.6%
16. Subtotal In-Year Revenues	1,898,110	1,216,921	3,115,031	3,072,828	42,203	1.4%
Uses of Resources						
17. Salaries & Wages (including benefits)	1,026,334	670,157	1,696,491	1,660,478	36,013	2.2%
18. Undergraduate Financial Aid	197,546	0	197,546	180,500	17,046	9.4%
19. Graduate Financial Aid	132,144	16,716	148,860	142,309	6,551	4.6%
20. General Expense	413,989	386,035	800,024	752,093	47,931	6.4%
21. Qatar		117,432	117,432	99,271	18,161	18.3%
22. Other Expenses	49,524	0	49,524	59,000	(9,476)	-16.1%
23. University Cost Redistributions	(1,841)	1,841	0	0	0	
24. Subtotal Expenditures	1,817,696	1,192,181	3,009,877	2,893,651	116,226	4.0%
25. Internal Expense on Taxable Debt	24,500		24,500	29,500	(5,000)	-16.9%
26. Debt Repayment	75,828	13,993	89,821	118,844	(29,023)	-24.4%
27. Subtotal Debt Repayment	100,328	13,993	114,321	148,344	(34,023)	-22.9%
28. Net Before Transfers	(19,914)	10,747	(9,167)	30,833	(40,000)	-129.7%
Transfers (To)/From Non-Operating Support						
29. Endowment	6,641	3,278	9,919	4,472	5,447	
30. Project Support	(58,717)	(2,550)	(61,267)	(92,000)	30,733	
31. Reserves	32,497	0	32,497	29,500	2,997	
32. Subtotal Transfers	(19,579)	728	(18,851)	(58,028)	39,177	
33. Net from Operations	(39,493)	11,475	(28,018)	(27,195)	(823)	

OPERATING PLAN - HIGHLIGHTS

COMPOSITE OPERATING PLAN

Cornell's composite operating plan for 2010-11 is based on the plans of its two main divisions: the Ithaca campus and the Weill Medical College (with campuses in New York City and Doha, Qatar). The schedule on page 6 shows the overall university plan, while the schedule on page 7 presents the plan's two primary divisional components. These divisional plans are shown in detail beginning on page 15.

Resources

Revenues are projected at \$3.1 billion, an increase of 1.4 percent from the 2009-10 forecast.

- **Tuition and fee revenues are planned to increase 5.7 percent**, based on approved tuition rate increases and overall enrollment growth.
- **The net decrease in investment distributions is expected to be 10.0 percent**, primarily due to the planned 13.7 percent decrease in the Long Term Investment Pool (LTIP) payout rate, from \$2.55 to \$2.20 per share.
- **The combination of unrestricted and restricted gifts for general operations is expected to remain consistent** with the level forecast for 2009-10, consistent with fundraising campaign projections.
- **Direct costs of grants and contracts for sponsored programs are expected decrease 7.2 percent**, while recoveries of facilities and administrative costs related to those programs are projected to decrease 3.9 percent. Qatar sponsored revenues is planned to increase by 87.5 percent. Sponsored direct and facilities and administrative recovery is planned in total at \$620.5 million.
- **State appropriations are planned at \$146.6 million, representing a decrease of \$12.2 million from the 2009-10 forecast.** This projection is tentative based on projections provided by the State University of New York (SUNY) and the New York State Department of Budget (See Appendix H, page 42, for additional details on state appropriations).
- **Revenues from the Physician Organization are projected to increase \$54.7 million over the 2009-10 forecast**, due to new and expanded programs.
- **Enterprise sales and services are projected to increase 2.9 percent**, reflecting rate increases for student housing and dining services.

Expenditures

Expenditures are planned at \$3.0 billion, an increase of 4.0 percent from the forecast for 2009-10.

- **Salaries, wages, and benefits are projected to increase \$36.0 million** or 2.2 percent, due to compensation increases.
- **Undergraduate financial aid is expected to increase by \$17.0 million or 9.4 percent over the 2009-10 forecast** due to growth in the real grant need population, increases in cost of attendance (tuition, fees, room, board, and books) and the phased implementation of special aid initiatives.
- **Graduate and professional financial aid is projected to increase by \$6.6 million** or 4.6 percent over the 2009-10 forecast due to increases in professional tuition, stipend, and health insurance rates on the Ithaca campus, offset by reductions at the Medical School resulting from the termination of a financial aid program.
- **General expenses are projected to increase \$47.9 million** or 6.4 percent over the forecast for 2009-10 due to increases in contractual, facilities, and one-time expenditures.
- **Qatar expenses** in support of the academic program and research **are expected to increase \$18.2 million.**
- **Other expenses**, including capitalized equipment and books, **are projected to decrease \$9.5 million or 16.1 percent.**

Debt Repayment

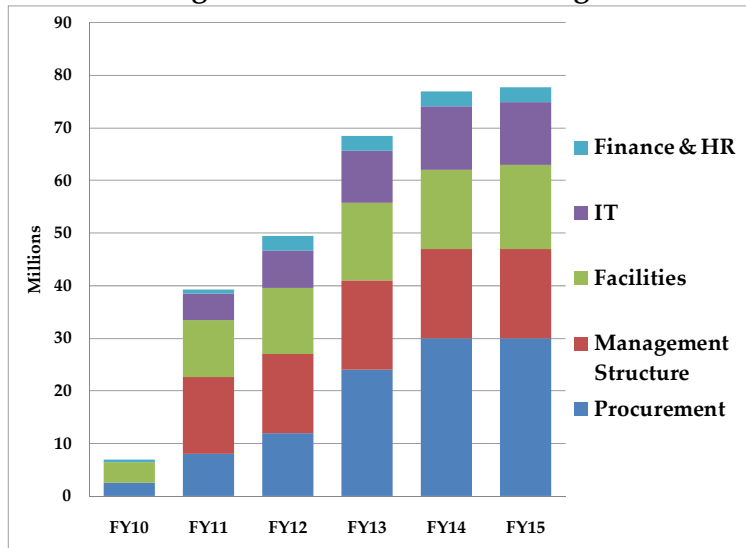
Debt repayment is projected to decrease \$34.0 million due to the early repayment of Ithaca campus debt partially offset by planned increases associated with capital projects at both the New York City campus and the Ithaca campus.

Transfers To/From Non-Operating Funds

Net transfers to non-operating funds are planned to total \$18.9 million, with \$9.9 million transferred in from funds functioning as endowment to support operations, \$61.3 million transferred to plant funds to support non-debt financed capital project expenditures and equipment renewal and replacement, and **\$32.5 million transferred in from unit reserves to support one-time expenditures.**

IMPLEMENTING ADMINISTRATIVE EFFICIENCIES

Figure 1. Estimated Cost Savings



A critical element of the financial planning over the last year has been the continuation of a targeted and aggressive review of major support functions with the objective of realizing significant on-going cost reductions while ensuring that these support activities work effectively with fewer resources. With major direction and assistance provided by consultants, a thorough diagnostic analysis was completed and potential annual cost savings opportunities were identified. The diagnostic findings were accepted by the Provost and President and a more detailed effort was launched to achieve the operational efficiencies and effectiveness improvements by fiscal 2015. The administrative cost savings and quality assurance efforts are being managed within the Division of Planning and Budget. The total on going cost savings from this work are currently estimated to be \$78 million, but capital investments of approximately \$55 million are needed during this period, predominantly for energy conservation, to fully realize these savings. The specific areas under review are reflected in Figure 1 above, with estimated cost savings that can be generated through fiscal 2015, including the following objectives:

- **Procurement:** This initiative will proactively manage spending, particularly the selection of

vendors and the negotiation of commodity pricing, and improve processes, tools, and analytical abilities. A fiscal 2011 estimated savings of \$8 million is being implemented under the direction of the Vice President for Finance and Chief Financial Officer (CFO).

- **Facilities:** This initiative will streamline and better integrate facilities support operations across campus and drive savings through energy conservation programs. Savings and service restructuring will grow to an estimated value of \$16 million at the end of the implementation. These initiatives are being managed by the Vice President for Facilities Services.

- **Information Technology:** This initiative will pursue cost savings opportunities in areas such as end-user support and application development, and strengthen processes for managing campus-wide IT activities and investments in the future. An estimated savings of \$5 million is expected in fiscal 2011, growing potentially to \$10 - \$15 million by fiscal 2015. This initiative is currently being implemented under the direction of the Interim Executive Director for

IMPLEMENTING ADMINISTRATIVE EFFICIENCIES

Cornell Information Technologies and will be managed by the Chief Information Officer when the position is filled.

- **Finance, Human Resources, and**

Communications: Efforts here will examine the delivery of financial, human resources, and communication support activities to realize efficiencies through improved integration and coordination of activities and through use of better tools and processes. An estimated savings of approximately \$3 million is expected for fiscal 2011 in total across all three functions. The implementation activities for each function will be led by the respective vice president.

- **Organization and Management of Support**

Activities: This initiative will analyze how managerial and administrative support activities are organized and leveraged to optimize effectiveness and efficiency. Total savings of \$17 million is expected from position reductions resulting from organizational restructuring in operating units across the Ithaca campus. Each individual unit restructuring will be managed by the unit leader and will be monitored by the Vice President for Human Resources and the Vice President for Planning and Budget.

- **Student and Academic Services:** This initiative is designed to optimize financial performance for housing and dining operations and to develop long-term funding strategies for elements of Athletics and Health Services operations. The potential new revenue and/or savings opportunities are currently being evaluated. The Vice President for Student and Academic Services has responsibility for implementation of any actions resulting from this initiative.

Each individual planning effort has been jointly sponsored by the responsible vice president and at least one academic dean and has typically been managed by an administrative officer from one of the colleges. This partnership has ensured that both functional and end-user perspectives are carefully considered as design recommendations are developed.

Design recommendations for each area are underway and implementation will begin immediately upon approval by the Provost and President. Emerging issues common across most initiatives include the need to establish a greater degree of centrally directed functional activities with appropriate governance and accountability structures put in place to ensure quality service and responsiveness to unit needs. In contrast to the historical practice of each operating unit managing a full complement of support functions, there are clearly opportunities to achieve efficiencies through greater scale of operations. The challenge in achieving the simultaneous goals of efficiency and effectiveness is to optimally integrate specialized and scalable business processes with well designed unit level support systems.

The Division of Planning and Budget will continue to lead, coordinate, and track the execution of implementation plans. To ensure long term sustainability, the Division of Planning and Budget will develop appropriate metrics and measures to monitor efforts to achieve full savings targets. The Office of the Vice President for Human Resources will guide the change management functions and integrate adjustments as needed across the university community through feedback mechanisms and will collaborate to establish the appropriate operating standards of quality.

CORNELL PEERS AND FACULTY SALARY COMPARISONS

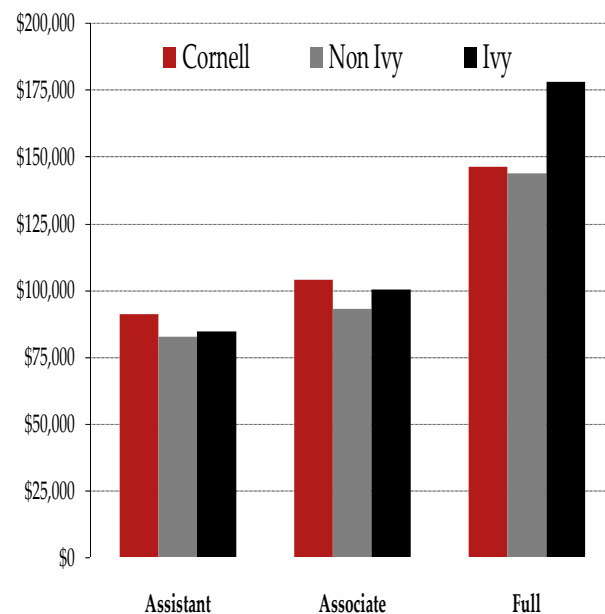
While there was no salary improvement program for the 2009-10 academic year, the average salary on the Ithaca campus for continuing faculty increased from \$123,294 in 2008-09 to \$124,098 in 2009-10, or 0.7%. This modest increase was fueled almost entirely by increases that accompanied faculty promotions either from associate to full professor, or from assistant to associate professor. As a result of a decline in the total number of faculty, there was only a 0.2% total increase in funds dedicated to faculty salaries relative to the 2008-09 academic year.

Each year as part of the salary planning process, Institutional Research and Planning provides information and market data on faculty salaries by rank and college to decision makers across campus to assist with the salary improvement program decisions. While we continue to provide this information on the Ivy League, we also provide information on our Association of American Universities (AAU) peers. Because of the breadth of the academic programs offered on the Ithaca campus, limiting the focus of such comparisons exclusively to the Ivy league would not provide a balanced picture of the market in which we recruit and compete to sustain our faculty. Table 1 on page 11 displays the results of an effort conducted this spring in which the academic deans identified their competitive peers for program quality and salary. We will use the peers identified to benchmark our faculty market planning (for the next five-year period). Comparing the salaries that we offer to universities with similar quality programs and with whom we often compete will inform our planning and decisions around faculty salary.

Clearly, among the 44 institutions identified by the Ithaca campus deans, no single institution is a “peer” to all.

The University of California at Berkeley comes closest with nine colleges. Stanford and Illinois, each with eight colleges, fall in at second. The most frequently cited Ivy peer is Penn, with seven colleges at Cornell actively competing with them for faculty, followed by Princeton with six. Columbia, Harvard, and Yale are identified as a faculty salary comparison peer by only half of the Ithaca campus colleges. Michigan and UCLA also compete with seven Cornell colleges for faculty.

Figure 2. Cornell and AAU Peers, overall



Nevertheless, when comparing Cornell's average faculty salaries by rank with those at the Ivy and other AAU institutions, as in Figure 2 above, it is clear that while Cornell does lag in comparison to the average salaries paid by Ivy institutions for full professors, it competes favorably with the Ivies for assistant and associate professors and at all ranks with the remaining non-Ivy AAU comparators.

Figure 3 on page 12 provides additional evidence of this pattern as depicted in a

CORNELL PEERS AND FACULTY SALARY COMPARISONS

representative sampling of average salary by rank comparisons with the six colleges most frequently identified across the Ithaca campus as competitive peers (Illinois, Michigan,

Stanford, U Penn, UC Berkeley, and UCLA). Figure 4 on page 12 compares Cornell faculty salaries with other private comparators.

Table 1. Ithaca Campus Faculty Salary Peers by College

	AAP	A&S	CALS	CIS	ENG	HE	ILR	Johnson	Law	Vet
Arizona						•				
Brown	•	•	•		•					
Cal Tech		•			•					
Carnegie Mellon				•	•		•	•		
Chicago		•	•			•		•	•	
Colorado State										•
Columbia	•	•	•					•	•	
Dartmouth								•		
Duke		•	•			•		•	•	
Florida			•							•
Georgia Tech					•	•				
Harvard		•	•	•			•		•	
Illinois	•	•		•	•	•	•		•	•
Iowa State						•				•
Maryland			•							
Michigan	•	•			•	•	•	•	•	
Michigan State			•							•
Minnesota			•				•			•
Missouri			•							
MIT	•	•		•	•		•			
Nebraska			•			•				
North Carolina	•	•	•							
Northwestern		•					•	•	•	
NYU		•	•					•	•	
Ohio State			•							•
Penn	•	•	•				•	•	•	•
Penn State			•			•	•			
Princeton	•	•	•	•	•		•			
Purdue			•		•					
Rutgers						•	•			
Stanford	•	•	•	•	•		•	•	•	
Texas	•		•	•	•				•	
Texas A&M										•
UC Berkeley	•	•	•	•	•	•	•	•	•	
UC Davis			•			•				•
UCLA	•	•	•			•	•	•	•	
UC San Diego			•							
USC	•		•						•	
U Washington	•	•		•		•				
Vanderbilt									•	
Virginia	•	•	•					•	•	
Washington U	•		•						•	
Wisconsin		•	•	•		•				•
Yale	•	•	•				•		•	

CORNELL PEERS AND FACULTY SALARY COMPARISONS

Figure 3. Cornell Faculty Salary Comparison Most Frequently Identified Competitive Peers

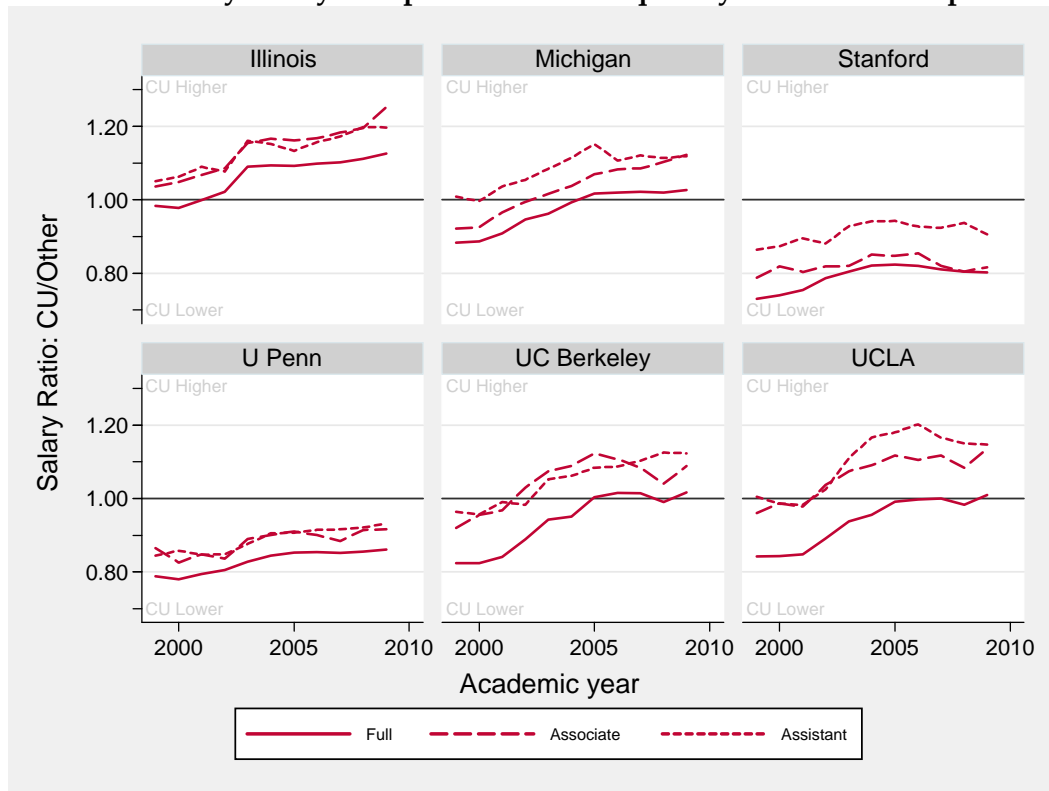
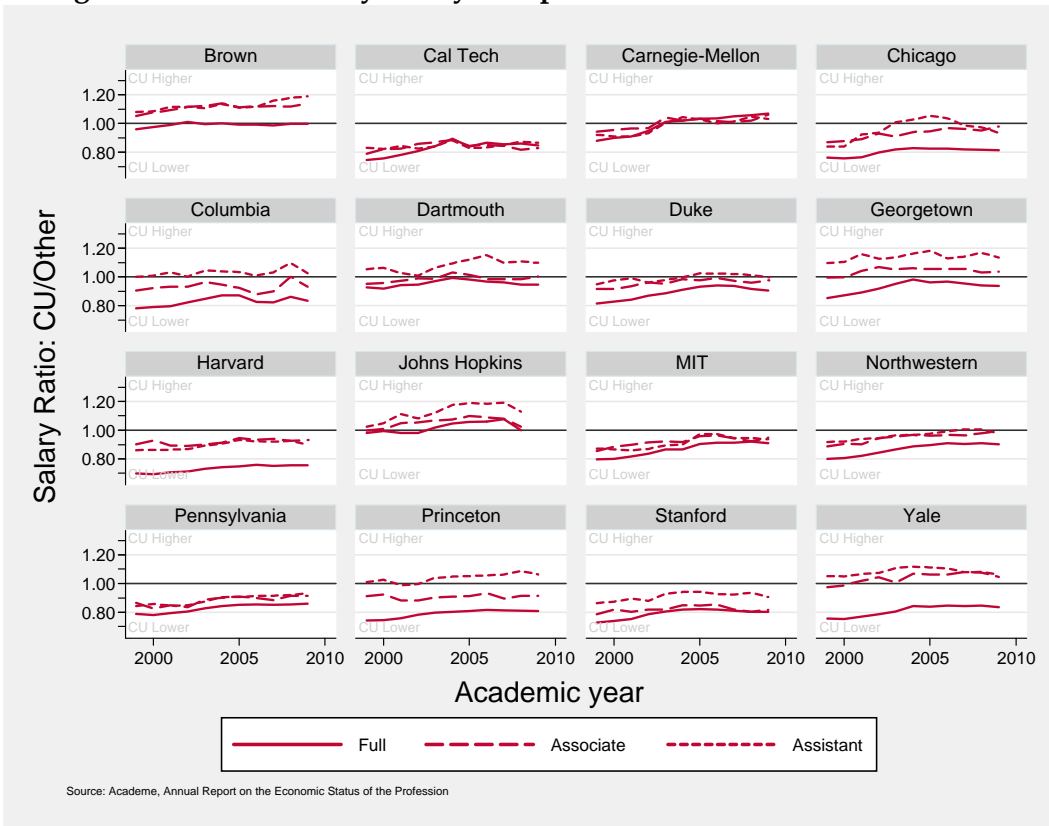


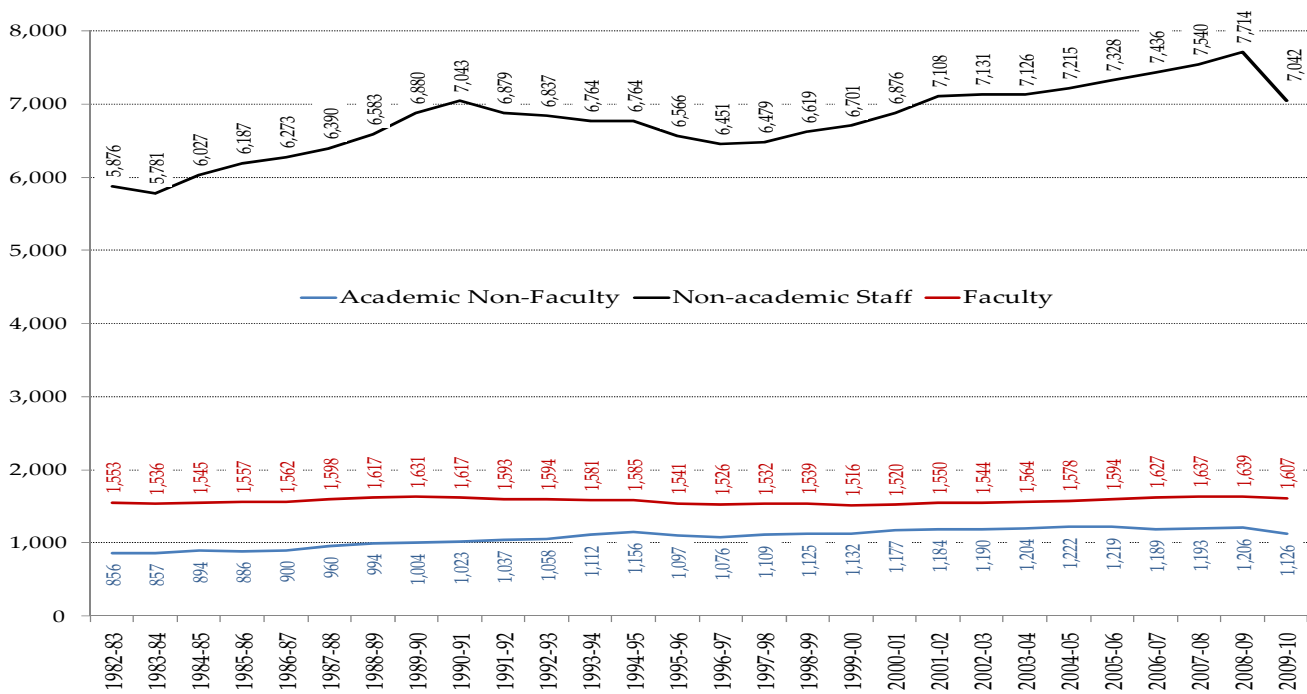
Figure 4. Cornell Faculty Salary Comparison – Select Private Universities



Source: Academe, Annual Report on the Economic Status of the Profession

STAFFING TRENDS

Figure 5. Ithaca Campus Faculty, Academic Non-Faculty, and Non-Academic Staff, Academic Years 1983-2010



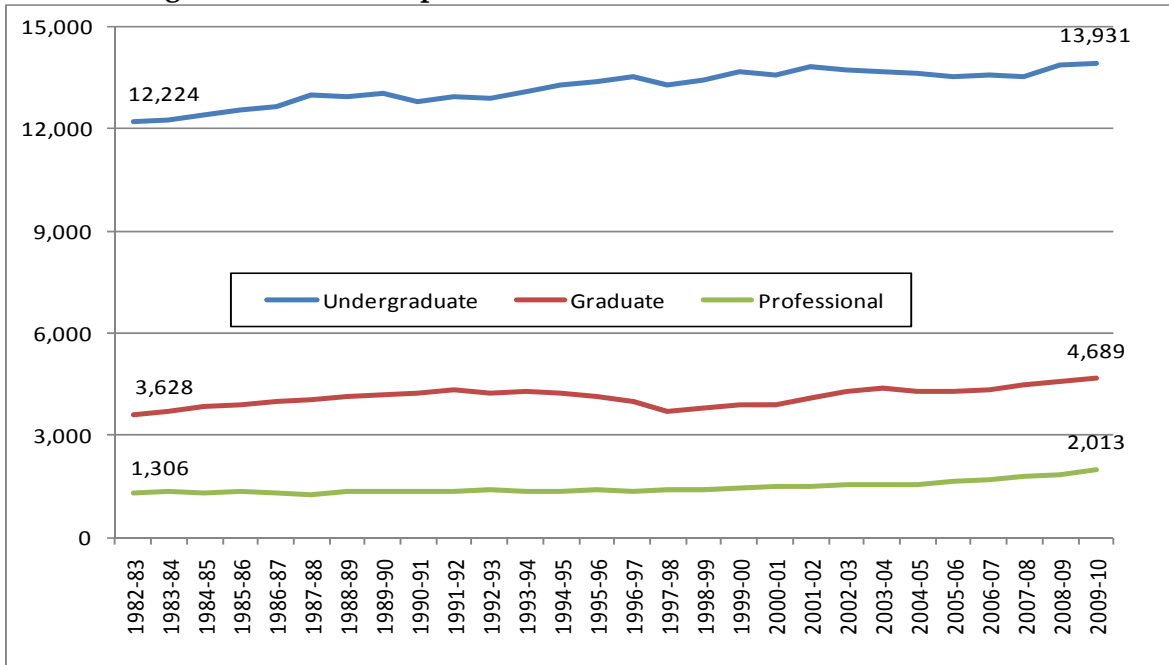
Faculty are defined here as the three professorial ranks, including clinical and acting. Adjunct, visiting, courtesy, and emeritus appointments are excluded. Academic non-faculty include instructors, lecturers, research associates, extension associates, librarians, and archivists.

Between the 2008-09 and 2009-10 academic years, the Ithaca campus workforce has decreased from 10,559 to 9,775 (-7.4%). The bulk of this decrease was in the non-academic staff, which declined by 672 (-8.7%), accompanied by a decline of 80 academic non-faculty (-6.6%), and 32 faculty (-1.9%). Additional staff reductions may result from the administrative efficiencies but cannot be quantified at this time. Looking at the longer trends displayed in Figure 5 above, from the 1982-83 academic year to the institution's peak year of employment in 2008-09, the Ithaca campus workforce increased from 8,285 to 10,559, a 27.4% increase. Factoring in the workforce reductions from 2008-09 to 2009-10, the overall growth was 1,490 employees, a 17.9% increase. Over the 27 year period from 1982-83 to 2009-10, non-academic staff

increased by a total of 1,166 (19.8%), the academic non-faculty by 270 (31.5%), while the tenure and tenure-track faculty increased by 54 (3.5%).

To put this in context, Figure 6 on page 14 indicates that the total enrollment on the Ithaca campus since the 1982-83 academic year, which did not experience a decline between 2008-09 and 2009-10, increased by 3,483 students, or 20.3%. Over this period, undergraduate enrollment increased by 1,707 (13.9%), graduate enrollment by 1,061 (29.2%), and professional enrollment by 707 (54.1%). The vast majority of the growth in professional enrollments is the result of the addition of the accelerated, boardroom, and executive MBA programs in the Johnson School.

Figure 6. Ithaca Campus Fall Enrollment, Academic Years 1983-2010

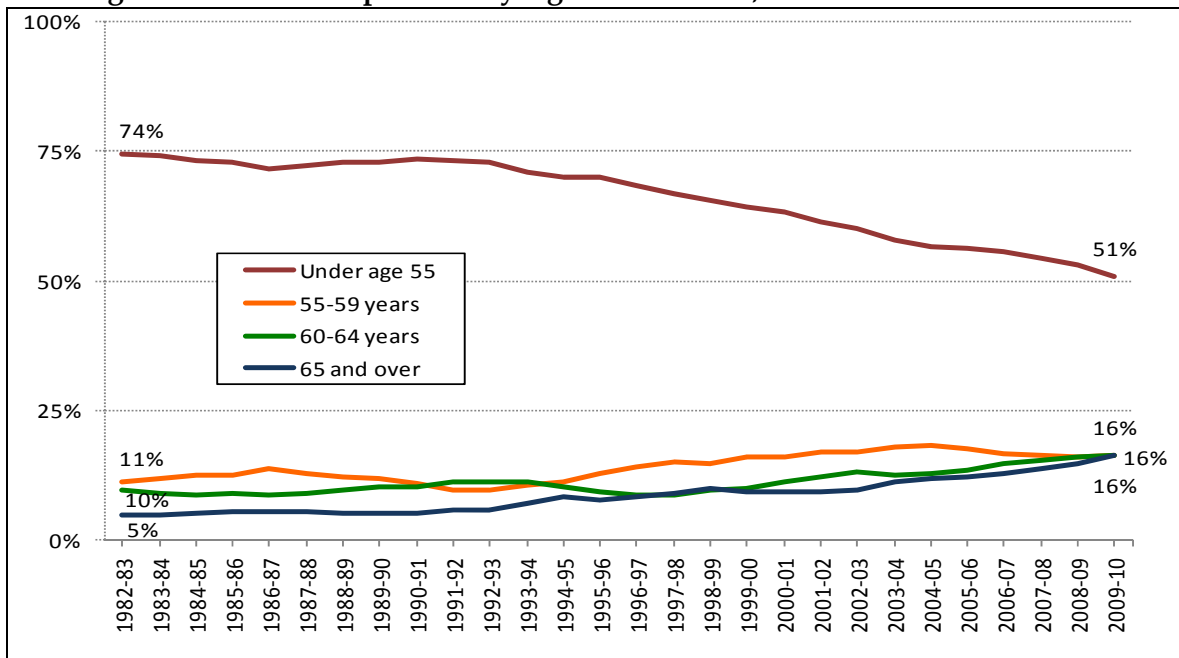


Excludes students registered in-absentia. Through Fall 2000, data are as of the third week of classes. Beginning in Fall 2001, data is from the sixth week of classes. Professional enrollments include the 2-year, boardroom, and executive MBA programs in the Johnson School, the JD and LLM programs in the Law School, and the DVM program in the College of Veterinary Medicine.

Possibly the most significant staffing challenge facing the institution is the relative aging of the faculty. As can be seen clearly in Figure 7, during the 1982-83 academic year fully 74% of the faculty were under 55 years old. Since the

early 1990s, this proportion has been steadily declining, reaching a low of 51% in the current academic year. In fact, essentially a third of the current Ithaca campus faculty are at least 60 years of age or older.

Figure 7. Ithaca Campus Faculty Age Distribution, Academic Years 1983-2010



OPERATING PLAN - DETAILS

Ithaca Campus

Resources

Revenues are planned at \$1.9 billion, a decrease of 2.2% from the 2009-10 forecast.

- **Tuition and fee revenues are planned to increase \$40.8 million**, or 5.8%, from the 2009-10 forecast based on increases in tuition rates for the Ithaca campus (see Appendix A on page 35), and planned growth in total enrollment (see Appendix C on page 37). Professional masters programs are experiencing the greatest growth. Undergraduate enrollments are stable, with an increase in the proportion of non-residents in the contract colleges.

- **Investment resources are projected to decrease \$26.9 million from the 2009-10 forecast.**

Distributions on endowment and other funds are projected to decrease by 11.0% due to a 13.7% decrease in the payout rate for the Long Term Investment Pool offset by modest growth in invested fund balances. Other planned investment activity includes a withdrawal of \$35 million for undergraduate financial aid and \$24.5 million of earnings related to the taxable debt offering.

- **Unrestricted and restricted gifts to current operations are anticipated to continue at 2009-10 projections, totaling \$94.5 million**, consistent with fundraising campaign projections.

- **Sponsored program direct and facilities and administrative costs are projected to total \$400.3 million in 2010-11, a decrease of 10.5% over the 2009-10 forecast** as a result of several large capital project grants that will not recur at the same level in 2010-11. Planned research growth in several campus units is offset by reductions in New York State research support and the transfer of the Equine Drug Testing Program to SUNY Morrisville.

- **State appropriations are planned at \$146.4 million, reflecting a net decrease of 7.7% from the 2009-10 forecast.** This estimate is tentative based on projections provided by the State University of New York (SUNY) and the New York State Department of Budget pending final approval of the state budget (see Appendix H on page 42).

Expenditures

Expenditures are planned at \$1.8 billion, an increase of 1.8% from the forecast for 2009-10.

- **Salaries and benefits are projected to decrease \$5.7 million** or 0.5%. Staffing reductions achieved through layoff, attrition, and retirement are offset by a planned 2% salary improvement program and faculty hiring.

- **Undergraduate financial aid is planned to increase by \$17.0 million or 9.4%** over the 2009-10 forecast. The majority of this increase is attributable to the rising cost of attendance (tuition, fees, room, board, and books) and the final phase of the special aid initiatives.

- **Graduate and professional financial aid is projected to rise by \$8.1 million or 6.6% over the 2009-10 forecast** due to increases in professional tuition rates, stipends, and graduate health insurance rates, along with professional masters enrollment growth.

- **General expenses are planned at \$414.0 million, an increase of \$21.7 million or 5.5% over the forecast for 2009-10.** Significant components of the total plan include \$116 million for sponsored research activities; \$84.5 million for utilities, rent, and taxes; and \$56.5 million for planned repair and maintenance costs. Additionally, \$12 million that will be supported by unit operating reserves is planned for one-time investments in academic programs, faculty start-up, and other initiatives.

- **Other expenses are projected to decrease \$9.5 million or 16.1%.** This category includes capitalized equipment, books, and other expenses.

Debt Repayment

- **Internal debt service is planned to decrease \$30.6 million or 28.7% from the forecast for 2009-10.** The 2009-10 forecast includes a significant one-time expense for early debt repayment, which will result in annual recurring savings of approximately \$10 million. The decrease is partially offset by planned increases associated with current capital projects. Internal expense on taxable debt is planned at \$24.5 million in accordance with the planned repayment schedule for \$500 million of taxable debt secured in 2008-09.

Transfers To/From Non-Operating Funds

- Net transfers to non-operating funds are planned to total \$19.6 million, with \$6.6 million transferred in from funds functioning as endowment to support operations, \$58.7 million transferred to plant funds to support non-debt financed capital project expenditures and capitalized equipment, and \$32.5 million transferred in from unit reserves to support one-time expenditures.

OPERATING PLAN - DETAILS

Ithaca Campus - Summary

(dollars in thousands)

	08-09 Actual	09-10 Budget	09-10 Forecast	10-11 Plan	Change from Forecast to Plan	
					Dollars	Percent
Resources						
1. Tuition & Fees	672,247	701,513	707,000	747,782	40,782	5.8%
2. Investment Distributions	231,931	250,961	263,100	236,216	(26,884)	-10.2%
3. Unrestricted Gifts	45,685	34,900	46,500	45,397	(1,103)	-2.4%
4. Restricted Gifts	50,785	49,000	49,000	49,079	79	0.2%
5. Sponsored Programs (direct)	319,152	315,063	358,800	316,729	(42,071)	-11.7%
6. Sponsored Programs (F&A)	78,838	79,592	88,300	83,597	(4,703)	-5.3%
7. Institutional Allowances					0	
8. State Appropriations	163,171	166,846	158,600	146,437	(12,163)	-7.7%
9. Federal Appropriations	18,789	17,938	17,900	18,542	642	3.6%
10. Physician Organization (PO)					0	
11. NYPH (purchased services)					0	
12. Enterprise Sales & Services	124,520	127,529	128,000	131,529	3,529	2.8%
13. Qatar Foundation					0	
14. Educational Activities and Other Sources	131,498	123,304	123,000	122,802	(198)	-0.2%
15. Subtotal In-Year Revenues	1,836,616	1,866,646	1,940,200	1,898,110	(42,090)	-2.2%
Uses of Resources						
16. Salaries & Wages (including benefits)	1,099,381	1,035,682	1,032,000	1,026,334	(5,666)	-0.5%
17. Undergraduate Financial Aid	152,025	177,351	180,500	197,546	17,046	9.4%
18. Graduate Financial Aid	115,437	122,026	124,000	132,144	8,144	6.6%
19. General Expense	406,328	404,466	392,300	413,989	21,689	5.5%
20. Qatar					-	
21. Other Expenses	61,523	59,407	59,000	49,524	(9,476)	-16.1%
22. University Cost Redistributions	(1,775)	(1,828)	(1,828)	(1,841)	(13)	0.7%
23. Subtotal Expenditures	1,832,919	1,797,104	1,785,972	1,817,696	31,724	1.8%
24. Internal Expense on Taxable Debt	0	20,349	29,500	24,500	(5,000)	-16.9%
25. Debt Repayment	56,147	79,556	106,400	75,828	(30,572)	-28.7%
26. Subtotal Debt Repayment	56,147	99,905	135,900	100,328	(35,572)	-26.2%
27. Net before Transfers	(52,450)	(30,363)	18,328	(19,914)	(38,242)	-208.7%
Transfers (To)/From Non-Operating Support						
28. Endowment	16,050	886	1,000	6,641	5,641	
29. Project Support	(52,430)	(39,166)	(89,500)	(58,717)	30,783	
30. Reserves	0	0	29,500	32,497	2,997	
31. Subtotal Transfers	(36,380)	(38,280)	(59,000)	(19,579)	39,421	
32. Net from Operations	(88,830)	(68,643)	(40,672)	(39,493)	1,179	

OPERATING PLAN - DETAILS

Ithaca Campus-Detail									
(dollars in thousands)									
Resources	General Purpose Budget	Agriculture & Life Sciences	Architecture Art & Planning	Arts & Sciences	Engineering	Hotel Admin	Human Ecology	Industrial & Labor Relations	
1. Tuition & Fees *	377,806	116,773	5,644	204	20,214	39,448	40,663	32,106	
2. Investment Distributions	77,010	12,225	1,605	7,375	8,012	2,296	2,853	1,542	
3. Unrestricted Gifts	12,666	8,076	233	2,703	2,222	1,000	738	796	
4. Restricted Gifts	0	14,796	300	4,537	1,184	2,113	456	1,929	
5. Sponsored Programs (direct)	0	72,702	67	20,336	42,965	0	19,605	6,238	
6. Sponsored Programs (F&A)	52,491	15,778	(21)	(1,828)	212	0	4,340	1,965	
7. Institutional Allowances	0	0	0	0	0	0	0	0	
8. State Appropriations	16,633	52,549	0	0	0	100	6,771	9,192	
9. Federal Appropriations	0	11,786	0	0	0	0	3,336	0	
10. Enterprise Sales & Services	0	0	0	0	0	0	0	0	
11. Other Sources	7,994	15,037	1,250	1,589	1,533	15,020	1,628	8,704	
12. Inter-Unit Revenue Transfers	21,371	6,405	1,848	3,391	4,212	(3,791)	(2,020)	(1,485)	
13. Subtotal In-Year Revenues	565,971	326,127	10,926	38,307	80,554	56,186	78,370	60,987	
14. General Purpose Allocations	(792,300)	0	13,138	129,871	52,284	0	0	0	
15. Total Resources	(226,329)	326,127	24,064	168,178	132,838	56,186	78,370	60,987	
Uses of Resources									
16. Salaries & Wages		152,364	11,906	100,817	70,557	23,549	35,579	26,610	
17. Employee Benefits		16,636	3,283	28,502	19,203	7,502	3,767	1,673	
18. Undergraduate Financial Aid		1,849	77	273	84	61	584	212	
19. Graduate Financial Aid		15,257	2,740	18,814	13,352	210	3,725	2,371	
20. Purchased Services		8,947	1,236	792	965	1,026	3,045	1,780	
21. Supplies & General Expense		45,647	3,146	19,501	19,889	8,733	9,678	9,928	
22. Utilities, Rents & Taxes		3,417	1,134	36	340	1,426	565	1,408	
23. Repairs & Maintenance		3,425	516	404	739	820	439	94	
24. Capital Expense		7,492	0	1,269	3,625	6	636	369	
25. Subtotal Expenditures	0	255,034	24,038	170,408	128,754	43,333	58,018	44,445	
26. Accessory Instruction	774	3,565	0	0	0	(1,747)	1,469	712	
27. Administrative & Support	(110,933)	43,900	0	0	0	6,762	10,600	8,600	
28. Financial Aid	(41,575)	24,036	0	0	0	5,140	8,073	6,587	
29. Subtotal Cost Redistribution	(151,734)	71,501	0	0	0	10,155	20,142	15,899	
30. Debt Service		144	0	350	0	2,845	311	193	
31. Internal Interest on Taxable Debt		0	0	0	0	0	0	0	
32. Subtotal Debt Repayment	0	144	0	350	0	2,845	311	193	
33. Net Expenditures	(151,734)	326,679	24,038	170,758	128,754	56,333	78,471	60,537	
34. Net before Transfers	(74,595)	(552)	26	(2,580)	4,084	(147)	(101)	450	
Transfers (To)/From Non-operating Support									
35. Endowment	0	302	0	(100)	(231)	0	0	(722)	
36. Capital Project Support	0	(2,147)	(1,099)	0	(3,594)	(850)	(5,050)	0	
37. Reserves	0	2,397	1,073	2,680	2,017	997	5,347	440	
38. Subtotal Transfers	0	552	(26)	2,580	(1,808)	147	297	(282)	
39. Net from Operations	(74,595)	0	0	0	2,276	0	196	168	

* Most of the Tuition related to enrollments in the colleges of Architecture, Art, and Planning; Arts and Sciences; and Engineering is recorded in the General Purpose budget and allocated to these colleges. Exceptions to this pattern include the Rome, FALCON, and Master of Engineering programs, where tuition is recorded directly by the colleges and is shown in line 1 for each.

OPERATING PLAN - DETAILS

<u>Johnson School</u>	<u>Law School</u>	<u>Veterinary Medicine</u>	<u>Research Centers</u>	<u>Other Academic Programs</u>	<u>Centrally Recorded Financial Aid</u>	<u>Student Services</u>	<u>Admin & Support</u>	<u>Physical Plant</u>	<u>Ithaca All Other</u>	<u>Total Ithaca Campus</u>
48,815	35,217	14,969	0	15,923	0	0	0	0	0	747,782
4,585	4,566	6,657	605	13,442	64,406	1,554	432	1,351	25,700	236,216
2,235	1,705	2,000	5	1,697	2,500	89	1,232	0	5,500	45,397
3,182	865	2,000	1,286	5,755	2,705	1,671	0	0	6,300	49,079
342	231	42,863	93,475	10,283	6,862	282	478	0	0	316,729
0	0	10,608	(4)	(27)	0	2	82	(1)	0	83,597
0	0	0	0	0	0	0	0	0	0	0
120	61	28,307	0	3,920	0	0	503	28,281	0	146,437
0	0	530	0	2,890	0	0	0	0	0	18,542
0	0	0	0	454	0	100,140	23,347	7,588	0	131,529
1,039	333	24,634	4,163	20,820	0	9,580	3,837	5,641	0	122,802
(5,562)	(5,537)	542	5,090	(26,669)	(5,605)	1,494	149	6,167	0	0
54,756	37,441	133,110	104,620	48,488	70,868	114,812	30,060	49,027	37,500	1,898,110
0	386	0	7,821	102,235	160,500	30,535	186,096	109,434	0	0
54,756	37,827	133,110	112,441	150,723	231,368	145,347	216,156	158,461	37,500	1,898,110
25,707	15,491	63,382	38,535	66,248	39	48,075	108,458	44,490	(5,000)	826,807
7,688	4,938	4,748	11,807	19,047	0	15,363	43,134	13,436	(1,200)	199,527
0	0	0	17	90	193,952	347	0	0	0	197,546
6,552	6,445	6,783	2,873	9,014	43,788	104	116	0	0	132,144
1,598	707	1,429	1,715	4,281	0	3,994	12,679	2,458	0	46,652
10,060	3,926	25,728	35,126	38,326	0	25,879	36,688	(57,959)	(8,000)	226,296
3,692	662	1,145	4,581	701	0	10,576	5,124	49,687	0	84,494
384	514	1,876	1,970	1,723	0	9,700	7,042	26,901	0	56,547
80	50	2,416	11,627	16,732	0	8	3,956	1,258	0	49,524
55,761	32,733	107,507	108,251	156,162	237,779	114,046	217,197	80,271	(14,200)	1,819,537
(4,473)	(300)	0	0	0	0	0	0	0	0	0
5,317	3,961	14,975	0	76	0	6,774	2,599	5,528	0	(1,841)
0	0	26	0	124	(2,411)	0	0	0	0	0
844	3,661	15,001	0	200	(2,411)	6,774	2,599	5,528	0	(1,841)
460	0	2,247	38	973	0	21,337	1,185	45,745	0	75,828
0	0	0	0	0	0	0	0	0	24,500	24,500
460	0	2,247	38	973	0	21,337	1,185	45,745	24,500	100,328
57,065	36,394	124,755	108,289	157,335	235,368	142,157	220,981	131,544	10,300	1,918,024
(2,309)	1,433	8,355	4,152	(6,612)	(4,000)	3,190	(4,825)	26,917	27,200	(19,914)
2,987	(600)	45	0	940	4,000	20	0	0	0	6,641
(900)	(13)	(10,016)	(5,700)	2,826	0	(5,668)	1,196	(27,702)	0	(58,717)
222	137	1,651	1,548	3,138	0	2,492	4,356	4,002	0	32,497
2,309	(476)	(8,320)	(4,152)	6,904	4,000	(3,156)	5,552	(23,700)	0	(19,579)
0	957	35	0	292	0	34	727	3,217	27,200	(39,493)

OPERATING PLAN - DETAILS

MEDICAL COLLEGE

Resources

Resources for the Joan and Sanford I. Weill Medical College for 2010-11 are projected to reach \$1,216.9 million, an increase of 7.4% over the forecast for 2009-10. Certain highlights and points of information are described below.

- **Tuition and fees are budgeted at \$28.2 million, an increase of \$1.4 million, or 5.0%, from the forecast.** Tuition at the Medical School will increase by 2.0% to \$45,545. Graduate School tuition will increase by 2.3% to \$28,480.
- **Restricted gifts are expected to total \$49.5 million, a 3.1% increase from the current year forecast.** The plan includes a modest increase of 2.5% in annual giving of gifts to the Medical College for restricted initiatives. It also includes anticipated gifts to be received to support Strategic Plan operating programs, including the campaign for “Discoveries That Make a Difference”.
- **Direct Costs of Sponsored Programs are planned to increase 5.8% to \$133.2 million, a \$7.3 million increase from the 2009-10 forecast.** This plan includes a modest 1% increase in current NIH support and \$13.9 million (compared to \$8.2 million in the forecast) in funding from the federal stimulus plan of 2009. Recoveries for facilities and administrative costs, or **indirect costs from sponsored programs are projected to decline slightly by 1.2% or \$0.6 million from the forecast.** This decline is mainly due to greater consortium costs that are excluded from significant indirect cost recoveries. The federal indirect cost recovery rate will stay at 69%.
- **Sponsored Programs (Qatar) will increase \$18.6 million or 87.5%** reflecting program support of the recently formalized Qatar Biomedical Research Agreement.
- **Revenues from the Physician Organization (PO) are projected at \$610.6 million, a \$54.7 million or 9.8% increase from the 2009-10 forecast.** This plan includes the continued maturation of existing programs, and new and expanded programs in Oncology/Infusion, Liver Transplant Surgery, Neurological Surgery and the Clinical Sleep Center.
- **Revenues for services purchased by the New York Presbyterian Hospital (NYPH) are expected to total \$94.7 million, \$1.7 million or 1.9% greater than the forecast.** These services include professional costs related to hospital services and supervision and training of NYPH residents.

- Funding from the **Qatar** Foundation reflect support of \$78.5 million to operate the academic program in the Weill Medical School in Qatar.

Use of Resources

For the fiscal 2010-11 plan, expenditures are expected to total \$1,192.2 million, an increase of 7.6%, or \$84.5 million over the 2009-10 forecast.

- Plan expenditures for **Salaries and Wages including benefits, are expected to grow 6.6% or \$41.7 million from the forecast.** The majority of the growth is due to increases in compensation payments to faculty resulting from clinical activities. The plan also includes a 3% increase in merit awards to faculty and staff. The fringe benefit rate for faculty, exempt and non-exempt staff is expected to increase from 29.6% to 29.9%.
- **Graduate financial aid** costs include financial aid support for the Medical School, Tri-Institutional MD/PhD and Graduate School programs. Costs **will decrease \$1.6 million due** to a one time introduction of financial aid funding in 2009-10 that is not anticipated for fiscal 2010-11.
- **General Expenses, totaling \$386.0 million are projected to increase \$26.2 million, or 7.3% from 2009-10.** These costs include rent, facility costs, insurance, laboratory supplies as well as routine operating supplies.
- **Qatar** expenses include two components, expenses related to the academic program in Qatar and the research expenses of the Biomedical Research Agreement. The plan is **expected to increase 18.3% or \$18.2 million to \$117.4 million.**
- **Debt Service payments are expected to increase 12.4% to \$14.0 million,** reflecting the completion of renovations of RARC sites in the “S” and Main Buildings.

Transfers (To)/From Fund Balances

Transfers of \$3.3 million are expected from departmental reserves to partially mitigate the decrease in endowment payout. Transfers to plant reserves of \$2.6 million represent capital acquisitions and renovations by the Physician Organization.

Net from Operations

The fiscal 2010-11 budget for the Medical College will result in a net from operations of \$11.5 million. This plan includes a \$10.7 million anticipated surplus in Physician Organization operations.

OPERATING PLAN - DETAILS

Medical College

(dollars in thousands)

	08-09	09-10	09-10	10-11	Change from	
	Actual	Budget	Forecast	Plan	Forecast to Plan Dollars	Percent
Resources						
1. Tuition & Fees	25,263	24,878	26,868	28,220	1,352	5.0%
2. Endowment Distribution	53,245	45,828	45,643	41,520	(4,123)	-9.0%
3. Unrestricted Gifts	2,093	1,810	3,012	1,792	(1,220)	-40.5%
4. Restricted Gifts	61,221	60,050	48,023	49,522	1,499	3.1%
5. Sponsored Programs (direct)	116,029	116,542	125,899	133,178	7,279	5.8%
6. Sponsored Programs (F&A)	42,768	43,804	47,694	47,135	(559)	-1.2%
7. Sponsored Programs (Qatar)	5,590	1,793	21,272	39,891	18,619	87.5%
8. Institutional Allowances	26,910	31,063	31,173	33,182	2,009	6.4%
9. State Appropriations	166	196	196	197	1	0.7%
10. Physician Organization (PO)	513,340	522,956	555,914	610,620	54,706	9.8%
11. NYPH (purchased services)	86,718	95,300	92,966	94,690	1,724	1.9%
12. Enterprise Sales & Services	21,668	21,423	20,364	21,079	715	3.5%
13. Qatar Foundation	74,893	78,660	78,999	78,541	(458)	-0.6%
14. Educational Activities and Other Sources	37,250	33,659	34,605	37,354	2,749	7.9%
15. Subtotal In-Year Revenues	1,067,154	1,077,962	1,132,628	1,216,921	84,293	7.4%
Uses of Resources						
16. Salaries & Wages (including benefits)	615,888	619,002	628,478	670,157	41,679	6.6%
17. Graduate Financial Aid	14,698	15,653	18,309	16,716	(1,593)	-8.7%
18. General Expense	327,102	341,526	359,793	386,035	26,242	7.3%
19. Qatar	80,483	80,453	99,271	117,432	18,161	18.3%
20. University Cost Redistributions	1,775	1,828	1,828	1,841	13	0.7%
21. Subtotal Expenditures	1,039,946	1,058,462	1,107,679	1,192,181	84,502	7.6%
22. Debt Repayment	12,144	13,474	12,444	13,993	1,549	12.4%
23. Net Before Transfers	15,064	6,026	12,505	10,747	(1,758)	
Transfers (To)/From Fund Balances						
24. (To)/From Endowment	0	4,996	3,472	3,278	(194)	
25. (To)/From Plant (<i>excl. debt</i>)	(3,720)	(2,500)	(2,500)	(2,550)	(50)	
26. Subtotal Transfers	(3,720)	2,496	972	728	(244)	
27. Net from Operations	11,344	8,522	13,477	11,475	(2,002)	

CAPITAL PLAN

INTRODUCTION

The planning for Cornell's physical resources increasingly requires the consideration and integration of a variety of factors, impacts, and constraints. No longer can capital planning be focused on specific projects, with minimal attention to the larger picture. Planning for the university's physical assets must encompass an attention to the fabric and function of the campus as a whole. Careful consideration of the factors that influence or are affected by these facilities must include:

- the need for infrastructure (utilities, transportation, parking, and service, among other elements);
- the provision of indoor and outdoor public spaces;
- the campus landscape and the preservation and treatment of open spaces;
- the efficient utilization of space;
- the aesthetics of design;
- the financial trade-offs between facilities needs and other campus priorities and initiatives;
- fundraising capacity and priorities;
- the availability of educational, research, and outreach support from New York State, the federal government, and private resources;
- debt capacity and repayment burden; and
- the cost of operating and maintaining the campus.

The new guidelines developed to inform the planning process are in Appendix R on page 52.

SPACE PLANNING

Integrated space planning is a vital prerequisite of effective capital planning. Existing building space is a limited and valuable resource, and new space is costly to construct, operate, and maintain.

Space planning and management enhancements are identified as one of the

nineteen action items Cornell will implement to eliminate greenhouse gas emissions as described in the university's Climate Action Plan (CAP) released in September 2009. The CAP takes a progressive approach to green development that extends the planning elements of the Campus Master Plan with recommended actions to reduce the rate of capital construction and space per person. Carbon abatement opportunities are linked to optimal use of built space. More effective use of building space through increased utilization and higher efficiencies of occupied-to-support space holds the potential to reduce the material, energy, and land resources consumed by new buildings, as well as to slow overall campus growth in building-square-foot terms.

A robust space planning and management program is necessary to support implementation of the CAP green development objectives. Such a robust program will also provide program space during this capital-constrained period when the university can no longer rely on newly constructed space to meet programmatic growth needs. Procedures to enhance efficiency, if developed now, will support a more critical review of capital expenditures in the future by providing control on initial costs and on-going operational and maintenance costs of the built environment. The university will provide the capacity to manage space in a systematic, purposeful manner, designed to optimize the use of our building resources while advancing the mission and strategic priorities of the university.

In recognition of the importance of space management, the Vice President for Planning and Budget has charged a new Space Use Advisory Committee (SUAC) to reinvigorate the campus approach toward space. The SUAC will:

Table 2. Distribution of Space – Cornell University¹

Category	Cornell University		Cornell without WCMC		Master Plan Subset		Master Plan as a % of Cornell Total	Master Plan as a % of Cornell Total without WCMC
	Count	% of GSF	Count	% of GSF	Count	% of GSF		
Number of Buildings	1,041		994		589		57%	59%
Number of Rooms ²	n/a		58,013		53,403		--	92%
Gross Square Feet (GSF)	19,374,408	100%	16,900,746	100%	14,811,544	100%	76%	88%
Net Square Feet	16,637,209	86%	14,521,363	86%	12,557,456	85%	75%	86%
Net Assignable Square Feet ²	n/a	--	10,634,729	63%	8,923,215	60%	--	84%
Net Assignable Research Square Feet ²	n/a	--	2,522,706	15%	1,919,760	13%	--	76%

¹Represented is space owned or occupied by Cornell as of the fall of 2009, including the facilities of the Weill Cornell Medical College in New York City, the School of Industrial and Labor Relations in New York City and Albany, the regional offices of Alumni Affairs and Development in several cities, and various off-campus research and extension locations associated with the Colleges of Veterinary Medicine and Agriculture and Life Sciences, including the New York State Agricultural Experiment Station in Geneva. Excluded are facilities of the Weill Cornell Medical College in Doha, Qatar, the Arcibo facility in Puerto Rico, and other program space located in Washington, D.C. and New York City.

²Facilities Inventory records in Ithaca do not capture this level of detail for Weill Cornell Medical College (n/a indicates data not available; -- indicates a non-calculable field).

- develop policies, procedures and other recommendations concerning the use and renovation of space and the allocation of existing space;
- recommend allocations of university space, including off-campus leased space; and
- develop procedures to coordinate unit space planning with the annual capital plan development process.

As of the Fall 2009 semester, Cornell’s programs occupied 1,041 buildings, representing 19.4 million gross square feet of space, of which 16.6 million square feet are usable. (See Table 2). The Ithaca campus (the Master Plan Subset) contains 57% of those buildings, but 76% of that total space. Further functional detail regarding the breakdown of the 8.9 million net assignable square feet on the Ithaca campus is provided in Figure 8 on the following page.

Instruction consists of those activities whose outputs are primarily eligible for credit in meeting specified formal curricular

requirements, leading to a particular post-secondary degree or certificate granted by Cornell. This includes classrooms, areas that support special session activities (e.g., the summer session office), and the prorated portion of faculty offices appropriate to the position’s teaching responsibilities.

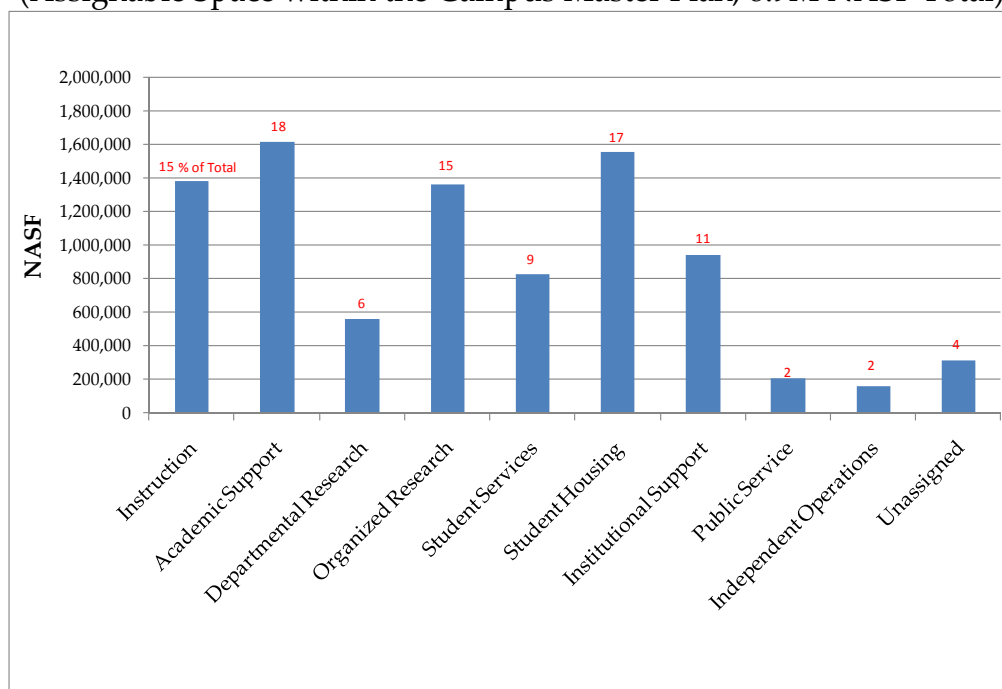
Academic support activities provide support to the academic mission through the retention, preservation, and display of materials (e.g., libraries, museums, and computing support) or directly assist the academic functions of the institution (e.g., academic administration, course and curriculum development).

Departmental research is research supported through unit budgets and conducted to further teaching or other academic interests.

Organized research consists of activities that have been specifically organized to produce outcomes commissioned by an agency either external to Cornell or through

CAPITAL PLAN

Figure 8. Net Assignable Square Feet (NASF) by Function
(Assignable Space within the Campus Master Plan, 8.9M NASF Total)



a formal funding program within Cornell.

Student services, as illustrated here, exclude housing but include spaces that support intercollegiate and intramural athletics, counseling, supplemental instruction, health services, food services, and retail services.

Student housing represents the student residences and associated administration of the housing function.

Institutional support activities cover the operational support of the day-to-day functioning of the university, maintaining the institution's organizational effectiveness and continuity. This category includes space assigned to fiscal operations, physical plant operations, community relations, human resources, and other university-wide support services.

Public service activities support public dissemination of the university's unique

resources. This category includes space assigned to Cornell Cooperative Extension and the pro-rated portion of faculty offices appropriate to the position's extension responsibilities.

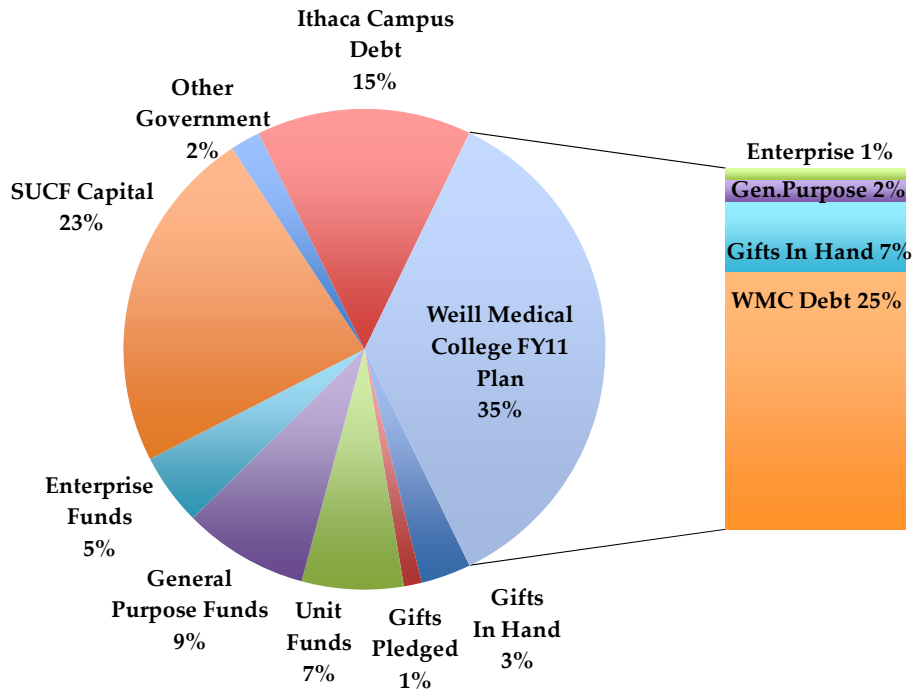
Independent operations are those activities that represent operations owned or controlled by Cornell that are independent of or serve as a companion to Cornell's mission (e.g., the Statler Hotel), or are operated by outside agencies housed at Cornell (e.g., federal employees located within Cornell buildings and the activities of the Reserve Officers' Training Corps).

Unassigned space is space that is potentially assignable but is either currently unassigned (vacant) or incapable of assignment due to condition (e.g., under renovation, subject to code issues).

FACILITIES PLANNING

The university's capital plan details the capital activity to be pursued over a 5-year

Figure 9: Fiscal 2010-11 Capital Expenditures by Funding Source
(\$409.5 million total)



horizon in order to meet the university’s objectives. The capital plan describes the facility needs for new and renovated spaces for research, academic programs, and student life, as well as the infrastructure and maintenance required to support the campus facilities. The plan examines the financial impacts of those projects, including the ability and priority for gift fundraising, the capacity to borrow and the ability to repay debt financing, the availability of New York State funding, the need for central university support, and the ongoing cost of operating and maintaining the physical assets. Each of those financial considerations is weighed in relation to other competing demands on constrained resources. In addition, the timing of the projects is considered as they relate to other projects and the internal resources and external workforce required to engage in a given level of concurrent construction activity.

Capital Activity

The capital plan is a manifestation of Cornell’s priorities and initiatives. This five-year view is

informed by the university’s academic and student life goals, its fundraising capabilities, the priorities of New York State in support of Cornell, and the physical constraints of its two main campuses. The schedules highlight plans to address the university’s strategic initiatives, program enhancements, and the maintenance, renewal, and improvement of its buildings and campus infrastructure.

The projects in the schedules on pages 29 to 32 are those with budgets greater than \$250,000 that have either been approved for planning, design, or construction; are projects that are academic or programmatic priorities for use of unit resources; are necessary ongoing investments in maintenance and infrastructure projects; or are part of the 2009-10 State University Construction Fund (SUCF) capital plan. All projects have complete funding plans; proposed projects that are reliant on uncertain sources of funding (e.g., gifts to be raised, future New York State capital plans, grant proposals) or those that require new debt have been deferred until a

CAPITAL PLAN

certain funding plan is in place. In addition, any project utilizing gift funding cannot commence construction until 75% of the gift funds are in hand.

- The university has already authorized \$1.185 billion (64%) of capital activity on projects with an estimated total ultimate budget of \$1.847 billion. The total planned activity over the five years represents a 15% reduction from the fiscal year 2009-10 capital plan.
- If future projects proceed as planned, the capital budget for expenditures during 2010-11 will total \$409.5 million. The sources of funding for those expenditures are shown in Figure 9 on page 24. An estimated \$1.358 billion will be spent over the next five fiscal years.
- Projects that have been fully authorized and are underway make up \$1.085 billion (59%) of the total capital plan. They include the Medical College's Medical Research Building, the Physical Sciences Building, the new Human Ecology Building and parking garage, the Animal Health Diagnostic Center, Milstein Hall, and the Johnson Museum renovation and expansion.
- Major projects (project budgets greater than \$10 million) and new construction planned for the Ithaca campus represent \$336.3 million of project cost. Many of these projects have design work or phases of construction already authorized. This group of projects includes the renovation of Stocking Hall and the construction of a new Food Science building; the renovations of Martha Van Rensselaer, Warren, Rice, and Fernow Halls; the construction of Gates Hall; renovation and new space for the Law School; and life safety improvements at Olin Library.
- Additional capital activity not included in the two previous categories that is principally funded by New York State's SUNY capital plan represents \$57 million of the total budget and is made up of a variety of facilities and

infrastructure maintenance and upgrades.

- The collection of the wide variety of Ithaca campus facilities and infrastructure maintenance and upgrades, energy conservation, administrative systems, and college and unit programmatic renovations and improvements totals \$293.4 million of planned activity. The level of expenditures for these capital activities is dictated by the current budget constraints on the units, enterprises, and central university, and the projects have been subjected to particularly careful scrutiny.
- Finally, the Weill Medical College has plans for clinical program improvements and expansion and for addressing maintenance needs which make up \$76 million on top of the projects included in the approved/underway category. More than 60% of the funding for these projects will be provided by either philanthropic support or direct capital investment from the Medical School's clinical partners, including New York Presbyterian Hospital and, potentially, New York Downtown Hospital.

More than half of the funding for capital projects depends directly on external resources. The use of university resources for capital activity and repayment of debt financing is reflected in the appropriate unit operating budget.

- Gift and grant funding, including grants from government or private institutions other than New York State, is projected at \$616.9 million, or 33% of the total approved capital activity. The estimated value of gifts in hand or pledged for approved projects is \$479.7 million, leaving \$87.0 million to be raised.
- New York State support is projected to fund \$417.1 million (23%) of total project costs. Most of this amount is for contract college projects in the SUCF capital plan, but approximately \$56 million of the funding is state funding for university projects outside of

the SUNY structure.

- Funding from general purpose resources amounts to \$541.9 million (29%) of approved capital activity.
- Funding from unit resources and enterprise operations covers \$271.4 million (15%) of planned capital expenditures.
- Based on an analysis of project expenditures and funding availability, the university expects to finance \$414.6 million of approved project costs using long-term debt and another \$60.0 million of short-term bridge financing, which is often used to accommodate the timing of gifts. Of the planned debt financing, 97% is for projects fully approved and underway.

A funding plan for the estimated operating and maintenance costs of each capital project is developed when construction is authorized, and the resulting costs are included in the responsible unit's operating budget plans. Projects included in the approved capital plan are expected to increase annual operating and maintenance costs by \$10.7 million per year for the Ithaca campus and \$13.3 million at Weill Cornell Medical College in New York City. These projects are projected to add about 818 thousand gross square feet of new space on the Ithaca campus and about 476 thousand gross square feet at Weill Cornell Medical College.

DEBT PLANNING

The proceeds from various university debt issuances and borrowings provide for the financing needs of the university's capital projects. Debt allows the university to undertake capital projects when cash funding is not available at the time capital expenditures are made and to spread the cost of a project over multiple fiscal years. It is also to the university's financial benefit to take advantage of the low cost of tax-exempt debt.

The need for short-term bridge financing and

long-term debt as indicated in the university's 5-year capital plan is the basis for the university treasurer's plan for Cornell's debt structure (defined as debt load, timing, and type of borrowing instrument, among other factors). In addition to an assessment of the ability to repay borrowings by the relevant internal university source of funding, there is regular monitoring of the university's external capacity to borrow (measured by the impact that additional debt would have on financial ratios and debt ratings by independent rating agencies). The capital plan's borrowing needs from and projected repayment of existing and new debt are key inputs into the university's recently created 10-year financial model.

Debt and Debt Repayment

The university's external debt includes tax-exempt and taxable borrowings but excludes debt issued by New York State for contract college projects, which is paid directly by the state and is not recorded in the university's budget or financial statements. Cornell is expected to have \$1.93 billion of external debt at the beginning of 2010-11. (See line 22 on page 33). During 2010-11, the university is scheduled to pay an estimated \$121.8 million in principal and interest on this outstanding debt.

In 2009-10, the university converted Series 1990B and Series 2008 B&C from variable-rate demand bonds to fixed-rate bonds. During the conversion, the premium from the sale of bonds was used to retire principal. The university also terminated the swap agreement associated with Series 2008 bonds. By the end of the fiscal year, the university will have issued \$285 million of fixed-rate debt to finance the Medical Research Building, redeemed \$50 million of taxable commercial paper from proceeds of the sale, and converted Series 2008 A1 & A2 bonds from variable-rate demand bonds to fixed-rate bonds.

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In fiscal year 2010-11, the university plans to go forward with capital projects for which financing has been previously secured or that have been deemed critical to either the mission of the university or the life and safety of the campus community. The university plans to use the tax-exempt and taxable commercial paper programs (authorized \$200 million per program) during fiscal year 2010-11 to finance capital projects, operating working capital, and equipment purchases in

Ithaca and New York City.

Unit Debt and Debt Repayment

The schedule on page 34 identifies outstanding debt and budgeted debt service by operating unit. A distinction is made between debt service paid directly by an operating unit and that budgeted and paid by central university resources for the benefit of the operating unit.

CAPITAL PLAN

Sources and Uses of Capital Expenditures

Sources	Active Projects						15-16 & Beyond	Total
	To Date	10-11	11-12	12-13	13-14	14-15		
1. Ithaca General Purpose Funds (1)	12,610	34,456	25,933	23,775	25,720	25,775	717	148,986
2. WMC General Purpose Funds (1)		9,000	6,984	4,000	4,000	4,000		27,984
3. Gifts In Hand	54,660	13,747	9,937	14,772				93,116
4. Gifts Pledged	2,273	4,979	3,132					10,384
5. Gifts to be Raised			855	4,023	10,977			15,855
6. Ithaca Gift Funds (2)	56,933	18,726	13,924	18,795	10,977			119,355
7. Gifts in Hand	78,000	28,000	75,000	30,000				211,000
8. Gifts Pledged				81,000	20,000	7,000		108,000
9. Gifts to be Raised				67,000				67,000
10. WMC Gift Funds (2)	78,000	28,000	75,000	178,000	20,000	7,000		386,000
11. Unit Funds (3)	18,687	28,008	19,858	27,882	25,192	7,660	1,050	128,337
12. Enterprise Funds (4)	2,427	19,797	13,361	12,666	12,263	14,699	7,087	82,300
13. WMC Enterprise Funds (4)	5,500	4,757	2,000					12,257
14. SUCF Capital (5)	107,851	95,292	74,806	44,039	20,807	11,180	7,000	360,975
15. Other Government (6)	50,108	8,258	695	125		125		59,311
16. WMC Other Institution (6)			5,000	9,000	20,000	13,000		47,000
17. Ithaca Campus Debt	141,679	59,175	4,086	710	1,270	850		207,770
18. Weill Medical Debt		104,000	121,000	12,000	30,000			267,000
19. Subtotal Debt Financing (7)	141,679	163,175	125,086	12,710	31,270	850		474,770
20. Total Capital Funding/Financing	473,795	409,469	362,647	330,992	170,229	84,289	15,854	1,847,275
Uses								
1. Projects Approved/Underway (incl. WMC)	386,739	243,266	207,918	190,000	50,000	7,000		1,084,923
2. Major Projects/New Construction (incl. NYS)	62,884	67,477	74,247	66,905	46,129	11,280	7,400	336,322
3. New York State Funded	7,603	22,474	17,781	8,069	737			56,664
4. Maintenance, Infrastructure, and Unit	16,569	66,252	50,701	53,018	49,363	49,009	8,454	293,366
5. Medical College Projects		10,000	12,000	13,000	24,000	17,000		76,000
6. Total Capital Expenditures	473,795	409,469	362,647	330,992	170,229	84,289	15,854	1,847,275

Notes:

- (1) General Purpose funds are resources provided from the central university General Purpose or Medical College budgets. Project examples include administrative systems, campus network wiring, energy conservation, and maintenance.
- (2) Gifts are restricted gifts for capital projects. Gifts in Hand are cash payments. Gifts Pledged are gift commitments with future payment. Gifts to be Raised are a projection of future, to be identified gifts that can be raised for projects. Project examples include Milstein Hall, Gates Hall, and Medical Research Building.
- (3) Unit funds are resources provided by colleges or other units from their operations or reserves. Project examples include Milstein Hall, Gates Hall, Law School, and contributions to State-funded projects.
- (4) Enterprise funds are resources provided by units run as enterprise and revenues generated by rates. Examples include utilities, campus life, information technologies, and transportation.
- (5) SUCF Capital is New York State funding provided to the SUNY campuses, administered by the State University Construction Fund. Project examples include North Martha Van Rensselaer replacement, Stocking Hall renovation/addition, MVR 1933/East rehabilitation, and Warren Hall renovation.
- (6) Other government funds are resources provided by New York State through appropriations outside of the SUNY/SUCF process, or grants provided by federal or local government agencies. Other Institution funds are gifts and other funding provided through New York-Presbyterian Hospital for Medical College clinical projects. Project examples include Animal Health Diagnostic Center, Arecibo projects, and Medical College clinical programs.
- (7) Debt financing includes both long-term debt repaid by amortized debt service payments from operating budgets and short-term bridge financing repaid by receipt of future gift payments. Project examples include Physical Sciences, Animal Health Diagnostic Center, and Medical Research Building.

CAPITAL PLAN

Approved Capital Activity				Estimated	Additional
(current dollars in thousands)				O&M *	Space
	Authorized	Estimated	Deferred	Cost	GSF ^
	Budget	Total	Maint.	Impact	(in thousands)
		Budget	Addressed		
1. WMC Medical Research Building	650,000	650,000		12,000	476
2. Physical Sciences Facility	140,400	140,400	500	3,500	197
3. Animal Health Diagnostic Center	71,500	71,500	5,426	2,014	126
4. North MVR Replacement/Parking Garage	71,100	71,100	1,000	291	193
5. Milstein Hall	55,500	55,500		844	42
6. Johnson Museum Expansion	19,000	19,000		257	16
7. Barton Hall Roof/Exterior Repairs	8,900	8,900	5,000		
8. WMC GI Oncology Infusion Center	7,984	7,984		1,000	
9. Plantations Welcome Center	7,552	7,552		24	7
10. WMC Clinical Sleep Center	6,257	6,257			
11. Fernow/Rice Surging	6,028	6,028	5,000		
12. Arecibo Telescope Painting	5,300	5,300			
13. Food Science Surge to Morrison	4,425	4,425			
14. Geneva Agricultural Sciences Lab Design	3,750	3,750			
15. Arecibo Improvements	3,585	3,585			
16. Baker/Clark Code Upgrades	3,316	3,316		56	
17. McGraw Structural, Masonry, Roof	2,645	2,645	2,645		
18. CCF Facilities Master Plan	2,500	2,500			
19. CALS Master Facility Plan	2,300	2,300			
20. Anabel Taylor Organ Replacement	2,025	2,025			
21. Arecibo High Frequency Facility	1,965	1,965			
22. CHP Turbine 2 Rotor Replacement	1,850	1,850	1,850		
23. Arecibo Power System Replacement	1,800	1,800			
24. Schurman Hall Electrical Service	1,361	1,361	1,600		
25. Electrical Substations Upgrades Design	1,310	1,310			
26. Chilled Water Cathodic Protection, Phase 1	1,100	1,100	1,100		
27. Baker Lab Electrical Infrastructure	970	970	970		
28. Physical Sciences Café	500	500			
29. Projects Approved/Under Way	1,084,923	1,084,923	25,091	19,986	1,057
30. Stocking Hall Renovation & Expansion	6,460	101,800	19,800	1,040	100
31. MVR 1933 / East Rehab Phase 0-3	43,950	64,650	30,000	(173)	
32. Gates Hall	3,570	60,000		1,460	70
33. Warren Hall Renovations Phase 1	4,694	31,240	8,215	35	
34. Rice Hall Rehab and Roof Replacement	3,256	19,380	4,475	50	5
35. Law School Master Plan Phase 1		15,300		439	14
36. Fernow Hall Rehab and Roof Repairs		14,280	3,900	40	5
37. Olin Library Fire Safety Improvements	2,000	11,000		15	
38. Cornell Rowing Center	792	8,000	500	46	11
39. Large Animal Teaching Complex/Dairy Barn	1,300	7,012	1,130	117	32
40. VRT Renovation Design	2,500	3,660			
41. Major Projects/New Construction	68,522	336,322	68,020	3,069	237
42. Contract College Misc. Rehab/Repair	5,513	20,989	22,000		
43. CC Energy Conservation Projects Phase 1		9,985	8,000		
44. Multiple Roof Replacements - Phase 1	300	5,005	5,000		
45. Tower Road Utility Power System Upgrade	310	4,760			
46. Data/Communication Wiring Upgrade		3,979			

* O & M = operations and maintenance; ^ GSF = gross square feet

CAPITAL PLAN

FUNDING SOURCES					Debt Financing (see note 1)	EXPENDITURE PATTERN				
Gifts & Grants	General Purpose	Unit/ Enterprise	SUCF ~	Other Gov't./ Institution		Expended To Date	10-11 Budget	11-12 to 14-15	Beyond 14-15	
425,000	225,000				267,000	78,000	130,000	442,000		1.
21,929	112,324	2,310		3,837	124,925	108,500	31,900			2.
	10,500	10,500		50,500	21,000	64,500	7,000			3.
		29,000	42,100		19,500	46,613	22,116	2,371		4.
29,795	10,751	14,954			22,777	28,906	19,764	6,830		5.
12,653		6,347			369	13,873	5,127			6.
		180	8,720			7,350	1,550			7.
	7,984						5,000	2,984		8.
7,552						4,552	3,000			9.
		6,257				5,500	757			10.
		135	5,893			4,487	1,541			11.
5,300						5,000	300			12.
		65	4,360			3,693	732			13.
		50	3,700			2,730	1,020			14.
3,585						1,200	2,385			15.
	3,316				3,316	2,446	870			16.
	2,645					645	2,000			17.
			2,500			750	1,250	500		18.
		1,800	500			1,300	1,000			19.
1,450	237	338				1,525	500			20.
1,965						1,300	665			21.
		1,850			1,850	1,550	300			22.
				1,800		200	1,600			23.
		51	1,310			700	661			24.
		39	1,271				1,310			25.
		1,100				647	220	233		26.
	772	198				445	525			27.
		500				327	173			28.
509,229	373,529	75,674	70,354	56,137	460,737	386,739	243,266	454,918		29.
		1,800	100,000			9,820	20,100	64,480	7,400	30.
		1,700	62,950			36,956	10,200	17,494		31.
45,000		15,000				2,504	2,787	54,709		32.
		680	30,560			3,710	8,000	19,530		33.
		380	19,000			1,750	250	17,380		34.
		15,300				382	1,148	13,770		35.
		280	14,000			1,500	6,140	6,640		36.
	10,000	1,000				2,000	8,000	1,000		37.
7,700		300			612	892	5,550	1,558		38.
		12	7,000			1,870	3,142	2,000		39.
		160	3,500			1,500	2,160			40.
52,700	10,000	36,612	237,010		612	62,884	67,477	198,561	7,400	41.
			20,989			5,513	4,369	11,107		42.
	365		9,128	492			2,043	7,942		43.
		5	5,000			290	3,515	1,200		44.
		120	4,640			220	1,870	2,670		45.
		50	3,929				1,511	2,468		46.

~ SUCF = State University Construction Fund; Note 1: Amounts include planned long-term debt and short-term bridge financing.

CAPITAL PLAN

Approved Capital Activity (current dollars in thousands)	Authorized Budget	Estimated Total Budget	Deferred Maint. Addressed	Estimated O&M * Cost Impact	Additional Space GSF ^ (in thousands)
47. Building Electric Service Upgrades, Phase 1	290	2,790			
48. East Campus Storm Sewer Replacement	50	2,000			
49. Conservatory Greenhouse Restoration	230	1,849	1,000		
50. Geneva Campus Roof Replacements		1,020	800		
51. VMC Small Animal Surgery HVAC	61	1,011	1,011		
52. Various CC Elevator Upgrades		1,000			
53. Savage Hall 4th Floor Renovation		975	600		
54. Geneva Campus Electrical Upgrades		815	650		
55. Geneva Castle Street Housing Renovation		486			
56. New York State Funded	6,754	56,664	39,061		
57. Endowed Planned Maintenance		34,887	34,887		
58. Extraordinary Maintenance Projects		17,350	17,350		
59. Contract Colleges F&A Projects	750	4,500			
60. Energy Conservation		10,526	4,850	(3,346)	
61. GP Maint. & Infrastructure Projects	700	14,750	250		
62. Administrative Systems	21,489	42,691		4,000	
63. CIT Maint. & Infrastructure Projects	800	22,659			
64. Transportation Projects and Initiatives		11,248			
65. Real Estate Maintenance Projects		3,329		(29)	
66. Utilities Maint. & Infrastructure Projects	291	32,866	24,588	(80)	
67. Campus Life Maint. & Infrastructure Projects	250	27,580	18,466	20	
68. Cornell Store Projects		1,780		(72)	
69. Grounds Bulk Salt Storage Facility		425			
70. Architecture, Art, Planning Projects	80	2,223	1,257	35	
71. Engineering Projects	61	24,100	5,002	(10)	
72. Hotel Projects		7,822			
73. Agriculture & Life Sciences Projects		12,385	9,000		
74. Human Ecology Projects		1,900	1,000		
75. ILR Lower Courtyard Renovation	67	1,200	600		
76. Veterinary Medicine Projects		8,750			
77. Johnson School Projects		1,950		60	
78. Research Centers Projects		1,975			
79. Information Science Projects		950			
80. Library Projects		3,500		50	
81. Cornell in Washington Projects		1,220			
82. Athletics Projects		800	800		
83. Maintenance, Infrastructure, Unit	24,488	293,366	118,050	628	
84. Radiation Oncology Program Expansion		25,000			
85. Deferred Maintenance		20,000			
86. Urology Men's Health Center		15,000			
87. Urology Robotic Prostate Surgery Expansion		7,000			
88. Medicine Primary Care Expansion		3,000			
89. Neurosurgery Program Expansion		3,000		300	
90. Dermatology Program Expansion		3,000			
91. Weill Cornell Medical College Projects		76,000		300	
92. Total Capital Activity	1,184,687	1,847,275	250,222	23,983	1,294

* O & M = operations and maintenance; ^ GSF = gross square feet

CAPITAL PLAN

FUNDING SOURCES					Debt Financing (see note 1)	EXPENDITURE PATTERN				
Gifts & Grants	General Purpose	Unit/ Enterprise	SUCF ~	Other Gov't./ Institution		Expended To Date	10-11 Budget	11-12 to 14-15	Beyond 14-15	
		1,290	1,500			290	1,500	1,000		47.
		125	1,875			300	1,700			48.
		49	1,800			268	1,581			49.
		20	1,000				1,020			50.
		11	1,000			61	950			51.
			1,000			300	500	200		52.
		25	950				975			53.
		15	800				815			54.
		49		437		361	125			55.
	365	1,759	53,611	929		7,603	22,474	26,587		56.
	34,887						6,397	28,490		57.
	17,350						1,350	16,000		58.
		4,500				750	750	3,000		59.
	8,431	1,275		820	7,421		1,649	8,877		60.
	14,750					700	2,050	12,000		61.
	42,691					7,187	11,596	23,908		62.
	17,549	5,110				800	3,779	18,080		63.
		11,248				259	6,156	4,833		64.
		3,329				29	1,550	1,750		65.
	2,330	30,536				153	3,791	21,318	7,604	66.
250		27,330				300	5,650	21,430	200	67.
		1,780				355	1,425			68.
		425					425			69.
		2,223				150	1,073	1,000		70.
400		23,700				2,800	3,300	18,000		71.
		7,822					1,696	6,126		72.
		12,385				1,790	2,075	7,870	650	73.
		1,900					500	1,400		74.
1,133		67				520	680			75.
		8,750			6,000	500	6,000	2,250		76.
		1,950					1,250	700		77.
		550		1,425		210	1,465	300		78.
		950					800	150		79.
		3,500					45	3,455		80.
		1,220				66	400	754		81.
		800					400	400		82.
1,783	137,988	151,350		2,245	13,421	16,569	66,252	202,091	8,454	83.
				25,000				25,000		84.
	20,000						4,000	16,000		85.
				15,000				15,000		86.
				7,000				7,000		87.
		3,000					2,000	1,000		88.
3,000							2,000	1,000		89.
		3,000					2,000	1,000		90.
3,000	20,000	6,000		47,000			10,000	66,000		91.
566,712	541,882	271,395	360,975	106,311	474,770	473,795	409,469	948,157	15,854	92.

~ SUCF = State University Construction Fund; Note 1: Amounts include planned long-term debt and short-term bridge financing.

CAPITAL PLAN

Sources of External Debt Financing

(dollars in thousands)

	<u>Interest Rates</u>	<u>Maturity Date</u>	Actual	Forecast	Projected External		
			Balance 6/30/09	Balance 6/30/10	Debt Service Payments		
					10-11	11-12	12-13
Tax-Exempt Debt							
1. Series 1990B	3.00-5.00%	2025	\$ 56,000	\$ 50,450	\$ 4,812	\$ 4,808	\$ 4,811
2. 1998 Commercial Paper	2.99% to 10/1/2012	2037	6,155	6,155	3,914	3,914	2,634
3. Series 2000A	2.99% to 10/1/2012	2029	54,845	53,005	3,499	3,517	3,731
4. Series 2000B	4.63%	2030	72,800	70,680	5,490	5,487	5,495
5. IDA Series 2000	5.13-5.25%	2011	2,275	1,165	1,226	-	-
6. IDA Series 2002A	4.52%	2030	42,340	42,145	2,110	3,341	3,340
7. IDA Series 2002B	4.33%	2015	15,390	15,390	539	539	539
8. Series 2004	3.51%	2033	86,075	83,900	5,245	5,265	5,254
9. Series 2006	4.00-5.00%	2035	219,340	207,660	21,548	20,918	20,279
10. IDA Series 2008	3.00-5.00%	2037	70,000	70,000	4,733	4,744	4,754
11. Series 2008	3.00-5.00%	2037	130,000	127,785	8,633	8,637	8,634
12. Series 2009	3.00-5.00%	2039	305,000	305,000	14,753	20,283	20,283
13. Series 2010	5.00-5.25%	2040	-	285,000	15,493	14,563	14,563
14. Subtotal Tax-Exempt Debt			1,060,220	1,318,335	91,995	96,016	94,317
Taxable Debt							
15. Series 1987B	11.11%	2012	7,110	5,200	2,698	2,698	805
16. Sallie Mae - Series 1999	5.75-6.50%	2019	4,700	4,355	653	654	653
17. Series 2009 taxable	4.35-5.45%	2019	500,000	500,000	24,500	24,500	24,500
18. Commercial Paper	Variable	-	127,875	97,500	1,549	1,549	1,549
19. Urban Development Corp.	0.00%	2029	2,500	2,375	125	125	125
20. Other	Various	2029	2,973	2,539	326	258	262
21. Subtotal Taxable Debt			645,158	611,969	29,851	29,784	27,894
22. Total External Debt			1,705,378	1,930,304	121,846	125,800	122,211

Notes:

- The total outstanding external debt and the sum of external debt service payments for 2010-2011 shown above are different from the corresponding outstanding operating unit debt balances and debt service totals shown on page 34 due to a combination of: (a) differences in timing of borrowing and repayment between the university and various operating units; (b) debt costs, including compounded interest, to be recovered from future interest payments on operating unit debt; (c) external debt service on commercial paper programs that is planned above as interest only; (d) proceeds of debt issues used to pay issuance costs, on deposit in construction funds, or deposited into reserves to pay future debt service or fund project maintenance; and (e) debt issued for the university's working capital purposes.
- While Series 2000A, 2000B, 2002A, 2002B, 2004 and a portion of the tax-exempt commercial paper were issued as variable-rate debt, they have been swapped to fixed rates for various terms, which are reflected in the interest-rate information and projected debt service payments.
- Cornell maintains a pool of working capital and a line of credit that are used to meet the daily cash flow of disbursements.

Debt Service by Operating Unit
(dollars in thousands)

	Outstanding Balance		2010-2011 Debt Service		
	2/28/09	2/28/10	Unit Budget	Central Budget	Total
Ithaca Campus					
1. Agriculture & Life Sciences	3,826	3,516	144		144
2. Architecture, Art, & Planning				711	711
3. Arts & Sciences	44,862	90,968	350	6,281	6,631
4. Engineering	10,571	11,449		826	826
5. Hotel Administration	10,193	14,989	2,845		2,845
6. Human Ecology	1,068	917	311		311
7. Industrial & Labor Relations	1,180	1,456	193		193
8. Johnson School	12,118	12,093	460		460
9. Law School	3,178	2,728		581	581
10. Veterinary Medicine	7,736	6,820	2,247	500	2,747
11. Subtotal Colleges	94,732	144,936	6,550	8,899	15,449
12. Animal Facilities	57,065	56,811		3,528	3,528
13. Biotechnology	5,776	4,958			
14. Life Sciences	91,068	91,094		6,277	6,277
15. Theory Center	2,625	2,500		127	127
16. Ward Lab	2,242	2,011		326	326
17. All Other	1,194	819	38		38
18. Subtotal Research Centers	159,970	158,193	38	10,258	10,296
19. Africana Center	2,419	2,125		386	386
20. Athletics & Physical Education	8,235	6,245	519		519
21. Cornell in Washington	2,901	2,790	262		262
22. Library	13,665	12,644		858	858
23. All Other	1,391	1,216	193		193
24. Subtotal Other Academic Programs	28,611	25,020	974	1,244	2,218
25. Campus Life	229,259	217,031	20,954		20,954
26. Dean of Students	192	175	25		25
27. Fraternities/Sororities	3,165	2,906	358		358
28. Gannett	5,555	2,091		360	360
29. Subtotal Student Services	238,171	222,203	21,337	360	21,697
30. Human Resources	6,809	7,050	553		553
31. Information Technologies	14,313	12,234	563	1,089	1,652
32. All Other	850	732	68	80	148
33. Subtotal Administrative & Support	21,972	20,016	1,184	1,169	2,353
34. Facilities & Campus Services	133,543	156,509	15,746	404	16,150
35. Real Estate	22,296	21,066	2,284		2,284
36. Transportation/Mail Service	19,350	25,378	1,900		1,900
37. Subtotal Physical Plant	175,189	202,953	19,930	404	20,334
38. Ithaca All Other	14,731	11,822		3,481	3,481
39. Total Ithaca Campus	733,376	785,143	50,013	25,815	75,828
Medical College					
40. Research	50,750	55,692	6,177		6,177
41. Residences	80,011	77,308	6,270		6,270
42. Clinical Care	726	518	235		235
43. Infrastructure/Administrative	16,008	15,331	1,380		1,380
44. Total Medical College	147,495	148,849	14,062		14,062
45. Total University	880,871	933,992	64,075	25,815	89,890

ACADEMIC YEAR TUITIONS

	07-08	08-09	09-10	10-11	Change from 09-10
Endowed Ithaca					
1. Undergraduate	\$34,600	\$36,300	\$ 37,750	\$ 39,450	4.5%
2. Graduate School (research degrees) *	32,800	29,500	29,500	29,500	
3. Graduate School (professional degrees) †	34,600	36,300	37,750	39,450	4.5%
4. Hotel Administration (Mgt. Intern Pgm. - per term)	13,826	14,520	15,100	15,780	4.5%
5. Johnson School (MBA entering students)	42,700	44,950	47,150	49,272	4.5%
6. Johnson School (MBA continuing students)	40,700	44,950	46,700	49,272	5.5%
7. Johnson School (accelerated MBA program - summer)	25,000	26,400	27,700	29,800	7.6%
8. Johnson School (Cornell-Queen's EMBA - 17 month)	95,000	98,000	99,800	103,680	3.9%
9. Johnson School (executive MBA program - 2 year)	122,400	127,800	133,600	138,800	3.9%
10. Law School (entering students)	43,620	46,670	48,950	51,150	4.5%
11. Law School (2nd year students)	42,710	45,800	48,950	51,150	4.5%
12. Law School (3rd year students)	41,720	44,850	48,050	51,150	6.5%
13. Law School (LLM 1-yr. Program)	45,690	49,120	51,530	53,850	4.5%
14. Cornell Abroad – (Bologna I per term)	15,150	16,200	16,345	17,100	4.6%
15. Cornell Abroad – (Bologna II - spring term)	17,600	18,850	18,995	19,920	4.9%
16. Cornell Abroad – (Denmark - per term)	20,600	21,985	23,490	24,210	3.1%
17. Cornell Abroad – (Europe & Nepal - per term)	20,200	21,100	21,950	22,925	4.4%
18. Cornell Abroad (Kyoto - per term)	26,500	27,500	28,325	29,325	3.5%
19. Cornell Abroad (External General - per term) ‡	4,640	4,850	4,995	4,995	
20. Cornell Abroad (External Israel & UK -per term) ‡	5,000	5,250	5,410	5,410	
Contract Colleges					
21. Undergraduate – Resident §	19,110	20,160	21,610	23,310	7.9%
22. Undergrad. – Nonres. (entering students)**	33,500	35,200	37,750 ¶	39,450	4.5%
23. Undergrad. – Nonres. (2nd-yr. & 3rd-yr. students)	33,500	35,200	37,750 ¶	39,450	4.5%
24. Undergrad. – Nonres. (4th-yr. students)	33,500	35,200	37,750 ¶	39,450	4.5%
25. Sea Education Association (per term)+	16,570	17,230	16,730	17,600	5.2%
26. Environmental Science (per term)	15,761	16,391	17,046	18,250	7.1%
27. Graduate School (non-veterinary research degrees) *	20,800	20,800	20,800	20,800	
28. Graduate School (non-Veterinary professional degrees) †	22,600	23,750	24,700	25,815	4.5%
29. Veterinary Medicine – Resident DVM	24,000	25,100	26,500	27,700	4.5%
30. Veterinary Medicine – Nonresident DVM	35,000	37,100	39,500	41,700	5.6%
31. Veterinary Medicine – Graduate School	20,800	20,800	20,800	20,800	
Medical Campus					
32. Medical College (entering students)	39,180	41,730	44,650	45,545	2.0%
33. Medical College (continuing students)	35,465	37,240	39,100	45,545	16.5%
34. Graduate School of Medical Sciences	26,089	26,872	27,830	28,480	2.3%

Notes:

* Research degrees include: MA, MS, MS/PhD, PhD, MFA, DMA programs and non-degree students.

† Professional degrees include: CIPA (MPA), FALCON, MArch I, MArch II, MAT, MEng, MFS, MHA, MILR, MLA MPS, MPS Africana Studies, MPS Applied Statistics, MPS Real Estate, and MRP.

‡ External program tuitions exclude the tuition costs of the host university, which the student pays directly.

§ This tuition is also used for master of professional studies programs in existence before 1999-2000.

** This tuition is also used for master of professional studies programs created in 1999-2000 and thereafter.

¶ Beginning in 2003-04, nonresident tuition was greater for entering students. In 2007-08, all non-resident undergraduate students in the contract colleges will pay the same tuition.

+ SEA Semester Summer Session

STUDENT FEES AND OTHER TUITION RATES

	07-08	08-09	09-10	10-11	% Change from 09-10
Ithaca Campus					
1. Acceptance Deposit – Undergraduate *	\$400	\$400	\$400	\$400	0.0%
2. Active File Fee – Graduate (per term)	200	200	200	200	0.0%
3. Activity Fee - Undergraduate (mandatory)	181	204	204	216	5.9%
4. Activity Fee - Graduate (mandatory)	68	70	70	76	8.6%
5. Administrative/Special Fee †	6,805	7,140	7,425	7,760	4.5%
6. Application Fee – Undergraduate	70	70	70	70	0.0%
7. Application Fee – Graduate	70	70	70	85	21.4%
8. Application Fee – Johnson School (US)	180	200	200	200	0.0%
9. Application Fee – Johnson School (international)	180	200	200	200	0.0%
10. Application Fee – Law School (JD degree)	70	75	75	80	6.7%
11. Application Fee – Law School (PhD degree)	75	75	75	80	6.7%
12. Application Fee – Veterinary Medicine **	40	60	60	60	0.0%
13. Candidate for Degree Only Fee – Graduate	35	35	35	35	0.0%
14. Cornell Card Annual Fee	10	10	10	10	0.0%
15. Doctoral Thesis Fee – Graduate	125	125	135	135	0.0%
16. Extramural Study Course Tuition (per credit)	925	970	1,010	1,055	4.5%
17. Extramural Study Military Science (per course) ¶	15	15	15	50	233.3%
18. I.D. Replacement Fee	35	35	40	40	0.0%
19. In-Absentia Fee – Graduate (per term)	200	200	200	200	0.0%
20. In-Absentia Fee – Johnson School (per term)	75	75	75	75	0.0%
21. In-Absentia Fee – Law School (per term)	75	75	75	75	0.0%
22. Late Registration Fee – General ◇	350	350	350	350	0.0%
23. Late Thesis Filing Fee – Graduate	100	100	100	100	0.0%
24. Summer Session Course Tuition (per credit) ∞	875	925	970	1,010	4.1%
25. Shoals Marine Lab (per credit, includes board) ∞	800	942	1,043	1,153	10.5%
26. Summer Session Registration Δ	50	50	50	50	0.0%
Medical Campus					
27. Application Fee – Medical College	85	85	85	85	0.0%
28. Application Fee – Medical Sciences	60	60	60	60	0.0%
29. Health Service Fee - Medical Campus (mandatory)	750	1,250	1,300	1,300	0.0%

Notes:

- * The undergraduate acceptance deposit is a one-time payment made by newly accepted students that is reimbursed as a tuition credit during the first semester of enrollment.
- † The administrative/special fee covers administrative and support costs for the pre-1983 CCTS program.
- ** The College of Veterinary Medicine uses the Veterinary Medicine College Application Service (VMCAS) to process applications. This fee is supplemental to the VMCAS fee of \$137 FY10.
- ¶ The Military Science course rate shown here is for non-Cornellians only.
- ◇ The late registration fee is \$350 after the third week, then \$25 per additional week after six weeks. No charge is made prior to the third week.
- ∞ The summer session course tuition and Shoals Marine Lab fee for 2010-11 are applicable for the summer of 2010 instructional period. (Each course has an additional fee of \$200).
- Δ The summer session registration fee, due after the applicable early enrollment deadline, is \$50. Students who enroll after the registration deadline for any session may also be assessed late fees of \$50 per week.

ENROLLMENT ASSUMPTIONS

	Fall 09 Actual Registrar Enrollments	10-11 Overall Enrollment Targets	Fall 10 Projected Registrar Enrollments	10-11 Projected Full-Time Equivalent (FTE) Tuition-Paying Enrollments *		
				Resident	Nonres.	Total
Undergraduate—On-Campus						
1 Agriculture & Life Sciences	3,306	3,239	3,336	1,759	1,460	3,219
2 Architecture, Art & Planning	436	426	433	423		423
3 Arts & Sciences	4,070	4,012	4,110	3,981		3,981
4 Engineering	2,774	2,695	2,700	2,720		2,720
5 Hotel Administration	887	841	897	854		854
6 Human Ecology	1,242	1,149	1,190	587	575	1,162
7 Industrial & Labor Relations	836	872	892	418	459	877
8 Internal Transfer Division	43	0	0	0		0
9 Subtotal On-Campus	13,594	13,234	13,558	10,742	2,494	13,236
Undergraduate—Off-Campus †						
10 Cornell Abroad	117	254	125	254		254
11 Cornell in Washington	31	37	37	37		37
12 Field Study/EAS Hawaii/Sea Semester	94	86	86	86		86
13 Rome Program	43	44	29	44		44
14 NYC Program	19	23	18	23		23
15 Subtotal Off-Campus	304	444	295	444		444
16 Total Undergraduate	13,898	13,678	13,853	11,186	2,494	13,680
Professional						
17 Johnson School	955	998	998	869		869
18 Law	683	666	666	666		666
19 Medical College	411	408	408	408		408
20 Veterinary Medicine	365	371	371	211	160	371
21 Total Professional	2,414	2,443	2,443	2,154	160	2,314
Graduate						
22 Agriculture & Life Sciences	917	850	850	850		850
23 Architecture, Art & Planning	459	531	531	531		531
24 Arts & Sciences	1,166	1,190	1,190	1,190		1,190
25 Engineering	1,537	1,552	1,582	1,477		1,477
26 Hotel Administration	79	70	70	59		59
27 Human Ecology	191	182	188	179		179
28 Industrial & Labor Relations	175	172	175	172		172
29 Johnson School	40	38	38	38		38
30 Law	9	5	5	5		5
31 Graduate School of Medical Sciences	397	337	337	337		337
32 Veterinary Medicine	111	117	117	117		117
33 Total Graduate	5,081	5,044	5,083	4,955		4,955
34 Total Enrollment	21,393	21,165	21,379	18,295	2,654	20,949

Notes:

* Tuition revenues are based on FTE enrollments, which account for fall-to-spring enrollment differences, tuition prorations for students attending less than a full semester, and Johnson School enrollees in the Queens EMBA program who pay tuition to Queens University rather than Cornell University.

† The difference between fall registrar and FTE paying enrollments for off-campus programs reflects higher enrollments in these programs during the spring semester, especially in Cornell Abroad.

§ All Cornell Institute for Public Affairs and Program in Real Estate enrollments have been consolidated on line 23 in this schedule.

UNDERGRADUATE TUITION, FEES, ROOM, AND BOARD IVY LEAGUE, PEER, AND COMMON ACCEPTANCE INSTITUTIONS

Tuition & Mandatory Fees				Tuition, Fees, Room & Board			
<u>Institution</u>	<u>08-09</u>	<u>09-10</u>	<u>%</u>	<u>Institution</u>	<u>08-09</u>	<u>09-10</u>	<u>%</u>
Columbia	\$39,326	\$41,316	5.1	NYU	\$50,282	\$52,043	3.5
Carnegie Mellon	39,564	40,728	2.9	Carnegie Mellon	49,614	51,568	3.9
Tufts	38,840	40,342	3.9	Columbia	49,306	51,544	4.5
U. Pennsylvania	37,926	39,390	3.9	Georgetown	50,875	51,542	1.3
Chicago	37,632	39,381	4.6	Washington U.	49,274	51,193	3.9
RPI	37,990	39,165	3.1	Johns Hopkins	49,778	51,190	2.8
Johns Hopkins	38,200	39,150	2.5	Tufts	49,358	51,088	3.5
Georgetown	38,122	39,036	2.4	Chicago	49,329	51,078	3.5
Brown	37,718	38,848	3.0	U. Pennsylvania	48,547	50,406	3.8
NYU	37,372	38,815	3.9	RPI	48,720	50,310	3.3
Duke	37,630	38,741	3.0	Boston U.	48,468	50,288	3.8
Washington U.	37,248	38,728	4.0	Northwestern	48,420	50,166	3.6
Rochester	37,250	38,690	3.9	Cornell (Endowed)	48,194	50,114	4.0
Dartmouth	36,915	38,679	4.8	Cornell (Contract-nonres.)	47,094	50,114	6.4
Northwestern	37,125	38,463	3.6	Dartmouth	47,694	49,974	4.8
Boston U.	37,050	38,440	3.8	Duke	47,810	49,895	4.4
Stanford	36,360	38,238	5.2	Rochester	48,060	49,890	3.8
Cornell (Endowed)	36,504	37,954	4.0	Stanford	47,542	49,701	4.5
Cornell (Contract-nonres.)	35,404	37,954	7.2	MIT	47,250	49,142	4.0
MIT	36,390	37,782	3.8	Brown	47,740	49,128	2.9
Harvard	36,173	37,012	2.3	Harvard	47,215	48,868	3.5
Yale	35,300	36,500	3.4	Princeton	46,575	47,855	2.7
Princeton	35,170	36,175	2.9	Yale	46,000	47,500	3.3
U. Michigan (nonres.)	33,069	34,937	5.6	UC-Berkeley (nonres.)	42,758	46,963	9.8
U. Virginia (nonres.)	29,845	31,672	6.1	U. Michigan (nonres.)	41,659	43,861	5.3
UC-Berkeley (nonres.)	28,264	31,655	12.0	U. Virginia (nonres.)	37,665	39,962	6.1
Michigan State (nonres.)	25,722	27,343	6.3	Michigan State (nonres.)	32,798	34,787	6.1
Pennsylvania State (nonres.)	24,940	25,946	4.0	Pennsylvania State (nonres.)	33,202	34,766	4.7
Rutgers (nonres.)	21,488	22,796	6.1	Cornell (Contract-res.)	32,054	33,974	6.0
Cornell (Contract-res.)	20,364	21,814	7.1	Rutgers (nonres.)	32,127	33,472	4.2
SUNY-Buffalo (nonres.)	12,545	14,913	18.9	SUNY-Binghamton (nonres.)	22,106	25,275	14.3
SUNY-Binghamton (nonres.)	12,332	14,661	18.9	SUNY-Buffalo (nonres.)	22,097	24,805	12.3
SUNY-Buffalo (res.)	6,285	7,013	11.6	SUNY-Binghamton (res.)	15,846	17,375	9.6
SUNY-Binghamton (res.)	6,072	6,761	11.3	SUNY-Buffalo (res.)	15,837	16,905	6.7

Notes:

- Institutions are ranked in descending order of rates for 2009-10.
- Institutions with different resident and nonresident tuitions are indicated *res.* and *nonres.* respectively.
- *Common acceptance* refers to institutions that had significant overlap with Cornell in the common acceptance of students who eventually matriculated at Cornell rather than those other institutions.

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UNDERGRADUATE TUITION AND FEES SELECTED PUBLIC AND LAND-GRANT INSTITUTIONS

Resident				Nonresident			
<u>Institution</u>	<u>08-09</u>	<u>09-10</u>	<u>%</u>	<u>Institution</u>	<u>08-09</u>	<u>09-10</u>	<u>%</u>
Cornell (Contract)	\$20,364	\$21,814	7.1	Cornell (Contract)	\$35,404	\$37,954	7.2
Pennsylvania State	13,706	14,416	5.2	UC–Davis	29,243	32,027	9.5
U. Vermont	12,844	13,554	5.5	U. Vermont	29,682	31,410	5.8
U. Illinois (Urbana)	12,106	12,528	3.5	U. Texas (Austin)	27,760	30,006	8.1
U. Mass. (Amherst)	10,232	11,917	16.5	Michigan State	25,722	27,343	6.3
U. Minn. (Twin Cities)	10,756	11,466	6.6	U. Illinois (Urbana)	25,890	26,670	3.0
Michigan State	10,214	10,880	6.5	Indiana U. (Bloomington)	24,769	26,160	5.6
U. Connecticut (Storrs)	9,338	9,886	5.9	Pennsylvania State	24,940	25,946	4.0
UC–Davis	8,635	9,358	8.4	U. Connecticut (Storrs)	24,050	25,486	6.0
U. Texas (Austin)	8,532	8,930	4.7	Purdue	23,224	25,118	8.2
Ohio State (Columbus)	8,679	8,679	0.0	U. Mass. (Amherst)	21,729	23,414	7.8
Purdue	7,750	8,638	11.5	U. Wisconsin (Madison)	21,814	23,059	5.7
Indiana U. (Bloomington)	8,231	8,613	4.6	Texas A & M	22,184	22,606	1.9
U. Wisconsin (Madison)	7,564	8,310	9.9	Ohio State (Columbus)	21,918	22,251	1.5
Texas A & M	7,844	8,176	4.2	Iowa State (Ames)	17,350	17,871	3.0
SUNY–Buffalo	6,285	7,013	11.6	U. Minn. (Twin Cities)	14,756	15,466	4.8
SUNY–Binghamton	6,072	6,761	11.3	SUNY–Buffalo	12,545	14,913	18.9
SUNY–Albany	6,078	6,748	11.0	SUNY–Binghamton	12,332	14,661	18.9
Iowa State (Ames)	6,360	6,651	4.6	SUNY–Albany	12,338	14,648	18.7

Note: Institutions are ranked in descending order of rates for 2009-10.

TUITION AND FEES SELECTED MEDICAL COLLEGES

Tuition				Tuition and Fees *			
<u>Institution</u>	<u>08-09</u>	<u>09-10</u>	<u>%</u>	<u>Institution</u>	<u>08-09</u>	<u>09-10</u>	<u>%</u>
Washington U.	\$45,550	\$47,150	3.5	Cornell	\$48,418	\$51,547	6.5
Case Western	43,500	45,930	5.6	Columbia	47,092	49,347	4.8
Stanford	43,389	45,018	3.8	Stanford	45,888	48,309	5.3
Columbia	43,140	44,864	4.0	U. Pennsylvania	46,851	48,244	3.0
Cornell	41,730	44,650	7.0	Duke	45,549	47,706	4.7
Yale	42,350	43,850	3.5	Case Western	45,286	47,290	4.4
Duke	41,126	42,771	4.0	Washington U.	45,550	47,150	3.5
Harvard	39,900	42,500	6.5	Yale	44,740	46,202	3.3
U. Pennsylvania	41,036	42,472	3.5	Harvard	43,223	45,833	6.0
U. Pittsburgh (nonres.)	40,772	40,772	0.0	U. Pittsburgh (nonres.)	43,506	44,414	2.1
Rochester	38,700	39,700	2.6	Johns Hopkins	41,760	43,620	4.5
Johns Hopkins	38,000	39,500	3.9	Rochester	41,397	43,410	4.9
Chicago – Pritzker	37,293	38,970	4.5	Chicago – Pritzker	40,497	42,349	4.6

Notes:

- Institutions are ranked in descending order of rates for 2009-10.
- * Includes health fees and the cost of health insurance, whether waivable or not.

AVERAGE NINE-MONTH FACULTY SALARIES SELECTED RESEARCH INSTITUTIONS

Institution	89-90	Institution	99-00	Institution	09-10
Cal Tech	68,958	Harvard	103,164	Harvard	154,155
Stanford	65,746	Stanford	100,841	Columbia	150,136
Harvard	64,878	Cal Tech	100,068	Stanford	149,853
MIT	63,420	Chicago	98,607	Chicago	146,889
U. Pennsylvania	61,917	U. Pennsylvania	97,332	Cal Tech	146,288
Yale	61,429	NYU	96,112	Princeton	145,016
Princeton	60,450	Princeton	96,103	U. Pennsylvania	140,711
Carnegie Mellon	59,799	Yale	94,201	NYU	137,358
Chicago	59,771	MIT	94,167	Yale	136,343
NYU	59,552	Northwestern	92,715	Northwestern	136,333
Columbia	59,518	Columbia	92,619	MIT	135,636
UC-Berkeley	59,371	Duke	90,038	Duke	131,125
Duke	58,583	UC-Berkeley	89,950	Cornell (Endowed)	130,166
Georgetown	58,347	UCLA	87,602	Dartmouth	126,544
USC	58,236	U. Michigan	85,558	Georgetown	126,455
Northwestern	58,010	Carnegie Mellon	85,470	Cornell (Ithaca Campus)	124,323
U. Virginia	57,606	USC	84,764	USC	122,035
U. Michigan	57,590	Cornell (Endowed)	84,700	UC-Berkeley	120,889
UCLA	57,444	Georgetown	84,338	UCLA	120,666
Rutgers	56,867	U. Virginia	84,260	U. Michigan	118,600
Johns Hopkins	56,749	Rutgers	83,222	Brown	117,980
UC-SanDiego	56,400	UC-SanDiego	82,869	Carnegie Mellon	117,279
Cornell (Endowed)	56,307	Dartmouth	82,343	U. North Carolina	117,146
Dartmouth	54,878	U. North Carolina	79,998	Cornell (Contract)	115,899
Cornell (Ithaca Campus)	54,773	Cornell (Ithaca Campus)	77,797	Rutgers	115,292
Maryland	54,691	Illinois	77,594	Maryland	113,510
U. Texas	53,896	UC-Davis	77,571	UC-SanDiego	111,723
Brown	53,553	Johns Hopkins	77,432	U. Virginia	111,479
Ohio State	52,973	Brown	77,092	U. Texas	110,456
UC-Davis	52,943	Maryland	76,697	Ohio State	107,614
Illinois	52,781	U. Minnesota	76,419	Pennsylvania State	107,006
U. North Carolina	52,697	Pennsylvania State	75,155	Illinois	106,988
Cornell (Contract)	52,566	U. Texas	75,145	U. Minnesota	104,659
Pennsylvania State	52,271	Ohio State	74,852	U. Washington	103,908
Purdue	52,197	U. Wisconsin	74,143	UC-Davis	103,650
U. Minnesota	50,022	Purdue	73,617	Michigan State	103,503
Texas A&M	49,920	Michigan State	70,163	Texas A&M	100,898
Michigan State	48,971	U. Washington	69,637	Purdue	97,720
U. Wisconsin	48,896	Texas A&M	69,187	U. Wisconsin	96,750
U. Washington	48,350	Cornell (Contract)	68,803	Johns Hopkins	*

Notes:

- The average salary (excluding extra pay and summer compensation) for each institution (including Cornell's contract college) was computed by weighting the mean salary by academic rank for the number of endowed Ithaca faculty in those ranks. Twelve-month salaries were converted to a nine-month appointment basis.

* Did not participate in the 2009-10 salary survey that was published in *Academe*, March-April 2010.

UNDERGRADUATE FINANCIAL AID

Source of Funding for Undergraduate Financial Aid

(dollars in thousands)

	87-88	08-09	09-10	09-10	10-11	Change	Annual
	Actual	Actual	Plan	Forecast	Plan	Forecast	Growth
						to Plan	Rate
							from
							87-88
Family Contribution							
1. Parental	\$22,189	\$ 83,723	\$ 77,413	\$ 83,798	\$ 83,692	(0.1%)	6.5%
2. Student	7,819	18,487	18,780	19,795	20,199	2.0%	4.6%
3. Subtotal	30,008	102,210	96,193	103,593	103,891	0.3%	6.1%
Federal Government							
4. Grants	5,143	10,132	10,399	13,444	13,768	2.4%	4.8%
5. Loans	11,192	17,227	16,096	17,255	17,602	2.0%	2.2%
6. Work/Study	2,769	3,794	3,808	3,820	3,850	0.8%	1.6%
7. Subtotal	19,104	31,153	30,303	34,519	35,221	2.0%	3.0%
State Government							
8. Grants	4,903	5,635	5,322	4,952	4,956	0.1%	0.1%
9. Work/Study	692	-	-	-	-		
10. Subtotal	5,595	5,635	5,322	4,952	4,956	0.1%	(0.6%)
Other External							
11. Grants	2,663	8,455	7,526	6,043	6,042	(0.0%)	4.0%
12. Subtotal	2,663	8,455	7,526	6,043	6,042	(0.0%)	4.0%
Cornell							
13. Unrestricted Grants	12,751	106,845	140,315	141,364	165,536	17.1%	13.0%
14. Restricted Grants	7,770	37,751	30,846	33,000	30,567	(7.4%)	6.7%
15. Loans	130	796	746	895	895	0.0%	9.6%
16. Work/Study	1,846	3,794	3,808	3,820	3,820	0.0%	3.5%
17. Subtotal	22,497	149,185	175,715	179,079	200,819	12.1%	11.0%
18. Total	79,867	296,638	315,058	328,185	350,929	6.9%	7.3%

Financial-Aid Population

(on- and off-campus)

	1987	2008	2009	2009	2010		
	Actual	Actual	Plan	Actual	Plan		
Undergraduate Student Counts							
1. Total Enrollment	12,958	13,846	13,954	13,931	13,680	(1.8%)	0.3%
2. Overall Financial Aid Population	N/A	8,452	8,372	8,711	8,700	(0.1%)	
3. Percent of Total Enrollment		61.0%	60.0%	62.5%	63.6%		
4. Need-based Financial Aid Population	5,137	7,589	7,256	8,096	8,100	0.0%	2.2%
5. Percent of Total Enrollment	39.6%	54.8%	52.0%	58.1%	59.2%		
6. Cornell-Grant Recipients *	3,815	5,941	5,721	6,644	6,650	0.1%	2.7%
7. Percent of Total Enrollment	29.4%	42.9%	41.0%	47.7%	48.6%		
8. Pell-Grant Recipients †	1,820	1,789	1,814	2,218	2,210	(0.4%)	0.9%
9. Percent of Total Enrollment	14.0%	12.9%	13.0%	15.9%	16.2%		

Notes:

- Family contribution amounts are for students who demonstrate a financial need according to Cornell's methodology. Financial-aid amounts are shown as computed and awarded.
- Enrollments exclude *in-absentia* and extramural students.
- * Cornell-grant recipients are those U.S. citizens and permanent residents (excluding international students) who receive need-based grant aid from Cornell resources.
- † The number of Pell Grant recipients for fall 1987 is estimated based on the total funding received by Cornell in that year and the national average of Pell Grant awards.

NEW YORK STATE APPROPRIATIONS

Sources of Funding				
(dollars in thousands)				
	08-09	09-10	09-10	10-11
	<u>Actual</u>	<u>Plan</u>	<u>Forecast</u>	<u>Plan</u>
Ithaca Campus				
1. Original Base Appropriation Through SUNY	\$159,219	\$151,853	\$155,150	\$146,927
SUNY/Cornell Negotiated/Planned Increases				
2. For Inflation and fixed costs	6,388	(219)	0	0
3. Subtotal Base (prior to legislative actions)	165,607	151,634	155,150	146,927
4. SUNY-Initiated Adjustments	(12,610) *	3,516	(8,223) *	(11,757)
5. Other Adjustments: Land Script, Canine Research		173	164	164
6. Empire Innovation	615	1,610	1,808	1,808
7. Revised Base	153,612	156,933	148,899	137,142
Additional Planned State Funding Through SUNY				
8. Cooperative Extension (support for County Associations)	3,920	3,920	3,920	3,920
9. Institute for Community College (ICCD)	280	280	262	236
10. SUNY Program Support (academic equipment/fellowships)	1,235	1,712	1,530	1,465
11. SUCF Critical Maintenance In-Year Funds	2,353	2,420	2,420	2,200
12. Subtotal of Additional State Funding	7,788	8,332	8,132	7,821
13. Total State Appropriations Through SUNY	161,400	165,265	157,031	144,963
Other State Appropriations				
14. Bundy Aid (based on degrees granted)	1,614	1,581	1,498	1,474
15. Total Ithaca Campus	163,014	166,846	158,529	146,437
Medical College				
16. Bundy Aid (based on degrees granted)	166	175	169	197
17. Total Medical College	166	175	169	197
18. Total State Appropriations	163,180	167,021	158,698	146,634

Notes:

- Cornell receives New York State appropriations through the State University of New York (SUNY) and directly from the state. Most appropriations flow through SUNY.
- Not represented on this schedule are certain student financial-aid funds and grants and contracts with state agencies. The schedule also excludes the value of employee benefits provided by New York State and debt service on facilities provided through SUNY, neither of which is recorded by Cornell.

* Mandated in-year budget reduction.

FACILITIES AND ADMINISTRATIVE COST AND EMPLOYEE BENEFITS BILLING RATES

Facilities and Administrative Cost Rates

	<u>04-05</u>	<u>05-06</u>	<u>06-07</u>	<u>07-08</u>	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>
Endowed Ithaca							
1. On-Campus	58.00	58.00	58.00	59.00	59.00	59.00	59.00
2. Off-Campus	26.00	26.00	26.00	26.00	26.00	26.00	26.00
3. Off-Campus – Arecibo Observatory	9.50	9.50	11.00	11.00	11.00	11.00	11.00
4. Other Restricted Funds	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Contract Colleges							
5. On-Campus – Research	58.00	53.50	53.50	53.50	54.00	54.00	54.00
6. Off-Campus – Research	26.00	26.00	26.00	26.00	26.00	26.00	26.00
7. On-Campus – Educational Services	60.00	56.70	56.70	56.70	56.70	56.70	56.70
8. Off-Campus – Educational Services	26.00	26.00	26.00	26.00	26.00	26.00	26.00
9. On-Campus – Research – Geneva	54.00	56.50	53.50	53.50	54.00	54.00	54.00
10. Off-Campus – Research – Geneva	26.00	26.00	26.00	26.00	26.00	26.00	26.00
11. New York State	18.00	18.00	18.00	18.00	18.00	18.00	18.00
12. Other Restricted Funds	10.00	10.00	10.00	10.00	10.00	10.00	10.00
Medical Campus							
13. On-Campus	68.00	68.00	68.00	68.00	68.00	69.00	69.00
14. Westchester	38.00	38.00	38.00	38.00	42.00	42.00	42.00
15. Clinical Research Center	42.00	42.00	42.00	42.00	44.00	44.00	44.00
16. Other Sponsored Research	0.00	0.00	0.00	30.00	30.00	30.00	30.00
17. Off-Campus	26.00	26.00	26.00	26.00	26.00	26.00	26.00
18. Other Restricted Funds	25.00	25.00	25.00	25.00	25.00	25.00	25.00
19. Industrial Agreements – Clinical Trials	33.00	33.00	33.00	33.00	33.00	33.00	33.00
20. Industrial Agreements – Research	68.00	68.00	68.00	68.00	68.00	69.00	69.00

Employee Benefits Rates

Endowed Ithaca							
1. Full	31.00	32.00	33.00	33.00	33.00	34.00	34.00
2. Minimum	10.25	10.00	10.00	10.00	10.00	10.00	10.00
3. Zero	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Contract Colleges*							
4. Federally Reimbursed (restricted funds)	42.67	47.50	45.60	47.60	45.10	44.30	44.30
5. All Other Funds (where applicable)	46.68	49.86	50.27	51.44	50.73	48.96	48.96
Medical Campus							
6. General	29.40	29.40	29.40	29.60	29.60	29.60	29.60
7. Postdoctoral Fellow	20.00	20.00	20.00	20.00	21.00	20.00	20.00
8. NRSA Postdoctoral Fellow	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9. Temporary Employee and Student	8.50	8.50	8.50	8.50	9.00	9.00	9.00

Notes:

- Shown are the billing rates, expressed as percentages, used in each fiscal year; actual cost rates vary.
- Endowed Ithaca has three employee benefit billing rates: (a) the *full* rate is used for most benefit-eligible employees; (b) a minimum rate is used when only mandated benefits are provided or when tips or pension-ineligible bonus payments are made; and (c) a *zero* rate is applied in limited situations, such as in the case of academic-year student wage payments, where the cost of any benefits provided is negligible.
- * The 2010-11 contract college benefits rates have been submitted to the Department of Health and Human Services for incorporation in the university's rate agreements. The 2009-10 values shown are actual rates.

INVESTMENT ASSETS, RETURNS, AND PAYOUTS

Investments at Fair Value

(dollars in thousands at year end)

	6/30/08 Total	Percent of Total	6/30/09 Total	Percent of Total	Change from 6/30/08
1. Working Capital	\$ 32,704	0.5%	\$ 1,185	0.0%	\$ (31,519)
2. Intermediate-Term (PBIF)	571,174	8.7%	625,261	12.3%	54,087
3. Long-Term Investment Pool (LTIP)	5,378,096	82.1%	3,794,336	74.8%	(1,583,760)
4. Separately Invested Portfolio	411,614	6.3%	444,266	8.8%	32,652
5. Pooled Life Income Funds	13,909	0.2%	10,042	0.2%	(3,867)
6. Other *	141,791	2.2%	198,764	3.9%	56,973
7. Total	6,549,288	100.0%	5,073,854	100.0%	(1,475,434)

Note: * A major portion of *other investments* are DASNY (Dormitory Authority of the State of New York) holdings, which include bond proceeds held at custodial banks and certain debt service reserves.

Endowment - Net Assets

(dollars in thousands at year end)

	07-08	08-09	Change	Percent Change
1. True Endowment	\$ 3,535,217	\$ 2,560,985	\$ (974,232)	-27.6%
2. Funds Functioning as Endowment	1,712,792	1,275,304	(437,488)	-25.5%
3. Subtotal Under Cornell Management	5,248,009	3,836,289	(1,411,720)	-26.9%
4. Funds Held in Trust by Others *	137,473	129,752	(7,721)	-5.6%
5. Subtotal Funds External to Cornell	137,473	129,752	(7,721)	-5.6%
6. Total University Endowment	5,385,482	3,966,041	(1,419,441)	-26.4%

Notes: * Funds that the university neither possesses nor controls but which provide Cornell income or in which the university has a residual interest in the assets.

Long-Term Investment Pool

	6/30/04 Actual	6/30/05 Actual	6/30/06 Actual	6/30/07 Actual	6/30/08 Actual	6/30/09 Actual
1. Market Value (per share)	\$ 46.51	\$ 50.11	\$ 55.42	\$ 66.62	\$ 65.37	\$ 45.12
2. Annualized Total Gross Return	16.3%	13.9%	16.4%	26.2%	3.0%	-25.9%
3. Number of Shares (in millions)	66.0	72.3	75.4	78.0	82.3	84.1
4. Payout per Share	\$ 2.43	\$ 2.25	\$ 2.30	\$ 2.42	\$ 2.66	\$ 3.00
5. Shareholder Payout (in millions)	\$ 157.09	\$ 153.46	\$ 168.95	\$ 185.51	\$ 213.05	\$ 250.68
6. Payout as a % of 6/30 Market Value	5.2%	4.5%	4.1%	3.6%	4.1%	6.6%
7. Total Spending per Share	\$ 2.77	\$ 2.52	\$ 2.68	\$ 2.85	\$ 3.16	3.53
8. Total Spending (in millions)	\$ 183.00	\$ 181.87	\$ 201.88	\$ 222.32	\$ 259.61	\$ 296.82
9. Spending as a % of 6/30 Market Value	6.0%	5.0%	4.8%	4.3%	4.8%	7.8%

Note: Total returns net of investment management fees for 2003-04, 2004-05, 2005-06, 2006-07, 2007-08, and 2008-09 were 16.12%, 13.6%, 16.1%, 25.9%, 2.7%, and -26% respectively.

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ENDOWMENT PER FULL-TIME STUDENT SELECTED INSTITUTIONS

<u>Institution</u>	<u>84-85</u>	<u>Institution</u>	<u>07-08</u>	<u>Institution</u>	<u>08-09</u>
Princeton	255,600	Princeton	2,255,391	Princeton	1,720,916
Harvard	166,000	Yale	2,020,827	Yale	1,435,593
Rice	145,000	Harvard	1,880,854	Harvard	1,309,890
Yale	125,300	Stanford	1,155,138	Stanford	932,606
Stanford	86,800	MIT	985,205	Rice	681,034
Dartmouth	85,800	Rice	910,380	Dartmouth	495,769
MIT	84,700	Dartmouth	579,506	Chicago	372,975
Washington U.	77,200	Chicago	491,391	Washington U.	347,459
Rochester	77,000	Duke	480,633	Duke	341,386
Chicago	74,700	Washington U.	452,433	Northwestern	336,335
Columbia	62,900	Northwestern	429,755	Emory	334,759
Emory	62,800	Emory	429,050	Columbia	269,706
Johns Hopkins	55,900	Brown	348,671	Brown	252,916
Northwestern	39,900	Columbia	333,713	U. of Pennsylvania	241,006
Vanderbilt	34,900	Vanderbilt	297,488	Vanderbilt	234,319
U. of Texas System	34,600	U. of Pennsylvania	293,967	Cornell	195,632
Carnegie Mellon	33,600	Cornell	271,994	Rochester	151,837
Brown	31,800	Rochester	209,182	Johns Hopkins	133,502
Cornell	29,900	Johns Hopkins	172,503	Tufts	114,251
Duke	26,900	Tufts	154,534	U. of Texas System	85,249
U. of Pennsylvania	23,100	U. of Texas System	113,786	RPI	81,484
RPI	20,900	Carnegie Mellon	110,933	Carnegie Mellon	74,409
Tufts	12,800	RPI	108,689	Boston U.	35,904
Boston U.	5,000	Boston U.	45,975	MIT	*

Notes:

- Institutions are ranked in descending order of endowment per full-time student (undergraduate, graduate, and professional) for each year.
- Endowment per student calculated based on endowment value as of June 30th of the fiscal year divided by the full-time equivalent enrollment for the previous fall semester.
- Endowments include true endowments, funds functioning as endowment, and funds held in trust by others. Endowments exclude living trusts and pledges.
- * MIT did not participate in the NACUBO 2009 endowment survey.

Source: 2009 NACUBO Endowment Study.

GIFTS/CONTRIBUTIONS - THROUGH MARCH 31, 2010

Reconciliation of Contributions to Cash Gifts

(dollars in thousands)

	Ithaca Campus	Medical College	Cornell † Foundation	March 31	
				09-10 Year to Date	08-09 Year to Date
Operating Revenue					
1. Unrestricted	\$ 36,633	\$ 11,398	\$ -	\$ 84,664	\$ 42,671
2. Temporarily Restricted	52,749	8,417	-	113,915	(69,025)
3. Funds Functioning as Endowment-Unrestricted *	1,620	348	-	3,588	2,008
4. Subtotal	91,002	20,163	-	202,167	(24,346)
Non-Operating Revenue					
5. True Endowment	34,067	14,429	-	82,563	53,873
6. Funds Functioning as Endowment-Temporarily Restricted §	3,766	150	10,860	18,542	137,584
7. Life Income Funds	1,403	809	-	3,615	1,822
8. Trusts held by others	(457)	-	-	(914)	1,062
9. Loan Funds	1	79	-	81	133
10. Capital Acquisitions - Cash Gifts	8,867	84,735	-	102,469	30,266
11. Capital Acquisitions - Gifts in Kind	1,211	-	-	2,422	13,210
12. Subtotal	48,858	100,202	10,860	208,778	
13. Financial Statement Total	139,860	120,365	10,860	410,945	
Adjustments					
14. Gifts from Outside Trusts	1,894	3	-	3,791	(1,112)
15. Gift Annuities	-	-	-	-	768
16. Split-Interest Agreements	-	-	-	-	2,253
17. Pledges (Net present value)	9,998	(59,302)	-	(39,306)	174,975
18. Timing	2,221	(2,329)	-	2,113	(488)
19. Other	-	-	-	-	-
20. Total Adjustments	14,113	(61,628)	-	(33,402)	
21. Gift Records Total	153,973	58,737	10,860	377,543	

Notes:

- This table reconciles the differences (line 14 through 19) between contributions as displayed in the financial statements (line 13) and cash gifts as reported by Alumni Affairs and Development (line 21). The largest of these adjustments (positive or negative) are often the change in the net present value of pledges (line 17) and timing differences in the recording of gifts between the two systems (line 18).
- Line 14 shows the net difference in valuation of gifts from outside trust agreements that are recorded in the contributor relations system at full value and may be reflected at present value in the financial statements. Lines 15 and 16 identify trusts in which Cornell shares an interest with the donors. While the gifts are reflected at full value in the contributor relations system, Cornell's financial statements recognize the liability owed to the beneficiaries of these trusts. Line 17 reflects the net present value of unconditional promises to give (pledges) that were recorded in the financial statements but not treated as cash gifts in the contributor relations system. Lines 18 and 19 identify other periodic adjustments.

- Some of these exclusions--all of which are based on the reporting standards appropriate for each record--are entire (e.g., the inclusion of pledges in the financial statements and the exclusion of such promises from the cash gifts of the contributor relations system). Others are partial (e.g., the recognition in the financial statements of the interest that beneficiaries may have in split-interest

† The Cornell University Foundation is a service for Cornell alumni and friends who wish to make charitable gifts through the structure of a donor-advised fund.

* Unrestricted funds functioning as endowment are classified as operating revenues.

§ Restricted Funds functioning as endowment are classified as non-operating revenues.

CAMPAIGN FOR CORNELL GIFTS - THROUGH MARCH 31, 2010

Gifts Raised - Ithaca Campus			
(dollars in thousands)			
Campaign Goals	<u>Goal / Target</u>	Raised through 3/31/10	Percent of Goal / Target
1. Professorships & Deanships		182,690	
2. Academic Positions		16,592	
3. Non-Academic Positions		19,304	
4. Instruction / Research Program Enhancements		562,439	
5. Instruction / Research Program Facilities		41,123	
6. Subtotal Faculty & Program	1,785,000	822,147	46.1%
7. Undergraduate Student Aid		173,219	
8. Graduate Fellowships		67,404	
9. Professional School Student Aid		47,211	
10. Living & Learning		43,745	
11. Subtotal Student	690,000	331,579	48.1%
12. CIS - Gates Hall		25,000	
13. Helen Newman Hall		17	
14. Johnson Museum Expansion		12,177	
15. Life Sciences Building		54,219	
16. Lyna Rink Expansion		6,755	
17. Milstein Hall		12,974	
18. Physical Sciences Complex		13,839	
19. West Campus Residential Initiative		23,000	
20. Subtotal Facilities	225,000	147,981	65.8%
21. Cornell Annual Fund		121,091	
22. Other Unrestricted		162,832	
23. Subtotal Unrestricted	300,000	283,923	94.6%
24. Pending Designation		37,948	
25. Campaign Goals Total	3,000,000	1,623,580	54.1%
College and Unit Targets			
1. Agriculture & Life Sciences	370,000	201,547	54.5%
2. Architecture, Art & Planning	65,000	35,082	54.0%
3. Arts & Sciences	435,000	181,528	41.7%
4. Computing & Information Sciences	78,000	28,262	36.2%
5. Cornell Library	60,000	31,051	51.8%
6. Engineering	375,000	196,686	52.4%
7. General University	1,007,000	495,925	49.2%
8. Hotel Administration	70,000	62,326	89.0%
9. Human Ecology	70,000	40,496	57.9%
10. Industrial & Labor Relations	60,000	40,679	67.8%
11. Johnson School	100,000	67,623	67.6%
12. Law School	70,000	45,584	65.1%
13. Student & Academic Services	150,000	122,313	81.5%
14. Veterinary Medicine	90,000	74,476	82.8%
15. College and Unit Targets Total	3,000,000	1,623,580	54.1%

PROJECTED MAINTENANCE FUNDING - ITHACA CAMPUS

Maintenance Inventory

(dollars in millions)

	Actual 08-09	Forecast 09-10	Plan 10-11	Proj. 11-12	Proj. 12-13	Proj. 13-14	Proj. 14-15
Endowed Ithaca							
1. Beginning Inventory	\$122.6	\$147.0	\$173.4	\$188.0	\$205.3	\$221.8	\$235.0
2. Maintenance Projects	42.0	38.8	32.6	33.4	34.2	35.0	35.8
3. Operational Funding	(11.6)	(12.4)	(14.2)	(14.1)	(13.7)	(16.8)	(16.7)
4. Capital Funding	(6.0)	0.0	(3.9)	(2.0)	(4.0)	(5.0)	(5.0)
5. Year-End Inventory	147.0	173.4	188.0	205.3	221.8	235.0	249.1
Residence Facilities							
6. Beginning Inventory	74.9	81.9	86.6	92.2	97.2	102.6	108.9
7. Maintenance Projects	12.8	12.1	13.5	14.0	14.9	15.0	15.5
8. Operational Funding	(4.8)	(5.6)	(6.0)	(6.2)	(6.4)	(6.6)	(6.8)
9. Capital Funding	(0.9)	(1.8)	(1.9)	(2.8)	(3.1)	(2.1)	(2.2)
10. Year-End Inventory	81.9	86.6	92.2	97.2	102.6	108.9	115.4
Contract Colleges							
11. Beginning Inventory	494.7	475.2	455.5	440.4	426.0	399.7	374.8
12. Maintenance Projects	17.8	18.9	20.1	21.3	22.5	23.9	23.9
13. Operational Funding	(4.5)	(5.0)	(5.0)	(5.5)	(6.0)	(6.0)	(6.0)
14. Capital Funding	(32.8) *	(33.6)	(30.2)	(30.2)	(42.8) **	(42.8) **	(42.8) **
15. Year-End Inventory	475.2	455.5	440.4	426.0	399.7	374.8	349.9
Ithaca Campus Total							
16. Beginning Inventory	692.2	704.1	715.5	720.6	728.5	724.0	718.7
17. Maintenance Projects	72.7	69.8	66.2	68.7	71.5	73.9	75.2
18. Operational Funding	(21.0)	(23.0)	(25.2)	(25.8)	(26.0)	(29.3)	(29.4)
19. Capital Funding	(39.7)	(35.4)	(36.0)	(35.0)	(49.9)	(49.9)	(50.0)
20. Year-End Inventory	704.1	715.5	720.6	728.5	724.0	718.7	714.4

Notes:

- This table provides a projection of building maintenance activity, the funding of maintenance costs from operating and capital plans, and the inventory of unfunded maintenance for the Ithaca campus through 2014-15. Excluded are utilities, parking, and information technology projects. The projected year-end inventory of unfunded maintenance is for planning purposes only, and illustrates the potential need for maintenance resources beyond those already identified in operating and capital plans.
- There are three categories of building maintenance: routine, preventive, and planned. Maintenance needs and projects are identified annually. Most routine and preventive activities are funded and completed. Some planned maintenance is deferred due to timing issues or lack of funding.
- The lines labelled *maintenance projects* include routine and preventive activities and additions to the planned maintenance inventory. The projection of such projects through 2014-15 was made using a model developed by the Association of Higher Education Facilities Officers.
- Operational funding is that portion of total maintenance funding that is expended on routine and preventive activities and planned maintenance, and includes the use of operating reserves. It excludes certain administrative costs and debt.
- Capital funding is from projects in the capital plan, not all of which have been approved or funded. The impact of capital funding is shown in the year that the project is expected to be completed.
- * Capital funding for contract college facilities maintenance reflects the initiation of the 2008-2013 State University Capital plan beginning in 2008-09.
- ** Projected 12-13, 13-14 and 14-15 Projected Capital Funding for contract colleges revised by Facilities Services (October 2010)

WORK FORCE - ITHACA CAMPUS

2009-10 Ithaca Campus Work Force Distribution					Ratio of Support to Academic
	Academic Staff		Support	Total	
	Faculty	Other	Staff		
1. Agriculture & Life Sciences	371	333	1,089	1,793	1.55
2. Architecture, Art & Planning	54	13	47	114	0.70
3. Arts & Sciences	513	191	287	991	0.41
4. Engineering	232	69	173	474	0.57
5. Hotel Administration	37	17	246	300	4.56
6. Human Ecology	91	76	188	355	1.13
7. Industrial & Labor Relations	54	52	137	243	1.29
8. Johnson School	55	23	88	166	1.13
9. Law School	53	2	70	125	1.27
10. Veterinary Medicine	131	120	652	903	2.60
11. Subtotal Colleges	1,591	896	2,977	5,464	1.20
12. Research Centers		118	260	378	2.20
13. Other Academic Programs	14	98	616	728	5.50
14. Subtotal Other Centers	14	216	876	1,106	3.81
15. Total Academic Units	1,605	1,112	3,853	6,570	1.42
16. Student Services		14	1,057	1,071	
17. Administrative & Support			1,361	1,361	
18. Physical Plant			771	771	
19. Subtotal Support	-	14	3,189	3,203	
20. Total Work Force	1,605	1,126	7,042	9,773	2.58

Change in Support Staff					Change from 06-07	
	06-07	07-08	08-09	09-10	Number	Percent
1. Agriculture & Life Sciences	1,121	1,122	1,155	1,089	(32)	(2.9)
2. Architecture, Art & Planning	43	44	51	47	4	9.3
3. Arts & Sciences	304	296	302	287	(17)	(5.6)
4. Engineering	203	199	202	173	(30)	(14.8)
5. Hotel Administration	261	264	272	246	(15)	(5.7)
6. Human Ecology	189	187	185	188	(1)	(0.5)
7. Industrial & Labor Relations	160	161	160	137	(23)	(14.4)
8. Johnson School	96	98	104	88	(8)	(8.3)
9. Law School	70	69	71	70	-	-
10. Veterinary Medicine	691	707	729	652	(39)	(5.6)
11. Subtotal Colleges	3,138	3,147	3,231	2,977	(161)	(5.1)
12. Research Centers	318	301	269	260	(58)	(18.2)
13. Other Academic Programs	662	681	689	616	(46)	(6.9)
14. Subtotal Other Centers	980	982	958	876	(104)	(10.6)
15. Total Academic Units	4,118	4,129	4,189	3,853	(265)	(6.4)
16. Student Services	1,081	1,108	1,163	1,057	(24)	(2.2)
17. Administrative & Support	1,436	1,492	1,528	1,361	(75)	(5.2)
18. Physical Plant	801	811	834	771	(30)	(3.7)
19. Subtotal Support	3,318	3,411	3,525	3,189	(129)	(3.9)
20. Total Support Staff	7,436	7,540	7,714	7,042	(394)	(5.3)

ROOM AND BOARD RATES - ITHACA CAMPUS

Selected Institutions

<u>Institution</u>	<u>Room Rates *</u>			<u>Institution</u>	<u>Board Rates †</u>		
	<u>08-09</u>	<u>09-10</u>	<u>%</u>		<u>08-09</u>	<u>09-10</u>	<u>%</u>
NYU	\$9,030	\$9,212	2.0	Princeton	\$5,200	\$5,340	2.7
Harvard	6,060	7,248	19.6	Duke	4,820	5,279	9.5
Cornell	6,950	7,210	3.7	Johns Hopkins	4,960	5,158	4.0
U. Pennsylvania	6,640	6,936	4.5	Stanford	4,982	5,052	1.4
Johns Hopkins	6,618	6,882	4.0	Northwestern	4,871	5,046	3.6
MIT	6,400	6,850	7.0	Yale	4,860	5,000	2.9
Dartmouth	6,444	6,750	4.7	Cornell ‡	4,740	4,950	4.4
Northwestern	6,424	6,657	3.6	Harvard	4,982	4,608	(7.5)
SUNY-Binghamton	6,088	6,546	7.5	Dartmouth	4,335	4,545	4.8
Stanford	6,200	6,411	3.4	MIT	4,460	4,510	1.1
Brown	6,216	6,360	2.3	Columbia	4,170	4,274	2.5
Princeton	6,205	6,340	2.2	U. Pennsylvania	3,981	4,080	2.5
Yale	5,840	6,000	2.7	SUNY-Binghamton	3,686	4,068	10.4
Columbia	5,810	5,954	2.5	NYU	3,880	4,016	3.5
Duke	5,360	5,875	9.6	Brown	3,806	3,920	3.0

Notes:

• Institutions are ranked in descending order of rates for 2009-10.

* Room rates shown represent average double occupancy for undergraduates.

† Board rates shown generally represent full meal plans, providing 18 to 21 meals per week.

‡ Cornell board rates shown are for the *Traditional 14 Meals Per Week Plus \$800 Declining Balance Plan*.

Cornell University

							Change from
Room Rates	<u>05-06</u>	<u>06-07</u>	<u>07-08</u>	<u>08-09</u>	<u>09-10</u>	<u>10-11</u>	<u>09-10</u>
1. Undergraduate–Average Double	\$6,080	\$6,390	\$6,680	\$6,950	\$7,210	\$7,500	4.0%
2. Undergraduate–Average All Types	6,391	6,713	7,015	7,320	7,594	7,900	4.0%
3. All Students–Average Double	6,080	6,390	6,680	6,950	7,210	7,500	4.0%
Board Rates							
4. Full Meal Plan \diamond	4,170	4,336	4,510	4,690	4,900	5,100	4.1%
5. Administrative Fee \S	50	50	50	50	50	50	

\diamond Rates shown are for the *Traditional 14 Meals Per Week Plus \$800 Declining Balance Plan*.

\S Nonrefundable administrative fee that is charged to participants in the meal plans that covers the cost of flexible enrollment, allowing students to change, add, and drop meal plans. The fee funds the tracking and processing system used to record and monitor changes.

Ithaca Campus: A View of the Sponsored and Non-Sponsored Budget

(dollars in thousands)

	2009-10 Forecast			2010-11		Total Budget Plan
	Sponsored	Non- Sponsored	Total Forecast	Sponsored	Non- Sponsored	
Resources						
1. Tuition & Fees		707,000	707,000		747,782	747,782
2. Endowment Distributions		194,500	194,500	3	173,063	173,066
3. Other Investment Distributions		4,100	4,100		3,650	3,650
4. Undergrad Financial Aid Withdrawal		35,000	35,000		35,000	35,000
5. Separate Invest. Taxable Debt		29,500	29,500		24,500	24,500
6. Unrestricted Gifts		46,500	46,500		45,397	45,397
7. Restricted Gifts	15,300	33,700	49,000	12,276	36,803	49,079
8. Sponsored Programs (direct)	358,800	0	358,800	316,794	(65)	316,729
9. Sponsored Programs (F&A)		88,300	88,300	(3,923)	87,520	83,597
10. State Appropriations		158,600	158,600		146,437	146,437
11. Federal Appropriations		17,900	17,900		18,542	18,542
12. Enterprise Sales & Services		128,000	128,000		131,529	131,529
13. Educational Activities & Other Sources	8,600	114,400	123,000	9,599	113,203	122,802
14. Subtotal In-Year Revenues	382,700	1,557,500	1,940,200	334,749	1,563,361	1,898,110
Uses of Resources						
15. Salaries & Wages	133,920	701,080	835,000	129,455	697,352	826,807
16. Employee Benefits	34,350	162,650	197,000	36,220	163,307	199,527
17. Undergraduate Financial Aid	5,700	174,800	180,500	3,925	193,621	197,546
18. Graduate Financial Aid	19,800	104,200	124,000	17,095	115,049	132,144
19. Purchased Services	11,500	53,500	65,000	11,451	35,201	46,652
20. Supplies and General	102,500	79,500	182,000	96,252	130,044	226,296
21. Utilities, Rents and Taxes	2,800	84,500	87,300	5,523	78,971	84,494
22. Repairs & Maintenance	3,000	55,000	58,000	2,551	53,996	56,547
23. <i>Subtotal General Expense</i>	<i>119,800</i>	<i>272,500</i>	<i>392,300</i>	<i>115,777</i>	<i>298,212</i>	<i>413,989</i>
24. Capitalized Equipment, Books and Other	25,900	33,100	59,000	17,081	32,443	49,524
25. Subtotal Expenditures	339,470	1,448,330	1,787,800	319,553	1,499,984	1,819,537
26. Medical College Admin Charge		(1,828)	(1,828)		(1,841)	(1,841)
27. <i>Subtotal Cost Redistribution</i>	<i>0</i>	<i>(1,828)</i>	<i>(1,828)</i>	<i>0</i>	<i>(1,841)</i>	<i>(1,841)</i>
28. Net Operations - Before Internal Debt and Transfers	43,230	110,998	154,228	15,196	65,218	80,414
29. Internal Expense on Taxable Debt		29,500	29,500		24,500	24,500
30. Debt Service - Internal	130	106,270	106,400	117	75,711	75,828
Transfers (To)/From Fund Balances						
31. (To)/From Endowment	1,400	(400)	1,000	96	6,545	6,641
32. (To)/From Plant (excludes debt)	(44,500)	(45,000)	(89,500)	(15,175)	(43,542)	(58,717)
33. (To)/From Reserves		29,500	29,500		32,497	32,497
34. <i>Subtotal Transfers</i>	<i>(43,100)</i>	<i>(15,900)</i>	<i>(59,000)</i>	<i>(15,079)</i>	<i>(4,500)</i>	<i>(19,579)</i>
35. Net from Operations	0	(40,672)	(40,672)	0	(39,493)	(39,493)

CAPITAL PROJECT SPENDING GUIDELINES

Capital projects may move forward with the following restrictions:

- With a very preliminary cost estimate, a unit may request to spend a limited amount of its own existing funds through the normal PAR process, to the extent necessary to conceptually develop and size a project idea for the purpose of advancing discussion for possible inclusion in the university's approved five-year capital plan.
- Before any formal design or construction work begins, the project must be included in the university's approved five-year capital plan.
- Before inclusion in the university's approved five-year capital plan, the project must contain a submitted and approved funding strategy which must include: 1) the full anticipated cost of the project, including construction, architectural and design fees, equipment, contingencies, etc.; 2) the incremental annual cost of ongoing operations and maintenance for the facility; and 3) any other relevant information. Because funding sources are as diverse as university projects, each project's funding strategy should be developed with consideration given to both the project's merit and university priorities. Funding guidelines are as follows:
 - No more than 50% of any capital project should be debt-financed unless the project is a life-safety or major infrastructure priority.
 - **Note:** the balance sheet expendable resources to debt ratio must always be greater than 1.0. If a new project is added to the plan and brings the University below the minimum ratio, a trade-off decision must be made.
 - Academic facilities should be at least 50% funded by available resources such as unit reserves, philanthropy, or other sources.
 - Non-core facilities (e.g., the Johnson Art Museum, the Plantations, etc.) will be expected to fund up to 100% by available resources such as unit reserves, philanthropy, or other sources.
 - General feasibility of planned fundraising must be approved by the Vice President for Alumni Affairs and Development.
 - Departure from the above rules is permissible only in exceptional circumstances, as determined by the President and the Provost.
- The sources for any additional operations and maintenance payments must be identified, in writing.
 - Once included in the university's approved five-year capital plan, preliminary work may be authorized through the design phase if funded by existing available resources.
 - Before a project's construction phase is permitted to begin, the following must be true:
 - All funds within the funding strategy must be committed in writing for 100% of project cost, including debt.
 - At least 75% of gifts planned must be cash-in-hand.
 - Committed New York State funds must include an assessment of certainty of funding.
 - A utility or other rate-recovery project must include 1) a detailed statement of expected cash flow, indicating whether short-term debt is required, and 2) a rate impact of the terms of the debt on the university's balance sheet.
 - analysis approved by the CFO and VP for Budget and Planning.
 - Fundraising must be complete before construction begins or an approved "backstop" plan must be in place.
 - The majority of the gift pledges must be scheduled to be collected within five years of the start of construction.
 - If there is debt funding:
 - The project must establish and document the maximum project debt allowed, and include a written evaluation of the impact of the terms of the debt on the university's balance sheet.
 - The project must identify and disclose, in writing, sources of the debt payment. If there is a planned incremental revenue stream for this purpose, this disclosure should include any incremental program-related investments, (such as faculty hiring costs or the additional overhead revenue), and their associated assumptions.