

CASE WESTERN RESERVE UNIVERSITY

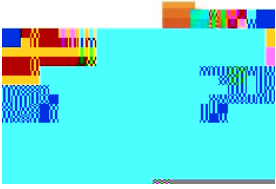
Report on Federal Awards in Accordance
With OMB Circular A-133 for the Year Ended
June 30, 2014

Entity Identification
Number 1-341018992-A1



CASE WESTERN RESERVE UNIVERSITY

FINANCIAL





consolidated financial position of Case Western Reserve University as of June 30, 2014, and the changes in their net assets and their cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

We have previously audited Case Western Reserve University's 2013 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated October 5, 2013. In our opinion, the summarized

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

Case Western Reserve University ("the University") is an Ohio not-for-profit corporation that operates a private research university in Cleveland, Ohio. The consolidated financial statements of the University as of June 30, 2014, and for the year then ended, as well as summarized information for the year ended June 30, 2013, have been prepared in accordance with accounting principles generally accepted in the United States of America. Accordingly, the accompanying consolidated financial statements have been prepared on the accrual basis of accounting and include the accounts of the University and all wholly-owned subsidiaries.

The University wholly owns two subsidiaries. Triangle Residential LP is a limited partnership formed in 2005 that owns and operates two apartment buildings and a parking garage located in the Ford-Euclid-Mayfield Road area. The University is the sole limited partner. The general partner is Triangle Residential LLC, also a wholly-owned subsidiary of the University, formed in 2005. All material transactions between the University and its subsidiaries have been eliminated.

Net Asset Categories

Standards for external financial reporting by not-for-profit organizations require that resources be classified for reporting purposes into three net asset categories according to donor-imposed restrictions:

UNRESTRICTED net assets are available for any purpose consistent with the University's mission. Unrestricted net assets and related activity include the following:

- €Á All revenues traditionally classified as unrestricted resources of the University, including tuition and fees, unrestricted gifts, investment returns on unrestricted funds designated to function as endowment, recovery of facility and administrative costs from grants and contracts, and auxiliary services revenues
- €Á Revenues related to sponsored research and other sponsored program agreements which are considered exchange transactions
- €Á Unrestricted funds functioning similar to endowment and related investment returns

- €Á Gifts with donor-imposed restrictions, if the restriction is anticipated to be met within the current fiscal year of the University
- €Á Investments in plant assets
- €Á All expenses of the University

TEMPORARILY RESTRICTED net assets include investment returns from endowments and gifts for which donor-imposed restrictions have not been met. This restriction on temporarily restricted endowment returns (income and realized and unrealized gains and losses) is released when appropriations are distributed for use and the funds have been spent. The category also includes pledges receivable and life-income gifts for which the ultimate purpose of the proceeds is not permanently restricted.

PERMANENTLY RESTRICTED net assets include gifts, trusts and pledges on which donors have imposed the restriction that the corpus is maintained in perpetuity and only the investment returns be made available for program operations. In the case of trusts, gains and losses are added to the gift amount. Gifts restricted by donors to provide loans to students are also included in permanently restricted net assets.

Expirations of temporary restrictions on net assets are reported as reclassifications between the applicable classes of net assets. Donor required matching from University funds and donor release or clarification of restrictions is also included in this category.

The Financial Accounting Standards Board ("FASB") issued Accounting Standards Codification ("ASC") 958, "Not for Profit Entities," in August 2008. The standard provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), and expanded disclosures about an organization's endowment (both donor-restricted and board-designated funds). The University's Board of Trustees ("the Board") has interpreted UPMIFA as requiring the preservation of the original gift as of the gift date of the donor restricted endowment funds absent explicit donor stipulation to the contrary. As a result of this interpretation, the University

classifies as permanently restricted net assets, (a) the original value of initial gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-

finance facilities, net of any investment income earned through the temporary investment of project borrowings, during construction until the project has been substantially completed.

Asset Retirement Obligations

The University accounts for asset retirement obligations in accordance with ASC 410, "Asset Retirement Environmental

4. LONG TERM INVESTMENTS

The University holds long term investments for permanently restricted endowment funds, donor-restricted funds, annuity assets, Board-designated funds and excess operating assets that are able to be invested in longer term investments. The

University invests through traditional investments as well as operating an investment pool that works similar to a mutual fund (Note 5). The University's long term investments at June 30, 2014 and 2013 were as follows:

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Investment returns shown on the statement of activities are netted against investment management fees of \$14,781 (2014) and \$14,419 (2013). The investments were held for the following purposes:

5. ENDOWMENT AND SIMILAR FUNDS

Endowment Funds

The purpose of endowment funds is to generate in perpetuity revenue to support specific activities or for general institutional use. Endowments represent only those net assets that are under the control of the University. Gift annuities, interests in funds held in trust by others and pledges designated for the endowment but not yet received are not considered components of the endowment.

The state of Ohio has enacted legislation that incorporates the provisions outlined in the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"). UPMIFA stipulates that unless directed otherwise in the gift instrument, donor-restricted assets in an endowment fund are restricted assets until appropriated for expenditure by

not limited to, managers' compliance with the Fair Value Measurement standard, price transparency at NAV at the measurement date, and existence of certain redemption restrictions at the measurement date.

which can be redeemed6.8(01 Tcv.8(h).uAnvestV byr)-2.1 U9(h).ity 0 -

The guidance also requires additional disclosures to enable users of the financial statements to understand the nature and risk of the University's investments. Furthermore, investments

the spread between two rates, the shape of the yield curve, or any other interest rate relationship.

- the risk of being too concentrated in one particular security, manager, strategy, sector or asset class, thus being vulnerable to poor performance stemming from lack of diversification.

- the ability to generate positive absolute returns, not just in favorable markets, but also in uncertain and negative phases measured over a business cycle.

- the risk that currency fluctuations or trends reduce the value of investments in non-U.S. markets.

- refers to the uncertainties of future market values and the size of future income caused by fluctuation in the prices of commodities (energy, agricultural, precious and industrial metals) due to demand/supply imbalances.

- the risk that significant volatility or losses will be generated by the use of debt designed to magnify returns.

Total Return Swaps ("TRS"): A TRS is a non-standardized agreement whereby one party makes periodic cash payments based on a set rate (e.g., London Interbank Offered Rate ("LIBOR")) while another party makes periodic cash payments based on the total return of an underlying index. The total return payer agrees to pay the total return of the underlying

mitigated. Transacted via agreement between counterparties. There is no initial or maintenance margin posting. Collateral between the counterparties is exchanged daily based on the mark to market performance of the swap. Used to gain beta exposure to an index on the long side and to hedge out beta exposure on the short side. The swap resets on a periodic basis (monthly or quarterly), at which point the LIBOR rate is reset and the gains/losses cash settled. A new notional value reflecting the settled gains/losses is established at this point. The next measurement begins with the new notional value. There may be a breakup fee if the swap is terminated earlier than its expiration date. Used primarily as a manager replacement strategy.

Options: Options or Option Structures are non-standardized agreements whereby one party makes or receives one payment at the time of initial transaction to/from a counterparty and may make or receive a second payment to/from the counterparty at the expiration date of the agreement based on an individual option or a combination of individual options. Trading Medium: OTC. Transacted via ISDA/CSA agreement between counterparties. Subject to counterparty credit risk; if collateral is posted between parties, counterparty credit risk can be mitigated. Options/Option Structures allow investors to customize the risk/return profile of existing portfolios. For example: Investors who are underweight equities and have a moderately positive outlook can obtain enhanced equity exposure by capping returns with or without a leveraged payoff. More bearish investors can opt for downside protection to reduce risk. Collateral between the

counterparties is exchanged daily based on the mark to market performance of the Option or Option Structure. At maturity the Option or Option Structure is cash settled. Prior to maturity, Options/Option Structures may trade above or below their intrinsic value due to various factors such as time, volatility, interest rates, skew, delta, gamma etc. The value eventually converges to intrinsic value at maturity. Used for beta replacement strategies, alpha strategies or hedging strategies.

Forward contracts: A forward contract is an agreement to buy or sell an asset at a cert

8. NOTES AND BONDS PAYABLE

Benefit plan costs for the defined benefit plan are as follows:

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Estimated benefits expected to be paid under the defined benefit plan for the next five fiscal years are as follows:

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Amounts expected to be paid between 2020 and 2024 total \$43,265. The University's estimated employer contribution for the defined benefit plan in fiscal 2015 will depend on the results of the July 1, 2014 actuarial valuation and is estimated to be \$23,495.

Weighted-average assumptions used to determine the benefit obligation and benefit plan costs are as follows:

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The expected long-term rate of return for the defined benefit plan was estimated using market benchmarks for equities and bonds applied to the plan's target asset allocation. The expected return on equities was computed utilizing a valuation framework that projected future returns based on current equity valuations rather than historical returns. Management estimated the rate by which the plan assets would outperform the market in the future based on historical experience adjusted for changes in asset allocation and expectations for overall lower future returns on equities compared to past periods.

The investment objective for the defined benefit plan is to maximize total return with tolerance for slightly above average risk, in order to meet the obligations that the University has to its plan beneficiaries. To accomplish this objective, the University has established a broadly-diversified asset allocation strategy that includes absolute return strategies (combination of fixed income and equity securities) (50%), equity investments (30%), bonds and cash (16%), and real estate (4%). The weightings of the investments relative to each other in the total portfolio fluctuate as market conditions vary; they are adjusted regularly to remain within acceptable ranges.

The weighted-average asset allocation for the defined benefit plan is as follows:

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Uc^!	ÍGÉÉÄ	ÍÍÉÉÄ
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The amounts recognized in the University's consolidated statements of financial position and in unrestricted net assets related to the defined benefit plan are as follows:

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F98 I 7H-CB' C : ' I BF9GHF-7H98'		
B9H'5GG9HG		

The estimated amortization of prior year service costs expected in fiscal 2015 totals \$4,073. Components of the net periodic benefit cost and other changes in plan assets that are recognized in the consolidated statement of activities are as follows:

10. COMMITMENTS AND CONTINGENCIES

In its normal operations, the University is subject to various claims and lawsuits. In management's opinion, the resolution of these contingencies will not have a significant adverse effect on the University's financial position, operations, or cash flows.

In May 2002, the University entered into an agreement with the Cleveland Clinic Foundation ("CCF") to form a new medical education and research program, the Cleveland Clinic Lerner College of Medicine ("CCLCM"). Beginning in 2004, research grants from the National Institutes of Health to support work by CCF-based investigators were awarded to and administered through the University by CCLCM, which operates as an academic unit of the School of Medicine. Expenditures for research conducted under this joint agreement totaled \$82,996 (2014) and \$91,316 (2013).

In April 2006, the Boards of University Hospitals Health System and the University approved a new affiliation agreement between the School of Medicine and University Hospitals of

12. DERIVATIVES AND OTHER FINANCIAL INSTRUMENTS

13. RESTRICTED NET ASSETS

The University's restricted net assets as of June 30 were as follows:

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14. SUBSEQUENT EVENTS

The University has performed an evaluation of subsequent events through October 11, 2014, the date on which the

consolidated financial statements were issued. No material items were noted which require disclosure.

CASE WESTERN RESERVE UNIVERSITY
 Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of Federal Domestic Assistance Number	Pass Through Entity Identifying Number	Expenditures
Department of Energy			
Direct Programs			
Office of Science Financial Assistance Program-ARRA	81.049		868,784
Renewable Energy Research and Development	81.087		164,839
Fossil Energy Research and Development	81.089		514,551
Stewardship Science Grant Program	81.112		146,352
Energy Efficiency and Renewable Energy Information Dissemination, Outreach, Training, and Technical Analysis/Assistance	81.117		(33,016)
Advanced Research and Projects Agency Energy Financial Assistance Program	81.135		1,224,606
Pass Through Programs			
Agilitron	81.000	870422	(38)
Rolls Royce Fuel Cell Systems Inc.	81.000	DE-FE0000303	22,034
Rolls Royce Fuel Cell Systems Inc.	81.000	DE-FG02-01ER45934	8,382
University of California at Berkeley	81.000	6878940	50,588
Faraday Technology, Inc.-ARRA	81.049	DE-SC0007516	54,720
Advanced Technology Institute	81.086	ATI 2005-301	(1,305)
Bay Area Photovoltaic Consortium	81.087	60220829-51077-T	309,004
Indiana University	81.087	BL-4344500-CWRU	73,728
LG Fuel Cell Systems Inc.	81.087	DE-FE0012077	141,645
National Center for Manufacturing Science	81.087	201149-130175	(10,188)
Department of Energy Subtotal			3,534,686
Department of Education			
Pass Through Programs			
Cincinnati Children's Hospital	84.133	H133B090010 (107354)	162,492
Department of Education Subtotal			162,492
Department of Health & Human Services			
Direct Programs			
Food and Drug Administration_Research	93.103		267,216

CASE WESTERN RESERVE UNIVERSITY
 Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of	Pass Through	Expenditures
	Federal Domestic Assistance Number	Entity Identifying Number	
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		15,718,198
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		9,350,929
Allergy, Immunology and Transplantation Research	93.855		17,094,755
Biomedical Research and Research Training	93.859		7,590,395
Child Health and Human Development Extramural Research	93.865		3,494,664
Aging Research	93.866		1,313,738
Vision Research	93.867		14,899,933
Medical Library Assistance	93.879		332,975
International Research and Research Training	93.989		6,807
Pass Through Programs			
American Academy of Pediatrics	93.110	6636-99951-731100	33,979
Cleveland Clinic Foundation	93.110	407-SUB	35,974
Hemophilia Foundation of Michigan	93.110	1-H30MC24047-01-00	14,000
University of South Carolina	93.135	14-248811570-FB10	18,462
Johns Hopkins University	93.172	2001451384	10,082
University of North Carolina	93.172	5-31041	(288)
University of North Carolina	93.172	HG05277 (5-31041)	280,160
University of Utah	93.172	10020594-2	7,761
Cornell University	93.173	56083-8774	856
Massachusetts Eye and Ear Infirmary	93.173	EY022305 (ME&EI)	12,556
University of Michigan	93.173	DC009410 (3002992709)	15,567
Hemophilia Foundation of Michigan	93.184	ATH(CDC12-13-HTC443)	14,719
Kent State University	93.213	443149-CWRU	502
Mt. Sinai Health Care Foundation	93.213	TACT	23
Ohio State University	93.213	60033066	260,171
Cincinnati Children's Hospital	93.226	130341	15,505
Harvard University	93.226	HS021636-01 (HARVARD)	9,891
Northwestern University	93.233	HL105549	3,212
Geisinger Clinic	93.242	U01HG006382	90,013
Johns Hopkins University	93.242	MH (2001815868)	1,119,137
Johns Hopkins University	93.242	MH (2001856949)	9,219
Johns Hopkins University	93.242	MH075673(2001770076)	13,173
University of California, San Diego	93.242	10313885-SUB	114,383
University of Rochester	93.242	MH (416088-G)	71,642
University of Texas Health Science Center	93.242	MH (53442/152932)	126,212
Vanderbilt University	93.242	VUMC 40221/MH095972	306,659
Catholic Charities Corporation	93.243	1H79TI-022425-02	49,895
Ohio Department of Mental Health	93.243	99-3095-SPOP-14-1453	40,056
University of Oklahoma	93.262	AI(RS20040600-01-A1)	14,474
The Miriam Hospital			

CASE WESTERN RESERVE UNIVERSITY
 Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of	Pass Through	Expenditures
	Federal Domestic Assistance Number	Entity Identifying Number	
University of Michigan	93.394	3001942590	9,772
University of Pennsylvania	93.394	557445	144,277
University of Texas Health Science Center	93.394	152906	152,912
American College of Obstetricians & Gynecology	93.395	27469-094	200,557
American College of Radiology	93.395	U10CA021661(1224-1634)	118,587
Children's Hospital of Philadelphia	93.395	CA098543	9,648
Gynecologic Oncology Group	93.395	27469-94	6,165
Invenio Therapeutics Inc.	93.395	CA134089 (INVENIO)	1,529
Lentigen Corporation	93.395	CA128269-LENTINGEN	369,980
National Surgical Adjuvant Breast & Bowel Project	93.395	TFED41-728	43,245
Ohio State University Research Foundation	93.395	CA044971(60035402)	55,864
University of California, San Francisco	93.395	7002SC	(337)
Riverside Research	93.397	NYO.G00386P.01199512	30,094
National Surgical Adjuvant Breast & Bowel Project	93.399	TIND-728	536
Duke University-ARRA	93.701	203-9437	8,512
Vanderbilt University-ARRA	93.701	VUMC 39667	(15)
Massachusetts General Hospital-ARRA	93.715	217197	45,294
Ohio Health Information Partnership-ARRA	93.718	90RC001201	1,137,593
Brigham and Women Hospital	93.837	HL114473(109593)	219,014
Brigham and Women Hospital	93.837	HL117713 (109135)	883
Cincinnati Children's Hospital	93.837	HL105333 (109363)	35,058

CASE WESTERN RESERVE UNIVERSITY
Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of	Pass Through	Expenditures
	Federal Domestic Assistance Number	Entity Identifying Number	
Medical College of Georgia	93.847	07-20497-1	124
Northwestern University	93.847	60031497	215,670
Stanford University	93.847	6020764851126-H	10,636
Thermalin Diabetes Incorporated	93.847	DK088506	176,572
Thermalin Diabetes Incorporated	93.847	DK094668	113,557
Thermalin Diabetes Incorporated	93.847	DK100186	87,777
Thermalin Diabetes Incorporated	93.847	DK100190	59,548
University of California, San Francisco	93.847	4510SC	(101)
University of California, San Francisco	93.847	7081SC	200,651
University of Chicago	93.847	44692	135,859
University of Medicine & Dentistry, NJ	93.847	DK090593 (UMDNJ)	33,049
University of Michigan	93.847	3001822742	19,410
University of Michigan	93.847	DK083912	60,460
University of New Mexico	93.847	DIALYSIS CL	6,396
University of North Carolina	93.847	5-31660	2,099
University of Pennsylvania	93.847	DK067390 (555805)	34,903
University of Pittsburgh	93.847	0010021	(3,822)
University of Pittsburgh	93.847	0010564 (122066-3)	12,781
University of Texas Southwestern Medical	93.847	DK083592	4,105
University of Utah	93.847	10017651-02	41,374
University of Utah	93.847	10019509-03	135,316
Vanderbilt University	93.847	R01DK(VUMC40347)	105,929
Yale University School of Medicine	93.847	M13A11503(A09021)	27,934
Cincinnati Children's Hospital	93.853	107759	48,489
ConservoCare	93.853	ConservoCare	(5,218)
Drexel University	93.853	232475-5826	126,784
Johns Hopkins University	93.853	2001648926	4,603
Johns Hopkins University	93.853	2001958471	15,757
Johns Hopkins University	93.853	2000793423	44,492
Northwestern University	93.853	60029363 CWRU	80,124
Ohio State University Research Foundation	93.853	NS060729 (60039015)	68,160
University of Alabama, Birmingham	93.853	NS042685-071	(289)
University of California, San Diego	93.853	10322639	6,488
University of California, San Diego	93.853	NS076896(S9000249)	27,115
University of California, San Francisco	93.853	NS049477 (8077SC)	16,528
University of Minnesota	93.853	NS062091(N000936937)	30,369
University of Minnesota	93.853	NS085188 (N003584201)	108,753
University of Pittsburgh	93.853	0017392 (119947-2)	207,663
Washington University	93.853	WU-10-332	217
Wayne State University	93.853	NS061264(WSU120523-A)	54,926
Yale University School of Medicine	93.853	NS044876 (A07593)	21,914
Brigham and Women Hospital	93.855	108084	174,482
Brigham and Women Hospital	93.855	AI068636 (108080)	373,227
Brigham and Women Hospital	93.855	AI068636 (108561)	31,617
Brigham and Women Hospital	93.855	AI068636 (110230)	3,952
Brigham and Women Hospital	93.855	AI068636 (110256)	208,076
Brigham and Women Hospital	93.855	AI068636 (B&WH)	55,159
Brigham and Women Hospital	93.855	AI068636 (SUB)	260
Brigham and Women Hospital	93.855	AI106701 (109928)	2,655
Brigham and Women Hospital	93.855	AI106701 (SUB)	136,123
Brigham and Women Hospital	93.855	UM1AI068636-07	3,461
Children's Hospital of Oakland	93.855	AI (12.8216.003)	34,066
Duke University	93.855	AI098588 (203-2437)	22,410
Duke University	93.855	AI104681 (23-9707)	113,731
Fred Hutchinson Cancer Research Ctr	93.855	AI068614(0000750859)	180,200
Iowa State University	93.855	430-23-05B	188,292
Johns Hopkins University	93.855	2001317194	81,388
Los Angeles Biomedical Research Institute	93.855	AI101492 (20440-CWRU)	3,463
Los Angeles Biomedical Research Institute	93.855	AI101750(20439-01R)	6,280
Magee-Women's Research Institute and Foundation	93.855	AI068633(9279)	7,739
Magee-Women's Research Institute and Foundation	93.855	AI068633-07(9241)	31,897
Medical University of South Carolina	93.855	AI091526(MUSC13-033)	7,327
Mount Sinai School of Medicine of the NE	93.855	AI (0255-1358-4609)	238,389
Mount Sinai School of Medicine of the NE	93.855	AI (0255-1611-4609)	184,467
Mount Sinai School of Medicine of the NE	93.855	AI090155 (8095)	28,103

CASE WESTERN RESERVE UNIVERSITY
Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of Federal Domestic Assistance Number	Pass Through Entity Identifying Number	Expenditures
University of Miami			

CASE WESTERN RESERVE UNIVERSITY
Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of Federal Domestic Assistance Number	Pass Through Entity Identifying Number	Expenditures
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CASE WESTERN RESERVE UNIVERSITY
 Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of	Pass Through	Expenditures
	Federal Domestic Assistance Number	Entity Identifying Number	
National Center for Research Resources, Recovery Act Construction Support-ARRA	93.702		22,339
Cardiovascular Diseases Research	93.837		19,463,904
Lung Diseases Research	93.838		5,002,420
Blood Diseases & Resources Research	93.839		3,820,941
Arthritis, Musculoskeletal, & Skin Diseases Research	93.846		2,680,727
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847		6,973,940
Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853		10,710,068
Allergy, Immunology and Transplantation Research	93.855		3,562,701
Biomedical Research and Research Training	93.859		3,409,319
Child Health and Human Development Extramural Research	93.865		1,822,429
Aging Research	93.866		1,778,675
Vision Research	93.867		3,033,283
Pass Through Programs			
Massachusetts General Hospital	93.213	U01AT000613	13,433
Butler Hospital	93.242	U01MH076179	3,464
Flocl, Inc.	93.242	MH093302	131,005
Vanderbilt University	93.242	R01MH095621	93,845
Yale University	93.242	MH081902	49,938
Massachusetts General Hospital	93.286	R01EB009048	108,712
University Of Southern California	93.286	R01EB010197	21,496
Fred Hutchinson Center	93.350	U54CA163438	8,641
Ohio State University	93.350	R42TR000473	5,378
Vanderbilt University	93.350	UH2TR000491	257,401
Princeton University	93.389	R21RR026231	10,807
University of Washington	93.389	UL1RR025014	19
St. Jude Childrens Research Hospital	93.393	R01CA157838	16,859
Stanford University	93.393	UM1CA167551	2,124
University Of N Carolina Chapel	93.393	R01CA059005	9,624
University Of N Carolina Chapel	93.393	R01CA098286	119,103
Advance Cell Diagnostics	93.394	R43CA168019	74,150
Advance Cell Diagnostics	93.394	R44CA122444	173,225
Entrogen	93.394	R41CA156942	63,400
Harvard University	93.394	R01CA151532	109,528
University of Miami	93.394	R01CA122105	(2,424)
University of Nebraska	93.394	U01CA114778	(738)
American College Of Radiology	93.395	U10CA021661	268,503
Brigham and Women's Hospital	93.395	U10CA076001	28,077
Gynecological Oncology Group	93.395	U10CA027469	45,523
Johns Hopkins University	93.395	R01CA161613	(14,660)
Johns Hopkins University	93.395	U01CA137443	79,590
Massachusetts General Hospital	93.395	P01CA084203	114,578
Ohio State University Rsc	93.395	U01CA044971	62,132
Southwestern Oncology Group	93.395	U10CA004919	(98,296)
Southwestern Oncology Group	93.395	U10CA32102	3,987
University Of Miami	93.395	R33CA123027	(2,652)
University Of Michigan	93.395	U10CA32102	(752)
University Of Minnesota	93.395	R01CA138437	65,721
Ohio State University	93.396	R01CA143082	14,278
Ohio State University Rsc	93.396	P01CA1245707(r)(o)20(a)6.4(r4-7)-14(nt66Tc[Un]27.5(i)34.4m0066Tc910(r4T8(93.3956)27.394)-20H-45.0TD01	

CASE WESTERN RESERVE UNIVERSITY
Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of	Pass Through	Expenditures
	Federal Domestic Assistance Number	Entity Identifying Number	
Northwestern University	93.837	R01HL109244	6,111
University of Colorado	93.837	K23HL096895	256
University Of Connecticut	93.837	P01HL070694	36,147
University of Maryland	93.837	R21HL114407	(8,986)
University Of Pennsylvania	93.837	R01HL105993	304,497
University Of Pennsylvania	93.837	R01HL115041	12,155
University of Rochester	93.837	R01HL095109	785
University Of Texas	93.837	U01HL087318	1,624
University of Virginia	93.837	U01HL117006	18,384
University of Washington	93.837	P20HL113444	13,160
Virginia Commonwealth University	93.837	1UM1HL116885	10,370
Baystate Medical Center	93.838	R18HL108810	26,062
Duke University	93.838	U10HL080413	6,760
Fred Hutchinson Center	93.838	U01HL102547	8,969
Johns Hopkins University	93.838	P50HL084946	(9,333)
Medical University-Ohio	93.838	P30HL108016	5,233
Pennsylvania State University	93.838	U10HL109086	109,866
University Of Alabama At Birmingham	93.838	R01HL085324	119,215
University of Colorado	93.838	01HL114587-01A1	7,297
University Of Michigan	93.838	U10HL074422	(11,842)
University Of Pennsylvania	93.838	R01HL113988	5,353
University Of Washington At St. Louis	93.838	R01HL056643	37,788
Vanderbilt University	93.838	R01HL117074	31,550
University of Michigan	93.839	U01HL117658	365,893
University Of Washington At St. Louis	93.839	U01HL088476	143
Brigham & Women's Hospital	93.846	R01AR055557	9,153
Cincinnati Child Hosp Rsc	93.846	P60AR047784	2,935
Drexel University	93.846	R01AR047904	4,383
Hospital for Special Surgery	93.846	R01AR064840	4,726
University Of Pennsylvania	93.846	R01AR064153	6,953
University Of Pennsylvania	93.846	U54AR057319	110,705
Vanderbilt University	93.846	R01AR053684	83,449
Beth Israel Deconess Med	93.847	R01DK085185	13,169
Diapedia LLC.	93.847	R44DK059074	3,067
Johns Hopkins University	93.847	R01DK097087	154,587
Kaiser Permanente	93.847	R01DK076165	7,184
Mayo Clinic	93.847	R01DK090358	65,051
Mayo Clinic	93.847	U01DK062410	152,427
New York University	93.847	R33DK070341	48,948
New York University Langone Medical Center	93.847	R01DK099241	10,000
University Health Network	93.847	R01DK091288	2,838
University Of Illinois	93.847	R01DK072231	13,200
University Of Utah	93.847	R01DK088777	33,134
University Of Utah	93.847	R01DK090046	34,979
Advanced Circulatory Systems Inc.	93.853	R44NS054372	1,498
Beth Israel Deconess	93.853	U01NS074425	24,909
Cincinnati Child Hosp Rsc	93.853	U01NS076788	15,006
Columbia University	93.853	R01NS078059	(1,818)
Columbia University	93.853	U01NS043975	938
Emmes Corporation	93.853	1U01NS026835	22,303
Great Lakes Neuro Technologies	93.853	R43NS076052	11,648
Great Lakes Neuro Technologies	93.853	R44NS065554	3,277
H-Cubed Inc	93.853	R44NS052939	30,253
Massachusetts General Hospital	93.853	U01NS049640	(16,177)
Massachusetts General Hospital	93.853	U01NS082329	73,869
Medical College of Wisconsin	93.853	R01NS035929	97,125
Medical University of South Carolina	93.853	U01NS058728	(4,997)
Neurodx Development LLC	93.853	R44NS067772	267
Seattle Children's Hospital	93.853	R01NS065818	(5,687)
The Ohio State University	93.853	R01NS083767	109,944
University North Texas	93.853	R01NS048837	119,475
University Of California At L A	93.853	R01NS074980	48,890
University Of California At San Francisco	93.853	R01NS062820	5,521
University Of California At San Francisco	93.853	U01NS053998	8,804
University Of Iowa	93.853	R01NS040068	(5,837)

CASE WESTERN RESERVE UNIVERSITY
Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of Federal Domestic Assistance Number	Pass Through Entity Identifying Number	Expenditures
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CASE WESTERN RESERVE UNIVERSITY
 Schedule of Expenditures of Federal Awards

For the year ended June 30, 2014

FEDERAL GRANTOR/PROGRAM TITLE	Catalog of Federal Domestic Assistance Number	Pass Through Entity Identifying Number	Expenditures
TRIO			
Department of Education			
Direct Programs			
TRIO_Upward Bound	84.047		501,332
Total Department of Education-TRIO Cluster			501,332
Other Federal Assistance			
Department of Veteran Affairs			
Direct Programs			
Other Department of Veteran's Affairs Programs	64.000		33,356
Department of Veteran Affairs Subtotal			33,356
Department of Education			
Direct Programs			
Safe and Drug-Free Schools and Communities_National Programs	84.184		111,710
Department of Education Subtotal			111,710
Department of Health & Human Services			
Direct Programs			
Biomedical Research and Research Training	93.859		3,000
Child Health and Human Development Extramural Research	93.865		22,355
Ryan White HIV/AIDS Dental Reimbursements Community Based Dental Partnership	93.924		3,820
Pass Through Programs			
Great Lakes Science Center	93.389	Great Lakes Science Center	48,017
University of Mississippi	93.859	66662060714-02	123,370
Ohio Department of Health	93.994	ODH/DHHS (TRAPL)	97
Department of Health & Human Services Subtotal			200,659

CASE WESTERN RESERVE UNIVERSITY
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

1. Summary of Significant Accounting Policies

Basis of Presentation:

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal grant transactions of Case Western Reserve University (the "University") recorded on the accrual basis of accounting.

CASE WESTERN RESERVE UNIVERSITY
 NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2014

3. Facilities and Administrative Cost Rates:

The University recovers facilities and administrative costs by means of final facilities and administrative cost rates. The final rates are a result of negotiated agreements with the U.S. Department of Health and Human Services. The final rate effective for the period July 1, 2013 to June 30, 2014 for on-campus research and for the CCLCM is 58.5% of modified total direct costs. The base rates for off-campus research for the same period vary depending upon the location of the research. The University's facilities and administrative cost rates have been finalized through fiscal year 2016 as predetermined rates pursuant to the DHHS rate agreement dated March 25, 2013. Provisional rates have been established for fiscal year 2017 and beyond.

4. Loan Advances:

The following schedule represents total loans advanced to students by the University and balances outstanding for the Perkins, Nursing, Health Professional Student and Disadvantaged Students Loan Programs for the year ended June 30, 2014:

	CFDA Number	Advances	Outstanding Balance
Perkins Loan Program	84.038	\$ 1,758,251	\$ 12,269,737
Nursing Student Loan Program	93.364	\$ 78,000	\$ 318,102
Health Professional Student Loan Program/PCL	93.342	\$ 232,000	\$ 1,995,747
Loan for Disadvantaged Students	93.342	\$ -	\$ 12,763

The Perkins Loan administrative cost allowance totaled \$0 for the year ended June 30, 2014.

The amount of Perkins loan principal cancelled under CFDA 84.037 totaled \$138,776 for the year ended June 30, 2014.

Federal Direct Loan Program

During the year ended June 30, 2014, the University disbursed the following loan amounts under the Federal Direct Loan Program (FDLP) (which includes Stafford Loans, unsubsidized Stafford Loans, and Parents Plus Loans for Undergraduate Students):

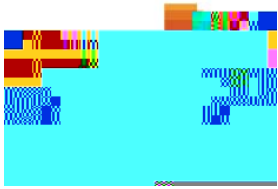
	CFDA Number	Amounts
Federal Direct Loan Program	84.268	\$ 108,093,916

5. Housing and Urban Development (HUD, CFDA #14.) Mortgage Bonds:

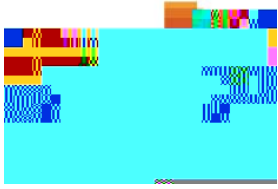
In fiscal year 2014, the University had HUD mortgage notes and U.S. Government housing bonds outstanding and made payments including interest and principal of \$678,882 and \$806,658, respectively, on those obligations. As of June 30, 2014, the housing bonds were fully paid off and the HUD mortgage note balance outstanding was \$15,710,994. The HUD mortgage is insured by the Federal Housing Administration under an FHA Regulatory agreement for Insured Multifamily Housing Projects (Section 231 pursuant to Section 223(a)(7)). See note 8 to the financial statements for further information regarding these agreements.

Our audit of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* did not include the operations of the Triangle Residential Limited Partnership, which is obligated under the HUD mortgage note, because Case Western Reserve University engaged other auditors to perform an audit in accordance with OMB Circular A-133.

REPORTS ON COMPLIANCE AND ON THE
INTERNAL CONTROL STRUCTURE

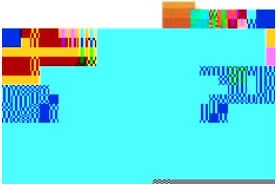


As part of obtaining reasonable assurance about whether Case Western Reserve University's financial statements



To the Board of Trustees,
Case Western Reserve University:

We have audited Case Western Reserve University's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Case

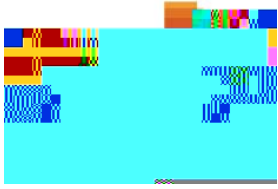


We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Case Western Reserve University's compliance.

Opinion on Each Major Federal Program

In our opinion, Case Western Reserve University complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

Management of Case Western Reserve University is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Case Western Reserve University's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance



Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

CASE WESTERN RESERVE UNIVERSITY

CASE WESTERN RESERVE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2014

Section II – Financial Statement Findings

None noted.

Section III – Federal Award Findings and Questioned Costs

None noted.

CASE WESTERN RESERVE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2014

Summary Schedule of Prior Year Audit Findings

Finding #2013-1: Accounting for Pledges and Contributions

Condition

CASE WESTERN RESERVE UNIVERSITY
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended June 30, 2014