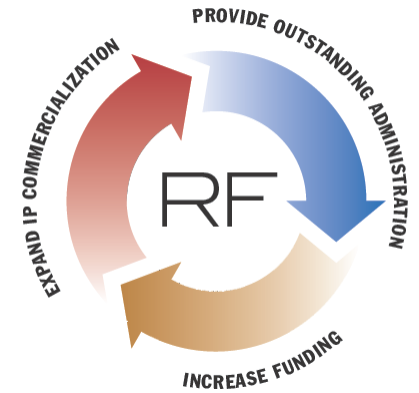
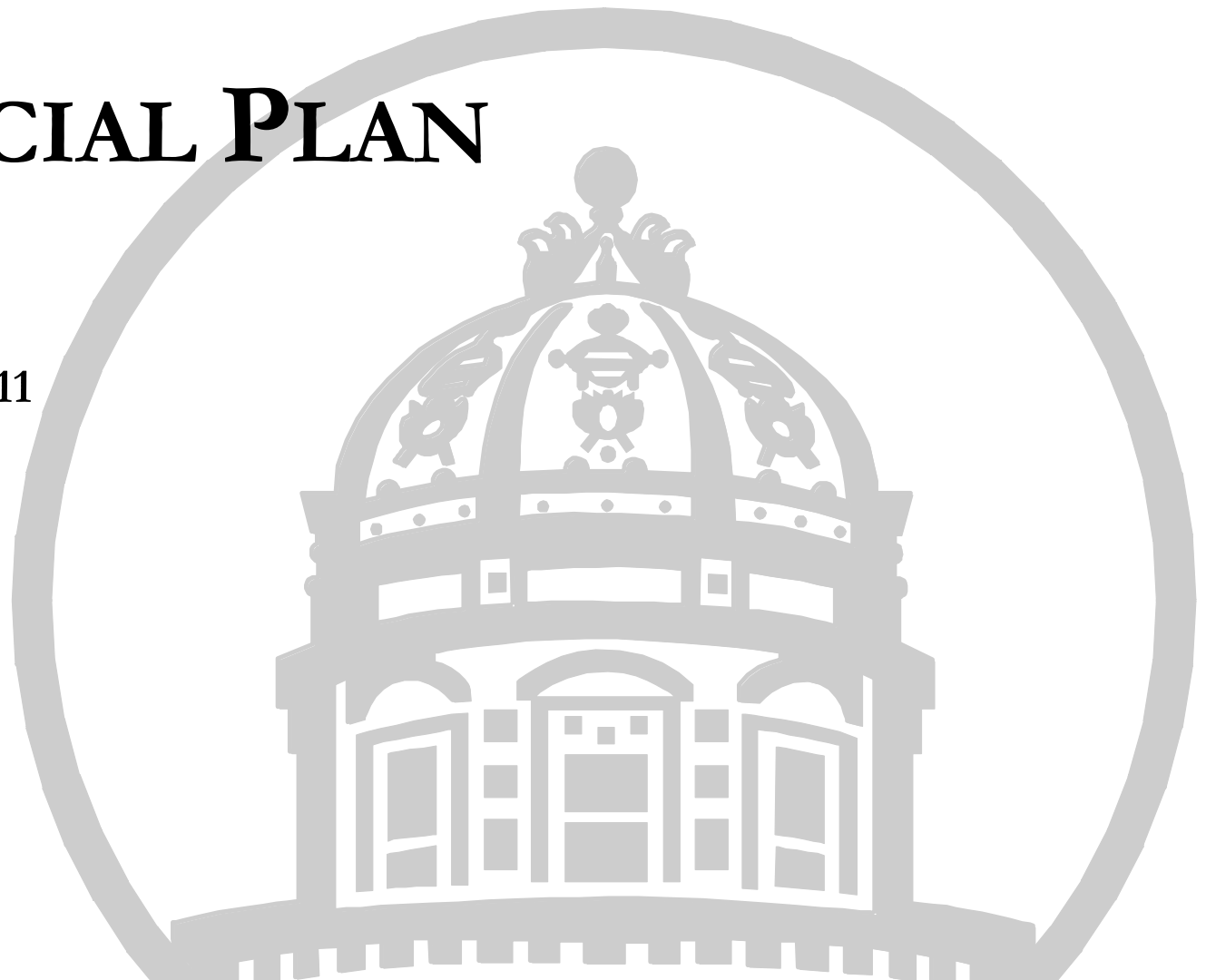


THE RESEARCH FOUNDATION
The State University of New York



FINAL FINANCIAL PLAN

Fiscal Year 2010-11



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Introduction

About the RF

The Research Foundation (RF) provides SUNY faculty, students and staff with the support and flexibility necessary to enable them to focus on research and other sponsored programs funded by federal and state governments, private sector companies and nonprofit foundations.

These programs, carried out on SUNY campuses and a wide variety of other research locations, encompass a vast range of disciplines and activities from basic and applied science and engineering research to training and education programs.

The RF helps move inventions by researchers to the marketplace to create jobs and boost the New York state economy.

RF staff at 30 state-operated campuses and the central office in Albany work with the academic and business leadership of campuses to support research and discovery at SUNY through efficient and skillful administration of sponsored projects and adept transfer and sharing of intellectual property for public benefit and economic growth.

Read more about the RF at www.rfsuny.org.

RF and SUNY Strategic Vision



The RF's "[Growth through Innovation and Collaboration](#)" 2009-14 strategic plan lays the groundwork for the RF to emerge over the next three to five years as a more effective partner with SUNY and its sponsors, and as an important contributor to New York State's innovation economy.

In April 2010, SUNY unveiled its strategic plan, "[The Power of SUNY](#)" which will guide SUNY through the next five years and advise its development for the next ten years. The goal of SUNY's plan is to ensure the revitalization and quality of life in New York State.

One of the core missions identified in the plan, Research and Innovation, directly affects how the RF will support SUNY in the future. The three goals of the RF's strategic plan support this mission, as the RF continues to strive for ways to:

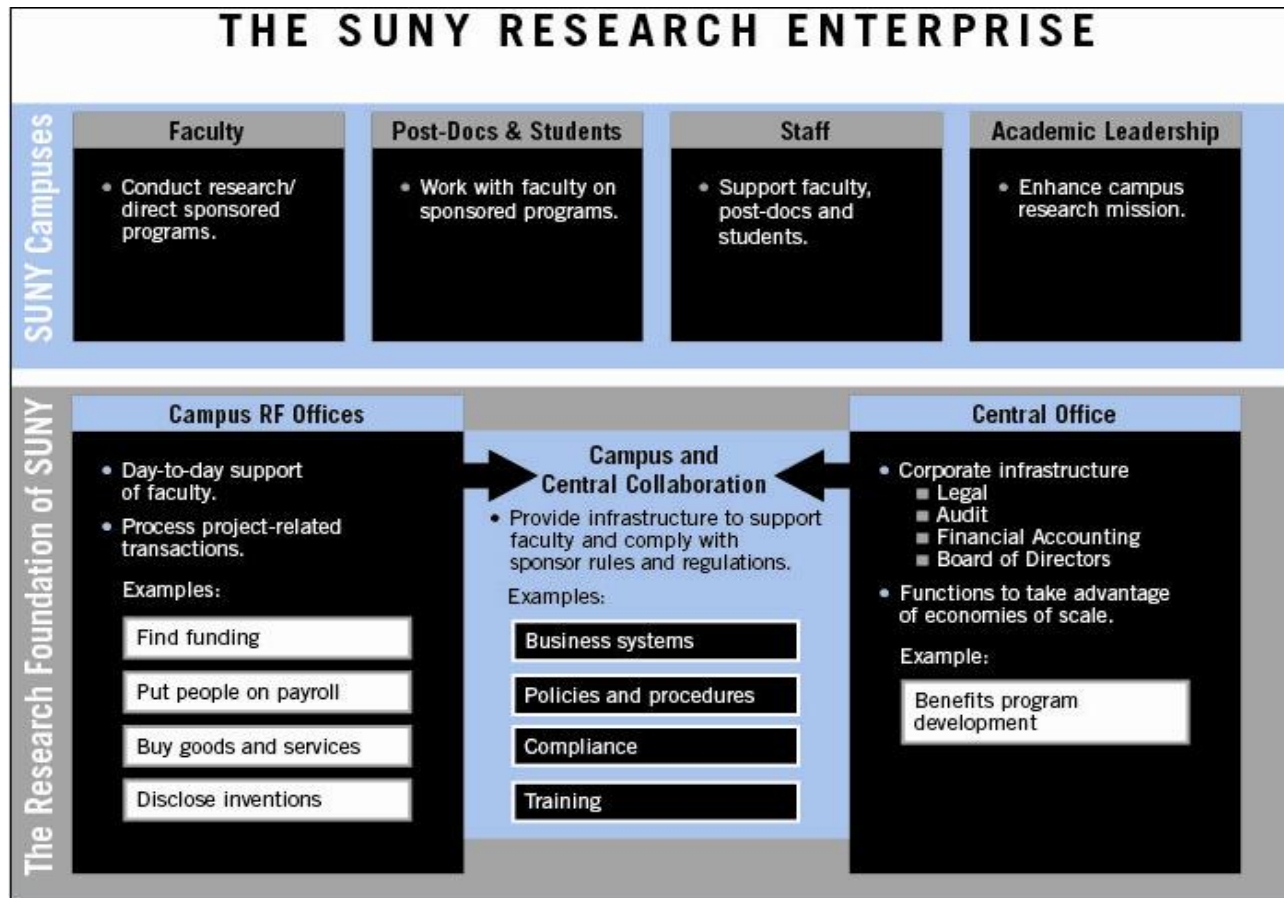
- better serve SUNY in all ways by providing outstanding sponsored program administration,
- facilitate the research and innovation mission by developing programs and collaborations to increase sponsored program funding, and
- expand technology transfer and commercialization to support innovation and contribute to SUNY's efforts to revitalize New York's economy.

Moving forward, all infrastructure developments, strategic projects, and operational work at the RF will focus on meeting its strategic plan goals in support of SUNY's strategic vision. And on an ongoing basis, the RF will continuously assess the alignment of its strategic plan with "The Power of SUNY."

Financial Plan

The RF supports SUNY pursuant to an agreement approved in 1977. The agreement formalizes the RF's role for managing research grants and other sponsored programs and requires the RF to submit a financial plan, or operating budget, on an annual basis.

The RF's Financial Plan provides an analysis of revenues, the source of funds, and expenditures for the upcoming year, and describes how these activities support the SUNY Research Enterprise:



Revenues, expenditures, and the infrastructure and operational costs of RF activities all map to RF strategic plan goals in direct support of SUNY's strategic Research and Innovation mission. The RF Financial Plan provides a detailed, complete, and fully transparent discussion of these activities.

Executive Summary

Background

The 2010-11 Financial Plan reflects the challenges of a difficult economy and its impact on sponsored program funding and the operations of RF and SUNY as a whole. Despite these difficulties, the RF continues to stand on strong financial footing and remains committed to the infrastructure needs, strategic projects, and operational activities that drive the [RF's strategic plan](#), align with [SUNY's strategic plan](#), and support the SUNY research enterprise.

In support of those commitments, the RF Financial Plan is focused on **sustainability** and **collaboration**.

- **Sustainability** will guide the need to ensure that revenues must cover all costs, and the balance sheet must be strengthened to withstand unforeseen events and demands.
- **Collaboration** across the SUNY enterprise is more important than ever and will be the key to the continued success of the RF. RF employees must work closely with SUNY Administration and campus personnel, sponsors, vendors and most of all with each other to ensure the goals of the RF Strategic Plan are achieved. Examples:
 - [The Procurement Operational Excellence Program](#);
 - [The Entrepreneurial Innovation, Inc.](#) (“EII”) affiliated corporation, and
 - [Regionalization of Technology Transfer Operations](#).

The Financial Plan provides an analysis of the revenues that the RF expects to receive and how the RF will direct its expenditures made through SUNY campuses, central office and SUNY System Administration throughout the 2011 fiscal year, as well as in the fiscal years 2012 through 2015. Revenues are categorized as restricted or unrestricted. Restricted revenues have limitations on their use by law, the donor, and the grantor or external third parties. Unrestricted revenues are funds that are derived from resources over which the board has discretionary control.

2011 Strategic Highlights

- The 2011 Financial Plan has been prepared in the context of the RF's implementation of its Strategic Plan, as well as SUNY's Strategic Plan, both of which began in fiscal year 2010. Several projects that will enable the RF to achieve the goals and strategies identified in the two plans are currently under way and some will begin in fiscal year 2011. Analysis of the projects that could have fiscal implications on the RF is included throughout the Financial Plan, with links to the [RF Strategic Plan website](#) and the [SUNY Strategic Plan website](#) where applicable.
- Regionalization of Technology Transfer-The plan includes the reorganization of technology transfer functions into regional hubs that will help the smaller campuses as well as the hub campuses accelerate IP commercialization. The regional plan supports the RF's strategic goal to expand intellectual property commercialization and SUNY's vision to revitalize New York's economy while improving quality of life. This initiative, along with other strategic measures, will be funded partly out of savings achieved from cost cutting at central office.

- Operational Excellence-The 2011 plan includes a focus on the functions around which the RF can design organizational structures, business processes and funding models that drive operational excellence and create economies of scale to provide outstanding sponsored program administration. Areas to review include: IT infrastructure; effort reporting; and fringe benefits for competitiveness. Outcomes across all locations are expected to be greater cost efficiency and increased quality.

2011 Financial Highlights

Revenue

Sponsored Program Funding

- For 2011, sponsored programs activity is projected to increase by **3.4%** to **\$922 million**, including **\$778 million** in direct and **\$144 million** in facilities and administrative (F&A, or indirect) cost recoveries. Projected increases are primarily due to the impact of the American Recovery and Reinvestment Act (ARRA), without which the projected increase would be **1.5%**.
- On a longer-term time scale, current projections for 2012 through 2015 show very little growth compared to pre-ARRA levels. The result of this projected slow growth relative to expected increases in operating costs could affect the sustainability of the SUNY research enterprise. For this reason, the identification of revenue growth opportunities under Goals 2 and 3 of the RF Strategic Plan (increase sponsored program and technology transfer volume, respectively) is critical, as is operational cost management.
- The direct to indirect cost ratio, which shows the evolving mix of sponsored program funding, is projected to remain relatively flat over the next five years at approximately **18.6%**.

Investment Income

- Investment income reflects a long-term expected, risk-adjusted return of 7% that is used for planning purposes. In fiscal year 2011, this would produce net investment income of \$9.9 million.

Intellectual Property Commercialization

- The technology transfer offices estimate that royalties for fiscal year 2011 will decrease to **\$9.5 million**, compared to **\$11.5 million** for fiscal year 2010. Strategic projects from the past year are underway with the goal of reversing this trend.

Gift and Other

- Gifts and other revenues are projected to decrease from **\$13.0 million** to **\$8.8 million**, with decreases in third-party recharges due in part to 1) the slowing economy and 2) a trend at the College of Nanoscale Science and Engineering (CNSE) at U Albany for service center capacity being used for sponsored program work (rather than for third party use).

Expenditures

- **Campus** unrestricted expenditures are expected to increase in fiscal year 2011 by **10.4%** to **\$110 million**. The RF projects a trend of increasing unrestricted expenditures over the next several years, as the campuses plan to utilize more of their RF-allocated balances to cover SUNY funding shortfalls. This trend cannot continue indefinitely, and those expenditures will need to be monitored in subsequent years to ensure they can be covered by the campuses' unrestricted revenues.
- **Central office** expenditures, including the use of \$3.8 million and \$1.9 million in central office operating reserves for fiscal years 2010 and 2011 respectively generated from prior year cost reductions, are expected to decrease **\$0.2 million**, or **0.8%** in fiscal year 2011. Much of the expected usage of the central office reserves is for changes to organization and infrastructure required to support the RF's strategic direction.

Reserves

Over the next five years, the RF will use its investment income reserves, corporate reserves and savings from cost containment efforts toward rebuilding its net assets. Operational efficiencies across the RF are critical to ensuring the sustainability of the SUNY research enterprise. Attaining these efficiencies and building net assets are particularly crucial if current macroeconomic and New York state fiscal conditions continue over the five-year forecast period.

The RF must maintain its financial strength if it is to fulfill its mission to support SUNY. Maintaining adequate corporate reserves are important in order to be prepared for contingencies and strategic opportunities.

Working Capital

The RF projects total working capital to stay at current levels. Although unrestricted working capital is expected to increase due to rebuilding investment income reserves, it will be offset by decreases in restricted working capital due to decreasing levels of surplus balances from sponsors, as well as high account receivable balances from New York State caused by continued slow payments. The expected increase in unrestricted working capital will provide greater assurance of operating liquidity in support of the RF's sponsored research and economic development plans.

Conclusion

As the RF implements the fiscal year 2010-11 Financial Plan, it will continue to focus on the operational efficiencies and infrastructure improvements that support the goals of both the RF and SUNY strategic plans. The plan's financial vision, including the new five year forecasting model, is to provide for the sustainability and financial strength for the RF to support SUNY's strategic vision to be the research and innovation engine of New York State.

Collaboration

For fiscal year 2011 and the next several years, the ability to meet fiscal and operational challenges and take advantage of opportunity demands an unprecedented degree of collaboration among the RF and its stakeholders. Collaborating will enable the RF to be more efficient, to increase its revenues, and help advance SUNY's goal to revitalize the economy of New York State.

Some examples of collaborative initiatives follow:

The Procurement Operational Excellence Program

This is a joint effort between the RF and SUNY to improve efficiencies, reduce cost, eliminate duplicative systems and make the purchasing experience better for faculty and staff. The program, scheduled for completion in 2011, aims to leverage technology to eliminate paper based processes. It comprises four projects:

- Campus Interfaces
- Electronic Expense Processing
- Procure-to-pay Lifecycle Enhancements
- Leveraging the Buying *Power of SUNY* and the RF

Entrepreneurial Innovation, Inc. ("EII")

In support of the joined Research Foundation (RF) and SUNY strategic plans, and consistent with "SUNY and the Entrepreneurial Century," one of the SUNY Strategic Plan ***Six Big Ideas***, the RF will establish an affiliated corporation, Entrepreneurial Innovation, Inc. ("EII"), to accelerate the commercialization of promising and innovative SUNY technologies across New York State.

A powerful engine for the *Power of SUNY*, EII will create a Technology Innovation Fund ("the Fund") to bridge the funding gap between sponsored research and conventional private equity investment. EII will award Fund grants up to \$250,000 to demonstrate proof-of-principle and/or prototype development for promising SUNY inventions based on the strength of the commercialization potential. The University at Buffalo and the RF have each committed \$250,000 to the fund and are looking for other donors to support this vehicle further. The goal is to move innovative research from the bench to address emerging market opportunities to increase the value and interest in the invention within the commercial sector. EII will also work to facilitate additional complementary programs that seek to accelerate product commercialization by fostering an entrepreneurial culture at SUNY and building strong ties with the business and investment communities.

EII will derive public benefit and economic value and directly support SUNY's strategic plan and its role in growing New York State's economy and creating knowledge-based jobs. The generation of innovation and intellectual property from SUNY research is an extraordinarily valuable and powerful resource that EII will leverage to accelerate product commercialization and increase royalty income from licensing agreements.

Regionalization of Technology Transfer Operations

Technology Transfer is the process of transferring innovation, invention, technological development, and intellectual property (IP) into new products, materials, processes and applications for entrance into the commercial marketplace.

In direct support of “SUNY and The Entrepreneurial Century,” regional “hubs” have been designated to provide technology transfer operations (TTO) services for the centralized campuses. The hubs and their supported campuses are as follows:

- Binghamton University: Alfred State College, SUNY Cortland, SUNY Delhi, SUNY Oneonta and Morrisville State College
- University at Albany: SUNY Canton, SUNY Cobleskill, Empire State College, SUNY Plattsburgh, and SUNY Potsdam
- College of Nanoscale Science and Engineering: SUNY Institute of Technology
- University at Buffalo: SUNY Brockport, Buffalo State College, SUNY Fredonia, SUNY Geneseo and SUNY Oswego
- Stony Brook University: Farmingdale State College, Maritime College, College at New Paltz, College at Old Westbury and Purchase College

SUNY College of Optometry, Upstate Medical University, Downstate Medical Center and College of Environmental Science and Forestry currently have a single point of contact for technology transfer and licensing matters.

This regional approach maximizes the RF’s collective resources to support the commercialization of research innovation at SUNY laboratories and programs statewide, and allows the RF to provide outstanding IP management services and stewardship to the SUNY community. It is a prime example of the *Power of SUNY*.

Going forward, technology transfer transactions (e.g. disclosure and patent matters) will be handled by the appropriate designated hub location. RF Central Office will be working with TT Directors throughout implementation.

Fiscal Year 2010-15 Operating Budget

The Research Foundation's (RF) operating budget projects revenues and expenditures for the next five fiscal years. Each line is then explained in the pages that follow.

Revenue and Expenditure Operating Budget (In Thousands)

	Actual	Plan	Projected			
	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
Revenue						
Sponsored Program Direct Revenues						
Federal	\$ 418,072	\$ 424,452	\$ 422,539	\$ 424,547	\$ 430,479	\$ 435,642
Federal – ARRA	20,803	36,321	17,236	3,589	476	110
State and Local	159,846	150,350	138,224	118,549	119,530	119,391
Private/Other	148,300	167,119	173,081	178,842	183,322	189,747
<i>Total Sponsored Program Direct Revenues</i>	<i>747,021</i>	<i>778,242</i>	<i>751,080</i>	<i>725,527</i>	<i>733,807</i>	<i>744,890</i>
Agency Direct Revenue	179,866	170,798	193,719	200,015	188,532	194,769
<i>Total Restricted Revenue</i>	<i>926,887</i>	<i>949,040</i>	<i>944,799</i>	<i>925,542</i>	<i>922,339</i>	<i>939,659</i>
F&A Revenues						
Federal	112,553	113,561	113,871	115,885	117,788	119,463
Federal – ARRA	7,527	10,430	2,968	1,029	152	37
State and Local	5,842	7,337	6,659	5,966	5,357	5,336
Private/Other	18,256	13,143	13,192	13,445	13,839	14,348
<i>Total F&A Revenues</i>	<i>144,178</i>	<i>144,471</i>	<i>136,690</i>	<i>136,325</i>	<i>137,136</i>	<i>139,184</i>
Investment Income	9,126	9,945	10,008	10,883	11,556	12,321
Agency Service Fees	6,174	6,122	6,492	6,757	6,684	6,854
Equity Distributions from LLCs	2,750	1,400	1,400	1,400	1,400	1,400
Royalties	11,470	9,495	8,695	9,968	9,595	11,847
Gifts and Other	12,999	8,804	8,595	8,402	8,290	8,181
<i>Total Unrestricted Revenue</i>	<i>186,697</i>	<i>180,237</i>	<i>171,880</i>	<i>173,735</i>	<i>174,661</i>	<i>179,787</i>
Total Revenue	\$ 1,113,584	\$ 1,129,277	\$ 1,116,679	\$ 1,099,277	\$ 1,097,000	\$ 1,119,446

	Actual	Plan	Projected			
	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>
Expenditures (In Thousands)						
Sponsored Program Direct	\$ 747,021	\$ 778,242	\$ 751,080	\$ 725,527	\$ 733,807	\$ 744,890
Agency Direct	179,866	170,798	193,719	200,015	188,532	194,769
Campus Unrestricted	99,388	109,740	111,369	114,164	116,544	118,105
Gifts and Other	12,310	8,184	8,178	8,251	8,307	8,476
Royalty	8,259	8,508	8,554	9,077	9,118	9,158
Royalty Inventors' Share	4,925	3,798	3,478	3,987	3,838	4,739
Central Office- operational spending	23,891	25,598	27,242	27,664	28,821	29,884
Central Office Operating Reserve	3,766	1,850	1,145	830	-	-
SUNY System Administration	3,082	2,554	2,656	2,648	2,595	2,570
Corporate Reserve	1,912	2,466	1,400	1,601	1,582	1,357
Total Expenditures	\$ 1,084,420	\$ 1,111,738	\$ 1,108,821	\$ 1,093,764	\$ 1,093,144	\$ 1,113,948
Net Assets Beginning of Year	\$ (66,246)	\$ (103,985)	\$ (86,446)	\$ (78,588)	\$ (73,075)	\$ (69,218)
Change in campus-designated balances	21,353	9,904	(942)	(3,971)	(4,407)	241
Change in Corporate reserve	974	(335)	744	731	1,382	1,729
Change in Investment reserve	6,837	7,970	8,056	8,753	6,881	3,528
Change in accrued accounts	(66,903)	-	-	-	-	-
Net Assets End of Year	(\$ 103,985)	(\$ 86,446)	(\$ 78,588)	(\$ 73,075)	(\$ 69,218)	(\$ 63,719)

The difference between each year's revenues and expenditures has an impact on the RF's net assets. Net assets are reflective of the financial strength of the organization. While there are available, unrestricted cash balances for the campuses to use for instruction, organized research and other sponsored activities, as well as institutional activities, the RF has a very significant retiree health obligation, constituting its single largest liability balance. This balance was \$251.5 million as of 2010 fiscal year-end and is subject to large swings in estimated balances due to market-based changes in discounting rates, cost of healthcare and the investment performance of funded assets. Those swings can result in changes to net assets above the levels shown here, as interest rates fluctuate over the five-year period. Since there is no basis to estimate these swings for future periods, the "Change in accrued accounts" line above is blank for the 2011-2015 period.

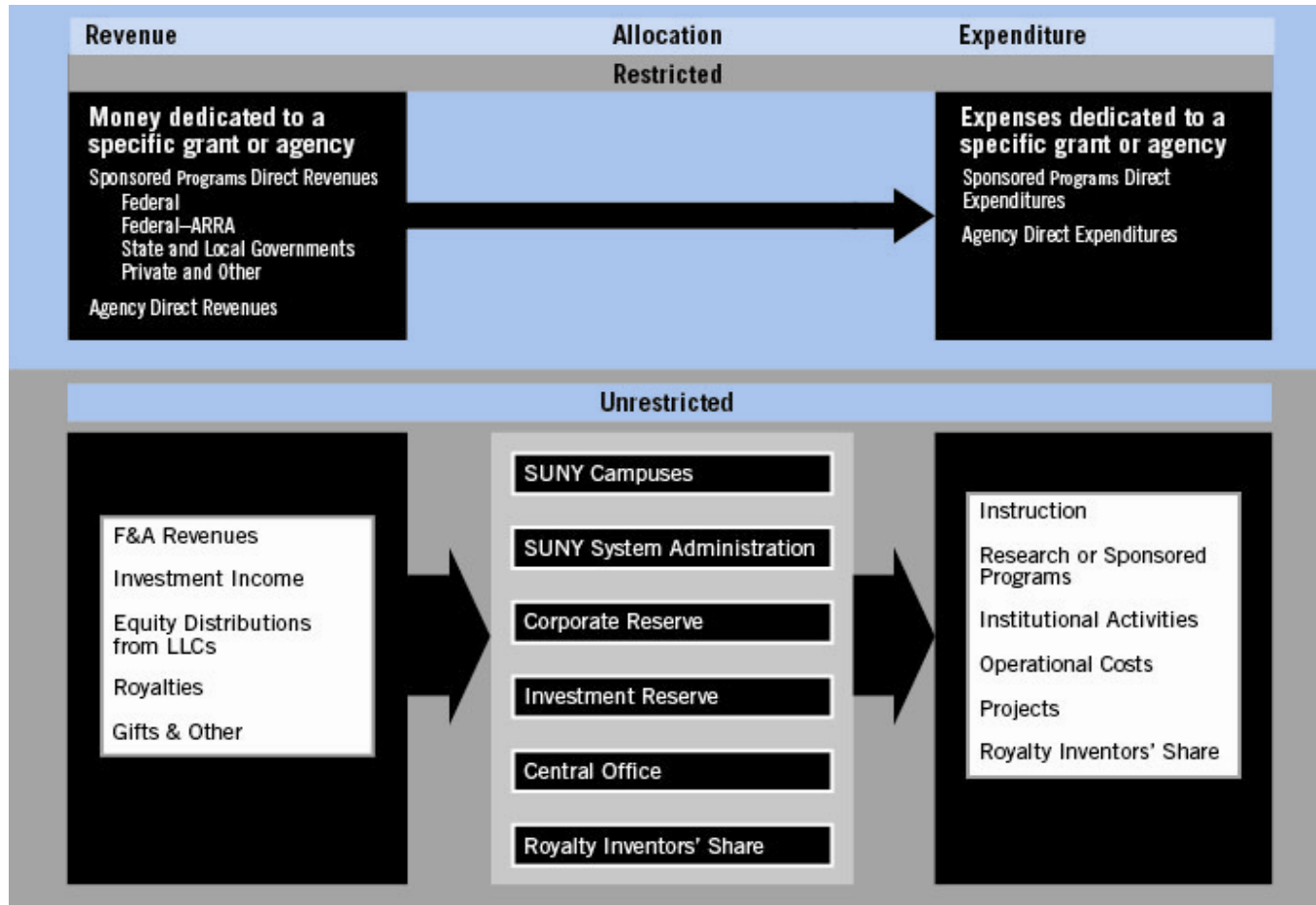
As shown above, over the five-year Financial Plan period, the RF expects to partially rebuild net asset levels that had been reduced by investment losses and increasing retiree health plan costs. Note that those and other fringe benefit costs are being reviewed, and management is planning to

provide the board with recommendations for changes and a report on the impact of those proposed changes, for the November 2010 board meeting. It is expected that the impact of those recommendations would include a reduction in the expected retiree health obligation.

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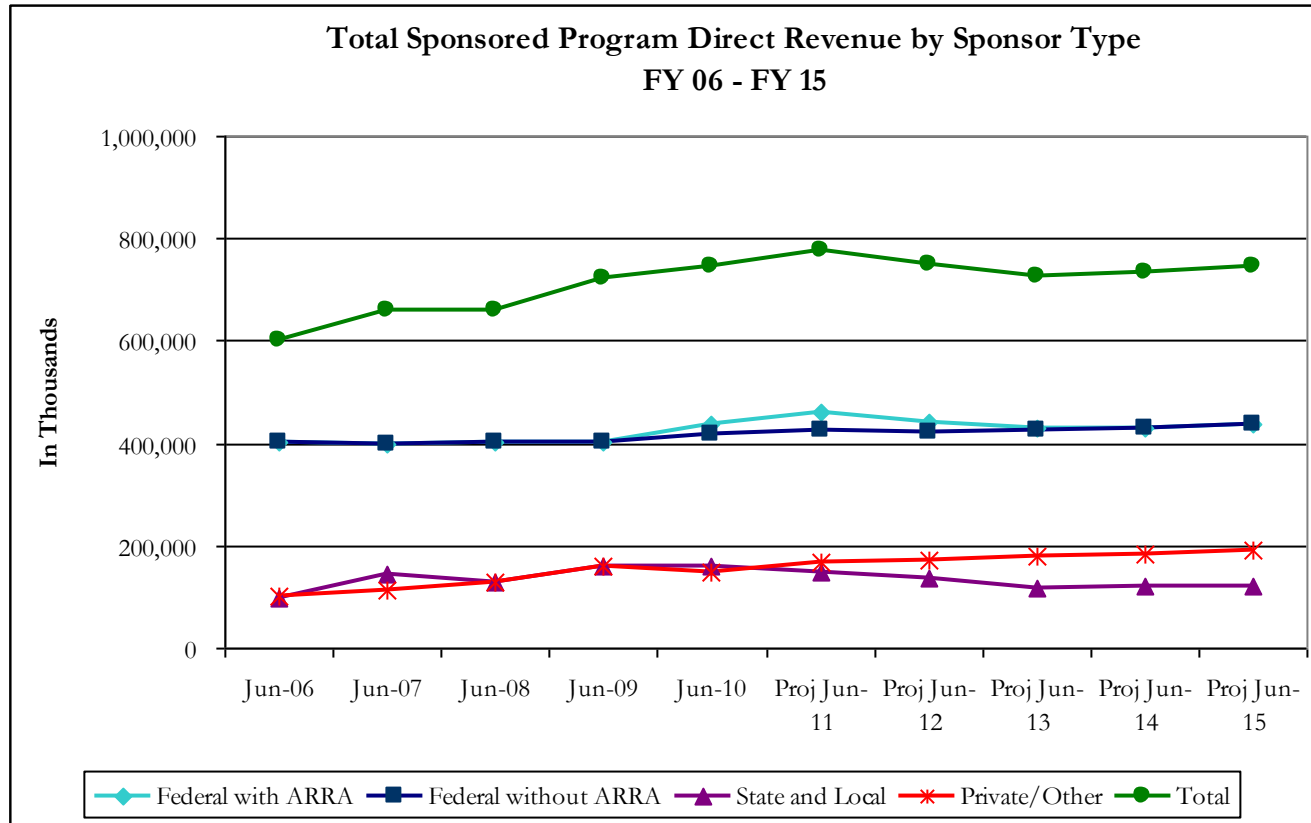
- The “Actual 2009-10” figures present final Fiscal year 2009-10 activity.
- The “Plan 2010-11” as well as the “Projected 2011-15” figures in the Operating Budget tables present campus projections as of April 2010.

A visual representation of the RF’s flow of revenues and expenditures is below.



Restricted Sources and Uses

Source: Sponsored Program Direct Revenue



Sponsor Type	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Federal with ARRA	401,650	398,850	402,259	402,397	438,875	460,773	439,775	428,136	430,955	435,752
Federal without ARRA	401,650	398,850	402,259	402,357	418,072	424,452	422,539	424,547	430,479	435,642
State and Local	97,756	145,154	128,709	160,542	159,846	150,350	138,224	118,549	119,530	119,391
Private/Other	101,345	114,356	127,958	160,969	148,300	167,119	173,081	178,842	183,322	189,747
Total	600,751	658,360	658,926	723,908	747,021	778,242	751,080	725,527	733,807	744,890

Fiscal Year 2010-11

Each campus projected sponsored programs activity by looking at requests for funding from sponsoring agencies, the current volume of actual awards and the current levels of direct cost and F&A cost expenditures. For 2010-11, sponsored programs activity is projected to increase by 3.4% to \$922 million, including \$778 million in direct and \$144 million in F&A (indirect) cost recoveries.

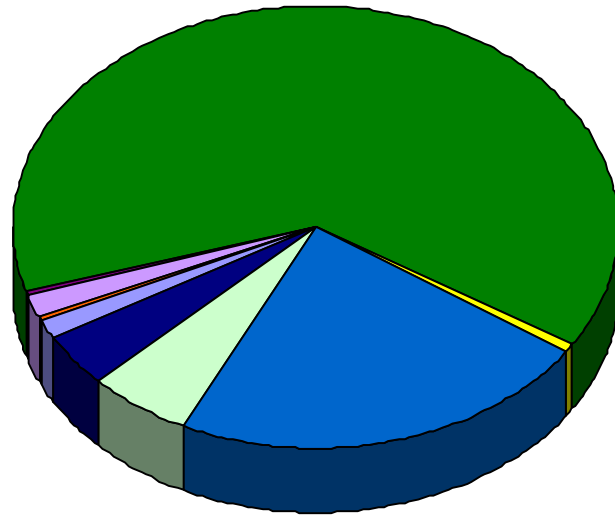
Future years

The projected increases in fiscal year 2011-12 are primarily due to the impact of the federal American Recovery and Reinvestment Act (ARRA). Without the \$47 million of projected ARRA activity in fiscal year 2011, the projected increase would be 1.5%. On a longer-term time scale, current projections for 2012 through 2015 show very little growth compared to pre-ARRA levels.

New strategic projects designed to increase sponsored programs funding are not yet reflected in this plan, but several 2010 projects, including the EII and the regional technology transfer plan, may offer some increases in the long-term. Additionally, there may be some increased volume in upcoming years from collaborative research work with the SUNY community colleges.

Use: *Sponsored Programs Spending*

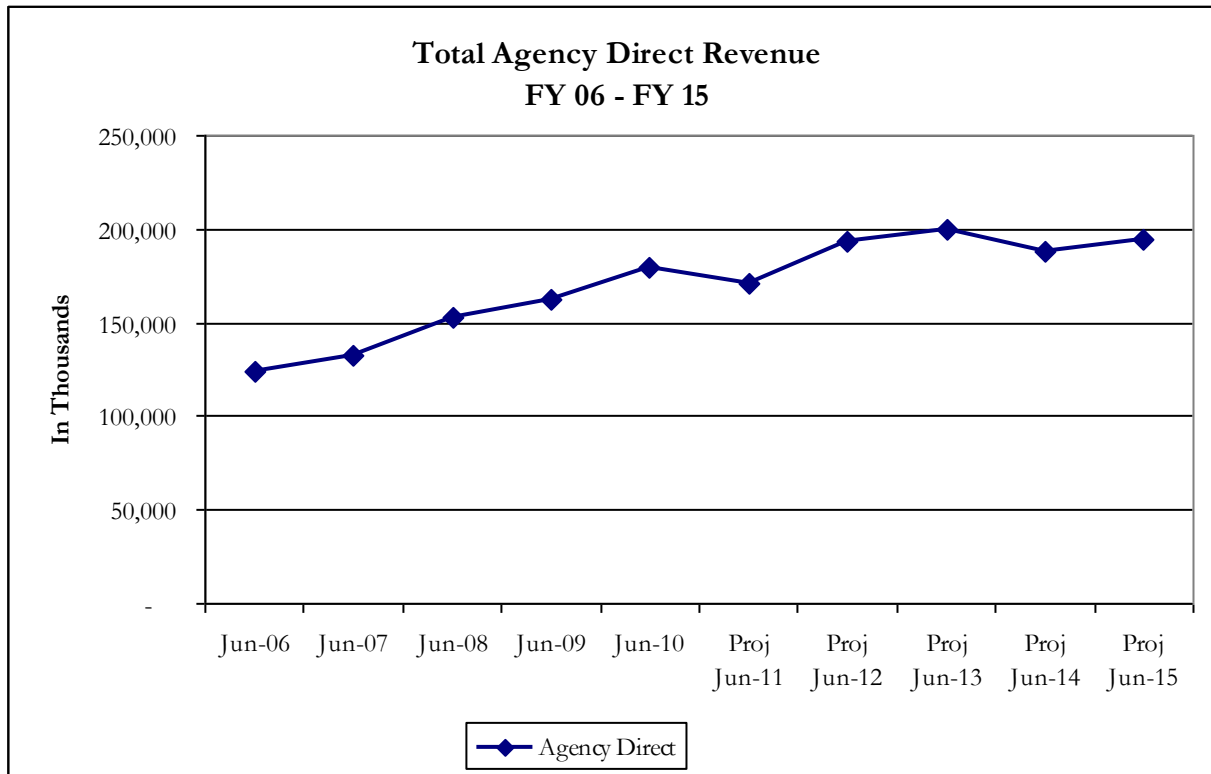
Total Sponsored Program Expenditures by NACUBO



■ Institutional and Dept Support	■ Academic Support	■ Educational Support
■ Organized Activities	■ Organized Research	■ All Other
■ Public Services	■ Training	■ Alterations and Renovations

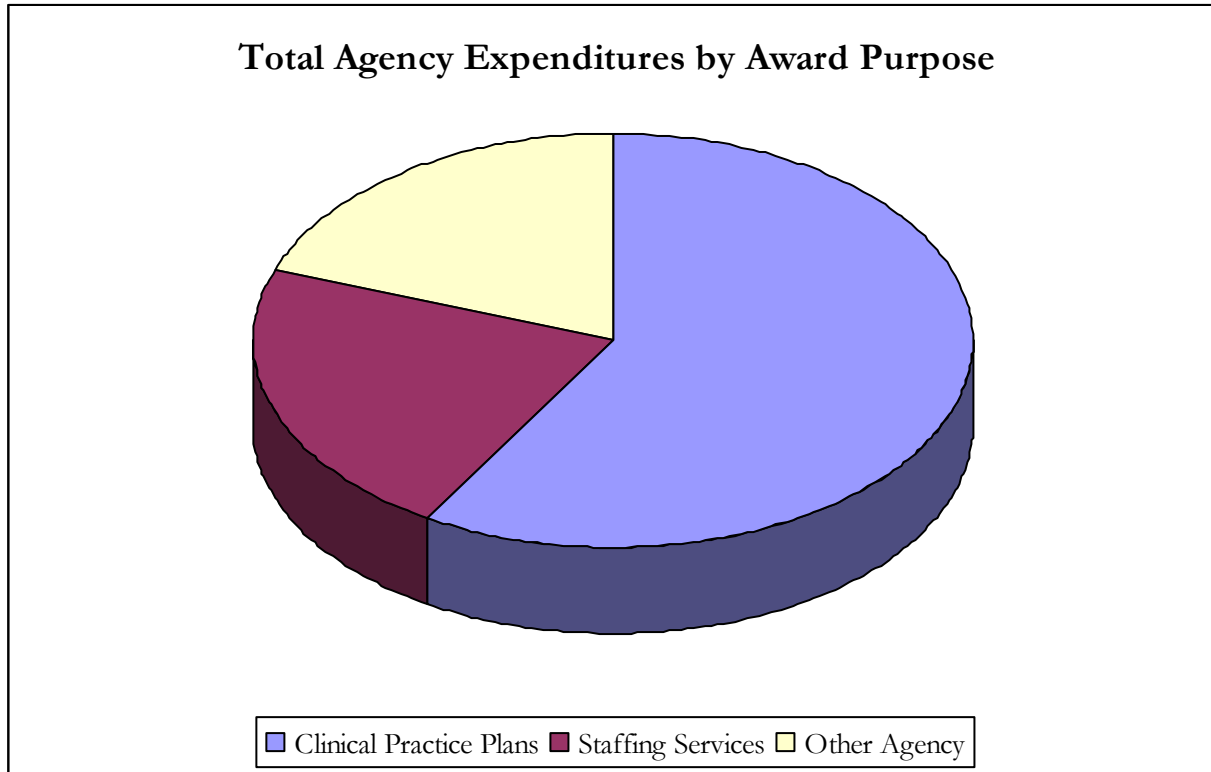
Organized Research	566,772,070
Public Services	203,668,191
Training	48,234,950
Alterations and Renovations	34,844,569
Educational Support	14,860,778
Institutional and Dept Support	12,326,456
Organized Activities	3,187,093
Academic Support	2,411,409
All Other	4,894,039
Total	891,199,555

Source: Agency Activity



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Agency Direct	124,459	132,421	152,945	162,256	179,866	170,798	193,719	200,015	188,532	194,769

Use: Agency Activity

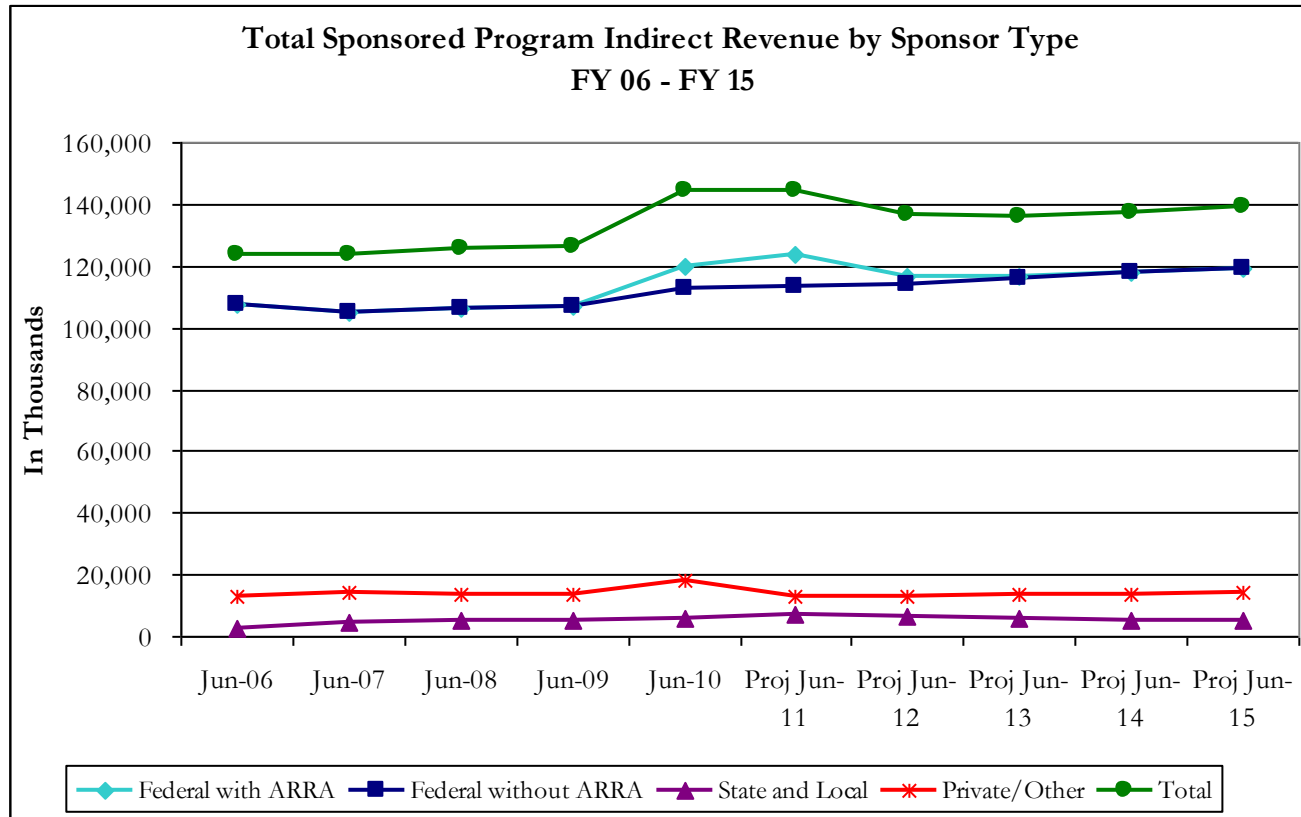


Clinical Practice Plans	109,217,928
Staffing Services	40,883,546
Other Agency	35,938,636
Total	186,040,110

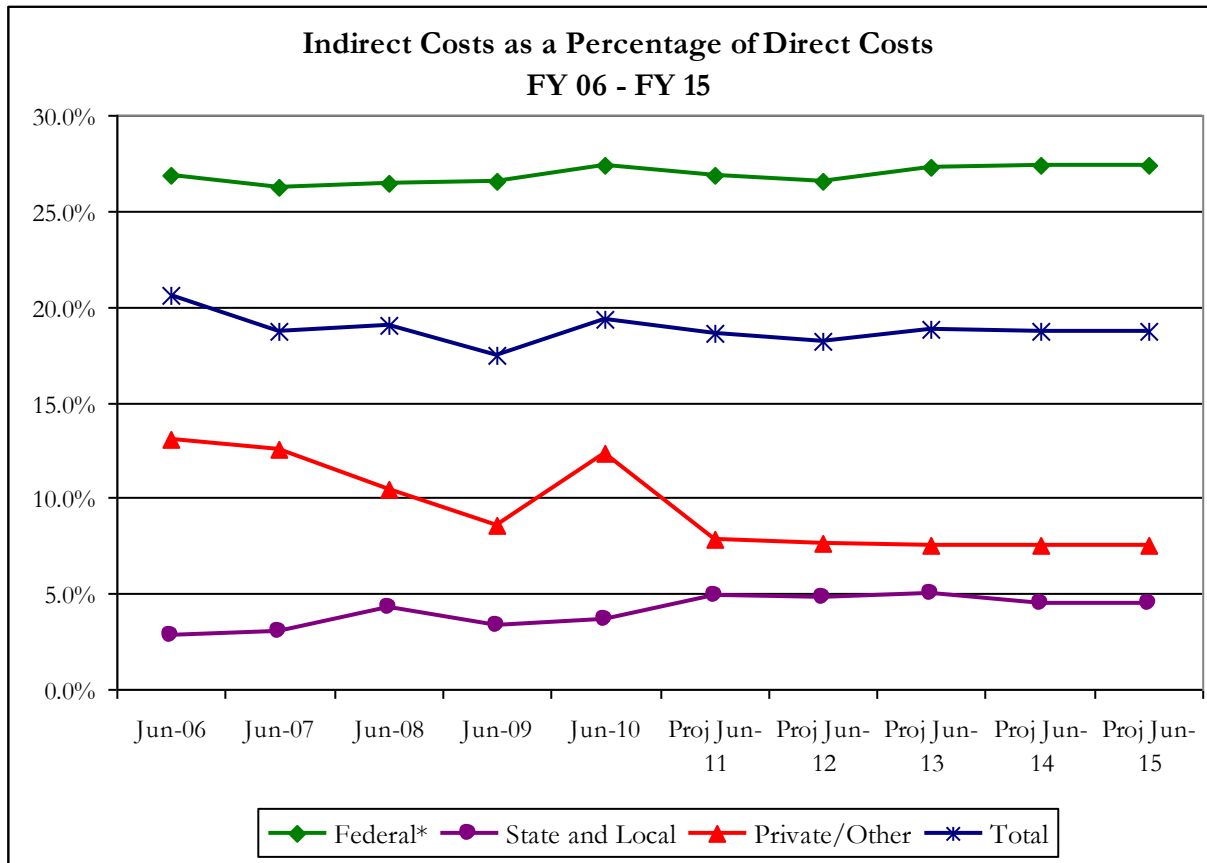
Unrestricted Sources and Uses

Campus

Source: Sponsored Program Indirect Revenue



Sponsor Type	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Federal with ARRA	107,848	104,770	106,503	106,915	120,080	123,991	116,839	116,914	117,940	119,500
Federal without ARRA	107,848	104,770	106,503	106,896	112,553	113,561	113,871	115,885	117,788	119,463
State and Local	2,708	4,437	5,455	5,294	5,842	7,337	6,659	5,966	5,357	5,336
Private/Other	13,257	14,290	13,440	13,844	18,256	13,143	13,192	13,445	13,839	14,348
Total	123,813	123,497	125,398	126,053	144,178	144,471	136,690	136,325	137,136	139,184



*Federal includes Federal Flow Through and ARRA activity

Indirect/Direct Ratio	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Federal*	26.9%	26.3%	26.5%	26.6%	27.4%	26.9%	26.6%	27.3%	27.4%	27.4%
State and Local	2.8%	3.1%	4.2%	3.3%	3.7%	4.9%	4.8%	5.0%	4.5%	4.5%
Private/Other	13.1%	12.5%	10.5%	8.6%	12.3%	7.9%	7.6%	7.5%	7.5%	7.6%
Total	20.6%	18.8%	19.0%	17.4%	19.3%	18.6%	18.2%	18.8%	18.7%	18.7%

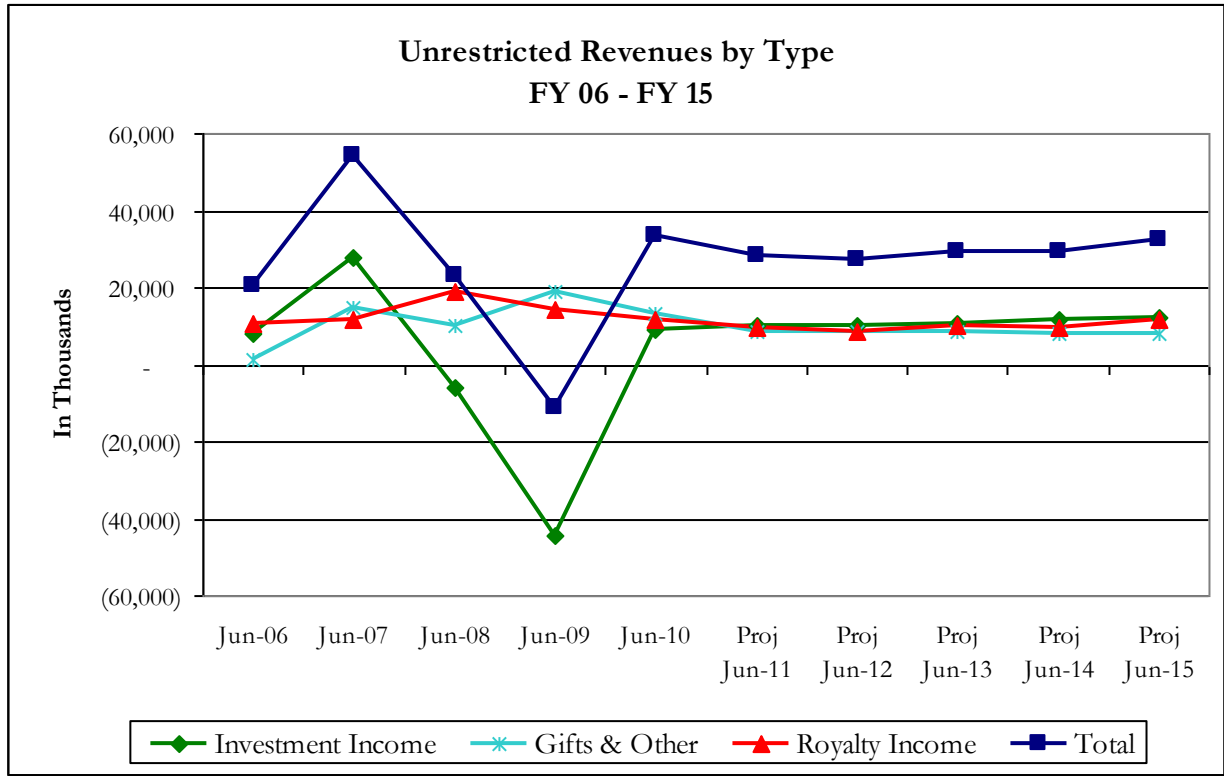
The preceding chart, as well as Exhibit G, provides some insight as to the evolving mix of sponsors, since the recovery rate for indirect costs varies greatly among the major sponsor types. The highest recovery rates are generally on federally-sponsored contracts, whereas privately sponsored and New York state-sponsored contracts typically have minimal or no indirect cost recoveries.

The blue “Total” line had trended down from 2006 to 2009 as the federal share of sponsored program revenue declined slightly, thereby causing a decrease in the average IC/DC ratio. The effect of ARRA activity has countered that trend, with a leveling-off in the post ARRA years due to the impact of low-yielding state revenues comprising a declining share of the total.

The direct to indirect cost ratio is projected to remain relatively flat from fiscal years 2011 – 2015 at approximately 18.6%. The federal component will return approximately 27.1% over the same time period while private/other and state and local will return approximately 7.6% and 4.7% respectively.

Source: All Other Unrestricted Revenue

One potential source of incremental unrestricted revenues for campuses in the next several years may come from the regional technology transfer offices and their efforts to commercialize intellectual property (IP) developed on those campuses. As part of this Financial Plan, consistent with the SUNY Entrepreneurial Century idea, each campus will be provided with starting capital to fund the initial IP commercialization efforts. Smaller campuses, for which more of their sponsored programs are state-sponsored and therefore yield lower indirect cost recoveries, may particularly find IP commercialization to be a beneficial way to fund their RF activities while helping to fulfill SUNY’s strategic mission of economic revitalization.



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Investment Income	8,137	27,993	(5,919)	(44,575)	9,126	9,945	10,008	10,883	11,556	12,321
Gifts & Other	1,395	14,732	10,104	18,840	12,999	8,804	8,595	8,402	8,290	8,181
Royalty Income	10,743	11,550	19,077	14,416	11,470	9,495	8,695	9,968	9,595	11,847
Total	20,275	54,275	23,262	(11,319)	33,595	28,244	27,298	29,253	29,441	32,349

Investment Income

The RF, with the assistance of its investment consultant, projects the return on the portfolio using trend data and statistical analysis. However, due to the diversified nature of the portfolio, the investment return will rarely perform on a straight-line basis. With that in mind, the RF expects the medium duration operational pool to have a long-term annual return of 8%, which is reflected above as a risk-adjusted 7% for next year and for subsequent years. This adjustment to the expected return projection considers market conditions, including the impact of two recent down-market years.

As discussed further in the investment reserve section, this income is projected to be used to eliminate the deficit position of the investment reserve through fiscal year 2013; once the balance has been brought out of the deficit position, then income will once again be allocated to campuses.

The projected return of 7% for fiscal year 2011 would produce net income of \$9.9 million. Investment income is recorded net of investment-related expenses such as managers' fees, consultants, custodians, banking and staff time associated with investment-related activities.

Royalty Income

The campuses estimate that royalties for fiscal year 2011 will decrease to \$9.5 million, compared to \$11.5 million for fiscal year 2010. The projections for future years include expected increased licensing through the Buffalo location on medical device and other healthcare-related intellectual property.

Although this plan does not reflect funding that may result from strategic projects, initiatives are underway that may have a positive impact over the long-term on royalty income, including the Technology Innovation Fund and Technology Transfer Regionalization.

Gifts and Other Income

Gifts and other revenues are projected to decrease from \$13.0 million to \$8.8 million, with decreases in third-party recharges due partly to the slowing economy and partly to a trend at CNSE for service center capacity being used for sponsored program work (rather than for third party use). The impact of this has largely been reflected in the recent decline in this line; future years from 2011 on reflect that lower level of activity.

Central Office

Sources

While the majority of the centralized expenses of the RF are included in the central office budget and are funded by assessments to the campuses, some central office operations costs are charged to other funding sources. Central office funding sources include:

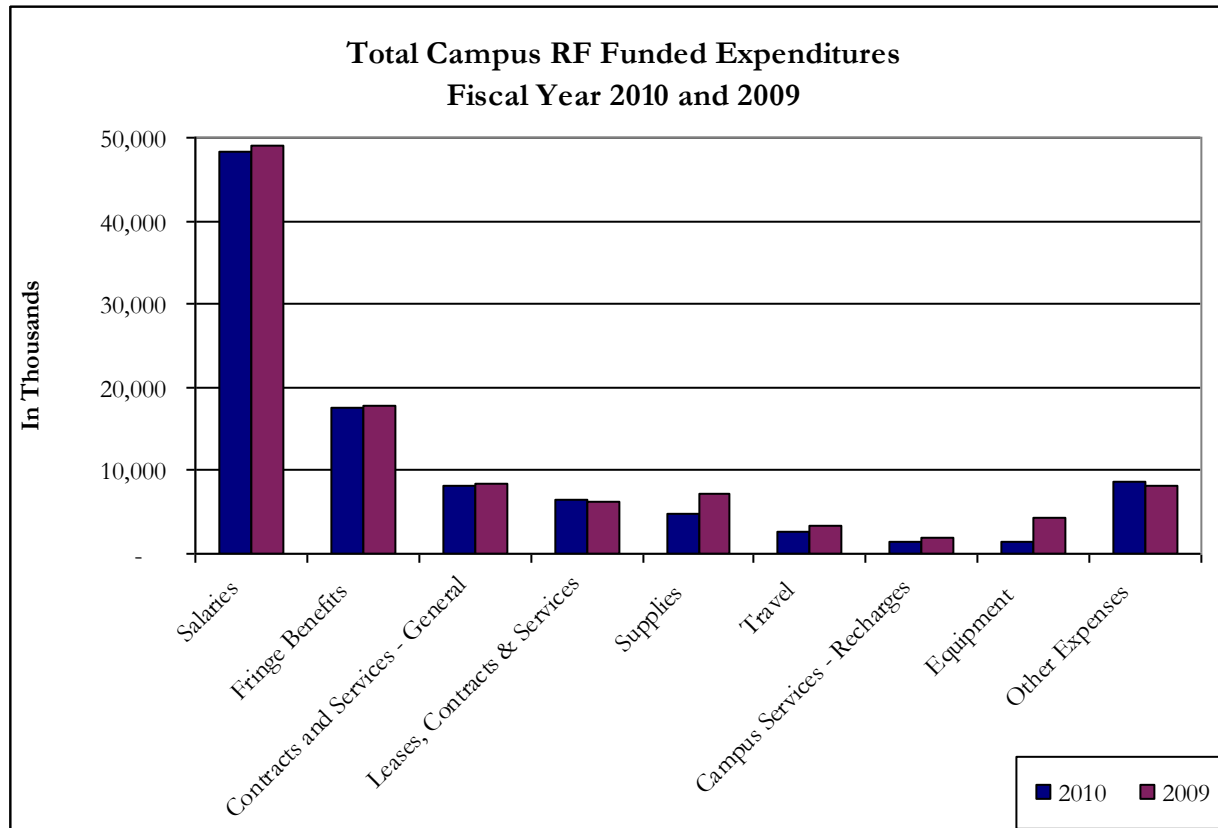
- Unrestricted Revenue Allocation. This is done by an assessment process that funds Central Office and provides funding for SUNY System Administration as well. The weighted average revenue base is the sum of total sponsored program activity, investment income, royalties, LLC distributions and gifts and other less equipment costs. The weighted average revenue base for fiscal year 2011 is as follows: FY 2008 – 20%, FY 2009 – 30% and FY 2010 – 50%. For fiscal year 2011, the assessment percentages remain at 2.7% for all campuses, an additional 1.0% for centralized campuses and 0.3% for system-wide initiatives. See the graph on page 25 for a comparison of the assessments projected over the next five years to expected spending levels.
- Investment Income. The Investment policy authorizes the funding of all direct treasury cost from investment income.
- Central office operating reserve. During the year, if the central office cost and the assessment do not equal one another, the surplus or deficit is taken or charged to an operating reserve.
- Corporate reserve. As noted on page 26, the RF has a corporate reserve to cover contingencies.
- Fringe Benefit Pool. Direct costs of fringe benefits at all locations, as well as eligible costs for benefit administration, e.g. consulting fees, paid through Central Office, are charged against the RF-wide fringe benefit pool. Fringe benefit costs are assessed against salary and wage costs using the federally negotiated fringe benefit rate.

Campus

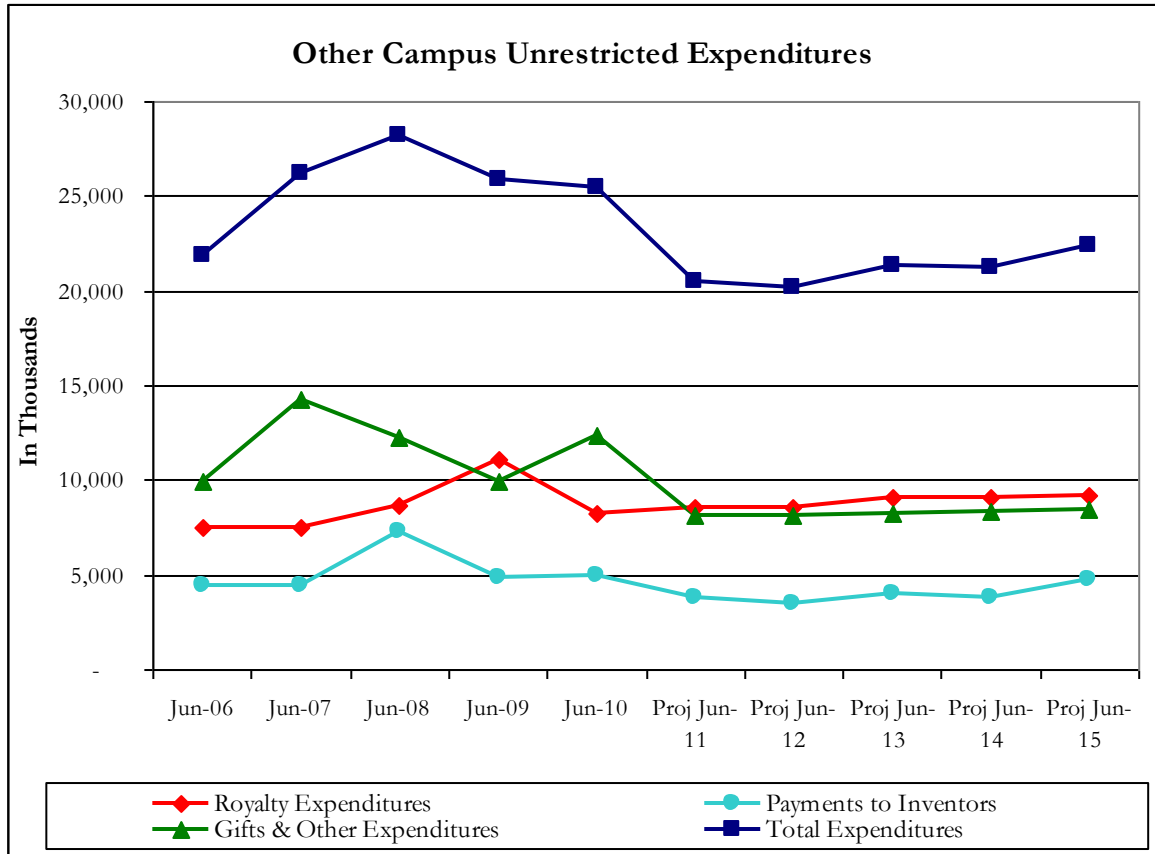
Uses - Unrestricted Expenditures

Unrestricted expenditures are expected to increase in FY 2011 by approximately 10.4% to \$110 million (see chart below). There is expected to be a trend of increasing unrestricted expenditures over the next several years, as the campuses are anticipated to utilize more of their RF-allocated balances to cover SUNY funding shortfalls. However, this is not sustainable, and over time those campuses will need to reduce their expenditures or increase their unrestricted revenues.

Below note a breakout of fiscal years 2009 and 2010 spending of unrestricted funds by the RF based on expenditure type.



Expenditure Type	2010	2009
Salaries	48,334	49,108
Fringe Benefits	17,432	17,708
Contracts and Services - General	8,210	8,385
Leases, Contracts & Services	6,601	6,234
Supplies	4,886	7,162
Travel	2,609	3,325
Campus Services - Recharges	1,403	1,987
Equipment	1,329	4,283
Other Expenses	8,584	8,261
Total Campus RF Funded Expenditures	99,388	106,452



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Royalty Expenditures	7,495	7,501	8,676	11,122	8,259	8,508	8,554	9,077	9,118	9,158
Payments to Inventors	4,439	4,443	7,281	4,829	4,925	3,798	3,478	3,987	3,838	4,739
Gifts & Other Expenditures	9,890	14,276	12,214	9,890	12,308	8,184	8,178	8,251	8,307	8,476
Total Expenditures	21,824	26,220	28,170	25,841	25,492	20,490	20,210	21,315	21,263	22,373

Central Office

Uses

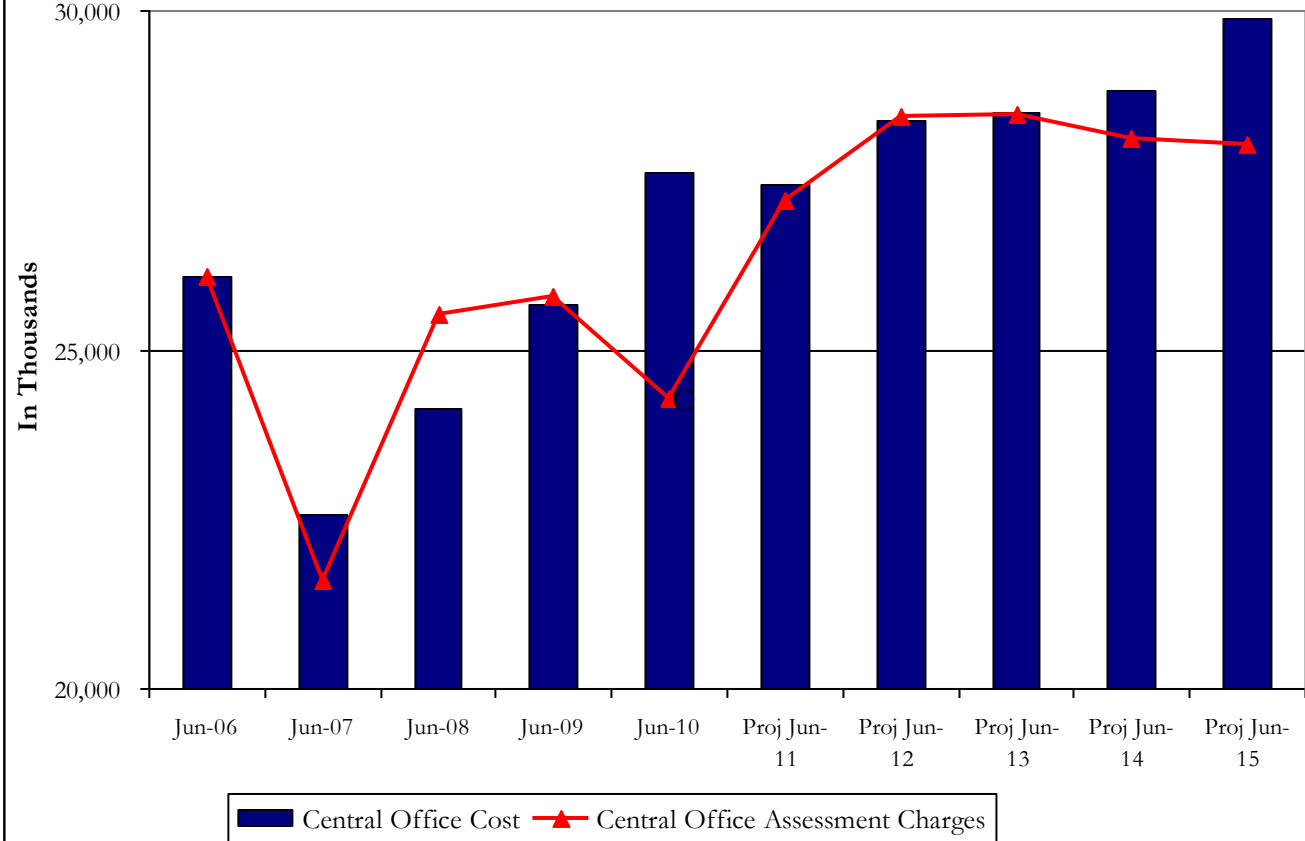
Central office expenditures, including the use of \$3.8 million and \$1.9 million in central office operating reserves in fiscal years 2010 and 2011 respectively generated from prior year cost reductions, are expected to decrease **\$0.2 million** or **0.8%** in fiscal year 2011. The central office reserves will be used primarily for leadership and organizational changes and new operational structures designed to better leverage existing resources across the SUNY enterprise and facilitate cooperative programs around economic development and entrepreneurship. These changes include:

- New executive vice president and chief operating officer (COO) and new general counsel, which together with President John O'Connor and Dr. James Weyhenmeyer make up the RF leadership team.
- New interim chief financial officer and interim vice president of internal audit, both of whom bring outside perspective and expertise to the organization.
- New External Relations function to enhance the presence of the RF as a supporter and advocate for the SUNY research enterprise and facilitate the coordination of programs that support entrepreneurship and economic development.
- New members to the board of directors who provide a range of expertise in finance, business, entrepreneurship and higher education
- Technology transfer office regionalization to maximize our collective resources to support the commercialization of research innovation at SUNY laboratories and programs statewide.
- New collaboration tools, including the RF-SUNY Coeus® Consortium and the Community of Science research funding and faculty expertise database, to support and expand the pre-award function.

See [Exhibit A](#) for more on the functions of central office, and how the costs of those functions in the 2011 budget correlate to the three goals of the RF Strategic Plan.

In fiscal year 2012 and for the years that follow, the operational planning process will ensure the RF continues to support SUNY research and economic development enterprises with subject matter expertise and economies of scale, while ensuring costs remain at sustainable levels. Current trends indicate that costs will exceed assessments charged to campuses (see chart on the next page). This will need to be addressed with a combination of cost reduction and containment measures, as well as revisions to the campus assessment process to ensure equity and affordability among campuses.

**Central Office Assessment & Cost Comparison
FY 06 - FY 15**



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Central Office Cost	26,080	22,574	24,117	25,666	27,625	27,448	28,387	28,494	28,821	29,884
Central Office Assessment Charges	26,087	21,588	25,505	25,770	24,284	27,208	28,422	28,457	28,115	28,017

The preceding chart shows that allocations to fund central office operations are expected to be insufficient to cover projected costs- operational spending as well as spending out of the Central Office Operating Reserve- in 2011, 2014 and 2015. In order to mitigate this problem, Central Office management has taken the following action steps:

- Implemented Time Tracking in order to better understand the costs of operations and projects. This will provide better data for making business decisions, developing annual operating plans and compiling the central office cost model.
- Implemented Financial Operating Principles to ensure proper financial management for implementing strategies and solutions to reduce costs and increase efficiencies.
- Dedicated funding to projects, to increase sponsored program revenues on which the assessments are based.
- Explore and make recommendations for campus assessments and dependencies to corresponding types of revenue.

Reserves

Corporate reserve

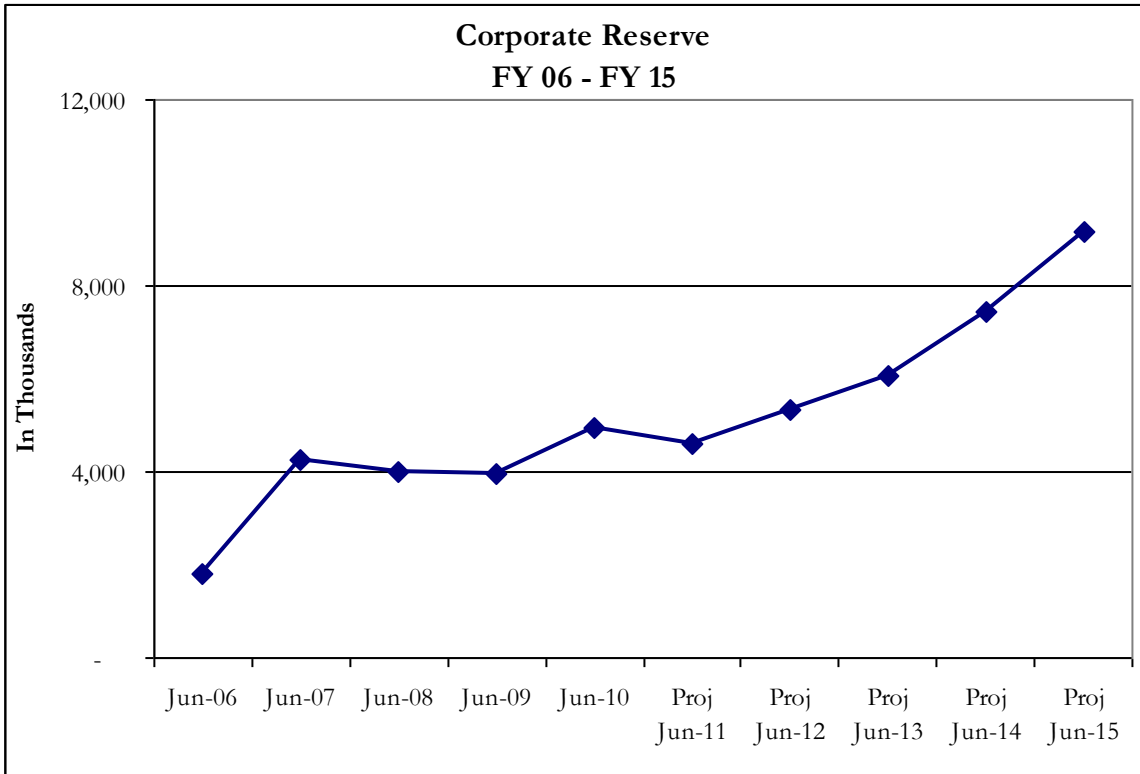
The RF maintains a corporate reserve to provide additional liquidity to cover cash flow and contingency needs. Funding of this reserve is provided through an allocation of investment income. The RF's board of directors agreed on a goal to maintain the reserve at a level of 10% of F&A cost revenue. Campus reserve balances must also be considered when evaluating adequacy of total RF reserve levels, however maintaining an adequate reserve balance at the corporate level is important in order to be prepared for contingencies and to be able to exploit strategic opportunities.

Sources:

The annual funding calculation is 1.5% of the operational investment funds, assuming income is available to be allocated. At the current rate of funding, by the end of 2011 the corporate reserve is expected to be at 32% of its funding target. In the chart on the next page, usage for the 2012-2015 years was estimated based on spending patterns since fiscal year 2005.

Uses:

The board of directors must approve expenditures from the reserve. If a major need arises and the corporate reserve is not adequate, the RF board has the authority to adjust the allocations for the fiscal year or authorize the use of unexpended funds from previous years' allocations.



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Corporate Reserve	1,789	4,263	4,004	3,951	4,925	4,590	5,334	6,066	7,448	9,177

Fiscal Year 2010-11

In 2010-11, with investment income projected at the positive 7% level noted earlier, the RF projects it will add \$2.1 million to the corporate reserve. In fiscal year 2010 there had been a one-time funding to the corporate reserve of approximately \$1.366 million due to reduced central office costs. This is being requested to be used in fiscal year 2011 to fund strategic initiatives, including:

- \$1,116K for initiatives to support the “SUNY and the Entrepreneurial Century” idea, including funding for Technology Transfer Office (TTO) Regionalization and related efforts to promote TTO activity and other entrepreneurial activities that support RF & SUNY strategies; and
- \$250K for the Entrepreneurial Innovation, Inc. affiliated corporation.

During fiscal year 2010 the corporate reserve funded \$2.0 million to cover additional legal costs mainly related to several legal investigations, and in fiscal year 2011 an additional \$1.1 million is being requested from the corporate reserve to fund legal fees related to these investigations.

In order to reach the 10% of F&A goal, the RF will continue to fund the corporate reserve with an allocation from investment income. As a result, at the end of fiscal year 2011, the RF’s corporate reserve is expected to be about 32% funded.

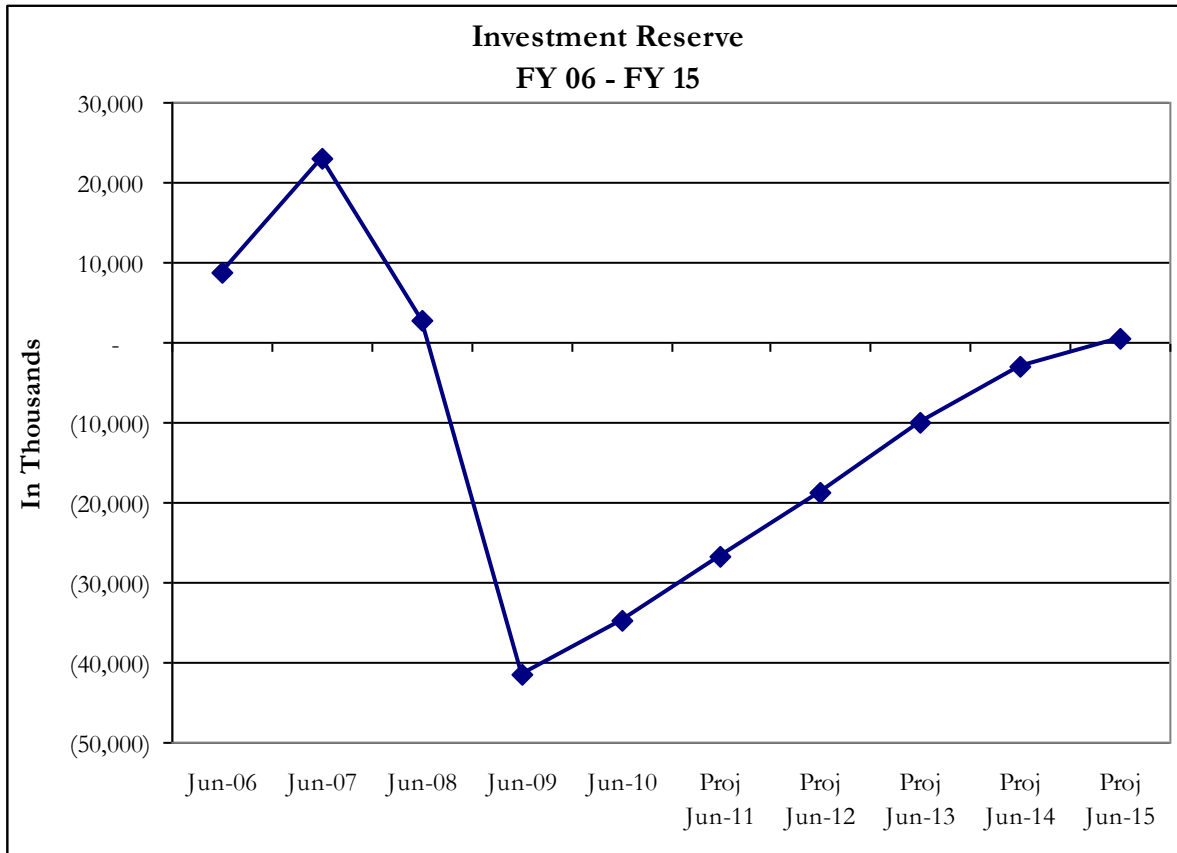
The following table shows corporate reserve balances for the 2010 and 2011 fiscal years.

Corporate Reserve (in thousands)

	FY 2010 Actual	FY 2011 Plan
Corporate Reserve Rollforward:		
Opening balance at 7/1	\$ 3,951	\$ 4,925
<i>Sources:</i>		
Investment reserve allocation	1,475	2,131
Campus and other sources allocation	457	-
Net Central Office cost savings	1,366	-
<i>Uses:</i>		
Allocation for strategic initiatives	-	(1,366)
Campus Litigation Settlement	(325)	-
Outside legal counsel costs	(1,534)	(1,100)
Internal legal costs	(465)	-
Corporate Reserve Balance at 6/30	\$ 4,925	\$ 4,590

Investment Reserve

The RF maintains an investment reserve to help ensure campuses receive the projected distribution of investment income in a particular year as per that year's Financial Plan. Due to highly unusual market conditions encountered in 2008 and 2009, the reserve is currently negative, as the graph below indicates. The losses that resulted from those market conditions were not allocated to campuses. Subsequent years' income will be used to rebuild the investment reserve over a three-to-four year period, during which time no investment income will be allocated to the campuses. The beginning of that rebuilding process is shown below.



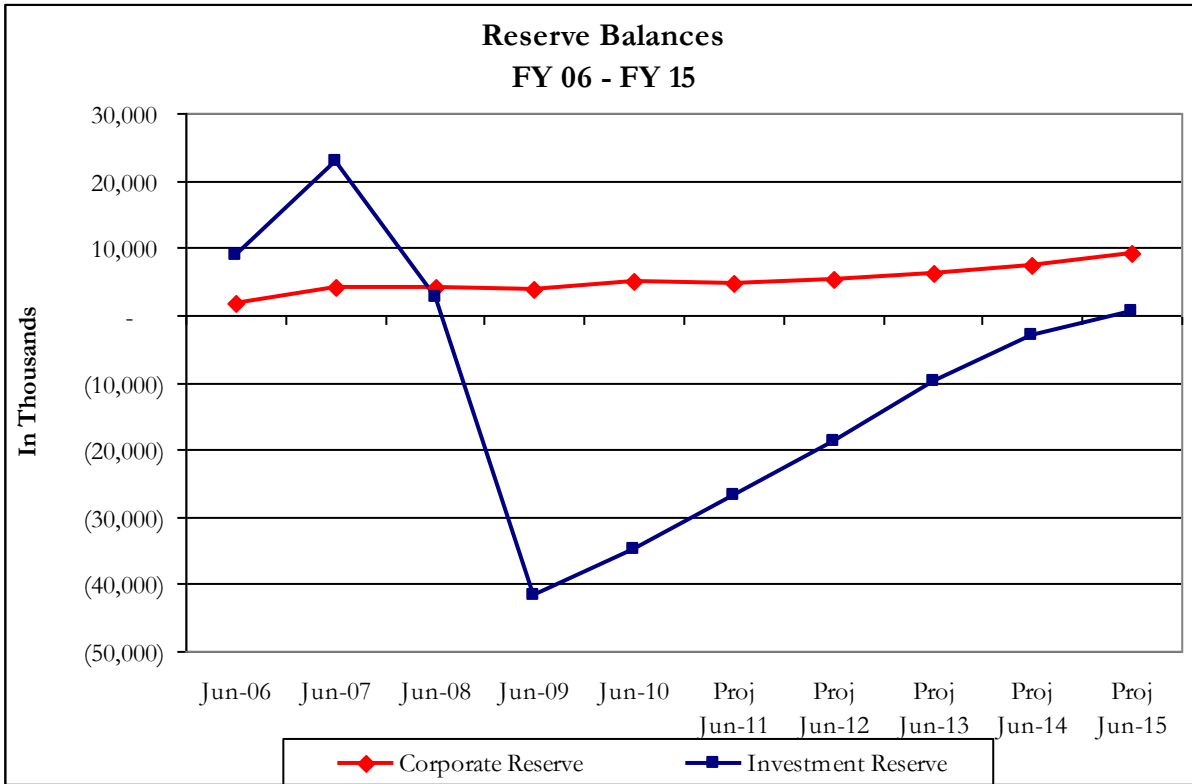
	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Investment Reserve	8,863	22,898	2,641	(41,551)	(34,714)	(26,745)	(18,689)	(9,936)	(3,055)	473

The following table shows reserve balances for fiscal years 2010 and 2011.

**Investment Reserves
(in thousands)**

	FY 2010	FY 2011
	Actual	Plan
Investment Revenue/Allocation/Reserves		
Investment income (net) - Operational Funds	\$9,126	\$9,945
Other Income	100	156
Allocation to Corporate Reserve	(1,475)	(2,131)
Investment Income to reserves	7,751	7,970
Prior year reserves	(41,551)	(34,714)
Campus Direct Charge	(913)	-
Investment Reserves at end of year	\$(34,714)	\$(26,745)

On the next page is a graph showing the projection of corporate and investment reserves, as they are expected to build over the next several years.



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Corporate Reserve	1,789	4,263	4,004	3,951	4,925	4,590	5,334	6,066	7,448	9,176
Investment Reserve	8,863	22,898	2,641	(41,551)	(34,714)	(26,745)	(18,689)	(9,936)	(3,055)	473

Fiscal Year 2010-2015 Financial Budget

Working Capital

At the beginning of a new fiscal year, the RF forecasts the working capital needed to ensure adequate cash flow. The RF's projection of working capital enables management to estimate the potential use of additional cash flow for investments or, in the case of deficits, the use of the \$50 million project line of credit.

Fiscal year 2010

The RF had a significant decline in total working capital in fiscal year 2010, primarily due to timing of advanced funding for projects at the College of Nanoscale Science and Engineering received before June 30 of last year. That program's funding is expected to be received early in fiscal year 2011.

For fiscal year 2010, the investment return from the operational pool was 7.08%, which improves the negative investment reserve balance by \$6.8 million.

Other impacts on working capital include increases in available campus balances, accounts receivable balances and decreases in sponsored program and agency advanced funding, the fringe benefit pool and line of credit borrowing of \$10.4 million.

Fiscal year 2011

The RF projects an increase in total working capital provided by operating activities of approximately \$43.7 million in fiscal year 2011 due to increases in both net available working capital and restricted working capital.

The increase in restricted working capital is due to CNSE advance funding.

The increase in the net available working capital is due to ARRA IDC revenue along with a projected decrease in unrestricted expenditures and a projected positive investment income return.

The 2010-2012 forecast of working capital includes the effect of a \$14 million loan to UB Associates, Inc. for medical and billing records technology improvements, with payback anticipated for 2017.

Fiscal years 2011-2015

The RF projects similar increases consistent with the fiscal year 2010-11 with the exception of a slight increase in sponsored programs and agency advanced funding in fiscal year 2014-15.

Fiscal Year 2010-2015 Financial Budget

Working Capital

(in thousands)

	Actual 2009-10	Plan 2010-11	Projected			
			2011-12	2012-13	2013-14	2014-15
Available Working Capital:						
Allocation Balances by Campus*	\$154,242	\$164,501	\$165,045	\$162,655	\$160,931	\$164,002
Revenues from Other Sources**	76,106	72,273	70,200	68,152	65,755	64,478
Sponsored Program & Agency Accounts Receivable	(155,392)	(151,527)	(144,249)	(140,534)	(142,364)	(144,056)
Notes Receivable***	(2,629)	(12,759)	(13,501)	(11,452)	(9,321)	(7,102)
Investment Income Reserves (Deficits)	(34,714)	(26,745)	(18,689)	(9,936)	(3,055)	473
Corporate Reserves	4,925	4,590	5,334	6,066	7,448	9,176
Net Available Working Capital:	42,538	50,333	64,140	74,951	79,394	86,971
Restricted Working Capital:						
Sponsored Program & Agency Advances	132,184	180,958	153,495	136,548	139,822	142,431
Fringe Benefit Net Credit Balance	(591)	(2,815)	(2,020)	(1,673)	(1,225)	(710)
Other	22,259	22,068	28,428	28,428	22,068	22,068
Line of Credit Borrowings	10,429	-	-	-	-	-
Net Restricted Working Capital:	164,281	200,211	179,903	163,303	160,665	163,789
Total Working Capital or Total Operational Cash:	\$206,819	\$250,544	\$244,043	\$238,254	\$240,059	\$250,760

* According to RF policy, these revenues must be used to support instruction, organized research and other sponsored activities, and institutional activities.

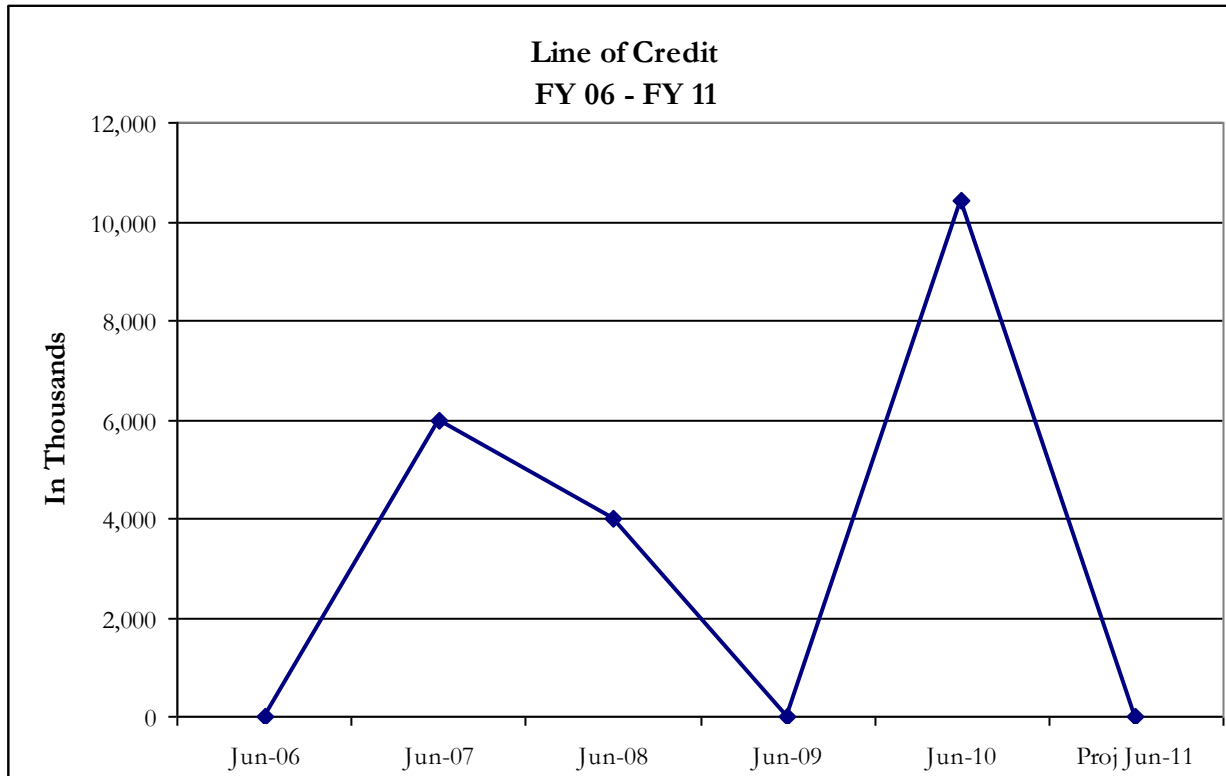
**Available working capital includes funds corporate has discretion over, using revenues from other sources. These funds have a purpose restriction, but not a program restriction.

***Reflects loan to UB Associates, Inc.

When the RF working capital exceeds immediate needs, the balance is generally invested in the operational investment pool. In addition to available working capital, the RF has a line of credit to support liquidity needs of the organization and of sponsored programs. If the RF incurs debt to cover a campus location's expenditures, that campus is responsible for paying the interest on that debt.

Line of Credit

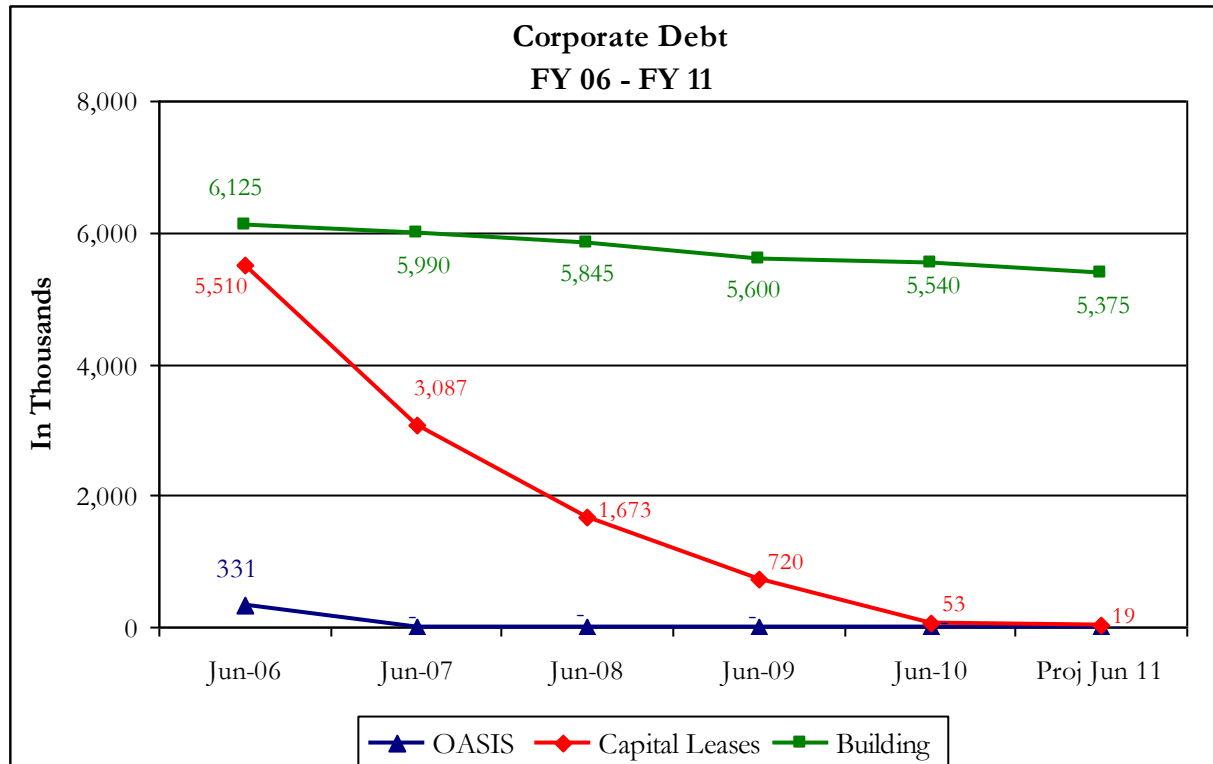
The following chart displays the historical and projected usage of the line of credit through fiscal year 2011 in support of major sponsored projects. The projection is based on current campus requests and is subject to change at any time during the year. By utilizing the project line of credit, the RF has a flexible and relatively inexpensive means of obtaining quick liquidity as needed.



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11
Line of Credit	-	6,000	4,000	-	10,429	-

Corporate Debt

The RF has minor corporate debt which was incurred in support of central office operations and facilities. The board authorizes all debt issuances. At this time, there is no plan to incur additional corporate debt over the next several years. The chart below shows the corporate debt levels expected through fiscal year 2011.



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11
OASIS	331	-	-	-	-	-
Capital Leases	5,510	3,087	1,673	720	53	19
Building	6,125	5,990	5,845	5,600	5,540	5,375

Glossary

Agency

A campus-related organization or clinical practice plan. The RF enters into agreements with agencies to provide human resources/payroll or purchasing/payables services for a fee.

Agency Service Fees

When the RF provides human resources/payroll and purchasing/payables administration services to a campus-related organization or clinical practice plan, the cost of providing that service is covered by charging an agency service fee. This fee is negotiated as part of the contract between the RF and the agency and includes both the campus and central office costs to deliver the service.

Allocation

A distribution to campuses, central office and SUNY System Administration to be used for expenditures in the fiscal year.

Assessment

A calculated amount based on a percentage applied to revenue. Assessments are used to support central office and SUNY System Administration

Cash Flow

Changes to cash balances, caused either by operational, investing or financing activities during a fiscal period.

Corporate Reserve

Board-designated funds set aside to provide additional liquidity to cover cash flow and contingency needs. In the past, the corporate reserve was used to cover major RF system initiatives such as the Oracle project and year 2000 compliance; however, it is also used to cover losses as stated in the RF's "Responsibility for Losses" policy.

Equity Distribution from LLCs

The RF is a partner in two limited liability corporations (LLCs) – Brookhaven Science Associates (BSA) and Source Sentinel. Profits and losses from LLCs are equally divided among the members in the corporation. There are two partners in BSA: the RF and Battelle Memorial Institute. There are three partners in Source Sentinel: the RF, Sensis Corporation and O'Brien & Gere. The RF invests assets received from LLCs in its operational investment funds.

Gifts and Other Non-sponsored Revenue

Campuses and central office receive gifts and other unrestricted revenue that does not fit into one of the other major revenue categories. Examples include revenue from sales of equipment, unrestricted donations, nonsponsored income, balance awards, and revenue from third-party recharge awards. Third-party recharge revenue comes from outside parties using the services of an RF service center.

Investment Income

The RF invests unrestricted cash and the cash it receives from sponsors and agencies, less the amount required to pre-fund accounts receivable, in short-term investments or in its operational investment pool. This money is invested according to the RF's Investment Policy and Guidelines approved by the RF's board of directors. The board has responsibility for ensuring conservation of principal and prudent management of investments.

Investment Reserve

Funds set aside to help ensure campuses receive the projected distribution of investment income in a particular year, as per that year's Financial Plan. To achieve this, the RF's Investment Policy & Guidelines include a spending formula to lessen the impact of fluctuations in rates of return. The spending formula calculation uses an average of the operational pool's annual rate of return for the four previous years.

Revenue: Restricted

Grants and gifts awarded for sponsored research or agency activity that have restrictions imposed on their use by law, the donor, the grantor or other external third parties. The RF has the following restricted revenue:

- Sponsored Program Direct
- Agency Direct

Revenue: Unrestricted

Funds earned by RF activities that are supported by resources over which the board has discretionary control, subject to certain regulatory and contractual specifications. The RF has the following unrestricted revenue:

- Sponsored Program F&A Cost Recovery
- Agency Service Fees
- Investment Income – Operational Funds
- Equity Distribution from LLCs
- Royalties
- Gifts and Other

Royalties

Inventions that result from sponsored research belong to the RF, which is responsible for protecting the intellectual property and commercializing these technologies as part of its technology transfer service.

Sponsored Programs F&A Cost Recovery

Facilities and administrative (F&A) costs recovered from sponsored programs are those overhead costs incurred for common or joint objectives that cannot be identified specifically to a particular sponsored program. Examples of F&A costs include administrative support, physical plant, maintenance and utilities.

Strategic Projects

Projects that involve work that is specifically outlined in the RF's strategic plan. These projects focus on the goals of increasing customer satisfaction, increasing sponsored program funding, or increasing technology transfer and commercialization.

Working Capital

Net assets of the corporation that mainly include campus unexpended balances, corporate reserves and investment reserves. Working capital is used to pay for expenses before money is received to cover those expenditures.

Exhibit A: Central Office Functional Costs

Use of Functional Cost Data

Knowing the costs of the central office functions enables the RF to:

- Accurately charge out those costs as a fee, cost allocation or assessment.
- Allocate central office costs to the campuses for the Facilities and Administrative (F&A) cost proposals.
- Allow function owners and customers to conduct cost-benefit reviews and analysis.

Functional Costs

The RF currently has many functions comprising the corporate infrastructure which provide expertise and economies of scale to the campuses. Those functions are listed below, with a breakdown of how the 2011 projected function costs correlate with the [three strategic goals](#):

Goal 1

Provide outstanding sponsored program administration services and stewardship to the SUNY community (faculty, students and staff) and sponsors, respectively.

Goal 2

Assist campuses in increasing sponsored program funding.

Goal 3

Increase technology transfer and commercialization in support of SUNY's efforts to revitalize New York's economy.

FY 2011 Central Office Budget Operating Spending by Functions to Goals

Function Name	Function in Support of Goal 1	Function in Support of Goal 2	Function in Support of Goal 3	Total FY 2011 Function Cost
Accounts Payable and Purchasing	\$ 594,761			\$ 594,761
Accounts Receivable	912,472			912,472
Advisory Support	554,340			554,340
Award & Contract Review and Negotiation	437,788	125,082	62,541	625,411
Award Establishment	523,173	29,065	29,065	581,303
Benefits Development/Administration	1,158,362			1,158,362
Cash Management	517,751			517,751
Coordination of Affiliated Organizations	126,396	126,396	126,396	379,188
Establish and Maintain Service Compliance	497,115			497,115
Fixed Asset Management	85,573			85,573
Fringe Benefit Rate Development	156,141			156,141
General Ledger	2,140,640			2,140,640
Indirect Cost Proposal	650,251			650,251
Insurance Oversight	2,012,669			2,012,669
Invention Disclosure			138,186	138,186
Legal Contract Review and Negotiation	2,728,528			2,728,528
Licensing			140,304	140,304
Payroll and Labor Distribution	515,437			515,437
Personnel Administration	537,103			537,103
RF Funded	169,134			169,134
Strategic Projects	2,579,666	303,490	151,745	3,034,901
System Support & Data Security	7,428,297			7,428,297
Training	40,357			40,357
Grand Total	\$ 24,365,954	\$ 584,034	\$ 648,238	\$ 25,598,225

The chart below illustrates the relative costs of the RF functions for fiscal year 2011.

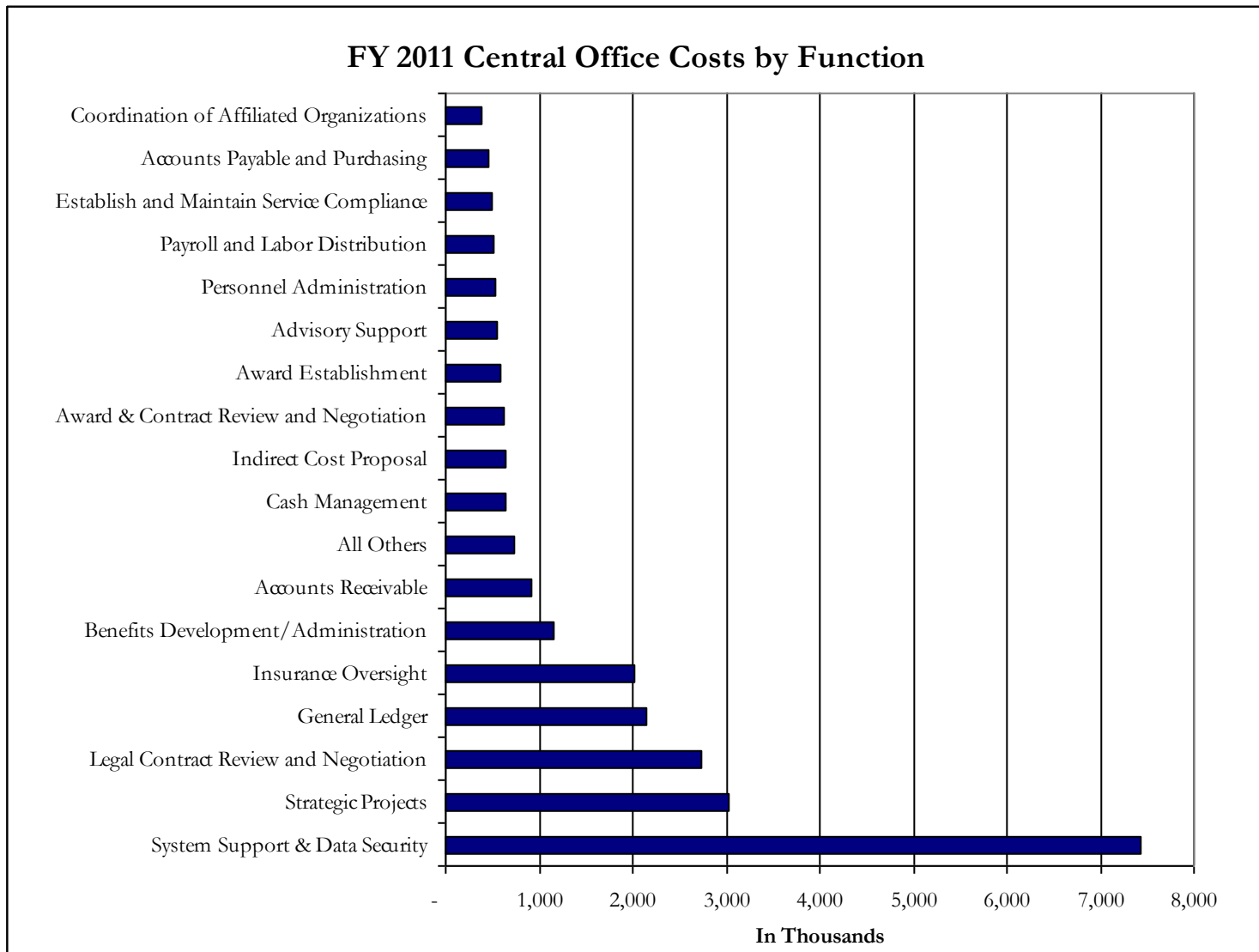


Exhibit B: Investment Reserve

The RF maintains an investment reserve to help ensure campuses receive the projected distribution of investment income in a particular year as per that year's Financial Plan. Due to highly unusual market conditions encountered in 2008 and 2009, the reserve is currently negative, as indicated on the next page. The losses that resulted from those market conditions were not allocated to campuses. Subsequent years' income will be used to rebuild the investment reserve over a three-to-four year period, during which time no investment income will be allocated to the campuses. The beginning of that rebuilding process is shown on the following page, in the fiscal year 2010 reserve level.

Exhibit B: Investment Reserve
Details by Campus of Actual and Projected Investment Income Reserves Fiscal Year 2010 - 2015

	<u>Actual Reserves</u>	<u>Projected Cumulative Reserves</u>				
	<u>6/30/2010</u>	<u>6/30/2011</u>	<u>6/30/2012</u>	<u>6/30/2013</u>	<u>6/30/2014</u>	<u>6/30/2015</u>
<u>UNIV. CENTERS & DOCTORAL</u>	\$ (31,933,275)	\$ (24,667,900)	\$ (17,390,938)	\$ (9,685,678)	\$ (2,794,708)	\$ 659,666
University at Albany	1,208,830	1,069,695	892,329	675,231	409,514	95,913
College of Nanoscale Science and Engineering	361,678	603,585	829,911	1,045,107	984,163	923,874
Binghamton University	(3,593,760)	(2,766,421)	(1,892,956)	(961,692)	-	-
University at Buffalo	(5,857,619)	(4,407,507)	(2,963,252)	(1,402,186)	-	-
Stony Brook University	(14,104,631)	(11,524,394)	(8,858,956)	(6,139,201)	(3,323,981)	(360,122)
SUNY Downstate Medical Center	(3,214,552)	(2,224,081)	(1,351,821)	(379,307)	-	-
Upstate Medical University	(5,755,689)	(4,641,615)	(3,480,536)	(2,186,129)	(741,857)	-
SUNY ESF	(787,460)	(635,148)	(475,994)	(305,045)	(122,548)	-
College of Optometry	(190,070)	(142,014)	(89,664)	(32,454)	-	-
<u>UNIVERSITY COLLEGES:</u>	(1,221,282)	(887,396)	(527,409)	65,317	78,242	86,764
SUNY Brockport	(144,710)	(120,981)	(93,388)	(61,058)	(25,292)	-
Buffalo State College	-	-	-	-	-	-
SUNY Cortland	(22,740)	(1,868)	20,526	40,843	33,430	26,018
SUNY Fredonia	(54,482)	(49,920)	(45,086)	(39,429)	(32,908)	(26,039)
SUNY Geneseo	(26,643)	(13,012)	2,702	18,424	13,148	8,045
SUNY New Paltz	(109,406)	(79,821)	(47,897)	(13,340)	-	-
Old Westbury	(38,704)	(38,704)	(38,704)	(38,704)	(38,704)	(38,704)
College at Oneonta	(3,630)	(3,630)	(3,630)	(3,630)	(3,630)	(3,630)
SUNY Oswego	(701,479)	(544,389)	(373,229)	25,433	-	-
SUNY Plattsburgh	(43,454)	(12,243)	21,099	46,402	38,001	30,040
SUNY Potsdam	36,617	58,712	82,334	107,668	99,168	91,034
Purchase College	(70,420)	(56,796)	(41,947)	(22,563)	(5,104)	-
Empire State College	(42,232)	(24,746)	(10,189)	5,270	134	0
<u>COLLEGES OF TECHNOLOGY:</u>	(216,773)	(187,513)	(156,015)	(121,397)	(112,516)	(109,072)
Alfred State College	(36,210)	(19,087)	(328)	20,297	13,200	6,233
SUNY Canton	(32,175)	(27,487)	(22,123)	(16,040)	(8,933)	(1,020)
SUNY Cobleskill	-	-	-	-	-	-
SUNY Delhi	(10,813)	(9,802)	(8,579)	(7,615)	(6,600)	(5,533)
Farmingdale State College	-	-	-	-	-	-
Morrisville State College	(28,823)	(22,385)	(16,233)	(9,287)	(1,431)	-
SUNYIT	(108,398)	(108,398)	(108,398)	(108,398)	(108,398)	(108,398)
Maritime College	(354)	(354)	(354)	(354)	(354)	(354)
<u>SYSTEM ADMINISTRATION</u>	(14,960)	(14,249)	(13,496)	(12,696)	(11,852)	(10,963)
Sys. Admin - Provost	-	-	-	-	-	-
Sys. Admin - Chancellor	(14,960)	(14,249)	(13,496)	(12,696)	(11,852)	(10,963)
<u>CAMPUS TOTAL</u>	(33,386,290)	(25,757,059)	(18,087,859)	(9,754,454)	(2,840,833)	626,395
Central Office Agency	(554,291)	(482,934)	(407,372)	(327,111)	(242,439)	(153,288)
Corporate	(773,535)	(504,586)	(193,835)	145,310	28,393	-
Total	(34,714,117)	(26,744,579)	(18,689,066)	(9,936,256)	(3,054,879)	473,108
Allocation to Corporate Reserve	-	-	-	-	-	-
GRAND TOTAL	\$ (34,714,117)	\$ (26,744,579)	\$ (18,689,066)	\$ (9,936,256)	\$ (3,054,879)	\$ 473,108

Exhibit C: Allocation History

Campus Historical Allocation Summary
For the Fiscal Years 2006 through 2011

Campus	Actual FY 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Projected 2011
UNIVERSITY CENTERS AND DOCTORAL DEGREE GRANTING INSTITUTIONS:	\$ 102,382,480	\$ 120,257,891	\$ 126,658,137	\$ 118,058,416	\$ 131,512,889	\$ 125,795,736
University at Albany	12,707,646	25,548,826	21,737,020	15,434,505	15,606,128	14,340,724
College of Nanoscale Science & Engineering	-	-	-	-	7,298,507	2,487,066
Binghamton University	4,548,570	5,428,114	5,933,452	8,053,929	7,845,600	6,913,846
University at Buffalo	26,508,699	28,009,428	30,803,290	31,603,271	33,779,871	36,808,684
Stony Brook University	42,735,071	44,298,119	49,924,343	44,382,058	46,174,098	43,975,537
SUNY Downstate Medical Center	6,363,281	6,189,235	7,188,834	7,094,702	7,836,269	8,826,034
Upstate Medical University	7,438,738	8,347,587	8,224,467	8,827,715	10,141,583	9,627,349
SUNY ESF	1,594,556	1,688,123	2,199,300	2,058,720	2,028,867	1,986,996
College of Optometry	485,919	748,460	647,432	603,515	801,966	829,501
UNIVERSITY COLLEGES:	7,008,400	8,406,955	9,904,496	10,569,199	9,843,620	7,536,137
SUNY Brockport	236,674	369,748	324,812	127,031	238,964	340,520
Buffalo State College	4,831,516	5,588,600	7,138,457	8,009,250	7,004,453	4,906,446
SUNY Cortland	79,854	123,470	165,642	135,329	154,395	135,215
SUNY Fredonia	28,270	175,933	150,793	161,720	88,333	105,639
SUNY Geneseo	88,104	143,411	125,858	184,839	150,039	147,430
SUNY New Paltz	128,927	107,565	183,458	187,313	219,610	195,745
Old Westbury	351,003	370,419	192,364	140,450	5,035	71,925
College at Oneonta	216,039	286,266	321,126	491,779	543,915	428,983
SUNY Oswego	417,130	516,617	630,035	297,971	442,554	515,529
SUNY Plattsburgh	302,794	306,588	213,171	397,215	580,426	306,072
SUNY Potsdam	87,650	163,986	118,529	108,473	174,058	177,364
Purchase College	169,671	195,887	252,733	222,820	157,606	80,933
Empire State College	70,770	58,465	87,519	105,009	84,232	124,334
TECHNOLOGY COLLEGES:	199,474	358,077	1,098,702	649,448	940,348	1,513,143
Alfred State College	(15,570)	8,021	7,692	18,339	27,682	96,173
SUNY Canton	55,523	35,616	36,716	31,040	59,572	72,240
SUNY Cobleskill	21,279	23,372	26,205	27,163	150,119	458,070
SUNY Delhi	(5,762)	8,235	90,010	50,868	(453)	(3,724)
Farmingdale State College	16,275	15,990	492,128	83,246	154,405	312,641
Morrisville State College	25,865	17,007	79,422	121,312	179,108	114,980
SUNYIT	88,778	205,122	189,198	270,226	291,706	469,751
Maritime College	13,086	44,715	177,331	47,255	78,209	(6,987)
SYSTEM ADMINISTRATION:	4,058,143	4,936,679	2,199,452	2,819,086	2,547,778	1,731,650
Levin Institute	1,669,034	1,569,266	-	-	-	-
Sys. Admin - Provost	2,389,110	3,164,836	2,122,435	3,071,428	2,547,778	1,731,650
Sys Admin. - Chancellor	-	202,577	77,017	(252,342)	-	-
Total Campus Allocation	113,648,498	133,959,602	139,860,788	132,096,149	144,844,635	136,576,666
Other Allocations:						
Assessments	30,064,048	28,526,690	27,965,413	28,197,951	27,315,064	29,762,062
Royalty - Payment to Inventors	4,359,000	4,619,826	7,630,921	5,766,384	4,588,200	3,797,884
Corporate F&A Cost Recovery	-	-	-	(96,506)	(193,410)	-
Gifts & Other	256,623	242,378	201,349	24,187	16,236	-
Oracle Financing Costs	70,387	-	-	-	-	-
Investment Reserves	2,257,000	14,035,191	(20,257,478)	(44,191,251)	7,293,293	7,969,538
Corporate Reserve Allocation	-	3,079,326	-	-	2,833,311	2,131,036
Total Allocations	\$ 150,655,557	\$ 184,463,014	\$ 155,400,992	\$ 121,796,914	\$ 186,697,329	\$ 180,237,186

Exhibit D: Assessment History

For the Fiscal Years 2006 through 2011

Campus amounts include: Assessments for Central Office, SUNY System Administration, Oracle Project and Corporate Reserves

Campus	Actual 2006	Actual 2007	Actual 2008	Actual 2009	Actual 2010	Projected 2011
UNIVERSITY CENTERS AND DOCTORAL DEGREE GRANTING INSTITUTIONS:	23,455,344	21,994,530	23,644,459	23,726,444	23,706,482	25,291,697
University at Albany	5,272,101	4,908,198	6,568,722	6,181,463	2,968,531	3,052,199
College of Nanoscale Science & Engineering	-	-	-	-	3,669,886	4,190,595
Binghamton University	931,280	903,477	916,321	943,513	1,019,830	1,098,441
University at Buffalo	4,760,051	4,357,182	4,075,055	4,316,332	4,341,337	4,511,316
Stony Brook University	6,950,673	6,493,798	7,078,970	7,114,192	6,763,082	7,254,463
SUNY Downstate Medical Center	2,454,329	2,239,709	1,956,426	2,059,497	2,015,810	2,143,763
Upstate Medical University	2,402,618	2,441,778	2,417,858	2,435,727	2,251,183	2,336,651
SUNY ESF	575,819	565,497	531,148	575,709	564,367	581,404
College of Optometry	108,473	84,892	99,959	100,010	112,456	122,864
UNIVERSITY COLLEGES:	3,187,994	3,061,902	2,996,090	3,137,968	3,255,284	3,219,370
SUNY Brockport	261,364	228,536	212,590	208,479	190,697	187,480
Buffalo State College	1,219,904	1,265,442	1,260,944	1,394,740	1,524,907	1,514,651
SUNY Cortland	164,727	134,587	120,710	130,496	131,468	140,164
SUNY Fredonia	116,617	109,846	119,322	119,109	128,322	129,361
SUNY Geneseo	54,317	45,423	60,770	57,653	56,483	46,733
SUNY New Paltz	172,351	166,851	146,596	160,069	161,784	172,401
Old Westbury	113,862	114,786	114,019	105,226	97,533	74,838
College at Oneonta	242,425	200,989	192,209	199,608	216,042	242,491
SUNY Oswego	196,266	224,007	202,663	196,684	172,722	159,856
SUNY Plattsburgh	223,193	205,614	203,236	199,886	220,786	232,178
SUNY Potsdam	231,257	190,114	186,454	186,731	170,172	151,888
Purchase College	123,469	125,090	120,769	125,548	126,506	114,171
Empire State College	68,243	50,617	55,807	53,739	57,861	53,160
TECHNOLOGY COLLEGES:	456,872	444,789	427,113	448,872	439,829	476,337
Alfred State College	72,322	54,651	55,126	44,457	38,652	32,721
SUNY Canton	58,649	70,314	59,488	58,281	51,506	58,760
SUNY Cobleskill	77,092	77,781	78,500	79,005	97,281	114,109
SUNY Delhi	28,044	26,107	28,232	30,473	22,154	17,039
Farmingdale State College	90,307	89,023	87,501	100,329	93,766	96,786
Morrisville State College	56,415	72,504	44,181	58,008	54,549	74,620
SUNYIT	58,684	46,049	59,372	66,791	73,858	76,932
Maritime College	15,359	8,360	14,713	11,527	8,063	5,370
SYSTEM ADMINISTRATION:	2,186,089	2,275,469	897,750	884,666	814,575	774,658
Levin Institute	319,090	487,903	-	-	-	-
Sys. Admin - Provost	1,866,999	1,787,566	897,750	884,666	814,575	774,658
Sys Admin. - Chancellor	-	-	-	-	-	-
Total Campus Assessment	29,286,298	27,776,690	27,965,413	28,197,951	28,216,170	29,762,062
RF of Mental Hygiene	777,750	750,000	125,000	-	-	-
Transfer to Corporate Reserves	-	-	-	-	(901,105)	-
Total Assessment	\$ 30,064,048	\$ 28,526,690	\$ 28,090,413	\$ 28,197,951	\$ 27,315,065	\$ 29,762,062
Other Allocations:						
Campus	113,648,498	133,959,602	139,860,788	132,096,149	144,844,635	136,576,666
Corporate F&A Cost Recovery	-	-	-	(96,506)	(193,410)	-
Royalty - Payment to Inventors	4,359,000	4,619,826	7,630,921	5,766,384	4,588,200	3,797,884
Gifts & Other	256,623	242,378	76,349	24,187	16,236	-
Oracle Financing Costs	70,387	-	-	-	-	-
Investment Reserves	2,257,000	14,035,191	(20,257,478)	(44,191,251)	7,293,293	7,969,538
Corporate Reserve Allocation	-	3,079,326	-	-	2,833,311	2,131,036
Total Allocations	\$ 150,655,557	\$ 184,463,014	\$ 155,400,992	\$ 121,796,914	\$ 186,697,330	\$ 180,237,187

Exhibit E: Sponsored Program Revenue Projections by Campus
For the fiscal years 2010 through 2015

	FY 2010 Actual	FY 2011 Projected	FY 2012 Projected	FY 2013 Projected	FY 2014 Projected	FY 2015 Projected
University Centers and Doctoral Degree Granting Institutions:	\$ 767,002,746	\$ 790,744,648	\$ 765,827,539	\$ 751,131,846	\$ 760,467,381	\$ 773,209,754
University at Albany	103,251,810	104,146,355	105,182,488	104,927,172	107,025,715	107,025,715
College of Nanoscale Science & Engineering	167,940,853	177,296,233	176,147,701	157,287,326	155,027,498	154,662,422
Binghamton University	36,917,269	38,023,000	37,100,639	37,297,000	37,415,000	37,397,000
University at Buffalo	148,930,916	163,965,000	154,700,120	157,337,600	160,496,000	163,246,000
Stony Brook University	200,074,859	190,026,000	177,000,000	171,400,000	169,170,000	169,170,000
SUNY Downstate Medical Center	53,645,320	57,123,115	54,655,459	59,052,392	64,679,459	71,904,239
Upstate Medical University	38,349,758	40,194,000	40,550,000	42,650,000	44,760,000	47,170,000
SUNY ESF	14,602,732	16,598,000	17,017,000	17,602,000	18,208,000	18,838,000
College of Optometry	3,289,228	3,372,945	3,474,132	3,578,356	3,685,709	3,796,378
University Colleges:	89,365,203	81,785,417	73,956,460	72,568,442	73,004,503	73,119,203
SUNY Brockport	4,955,376	5,961,000	7,919,000	6,595,000	6,862,000	7,238,000
Buffalo State College	48,243,076	37,746,003	28,524,789	28,524,789	28,524,789	28,524,789
SUNY Cortland	2,805,525	2,909,831	3,012,141	2,606,172	2,604,281	2,601,612
SUNY Fredonia	3,214,605	3,260,000	3,310,000	3,435,000	3,510,000	3,560,000
SUNY Geneseo	892,024	1,861,500	981,765	927,090	935,500	961,970
SUNY New Paltz	4,669,998	4,969,966	5,069,365	5,170,753	5,274,166	5,379,650
Old Westbury	1,344,576	1,555,398	1,602,060	1,650,122	1,699,627	1,750,614
College at Oneonta	6,589,308	6,759,022	6,772,430	6,585,669	6,470,529	6,470,529
SUNY Oswego	3,915,187	4,140,034	4,264,235	5,226,273	5,384,091	5,545,615
SUNY Plattsburgh	5,761,775	5,837,000	6,042,000	5,280,000	5,280,000	5,280,000
SUNY Potsdam	3,459,547	3,901,924	3,940,944	3,980,351	4,020,156	4,060,358
Purchase College	2,511,978	1,742,739	1,625,731	1,695,223	1,547,364	854,066
Empire State College	1,002,228	1,141,000	892,000	892,000	892,000	892,000
Technology Colleges:	12,302,946	25,781,352	23,095,348	12,762,461	11,575,190	11,329,284
Alfred State College	701,421	1,318,894	1,371,150	1,426,018	1,483,631	1,544,122
SUNY Canton	1,760,855	1,881,000	1,937,000	1,992,000	2,039,000	2,049,000
SUNY Cobleskill	3,472,305	6,208,273	5,399,324	2,295,071	1,551,275	1,375,595
SUNY Delhi	341,093	525,125	551,948	271,500	271,500	271,500
Farmingdale State College	1,899,806	4,693,678	2,828,394	2,531,665	2,587,791	2,272,990
Morrisville State College	2,318,553	1,630,528	1,368,900	1,398,200	1,429,500	1,457,800
SUNYIT	1,802,636	9,523,854	9,638,632	2,848,007	2,212,493	2,358,277
Maritime College	6,277	-	-	-	-	-
SUNY System Administration:	22,528,660	24,403,500	24,891,570	25,389,402	25,897,188	26,415,133
Sys. Admin - Provost	22,528,660	24,403,500	24,891,570	25,389,402	25,897,188	26,415,133
Sys. Admin - Chancellor	-	-	-	-	-	-
Total	\$ 891,199,555	\$ 922,714,917	\$ 887,770,917	\$ 861,852,151	\$ 870,944,262	\$ 884,073,374

Exhibit F: Sponsored Program Revenue Projections for Top 5 Campuses by Activity Type
For the fiscal years 2010 through 2015

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
	Actual	Projected	Projected	Projected	Projected	Projected
University at Albany						
Federal	\$ 47,401,035	\$ 48,273,066	\$ 49,238,527	\$ 49,238,527	\$ 50,223,297	\$ 50,223,297
Federal ARRA	1,889,022	1,276,577	255,316	-	-	-
Federal Flow Through	37,561,816	37,236,063	37,980,784	37,980,784	38,740,400	38,740,400
State and Local	11,007,791	12,062,520	12,303,770	12,303,770	12,549,845	12,549,845
Private/Other	5,392,146	5,298,129	5,404,091	5,404,091	5,512,173	5,512,173
Total	103,251,810	104,146,355	105,182,488	104,927,172	107,025,715	107,025,715
College of Nanoscale Science & Engineering						
Federal	5,355,900	6,408,150	7,053,558	7,406,235	7,776,547	8,165,374
Federal ARRA	608,077	500,000	-	-	-	-
Federal Flow Through	2,768,408	4,417,350	4,638,218	4,870,128	5,113,635	5,369,317
State and Local	80,445,435	82,135,851	80,360,500	60,122,176	60,105,126	60,360,382
Private/Other	78,763,034	83,834,882	84,095,425	84,888,787	82,032,190	80,767,349
Total	167,940,853	177,296,233	176,147,701	157,287,326	155,027,498	154,662,422
University at Buffalo						
Federal	88,914,366	96,100,000	98,015,000	99,975,000	101,980,000	104,020,000
Federal ARRA	9,617,273	12,350,000	-	-	-	-
Federal Flow Through	16,041,009	14,770,000	15,078,000	15,378,600	15,687,000	16,000,000
State and Local	10,304,331	10,945,000	11,164,120	11,388,000	11,615,000	11,850,000
Private/Other	24,053,936	29,800,000	30,443,000	30,596,000	31,214,000	31,376,000
Total	148,930,916	163,965,000	154,700,120	157,337,600	160,496,000	163,246,000
Stony Brook University						
Federal	117,229,170	121,176,000	120,000,000	120,000,000	120,000,000	120,000,000
Federal ARRA	10,195,810	10,500,000	8,400,000	2,800,000	-	-
Federal Flow Through	21,361,888	21,450,000	21,000,000	21,000,000	21,000,000	21,000,000
State and Local	34,691,756	20,500,000	10,500,000	10,500,000	10,500,000	10,500,000
Private/Other	16,596,235	16,400,000	17,100,000	17,100,000	17,670,000	17,670,000
Total	200,074,859	190,026,000	177,000,000	171,400,000	169,170,000	169,170,000
SUNY Downstate Medical Center						
Federal	28,209,119	25,832,885	26,352,125	26,881,803	27,422,127	27,973,312
Federal ARRA	1,888,290	5,915,860	-	-	-	-
Federal Flow Through	4,349,909	4,876,130	5,090,207	5,317,437	5,558,908	5,815,806
State and Local	10,785,884	10,532,182	10,234,781	9,945,862	9,665,180	9,392,500
Private/Other	8,412,118	9,966,058	12,978,346	16,907,290	22,033,244	28,722,621
Total	53,645,320	57,123,115	54,655,459	59,052,392	64,679,459	71,904,239
All Others						
Federal	74,955,373	80,501,458	83,664,498	83,235,800	84,802,996	86,823,135
Federal ARRA	4,132,007	16,209,245	11,548,780	1,818,605	628,037	147,272
Federal Flow Through	86,477,701	76,972,195	68,299,313	69,148,069	69,962,527	70,974,243
State and Local	18,452,380	21,512,277	20,320,453	20,254,521	20,452,510	20,074,264
Private/Other	33,338,335	34,963,039	36,252,105	37,390,666	38,699,520	40,046,084
Total	217,355,797	230,158,214	220,085,149	211,847,661	214,545,590	218,064,998
Total						
Federal	362,064,964	378,291,559	384,323,708	386,737,365	392,204,967	397,205,118
Federal ARRA	28,330,479	46,751,682	20,204,096	4,618,605	628,037	147,272
Federal Flow Through	168,560,732	159,721,738	152,086,522	153,695,018	156,062,470	157,899,766
State and Local	165,687,577	157,687,830	144,883,624	124,514,329	124,887,661	124,726,991
Private/Other	166,555,804	180,262,108	186,272,967	192,286,834	197,161,127	204,094,227
Total	\$ 891,199,555	\$ 922,714,917	\$ 887,770,917	\$ 861,852,151	\$ 870,944,262	\$ 884,073,374

**Exhibit G: Sponsored Program Revenue and F&A recovery analysis
For Fiscal Years 2010 and Projected 2011**

	Fiscal 2010 Actual			Fiscal 2011 Projected			Negotiated Federal F&A Recovery rate	Projected FY 2011 F&A Recovery rate
	DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	TOTAL		
University Centers and Doctoral Degree Granting Institutions:	637,973,157	129,030,253	767,003,410	660,495,839	130,248,809	790,744,648		
* University at Albany	86,937,279	16,315,196	103,252,474	88,758,232	15,388,123	104,146,355	51.5%	17.3%
College of Nanoscale Science & Engineering	157,476,328	10,464,525	167,940,853	170,818,572	6,477,661	177,296,233	51.5%	3.8%
* Binghamton University	29,513,619	7,403,650	36,917,269	30,948,000	7,075,000	38,023,000	53.0%	22.9%
* University at Buffalo	113,443,776	35,487,140	148,930,916	125,510,000	38,455,000	163,965,000	58.5%	30.6%
* Stony Brook University	161,820,498	38,254,361	200,074,859	150,200,000	39,826,000	190,026,000	57.0%	26.5%
* SUNY Downstate Medical Center	44,931,437	8,713,883	53,645,320	47,214,455	9,908,660	57,123,115	59.0%	21.0%
* Upstate Medical University	29,059,275	9,290,484	38,349,758	30,380,000	9,814,000	40,194,000	58.0%	32.3%
* SUNY ESF	12,399,271	2,203,461	14,602,732	14,246,000	2,352,000	16,598,000	56.0%	16.5%
* College of Optometry	2,391,674	897,554	3,289,228	2,420,580	952,365	3,372,945	79.5%	39.3%
University Colleges:	77,068,099	12,297,104	89,365,203	71,279,034	10,506,383	81,785,417		
SUNY Brockport	4,569,540	385,835	4,955,376	5,453,000	508,000	5,961,000	75.0%	9.3%
* Buffalo State College	39,930,792	8,312,284	48,243,076	31,363,191	6,382,812	37,746,003	47.0%	20.4%
* SUNY Cortland	2,563,469	242,056	2,805,525	2,671,000	238,831	2,909,831	56.5%	8.9%
SUNY Fredonia	3,017,573	197,033	3,214,605	3,025,000	235,000	3,260,000	70.0%	7.8%
SUNY Geneseo	686,665	205,360	892,024	1,667,385	194,115	1,861,500	75.0%	11.6%
SUNY New Paltz	4,291,125	378,872	4,669,998	4,601,820	368,146	4,969,966	78.0%	8.0%
Old Westbury	1,243,430	101,147	1,344,576	1,430,550	124,848	1,555,398	73.0%	8.7%
College at Oneonta	5,931,811	657,497	6,589,308	6,165,022	594,000	6,759,022	72.0%	9.6%
SUNY Oswego	3,342,808	572,378	3,915,187	3,474,649	665,385	4,140,034	76.0%	19.1%
SUNY Plattsburgh	5,208,268	553,507	5,761,775	5,300,000	537,000	5,837,000	70.6%	10.1%
SUNY Potsdam	3,180,666	278,881	3,459,547	3,607,782	294,142	3,901,924	73.5%	8.2%
Purchase College	2,233,338	278,640	2,511,978	1,547,635	195,104	1,742,739	75.0%	12.6%
* Empire State College	868,614	133,614	1,002,228	972,000	169,000	1,141,000	27.2%	17.4%
Technology Colleges:	11,302,677	1,000,270	12,302,946	24,028,198	1,753,154	25,781,352		
Alfred State College	662,860	38,561	701,421	1,190,000	128,894	1,318,894	70.0%	10.8%
SUNY Canton	1,649,777	111,078	1,760,855	1,750,000	131,000	1,881,000	72.0%	7.5%
SUNY Cobleskill	3,238,581	233,724	3,472,305	5,631,743	576,530	6,208,273	70.0%	10.2%
* SUNY Delhi	319,393	21,701	341,093	511,810	13,315	525,125	56.5%	2.6%
Farmingdale State College	1,701,355	198,451	1,899,806	4,314,817	378,861	4,693,678	75.0%	8.8%
Morrisville State College	2,110,155	208,398	2,318,553	1,475,928	154,600	1,630,528	70.0%	10.5%
SUNYIT	1,614,452	188,184	1,802,636	9,153,900	369,954	9,523,854	70.0%	4.0%
Maritime College	6,103	174	6,277	-	-	-	70.0%	0.0%
SUNY System Administration:	20,677,436	1,850,560	22,527,996	22,440,000	1,963,500	24,403,500		
* Sys. Admin - Provost	20,677,436	1,850,560	22,527,996	22,440,000	1,963,500	24,403,500	19.0%	8.8%
Sys. Admin - Chancellor	-	-	-	-	-	-	0.0%	0.0%
GRAND TOTAL	747,021,368	144,178,187	891,199,555	778,243,071	144,471,846	922,714,917	65.5%	18.6%

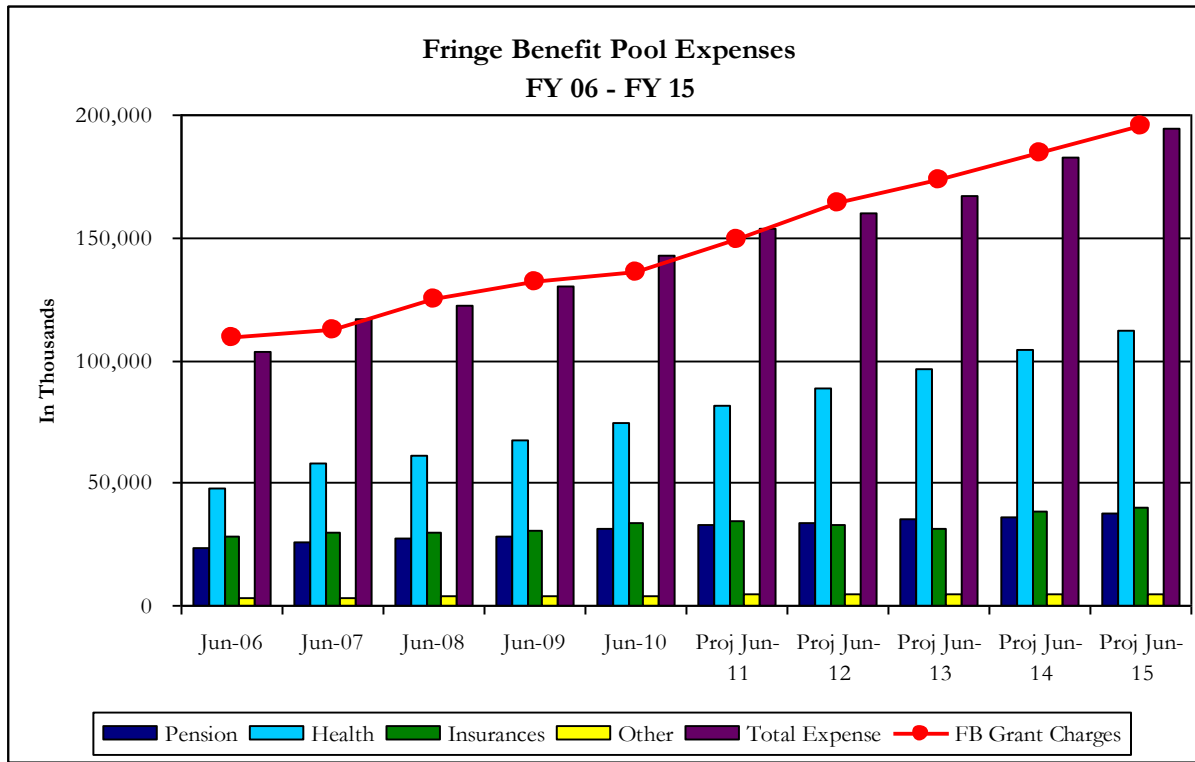
* Note: Campuses F&A rates are based on an MTDC base while all other schools are on a Salary and Wage base.
Also, University Centers, Upstate Medical University, SUNY Downstate Medical Center, SUNY ESF and Buffalo State College are using the negotiated Research rate.

Exhibit H: Fringe Benefits
Fringe Benefit Expenditures

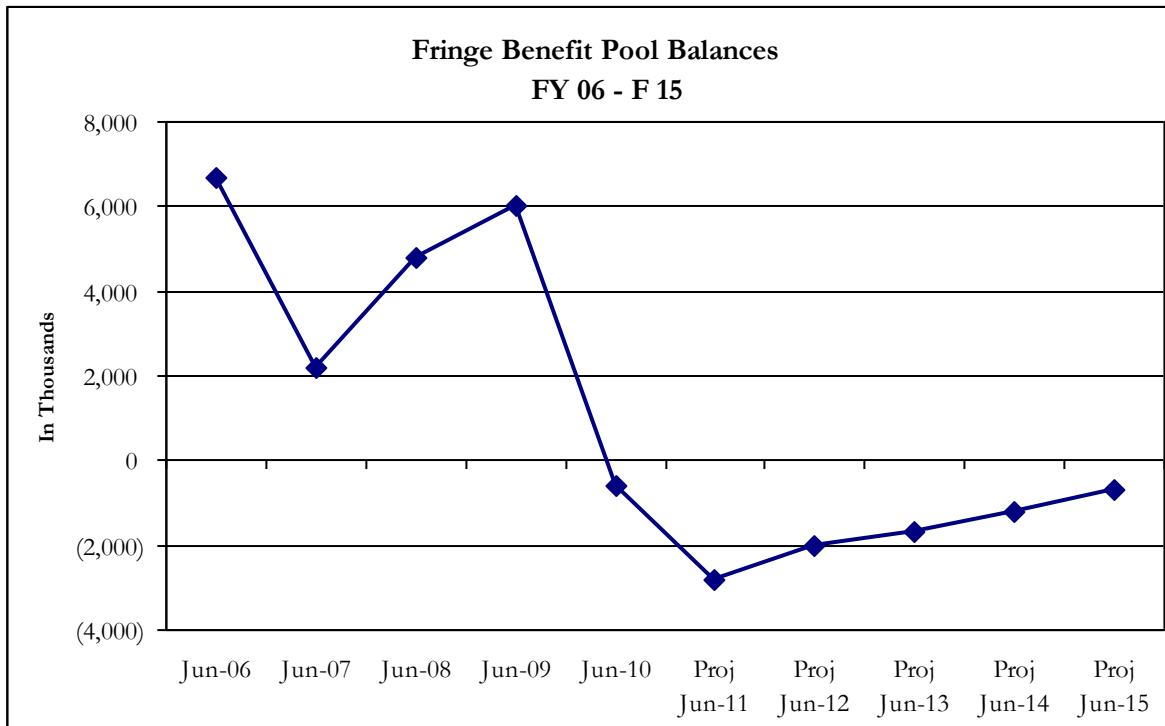
The RF recovers the funds needed to cover the cost of employee fringe benefit programs by applying fringe benefit rates to accounts that fund employee salaries and wages based on the current fiscal year's approved fringe benefit rate. These rates are established with the US Department of Health and Human Services. The approved fringe benefit rates for fiscal year 2011 are shown in the following table.

Components	Regular	Graduate	Undergrad	Summer	SUNY IFR
Retirement	13.4	-	-	8.6	10.17
Group Health	15.5	11.3	-	-	21.79
Social Security	7.3	1.0	3.3	7.5	7.62
Dental Insurance	1.2	-	-	-	.48
Vacation & Sick	1.0	-	-	-	-
Unemployment	-	0.1	0.3	0.1	.14
Group Life	-	-	-	-	.08
Long Term Disability	0.3	-	-	-	-
Worker's Compensation	0.1	0.1	0.1	0.5	2.43
NYS Disability	0.0	0.3	1.2	0.1	-
MTA Expense	0.1	0.2	0.1	0.2	-
Dependent Care Subsidy	0.1	-	-	-	-
Employee Benefit Funds	-	-	-	-	1.38
Total Rate	39.0%	13.0%	5.0%	17.0%	44.09%

The following two charts display the comparison of the cost by major benefit to the grant charges and the fringe benefit pool balance. The fringe benefit rate is negotiated based on estimates; actual costs will be different. The difference is either a net credit balance that must be reduced in the next year's rate or a deficit that requires an increase in the next year's rate. As of the fiscal year ended June 2010, there was a deficit balance in the fringe benefit pool of \$0.6 million compared to a \$6.0 million net credit balance in the prior year.



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Pension	23,552	25,587	27,515	28,254	31,041	32,746	33,892	35,079	35,706	37,577
Health	48,077	58,115	61,035	67,707	74,254	81,569	88,574	96,292	104,062	112,181
Insurances	28,388	29,520	30,107	30,919	33,361	34,717	33,269	31,320	38,401	39,716
Other	3,385	3,378	3,746	3,664	3,921	4,341	4,486	4,636	4,791	4,952
Total Expense	103,402	116,600	122,403	130,544	142,578	153,373	160,221	167,326	182,961	194,426
FB Grant Charges	109,207	112,110	125,012	131,784	135,953	149,169	163,650	173,484	184,009	194,942



	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10	Proj Jun-11	Proj Jun-12	Proj Jun-13	Proj Jun-14	Proj Jun-15
Fringe Pool Balance	6,689	2,198	4,808	6,034	(591)	(2,815)	(2,020)	(1,673)	(1,225)	(710)

The RF's 2010-11 strategic project list includes a review of fringe benefits. The aim of this project is to keep the RF fringe benefit rate on par with peer institutions and keep employee benefit programs competitive. This will be accomplished by benchmarking them against peer institutions and identifying possible areas for change. This review is expected to yield a set of recommended changes to be provided to the board for the November 2010 meeting, along with an estimate of the impact of these changes. It is expected that the impact of these recommendations would include a reduction in fringe rate growth over time.

By offering competitive employee benefits, campuses across the system will position themselves to attract the best researchers and faculty in all fields. By keeping fringe benefit rates as low as possible while offering competitive benefits, principal investigators will be able to direct more funds to research activities. Both outcomes will align with Goal 1 of the RF strategic plan to provide outstanding sponsored program administration.