

READER'S GUIDE TO THE IRS FORM 990

This Reader's Guide contains data and frequently asked questions to help explain information contained in the RF's IRS Form 990.

The Research Foundation for The State University of New York (RF) is the largest comprehensive university-connected research foundation in the country. It exists to serve the State University of New York (SUNY) by providing essential administrative services that enable SUNY faculty to focus their efforts on the education of students and the performance of life-changing research across a wide range of disciplines including medicine, engineering, physical sciences, energy, computer science, and social sciences.

The RF works with the academic and business leadership of SUNY campuses to support research and discovery through administration of sponsored projects and technology transfer and management of intellectual property for public benefit and economic growth.

The RF provides a central infrastructure of people, technology and processes that enable faculty: to write and submit grant proposals to agencies, foundations and companies; establish contracts and manage funding that is awarded to run campus-based research projects; protect and commercialize intellectual property created within those projects; and promote transparency and accountability throughout the process.

The RF is a 501(c)(3) non-profit educational corporation subject to IRS tax exempt status rules and must file an IRS Form 990 annually with the IRS. The form reports on the business and operation of an organization, and provides information on its mission, programs, governance, sources of income and finances. The RF's IRS Form 990 is publicly available on the RF's website.

Key Data Points for the RF's 990				
Description	Amount	Form 990 Reference	Comments	FAQ #
Total Revenue	\$1,193,614,653	Page 1, Part I, line 12	This includes over \$673 million in grants and awards from governmental sources such as the United States Department of Health and Human Services, and about \$192 million in agency services agreements with campus-related organizations such as clinical practice plans. The remaining revenues come mainly from grants and awards from private sponsors. These revenues are managed by the RF in support of SUNY.	1, 2, 3

Program Expenditures	\$977,754,746	Page 2, Part III, line 4e	This section provides information on the four core program expenditure categories: research (\$557 million); training (\$84 million); public service (\$115 million); or other spending (\$220 million) mostly consisting of agency services agreements with campus-related organizations.	4
Total Assets	\$983,898,146	Page 1, Part I, line 20	The RF has about \$210 million in grants receivables used to support SUNY programs, over \$72 million of which is from New York State governmental agency funding.	5, 6, 7
Net Assets	\$59,330,536	Page 1, Part I, line 22	The net assets position consists of the cumulative effect of operations, plus charges to-date to net assets for the RF's post-retirement benefits plan.	
Number of Employees	15,372	Page 1, Part I, line 5	RF employees are primarily located at the campuses where the core programs take place; as noted in Schedule O on pages 53-54, approximately 10,400 employees were employed by the RF under research, training and public service programs, while 2,600 were employed under agency services agreements and about 2,400 as part of campus and central management and administration.	
Compensation of Directors, Officers and Key Employees	\$1,838,226	Pages 7-9, Part VII, Section A	<p>These pages of the 990 provide a listing of compensation paid to the RF's directors, officers, and key employees. Directors are not paid for their roles as members of the Board of Directors, but can receive compensation for performing other RF or SUNY roles. One Director was paid in Tax Year 2017 as a campus president.</p> <p>For 990 purposes, a "key employee" is an individual whose salary is above \$150,000 and also is responsible for a major activity within the RF.</p>	8, 9, 10
Compensation of Five Highest Paid Employees	\$1,651,904	Page 9, Part VII, Section A	The 990 listing of employee salaries includes individuals who are not officers, key employees or directors, but who are among the top five-highest compensated individuals. These individuals are listed on Part VII and the continuation sheet, on pages 8 and 13.	

FREQUENTLY ASKED QUESTIONS

Financial Data

1. How much funding does the RF receive?

The RF's Form 990 shows total revenues of \$1.2 billion. This is made up of:

- \$950 million in sponsored program revenue
- \$192 million in agency services
- \$52 million in income from investments, royalties and other sources

2. Where does the \$950 million in sponsored program revenue that the RF administers come from?

Sponsored programs administered by the RF on behalf of SUNY provide the largest source of RF income, including grants and contracts for research programs conducted at SUNY campuses. The RF manages these funds to ensure compliance with university, sponsor, and governmental policies and procedures.

3. What are agency services?

The RF is paid for providing services (human resources, payroll, and purchasing) to SUNY campus-related organizations, such as clinical practice plans, outpatient facilities, affiliated health care facilities, and campus-based foundations.

4. How does the RF's funding get spent?

The RF uses its funds to support its mission to serve SUNY.

Funds are allocated for:

- Sponsored programs administration (contracts and grants)
- Allocation to SUNY campuses
- Services, systems, and infrastructure that support SUNY campuses including RF administrative expenses
- Royalty income to inventors and their campuses
- Corporate and investment reserves

For more information about the uses of RF funding, please see the RF 2019 [Operating Plan](#).

5. Does the RF maintain funds for the support of SUNY?

Yes. These funds are used to support: (1) instruction, (2) organized research & other sponsored activities, and (3) institutional activities. A portion is also derived from royalties and must be used to support research

programs in accordance with SUNY's Patents and Inventions Policy. Research Management and Support allocations are unrestricted funds allocated through the Operating Plan approved by the Board of Directors.

6. How are the RF's investments managed?

Decisions about investments are made by the RF Board of Directors finance committee. The RF also relies on the guidance and recommendations of an independent investment consultant to achieve targeted returns while limiting risk and providing a diversified investment portfolio. For more information on RF investment governance and policy, please see the [RF Investment Policy and Guidelines](#).

7. Does the RF have investments or other activity in foreign countries?

Yes. As part of a diversified investment portfolio administered under the board-approved Investment Policy, the RF has a portion of its investments in foreign countries. Additionally, the RF administers sponsored program activity on behalf of SUNY throughout the world.

Governance and Stewardship

8. How large is the RF Board of Directors?

The RF Board of Directors was comprised of 15 voting members as of June 30, 2018. The Board manages the operations of the corporation in accordance with its stated mission and purpose. It is composed of individuals with a range of expertise in research, campus and system administration, finance, business and industry.

9. How much of the RF Board is independent?

12 of the 15 of the RF Board members as of June 30, 2018 were considered to be independent under the guidelines for Form 990 reporting, in this case meaning that three members had received compensation from the RF during the fiscal year for services unrelated to their participation as members of the Board. Members who left the Board during the fiscal year are not included in the determination of independent Board members on page 6 of the Form 990.

10. Why do some members of the Board receive compensation?

No member of the Board is compensated for being a director of the Board. RF compensation reported in the 990 relates to other duties performed by Board members (e.g.: research or administration). It is common to have a number of directors who receive compensation for other duties performed. For fiscal year 2018, one non-independent board member was compensated for his role as a SUNY campus president, and the other two for administrative roles for the Research Foundation.

11. Does the RF have policies that cover conflicts of interest?

The RF has policies and procedures governing conflicts of interests. Each year, directors, officers, and key employees file a disclosure form regarding potential conflicts. Potential conflicts are managed pursuant to

RF policy, and in the case of directors, officers, and key employees there is a review conducted to ensure the policy is properly implemented. These disclosures were reviewed and any potential conflicts were properly disclosed and managed.

Please also see the [RF Conflict of Interest Policy](#). All [RF policies and procedures](#), including conflicts of interest policy, are posted on the [RF website](#) for public view.

Additional Resources

For more information on the RF visit [Who We Are](#), [What We Do](#), our [FAQ's](#), and the [RF 2019 Operating Plan](#).