The Cornell University Report
2008-09

Cornell University

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Jeomi Maduka '09 graduated as the most decorated female student athlete in Cornell history.

CORNELL UNIVERSITY HIGHLIGHTS

	2008-09	2007-08	2006-07
Fall enrollment (excluding in absentia)			
Undergraduate	13,846	13,510	13,562
Graduate	5,019	4,945	4,727
Professional	2,273	2,191	2,128
Total fall enrollment	21,138	20,646	20,417
Degrees granted			
Baccalaureate degrees	3,456	3,431	3,467
Masters degrees	1,816	1,750	1,713
Ph.D. degrees	574	516 *	526
Other doctoral degrees (J.D., M.D., D.V.M.)	361	369	362
Total degrees granted	6,207	6,066 *	6,068
Tuition rates			
Endowed Ithaca	$36,300	$34,600	$32,800
Contract colleges			
Resident	$20,160	$19,110	$18,060
Nonresident	$35,200	$33,500	$31,700
Medical campus	$41,730	$39,180	$33,775
Business	$44,950	$42,700	$38,800
Law	$46,670	$43,620	$40,580
Veterinary medicine	$25,100	$24,000	$23,000
Volumes in library (in thousands)	7,713	7,943 *	7,830
Academic workforce			
Full-time employees			
Faculty	3,095	3,057 *	2,922
Nonfaculty	992	980	985
Part-time employees			
Faculty	247	241 *	334
Nonfaculty	214	213	204
Total academic workforce	4,548	4,491 *	4,445
Nonacademic workforce			
Full-time employees	9,940	9,681 *	9,232
Part-time employees	838	813 *	858
Total nonacademic workforce	10,778	10,494	10,090
University endowment			
Market value of total university endowment (in millions)	$3,966.0	$5,385.4	$5,247.0
Unit value of Long Term Investment Pool	$45.12	$65.37	$66.62
Gifts received, excluding pledges (in millions)	$450.5	$409.4	$406.9
New York State appropriations through SUNY (in millions)	$163.2	$170.4	$156.6
Medical Physicians' Organization fees (in millions)	$504.0	$451.4	$438.4
Sponsored research volume (in millions)			
Direct expenditures	$391.5	$365.6	$369.0
Indirect-cost recovery	$115.9	$113.4	$116.0
Selected land, buildings, and equipment items & related debt (in millions)			
Additions to land, buildings, and equipment	$732.7	$860.4	$836.2
Cost of land, buildings, and equipment	$4,604.4	$4,244.1	$3,854.3
Outstanding bonds, mortgages, and notes payable	$1,705.3	$999.1	$800.1

* Number restated

A Message from the President

Dear Cornellians and Friends of the University,

The fiscal year that ended June 30, 2009, was one of enormous accomplishment for Cornell in academics, service, athletics, and many other areas of endeavor and also one of substantial challenge as the university, along with all of higher education, weathered the greatest global economic crisis since the Great Depression.

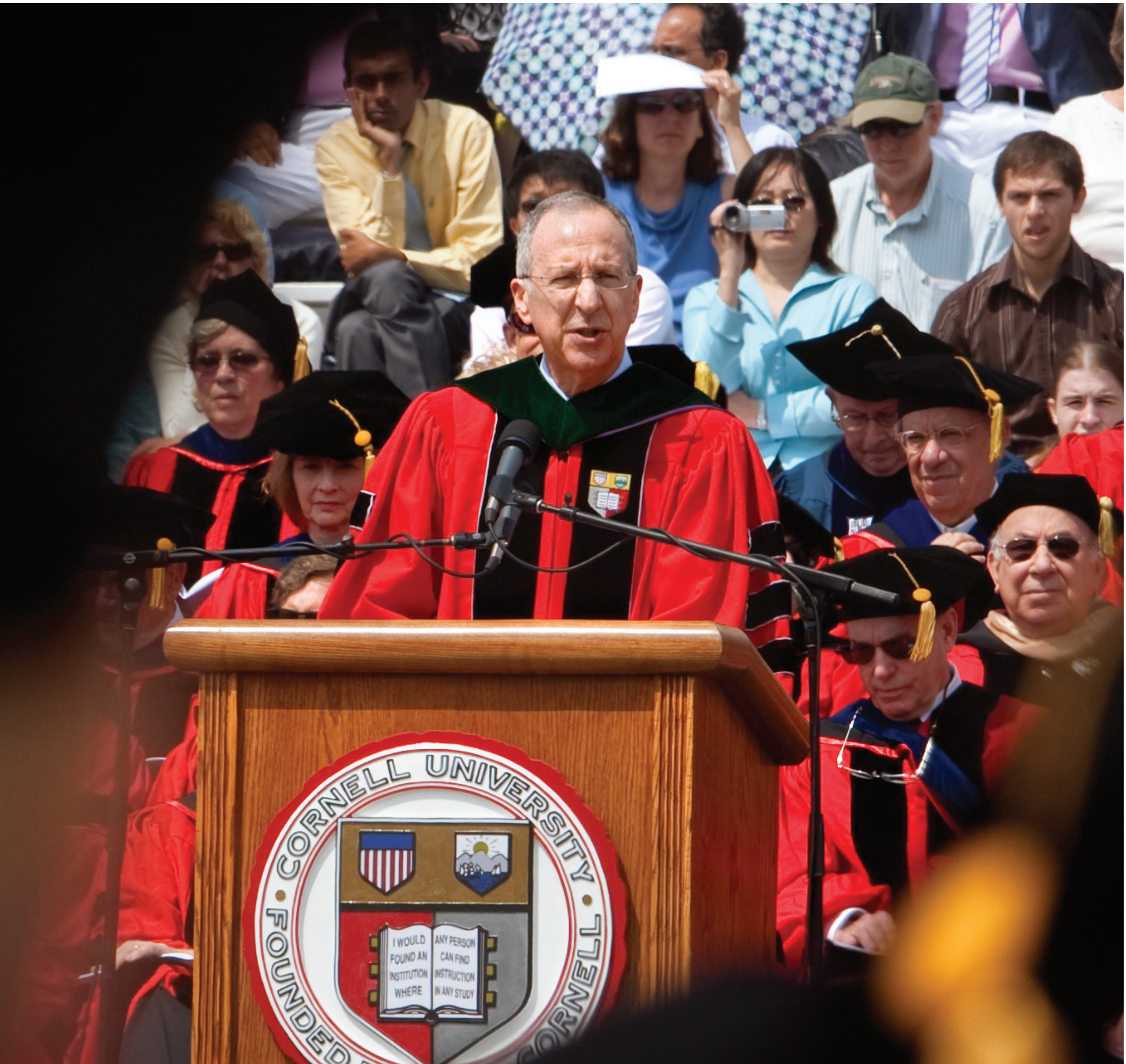
Addressing an unprecedented budget situation at Cornell, our community came together to engage in strategic thinking and fiscal discipline across all sectors of the university in order to strengthen the foundation for our future. At the same time, underlining the university's fundamental commitment to student access, we maintained our need-blind admissions and need-based financial aid policies and implemented two financial aid initiatives that make Cornell more affordable to students from low- and moderate-income groups. The impact of the new financial aid initiatives is already evident in the 3,200 remarkably talented members of the Class of 2013, who were chosen from more than 34,000 applicants and who are the most racially diverse entering class in Cornell history.

Among other notable achievements during the past year are: the election of five faculty members to distinguished national academies and societies; a year of enormous accomplishment in faculty research, scholarship, and creative activity, including numerous awards funded through the American Recovery and Reinvestment Act; the completion and naming of Flora Rose House, the final undergraduate house in our West Campus residential initiative, and the new neurobiology laboratories at Weill Medical College (Rolls Royce building); the dedication of Weill Hall; the Ivy League and national success of many of our student athletic teams and athletes; the approval by the Qatar Foundation of our $180 million research program for our branch medical school campus in Doha; and recognition of our continuing commitment to our employees by AARP, *Working Mother* magazine, and several other national organizations and publications. Although new philanthropic pledges to Cornell were down last year in response to the global economic climate, our alumni, parents, and friends continued to support the university through a significant rise in annual fund and cash contributions.

I invite you to learn more about the ways in which Cornell demonstrated national and international leadership during the 2008–09 academic year while also positioning itself for continued excellence in education, research, and creative work and service to our community, state, region, and world.

Best regards,

David J. Skorton
President
Cornell University


CORNELL UNIVERSITY
FOUNDED
CORNELL
I WOULD FOUND AN INSTITUTION WHERE
ANY PERSON CAN FIND INSTRUCTION IN ANY STUDY

Major Themes of the Year

"America's colleges and universities have the potential to serve as one of our country's most effective and credible diplomatic assets while also increasing the ability of American students to be effective participants in the global economy."

President David J. Skorton, in *Letters to the Next President*, a collection of 21 essays written by American leaders in higher education, as advice to the next occupant of the White House

Universities have a critical role to play in strengthening America's contribution to the world, advised President David Skorton in the book *Letters to the Next President.* In Skorton's contribution to the essay collection, he cited one of the university's earliest international collaborations: the Cornell-Nanking Crop Improvement Program carried out in China between 1925 and 1931 to improve food crops in northern China and train Chinese workers in crop improvement techniques. Today Cornell has more than 150 agreements to offer education programs in 50 countries and it intends, he noted, "to increase the pace of these international collaborations and exchanges as we build educational capacity with our colleagues overseas."

Cornell's commitment to educating global scholars was shown as 3,183 new students arrived on campus last August. More than 32 percent of the Class of 2012 identify themselves as "students of color," more than 88 percent are from the top 10 percent of their high school graduating class, and more than 10 percent came from abroad. "The class of 2012 looks to be an excellent blend of smart and talented young people from a wide variety of backgrounds," noted Doris Davis, Cornell's associate provost for admissions and enrollment.

Too, Cornell continues to play a vital role in preserving global food security as the international coordinator for the Durable Rust Resistance in Wheat project, a partnership of 15 institutions around the globe funded by almost $27 million given the university by the Bill & Melinda Gates Foundation. Estimates show that 90 percent of the wheat varieties planted around the globe are susceptible to a virulent new form of rust known as Ug99. The partners will focus on developing improved rust-resistant varieties to protect resource-poor farmers as well as consumers around the world from catastrophic crop losses.

The university continues to benefit from several large-scale, thoughtful planning efforts. In the fall, the Cornell Master Plan for the Ithaca Campus, described as "respecting tradition while encouraging innovation," earned the coveted Award of Excellence in urban design at the 2008 Design Exchange Awards event in Toronto in November. The plan, driven by academic priorities to provide guidelines for future decisions about locating research, teaching, residential, and recreational facilities, will guide campus development over the next quarter century.

A new strategic plan being developed for the management of the Cornell campus will ensure that people with disabilities have full access to its facilities as one of six priority areas. In the early spring, six teams of faculty, staff, and students began developing the disability access plan that, in addition to the physical campus, includes educational programs and services, employment, technology, and emergency planning.

LEFT: David Harris, right, deputy provost and vice provost for social sciences, speaks about diversity at Cornell with Benjamin Ortiz, left, of the Public Service Center, Stephanie Brosig '11, and Daniel Araniz '09 on Ho Plaza. RIGHT: The Arts Quad statue of Ezra Cornell sports a scarf designed with the new official Cornell Tartan.

With its continued focus on sustainability, Cornell designated April as Sustainability Month. Sponsored by the Cornell Center for a Sustainable Future, this year's celebration included more than 30 events planned across the basic themes of energy, environment, and economic development. On April 24 the 2009 Environmental Quality Award from the U.S. Environmental Protection Agency was awarded to Cornell's eight-acre composting facility located just a mile from campus. The operation reduces the university's total waste stream by half (making Cornell the county's second largest recycler) and produces up to 6,000 tons of garden-ready compost annually.

By May, Cornell had submitted 58 proposals for a piece of the American Recovery and Reinvestment Act, otherwise known as the federal stimulus package. Forty additional proposals are in the pipeline. Among the first projects to receive funding are those that will help meet the nation's future energy needs. They are being conducted in the Center for Nanostructured Interfaces for Energy Generation, Conversion, and Storage, which was established this year with stimulus package dollars. The center's research will include an expanded search for better catalysts for fuel cells and the development of better materials for electrodes in lithium-ion batteries to increase the amount of energy the batteries can store per unit of weight, which is essential for viable electric cars and will enhance wind and solar electricity systems.

Throughout the fall, as the global economic crisis worsened, Cornell took a series of decisive actions so that the institution might thrive during these turbulent times and be positioned for success in the years to come. In four public forums beginning in October, President Skorton turned to students, faculty, staff, and alumni for help in cutting costs. Ideas—from reducing the use of print communications to a "freecycle web site" that would link people who have unwanted materials with others who need them—poured in through an online suggestion box to the Campus Savings and Efficiencies Committee. Some, such as e-Shop—a procurement system that allows Cornell employees to buy work-related goods online from preferred vendors at a reduced cost—have been instituted already.

To sustain the university's financial strength over the long term, hiring and construction pauses were instituted to continue through June 2009, and endowment spending was reduced by 15 percent for the coming fiscal year. In addition, plans were put into place to reduce the university's base budget by 5 percent for fiscal year 2010 and an additional 5 percent in 2011.

In January, the Board of Trustees approved a special endowment draw of $35 million for undergraduate financial aid for 2009–10. In the new financial aid program announced last year, student loan burdens are reduced and the requirement of parental contributions for family incomes below $60,000 is eliminated. Together with work-study and other grant programs already in place, Cornell's neediest students will graduate debt free.

"Particularly at this unsettling time, Cornell must open its doors even wider," said President Skorton in response to the board's decision. "Our new policy will allow students, despite the current economic conditions, to be able to choose Cornell and to thrive here."

On March 26, in a demonstration of broad-based public confidence, more than $500 million in taxable bonds were sold in less than 30 minutes. The Moody's Investor Service Aa1 credit-rated bonds were issued to provide the university with working capital and institutional liquidity.

LEFT: Vice President for Student and Academic Services Susan Murphy and New York Governor David Paterson (center) wave to the crowd as they march down Fifth Avenue in New York City with Cornell alumni during the Sy Katz parade held in November. RIGHT: Sailing on Cayuga Lake.

In the spring, 432 staff members chose to participate in the one-time-only Staff Retirement Incentive Program. The program was made available to 1,300 employees who were over age 55 and with at least 10 years of service to the university. The program is expected to save the university more than $25 million annually. Personnel costs represent 60 percent of the university's annual operating budget.

In May, as 6,000 new graduates entered the workforce, President Skorton encouraged them to embrace optimism in these uncertain times. "One thing is clear: the world needs what you have to offer now more than ever before," President Skorton said in his Commencement remarks. "I urge you to be creative and forceful in bringing your skills to bear on the problems we face, including the current economic dilemma, to be more useful to your country and to humankind."

Academics

In the 2008–09 academic year, Cornell initiated the first phase of a sweeping financial aid initiative intended to eliminate need-based loans for undergraduate students from families earning under $60,000 (the income level rises to $75,000 in the fall of 2009). In light of the economic uncertainties ahead, the university's commitment to access remains unwavering.

"In these current volatile and difficult economic circumstances, many current and prospective college students and their families are concerned about the affordability of a university education," President Skorton said in November, as the economy continued to spiral downward.

The new initiative will allow many Cornell students to graduate debt free and will relieve the least economically advantaged parents of having to make a contribution. It provides generous benefits to students from low- to middle-income families but also addresses the needs of all families who qualify for need-based financial aid.

To expand access to a Cornell education for excellent students from a broader range of backgrounds, the university added three institutions to the Cornell's Pathway to Success Community College Partnership this year. The new partners—Borough of Manhattan Community College, Suffolk Community College, and Nassau Community College, all in the New York City area—joined the two upstate institutions already participating, Monroe Community College in Rochester and Morrisville State College. When the program began three years ago, Cornell was one of only eight institutions nationwide that were awarded grants from the Jack Kent Cooke Foundation to launch programs to help high-achieving, low-income community college students earn bachelor's degrees at selective four-year institutions.

To see that these, and all, students receive the very best teaching at the undergraduate and graduate levels, Cornell has launched the Center for Teaching Excellence. The center will work to strengthen teaching across the campus—from disseminating research-based best-teaching practices to ensuring that instructors have the support and resources needed to help their students learn better. Among the anticipated options are course-development grants to be awarded to faculty members for creating new courses that include diversity in content as well as novel pedagogical methods, which meet the needs of more varied learners.

LEFT: Kris Holloway, author of *Monique and the Mango Rains: Two Years with a Midwife in Mali,* Peace Corps volunteer, and natural health specialist, speaks on her experiences in Mali, West Africa, from 1989 to 1991. RIGHT: The Doctors of Veterinary Medicine Hooding Ceremony held at Bailey Hall, May 2009.

Course offerings are expanding in diversity, too. For example, the Africana Studies and Research Center has added 17 new courses, building on the hiring of five new faculty members including four world-renowned senior scholars. The courses range from Marriage and Divorce in the African Context and The Harlem Renaissance to Literature, Sports, and Ideology. In another, The Politics of the Hip-Hop Generation, students will examine the major political and economic forces that have shaped the worldview of black and Latino/a youth born between 1965 and 1984.

When students come to Cornell they expect to meet people from different backgrounds but all too often end up socializing with people just like themselves. This year the University Diversity Council has undertaken a variety of approaches to promote a more inclusive environment that embraces and engages differences in race, ethnicity, religion, gender, sexuality, class, and nationality. One was a pilot program, Talking Circles on Race and Racism, created by the Multicultural Resource Center. It received positive reviews from students who found the atmosphere of frankness and respect one in which they were truly free to say what they were feeling and thereby begin to "untangle the social construct called racism in our society." In another initiative involving faculty members, the Diversity Research Network—an organization that connects scholars both at Cornell and worldwide who work on diversity theory, research, and practice—held its first public program focusing on how seemingly positive stereotypes harm working women.

Awards play a role in changing the campus atmosphere as well. This year a staff member, two faculty members, and two students received the Constance E. Cook and Alice H. Cook awards for improving the campus climate for women. They were recognized for actions, including establishing the Committee on the Status of Faculty Women at the New York State College of Veterinary Medicine; providing leadership in revitalizing the School of Industrial and Labor Relations' Women's Caucus; and for mentoring staff members and contributing to the quality of women's lives in the Department of Government.

One of the most pressing issues regarding diversity at Cornell is how to retain the faculty members hired in the past decade as they climb to the middle and upper ranks. Women faculty members, for example, have increased by almost 6 percent and now represent 26 percent of the faculty. These gains, however, are being challenged by other peer institutions.

"Even as we make progress, our competitors are not standing still," said Elizabeth Mannix, the Ann Whitney Olin Professor of Management and interim vice provost for equity and inclusion. "We have to compare ourselves to our peers because they are the ones who are able to take our great folks away from us."

In the fall of 2009, the university will begin a more systematic investigation as to why women and minority faculty members choose to go to other universities once they climb to the upper ranks and to institute initiatives that more effectively support these people reaching their full potential here.

One of the ways to accelerate the achievement of young faculty members has been to include them in interdisciplinary collaborations with more experienced faculty from across the university. For example, the Institute for Social Sciences conducts three-year theme projects that allow faculty members from a variety of departments to work in residence at the institute and collaborate on a common theme using the tools of social science research.

LEFT: Leslie Millspaugh, administrative assistant, Donor Relations, Alumni Affairs and Development, one of the Cornell employees who took advantage of the Staff Retirement Incentive Program. RIGHT: Andrew '71 and Ann Tisch, who donated $35 million to establish the Tisch University Professorships to honor current faculty members and recruit the most talented young scholars from around the country, receive a round of applause at a reception held in their honor at the Herbert F. Johnson Museum of Art.

As the activities of the "Contentious Knowledge: Science, Social Science, and Social Movements" theme finish up, the project on "Persistent Poverty and Upward Mobility" is in full swing. The Contentious Knowledge project created a significant body of scholarship on what occurs at the intersection of "authoritative knowledge" (derived from the natural or social sciences) and "social actors" (such as protest movements and nongovernmental organizations) who challenge it. The question being addressed by the Persistent Poverty project is: why does chronic poverty grind down citizens of both poor and wealthy societies and what can be done to relieve it?

"Especially in these difficult times, I believe that colleges and universities can and must play a more central role in helping countries that are struggling to meet the needs of their citizens by developing human capacity and achieving enduring improvement of the standard of living at the local level, where it matters most," said President Skorton. "Projects like this one are a helpful step in that direction."

To expand Cornell's international scholarship in the arts and humanities, a new partnership was established this year with the East China Normal University (ECNU). The new Cornell-ECNU Center for Cross-Cultural Studies, jointly funded by Cornell and ECNU, will foster innovative research among distinguished faculty members from both universities who are well versed in interdisciplinary collaborations in art, literature, history, philosophy, and other areas. The center, several years in the making, has been created in response to the globalization of fields in the arts and humanities.

On January 1, W. Kent Fuchs, the Joseph Silbert Dean of Engineering since 2002, became Cornell's 15th provost, succeeding Carolyn "Biddy" Martin who had accepted the chancellorship of the University of Wisconsin–Madison in May 2008. "Kent is a strong and respected administrator who has led the Engineering College with foresight, vitality, and innovation—attributes he will bring to his new appointment," said President Skorton.

Other appointments of note include Laura Brown, the John Wendell Anderson Professor of English, who became vice provost for undergraduate education. Brown succeeded philosopher Michele Moody-Adams, who was named dean at Columbia College and vice president for undergraduate education at Columbia University.

And Daniel Huttenlocher, the John P. and Rilla Neafsey Professor of Computing, Information Science, and Business, was named the university's dean of the Faculty of Computing and Information Science (CIS). He succeeds Robert L. Constable, who stepped down when his second five-year term concluded.

In June, Provost Fuchs unveiled details of the university's strategic planning process. Dubbed "Reimagining Cornell," the process will produce a plan of action to erase an anticipated operating budget deficit projected to be approximately $150 million in five years.

"I'm determined to drive this effort with a sense of change and inspiration, using our imaginations to think creatively about the future of the institution," Fuchs said. The plan will generate ideas such as eliminating administrative redundancies between colleges and the central administration, creating new master's programs that could increase revenue, and consolidating academic units or programs.

"It's about enhancing Cornell's excellence through thoughtful and imaginative change," Fuchs said.

"Reimagining Cornell" comprises two phases: first, planning how to downsize and restructure the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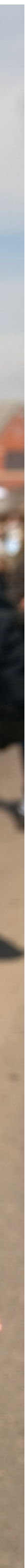
MENU

LEFT U.S. Senator Kirsten Gillibrand, left, and Michael Kotlikoff, dean of the College of Veterinary Medicine, participate in an economic development round table discussion.
RIGHT: Charlie Haden improvises on bass in Barnes Hall, while President David Skorton plays the flute.



university, and second, envisioning its future. A draft strategic plan will be released in the spring of 2010.

Cornell Cooperative Extension (CCE)

In 2008–09, New Yorkers lived through a period of remarkable challenges and opportunities. In this uncertainty, the people served by Cornell Cooperative Extension have had an even greater interest in learning how to improve their lives. At every turn, extension educators have seen agriculture interfacing with issues surrounding climate change, environment, and energy production. Financial, food safety, and nutritional concerns have elicited more public involvement in gardening, at home and in communities. The land-grant mission to discover new ways to apply Cornell's research and intellectual resources to communities has seemed ever more critical. Extension's initiatives in 2008 sought to respond to emerging trends in energy, agriculture, and nutrition and to foster sustainable, empowered individuals, families, and communities.

Outreach in energy focused on household energy conservation. Through the Empower and HeatSmartNY programs, CCE helped residents conserve energy, reduce fuel costs, manage resources, and lower consumer debt. In partnership with Governor David Paterson, CCE was able to offer HeatSmartNY workshops in every county in the state. The system also responded to growing interest in agriculture and community-level energy concerns, including carbon and other conservation practices, biofuels and other renewable energy sources, innovation, and energy workforce development.

In nutrition and agriculture, local partnerships continue to yield innovative approaches to outreach. Working with WMHT, a public television station in Troy, New York, local CCE offices in the Capital Region developed *From Farm to Table*, a cooking program designed to educate consumers about local agriculture and healthful eating. This unique collaboration between higher education, local extension offices, and industry was underwritten by Eat Smart New York!, SUNY Cobleskill, Hannaford Supermarkets, Upper Hudson Library System, MetLife Foundation, Fit for Life, and the Leo Cox Beach Philanthropic Foundation.

In keeping with its five-year commitment to build science, engineering, and technology skills in youth, CCE's 4-H Youth Development Program partnered with Cornell's Institute for Resource Information Sciences (IRIS) to develop a geospatial sciences curriculum using emerging geospatial technology. 4-H clubs across the state introduced youth to GPS/GIS technology. In Ontario County, a 4-H geospatial sciences club combined geospatial science and community service, helping emergency responders improve services by mapping local fire hydrants.

In partnership with Cornell's Recycling Ag Plastic Project, CCE has been working with farmers to develop solutions to the challenge of what to do with the used plastic products and packaging that have become integral to all aspects of farming. In 2008, a CCE summer intern, as well as educators in local offices in Cortland and Cayuga counties, worked to promote the program, which aims to develop recycling infrastructure and markets for dairy, livestock, and horticultural plastics.

LEFT: Rita Pitka Blumenstein shares a story from her past as part of "Grandmothers Speak," a public event with the International Council of 13 Indigenous Grandmothers. RIGHT: Dragon Day 2009.

Cornell in New York City

Cornell's New York City programs continued to grow in 2008–09.

The success of the quarterly "Inside Cornell" luncheons continued with Steven Kyle, associate professor of applied economics and management; Michele Williams, assistant professor of organizational behavior; and Vicki Bogan, assistant professor of applied economics and management. Attendees at the media luncheon included *Money, Vanity Fair*, CBS News, Best Life, NPR, JiJi Press, *Scientific American*, Channel 13, the *Wall Street Journal, Forbes*, and the Associated Press. Three media luncheons were held with President Skorton, at one of which he was joined by President Jennifer Raab (Hunter College). Media attendees included the *New York Times, Newsweek, Newsday*, Reuters, *Chicago Tribune*, CNN, the *Chronicle of Higher Education*, Bloomberg News, and the *Los Angeles Times*.

Cornell celebrated the annual Poem In Your Pocket Day (PIYP) by partnering closely with New York City Mayor Michael Bloomberg's Office of Cultural Affairs and the Bryant Park Corporation for the third year. Bespoke poetry books were created for the event, including a haiku written by President Skorton and his spouse, Professor Robin Davisson. Over two thousand Cornell student poetry books were produced and distributed to New York City students, including every student at Cornell partner school Food and Finance High.

The 35th anniversary of the Willard Straight Hall takeover was recognized and discussed at an alumni symposium held in the city.

The Sy Katz parade was celebrated again in November with a march down Fifth Avenue that included New York Governor David Paterson. Paterson spoke in front of the Cornell Club to a crowd of hundreds of New York alumni and the marching band.

ILR's Institute for Workplace Studies featured President Skorton and Professor Ronald Ehrenberg at the "Tuition Rising: Can the Cost of Higher Education Be Contained?" lecture. A multitude of ILR workplace workshops, including "Domestic Violence in the Workplace," "Social Commitments," "Depersonalized World," and "Perspectives on International Labor Law" drew attendees from New York and beyond.

The 92nd Street Y featured Cornell faculty members Roald Hoffman, professor emeritus of chemistry, and Keith Schwab, associate professor in physics. Both were featured speakers for the "On the Brink" series, an enrichment program for urban high school students. The Y also hosted Junot Díaz, MFA '95, and a Global Forum on Sustainability featuring H. Fisk Johnson, Ratan Tata, President Skorton, and former U.S. Vice President Al Gore.

In the arts, Professor David Feldshuh's Pulitzer Prize–nominated play *Miss Evers' Boys* was produced at the Red Fern Theatre. Members of the Cornell Jazz Ensemble performed at the New York Public Library for Performing Arts (at Lincoln Center). The over-capacity crowd enjoyed the concert celebrating Benny Goodman's centennial. Janet Reno headlined at Radio City Music Hall's speaker series, which began with a double Cornell bill of Ann Coulter and Bill Maher. Arthur Laurents spoke to a capacity crowd at the New York Public Library for Performing Arts. MFA students from the College of Architecture, Art, and Planning exhibited their thesis projects in the New York City gallery space (50 West 17th Street). And alumni performed, or had


LEFT: Scott Emr (left), director of the Weill Institute for Cell and Molecular Biology, Anne Moscona, professor of pediatrics and microbiology and immunology, Weill Cornell Medical College, President David Skorton, Claudia Fischbach-Teschl, associate professor of biomedical engineering, and Carlos Bustamente, professor of biological statistics and computational biology, attend a panel discussion titled "Fulfiling the Promise of the Life Sciences." RIGHT: Zachary Murray, a sophomore in the College of Architecture, Art, and Planning, shares his group's ideas at the University Diversity Council's Public Diversity Forum.

their work performed, all over the city throughout the year.

Medicine took center stage in the Business and Medicine Symposium (Johnson School and Weill Cornell Medical College), President Skorton's Medical Ethics Seminar, and The Future of U.S. Healthcare (ILR).

Cornell's footprint in New York City continues to expand with Cooperative Extension's Back to the Boroughs project, which is opening offices in Brooklyn, Queens, Staten Island, and the Bronx. Greening New York City, CUCE participated in Million Trees NYC, planting trees throughout New York City, and partnered with the Central Park Conservancy on a certification course on urban horticulture and ecology training for park employees and volunteers.

Cornellians cheered on the Big Red in basketball, lacrosse, tennis, baseball, and softball at Columbia. New York City Cornellians gathered at several locations throughout the city to watch the men's lacrosse team make it to the NCAA finals.

Far Above ... The Campaign for Cornell

The generosity and leadership of Cornell's alumni, parents, and friends has helped to build a bridge to a promising future, despite a challenging year for the U.S. economy. As of June 30, gifts in support of students, faculty, and programs; key facilities; and unrestricted use helped the campaign pass the $2.5 billion mark toward its $4 billion goal. For FY 2009, new gifts and commitments to Weill Cornell Medical College totaled $85.4 million, while the Ithaca campus garnered $184.8 million.

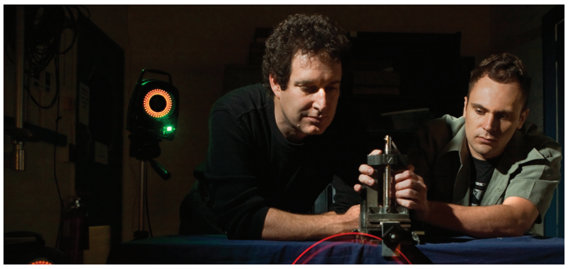
Cash gifts to the university totaled $446.7 million, the highest amount ever achieved. This included $24.3 million in support of the Cornell Annual Fund, which exceeds last year's record total by more than 13 percent. Generous annual fund gifts at the $100,000 leadership level and above, as well as efforts of volunteers and staff members to sustain a strong number of donors—30,597—are responsible for this record total.

President Skorton announced a refocusing of campaign priorities during his October 2008 State of the University Address, shifting $225 million from facilities to undergraduate financial aid. This action will help provide the necessary funding to support the university's increased investment in an undergraduate financial aid policy that helps ensure that talented students from all backgrounds and economic circumstances can afford a Cornell education. The new goal for undergraduate financial aid is $350 million, with $152.3 million raised as of June 30.

Alumni and other benefactors who made substantial gifts in support of undergraduate scholarships in FY 2009 included John '74 and Elaine '77 Alexander, Mary John Miller '77, and the Leona M. and Harry B. Helmsley Charitable Trust, which endowed the Helmsley Scholarship in the Hotel School. Support of the Cornell Annual Fund for Student Aid more than doubled in comparison to the FY 2008 total.

Among other notable gifts, the Klarman Family Foundation made a significant five-year commitment for unrestricted support—a remarkable expression of strong confidence in Cornell's leadership and future promise.

Two campaign-related events brought together hundreds of Cornellians this past fall and spring. In October the university dedicated Joan and Sanford I. Weill Hall, one of the nation's premier life sciences facilities, and the Joan and Sanford I. Weill Institute for Cell and Molecular Biology. The hall



LEFT: Hod Lipson, assistant professor of mechanical and aerospace engineering, and Michael Schmidt, PhD student in computational biology, track motion with infrared light and a pendulum in their lab. RIGHT: A warm day outside Goldwin Smith Hall.

and center are lynchpins for interdisciplinary discovery in both basic and applied research.

In April about 500 alumni joined President Skorton, campaign co-chairs Jan Rock Zubrow '77 and Stephen Ashley '62, MBA '64, and a delegation of professors in Washington, D.C., for "Cornell in the Capital." The centerpiece was a faculty discussion, "A Meeting of the Minds: Shaping Policy in Changing Times."

Finally, the Division of Alumni Affairs and Development began to implement phase two of its strategic plan. This has included a comprehensive review of Cornell's prospect management system, a more focused approach to prospect assignment and portfolio management, and a realignment of core giving areas and services within the division. In addition, Alumni Affairs and Development is preparing to implement a new strategic plan for alumni affairs, focused on alumni engagement and volunteer leadership.

Government Relations

It's impossible to talk about Cornell's achievements in government relations over the past year without mentioning the changes in Washington brought about by the presidential transition. As a candidate, President Barack Obama told voters he would expand access to higher education, increase the budget for basic research, and revive the economy through investments in homegrown green technologies. In his first six months as president, he has largely kept these promises: rolling out a new framework for student aid; proposing significant increases in the federal research budget, both through the economic stimulus package and in the annual budget; and promoting a green energy/green economy agenda that plays to the strengths of research universities like Cornell.

Throughout this time, the Office of Federal Relations has worked closely with our Congressional delegation to maximize the impact of these programs in New York State. This has entailed getting to know a lot of new faces: New York has a new senator and seven new representatives. As a follow-up to initial meetings in Washington, both Senator Kirsten Gillibrand (D-N.Y.) and Congressman Eric Massa (D-Corning) visited Cornell's campus in April 2009.

In addition to maintaining strong ties to the New Yorkers in Congress, the Office of Federal Relations is working to expand the influence of Cornell in the nation's capital. A new Washington Policy Briefing Series, hosted in conjunction with the Cornell University Agricultural Experiment Station, highlights the research of College of Agriculture and Life Sciences faculty members on timely topics such as climate change, food safety, and carbon cap-and-trade. In 2009 alone, Cornell faculty members have given expert testimony to Congressional committees on topics as varied as climate data collection, cyber security, earthquake engineering, and biochar. The annual Student Aid Lobby Day brought Cornell students from eight states to Capitol Hill to talk to their senators and hometown representatives about the importance of student aid.

Meanwhile, the American Recovery and Reinvestment Act, signed by President Obama in March, also had a significant impact on the university's relationship with New York State. New York State government has acknowledged that the state's heavy reliance on the financial sector for revenues and jobs is unsustainable. Much of the state's focus has shifted toward higher education's role as an essential player in a new, innovation economy, and Governor Paterson has committed to assisting institu-

LEFT: President David Skorton (far left) participated in a question and answer forum aired live on WVBR-FM. Cornell Vice President for University Communications Tommy Bruce is shown second from left. RIGHT: Colombian presidential hopeful Sergio Fajardo cites reform as proof that education is an engine of change in a lecture co-sponsored by several organizations, including the Cornell Latin American Studies Program, the Cornell Institute for Public Affairs, the Law School, and the Colombian Student Association.

tions in competing for these federal funds for basic and applied research.

These new resources are aligned with the priorities of the new economy and with Cornell's strengths. Federal funding for research in renewable energy technology, biomedical technology, and other fundamental components to knowledge-based, sustainable economic recovery put Cornell in the perfect position to benefit. And the Office of State Relations has helped Cornell faculty members take advantage of this new environment.

In partnership with state officials, Cornell experts in energy storage and battery technology assembled a Battery Consortium. University, industry, and state partners hope to lure battery components research and manufacturing to New York by working together and pooling resources.

Remarkably, facing unprecedented fiscal troubles, New York's leaders protected the core budgets of the state's higher education sector, including funding for Cornell's four statutory colleges and essential programming.

At the same time, Governor Paterson responded to the troubled state economy by asking Cornell President David Skorton to chair the new Task Force on Diversifying the New York State Economy Through Industry-Higher Education Partnerships. The task force is charged with enhancing New York State's innovative strengths and forging new alliances to develop economic opportunity in the areas of renewable energy, nanotechnology, food and agriculture, biomedical technology, and human and animal health.

The Office of Community Relations continues to represent Cornell to the community and the community to Cornell on issues of mutual interest, including economic development, emergency communications, construction, environmental health, housing, planning, purchasing, safety, and transportation.

Over the past year, working with the city and county, Community Relations staff implemented the first-year housing and transportation projects outlined in Cornell's 10-year, $20 million community investment initiative. The office helped obtain municipal approvals for a number of major university projects, including the transportation-focused Generic Environmental Impact Statement (t-GEIS); transfer of University Avenue ownership to the university; Johnson Art Museum expansion; Milstein Hall construction; and Central Avenue Parking Garage, among others. And the office continues to play a key role in integrating Cornell's Master Plan into city, town, and county master plans and processes.

In the aftermath of the race-and-class problems at Ithaca High School, the office recruited a diverse pool of talent and wrote the scripts for a series of equity-related public service announcements that won a New York State Broadcasters Award. In addition, sponsors were coordinated for a new weekly radio show, *All Things Equal*, which has been produced, including recruiting guests and prepping interviewers, since its debut in late September. Many guests have had Cornell ties. And the office began hosting a new cable show for Educational Access and CornellCast, *East Hill Notes*, which gives the now-twice-monthly column an enhanced profile and fleshes out community issues in yet another format, while often proving beneficial to university units.

LEFT: At the dedication of Weill Hall (from left to right), architect Richard Meier '56, Kevin M. McGovern Family Center for Venture Development in the Life Sciences donors Kevin M. '70 and Lisa McGovern, building donors Sanford I. '55 and Joan Weill, and President David Skorton look into upper-floor windows as people dressed in lab coats perform "Weill thing" using giant lettered cards. RIGHT: The Cornell men's lacrosse team fell to Syracuse in overtime in the NCAA final.

Human Resources

The Division of Human Resources began this year by focusing on the renewal and replenishment of faculty and staff in the coming years, with no foreshadowing of the imminent budget challenges. With more than half of Cornell's staff and faculty members age 45 or older, Cornell's human resources function looked to retain its older population and recruit younger, more diverse faculty and staff members.

Three workplace awards received in the first quarter of FY 2009 indicated that the university was moving in the right direction: Cornell was placed on the *Chronicle of Higher Education*'s "Great Colleges to Work For" list, *Working Mother* magazine's "100 Best Employers for Working Mothers" list, and AARP's list of "50 Best Employers for Workers Over 50," the latter in which Cornell placed first.

A new child care center, a renewed promotion of workplace flexibility, and an Energy Fair all contributed to this "best employer" environment.

But with the economic downturn toward the end of October, no longer was the challenge to recruit new hires. Instead, Cornell needed to reduce regular headcount* in a way that still positioned it for effective recruiting in the future. Cornell's senior leadership used the university's core human resource values to guide their response to this challenge and were therefore able to strengthen Cornell's standing as an employer of choice and advance its long-term human resource priorities even while day-to-day work changed to meet unexpected needs.

In his annual address to staff members on October 27, 2008, President Skorton framed the university's position: "We will not retreat from our commitment to being an employer of choice and investing in our human capital." Mary Opperman, vice president for human resources, noted, "It is easy to have core values in the good times, but what counts is keeping to those same core values in the difficult times." One of those core values was to "treat employees with respect and dignity."

In this context, the human resources division implemented programs that lessened the need for layoffs, supported staff members who were laid off or otherwise left the university, and provided resources for those who remained.

A hiring pause and internal search restrictions were instituted in November 2008 to help those who would be laid off. The pause resulted in a 66 percent decrease in postings for open positions over the same period the year before. The Wedge Group was contracted for outplacement services and Cornell case managers assigned.

The Salary Improvement Program (SIP) was suspended for FY 2010 to minimize the need for layoffs; only those making $40,000 or less received an increase, as a bonus payment of $750. To help employees who faced financial pressures, Cornell contracted for services from Consumer Credit Counseling and set up a Hardship Fund. These and other opportunities that promote personal and financial well-being were posted on a "caring community" web site for easy reference.

The university also offered a one-time staff retirement incentive program (SRI) to approximately 1,300 employees age 55 or older with 10 or more years of service, resulting in 432 retirements.

Although layoffs occurred, fewer were implemented than initially anticipated. From July 1,

*Total regular headcount includes professorial faculty; academic nonprofessorial, unionized, nonunion, and executive staff; and Puerto Rico regular employees.

LEFT: Music by Hip hop pioneers and others at Bailey Hall. RIGHT: Sarah Schneider '09 holds her new potted seeds during Earth Day on Ho Plaza.

2008, to June 30, 2009, 235 layoff actions were approved through the institutional review process, including 30 SRI staff. Total regular headcount as of June 2009 was 10,364, a 3.7 percent decline since the high of 10,772 in November 2008, which does not factor in the full effect of departures that occurred after June 30, 2009.

Meanwhile, Cornell continued to rank highly in national surveys as one of the best places to work. It placed on the *Conceive* magazine list for prospective parents (second time in a row), the Dave Thomas Foundation for Adoption's "Top 100 Adoption-Friendly Workplaces" list (third year in a row), and *ComputerWorld*'s "Best Places to Work in IT" list (third consecutive year).

With 408 fewer employees than the peak in November 2008, and even fewer expected after July 1, 2009, the human resources leaders in the colleges and units spent the final months of FY 2009 developing staffing plans and operational practices that will work within the constraints of a reduced workforce and budget.

Thus, as difficult as the year has been, the university's response to the economic downturn has strengthened Cornell's standing as an employer of choice and helped advance the personal well-being of its employees, the university's reputation as a caring community, and its workforce management efforts. While Cornell must continue to identify efficiencies and to reduce its operating budget, it is well positioned to realign current staff members around its key priorities and to begin to successfully recruit the skills and diversity needed for the future.

International

Calling it "one of the most generous endowments ever received from an international benefactor by an American university," President Skorton gratefully accepted $50 million from the Tata Education and Development Trust, a philanthropic entity of India's Tata Group. The endowment consists of $25 million to establish the Tata-Cornell Initiative in Agriculture and Nutrition, which will contribute to advances in nutrition and agriculture for India, and $25 million for the Tata Scholarship Fund for Students from India, to help attract more of the brightest Indian students.

"Although the Tata funds will be used to address problems in rural India, the gift will also help us learn how universities can better contribute to development and poverty reduction in other parts of the world," noted Alice Pell, Cornell vice provost for international relations.

Such public–private partnerships, along with developing new techniques to share information, are essential in addressing global challenges that affect much of the world's population, Pell told the audience in her keynote address at the Global Partnerships, Knowledge, and Technology conference held on campus. She illustrated the point with examples of Cornell's involvement in multi-member partnerships to provide clean water in the Philippines, and agriculture textbooks and online academic journal databases to Kabul University in Afghanistan and Ethiopia's Bahir Dar University.

Another talk was presented by Prince Turki Al-Faisal, the former Saudi Arabian ambassador to the United States, who came to campus in April as part of the Mario Einaudi Center for International Studies Foreign Policy Distinguished Speaker Series.

Peter Yarrow '59, of the folk trio Peter, Paul, and Mary, performs at the Class of 1959 Forum: Romping and Stomping event during Reunion 2009.

Turki expressed hopes that President Obama will end conflict in the Middle East and that, while he agrees with President Obama on Afghanistan, he warned that America ought not linger there. "Nobody, throughout history, has ever succeeded in [conquering Afghanistan]," Turki said. "Afghanistan has always been the deathbed of invading armies."

A delegation of Chinese government officials, led by State Councilor Liu Yandong, visited campus to begin the process of repatriating to China 2,000 species of native Chinese fungi, spirited out of the country for safety before World War II. The specimens are not only a reminder of China's biodiversity, but also of the legacy of S. C. Teng, a Cornell student-turned-pioneering-scientist who risked his life during the war to keep the fungi safe. Cornell's Plant Pathology Herbarium has been home to the fungi for nearly 70 years.

Also visiting campus is Ushari Khalil, a Sudanese scholar formerly imprisoned in Khartoum and in Darfur for his 1987 report exposing slavery in Sudan and documenting a massacre in southern Darfur where 1,500 displaced Dinka civilians were killed. He is spending a year conducting research and writing through Cornell's Africana Studies and Research Center.

"I can't remember any time in Sudan when I was writing and not thinking that I would be rudely interrupted by security agents at any moment," he said. "And here, of course, it is very different."

Also this year, the Mario Einaudi Center for International Studies awarded four seed grants to advance research by junior faculty members in classics, history of art, history, and Africana studies. Subjects range from ancient Roman life to treating diseases affecting the poor.

Finally, another Einaudi Center program marked a milestone: The Southeast Asia Program has been designated a U.S. Department of Education Title VI National Resource Center and Foreign Language and Area Studies Center now for 50 consecutive years. Cornell's East Asia Program, South Asia Program, and Institute for European Studies are Title VI Centers as well.

Land Grant

As a land-grant university, Cornell is responsible for conducting research that can be applied to improve the quality of life in New York State and to extend its knowledge for the benefit of its citizens.

In an area of growing national concern, Cornell research is improving farm practice and food safety. The Centers for Disease Control and Prevention estimate that 76 million cases of food-borne disease occur in the United States annually. This year two Cornell scientists received $1.67 million from the U.S. Department of Agriculture's National Integrated Food Safety Initiative to discover how to prevent health hazards as fresh fruits and vegetables travel from farm to fork. First, they'll identify critical points in the food production process that present high risk for produce contamination, then they'll create recommendations for the food industry including farmers, processors, retailers, food service staff, and consumers. In addition, a scientist at the New York State Agricultural Experiment Station has been chosen to participate in a $3.9 million U.S. Department of Agriculture–funded project to develop, test, and evaluate a fleet of autonomous tractors designed for precision agriculture applications. The project, Integrated Automation for Sustainable Specialty Crop Farming, is undertaken in collaboration with the National Robotics Engineering Center at Carnegie Mellon University.


LEFT: U.S. diplomat and former ambassador John W. McDonald presents a new plan for solving the Georgia-Russia conflict during a round table discussion presented by the Center for Transformative Action, the Peace Studies Program, and the Department of Government. At McDonald's left is Matthew Evangelista, professor of government and director of the Peace Studies Program, and Susan Allen Nan, professor of conflict resolution at George Mason University. RIGHT: Saudi Arabian Prince Turki Al-Faisal answers a question following his lecture, as President David Skorton looks on.

Cornell is also working to reduce the nation's reliance on oil by developing economical and sustainable biofuels. This year scientists from across campus began conducting experiments in the new 11,000-square-foot, $6 million Biofuels Research Laboratory. The lab is distinct from facilities in other institutions because it can perform and monitor all of the major steps required to make a biofuel. The Cornell team is focusing on the creation of cellulosic ethanol—a process that frees sugars from perennial grasses and woody biomass and biologically converts them into fuel. Unlike corn ethanol, cellulosic ethanol is derived from nonfood crops, so its production has little adverse effect on food prices.

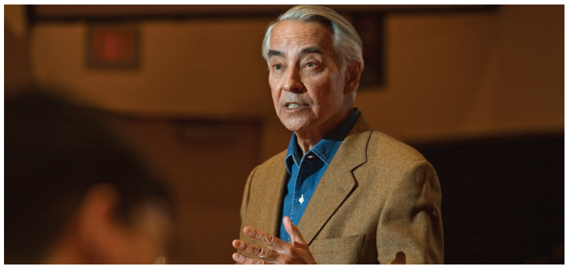
In other research on renewable energy, Cornell scientists have removed a major barrier in the production of biogas, which can be created on farms by the anaerobic digestion of manure and other agricultural byproducts. Scientists at the Cornell Agriculture and Technology Park in Geneva developed a method for removing hydrogen sulfide, a toxic byproduct of anaerobic digestion, which is easy for small-scale farmers to implement. The Cornell Center for Technology Enterprise and Commercialization has filed a patent on the technology marketed under the name of SulfaMaster.

Social scientists are tackling other issues, among them employment and family well-being. The School of Industrial and Labor Relations' Employment and Disability Institute is now a partner in the $12 million "New York Makes Work Pay" initiative to identify and help overcome the problems that the more than one million New Yorkers with disabilities have in getting jobs. In addition, a series of Cornell studies conducted in the 1970s and 1980s showed that a nurse home-visiting program for low-income women pregnant with their first child has a broad positive effect: prenatal health improves, childhood injuries drop, arrests are down for mothers, and fewer families are on food stamps. Today the Nurse Family Partnership serves more than 16,000 families a year in 360 counties nationwide, and President Obama included funding for it in his budget proposal submitted to Congress in the spring of 2009.

Outreach

One of the most effective ways to improve the lives of New York's children is through sharing the university's rich resources with the state's teachers. On March 20, more than 1,200 pre-K through high school teachers from the Ithaca, Dryden, and Lansing school districts participated in 110 workshops offered at the fifth annual Educator Professional Development Day. The workshops were designed to enhance educators' knowledge of the subjects they teach, provide them with engaging classroom activities and materials, and give them a deeper understanding of how their students learn.

The Cornell Science Leadership Academy brought middle school teachers from the Bronx, Brooklyn, and Queens together with Cornell scientists for a yearlong program aimed at increasing inquiry-based teaching in New York City science classrooms. Cornell staff, faculty, and graduate students from the Cornell Laboratory for Accelerator-based Sciences and Education, the Cornell Institute for Biology Teachers, the Lab of Ornithology, the Museum of the Earth at the Paleontological Research Institution, and Weill Cornell Medical College contributed to the academy. Overwhelmingly, teachers stated that the academy changed their approach to science instruction, provided better ways for engaging their students, and energized their classrooms.



LEFT: Jeanne Abate '09 works with her undergraduate research advisor Jan DeRoos, associate professor in the Hotel School. RIGHT: Richard Burt '69 speaks to government professor Sarah Kreps's Weapons of Mass Destruction class. Burt is a former U.S. ambassador to the Federal Republic of Germany and a leading business intelligence consultant and political strategist, distinguished diplomat, statesman, and accomplished journalist.

Teachers in rural outlying districts are also designing inquiry-based methods for teaching biological and physical sciences. Ten graduate students in biomedical engineering are working with high school teachers in seven communities to create innovative ways to communicate science concepts more effectively. In addition, the teachers will assist in scientific research projects and will partner with graduate students and faculty members to publish findings. The project is funded through a five-year, $3 million National Science Foundation grant to Cornell, and it will target schools that lack resources and do not currently benefit from extensive outreach efforts from universities.

Curricula created by Cornell faculty members reach adult students at venues outside the traditional education system, among them the Auburn Correctional Facility and the Cayuga Correctional Facility in Moravia. Each semester the Cornell Prison Education Program brings volunteer faculty members and teaching assistants to the facilities where they provide a liberal arts education free of charge to inmates who can work toward an associate's degree from Cayuga Community College. All the disciplines are represented. Courses taught this year include economics; constitutional law and individual rights; creative writing; medical anthropology; and genetics.

Cornell-created educational materials are also being used in the out-of-doors. With a $2 million grant from the National Science Foundation, Cornell entomologists have created the Lost Ladybug Project, a citizen science program that aims to engage the curiosity of 10,000 children about the ladybug, whose 5,000 species are sensitive to changing environmental conditions and are critical in controlling food crop pests. In the process of hunting for ladybugs and reporting their discoveries on the project's web site, children learn the specifics of ladybug identification and are introduced to basic biology, biodiversity, and conservation. Their findings populate one of the largest, most accurate, accessible biological databases ever developed by a citizen science project. Particular efforts are focusing on involving underserved 5- to 11-year-olds from Native American, rural, farming, migrant, or low-income communities.

Research

For the first time, the voices of singing blue whales—the largest animals ever to have lived on the planet—were identified this year in New York coastal waters. During 2008–09, experts from the Cornell Lab of Ornithology's Bioacoustics Research Program deployed 10 acoustic recorders about 13 miles from the entrance to New York Harbor and off the shore of Fire Island and on January 10 heard the singing of two blue whales within 70 miles of Long Island. It marked an historic moment in the environmental history of the state as blue whales were hunted nearly to extinction by the middle of the 20th century.

In another first, a Cornell-led team of astronomers used NASA's Spitzer Space Telescope, with infrared technology developed here, to observe dust forming around a dying star in a nearby galaxy, giving a glimpse into the early universe and enlivening a debate around the origins of all cosmic dust. Astronomers have largely focused on supernovae as the source of dust, which plays a key role in the evolution of galaxies. Observations of dust forming around the carbon star MAG 29, located 280,000 light years away, indicate this type of star may also contribute.

A hallmark of Cornell's research program is bringing together specialists from disparate fields. This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LEFT: Provost Kent Fuchs (left) sits with Dr. Arthur Garson, executive vice president and provost of the University of Virginia's School of Medicine, before Garson's lecture on "Health Care Half Truths." The lecture was the kickoff event to the student-organized "Sick in America" series. RIGHT: Videoconferencing manager Stephen Demmings adjusts the camera during a live web conference with President David Skorton and Vice President for University Communications Tommy Bruce in Sage Hall.

year, the National Science Foundation awarded a $1.5 million, four-year grant to a team comprising a game theorist, a specialist in small-scale computer networks, and an expert on networks both electronic and biological to create computer models of large-scale networks that more closely resemble the behavior of networks such as the Internet or the nationwide power grid. Existing models are limited because they do not approach such a high level of detail.

In health-related research, six studies published in the past year by a Cornell researcher add to growing evidence that an apple a day—as well as daily helpings of other fruits and vegetables—can help prevent breast cancer. In one study, fresh apple extracts significantly inhibited the size of mammary tumors in rats, and the more extracts they were given the greater the inhibition. The studies highlight the important role of phytochemicals, known as phenolics, found in apples and other fruits and vegetables.

Another group of Cornell scientists has discovered how two related proteins and their roles in a key molecular pathway—the endoplasmic reticulum and the IRE1alpha-XBP1 pathway—are critical to creating obesity-causing fat cells. The researchers hope that drugs that target XBP1 or IRE1alpha may lead to treatment for obesity, which affects one in three adults and contributes to heart disease, diabetes, some cancers, and high blood pressure.

In the social sciences, a Cornell researcher investigating the role of extended work hours on women's careers found that women whose husbands work longer hours are more likely to quit their jobs yet men's careers are not impacted when their wives put in long hours. Working long hours has increasingly become expected in the work culture, and the study showed how seemingly gender-neutral workplace

Student Scholarships and Awards

Four Cornell juniors were named Barry M. Goldwater Scholars for 2009. They are among 278 scholars chosen by academic merit from a field of 1,097 students nationwide. The scholarships cover tuition, fees, books, and room and board up to $7,500 per year.

Eowyn Connolly-Brown, an atmospheric science major in the College of Agriculture and Life Sciences and a Cornell Tradition student from Cleveland, Tennessee, plans to pursue a PhD and conduct research in climate dynamics and terrestrial biogeochemistry.

Michael Grundler is a biology major in the College of Arts and Sciences from Ann Arbor, Michigan. A Hunter R. Rawlings III Presidential Research Scholar, he plans to pursue a PhD in evolutionary biology and to teach and study the ecology, evolution, and conservation of amphibians and reptiles.

Stephen Linderman, a biological engineering major with a biomedical engineering minor in the College of Agriculture and Life Sciences from Rome, New York, plans to pursue an MD/PhD in biomedical engineering and a career in research.

Aman Prasad, a chemistry major in Arts and Sciences from Pocatello, Idaho, plans to pursue a PhD and an academic and research career in synthetic organic chemistry.

A senior Arts and Sciences major—**Eleanor (Ellie) Emery**—has been selected as a Truman Scholar. The selection—one of 60 from a national pool of 601 candidates nominated by 289 colleges and universities—is based on her academic record, leadership, and public service. The Truman Scholarship provides $30,000 toward graduate study. Emery plans to earn her MD and master of public health and then to serve with Médecins Sans Frontières (Doctors Without Borders).

Alumna **Emily R. Adelman '05** has received a 2009 Jack Kent Cooke Graduate Scholarship. She is one of only 30 Cooke Scholars selected this year from 678 applicants across the country. The Cooke Foundation seeks college seniors and young alumni with outstanding academic records who have also demonstrated service, leadership, community involvement, and an interest in the arts. The scholarship enables her to return to school full time this fall to earn a master's degree in Spanish bilingual/multicultural education at George Mason University. The scholarships provide up to $50,000 per year for up to six years for graduate or professional study.


LEFT: Bill Nye, "The Science Guy," hosts a public lecture, given by Jeff Taylor, 2008 Sagan Medalist from the University of Hawaii. The lecture, "Lunar Settlements and Lunar Science," was part of the American Astronomical Society Division of Planetary Sciences Conference held in Ithaca. RIGHT: Pebblee Poo shares her experiences with hip hop at the "In the Beginning: A Conversation with Hip Hop Pioneers" panel discussion in Bailey Hall.

norms can result in discriminatory outcomes and perpetuate gender inequality.

And in one of the first studies of its kind, a Cornell scientist found that chronic stress from growing up poor can physiologically impact children's brains, impairing their working memory and diminishing their ability to develop language, reading, and problem-solving skills. The findings show that young adults who spent their entire childhood in poverty scored about 20 percent lower on working memory than those who were never poor.

Lastly, at a time when university research budgets are under siege, the Cornell Nano-Scale Science and Technology Facility has received another five years of funding from the National Science Foundation. The facility, which is the flagship of Cornell's cutting-edge nanotechnology research (and one of 14 such research facilities that make up the National Nanotechnology Infrastructure Network) is to receive $2.68 million per year for the next five years.

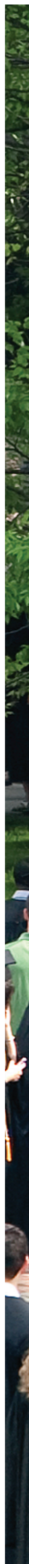
Student Life

Twelve years after the Ford Committee envisioned a residential environment at Cornell designed to cultivate communities of individuals as well as communities of ideas, construction of the West Campus House System is complete. The fifth and final house in this $225 million project became fully operational as a house in August 2009. It has been named for Flora Rose (1874–1959), who was recruited to Cornell 101 years ago as a lecturer in nutrition and would later help found (and head) what is today the College of Human Ecology. Shirley R. Samuels, professor of English and American studies and chair of the Department of History of Art and Visual Studies, who is a historian of the lives of women in the United States, has been named house professor and dean.

Among the speakers at the naming ceremony for the Flora Rose House was Isaac Kramnick, the Richard J. Schwartz Professor of Government, who had championed the concept of living houses back in 1983. He noted that it was "breathtakingly moving—moving even to tears—to see an abstract vision come to life." Another speaker who also played a key role in West Campus planning and construction was Susan Murphy AB '73, PhD '94, vice president of Student and Academic Services. So, too, has Murphy been a strong supporter of the Cornell Tradition program, created 25 years ago to provide students with work and service opportunities and to reduce their debt. In her honor, an anonymous endowment was given to create the Susan H. Murphy Cornell Tradition Fellowship.

In celebration of the 25th anniversary, the Cornell Commitment Office and the Office of Institutional Planning and Research conducted research to review the Tradition's benefits. Among the key findings are that—in contrast with other Cornell students—Tradition Fellows note larger gains in their leadership skills and in their ability to formulate original ideas and solutions, and to identify moral and ethical issues. Tradition alumni were also found more likely to be institutional donors even if they are from lower income levels than other alumni. The Cornell Commitment Program continues to be well represented among students winning national awards. In 2009 all four Cornell students named as Goldwater Scholars were participants in Commitment programs. One was a Cornell Tradition student and three were Hunter R. Rawlings III Cornell Presidential Research Scholars.

Completing five years of operation, the Carol Tatkon Center has been instrumental in guiding




FRIEND AND COUNSELLOR
OF
EZRA CORNELL

Senior Raymond Jacobs, in the Bailey Conservatory, was president of Hortus Forum, a student organization that grows and sells plants on campus to fund educational trips in plant science.

first-year students through the newness of university life. Staff members have worked hard to create a friendly and informal sanctuary in which freshmen can find answers to questions and begin to develop their intellectual muscle. The Tatkon Center is a place to grab a cup of coffee, meet to work on projects, or find connections to university services. Highlights from this past year include a reading of the Gettysburg Address by President Skorton and presidential election "get inspired and get registered" activities—which were part of the center's New Student Reading Project programming. The book for this past year was *Lincoln at Gettysburg* by Gary Willis.

Through the Call 2 Action Initiative, leadership in the fraternity and sorority community initiated new policies and programs to emphasize academic performance and values-based programming. Changes include reducing the social schedule, retooling recruitment efforts to focus on the values of the fraternity and sorority experience, and taking a strong stance against hazing. The Office of Fraternity and Sorority Affairs and Cornell Outdoor Education (COE) won the Association of Fraternity Advisors' 2008 Excellence in Educational Programming Award for the Positively Challenging program. In the program, chapters use COE's Hoffman Challenge Course and ropes course, retreats, and other team-building activities designed to strengthen individuals and to combat hazing.

Also, this past year the 15th annual James A. Perkins Prize for Interracial Harmony and Understanding was presented to MOSAIC—For Queer and Same Gender Loving People of Color, a student-run social support group that has raised awareness of racial, gender, and sexual diversity through social outreach, peer support, and inclusive programming. Trustee emeritus Thomas W. Jones '69, who established the prize in 1995, spoke at the award presentation ceremony.

Cornell Public Service Center's Translator-Interpreter Program (TIP) was nominated for the International Association of Chiefs of Police's 2009 Civil Rights Award for its tools that assist emergency responders in providing language services. In April after an armed man killed 13 people and held more than 40 hostages at an immigrant services center in Binghamton, New York, 40 student members of TIP provided translation services in 40 different languages. For weeks the students traveled to Binghamton to assist with grief counseling and legal and information consulting to immigrants and refugees affected by the violence and to provide interpreted counseling sessions for more than 60 ESL teachers. Broome County school district officials noted that TIP was the only interpreter service in the state able to help.

Campus participation in flu prevention continues to expand. Last year, Gannett Health Services set a new record by administering more than 11,300 free seasonal flu vaccinations to Cornell students and employees. The value of this community engaging in public health efforts cannot be overstated, given the emergence of the H1N1 2009 pandemic. Building on Cornell's campus-wide emergency preparedness efforts and planning related to a potential avian influenza pandemic, an interdisciplinary H1N1 Flu Incident Leadership Team mobilized to protect the health and safety of the Cornell community. Based on new information about the new virus; patterns of infection; complications; and treatment of the illness, the team revised the existing Pandemic Influenza plan clarifying responsibilities and policies.

LEFT: A delegation of eight officials from the Indonesian Ministry of Finance, Ministry of Economic Affairs, and Central Bank of Indonesia met with several Cornell faculty members in the Southeast Asia Program to seek input on how to improve the perception of Indonesia on such financial issues as the sovereign credit rating and the country risk classification. RIGHT: Melissa Bank, MFA '88, author of the bestseller *The Girls' Guide to Hunting and Fishing*, speaks during the panel discussion "FlashForward: Cornell Writers Return." Other panelists included Pulitzer Prize–winning novelist Junot Díaz, MFA '95, and fiction writer Julie Schumacher, MFA '86.

In the spring, the National Collegiate Athletic Association (NCAA) recertified Cornell University as a Division I athletics program. The every-10-year recertification finalized a year of self-study and peer review, including an examination of a university's governance, commitment to rules compliance, academic integrity, and promotion of equity and student-athlete welfare.

The 2008–09 season was the best on record with more than half of Cornell's Ivy League sports teams finishing in the top three of the league. In all, the Big Red won seven Ivy League team titles (men's basketball, men's lacrosse, softball, men's indoor and outdoor track and field, women's indoor track and field, and wrestling). Another nine sports placed second or third in the Ancient Eight. The men's lacrosse team advanced to the NCAA final before dropping a heartbreaking overtime contest to Syracuse, while the men's ice hockey team made it to the NCAA quarterfinals. Troy Nickerson '10 claimed an NCAA wrestling title at 125 pounds and helped the team to a fifth-place finish. This was the second consecutive year a Cornell athlete has won a national title in wrestling. Softball player Alyson Intihar '10 was named Ivy League Player of the year and was also All-American.

Women athletes also excelled in non–Ivy League sports. The women's polo team won a regional championship and took second place nationally, while the gymnastics team became the first non-scholarship program to claim a USAG Collegiate National Championship.

Two seniors are of particular renown. Max Seibald '09, the consensus national player of the year in men's lacrosse, also was awarded the Lowe's Senior Class Award for "an exemplary student athlete who has donated countless hours to community service projects." Jeomi Maduka '09 graduated as the most decorated female student athlete in Cornell history. During her four years here, she was Ivy League Athlete of the year five times in two separate sports, All-American in track seven times as well as once in basketball, a member of the All-Ivy First Team 18 times.

As in the pride alumni take in the accomplishments of student athletes, so too are they standing alongside prospective graduates as they face a tight job market. More than 4,500 alumni make themselves available to students through an online mentoring system created by the Cornell Career Services office. And, in increasing numbers they serve as a Cornell champion at work, making sure their employers maintain a commitment to hiring from their alma mater.

Weill Cornell Medical College

In research at Weill Cornell Medical College this year, Dr. Ira M. Jacobson, the Vincent Astor Distinguished Professor of Clinical Medicine, co-authored a study that found that adding a specific protease inhibitor called telaprevir to the current standard therapy can significantly improve the chances of being cured of hepatitis C, and it does it in half the time of standard therapy alone.

Results of the Phase II clinical trial were published in the April 30 issue of the *New England Journal of Medicine*. The drug works by blocking an enzyme that the hepatitis C virus needs to replicate itself.

The randomized, double-blinded trial followed 250 patients with untreated hepatitis C genotype 1. Researchers measured rates of sustained viral response or viral cure—an undetectable quantity of hepatitis C virus—24 weeks after the end of completion of therapy. They compared a 12-week regimen of telaprevir combined with two different durations

A student walks through the Arts Quad on a foggy autumn day.

of the standard therapy—peginterferon alfa-2a and ribavirin—to a control group taking 48 weeks of standard therapy alone. Results showed that 67 percent of patients were cured after taking telaprevir in combination with standard therapy for 12 weeks followed by standard therapy alone for 36 weeks; and 61 percent were cured after taking telaprevir in combination with standard therapy for 12 weeks followed by standard therapy alone for 12 weeks. This is compared to a 41 percent cure rate in the 48-week control group.

In another breakthrough study, Dr. Roy Gulick, professor of medicine and director of the Cornell HIV Clinical Trials Unit of the Division of International Medicine and Infectious Diseases at Weill Cornell Medical College, found that maraviroc, the first of a new class of HIV drugs called CCR5 receptor antagonists, is effective over 48 weeks for drug-resistant patients with R5 HIV-1, a variation of the virus found in more than half of HIV-infected patients.

One of the most discussed and debated scientific stories of the year belonged to Dr. Lawrence Casalino, associate professor of public health. His study found that patients are sometimes not informed about abnormal test results. Dr. Casalino's findings—which included a proposed system for improving notification—were published in the *Archives of Internal Medicine*. This year, Dr. Casalino was also appointed chief of Outcomes and Effectiveness Research in Public Health at NewYork-Presbyterian Hospital/Weill Cornell Medical Center, where he will lead efforts to improve quality and efficiency of clinical care.

On May 29, Weill Cornell Medical College in Qatar (WCMC-Q) celebrated another milestone in its mission to bring a world-class medical education to the Middle East by graduating its second class of physicians with the awarding of medical degrees to 17 students.

Research at WCMC-Q is also thriving. Faculty members at WCMC-Q's Genomics Laboratory announced that they have sequenced the genome of the date palm, unlocking many of its genetic secrets. The lab is an integral part of a large biomedical research program launched last year by WCMC-Q with support from the Qatar Foundation that aims to make Qatar a hub for research in the Middle East. According to Dr. Khaled Machaca, professor of physiology and biophysics and associate dean for basic science research, this study was an important step for WCMC-Q's biomedical research program, as it establishes and validates the capabilities of the core lab for future large-scale genomics projects.

A $3 million gift from the Richard S. and Karen LeFrak Charitable Foundation this year will establish the LeFrak Center for Robotic Surgery at NewYork-Presbyterian/Weill Cornell. Led by Dr. Ash Tewari, director of Robotic Prostatectomy and Outcomes Research and the Ronald P. Lynch Professor of Urologic Oncology, the LeFrak Center will focus on robotic treatments for patients with prostate cancer and other urologic conditions, and will support innovative procedures in areas including otolaryngology, obstetrics and gynecology, and ophthalmology.

Weill Cornell also received a generous grant from the Bill & Melinda Gates Foundation. The $100,000 gift will support an innovative global health research project conducted by Dr. Kyu Rhee titled "Metabolosomes: The Organizing Principle of Latency in Mycobacterium Tuberculosis." Dr. Rhee is an assistant attending physician in the Division of Infectious Diseases in the Department of Medicine

Senior Eva Kestner in Bailey Hall, where she debuted with Bonten, a professional drumming troupe that has hired her.

at NewYork-Presbyterian/Weill Cornell, and assistant professor in the Department of Microbiology and Immunology at Weill Cornell Medical College.

Dr. Joel Stein, a leading national figure in stroke research and patient care, was named chief of the Coordinated Program in Rehabilitation Medicine at Weill Cornell Medical College, Columbia University Medical Center, and NewYork-Presbyterian Hospital. Dr. Stein was most recently the chief medical officer for Spaulding Rehabilitation Hospital and an associate professor in the Department of Physical Medicine and Rehabilitation at Harvard Medical School.

Cornell University 2008-2009 Financial Report

MESSAGE FROM THE VICE PRESIDENT FOR FINANCE AND CHIEF FINANCIAL OFFICER

Cornell University's strong financial history provides the foundation for its continuing commitment to its mission and goals. While this past year saw a significant decline in the University's endowment valuation and net assets, primarily the result of the world-wide economic conditions, these circumstances have provided a unique opportunity for Cornell to begin to "reimagining" itself.

The University has been both energetic and focused in adjusting to the dramatic changes in the financial markets that have resulted in projected budget shortfalls that could span the next few years. A highly successful early retirement incentive program was offered and accepted by 432 staff members, the Ithaca campus salary improvement program was suspended for fiscal year 2010 for faculty and non-bargaining staff, an external hiring pause was implemented, base budgets and the endowment payout were reduced by 5 percent and 15 percent, respectively, and capital spending was curtailed by pausing new projects for fiscal year 2009. In addition, the University engaged a consulting firm to aid in the identification of cost savings that will assist in meeting future budget targets. Further, the University issued $500 million of taxable debt in March 2009 to provide additional liquidity as a response to the banking credit crisis. Finally, the University developed a five-year financial strategy that will restore equilibrium without sacrificing its core mission.

Even during challenging economic times, Cornell remains committed to an accessible education as one of its top priorities. The University has demonstrated this commitment by an increase in student grants, which, unlike loans, require no repayments. In fiscal year 2009, students from families with incomes under $60,000 were provided financial aid packages with "loan components" capped at $3,000. For fiscal year 2010, the University's financial aid package is more generous, with, among other features, no parental contribution for families with income less than $60,000 and assets below $100,000.

Cornell has maintained top-quality students at all levels. The number of applications for the fall 2009 class grew from 2008 by 3.9 percent, to a total of 34,371, with an admission rate of 19 percent. 67 percent of the new class of 2013 scored 650 or above on the SAT I Critical Reading, and 82 percent scored 650 or above on the SAT I Math.

The diversity and size of the Cornell's revenue stream are two of Cornell's great strengths. Of the almost $2.7 billion in total operating revenue, 58 percent is from grants and contracts, net tuition and fees, and the Medical Physicians' Organization. In fiscal year 2009, Cornell remained the number one recipient of total research funding in New York State, with $507 million in sponsored research support. Cash gift and pledge payments in fiscal year 2009, the most in University history, were over $450 million. These factors have played an important role in the University's continued ability to carry out its missions and ensure its ongoing economic impact and substantial contributions to the economic environment in New York State.

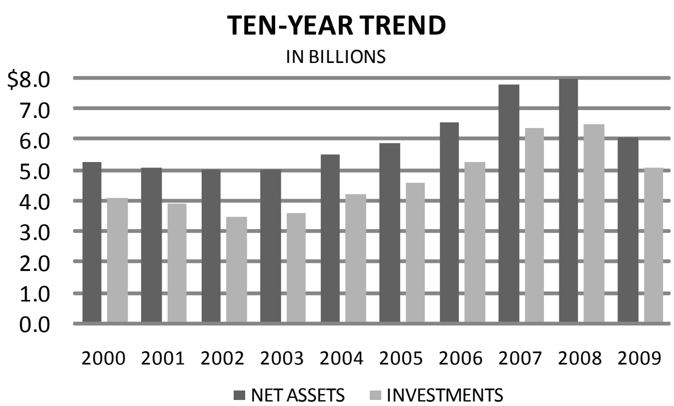
Our work is far from complete. These challenging times continue to provide us with the opportunity to reevaluate our priorities, refocus our energies, reconsider our expenditures, and reinvest in our strategic initiatives, all in an effort to position the University for the future. I am certain that Cornell is a better and stronger institution because of the extraordinary efforts of the alumni, faculty, staff, students, and trustees over this past year.

Joanne M. DeStefano

Joanne M. DeStefano
Vice President for Finance and Chief Financial Officer

OVERVIEW

Financially, this was a difficult year for the University, higher education, the national and global economies, and individual households. The University's overall net assets declined by 24 percent, approximating the decline in U.S. household net worth, estimated by the U.S. press at between 18 and 22 percent. The single most important factor in the University's current-year decline in "wealth" was the drop in the value of its investment portfolio. This correlation is predictable; it was precisely investment portfolio growth that was key to the increase in the University's net assets over the previous decade. The chart below reflects the strong relationship between the change in value of Cornell's total investment portfolio and the change in the University's total net assets over that period.



As summarized in the Vice President and Chief Financial Officer's overview, the university responded to this economic weakness and volatility with very important initiatives, but maintained its ongoing commitment to and expansion of student financial aid, even during a difficult period.

NEW STANDARDS, EMERGING ISSUES, AND INITIATIVES

Financial Standards Accounting Board ("FASB")

In the current fiscal year, Cornell adopted Financial Accounting Standard No. 157, "Fair Value Measurements" ("SFAS 157"). SFAS 157's objective is transparency and comparability of financial information within and among organizations. To this end, SFAS 157 provides a definition of the term "fair value," establishes a framework for its measurement, and requires additional disclosures. We have provided additional information about SFAS 157 in Note 1P and included the required disclosures in Notes 3 and 5 to the consolidated financial statements.

Although not a requirement, the University elected to adopt annual fair value accounting for split interest agreements under the provisions of Financial Accounting Statement No. 159 ("SFAS 159"), The Fair Value Option for Financial Assets and Financial Liabilities.

Regulatory Environment

As a major research university, Cornell is receiving government stimulus funds under the American Recovery and Reinvestment Act ("ARRA"), primarily from the National Institutes for Health ("NIH") and the National Science Foundation ("NSF"). These funds support both research activities and the acquisition of research-related equipment. As of June 30, 2009, the University received 25 awards, with combined budgets in excess of $9 million. The ARRA regulations require extensive reporting on this funding to ensure transparency to both the U.S. government and the public, and the University has implemented various procedures to ensure compliance.

The University is subject to new regulations in areas of security and privacy, and has undertaken plans and programs to ensure compliance related to the acceptance of credit cards under the Payment Card Industry (PCI) compliance requirements and other privacy provisions such as the US Federal Trade Commission's "red flag" rules.

FINANCIAL YEAR IN REVIEW

Operating revenues grew in 2009, although by less than 1 percent, significantly less than the prior year's increase of over 5 percent. In addition, for the second year in a row, operating expenses outpaced operating revenues, which resulted in operating losses both years. Cost-cutting measures implemented in fiscal year 2009 had a positive impact, as overall operating expenses in fiscal year 2009 increased by only 4 percent, compared to 9 percent in the prior year. Important factors contributing to the operating loss for fiscal year ended June 30, 2009 are the decline in contribution revenue, the increase in compensation and benefit costs, and the increase in utility costs.

> "…the university…maintained its ongoing commitment to and expansion of student financial aid, even during a difficult period."

Operating Revenue

Gross tuition revenues increased by 4 percent, a result of authorized rate increases in effect for fiscal year 2009. The scholarship allowance increased by 14 percent, reflecting, as mentioned earlier, the University's ongoing commitment to provide grant aid for students. The scholarship allowance is narrowly defined as financial aid applied to tuition and mandatory fees. Financial aid for living expenses, as disclosed in Note 10 to the consolidated financial statements, also increased by 12 percent.

"Contributions to the University's annual fund... increased by over 13 percent, reflecting the alumni's strong, and deeply appreciated, commitment to their alma mater."

Revenues from federal appropriations declined by 6 percent during fiscal year 2009. Federal appropriations, however, are less than 1 percent of overall operating revenues. The decline in state appropriations, at 4 percent for fiscal year 2009, was more significant, as state appropriations represent 6 percent of the University's total operating revenues and 27 percent of the contract colleges. State appropriations for capital construction, as disclosed in the non-operating section of the Statement of Activities, declined by over $28 million, or 52 percent.

The University's research faculty members are recognized nationally and internationally for their contributions to basic research and public outreach. One of the forms of recognition that lends itself to measurement is support by sponsors. Direct sponsored awards increased by almost 10 percent, and indirect cost recoveries grew by 12 percent in fiscal year 2009. Many factors affect indirect cost recoveries, including direct support, the type of expenditure incurred, the facilities and administrative recovery rate ("F & A rate") in effect when the award is received, off-campus vs. on-campus activity, and, finally, whether the award is being received by an endowed unit, a contract college unit, or the Weill Cornell Medical College and Graduate School of Medical Sciences ("the Medical College"). In fiscal year 2009, the F & A rates for endowed units, contract college units, and the Medical College were 59 percent, 54 percent, and 68 percent, respectively.

The decline in contribution revenue (56 percent for operations and 69 percent for capital acquisitions, trusts, and permanent endowment) are related to the uncertainty and volatility in the economic environment. Contributions to the University's annual fund, however, increased by over 13 percent, reflecting the alumni's strong, and deeply appreciated, commitment to their alma mater.

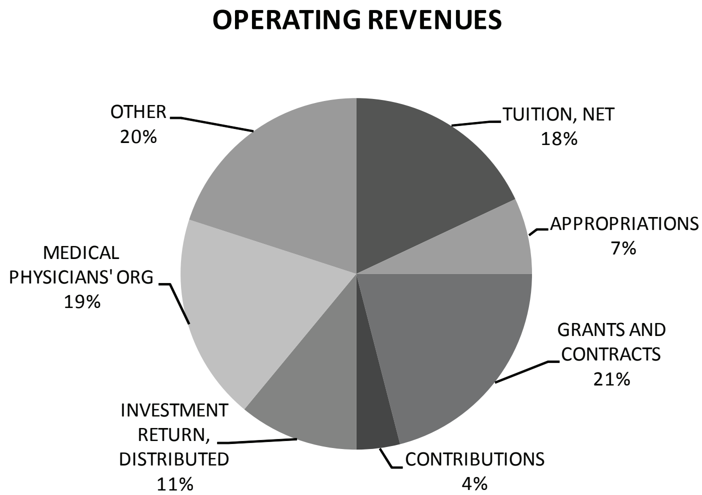
Investment return distributed increased by 8 percent, based on the per-share payout for its Long Term Investment Pool ("LTIP") shares authorized in the prior fiscal year, and increased distributions from its Pooled Balances Investment Fund ("PBIF"). The University monitored its permanent endowments, whose historic dollar cost was less than fair market value, ("underwater endowments"), and concluded that there was sufficient current income to support the payout to these underwater endowments.

Revenues for the Physicians' Organization grew by 12 percent, primarily from the radiology joint venture between Cornell University and New York Hospital, ("Weill Cornell Imaging at New York Presbyterian"), which accounted for over 60 percent of the total increase in revenues for the Physicians' Organization. In addition, sixteen departments experienced revenue growth from the maturation of recently hired physicians in strategic areas. Metrics indicate that improved patient satisfaction, patient retention, and the competitive edge for the Medical College's managed care contracts also contributed to revenue growth.

The 3 percent increase in revenues from auxiliary operations reflects the impact of two new dormitories on the Ithaca campus and the concomitant increase in student meal revenue. There was also a 3 percent increase in revenues for educational activities and other sales and service related primarily to the Medical College's increased revenues from various activities with New York Hospital.

LONG-TERM INVESTMENT POOL

Source and applications (in millions)
Beginning market value
Gifts and other additions
Withdrawals
Realized and unrealized gain/(loss)
Ending market value
Unit value at year end (in dollars) *

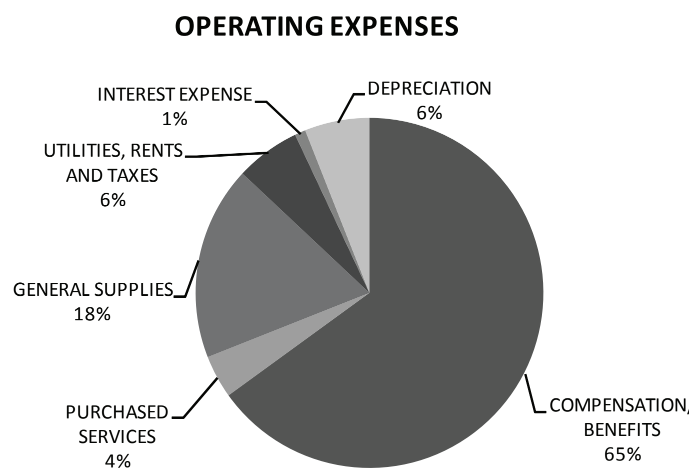


Operating Expenses

Compensation and benefits are the most significant component of operating expenses. In fiscal year 2009, these increased by over 5 percent, representing 65 percent of overall operating expenses. There were two major causes of the increase: the annual salary improvement program authorized in fiscal year 2008 and in effect in fiscal year 2009 and the one-time incentive payments authorized for Ithaca's early retirement program. There were 432 employees who took advantage of this program. The cost savings from this program will be realized in fiscal year 2010.

The decline in purchased services reflects the University's commitment to reduce expenses in fiscal year 2009 as well as declines in fees for investment managers. The category of expense referred to as supplies and general includes numerous categories such as office supplies, lab supplies, computers, travel, subscriptions, conference fees, communication, and mailing. The significant increases in utility costs resulted from new buildings now in operation and significant rate increases for electricity and steam on the Ithaca campus.

Total interest paid increased in fiscal year 2009 to $40.8 million from $38.1 million, based on an increase in outstanding debt. In fiscal year 2009, $15.4 million was capitalized as part of the cost of capital assets, an increase from $9.7 million in the prior fiscal year. Under GAAP, interest related to debt-financed capital projects must be capitalized as part of the cost of the asset on the statement of financial position and recovered over the life of the asset through depreciation. The increase in capitalized interest is affected primarily by the portion of the project that is debt financed, rather than donor or department financed. The increase in depreciation expense is a direct consequence of the increase in buildings and equipment placed into service.



1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09
$ 2,760.3	$ 3,288.0	$ 3,043.9	$ 2,750.4	$ 2,720.8	$ 3,070.2	$ 3,623.2	$ 4,180.4	$ 5,197.5	$ 5,378.1
146.4	135.4	132.5	124.3	88.9	234.8	202.0	128.7	236.8	190.5
(55.5)	(84.6)	(110.5)	(128.1)	(116.4)	(37.1)	(33.7)	(125.1)	(130.1)	(340.9)
436.8	(294.9)	(315.5)	(25.8)	376.9	355.3	388.9	1013.5	73.9	(1433.4)
$ 3,288.0	$ 3,043.9	$ 2,750.4	$ 2,720.8	$ 3,070.2	$ 3,623.2	$ 4,180.4	$ 5,197.5	$ 5,378.1	$ 3,794.3
$ 58.16	$ 51.85	$ 44.95	$ 42.65	$ 46.51	$ 50.11	$ 55.42	$ 66.62	$ 65.37	$ 45.12

Non-Operating Revenues and Expenses

The source of the non-operating loss of over $1.7 billion is based almost entirely on the realized and unrealized losses in the investment portfolio in fiscal year 2009. “Other” expenses also are market related. The market adjustment for debt swaps at June 30, 2009 of approximately $90 million accounts for almost all of the fluctuation in “Other.” The non operating loss represents 91 percent of the University’s overall loss in the current year of $1.9 billion.

Statement of Financial Position

The decrease in assets of 14 percent is a function of decreased pledges from donors, the result of the 2009 economic conditions. Liabilities increased by 18 percent due primarily to the strategic decision to assume additional debt for both capital projects and working capital.

During fiscal year 2009, the University saw a significant increase in “cash,” generated as a strategic goal to enhance liquidity. GAAP requires that investments purchased with an original maturity of 90 days or less in our working capital pool be classified as cash and cash equivalents on the statement of financial position. Therefore, at June 30, 2009, the University reclassified $173 million from investments in working capital to cash and cash equivalents. The University’s investment strategies for fiscal year 2009 included winding down its securities lending program. This is reflected in the major decrease in the amount of collateral for securities lending. In addition, the University recorded a realized loss of $2.4 million on an underlying investment purchased with this cash collateral. Although the directives to the financial institution handling the University’s short-term investments for this collateral clearly stated that the primary objective is “preservation of capital,” the very volatile economic environment created losses. The liability for the securities lending program is reflected at historic dollar value, the amount that must be returned to financial institutions when the securities “on loan” are returned to the University.

The source of the change in accounts receivable is disclosed in a detailed chart for fiscal year 2009 in Note 2A to the consolidated financial statements. The increase in the grants and contracts receivable is a function of overall increase in sponsored revenue. The swap agreements with counterparties include triggers and thresholds in which either the counterparty must deposit collateral with the University or the University must deposit collateral with the counterparty. At June 30, 2009, the University had on deposit with counterparties $20.3 million, an increase from $2.9 million in the prior fiscal year. There is no impact on the statement of activities, only on the statement of financial position. The other significant increase is the receivable from the State of New York for construction funds (“SUNY receivable”). The value of land, buildings, and equipment continues its upward trend that began a few years ago, even though in fiscal year 2009 there was a construction pause for any new project, and re-approval required for ongoing projects. There are three assets with significant declines, all related directly or indirectly to market conditions: contributions receivable, investments, and the valuation of trusts held by others.

The increase in accounts payable and accrued expenses relates to the increased liability for the market adjustment for debt swap agreements. The significant decrease in deferred revenues and other liabilities relates to the $60 million decrease in the use of the University’s line of credit at June 30, 2009. The increase in value of bonds and mortgages of $706 million is directly related to the University’s strategic decisions about additional fixed-rate bond financing in fiscal year 2009, for the funding of projects currently under way and/or deemed essential or to ensure liquidity for working capital needs.

Summary

Fiscal year 2009 was a challenging year for the University. But the University’s response to these challenges, based on both short-term and long-term initiatives, was thoughtful, mindful, focused, and designed to provide a financial structure to continue, uncompromised, the University’s mission of education, research, and public service.

Anne Shapiro

Anne Shapiro
University Controller

MANAGEMENT RESPONSIBILITY FOR CONSOLIDATED FINANCIAL STATEMENTS

The management of Cornell University is responsible for the preparation, integrity and fair presentation of the consolidated financial statements that have been prepared in conformity with generally accepted accounting principles and, as such, include amounts based on judgments and estimates by management. The University also prepared the other information in this annual report and is responsible for its accuracy and consistency with these consolidated financial statements.

The consolidated financial statements have been audited by the independent accounting firm PricewaterhouseCoopers LLP, which was given unrestricted access to all financial records and related data, including minutes of all meetings of trustees. The University believes that all representations made to PricewaterhouseCoopers LLP during its audit were valid and appropriate. The independent auditors' report expresses an independent opinion on the fairness of presentation of these consolidated financial statements.

The University maintains a system of internal controls over financial reporting that is designed to provide reasonable assurance to the University's management and Board of Trustees regarding the preparation of reliable published financial statements. Such controls are maintained by the establishment and communication of accounting and financial policies and procedures, by the selection and training of qualified personnel, and by an internal audit program designed to identify internal control weaknesses in order to permit management to take appropriate, corrective action on a timely basis.

There are inherent limitations in the effectiveness of any system of internal control, including the possibility of human error and the circumvention of controls. Accordingly, even an effective internal control system can provide only reasonable assurance with respect to financial statement preparation. Furthermore, the effectiveness of the internal control system can change with circumstances.

The Trustees of Cornell University through its Audit Committee, comprised of trustees not employed by the University, are responsible for engaging independent accountants and meeting with management, internal auditors, and the independent accountants to ensure that all are carrying out their responsibilities. Both internal auditors and the independent accountants have full and free access to the Audit Committee.

David J. Skorton
President
Cornell University

Joanne M. DeStefano
Vice President for Finance
and Chief Financial Officer

Anne Shapiro
University Controller

Independent Auditors' Report

The Board of Trustees
of Cornell University:

In our opinion, the accompanying consolidated statement of financial position and the related consolidated statements of activities, and of cash flows, present fairly, in all material respects, the financial position of Cornell University ("the University") at June 30, 2009, and the changes in their net assets and their cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. The summarized comparative financial statements of the University as of June 30, 2008 and for the year then ended were audited by other auditors whose report dated September 26, 2008 expressed an unqualified opinion on those statements.

As discussed in Note 1P to the consolidated financial statements as of July 1, 2008, the University adopted the provisions of Statement of Financial Accounting Standards No. 157, Fair Value Measurements.

PricewaterhouseCoopers LLP

October 1, 2009
Rochester, New York

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF JUNE 30, 2009 (in thousands)

(WITH COMPARATIVE INFORMATION AS OF JUNE 30, 2008)

			2009		2008
Assets					
1	Cash and cash equivalents	$	193,739	$	41,279
2	Collateral for securities loaned		24,970		215,854
3	Accounts receivable, net (note 2-A)		314,494		276,891
4	Contributions receivable, net (note 2-B)		425,375		666,817
5	Inventories and prepaid expenses		51,929		62,829
6	Student loans receivable, net (note 2-C)		70,535		72,284
7	Investments (note 3)		5,073,854		6,549,288
8	Land, buildings, and equipment, net (note 4)		2,846,850		2,616,230
9	Funds held in trust by others (note 5)		91,514		105,904
10	Total assets	$	9,093,260	$	10,607,376
Liabilities					
11	Accounts payable and accrued expenses	$	370,099	$	306,654
12	Payable under securities loan agreements		27,408		215,854
13	Deferred revenue and other liabilities (note 8-D)		242,409		299,283
14	Obligations under split interest agreements (note 5)		105,476		128,540
15	Deferred benefits (note 6)		429,792		425,038
16	Funds held in trust for others (note 7)		93,652		147,036
17	Bonds and notes payable (note 8)		1,705,378		999,170
18	Government advances for student loans		46,536		47,146
19	Total liabilities		3,020,750		2,568,721
Net assets (note 11)					
20	Unrestricted		3,186,340		5,129,765
21	Temporarily restricted		856,515		919,960
22	Permanently restricted		2,029,655		1,988,930
23	Total net assets		6,072,510		8,038,655
24	Total liabilities and net assets	$	9,093,260	$	10,607,376

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2009 (in thousands)
(WITH SUMMARIZED INFORMATION FOR THE YEAR ENDED JUNE 30, 2008)

		Unrestricted	Temporarily Restricted
	Operating revenues		
1	Tuition and fees	$ 697,493	$ -
2	Scholarship allowance	(220,522)	-
3	Net tuition and fees	476,971	-
4	State and federal appropriations	182,371	-
5	Grants, contracts and similar agreements		
6	Direct	430,408	-
7	Indirect cost recoveries	127,316	-
8	Contributions	64,851	29,774
9	Investment return, distributed (note 3-A)	208,302	95,809
10	Medical Physicians' Organization	504,092	-
11	Auxiliary enterprises	145,502	-
12	Educational activities and other sales and services	388,713	31
13	Net assets released from restrictions	144,373	(144,373)
14	Total operating revenues	2,672,899	(18,759)
	Operating expenses (note 10)		
15	Compensation and benefits	1,845,274	-
16	Purchased services	124,471	-
17	Supplies and general	497,728	-
18	Utilities, rents and taxes	152,941	-
19	Interest expense (note 8)	26,041	-
20	Depreciation	178,046	-
21	Total operating expenses	2,824,501	-
22	Change in net assets from operating activities	(151,602)	(18,759)
	Nonoperating revenues and (expenses)		
23	State and federal appropriations for capital acquisitions	26,896	-
24	Grants, contracts and similar agreements for capital acquisitions	-	-
25	Contributions for capital acquisitions, trusts and endowments	43,581	30,553
26	Investment return, net of amount distributed (note 3-A)	(1,795,810)	(9,909)
27	Change in value of split interest agreements	6,790	(19,234)
28	Pension and postretirement changes other than net periodic costs (note 6-C)	(4,815)	-
29	Other	(97,056)	209
30	Net asset released for capital acquisitions and reclassifications	28,591	(46,305)
31	Change in net assets from nonoperating activities	(1,791,823)	(44,686)
32	Change in net assets	(1,943,425)	(63,445)
33	Net assets, beginning of the year	5,129,765	919,960
34	Net assets, end of the year	$ 3,186,340	$ 856,515

The accompanying notes are an integral part of the consolidated financial statements.

Permanently Restricted	2009 Total	2008 Total	
$ -	$ 697,493	$ 669,681	1
-	(220,522)	(194,071)	2
-	476,971	475,610	3
-	182,371	190,885	4
			5
-	430,408	390,837	6
-	127,316	114,121	7
-	94,625	217,519	8
-	304,111	280,985	9
-	504,092	451,497	10
-	145,502	140,993	11
-	388,744	376,710	12
-	-	-	13
-	2,654,140	2,639,157	14
-	1,845,274	1,746,496	15
-	124,471	144,594	16
-	497,728	478,041	17
-	152,941	138,223	18
-	26,041	27,784	19
-	178,046	173,775	20
-	2,824,501	2,708,913	21
-	(170,361)	(69,756)	22
-	26,896	55,580	23
-	-	2,451	24
38,696	112,830	364,690	25
(5,888)	(1,811,607)	(109,754)	26
(9,797)	(22,241)	6,892	27
-	(4,815)	(16,481)	28
-	(96,847)	(33,432)	29
17,714	-	-	30
40,725	(1,795,784)	269,946	31
40,725	(1,966,145)	200,190	32
1,988,930	8,038,655	7,838,465	33
$ 2,029,655	$ 6,072,510	$ 8,038,655	34

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2009 (in thousands)

(WITH COMPARATIVE INFORMATION FOR THE YEAR ENDED JUNE 30, 2008)

		2009	2008
	Cash flows from operating activities		
1	Change in net assets	$ (1,966,145)	$ 200,190
	Adjustments to reconcile change in net assets		
	to net cash provided/(used) by operating activities		
2	Contributions for capital acquisitions, trusts and endowments	(99,193)	(357,356)
3	Depreciation	178,046	173,775
4	Net realized and unrealized (gain)/loss on investments	1,578,212	(58,543)
5	Pension and postretirement changes other than net periodic costs	4,815	16,481
6	Change in value of interest rate swaps	90,162	55,194
7	Other adjustments	(11,478)	11,606
	Change in assets and liabilities		
8	Accounts receivable, net	(37,603)	(28,926)
9	Contributions receivable, net	241,442	(170,907)
10	Inventories and prepaid expenses	18,153	15,116
11	Accounts payable and accrued expenses	(26,717)	79,333
12	Deferred revenue and other liabilities	(56,874)	161,020
13	Change in obligations under split interest agreements	(8,674)	1,055
14	Deferred benefits	(61)	34,000
15	Net cash provided/(used) by operating activities	(95,915)	132,038
	Cash flows from investing activities		
16	Proceeds from the sale and maturities of investments	13,362,173	10,123,144
17	Purchase of investments	(13,462,513)	(10,299,858)
18	Acquisition of land, buildings, and equipment (net)	(397,502)	(456,933)
19	Student loans granted	(7,385)	(13,692)
20	Student loans repaid	9,448	9,835
21	Change in funds held in trust for others	(53,384)	(37,794)
22	Net cash used by investing activities	(549,163)	(675,298)
	Cash flows from financing activities		
	Contributions restricted to		
23	Investment in endowments	79,046	234,032
24	Investment in physical plant	22,032	110,120
25	Investment subject to living trust agreements	(1,885)	13,204
26	Principal payments of bonds and notes payable	(178,315)	(87,316)
27	Proceeds from issuance of bonds and notes payable	884,523	286,428
28	Bond issuance costs incurred	(7,253)	(2,769)
29	Government advances for student loans	(610)	3,271
30	Net cash provided by financing activities	797,538	556,970
31	Net change in cash and cash equivalents	152,460	13,710
32	Cash and cash equivalents, beginning of year	41,279	27,569
33	Cash and cash equivalents, end of year	$ 193,739	$ 41,279
	Supplemental disclosure of cash flow information		
34	Cash paid for interest	$ 40,820	$ 38,142

The accompanying notes are an integral part of the consolidated financial statements.

1. SIGNIFICANT ACCOUNTING POLICIES

A. Description of the Organization

Cornell University ("the University") consists of three major organizational units: Endowed Ithaca, which includes the endowed colleges, the central University administration, and the enterprise and service operations for the Ithaca campus; Contract Colleges at Ithaca (colleges operated by the University on behalf of New York State); and the Joan and Sanford I. Weill Medical College and Graduate School of Medical Sciences ("the Medical College") in New York City. These three units are subject to the common administrative authority and control of the Cornell University Board of Trustees, but generally operate as financially discrete entities. The laws establishing the Contract Colleges at Ithaca prohibit other units of the University from using funds attributable to those colleges. Except as specifically required by law, the contract and endowed colleges at Ithaca are, to the extent practicable, governed by common management principles and policies determined at the private discretion of the University. In addition to the three major organizational units, the University's subsidiaries and certain affiliated organizations are included in the consolidated financial statements. All significant intercompany transactions and balances are eliminated in the accompanying consolidated financial statements.

B. Basis of Presentation

The accompanying consolidated financial statements have been prepared on an accrual basis in accordance with U.S. generally accepted accounting principles (GAAP), and are presented in accordance with the American Institute of Certified Public Accountants (AICPA) Audit and Accounting Guide for Not-for-Profit Organizations. The standards for financial statements of not-for-profit organizations require a statement of financial position, a statement of activities, and a statement of cash flows, and that they be displayed based on the concept of net assets. GAAP requires presentation of revenues, expenses, gains, losses, and net assets in three categories based on the presence or absence of donor-imposed restrictions: permanently restricted, temporarily restricted, and unrestricted.

Permanently restricted net assets include the historical dollar amount of gifts, pledges, trusts, and gains explicitly required by donors to be permanently retained.

Temporarily restricted net assets include gifts, pledges, trusts, income, and gains that can be expended, but for which the donor restrictions have not yet been met. Such restrictions include purpose restrictions where donors have specified the purpose for which the net assets are to be spent, or time restrictions imposed by donors or implied by the nature of the gift (e.g., future capital projects, pledges to be paid in the future, life income funds). Expiration of donor restrictions is reported in the consolidated statement of activities as a reclassification from temporarily restricted net assets to unrestricted net assets on the net assets released from restrictions lines.

Unrestricted net assets are the remaining net assets of the University, including appreciation on true endowments where the donor restrictions are deemed to have been met.

The consolidated statement of activities presents the changes in net assets of the University from both operating and non-operating activities. Revenues and expenses that relate to carrying out the University's educational, research, and public service missions are reported as operating activities. Operating revenues include investment income and appreciation utilized to fund current operations, the largest portion of which is the distribution of endowment return as determined by the University's spending policy. The University reports as nonoperating activities investment earnings or losses net of amounts utilized in operating activities, contributions and net assets released from restrictions for endowment and facilities, and other activities not in direct support of the University's annual operations.

C. Cash and Cash Equivalents

Cash and cash equivalents includes cash on hand and in bank accounts, money market funds and other temporary investments held for working capital purposes with an original maturity term of ninety days or less. The carrying amount of cash equivalents approximates fair value because of their short terms of maturity. Cash that is part of the University's investment portfolio and awaiting investment is reported as investments and included in Note 3.

D. Collateral for Securities Loaned

The University has an agreement with its investment custodian to lend University securities to approved brokers for a fee. The securities on loan are returnable on demand and are collateralized by cash deposits that are adjusted daily based on the market value of the securities loaned. The collateral is invested in short-term securities with the goal of preserving capital, and the earnings are recorded as additional income to the investment pools. Collateral is reported as both an asset and liability of the University. The University realizes losses on any investments that are deemed permanently impaired, and may reflect the collateral reported as an asset at a value different from the University's liability for the return of the cash collateral.

E. Contributions

Contributions, including unconditional promises to give (pledges), are recognized as revenues in the appropriate categories of net assets in the period received. A pledge is recorded at present value of estimated future cash flows, based on an appropriate discount rate determined by management at the time of the contribution. Amortization of this discount in subsequent years is included in contribution revenue. A contribution of assets other than cash is recorded at its estimated fair value on the date of the contribution. Contributions for capital projects, endowments, and similar funds are reported as nonoperating revenues. Conditional promises to donate to the University are not recognized until the conditions are substantially met.

Temporarily restricted net assets include contributions to the University and to the Cornell University Foundation, an affiliated entity that is included in the consolidated financial statements. The Foundation maintains a donor-advised fund for which the donors can make recommendations to the fund's trustees regarding distributions to the University or other charitable organizations. Distributions from the Foundation to external charitable organizations are recorded as nonoperating expenses.

F. Investments

The University's investments are recorded in the consolidated financial statements at fair value. The values of publicly traded securities are based on quoted market prices and exchange rates, if applicable. The fair value of nonmarketable securities is based on valuations provided by external investment managers. These investments are generally less liquid than other investments, and the values reported by the general partner or investment manager may differ from the values that would have been reported had a ready market for these securities existed. The University exercises due diligence in assessing the policies, procedures, and controls implemented by its external investment managers, and believes the carrying amount of these assets is a reasonable estimate of fair value.

Investment income is recorded on an accrual basis, and purchases and sales of investment securities are reflected on a trade-date basis. Realized gains and losses are calculated using average cost for securities sold.

G. Derivative Instruments and Hedging Activities

The University has approved the use of derivatives by outside investment managers, based on investment guidelines negotiated at the time of a manager's appointment. The derivatives are used to adjust fixed income durations and rates, to create "synthetic exposures" to certain types of investments, and to hedge foreign currency fluctuations. The University records the fair value of derivative instruments within the applicable portfolio. The change in the fair value of a derivative instrument held for investment is included in nonoperating investment return in the consolidated statement of activities.

In addition, the University holds other derivatives to manage its current and/or future long-term debt. These instruments are recorded at fair value as either prepaid or accrued expenses in the consolidated statement of financial position, and the change in fair value is recorded as other nonoperating activity in the consolidated statement of activities.

Derivatives involve counterparty credit exposure. To minimize this exposure, the University carefully monitors counterparty credit risk and requires that investment managers use only those counterparties with strong credit ratings for these derivatives.

H. Land, Buildings, and Equipment

Land, buildings, and equipment are stated in the consolidated statement of financial position at cost on the date of acquisition or at fair value on the date of donation, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful life of the asset, and is reflected as an operating expense. Expenditures associated with the construction of new facilities are recorded as construction in progress until the projects are completed.

The University's collections, whether paintings, rare books, or other tangible property, have been acquired through purchases and contributions since the University's inception. They are recognized as capital assets and are reflected, net of accumulated depreciation, in the consolidated statement of financial position. A collection received as a gift is recorded at fair value as an increase in net assets in the year in which it is received.

I. Funds Held in Trust by Others

Funds held in trust by others represent resources that are not in the possession or under the control of the University. These funds are administered by outside trustees, with the University receiving income or residual interest. Funds held in trust by others are recognized at the estimated fair value of the assets or the present value of the future cash flows due to the University when the irrevocable trust is established or the University is notified of its existence. Gains or losses resulting from changes in fair value are recorded as nonoperating activities in the consolidated statement of activities.

J. Split Interest Agreements

The University's split interest agreements with donors consist primarily of charitable gift annuities, pooled income funds, and charitable trusts for which the University serves as trustee. Assets held in trust are either separately invested or included in the University's investment pools in accordance with the agreements. Contribution revenue and the assets related to split interest agreements, net of related liabilities, are classified as increases in temporarily restricted net assets or permanently restricted net assets. Liabilities associated with charitable gift annuities and charitable remainder trusts represent the present value of the expected payments to the beneficiaries based on the terms of the agreements. Pooled income funds are recognized at the net present value of the net assets expected at a future date. Gains or losses resulting from changes in fair value, changes in assumptions and amortization of the discount are recorded as changes in value of split interest agreements in the appropriate restriction category in the nonoperating section of the consolidated statement of activities.

K. Endowments

In approving endowment spending and related policies, and in keeping with the prudent and diligent discharge of its duties, the Board of Trustees of Cornell University, as authorized by the New York Not-for-Profit Corporation Law (the "law"), has relied upon the actions, reports, information, advice, and counsel taken or provided by its duly constituted committees and the duly appointed officers of the University, including University Counsel, and in doing so has interpreted the law to require the preservation of the historic dollar value of donor-restricted endowment funds, absent explicit donor direction to the contrary.

As a result of this interpretation, for accounting and financial statement purposes, the University classifies as permanently restricted net assets the historic dollar value of assets held as donor-restricted endowment, including any subsequent gifts and any accumulations to donor-restricted endowments made in accordance with the direction of the applicable gift instruments.

The portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified for accounting and financial statement purposes in accordance with requirements of the Financial Accounting Standards Board and the law.

The University's investment objective for its endowment assets is to maximize total return within reasonable risk parameters, specifically, to achieve a total return, net of expenses, of at least 5 percent in excess of inflation, as measured by the Consumer Price Index over rolling five year periods. The achievement of favorable investment returns enables the University to distribute increasing amounts over time from the endowment so that present and future needs can be treated equitably in inflation adjusted terms.

The University has a total distribution policy for the Long Term Investment Pool, in which most of the endowment assets are invested. Under this policy, a distribution is provided from the pool, independent of the cash yield and investment returns in a given year. This insulates both investment policy from budgetary pressures and the distribution from fluctuations in financial markets. Distributions from the pool are approved by the Board of Trustees as part of the financial planning process. The annual distribution is set so that, over time, a sufficient portion of the return is reinvested to maintain the purchasing power of the endowment and provide reasonable growth in support of programs.

The annual distributions, or payout, to endowment funds are normally five percent greater than the prior fiscal year, as long as that increase allows the payout to remain within a defined target range of a 12-quarter rolling average of the unit fair value. The trustees may occasionally make step adjustments, either incremental or decremental, based on prior investment performance and current market conditions.

Total distributions, or spending, include payout, investment expenses, and service charges that support the general and stewardship costs of the University endowment.

L. Sponsored Agreements

Revenues under grants, contracts, and similar agreements are recognized at the time expenditures are incurred. These revenues include the recovery of facilities and administrative costs, which are recognized according to negotiated predetermined rates. Amounts received in advance, in excess of incurred expenditures, are recorded as deferred revenues.

M. Medical Physicians' Organization

The Medical Physicians' Organization provides the management structure for the practice of medicine in an academic medical center. In addition to conducting instructional and research activities, physician members generate clinical practice income from their professional services to patients. Also reflected as University revenues are Medical Physicians' Organization fees. Expenses of the clinical practice, including physician compensation, administrative operations, and provision for uncollectible accounts, are reflected as University expenses. Net assets resulting from the activities of the Medical Physicians' Organization are designated for the respective clinical departments of the Medical College.

N. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses during the reporting period. Management's assumptions are primarily related to the appropriate discount rate for the purposes of fair value calculations, to allowances for doubtful accounts, and to self-insured risks. Actual results may differ from those estimates.

O. Comparative Financial Information

The consolidated statement of activities includes prior-year information in summary form, rather than by restriction class. Such information does not include sufficient detail to constitute a presentation of prior-year data in conformity with U.S. generally accepted accounting principles. Accordingly, such information should be read in conjunction with the University's consolidated financial statements for the prior fiscal year, from which the summarized information was derived.

P. Accounting Pronouncements

Effective for the fiscal year beginning July 1, 2008, the University adopted Statement of Financial Accounting Standards No. 157: *Fair Value Measurements* (FAS 157). FAS 157 defines fair value based on the exchange price, that is, the amount that would be received if an asset were sold or the amount paid to transfer a liability, in an orderly transaction between market participants at the measurement date. It also establishes a framework for measuring fair value under generally accepted accounting principles and enhances disclosures about fair value measurements.

FAS 157 establishes a hierarchy of valuation inputs based on the extent to which the inputs are observable in the marketplace. Observable inputs reflect market data obtained from sources independent of the University, and unobservable inputs reflect the University's own assumptions, based on the best information available, about how market participants would value an asset or liability. Valuation techniques used to measure fair value under FAS 157 must maximize the use of observable inputs and minimize the use of unobservable inputs. The standard describes a fair value hierarchy based on three levels of inputs, described below, that may be used to measure fair value, the first two of which are considered observable and the last unobservable.

Level 1 - quoted prices in active markets for identical assets or liabilities

Level 2 - inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the same term of the assets or liabilities

Level 3 - unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities

An asset or liability's categorization within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

In addition, the provisions of Statement of Financial Accounting Standards No. 159: *The Fair Value Option for Financial Assets and Financial Liabilities* (FAS 159) were effective July 1, 2008. FAS 159 gives entities the option, at specific election dates, to measure certain financial assets and liabilities at fair value. The fair value option may be applied to financial assets and liabilities on an instrument-by-instrument basis, is irrevocable, and may only be applied to entire instruments. Unrealized gains and losses on instruments for which FAS 159 has been elected are reported in earnings at each subsequent reporting date. The University elected FAS 159 for its obligations under split interest agreements.

Also effective for the fiscal year ended June 30, 2009, the University included the additional disclosures required by FASB Staff Position No. 117-1: *Endowments of Not-for-Profit Organizations: Net Asset Classification of Funds Subject to an Enacted Version of the Uniform Prudent Management of Institutional Funds Act, and Enhanced Disclosures for All Endowment Funds* (FSP 117-1). FSP 117-1 provides guidance on the net asset classification of donor-restricted endowment funds for not-for-profit organizations that are subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA). Although New York State has not yet adopted the provisions of UPMIFA, this FSP also requires additional disclosures about an organization's endowment funds, whether or not the organization is subject to UPMIFA. These disclosures are found in Notes 1-K and 11.

Q. Reclassifications

Certain prior-year amounts have been reclassified to conform to the current-year presentation.

R. Income Taxes

The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is generally exempt from income taxes on related income pursuant to the appropriate sections of the Internal Revenue Code.

(dollars in thousands)

2. RECEIVABLES

A. Accounts Receivable

Accounts receivable from the following sources were outstanding as of June 30:

SUMMARY OF ACCOUNTS RECEIVABLE

	2009	2008
Grants and contracts	$ 89,594	$ 68,305
Collateral related to interest rate swap agreements	20,341	2,857
New York Presbyterian Hospital and other affiliates	69,320	59,201
Patients (net of contractual allowances)	68,952	71,619
State of New York for capital projects	28,850	17,794
Student accounts	8,884	5,764
Other	42,993	66,514
Gross accounts receivable	$ 328,934	$ 292,054
Less: allowance for doubtful accounts	(14,440)	(15,163)
Net accounts receivable	$ 314,494	$ 276,891

The patient accounts receivable for medical services was comprised of the following at June 30, 2009 and 2008, respectively: commercial third parties 56.8 percent and 51.7 percent; federal/state government 16.7 percent and 16.8 percent; and patients 26.5 percent and 31.5 percent.

Other accounts receivable include receivables from other government agencies, matured bequests, and receivables from other operating activities.

B. Contributions Receivable

Unconditional promises to give, or pledges, are recorded in the consolidated financial statements at present value using discount rates ranging from 4 percent to 7 percent. Contributions are expected to be realized as follows:

SUMMARY OF CONTRIBUTIONS RECEIVABLE

	2009	2008
Less than one year	$ 179,825	$ 212,667
Between one and five years	259,448	315,095
More than five years	121,473	474,898
Gross contributions receivable	$ 560,746	$ 1,002,660
Less: unamortized discount	(96,531)	(300,748)
Less: allowance for uncollectible amounts	(38,840)	(35,095)
Net contributions receivable	$ 425,375	$ 666,817

Contributions receivable as of June 30 are intended for the following purposes:

EXPECTED PURPOSE OF CONTRIBUTIONS RECEIVABLE

	2009	2008
Support of University operations	$ 137,140	$ 297,287
Capital purposes	133,723	153,352
Endowments and similar funds	154,512	216,178
Net contributions receivable	$ 425,375	$ 666,817

At June 30, 2009 and 2008, conditional promises not reflected in the consolidated financial statements, which consist primarily of bequest intentions, were approximately $196,889 and $165,458, respectively.

(dollars in thousands)

C. Student Loans Receivable

The University participates in various federal revolving loan programs, in addition to administering institutional loan programs. Loans receivable from students as of June 30 are as follows:

SUMMARY OF STUDENT LOANS RECEIVABLE

	2009	2008
Federal revolving loans	$ 46,267	$ 48,962
Institutional loans	30,243	29,618
Gross student loans receivable	$ 76,510	$ 78,580
Less: allowance for doubtful accounts	(5,975)	(6,296)
Net student loans receivable	$ 70,535	$ 72,284

The allowance for doubtful accounts is for loans in both repayment status and those not yet in repayment status because the borrowers are still in school or in the grace period following graduation.

Student loans are often subject to unique restrictions and conditions and, therefore, it is not practical to determine their fair values.

3. INVESTMENTS

A. General Information

The University's investments are overseen by the Investment Committee of the Board of Trustees. The University's investment strategy incorporates a diversified asset allocation approach and maintains, within defined limits, exposure to the movements of the world equity, fixed income, commodities, real estate, and private equity markets. Based on guidelines established by the Investment Committee, the University's Investment Office directs the investment of endowment and trust assets, certain working capital, and temporarily invested expendable funds.

The University has categorized its investment assets in accordance with the valuation hierarchy as defined by FAS 157. The following describes the hierarchy of inputs used to measure fair value and the primary valuation methodologies used by the University for investment assets measured at fair value on a recurring basis.

Fair value for Level 1 is based upon quoted prices in active markets that the University has the ability to access for identical assets. Market price data is generally obtained from exchange or dealer markets. The University does not adjust the quoted price for such assets.

Fair value for Level 2 is based on quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets. Inputs are obtained from various sources including market participants, dealers and brokers.

Fair value for Level 3 is based on valuation techniques that use significant inputs that are unobservable.

Investments included in Level 3 primarily consist of the University's ownership in alternative investments (principally limited partnership interests in hedge, private equity, real estate, and other similar funds). The fair value of certain alternative investments represents the ownership interest in the net asset value (NAV) of the respective partnership. The NAV of these investments is determined by the general partner, and is based on appraisals, or other estimates that require varying degrees of judgment. If no public market exists for the investment securities, the fair value is determined by the general partner taking into consideration, among other things, the cost of the securities, prices of recent significant placements of securities of the same issuer, and subsequent developments concerning the companies to which the securities relate. The University has performed significant due diligence around these investments to ensure that NAV is an appropriate measure of fair value as of June 30.

(dollars in thousands)

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the University believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

The University's investment holdings as of June 30, categorized in accordance with FAS 157, are summarized in the following table:

INVESTMENTS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	2009 Total	2008 Total
Cash and cash equivalents	$ 569,960	$ 7,057	$ -	$ 577,017	$ 267,836
Domestic equities	55,166	60,625	13,628	129,419	699,794
Foreign equities	177,800	4,267	44,845	226,912	911,636
Marketable alternatives	-	-	740,808	740,808	625,452
Hedged equities	16,430	-	747,315	763,745	1,252,730
Fixed income	537,797	369,808	356,578	1,264,183	898,489
Private equities	-	-	736,633	736,633	902,677
Real assets	-	-	584,039	584,039	956,468
Other	-	-	51,098	51,098	34,206
Total investments	$ 1,357,153	$ 441,757	$ 3,274,944	$ 5,073,854	$ 6,549,288
Securities not included in investment portfolio					
Cash and cash equivalents	$ 173,347	$ -	$ -	$ 173,347	$ -
Collateral for securities loaned	$ -	$ 24,970	$ -	$ 24,970	$ 215,854

The following table is a rollforward of the investments classified by the University within Level 3 of the fair value hierarchy defined above:

SUMMARY OF LEVEL 3 INVESTMENT ACTIVITY

	Fair value at June 30, 2008	Realized gains/(losses)	Unrealized gains/(losses)	Net purchases, sales, settlements	Transfers in/(out) of Level 3	Fair value at June 30, 2009
Domestic equities	$ 14,131	$ -	$ 34	$ 8	$ (545)	$ 13,628
Foreign equities	117,364	786	(47,123)	(26,182)	-	44,845
Marketable alternatives	625,452	(3,953)	(33,681)	152,990	-	740,808
Hedged equities	1,249,927	60,199	(324,096)	(238,715)	-	747,315
Fixed income	271,367	(74)	(39,603)	124,888	-	356,578
Private equities	902,677	15,138	(198,389)	17,207	-	736,633
Real assets	957,167	(9,171)	(346,744)	(17,213)	-	584,039
Other	34,206	652	-	(574)	16,814	51,098
Total Level 3 investments	$ 4,172,291	$ 63,577	$ (989,602)	$ 12,409	$ 16,269	$ 3,274,944

All net realized and unrealized gains/(losses) in the table above are reflected in the accompanying consolidated statement of activities. Net unrealized gains/(losses) relate to those financial instruments held by the University at June 30, 2009.

Under the terms of certain limited partnership agreements, the University is obligated to make additional capital contributions up to contractual levels. At June 30, 2009 and 2008, the University had commitments of $1,067,403 and $1,362,308, respectively, for which capital calls had not been exercised. Such commitments generally have fixed expiration dates or other termination clauses.

(dollars in thousands)

The University maintains a number of investment pools or categories for specified purposes, the most significant of which are the Long-Term Investment Pool (LTIP), described below, and several funds established to maximize total return derived from the investment of intermediate-term cash balances. The fair values as of June 30 were as follows:

INVESTMENTS POOLS/CATEGORIES AT FAIR VALUE

	2009	2008
Working capital	$ 1,185	$ 32,704
Intermediate-term	625,261	571,174
Long-term investment pool (LTIP)	3,794,336	5,378,096
Separately invested portfolio	444,266	411,614
Pooled life income funds	10,042	13,909
DASNY holdings	156,372	111,076
Other	42,392	30,715
Total	$ 5,073,854	$ 6,549,288

Additional information about the University's investment return for the fiscal years ended June 30 is presented in the following table:

SUMMARY OF INVESTMENT RETURN

	2009	2008
Interest and dividends, net of investment fees	$ 70,716	$ 112,688
Net realized gain/(loss)	(499,093)	415,142
Net unrealized gain/(loss)	(1,079,119)	(356,599)
Total investment return	$ (1,507,496)	$ 171,231
LTIP distributions for operations	$ 269,811	$ 238,282
PBIF distributions for operations	34,681	36,506
Trust and other income for operations	(381)	6,197
Investment return, distributed	$ 304,111	$ 280,985
Investment return, undistributed	(1,811,607)	(109,754)
Total investment return	$ (1,507,496)	$ 171,231

B. Long-Term Investment Pool

The LTIP is a mutual fund-like vehicle used for investing the University's true endowment funds, funds functioning as endowment, and other funds that are not expected to be expended for at least three years. The University employs a unit method of accounting for the LTIP. Each participating fund enters into and withdraws from the pooled investment account based on monthly unit fair values. At June 30, 2009 and 2008, the fair values per unit were $45.12 and $65.37, respectively. The total return on the University's long-term investments, of which the LTIP is the major component, was -26.0 percent for the fiscal year ended June 30, 2009. The changes in the fair value and cost of the LTIP and information about its participating units as of June 30, 2009 and 2008 are as follows:

SUMMARY INFORMATION - LONG-TERM INVESTMENT POOL

	Fair value	Cost	Appreciation/ (depreciation)	Fair value per unit	Number of units
End of year	$ 3,794,336	$ 3,671,369	$ 122,967	$ 45.12	84,095,359
Beginning of year	$ 5,378,096	$ 4,267,499	$ 1,110,597	$ 65.37	82,269,929
Unrealized net gain/(loss) for year			$ (987,630)		
Realized net gain/(loss) for year			$ (445,845)		
Net gain/(loss) for year			$ (1,433,475)		

(dollars in thousands)

For the fiscal year ended June 30, 2009, distributions of investment payout to participating funds totaled $250,681 ($3.00 per unit) of which $223,668 was paid out for the University's operations, with the balance in the amount of $27,013 either returned to principal or distributed to funds held for others. The distribution for the fiscal year ended June 30, 2009 was comprised of $13,097 in net investment income and $237,584 paid from accumulated gains. For the fiscal year ended June 30, 2008, the investment payout was $213,048 ($2.66 per unit), and was comprised of $46,997 in net investment income and $166,051 paid from accumulated gains.

C. Separately Invested Portfolio, Pooled Life Income Funds, and DASNY Holdings

The University maintains a category of assets referred to as the separately invested portfolio. This category consists of assets that, for legal or other reasons, or by request of the donor, could not participate in any of the investment pools.

Life income fund pools consist of donated funds, the income from which is payable to one or more beneficiaries during their lifetimes. On the termination of life interests, the principals become available for University purposes, which may or may not have been restricted by the donors.

University funds on deposit at DASNY consist of reserves for retirement of debt and bond proceeds not yet expended. The total funds on deposit are $156,372 and $122,599 as of June 30, 2009 and 2008, respectively. The amount of bond proceeds not yet expended included in the total reserves at DASNY are $126,873 and $107,653 as of June 30, 2009 and 2008, respectively.

D. Derivative Financial Instruments

The University has approved the use of derivatives by outside investment managers, based on investment guidelines negotiated at the time of a manager's appointment. The derivatives are used to adjust fixed income durations and rates, to create "synthetic exposures" to certain types of investments, and to hedge foreign currency fluctuations.

Certain investment transactions, including derivative financial instruments, involve counterparty credit exposure. The University's investment guidelines require that investment managers use only those counterparties with strong credit ratings for these derivatives. The fair value of the derivative investments were $85,450 and $48,791 at June 30, 2009 and 2008, respectively. For the fiscal years ended June 30, 2009 and 2008, the University recorded unrealized gains of $7,071 and $366, respectively, on derivative holdings.

4. LAND, BUILDINGS, AND EQUIPMENT

Land, buildings, and equipment are detailed as follows:

LAND, BUILDINGS, AND EQUIPMENT

	Book value at June 30, 2008	Additions	Disposals and closed projects	Book value at June 30, 2009
Land, buildings, and equipment	$ 2,902,213	$ 313,560	$ (7,956)	$ 3,207,817
Furniture, equipment, books, and collections	933,512	81,788	(42,917)	972,383
Construction in progress	408,433	337,364	(321,549)	424,248
Total before accumulated depreciation	$ 4,244,158	$ 732,712	$ (372,422)	$ 4,604,448
Accumulated depreciation	(1,627,928)			(1,757,598)
Net land, buildings, and equipment	$ 2,616,230			$ 2,846,850

Certain properties to which the University does not have title are included in physical assets at net book values, as follows: (1) land, buildings, and equipment of the Contract Colleges aggregating $428,431 and $421,439 at June 30, 2009 and 2008, respectively, the acquisition cost of which was borne primarily by New York State and (2) land, buildings, and equipment for which titles rest with government and corporate agencies aggregating $13,842 and $17,296 at June 30, 2009 and 2008, respectively.

(dollars in thousands)

5. OBLIGATIONS UNDER SPLIT INTEREST AGREEMENTS AND FUNDS HELD IN TRUST BY OTHERS

The University elected the provisions of FAS 159 and, as a result, is required to report its obligations under split interest agreements at fair value as of June 30, 2009 and at each subsequent reporting date. In addition, the election means that the fair value of these liabilities are subject to the guidelines and disclosures required by FAS 157.

The University's interest in funds held in trust by others is considered Level 3, based on unobservable inputs, in the FAS 157 fair value hierarchy. Trusts in which the University has an income interest are valued annually using estimated cash flows based on average actual income over three years. Remainder interests are based on annual valuation reports received from the trustee. The discount rate used to estimate present value is based on the average return of investment grade corporate bonds, weighted according to a schedule of actuarial maturities.

The fair value of obligations under split interest agreements are calculated annually and considered Level 3 valuations. The discount rate used is based on a weighted average of investment grade corporate bonds using a schedule of actuarial maturities and the relative size of the agreements in the year of maturity.

The tables below summarize the fair values and activity of funds held in trust by others and obligations under split interest agreements.

SPLIT INTEREST AGREEMENTS AT FAIR VALUE

	Level 1 fair value	Level 2 fair value	Level 3 fair value	**2009** Total	**2008** Total
Remainder	$ -	$ -	$ 56,515	$ 56,515	$ 69,190
Lead and perpetual	-	-	34,999	34,999	36,714
Total funds held in trust by others	$ -	$ -	$ 91,514	$ 91,514	$ 105,904
Obligations under split interest agreements	$ -	$ -	$ 105,476	$ 105,476	$ 128,540

SUMMARY OF LEVEL 3 SPLIT INTEREST AGREEMENT ACTIVITY

	Fair value at June 30, 2008	Realized gains/(losses)	Unrealized gains/(losses)	Net purchases, sales, settlements	Transfers in/(out) of Level 3	Fair value at June 30, 2009
Remainder	$ 69,190	$ -	$ (17,039)	$ 4,364	$ -	$ 56,515
Lead and perpetual	36,714	(1,604)	(12)	(99)	-	34,999
Total funds held in trust by others	$ 105,904	$ (1,604)	$ (17,051)	$ 4,265	$ -	$ 91,514
Obligations under split interest agreements	$ 128,540	$ -	$ (23,064)	$ -	$ -	$ 105,476

(dollars in thousands)

6. DEFERRED BENEFITS

A. General Information

Accrued employee benefit obligations as of June 30 include:

SUMMARY OF DEFERRED BENEFITS

	2009	2008
Postemployment benefits	$ 24,421	$ 21,334
Pension and other postretirement benefits	250,910	239,950
Other deferred benefits	154,461	163,754
Total deferred benefits	$ 429,792	$ 425,038

Other deferred benefits include primarily vacation accruals, deferred compensation, and medical benefit claims incurred but not yet reported. Accrued postemployment benefits include workers' compensation and medical continuation benefits for those on long-term disability. The University also provides various benefits to former or inactive employees after employment, but before retirement, that are recognized when they are earned.

B. Pension and Postretirement Plans

The University's employee pension plan coverage is provided by two basic types of plan: one based on a predetermined level of funding (defined contribution), and the other based on a level of benefit to be provided (defined benefit).

The primary defined contribution plans for Endowed Ithaca and for exempt employees (those not subject to the overtime provisions of the Fair Labor Standards Act) at the Medical College are carried by the Teachers Insurance and Annuity Association, the College Retirement Equities Fund, the Vanguard Group (Medical College only), and Fidelity Investments (Endowed Ithaca only), all of which permit employee contributions. Total pension costs of the Endowed Ithaca and Medical College plans for the fiscal years ended June 30, 2009 and 2008 amounted to $86,959 and $76,873, respectively.

The Medical College maintains a defined benefit plan for non-exempt employees. The defined benefit plan for exempt employees was frozen in 1976, and the accrued benefits were merged with the active non-exempt retirement plan in 1989.

In addition, certain non-exempt employees of Endowed Ithaca were covered by the Cornell University Retirement Plan for Non-Exempt Employees of the Endowed Colleges at Ithaca (NERP), a defined benefit plan. The Board of Trustees voted to terminate this frozen plan effective December 31, 2006, with all surplus assets inuring to the plan participants. During the fiscal year ended June 30, 2009, all remaining benefits and administrative costs of the terminating plan have been settled.

In accordance with Employee Retirement Income Security Act (ERISA) requirements for the defined benefit plans, the University must fund annually with an independent trustee an actuarially determined amount that represents normal costs plus amortization of prior service costs over a forty-year period that began on July 1, 1976.

The University also provides health and life insurance benefits for eligible retired employees and their dependents. Although there is no legal obligation for future benefits, the cost of postretirement benefits must be accrued during the service lives of employees. The University elected the prospective transition approach and is amortizing the transition obligation over 20 years, through fiscal year 2012-13.

(dollars in thousands)

C. Obligations and Funded Status

The following table sets forth the pension and postretirement plans' obligations and funded status as of June 30:

SUMMARY OF OBLIGATIONS AND FUNDED STATUS

	Pension benefits		Other postretirement	
	2009	**2008**	**2009**	**2008**
CHANGE IN PLAN ASSETS				
Fair value of plan assets at beginning of year	$ 40,719	$ 53,110	$ 127,045	$ 127,921
Actual return on plan assets	(6,189)	(3,930)	(22,090)	(6,212)
Employer contribution	3,462	3,000	5,589	5,336
Benefits paid	(2,516)	(1,725)	-	-
Settlements	(391)	(9,736)	-	-
Fair value of plan assets at end of year	$ 35,085	$ 40,719	$ 110,544	$ 127,045
CHANGE IN BENEFIT OBLIGATION				
Benefit obligation at beginning of year	$ 57,377	$ 59,919	$ 350,135	$ 326,096
Service cost (benefits earned during the period)	3,671	3,420	14,971	13,528
Interest cost	3,311	3,094	20,064	18,841
Plan amendments	-	3,132	(823)	-
Actuarial (gain)/loss	84	(727)	(36,871)	1,942
Settlements	(391)	(9,736)	-	-
Benefits paid	(2,516)	(1,725)	(11,649)	(10,272)
Projected benefit obligation at end of year	$ 61,536	$ 57,377	$ 335,827	$ 350,135
FUNDED STATUS	$ (26,451)	$ (16,658)	$ (225,283)	$ (223,090)
AMOUNTS RECOGNIZED IN THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION	$ (26,451)	$ (16,658)	$ (225,283)	$ (223,090)
AMOUNTS RECORDED IN UNRESTRICTED NET ASSETS NOT YET AMORTIZED AS COMPONENTS OF NET PERIODIC BENEFIT COST				
Net transition obligation	$ -	$ -	$ 14,577	$ 18,221
Prior service cost	-	-	(441)	510
Net actuarial (gain)/loss	17,506	8,681	61,146	66,202
Amount recognized as reduction in unrestricted net assets	$ 17,506	$ 8,681	$ 75,282	$ 84,933

The accumulated benefit obligation for the pension plans was $46,134 and $44,061 at June 30, 2009 and 2008, respectively. The accumulated benefit obligation differs from the projected benefit obligation in the table above in that it includes no assumptions about future compensation levels. It represents the actuarial present value of future payments to plan participants using current and past compensation levels. For postretirement plans other than pensions, the accumulated benefit obligation is the same as the projected benefit obligations because the liabilities are not compensation-related.

(dollars in thousands)

D. Net Periodic Benefit Cost

Net benefit expense related to the pension and postretirement plans for the fiscal years ended June 30 includes the following components:

NET PERIODIC BENEFIT COST

	Pension benefits		Other postretirement	
	2009	2008	2009	2008
Service cost (benefits earned during the period)	$ 3,671	$ 3,420	$ 14,971	$ 13,528
Interest cost	3,311	3,094	20,135	18,841
Expected return on plan assets	(2,971)	(3,776)	(9,854)	(9,906)
Amortization of initial transition obligation	-	-	3,644	3,644
Amortization of prior service cost	-	3,133	129	129
Amortization of net (gain)/loss	219	3,593	57	495
Settlement (gain)/loss	-	696	-	-
Net periodic benefit cost	$ 4,230	$ 10,160	$ 29,082	$ 26,731

The amounts of transition obligation, prior service costs, and actuarial gains/losses that will be amortized into net periodic benefit cost for the year ending June 30, 2010 are estimated as follows:

ESTIMATED COMPONENTS OF NET PERIODIC BENEFIT COST

	Pension benefits	Other postretirement
Transition obligation	$ -	$ 3,644
Prior service cost	-	(76)
Net actuarial (gain)/loss	1,074	2,172
Total	$ 1,074	$ 5,740

E. Actuarial Assumptions

Assumptions used in determining the pension and postretirement plans benefit obligations and net periodic costs are:

SUMMARY OF ACTUARIAL ASSUMPTIONS

	Pension benefits		Other postretirement	
	2009	2008	2009	2008
USED TO CALCULATE BENEFIT OBLIGATIONS AT JUNE 30				
Discount rate	6.10%	6.00%	6.25% / 6.20%	6.00%
Rate of compensation increase	6.10%	6.10%		
USED TO CALCULATE NET PERIODIC COST AT JULY 1				
Discount rate	6.00%	6.00%	6.00%	6.00%
Expected return on plan assets	8.00%	8.00%	8.00%	8.00%
Rate of compensation increase	6.10%	6.10%		
ASSUMED HEALTH CARE COST TREND RATES				
Health care cost trend rate assumed for next year	n/a	n/a	8.00%	8.00%
Ultimate trend rate	n/a	n/a	5.00%	5.00%
Years to reach ultimate trend rate	n/a	n/a	6	6

The health care cost trend rate assumption has a significant effect on the amounts reported for other postretirement (health care) plans. Increasing the health care cost trend rate by 1 percent in each future year would increase the benefit obligation by $57,072 and the annual service and interest cost by $7,895. Decreasing the health care cost trend rate by 1 percent in each future year would decrease the benefit obligation by $46,176 and the annual service and interest cost by $5,631.

(dollars in thousands)

F. Plan Assets

The plan assets for Endowed Ithaca and the Medical College are invested with an outside trustee for the sole benefit of the plan participants. Consistent with that objective, investments are managed to maximize total return while maintaining a prudent limitation on risk.

Risk mitigation is achieved by diversifying investments across multiple asset classes, by investing in high quality securities, and by permitting flexibility in the balance of investments in the permitted asset classes. The expected return on assets was derived based on long-term assumptions of inflation, real returns (primarily historically based), anticipated value added by the investment managers, and expected average asset class allocations. The expected returns on plan assets by category are 9.25 percent on equity securities, 5.75 percent on debt securities, and 8.25 percent on real estate.

Plan asset allocations by category at June 30 are as follows:

SUMMARY OF PLAN ASSETS

	Target allocation	Pension benefits 2009	Pension benefits 2008	Other postretirement 2009	Other postretirement 2008
PERCENTAGE OF PLAN ASSETS					
Equity securities	39-85%	62.0%	59.7%	66.0%	69.7%
Debt securities	15-55%	36.0%	36.7%	33.0%	30.3%
Real estate	0-5%	2.0%	3.6%	1.0%	0.0%
Total		100.0%	100.0%	100.0%	100.0%

G. Expected Contributions and Benefit Payments

The expected annual contributions and benefit payments that reflect anticipated service are as follows:

EXPECTED CONTRIBUTIONS AND BENEFIT PAYMENTS

	Pension benefits	Other postretirement: Employer paid	Other postretirement: Government subsidy
UNIVERSITY CONTRIBUTIONS			
2010	$ 2,777	$ 8,501	n/a
FUTURE BENEFIT PAYMENTS			
2010	$ 3,019	$ 14,459	$ 1,909
2011	3,716	16,104	2,116
2012	3,756	17,721	2,352
2013	3,764	19,371	2,587
2014	4,390	21,024	2,832
2015-2019	26,584	135,376	18,463

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 established a prescription drug benefit known as “Medicare Part D” that also established a federal subsidy to sponsors of retiree healthcare benefit plans. The estimated future government subsidy amounts are reflected in the table above.

H. Contract College Employees

Employees of the Contract Colleges are covered under the New York State pension plans. Contributions to the state retirement system and other employee benefit costs are paid directly by the state. The amounts of the direct payments applicable to the University as revenue and expenditures are not currently determinable and are not included in the consolidated financial statements. The University reimburses the state for employee benefit costs on certain salaries, principally those associated with externally sponsored programs. The amounts reimbursed to the state during the fiscal years ended June 30, 2009 and 2008, were $19,335 and $18,459, respectively, and were included in operating expenses.

(dollars in thousands)

7. FUNDS HELD IN TRUST FOR OTHERS

The University, in limited instances, invests funds as a custodian for other closely related parties. Independent trustees are responsible for the funds and for the designation of income distribution. The New York Hospital-Cornell Medical Center Fund, Inc., which benefits the Weill Cornell Medical Center of the New York-Presbyterian Hospital, is the major external organization invested in the University's long-term investment portfolio with assets having market values of $131,011 and $189,342 at June 30, 2009 and 2008 respectively. Of these investments, a portion of the future income stream has been directed in perpetuity to benefit the Medical College. The present values of this income stream, calculated to be $74,134 and $75,966 at June 30, 2009 and 2008, respectively, are recorded as reductions in the funds held in trust for others liability.

8. BONDS AND NOTES PAYABLE

A. General Information

Bonds and notes payable as of June 30 are summarized as follows:

SUMMARY OF BONDS AND NOTES PAYABLE

	2009	2008	Interest rates	Final maturity
Dormitory Authority of the State of New York (DASNY)				
Revenue Bond Series				
1990B-variable rate/daily	$ 56,000	$ 56,700	0.12 to 8.90	2025
2000A-variable rate/weekly	54,845	56,620	2.99*	2029
2000B-variable rate/weekly	72,800	74,835	4.63*	2030
2004-variable rate/weekly	86,075	88,175	3.51*	2033
2006-fixed rate	219,340	231,160	4.00 to 5.00	2035
2008B&C-variable rate/daily	130,000	130,000	3.84*	2037
2009A-fixed rate	305,000	-	3.00 to 5.00	2039
Tax-exempt commercial paper	6,155	149,875	0.35 to 4.10	2037
Bond Series 1987B-fixed rate	7,110	8,825	11.11	2012
Taxable commercial paper	127,875	60,911	0.20 to 4.80	-
2009 Taxable-fixed rate	500,000	-	4.35 to 5.45	2019
Industrial Development Agency				
2000-fixed rate	2,275	3,330	5.13 to 5.25	2011
2002A-variable rate/weekly	42,340	42,530	4.52*	2030
2002B-variable rate/weekly	15,390	15,390	4.33*	2015
2008A-variable rate/daily	70,000	70,000	3.84*	2037
Student Loan Marketing Association-fixed rate	4,700	5,030	5.75 to 6.50	2019
Urban Development Corporation	2,500	2,625	-	2029
Other	2,973	3,164	various	2010-2029
Total bonds and notes payable	$ 1,705,378	$ 999,170		

** Rates presented are the swap interest rates as noted in the following Summary of Interest Rate Swaps table.*

The University's bonds and notes payable had carrying amounts of $1,705,378 and $999,170 at June 30, 2009 and 2008, respectively, compared to estimated fair values of approximately $1,741,026 and $1,001,739 at June 30, 2009 and 2008, respectively. Estimated fair value of bonds is based on quoted market prices for the same or similar issues. The market prices utilized reflect the amounts a third party would pay to purchase the bonds and not an additional liability to the University.

Interest expense during the fiscal year ended June 30, 2009 was $26,041, of which $23,042 was related to the bonds and notes payable displayed in the table above. During the fiscal year ended June 30, 2008, interest expense was $27,784, of which $25,926 was related to the bonds and notes payable. The University capitalized interest on self-constructed assets, such as buildings, in the amount of $15,438 and $9,698 for the fiscal years ended June 30, 2009 and 2008, respectively.

(dollars in thousands)

Debt and debt service related to borrowings by New York State for the construction and renovation of facilities of the Contract Colleges are not included in the consolidated financial statements because they are not liabilities of the University.

Under the agreement with DASNY, certain revenues, principally rental income from facilities financed by bond proceeds plus a portion of tuition, are pledged by the University to meet debt service requirements. Also, certain revenue bonds require compliance with an asset-to-liability ratio and an unencumbered securities-to-operating-expense ratio.

During the fiscal year ended June 30, 2009, the University issued $305,000 of fixed-rate debt to finance various capital projects on the Ithaca and Medical College campuses and to refinance $150,000 of tax-exempt commercial paper. In addition, the University issued $500,000 of taxable fixed-rate debt for working capital purposes.

The University continues to issue both tax-exempt and taxable commercial paper. Tax-exempt commercial paper is used to finance capital projects and equipment purchases for the Ithaca and Medical College campuses. Taxable commercial paper is also used for these purposes, as well as to finance short-term working capital needs. The maximum amount outstanding at any one time under each program is $200,000.

Scheduled principal and interest payments on bonds and notes for the next five fiscal years and thereafter are shown below:

ANNUAL DEBT SERVICE REQUIREMENTS

Year	Principal	Interest	Total
2010	$ 22,556	$ 67,019	$ 89,575
2011	26,761	69,704	96,465
2012	33,072	67,266	100,338
2013	32,303	65,891	98,194
2014	282,445	64,631	347,076
Thereafter	1,308,241	597,662	1,905,903
Total	$ 1,705,378	$ 932,173	$ 2,637,551

In estimating future interest payments, the University uses the interest rate associated with the swap agreement until the termination date. For unhedged tax-exempt debt, the University estimates the future interest payments based on SIFMA plus 50 basis points, and for taxable commercial paper debt, the federal funds rate plus 100 basis points.

B. Interest Rate Swaps

The University has eleven interest rate swap agreements to exchange variable-rate debt for fixed-rate obligations without the exchange of the underlying principal amount. Net payments or receipts under the swap agreements are recorded as adjustments to interest expense. Under three agreements in effect at June 30, 2009, the counterparty pays the University a variable interest rate equal to the Securities Industry and Financial Markets Association (SIFMA) index, and under eight other agreements, the counterparty pays a variable interest rate equal to a percentage of the one month London Interbank Offered Rates (LIBOR).

Effective for the fiscal year beginning July 1, 2008, the University adopted FAS 157, which established additional guidance and disclosure requirements for fair value measurements of assets and liabilities, including derivatives. Interest rate swaps are valued using significant other observable inputs, such as quotations received from counterparties, dealers, or brokers, whenever available and considered reliable. The University's interest rate swap arrangements have inputs that can generally be corroborated by market data and are therefore classified as Level 2 in the FAS 157 valuation hierarchy.

The University's interest rate swaps are summarized in the following table:

SUMMARY OF INTEREST RATE SWAPS

Notional amount	Interest rate	Commencement	Termination date	Basis	Level 1 fair value	Level 2 fair value	Level 3 fair value
$ 15,390	4.33%		July 1, 2010	SIFMA	$ -	$ (612)	$ -
106,620	2.99%		October 1, 2012	LIBOR	-	(6,943)	-
42,530	4.52%		July 1, 2030	SIFMA	-	(8,379)	-
74,200	4.63%		July 1, 2030	LIBOR	-	(15,075)	-
88,175	3.51%		July 1, 2033	LIBOR	-	(8,373)	-
200,000	3.84%		July 1, 2037	SIFMA	-	(8,918)	-
100,000	3.92%	July 1, 2011	July 1, 2038	LIBOR	-	(9,564)	-
200,000	3.45%	July 1, 2010	July 1, 2039	LIBOR	-	(13,212)	-
275,000	3.65%	July 1, 2010	July 1, 2040	LIBOR	-	(32,414)	-
200,000	3.48%	July 1, 2012	July 1, 2041	LIBOR	-	(8,332)	-
200,000	3.77%	July 1, 2014	July 1, 2044	LIBOR	-	(12,844)	-
					$ -	$ (124,666)	$ -

C. Standby Purchase Agreements

The University has standby purchase agreements with various financial institutions to purchase all of the University's variable-rate demand bonds in the event they cannot be remarketed. In the event that the bonds covered by these agreements were not remarketable and the agreements were not otherwise renewed, the principal amounts due in the Annual Debt Service Requirements table would be $412,776, $145,461, $19,877, $18,373, $267,785, and $841,105. Detailed information about the variable-rate demand bonds is shown in the following table:

SUMMARY OF STANDBY PURCHASE AGREEMENTS

Series	Provider	Fee (bps)	Expiration
1990B	JP Morgan Chase	50	Nov-09
2000A	JP Morgan Chase	50	Nov-09
2000B	JP Morgan Chase	50	Nov-09
2002A	JP Morgan Chase	50	Nov-09
2002B	JP Morgan Chase	50	Nov-09
2004	HSBC	40	Apr-10
2008A	JP Morgan Chase	100	Jan-10
2008B&C	Bank of America	20	Apr-11

D. Lines of Credit

The University records its working capital lines of credit as other liabilities in the consolidated statement of financial position. At June 30, 2009, the interest rates for its two lines of credit were 1.75 percent and 1.06 percent. The two $100 million lines of credit have annual expiration dates of December 31 and April 1. As of June 30, 2009 and 2008, $104,000 and $164,500, respectively, were borrowed against the lines of credit.

9. OPERATING LEASES

Although the University generally purchases, rather than leases, machinery and equipment, the University does enter operating lease agreements for the use of real property. Total lease expenses were $22,398 and $18,058 for the fiscal years ended June 30, 2009 and 2008, respectively. The future annual minimum lease payments in the following table are payments under operating leases expiring at various dates through November 1, 2054.

ANNUAL MINIMUM OPERATING LEASE PAYMENTS

Year	Payments
2010	$ 20,713
2011	17,612
2012	15,475
2013	13,838
2014	11,363
Thereafter	95,376
Total minimum operating lease payments	$ 174,377

10. FUNCTIONAL EXPENSES AND STUDENT AID

Total expenses by functional categories for the fiscal years ended June 30 are as follows:

FUNCTIONAL EXPENSES

	2009	2008
Instruction	$ 628,635	$ 597,606
Research	524,926	511,158
Public service	118,945	114,143
Academic support	267,973	267,222
Student services	123,477	119,858
Medical services	549,342	474,471
Institutional support	408,757	414,747
Enterprises and subsidiaries	202,446	209,708
Total expenses	$ 2,824,501	$ 2,708,913

The expenses for operations and maintenance of facilities, depreciation, and interest related to capital projects are allocated to functional categories based on square footage. The amounts allocated for operations and maintenance were approximately $166,942 and $154,430 for the fiscal years ended June 30, 2009 and 2008, respectively.

Student financial assistance is shown as a component of instruction expense unless the assistance is for tuition and mandatory fees. If the assistance is for tuition and mandatory fees, the amounts are recorded as scholarship allowance which reduces tuition revenue. Total financial assistance amounts classified as instruction expense were $26,964 and $24,106 for the fiscal years ended June 30, 2009 and 2008, respectively.

11. NET ASSETS

A. General Information

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

SUMMARY OF NET ASSETS

	Unrestricted	Temporarily restricted	Permanently restricted	2009 Total	2008 Total
Endowment					
True endowment	$ 880,065	$ -	$ 1,680,920	$ 2,560,985	$ 3,535,217
Funds functioning as endowment (FFE)	971,437	303,867	-	1,275,304	1,712,792
Total true endowment and FFE	$ 1,851,502	$ 303,867	$ 1,680,920	$ 3,836,289	$ 5,248,009
Funds held by others, perpetual	-	-	129,752	129,752	137,473
Total University endowment	$ 1,851,502	$ 303,867	$ 1,810,672	$ 3,966,041	$ 5,385,482
Other Net Assets					
Operations	(478,612)	156,274	-	(322,338)	(35,702)
Student loans	9,477	-	34,517	43,994	42,241
Facilities and equipment	1,803,973	44,396	-	1,848,369	1,821,159
Split interest agreements	-	45,219	29,954	75,173	114,261
Funds held by others, other than perpetual	-	35,896	-	35,896	44,397
Contributions receivable, net	-	270,863	154,512	425,375	666,817
Total net assets	$ 3,186,340	$ 856,515	$ 2,029,655	$ 6,072,510	$ 8,038,655

Unrestricted net asset balances for operations are primarily affected by operating activities and strategic decisions to invest expendable balances in funds functioning as endowment and capital projects.

B. Endowment

Of the endowment assets held at the University, 94 percent and 98 percent were invested in the LTIP at June 30, 2009 and 2008, respectively. At June 30, 2009, 2,434 of 5,828 true endowment funds invested in the LTIP had a total historic dollar value of $940,568 and a fair value of $814,139, resulting in these endowments being underwater by a total of $126,429. The University holds significant unrestricted appreciation on endowments to offset these temporary decreases in value. The University has maintained these true endowment funds at their historical book value.

Changes in the endowment net assets, exclusive of funds held in trust by others, for the fiscal years ended June 30 are presented below:

SUMMARY OF ENDOWMENT ACTIVITY

	Unrestricted	Temporarily restricted	Permanently restricted	**2009** Total	**2008** Total
True endowment and FFE beginning of year	$ 3,518,475	$ 173,825	$ 1,555,709	$ 5,248,009	$ 5,113,094
Investment return					
Net investment income	2,802	9,980	2,628	15,410	47,203
Net realized and unrealized gain/(loss)	(1,471,709)	83,572	2,834	(1,385,303)	73,018
Total investment return	$ (1,468,907)	$ 93,552	$ 5,462	$ (1,369,893)	$ 120,221
New gifts	2,821	143,780	103,209	249,810	158,751
Net transfers to/(from) FFE	(56,304)	(2,263)	83	(58,484)	11,360
Distribution of endowment return to other funds	(132,816)	(90,853)	(3,188)	(226,857)	(194,486)
Other changes	(8,885)	303	2,179	(6,403)	(1,080)
Reclassifications	(2,882)	(14,477)	17,466	107	40,149
Total true endowment and FFE end of year	$ 1,851,502	$ 303,867	$ 1,680,920	$ 3,836,289	$ 5,248,009

12. CONTINGENT LIABILITIES

The University is a defendant in various legal actions, some of which are for substantial monetary amounts, that arise out of the normal course of its operations. Although the final outcome of the actions cannot be foreseen, the University's administration is of the opinion that eventual liability, if any, will not have a material effect on the University's financial position.

The University retains self insurance for property, general liability, and certain health benefits, and has an equity interest in a multi-provider captive insurance company.

13. SUBSEQUENT EVENTS

The University has performed an evaluation of subsequent events through October 1, 2009, the date on which the consolidated financial statements were issued.

UNIVERSITY ADMINISTRATION

David J. Skorton, *President*

W. Kent Fuchs, *Provost*

Antonio M. Gotto, Jr., *Provost for Medical Affairs and Stephen and Suzanne Weiss Dean of the Joan and Sanford I. Weill Medical College*

Laura S. Brown, *Vice Provost for Undergraduate Education*

Thomas W. Bruce, *Vice President for University Communications*

Robert A. Buhrman, *Senior Vice Provost for Research*

Doris Davis, *Associate Provost for Admissions and Enrollment*

Joanne M. DeStefano, *Vice President for Finance and Chief Financial Officer*

Michael B. Dickinson, *University Auditor*

William E. Fry, *Dean of the University Faculty*

Stephen T. Golding, *Senior Consultant to the President*

Stephen F. Hamilton, *Associate Provost for Outreach*

David R. Harris, *Deputy Provost and Vice Provost for Social Sciences*

Kent L. Hubbell, *Robert W. and Elizabeth C. Staley Dean of Students*

Stephen Philip Johnson, *Vice President for Government and Community Relations*

Stephen Kresovich, *Vice Provost for Life Sciences*

James J. Mingle, *University Counsel and Secretary of the Corporation*

Susan H. Murphy, *Vice President for Student and Academic Services*

Mary G. Opperman, *Vice President for Human Resources*

Curtis S. Ostrander, *Interim Vice President for Risk Management and Public Safety*

Alan S. Paau, *Vice Provost for Technology Transfer and Economic Development*

Alice N. Pell, *Vice Provost for International Relations*

Charles D. Phlegar, *Vice President for Alumni Affairs and Development*

Steven J. Schuster, *Interim Executive Director, Information Technologies*

Ronald Seeber, *Vice Provost for Land Grant Affairs*

John A. Siliciano, *Senior Vice Provost for Academic Affairs*

Paul Streeter, *Interim Vice President for Planning and Budget*

James H. Walsh, *Chief Investment Officer*

Kyu-Jung Whang, *Vice President for Facilities Services*

ACADEMIC UNITS

College of Agriculture and Life Sciences
Susan A. Henry, *Ronald P. Lynch Dean*

College of Architecture, Art, and Planning
Kent Kleinman, *Gail and Ira Drukier Dean*

College of Arts and Sciences
G. Peter Lepage, *Harold Tanner Dean*

College of Engineering
Christopher K. Ober, *Interim Dean*

College of Human Ecology
Alan D. Mathios, *Rebecca Q. and James C. Morgan Dean*

College of Veterinary Medicine
Michael I. Kotlikoff, *Austin O. Hooey Dean of Veterinary Medicine*

Computing and Information Science
Daniel P. Huttenlocher, *Dean*

Cornell University Library
Anne R. Kenney, *Carl A. Kroch University Librarian*

Graduate School
Alison G. Power, *Dean*

Law School
Stewart J. Schwab, *Allan R. Tessler Dean*

School of Continuing Education and Summer Sessions
Glenn C. Altschuler, *Dean*

School of Hotel Administration
Michael D. Johnson, *Dean*

School of Industrial and Labor Relations
Harry C. Katz, *Kenneth F. Kahn Dean*

S. C. Johnson Graduate School of Management, L. Joseph Thomas, *Anne and Elmer Lindseth Dean*

Weill Cornell Graduate School of Medical Sciences
David P. Hajjar, *Senior Executive Vice Dean, Executive Vice Provost, and Dean*

Weill Cornell Medical College
Stephen M. Cohen, *Executive Vice Dean for Administration and Finance and Associate Provost*

Weill Cornell Medical College
Antonio M. Gotto, Jr., *Stephen and Suzanne Weiss Dean and Provost for Medical Affairs*

Weill Cornell Medical College in Qatar
Javaid I. Sheikh, M.D., M.B.A., *Interim Dean*

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Svante Myrick '09 is the only student who served as an elected city official.

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