INSTITUTE FOR ADVANCED STUDY – LOUIS BAMBERGER AND MRS. FELIX FULD FOUNDATION

Financial Statements

June 30, 2014 and 2013

(With Independent Auditors' Report Thereon)

INSTITUTE FOR ADVANCED STUDY – LOUIS BAMBERGER AND MRS. FELIX FULD FOUNDATION

Table of Contents

KPMG LLP
New Jersey Headquarters
51 John F. Kennedy Parkway
Short Hills, NJ 07078-2702

Independent Auditors' Report

The Board of Trustees
Institute for Advanced Study – Louis Bamberger and
Mrs. Felix Fuld Foundation:

We have audited the accompanying financial statements of Institute for Advanced Study – Louis Bamberger and Mrs. Felix Fuld Foundation (the Institute), which comprise the statements of financial position as of June 30, 2014 and 2013, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits 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 from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Institute for Advanced Study – Louis Bamberger and Mrs. Felix Fuld Foundation as of June 30, 2014 and 2013, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

KPMG LLP

November 6, 2014

INSTITUTE FOR ADVANCED STUDY – LOUIS BAMBERGER AND MRS. FELIX FULD FOUNDATION

Statements of Financial Position

June 30, 2014 and 2013

Assets		**2014**	**2013**
Cash and cash equivalents	$	3,287,954	5,457,600
Accounts receivable and other assets		1,564,127	1,029,779
Grants receivable		2,003,544	3,138,227
Contributions receivable – net		25,279,921	33,261,877
Unamortized debt issuance costs – net		570,689	625,490
Funds held by bond trustee		2,286,964	2,281,080
Beneficial interest in remainder trust		2,559,277	2,721,332
Land, buildings and improvements, equipment and rare book collection – net		82,274,435	74,496,930
Investments		738,283,288	671,372,318
Total assets	$	858,110,199	794,384,633
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	7,846,617	7,875,196
Deferred revenue		3,745,905	5,316,308
Liabilities under split-interest agreements		2,347,588	2,245,464
Postretirement benefit obligation		15,086,961	13,175,092
Asset retirement obligation		1,035,257	1,005,070
Bond swap liability		4,275,176	4,475,949
Note payable		219,614	289,954
Long-term debt, net of discount		63,656,953	66,050,034
Total liabilities		98,214,071	100,433,067
Net assets:			
Unrestricted		384,445,157	364,283,394
Temporarily restricted		173,035,092	147,257,386
Permanently restricted		202,415,879	182,410,786
Total net assets		759,896,128	693,951,566
Total liabilities and net assets	$	858,110,199	794,384,633

See accompanying notes to financial statements.

INSTITUTE FOR ADVANCED STUDY – LOUIS BAMBERGER AND MRS. FELIX FULD FOUNDATION

Statement of Activities

Year ended June 30, 2014

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Operating revenues, gains, and other support:				
Private contributions and grants	$ —	8,780,594	—	8,780,594
Government grants	—	6,340,907	—	6,340,907
Endowment spending policy	20,673,193	16,650,307	—	37,323,500
Auxiliary activity	6,688,932	—	—	6,688,932
Net assets released from restrictions – satisfaction of program restrictions	31,771,808	(31,771,808)	—	—
Total operating revenues, gains, and other support	59,133,933	—	—	59,133,933
Expenses:				
School of Mathematics	11,349,539	—	—	11,349,539
School of Natural Sciences	11,404,746	—	—	11,404,746
School of Historical Studies	7,832,661	—	—	7,832,661
School of Social Science	4,507,979	—	—	4,507,979
Libraries and other academic	8,598,160	—	—	8,598,160
Administration and general	13,850,905	—	—	13,850,905
Auxiliary activity	8,004,591	—	—	8,004,591
Total expenses	65,548,581	—	—	65,548,581
Change in net assets from operations, including depreciation	(6,414,648)	—	—	(6,414,648)
Other revenues, gains, and other support:				
Private contributions and grants	204,916	1,246,501	20,005,093	21,456,510
Endowment change after applying spending policy	26,176,791	24,531,205	—	50,707,996
Change in fair value of bond swap liability	200,773	—	—	200,773
Loss on sale of plant assets	(6,069)	—	—	(6,069)
Change in net assets	20,161,763	25,777,706	20,005,093	65,944,562
Net assets – beginning of year	364,283,394	147,257,386	182,410,786	693,951,566
Net assets – end of year	$ 384,445,157	173,035,092	202,415,879	759,896,128

See accompanying notes to financial statements.

INSTITUTE FOR ADVANCED STUDY – LOUIS BAMBERGER AND MRS. FELIX FULD FOUNDATION

Statement of Activities

Year ended June 30, 2013

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Operating revenues, gains, and other support:				
Private contributions and grants	$ —	8,917,535	—	8,917,535
Government grants	—	7,266,639	—	7,266,639
Endowment spending policy	18,589,144	16,090,456	—	34,679,600
Auxiliary activity	5,894,135	—	—	5,894,135
Net assets released from restrictions – satisfaction of program restrictions	32,274,630	(32,274,630)	—	—
Total operating revenues, gains, and other support	56,757,909	—	—	56,757,909
Expenses:				
School of Mathematics	10,912,238	—	—	10,912,238
School of Natural Sciences	11,643,841	—	—	11,643,841
School of Historical Studies	7,582,420	—	—	7,582,420
School of Social Science	4,330,501	—	—	4,330,501
Libraries and other academic	8,185,287	—	—	8,185,287
Administration and general	9,510,608	—	—	9,510,608
Auxiliary activity	7,073,128	—	—	7,073,128
Total expenses	59,238,023	—	—	59,238,023
Change in net assets from operations, including depreciation	(2,480,114)	—	—	(2,480,114)
Other revenues, gains, and other support:				
Private contributions and grants	733,147	396,250	9,347,403	10,476,800
Endowment change after applying spending policy	17,240,968	12,050,043	—	29,291,011
Change in fair value of bond swap liability	2,022,672	—	—	2,022,672
Gain on sale of plant assets	243,824	—	—	243,824
Change in net assets	17,760,497	12,446,293	9,347,403	39,554,193
Net assets – beginning of year	346,522,897	134,811,093	173,063,383	654,397,373
Net assets – end of year	$ 364,283,394	147,257,386	182,410,786	693,951,566

See accompanying notes to financial statements.

INSTITUTE FOR ADVANCED STUDY – LOUIS BAMBERGER AND MRS. FELIX FULD FOUNDATION

Statements of Cash Flows

Years ended June 30, 2014 and 2013

		2014	2013
Cash flows from operating activities:			
Change in net assets	$	65,944,562	39,554,193
Adjustments to reconcile change in net assets to net cash used in operating activities:			
Depreciation		5,126,046	4,813,656
Contributions restricted for endowment and plant		(28,872,055)	(25,585,914)
Net realized and unrealized gains		(90,373,231)	(66,212,269)
Change in fair value of bond swap liability		(200,773)	(2,022,672)
Loss (gain) on sale of plant assets		6,069	(243,824)
Amortization of debt issuance costs		54,801	48,806
Amortization of bond discount		21,919	20,550
Changes in assets/liabilities:			
Accounts receivable, grants receivable, and other assets		600,335	2,029,311
Contributions receivable		7,981,956	17,218,476
Beneficial interest in remainder trust		162,055	112,776
Accounts payable and accrued expenses		(28,579)	1,584,021
Deferred revenue		(1,570,403)	(2,039,466)
Postretirement benefit obligation		1,911,869	(1,886,150)
Asset retirement obligation		30,187	11,627
Net cash used in operating activities		(39,205,242)	(32,596,879)
Cash flows from investing activities:			
Proceeds from sale of plant assets		217,377	1,396,406
Purchase of plant assets		(13,126,997)	(10,918,721)
Proceeds from sale of investments		350,126,682	289,709,193
Purchase of investments		(326,664,421)	(287,078,939)
Net cash provided by (used in) investing activities		10,552,641	(6,892,061)
Cash flows from financing activities:			
Contributions restricted for endowment and plant		28,872,055	25,585,914
Increase in liabilities under split-interest agreements		102,124	21,278
Debt issuance costs on 2012 Taxable Bonds		—	(206,950)
Discount on 2012 Taxable Bonds		—	(92,311)
Proceeds from issuance of 2012 Taxable Bonds		—	17,320,000
Advance refunding of 2001 Series A Bonds		—	(1,940,000)
Principal payments on long-term debt		(2,415,000)	(2,000,000)
Principal payments on note payable		(70,340)	(68,954)
Decrease in funds held by bond trustee		(5,884)	126,428
Net cash provided by financing activities		26,482,955	38,745,405
Net decrease in cash and cash equivalents		(2,169,646)	(743,535)
Cash and cash equivalents – beginning of year		5,457,600	6,201,135
Cash and cash equivalents – end of year	$	3,287,954	5,457,600
Supplemental data:			
Interest paid	$	2,022,055	1,884,445

See accompanying notes to financial statements.

(1) Organization and Summary of Significant Accounting Policies

Organization

The Institute for Advanced Study – Louis Bamberger and Mrs. Felix Fuld Foundation (the Institute), an independent, private institution devoted to the encouragement, support, and patronage of learning, was founded in 1930 as a community of scholars where intellectual inquiry could be carried out in the most favorable circumstances.

Focused on mathematics and classical studies at the outset, the Institute today consists of the School of Historical Studies, the School of Mathematics, the School of Natural Sciences and the School of Social Science. Each school has a small permanent faculty, and some 190 fellowships are awarded annually to members visiting the Institute from other research institutions and universities throughout the world.

The Founders' original letter to the first Trustees described the objectives of the Institute as follows: "The primary purpose is the pursuit of advanced learning and exploration in fields of pure science and high scholarship to the utmost degree that the facilities of the institution and the ability of the faculty and students will permit."

Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements, which are presented on the accrual basis of accounting, have been prepared to focus on the Institute as a whole and to present net assets and revenues, expenses, gains, and losses based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified as follows:

- Permanently restricted net assets – net assets subject to donor-imposed stipulations that they be maintained permanently by the Institute. Generally, the donors of these assets permit the Institute to use all or part of the income earned on related investments for general or specific purposes.
- Temporarily restricted net assets – net assets subject to donor-imposed stipulations that will be met by actions of the Institute and/or by the passage of time.
- Unrestricted net assets – net assets not subject to donor-imposed stipulations. Unrestricted net assets may be designated for specific purposes by action of the board of trustees.

Revenues are reported as increases in unrestricted net assets unless use of the related asset is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Expiration of donor-imposed stipulations that simultaneously increase unrestricted net assets and decrease temporarily restricted net assets are reported as net assets released from restrictions.

(a) Contributions and Grants

Contributions and grants, including unconditional promises to give, are recognized initially at fair value as revenues in the period received. Conditional promises to give are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

Contributions of assets other than cash are recorded at their estimated fair value. Pledges of contributions to be received after one year are discounted at a risk-adjusted discount rate. The discount rates range from 0.11% to 1.62%. Amortization of discount is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. The inputs to the fair value estimate are considered Level 3 in the fair value hierarchy.

Contributions of long-lived assets are reported as unrestricted revenue. Contributions restricted for the acquisition of grounds, buildings, and equipment are reported as temporarily restricted revenues. These contributions are reclassified to unrestricted net assets upon acquisition of the assets.

(b) Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand and all highly liquid investments with an original maturity of three months or less, except for those managed as a component of the Institute's investment portfolio.

(c) Investments

Investments in marketable securities are reported in the financial statements at fair value based on published market quotations. Investments in limited partnerships and hedge funds are reported in the financial statements at estimated fair value using net asset value (NAV) or its equivalent as a practical expedient, based upon values provided by external investment managers or general partners, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. The Institute reviews and evaluates the values provided by external investment managers and general partners and agrees with the valuation methods and assumptions used in determining the fair value of funds. These estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed. As of June 30, 2014 and 2013, the Institute had no plans or intentions to sell investments at amounts different from NAV.

The statements of activities recognize unrealized gains and losses on investments as increases and decreases, respectively, in unrestricted net assets unless their use is temporarily or permanently restricted by explicit donor stipulation or law. Gains and losses on the sale of investment securities are calculated using the specific identification method.

The Institute regularly offers first mortgages on primary residences to full-time faculty and senior administrative employees who have met certain requirements stipulated by the board of trustees.

(d) Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. The three levels of inputs used to measure fair value are as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Observable inputs other than Level 1 prices 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 full term of the assets or liabilities and certain alternative investments that can be redeemed at or near the statement of financial position date.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the asset or liabilities and certain alternative investments that are not redeemable in the near term.

Fair value estimates are made at a specific point in time, based on available market information and judgments about the financial asset, including estimates of timing, amount of expected future cash flows, and the credit standing of the issuer. In some cases, the fair value estimates cannot be substantiated by comparison to independent markets. In addition, the disclosed fair value may not be realized in the immediate settlement of the financial asset and does not reflect any premium or discount that could result from offering for sale at one time an entire holding of a particular financial asset. Potential taxes and other expenses that would be incurred in an actual sale or settlement are not reflected in amounts disclosed.

Because the net asset value reported by limited partnerships and hedge funds is used as a practical expedient to estimate fair value of the Institute's interest therein, classification of such investments in the fair value hierarchy as Level 2 or 3 is based on the Institute's ability to redeem its interest at or near the statement of financial position date. If the interest can be redeemed in the near term (generally within 90 days), the investment is classified as Level 2.

(e) Plant Assets and Depreciation

Proceeds from the sale of plant assets, if unrestricted, are transferred to operating funds, or, if restricted, to amounts temporarily restricted for plant acquisitions. Depreciation is provided over the estimated useful lives of the respective assets on a straight-line basis (buildings and capital improvements 20-40 years, equipment 3-6 years).

(f) Deferred Revenue

Amounts received on conditional grants are recorded initially as deferred revenue and are reported as revenues when expended in accordance with the terms of the condition.

(g) Split-Interest Agreements

The Institute is the beneficiary of various unitrusts, pooled income funds and a gift annuity fund. The Institute's interest in these split-interest agreements is reported as a contribution in the year received and is calculated as the difference between the fair value of the assets contributed to the Institute and the estimated liability to the beneficiary. This liability is computed using actuarially determined rates and is adjusted annually to reflect changes in the life expectancy of the donor or annuitant, amortization of the discount, and other changes in the estimates of future payments. The assets held by the Institute under these arrangements are recorded at fair value as determined by quoted market prices and are included as a component of investments.

(h) Unamortized Debt Issuance Costs

Debt issuance costs represent costs incurred in connection with debt financing. Amortization of these costs is provided on the effective interest method extending over the remaining term of the applicable indebtedness. Debt issuance costs at June 30, 2014 and 2013 were net of accumulated amortization of $966,014 and $911,213, respectively.

(i) Other Revenues, Gains, and Other Support

A portion of long-term investment income and gains and losses is allocated to operating revenue each year in accordance with the Institute's spending policy for investments held for endowment and similar purposes, as more fully discussed in note 4. All other investment income earned and gains and losses on investments held for long-term purposes, change in fair value of bond swap liability, and nonrecurring revenue and expenses are considered other revenues, gains and other support in the statements of activities. Private contributions and grants budgeted for operations are included in operating revenues, gains, and other support. All other private contributions and grants are considered other revenues, gains, and other support.

(j) Asset Retirement Obligation

The Institute recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which the obligation is incurred, if a reasonable estimate of the fair value of the obligation can be made. When the liability is initially recorded, the Institute capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset. The liability is accreted to its present value each period and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset. Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the statements of activities.

(k) Fund Raising Expenses

Fund raising expenses incurred by the Institute amounted to $1,955,984 and $1,582,457 for the years ended June 30, 2014 and 2013, respectively. This amount is included in administration and general expenses in the accompanying statements of activities.

(l) Functional Allocation of Expenses

The costs of providing program services and support services of the Institute have been summarized on a functional basis in the statements of activities. Accordingly, certain operating costs have been allocated among the functional categories.

(m) Tax Status

The Institute is exempt from federal income taxes pursuant to Section 501(c)(3) of the Internal Revenue Code (the Code) and is listed in the Internal Revenue Service Publication 78. The Institute has been classified as a public charity under Section 509(a) of the Code.

There are certain transactions that could be deemed unrelated business income and would result in a tax liability. Management reviews transactions to estimate potential tax liabilities using a threshold of more likely than not. It is management's estimation that there are no material tax liabilities that need to be recorded.

(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 and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses during the reported period. Actual results could differ from those estimates.

(2) Contributions Receivable

Unconditional promises to give at June 30, 2014 and 2013 were as follows:

		2014	2013
Unconditional promises to give:			
Less than one year	$	7,955,522	11,370,002
One to five years		18,110,308	23,597,845
		26,065,830	34,967,847
Discount on promises to give		(785,909)	(1,705,970)
Total	$	25,279,921	33,261,877

At June 30, 2014, 97% of gross contributions receivable and 59% of contributions revenue are from four donors. At June 30, 2013, 98% of gross contributions receivable and 31% of contributions revenue are from four donors.

During fiscal 2011, the Institute received two conditional pledges totaling $100 million to enhance the Institute's endowment fund. The pledges are conditioned on the Institute raising an additional $100 million in cash or pledges from third-party donors in the period January 1, 2011 through June 30, 2015. The conditional pledge payments began in June 2011 and will continue through June 30, 2015. As of June 30, 2014 and 2013, the Institute has recorded revenue totaling approximately $58 million and $49 million, respectively, relating to these conditional pledges.

(3) Investments, Funds Held by Bond Trustee, and Beneficial Interest in Remainder Trust

(a) Overall Investment Objective

The overall investment objective of the Institute is to invest its assets in a prudent manner that will achieve a long-term rate of return sufficient to fund a portion of its annual operating activities and capital preservation. The Institute diversifies its investments among various managers and investment opportunities. Substantially all of the investments are pooled with each individual fund subscribing to or disposing of units on the basis of the market value per unit, determined on a quarterly basis. Major investment decisions are authorized by the Board's Investment Committee, which oversees the Institute's investment program in accordance with established guidelines.

(b) Allocation of Investment Strategies

In addition to traditional stocks and fixed-income securities, the Institute may also hold shares or units in traditional institutional funds as well as in alternative investment funds involving hedged strategies, private equity, and real asset strategies. Hedged strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with hedged strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges, and other instruments, and are valued accordingly. Private equity funds employ buyout and venture capital strategies and focus on investments in turn-around situations. Real asset funds generally hold interests in public real estate investment trusts (REITS) or commercial real estate through sole-member entities. Private equity and real asset strategies therefore often require the estimation of fair values by the fund managers in the absence of readily determinable market values. Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from values that would have been used had a ready market existed, and the differences could be material. Such valuations are determined by fund managers and generally consider variables such as operating results, comparable earnings multiples, projected cash flows, recent sales prices, and other pertinent information, and may reflect discounts for the illiquid nature of certain investments held.

The following tables summarize the Institute's investments and other assets at fair value by major category in the fair value hierarchy as of June 30, 2014 and 2013, as well as related strategy, liquidity, and funding commitments:

	June 30, 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments:				
Long-term investment strategies:				
Hedge funds – onshore:				
Emerging markets	$ —	—	1,519,295	1,519,295
Equities – long bias	—	7,580,025	—	7,580,025
Equities – long/short	—	—	4,936,757	4,936,757
Multiple strategies	—	—	60,426,517	60,426,517
Total	—	7,580,025	66,882,569	74,462,594
Hedge funds – offshore:				
Commercial mortgage backed	—	—	8,259,150	8,259,150
Distressed/high-yield	—	—	9,563,493	9,563,493
Emerging markets	—	—	41,744	41,744
Equities – long bias	—	8,581,558	—	8,581,558
Equities – long/short	—	26,455,377	65,332,156	91,787,533
Event driven strategies	—	10,040,460	—	10,040,460
Fixed income arbitrage	—	—	28,624,392	28,624,392
Global asset allocation	—	29,243,336	—	29,243,336
Multiple strategies	—	68,839,588	120,709,432	189,549,020
Quantitative/CTA	—	7,378,670	—	7,378,670
Quantitative equity long short	—	16,663,265	—	16,663,265
Fixed income - relative value	—	—	12,370,566	12,370,566
Bio tech/health care	—	8,964,222	—	8,964,222
Total	—	176,166,476	244,900,933	421,067,409
Limited partnerships	—	—	152,438,300	152,438,300
Cash and cash equivalents	77,329,844	—	—	77,329,844
Other investments:				
Assets held under split-interest agreements:				
Cash and cash equivalents	—	—	(38,153)	(38,153)
Fixed income securities	—	—	4,393,952	4,393,952
Mortgages from faculty and staff	—	—	8,629,342	8,629,342
Total investments	$ 77,329,844	183,746,501	477,206,943	738,283,288
Other assets:				
Beneficial interest in remainder trust	$ —	—	2,559,277	2,559,277
Funds held by bond trustee:				
U.S. government obligations	2,286,964	—	—	2,286,964
Total other assets	$ 2,286,964	—	2,559,277	4,846,241

	June 30, 2013			
	Level 1	**Level 2**	**Level 3**	**Total**
Investments:				
Long-term investment strategies:				
Hedge funds – onshore:				
Emerging markets	$ —	—	1,524,829	1,524,829
Equities – long bias	—	11,985,284	—	11,985,284
Multiple strategies	—	—	58,204,806	58,204,806
Total	—	11,985,284	59,729,635	71,714,919
Hedge funds – offshore:				
Commercial mortgage backed	—	—	9,730,472	9,730,472
Distressed/high-yield	—	—	11,541,391	11,541,391
Emerging markets	—	—	8,477,358	8,477,358
Equities – long bias	—	15,948,000	—	15,948,000
Equities – long/short	—	26,682,915	32,056,785	58,739,700
Event driven strategies	—	10,073,922	—	10,073,922
Fixed income arbitrage	—	—	27,630,277	27,630,277
Global asset allocation	—	25,458,338	—	25,458,338
Multiple strategies	—	63,087,904	143,921,877	207,009,781
Quantitative/CTA	—	5,655,609	—	5,655,609
Quantitative equity long short	—	10,430,293	—	10,430,293
Fixed income - relative value	—	—	11,186,073	11,186,073
Bio tech/health care	—	—	11,253,449	11,253,449
Total	—	157,336,981	255,797,682	413,134,663
Limited partnerships	—	—	117,080,539	117,080,539
Cash and cash equivalents	56,560,492	—	—	56,560,492
Other investments:				
Assets held under split-interest agreements:				
Cash and cash equivalents	17,240	—	—	17,240
Fixed income securities	—	—	4,077,332	4,077,332
Mortgages from faculty and staff	—	—	8,787,133	8,787,133
Total investments	$ 56,577,732	169,322,265	445,472,321	671,372,318
Other assets:				
Beneficial interest in remainder trust	$ —	—	2,721,332	2,721,332
Funds held by bond trustee:				
U.S. government obligations	2,281,080	—	—	2,281,080
Total other assets	$ 2,281,080	—	2,721,332	5,002,412

The following tables present the Institute's activities for the years ended June 30, 2014 and 2013 for investments classified in Level 3:

2014						
			Assets held under split-interest agreements			
Level 3 roll forward	**Hedge funds**	**Limited partnerships**	**Fixed income securities**	**Mortgages from faculty and staff**	**Beneficial interest in remainder trust**	**Total**
Fair value at June 30, 2013	$ 315,527,317	117,080,539	4,077,332	8,787,133	2,721,332	448,193,653
Acquisitions	51,687,782	19,884,690	—	761,000	—	72,333,472
Dispositions	(79,732,383)	(20,656,601)	(376,571)	(918,791)	—	(101,684,346)
Transfers in/out of Level 3	(11,253,449)	—	—	—	—	(11,253,449)
Net realized and unrealized gains	35,554,235	36,129,672	655,038	—	(162,055)	72,176,890
Fair value at June 30, 2014	$ 311,783,502	152,438,300	4,355,799	8,629,342	2,559,277	479,766,220

2013						
			Assets held under split-interest agreements			
Level 3 roll forward	**Hedge funds**	**Limited partnerships**	**Fixed income securities**	**Mortgages from faculty and staff**	**Beneficial interest in remainder trust**	**Total**
Fair value at June 30, 2012	$ 298,017,349	106,164,790	3,798,033	6,757,395	2,834,108	417,571,675
Acquisitions	27,000,000	22,940,621	25,000	2,832,400	—	52,798,021
Dispositions	(38,172,394)	(29,906,189)	(141,897)	(802,662)	—	(69,023,142)
Transfers in/out of Level 3	(1,112,006)	—	—	—	—	(1,112,006)
Net realized and unrealized gains	29,794,368	17,881,317	396,196	—	(112,776)	47,959,105
Fair value at June 30, 2013	$ 315,527,317	117,080,539	4,077,332	8,787,133	2,721,332	448,193,653

The Institute's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers between investments classified as Level 1 and Level 2 for the years ended June 30, 2014 or 2013. During fiscal year 2014, approximately $11 million was transferred from Level 3 to Level 2 due to expiration of lock-up restrictions. During fiscal year 2013, approximately $15 million was transferred into Level 3 from Level 2 and $16.1 million was transferred from Level 3 to Level 2 due to the expiration of lock-up restrictions.

Private equity and venture capital investments are generally made through limited partnerships. Under the terms of such agreements, the Institute may be required to provide additional funding when capital or liquidity calls are made by fund managers. These partnerships have a limited

existence, and they may provide for annual extensions for the purpose of disposing portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, or other factors, a manager may extend the terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. The Institute cannot anticipate such changes because they generally arise from unforeseeable events, but should they occur they could reduce liquidity or originally anticipated investment returns. Accordingly, the timing and amount of future capital or liquidity calls in any particular future year are uncertain. As of June 30, 2014, the Institute is obligated under certain limited partnership agreements to advance additional funding in the amount of $69,072,434, which is anticipated to be called over the next 10 years.

Investment liquidity as of June 30, 2014 is aggregated below based on redemption or sale period:

		Investment fair values
Investment redemption or sale period:		
Daily	$	77,329,844
Monthly		53,285,271
Quarterly		100,647,430
Semi-annually		29,813,799
Annually		82,127,294
Subject to rolling lock ups or other restrictions		217,028,018
Illiquid		178,051,632
Total as of June 30, 2014	$	738,283,288

(c) Funds Held by Bond Trustee

Funds held by bond trustee represent the balance of the proceeds from the 2006 and 2008 New Jersey Educational Facilities Authority (NJEFA or the Authority) bonds and the 2012 taxable bonds that have not yet been expended for construction purposes or debt service payments. These funds are being held in trust by The Bank of New York. Such funds are invested in U.S. government obligations with maturities of less than one year.

(d) Redemption Restrictions – Hedge Funds

At June 30, 2014, the Institute had hedge fund investments of approximately $495,530,000, of which approximately $124,207,000 was restricted from redemption for lock-up periods. At June 30, 2013, the Institute had hedge fund investments of approximately $484,849,500, of which approximately $108,259,000 was restricted from redemption for lock-up periods. Some of the investments with redemption restrictions allow early redemption for specified fees. The terms and conditions upon which an investor may redeem an investment vary, usually with the majority requiring 30 to 180 days' notice after the initial lock-up period.

The expirations of redemption lock-up periods are summarized in the table below:

		Amount
Fiscal year:		
2015	$	81,978,782
2016		21,335,212
2017 and thereafter		20,893,079
Total	$	124,207,073

(e) Redemption Restrictions – Limited Partnerships

At June 30, 2014 and 2013, the Institute had limited partnership investments of approximately $152,438,300 and $117,080,500, respectively, which were restricted from redemption for lock-up periods. Some of the investments with redemption restrictions allow early redemption for specified fees. The terms and conditions upon which an investor may redeem an investment vary, usually with the majority requiring 30 to 180 days' notice after the initial lock-up period.

The expirations of redemption lock-up periods are summarized in the table below:

		Amount
Fiscal year:		
2016	$	16,794,642
2017		13,329,663
2018		54,177,337
2019		7,487,389
2020		4,464,324
2021 and thereafter		56,184,945
Total	$	152,438,300

(f) Contingencies

The Institute has an investment in the Ariel Fund Limited (the Fund), which on June 30, 2014 and 2013 had a fair value of approximately $8,053,900 and $8,659,500, respectively. During fiscal year 2009, the fund became subject to the oversight of a receiver appointed by the Attorney General of New York for the principal purposes of marshalling and preserving the assets of the Fund, for ultimate distribution of the proceeds to the respective investors of the Fund. During fiscal years 2014 and 2013, the Institute received distributions of $1,592,159 and $5,065,963, respectively, from the receiver. There is a potential for litigation to recover amounts from investors who have received previous distributions from the Fund. Management does not expect this to have a significant impact on the Institute's financial statements.

(4) Investment Return and Endowment Spending Policy

Investment return consists of interest, dividends, and realized and unrealized gains and losses on investments. Each year, the Institute includes a portion of its endowment return in its operating budget, with the amount of such planned support determined using its spending policy. The policy of the Institute is to distribute for current spending a percentage of the fair value of pooled investments which is determined by the Board of Trustees annually. The spending rate for operating and capital purposes was 6.9% and 6.7% for 2014 and 2013, respectively.

The following tables summarize the investment return and its classification in the statements of activities for the years ended June 30, 2014 and 2013:

	2014		
	Unrestricted	**Temporarily restricted**	**Total**
Dividends and interest, net of investment expenses	$ (1,003,764)	(1,337,971)	(2,341,735)
Net realized and unrealized gains	47,853,748	42,519,483	90,373,231
Total investment return	46,849,984	41,181,512	88,031,496
Endowment spending policy for use in operations	20,673,193	16,650,307	37,323,500
Endowment change after applying spending policy	$ 26,176,791	24,531,205	50,707,996

	2013		
	Unrestricted	**Temporarily restricted**	**Total**
Dividends and interest, net of investment expenses	$ (1,102,987)	(1,138,671)	(2,241,658)
Net realized and unrealized gains	36,933,099	29,279,170	66,212,269
Total investment return	35,830,112	28,140,499	63,970,611
Endowment spending policy for use in operations	18,589,144	16,090,456	34,679,600
Endowment change after applying spending policy	$ 17,240,968	12,050,043	29,291,011

Total investment management and advisory fees were $2,147,159 and $2,355,295 for the years ended June 30, 2014 and 2013, respectively.

(5) Endowment

The Institute's endowment consists of approximately 100 individual funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the Board of Trustees to function as endowments. Net assets associated with endowments, including funds designated by the Board of Trustees to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

(a) Interpretation of Relevant Law

The Institute has interpreted the New Jersey-enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as allowing the Institute to appropriate for expenditure or accumulate so much of a donor-restricted endowment fund as the Institute determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. Unless stated otherwise in the gift instrument, the assets in a donor-restricted endowment fund are donor-restricted assets until appropriated for expenditure by the Board of Trustees of the Institute. As a result of applicable accounting guidance, the Institute classifies as permanently restricted net assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure in a manner consistent with the standard of prudence prescribed by UPMIFA.

From time to time, the fair value of assets associated with individual donor-restricted endowments may fall below the original corpus she fund included in permanently restricted net assets due to unfavorable market fluctuations subsequent to the investment of the gift. Deficiencies of this nature, which are reported in unrestricted net assets, totaled approximately $1,968,000 and $2,048,000, at June 30, 2014 and 2013, respectively. Subsequent gains that restore the fair value of the assets of the donor-restricted endowment fund are classified as an increase in unrestricted net assets.

Endowment net assets consisted of the following at June 30, 2014 and 2013:

	2014			
	Unrestricted	**Temporarily restricted**	**Permanently restricted**	**Total**
Donor restricted	$ (1,968,353)	172,496,180	202,415,879	372,943,706
Board designated	368,315,514	—	—	368,315,514
	$ 366,347,161	172,496,180	202,415,879	741,259,220

	2013			
	Unrestricted	Temporarily restricted	Permanently restricted	Total
Donor restricted	$ (2,047,596)	146,712,480	182,410,786	327,075,670
Board designated	355,474,109	—	—	355,474,109
	$ 353,426,513	146,712,480	182,410,786	682,549,779

Changes in endowment net assets for the fiscal years ended June 30, 2014 and 2013 were as follows:

	Unrestricted	Temporarily restricted	Permanently restricted	Total
Net assets, June 30, 2012	$ 328,931,009	134,281,483	173,063,383	636,275,875
Dividends and interest income, net	(1,102,987)	(895,195)	—	(1,998,182)
Realized and unrealized gains	36,933,099	29,020,398		65,953,497
Contributions	792,859	396,250	9,347,403	10,536,512
Appropriation for expenditure – operations	(18,589,144)	(16,090,456)	—	(34,679,600)
Amounts added back to the board-designated endowment	6,461,677	—	—	6,461,677
Net assets, June 30, 2013	353,426,513	146,712,480	182,410,786	682,549,779
Dividends and interest income, net	(1,003,764)	(911,309)	—	(1,915,073)
Realized and unrealized gains	47,853,748	42,098,815	—	89,952,563
Contributions	243,528	1,246,501	20,005,093	21,495,122
Appropriation for expenditure – operations	(20,673,193)	(16,650,307)	—	(37,323,500)
Appropriation for expenditure – capital and other	(13,499,671)	—	—	(13,499,671)
Net assets, June 30, 2014	$ 366,347,161	172,496,180	202,415,879	741,259,220

(b) Return Objectives and Risk Parameters

The Institute has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets.

(c) Strategies Employed for Achieving Objectives

The Institute manages its investments in accordance with a total return concept and the goal of maximizing returns within acceptable levels of risk. The Institute relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized)

and current yield (dividends and interest). The Institute's spending policy is designed to provide a stable level of financial support and to preserve the real value of its endowment.

(6) Physical Plant

Physical plant and equipment are stated at cost at date of acquisition, less accumulated depreciation.

A summary of plant assets at June 30, 2014 and 2013 follows:

		2014	2013
Land	$	377,470	377,470
Land improvements		2,187,449	2,114,955
Buildings and improvements		122,142,553	111,142,832
Equipment		32,485,104	31,123,609
Rare book collection		203,508	203,508
Joint ownership property		4,528,124	4,492,555
		161,924,208	149,454,929
Accumulated depreciation		(79,649,773)	(74,957,999)
Net book value	$	82,274,435	74,496,930

(7) Long-Term Debt

A summary of long-term debt at June 30, 2014 and 2013 follows:

		2014	2013
2006 Series B – NJEFA	$	25,500,000	26,500,000
2006 Series C – NJEFA		17,000,000	17,500,000
2008 Series C – NJEFA		4,455,000	4,975,000
2012 Taxable		16,925,000	17,320,000
Less unamortized bond discount		(223,047)	(244,966)
Total long-term debt	$	63,656,953	66,050,034

Interest expense on long-term debt for the years ended June 30, 2014 and 2013 was $1,774,657 and $1,600,692, respectively.

(a) 2001 Series A

In May 2001, the Institute received proceeds of the Authority offering of $11,000,000 Revenue Bonds, 2001 Series A of the Institute for Advanced Study Issue. Proceeds were used for the construction of Bloomberg Hall and additional capital projects. These bonds were partially refunded through the 2006 Series B Revenue bonds detailed below. During the year ending June 30, 2013, the remaining outstanding bonds from this issue were refunded through the 2012 Taxable bonds detailed below.

(b) 2006 Series B

In July 2006, the Institute received proceeds of the Authority offering of $29,600,000 Revenue Bonds, 2006 Series B of the Institute for Advanced Study Issue. The 2006 Series B Bonds were issued to finance the advance refunding of the outstanding 1997 Series G Bonds, the partial advance refunding of the 2001 Series A Bonds, and to pay a portion of certain costs incidental to the sale and issuance of the 2006 Series B Bonds.

(c) 2006 Series C

In March 2007, the Institute received proceeds of the Authority offering of $20,000,000 Revenue Bonds, 2006 Series C of the Institute for Advanced Study Issue. Proceeds are being used to finance the costs of construction, renovating and equipping certain educational facilities of the Institute, to fund capitalized interest on the 2006 Series C Bonds during the renovation and construction, and to pay certain costs incidental to the sale and issuance of the 2006 Series C Bonds.

(d) 2008 Series C

In March 2008, the Institute received proceeds of the Authority offering of $11,255,000 Revenue Bonds, 2008 Series C of the Institute for Advanced Study Issue. The 2008 Series C Bonds were issued to finance the advance refunding of outstanding 1997 Series F Bonds, the advance refunding of outstanding 1997 Series G, and to pay a portion of certain costs incidental to the sale and issuance of the 2008 Series C Bonds.

(e) 2012 Taxable

In December 2012, the Institute received proceeds of $17,320,000 Taxable Bonds, 2012 Series of the Institute for Advanced Study Issue, which were issued at a discount of approximately $92,000. The 2012 Taxable Bonds were used to finance the advance refunding of outstanding 2001 Series A Bonds, to fund renovations to the Members Housing facility and the costs of renovation and equipping certain educational facilities of the Institute, and to pay certain costs incidental to the sale and issuance of the 2012 Taxable Bonds.

(f) Interest Rates

The 2006 Series B and C Bonds bear interest at variable rates. The bonds were issued in the weekly mode with weekly rates determined by Lehman Brothers Inc, as Remarketing Agent and paid monthly. The maximum interest rate on the 2006 Bonds shall be twelve percent (12%) per annum. The 2006 bonds are subject to redemption at various prices and require principal payments and sinking fund installments through July 1, 2036. The obligation to pay the Authority on a periodic basis, in the amounts sufficient to cover principal and interest due on the bonds, is a general obligation of the Institute. On September 18, 2008, the Institute entered into a contract with JPMorgan Chase Bank to take over as Remarketing Agent, replacing Lehman Brothers Inc.

The 2008 Series C Bonds bear interest at rates ranging from 3% to 5% per annum, payable semi-annually, are subject to redemption at various prices and require principal payments and sinking fund installments through July 1, 2021. The obligation to pay the Authority on a periodic

basis, in the amounts sufficient to cover principal and interest due on the bonds, is a general obligation of the Institute.

The 2012 Taxable bonds bear interest at rates ranging from 0.388% to 3.892% per annum, payable semi-annually, are subject to redemption at various prices and require principal payments and sinking fund installments through December 1, 2042. The obligation to make the interest payments on a periodic basis, in the amounts sufficient to cover principal and interest due on the bonds, is a general obligation to the Institute.

(g) Bond Swap Agreement

On December 22, 2008, the Institute entered into a swap agreement with Wells Fargo Bank covering $28,800,000 of outstanding Series B Bonds that required the Institute to pay a fixed rate of 3.7702% to Wells Fargo Bank in exchange for Wells Fargo Bank agreeing to pay the Institute a variable rate equal to 67% of the USD-LIBOR-BBA rate with a term of three months, payable monthly, on an identical notional amount. The effective date of the swap was December 22, 2008 and the termination date of the swap agreement coincides with the maturity of the bonds, which is July 1, 2031.

The Institute entered into this swap agreement with the intention of lowering its effective interest rate. At June 30, 2014 and 2013, the fair value of the interest rate swap was ($4,275,176) and ($4,475,949), respectively. The unrealized gain (loss) recognized during the year ended June 30, 2014 and 2013 in the amount of $200,773 and $2,022,672, respectively, is reported in the statements of activities in change in fair value of bond swap liability. The swap agreement utilizes Level 2 inputs to measure fair value. The fair value of the interest rate swap was determined using pricing models developed based on the LIBOR swap rate and other market data. Under the swap agreement, the Institute may be required to post collateral to the counterparty if certain triggering events (rates and dollar thresholds) are met. As of June 30, 2014 and 2013, there was no requirement to post collateral imposed by the swap counterparty.

The bonds are repayable as follows at June 30, 2014:

		Amount
Year ending June 30:		
2015	$	2,440,000
2016		2,575,000
2017		2,605,000
2018		2,845,000
2019		3,280,000
2020 through 2037		50,135,000
Total	$	63,880,000

The 2006 Series B, 2006 Series C, and 2008 Series C bonds are secured by a pledge of revenues pursuant to the respective Loan Agreements.

(h) Lines of Credit

As of June 30, 2014 and 2013, the Institute had unsecured loan agreements representing a line of credit. As of June 30, 2014 and 2013, the agreements provide for borrowings up to $50,000,000 and are available through April 2016. Interest payments are due on demand and interest accrues at the LIBOR rate plus 90 basis points, which was 1.54% as of June 30, 2014. There were no borrowings in fiscal year 2014 or 2013 against the lines of credit. No interest expense was incurred for the years ended June 30, 2014 and 2013.

(8) Pension Plans and Other Postretirement Benefits

Separate voluntary defined contribution retirement plans are in effect for faculty members and eligible staff personnel, both of which provide for annuities, which are funded, to the Teachers Insurance and Annuity Association and/or the College Retirement Equities Fund. Contributions are based on the individual participant's compensation in accordance with the formula set forth in the plan documents on a nondiscriminatory basis. Contributions for the years ended June 30, 2014 and 2013 totaled approximately $2,318,400 and $2,285,200, respectively.

In addition to providing pension benefits, the Institute provides certain health care and life insurance benefits for retired employees and faculty. Substantially, all of the Institute's employees may become eligible for these benefits if they meet minimum age and service requirements. The Institute accrues these benefits over a period in which active employees become eligible under existing benefit plans.

The following table provides a reconciliation of the change in benefit obligation of the plan at June 30, 2014 and 2013. There are no plan assets at June 30, 2014 and 2013.

		2014	2013
Postretirement benefit obligation:			
Retirees	$	4,976,817	4,769,377
Fully eligible active plan participants		1,911,518	1,713,694
Other active plan participants		8,198,626	6,692,021
Postretirement benefit obligation	$	15,086,961	13,175,092
Change in benefit obligation:			
Benefit obligation at beginning of year	$	13,175,092	15,061,242
Service cost		615,504	710,624
Interest cost		624,254	604,718
Benefits paid		(352,809)	(376,897)
Actuarial gain		1,024,920	(2,824,595)
Benefit obligation at end of year	$	15,086,961	13,175,092
Components of net periodic benefit cost:			
Service cost	$	615,504	710,624
Interest cost		624,254	604,718
Amortization of net gain		1,024,920	(2,824,595)
Net periodic postretirement benefit (credit) cost	$	2,264,678	(1,509,253)

	2014	2013
Benefit obligation weighted average assumptions at June 30, 2014 and 2013:		
Discount rate	4.35%	4.81%
Periodic benefit cost weighted average assumptions for the years ended June 30, 2014 and 2013:		
Discount rate	4.81%	4.08%

The healthcare trend rate is assumed to be 3% in fiscal 2014, trending up to an ultimate rate of 5% in 2026 and thereafter.

The effects of a 1% increase or decrease in trend rates on total service and interest cost and the postretirement benefit obligation are as follows:

	2014		2013	
	Increase	Decrease	Increase	Decrease
Effect on total service and interest cost	$ 383,514	(255,447)	370,416	(251,224)
Effect on the postretirement benefit obligation	3,834,620	(2,625,796)	3,042,465	(2,098,726)

Projected payments for each of the next five fiscal years and thereafter through 2023 are as follows:

	Amount
Year ending June 30:	
2015	$ 416,000
2016	426,000
2017	450,000
2018	473,000
2019	492,000
2020 through 2024	2,905,000

The Institute funds claims as they are incurred. The Institute does not expect to contribute any amounts in fiscal 2014, except as needed to provide for benefit payments.

(9) Temporarily and Permanently Restricted Assets

Restricted net assets are available for the following purposes at June 30, 2014 and 2013:

	2014	2013
Temporarily restricted net assets are restricted to:		
School of Mathematics	$ 34,256,552	30,982,319
School of Natural Sciences	17,484,612	12,388,448
School of Historical Studies	40,181,870	35,601,130
School of Social Science	59,936,776	55,029,995
Libraries and other academic	5,848,752	4,880,138
Administration and general	15,326,530	8,375,356
	$ 173,035,092	147,257,386
Permanently restricted net assets are restricted to:		
Investments to be held in perpetuity, the income from which is expendable to support academic services	$ 202,415,879	182,410,786

(10) Disclosures About Fair Value of Financial Instruments

The carrying amount of the Institute's financial instruments not carried at fair value approximates fair value due to the short maturity, except for long-term indebtedness. The inputs fall within Level 3 of the fair value hierarchy. The estimated fair value of the Institute's long-term indebtedness, based on the discounted future cash payments to be made using observable inputs that fall within Level 2 of the fair value hierarchy, was approximately $67,700,000 and $68,300,000 at June 30, 2014 and 2013, respectively.

(11) Subsequent Events

The Institute evaluated events subsequent to June 30, 2014 through November 6, 2014, the date on which the financial statements were issued and determined there were no subsequent events required to be disclosed.