

Harvard University Sponsored Programs

Annual Report

Fiscal Year 2007
July 2006-June 2007

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I. Letter from the Director of the Office for Sponsored Programs

Welcome to the Office for Sponsored Program's (OSP's) fiscal year 2007 annual financial report. The layout and content of the report have been altered slightly to respond to the changes in the sponsored landscape nationally and at Harvard. The report details Harvard's total sponsored expenditures, school-specific expenditure summaries, funding details by sponsor (federal and non-federal), funding details by type of cost (direct and indirect), proposal submission rates, and future financial obligations. Expenditure highlights and other important University sponsored updates are presented below.

Expenditure Highlights

- While University operating expenses increased 5.4% to \$3,170.7M in FY07, total sponsored expenditures in FY07 were fairly flat relative to FY06, increasing only 1.0%.
- A slight decrease in federal funding (-0.5%) was offset by a 7.2% increase in non-federal funding, reversing four years of previously declining non-federal support. This increase in non-federal funding was largely the result of increased corporate funding (up 70.3% to \$15.5M in FY07), while Foundation support continued to decline (down 1.6% to \$72.9M in FY07).
- As in prior years, the Faculty of Arts and Sciences (FAS) (including the Division of Engineering and Applied Sciences (DEAS)), the Harvard Medical School (HMS) and the Harvard School of Public Health (HSPH) together were responsible for 91% of the University's total sponsored expenditures in FY07.
- Elevated spending continued in the 4th year of the 5-year President's Emergency Plan for Aids Relief (PEPFAR) project in the Harvard School of Public Health (HSPH). This is Harvard's largest sponsored program, incurring \$48.5M in expenses in FY07.
- The Department of Health and Human Services (DHHS) continues to be Harvard's largest funding source, increasing 1.7% from \$404.4M in FY06 to \$411.3M in FY07. However, when PEPFAR funding is removed from this analysis, DHHS funding is down 5.3%, with overall federal funding declining 6%. Decreases in federal funding were observed in each of the major research schools in FY07.
- The effective indirect cost rate University-wide (on federal and non-federal projects), defined as indirect costs as a percentage of total direct costs, remained fairly constant at 31.6% in FY07.
- Proposal submissions continue to decline, with a 2.3% reduction in proposals submitted in FY07 compared to those submitted in FY06.

The continued slowdown in National Institutes of Health (NIH) funding in FY07 remains of concern to the University. During the five year doubling of the NIH budget that occurred between 1998 and 2003 the University experienced significant growth in funding that resulted in the expansion of many important research programs here at Harvard. This year we began to witness the effects of the slowdown in federal funding, particularly among Harvard's schools most reliant on NIH funding. These effects challenge the schools to support the research endeavor while remaining fiscally responsible. We continue to partner with Harvard's Office of Vice President for Government, Community, and Public Affairs, our sister institutions across the country, and the Federal Demonstration Partnership to convey our concerns and to continue the dialogue with our government sponsors on these and a variety of other funding-related issues.

Science Planning Efforts

Last year, Harvard began planning for a new era in Science and Engineering. In July 2006, the University Planning Committee on Science and Engineering (UPCSE) published a report called *Enhancing Science and Engineering at Harvard*. This report detailed nine recommendations for strengthening collaborative, interdisciplinary research and learning at Harvard, and resulted in the development and funding of the Harvard University Science and Engineering Committee (HUSEC). HUSEC, which will oversee implementation of the

I. Letter from the Director of the Office for Sponsored Programs (cont.)

nine recommendations, is currently focused on the creation and governance of the first Inter-School Department in the University's history: the Department of Stem Cells and Regenerative Biology. The department will bring together researchers from the Faculty of Arts and Sciences and Harvard Medical School. It will be housed in the University's new science complex in Allston, expected to be completed in 2011. More information can be found at: <http://www.news.harvard.edu/gazette/2007/04.05/99-husec.html> We will continue to analyze and modify the research administration infrastructure to be optimally responsive to the particular and dynamic demands of research that span departments and institutions.

Other Sponsored Updates

The sponsored community at Harvard continues to respond to the challenges posed by ongoing compliance-related mandates. As noted last year, responding to these challenges requires an increasingly specialized and well-trained work force. We strive for close collaboration with both our clients and colleagues as we continue to focus on professional development, client service, and compliance as top priorities.

In January 2007 the Division of Engineering and Applied Sciences (DEAS), previously a part of the Faculty of Arts and Sciences (FAS), became its own school and is now known as the School of Engineering and Applied Sciences (SEAS). SEAS remains in transition and is developing its research infrastructure while maintaining its focus on research excellence. Since SEAS remained within the FAS for half of this past fiscal year, it has not yet been fully separated from the FAS in all of the analyses contained in this report. It is very clear from the areas where it is analyzed separately, however, that the SEAS joins the Harvard School of Public Health (HSPH) and the Harvard Medical School (HMS) in being heavily dependent on sponsored funding.

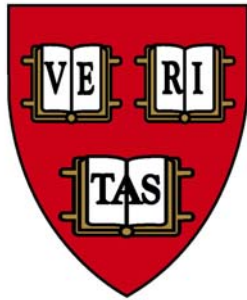
The PEPFAR project and many other important international sponsored programs continue. As anticipated, international sponsored programs continue to expand and require additional University resources. This past year, a Director for International Business Operations joined the Controller's Office, and a new Assistant Provost for International Affairs was named. In collaboration with these and other sponsored leaders, the University has strengthened several research administrative processes, including proposal review and development and enhanced risk assessments for international initiatives. Both roles are providing critical support and guidance across the University as our international programs continue to grow.

This is just a sampling of the robust research activity occurring at the University. We hope you find this report useful and we welcome your feedback and questions.

Sincerely,



Beverly A. Simmonds
Director, Office for Sponsored Programs
October 15, 2007



Summary of Expenditures and Growth

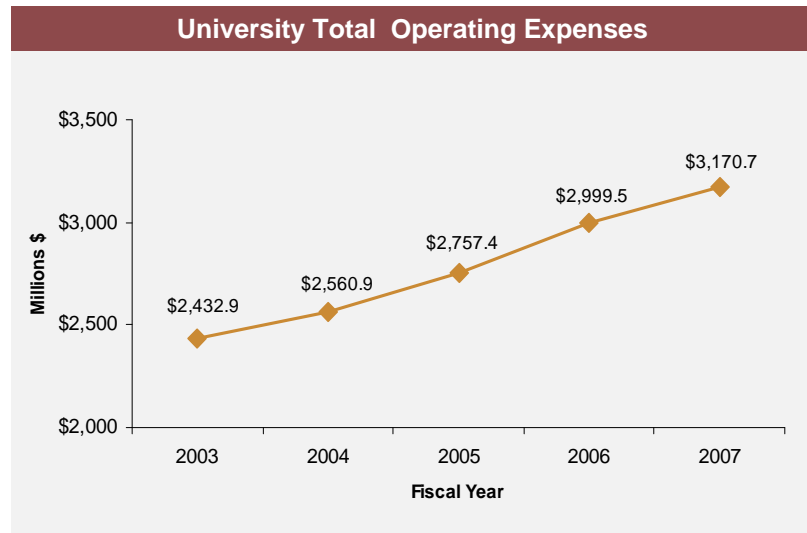
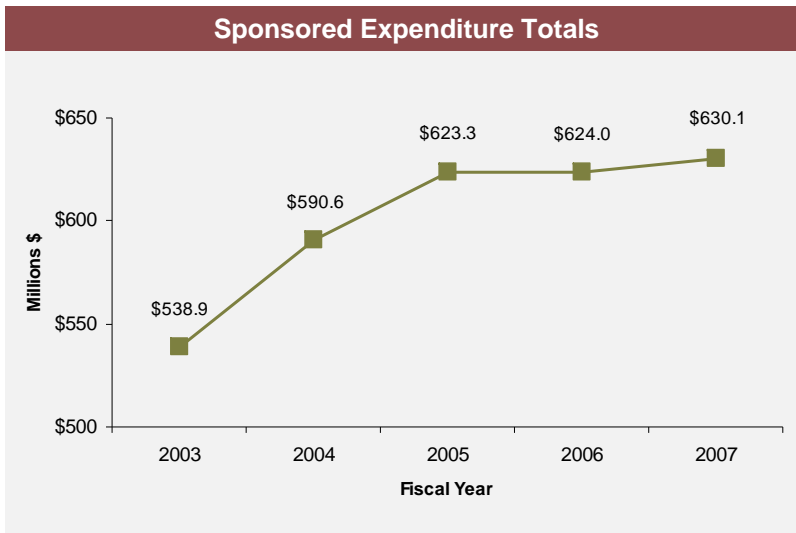
II. Total Expenditures In Sponsored Programs

Total university sponsored expenditures remained essentially flat, growing only 1.0% to \$630.1 million during FY07. Federal expenditures also remained fairly constant, decreasing 0.5% to \$511.3 million in FY07 from \$513.7 million in FY06. However, non-federal funding grew 7.2% to \$118.9 million in FY07, reversing a previous four-year trend downward.

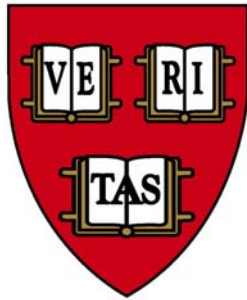
The strong and consistent growth in University operating expenses has not been matched by equally strong growth in sponsored spending, resulting in sponsored dollars as a percentage of University operating expenses decreasing steadily from 23.1% in FY04 to 19.9% in FY07.

| Fiscal Year | Federal Awards | Non Federal Awards | Sponsored Expenditure Total | University Total Operating Expenses | Sponsored as % of Univ. Operating Expenses |
|-------------|----------------|--------------------|-----------------------------|-------------------------------------|--|
| 2003 | \$412.7 | \$126.3 | \$538.9 | \$2,432.9 | 22.2% |
| 2004 | \$468.3 | \$122.3 | \$590.6 | \$2,560.9 | 23.1% |
| 2005 | \$507.9 | \$115.5 | \$623.3 | \$2,757.4 | 22.6% |
| 2006 | \$513.7 | \$110.3 | \$624.0 | \$2,999.5 | 20.8% |
| 2007 | \$511.3 | \$118.9 | \$630.1 | \$3,170.7 | 19.9% |

Amounts expressed in Millions



Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185,190, 295, 455, 595, 670, 685 (Amounts expressed in millions)



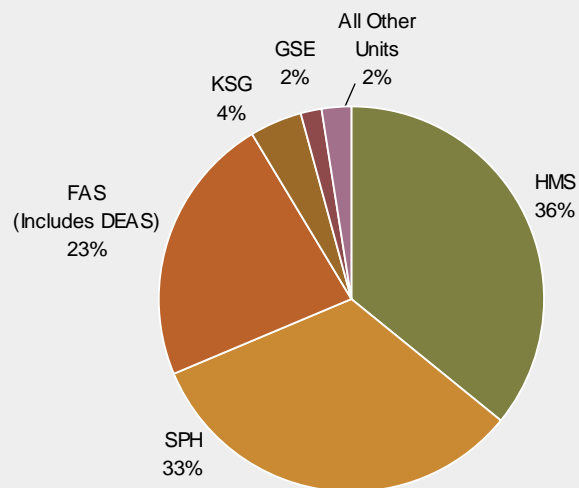
School Summaries

III. Total Sponsored Program Expenditures by School

Sponsored activity at Harvard is concentrated in six units. The largest one-year percentage increase in sponsored funding was at the School of Public Health (SPH), which increased by 10.6% to \$207.4 million. This increase of \$19.9 million is largely reflective of an increase in expenditures against the University’s largest award, the PEPFAR project. Conversely, the Faculty of Arts and Sciences (FAS) experienced an 8.2% decline to \$142.8 million and Harvard Medical School (HMS) remained steady at \$225.6 million in FY07.

| University Schools (in \$ millions) | FY03 | FY04 | FY05 | FY06 | FY07 | % Change FY06-07 |
|--|---------|---------|---------|---------|---------|---------------------|
| HMS | \$220.4 | \$238.7 | \$237.4 | \$226.2 | \$225.6 | -0.3% |
| SPH | 149.2 | 167.0 | 187.6 | 187.5 | 207.4 | 10.6% |
| FAS (Includes DEAS) | 110.9 | 130.1 | 144.0 | 155.6 | 142.8 | -8.2% |
| KSG | 28.4 | 25.0 | 24.9 | 26.1 | 27.4 | 5.0% |
| GSE | 14.9 | 13.8 | 13.7 | 12.3 | 11.7 | -4.9% |
| All Other Units | 15.2 | 16.1 | 15.7 | 16.3 | 15.2 | -6.7% |
| | \$539.0 | \$590.7 | \$623.3 | \$624.0 | \$630.1 | 1.0% |

The Harvard Medical School (HMS), the Harvard School of Public Health (HSPH) and the Faculty of Arts and Sciences (FAS) together represent 91.4% of total sponsored expenditures for FY07.



Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185,190, 295, 455, 595, 670, 685 (Amounts expressed in millions)

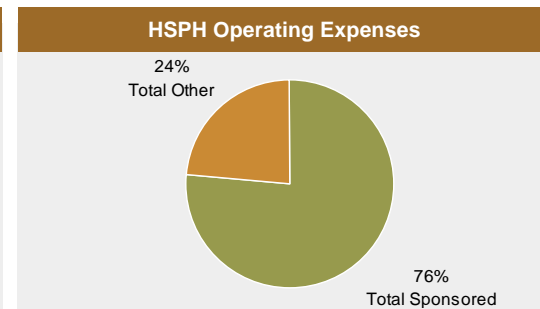
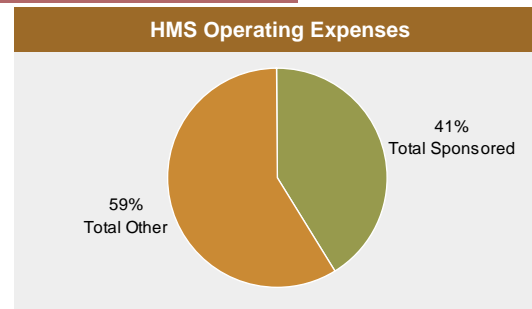
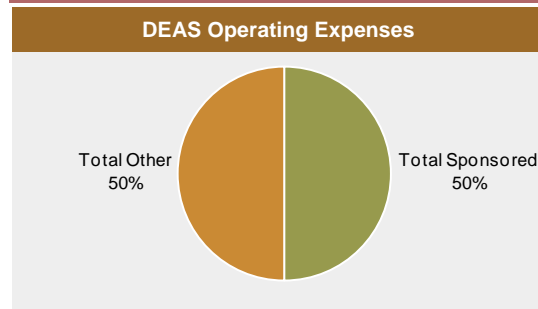
IV. Sponsored Program Expenditures—School Summaries

The School of Public Health and the Harvard Medical School remain the two tubs most dependent upon sponsored funding. As the School for Engineering and Applied Sciences emerges as its own school, it is clear that this group will be dependent on sponsored funding as well.

This table details sponsored expenditures as a component of University spending: operating expenses are generally up over FY06 while sponsored funding remains relatively flat, resulting in a lower overall percentage of operating expenses coming from sponsored funding university-wide.

| School | Total Federal Expenses | Total Non-Federal Expenses | Total Sponsored Program Expenditures | School % of Total Sponsored Program Expenditures | Total School Operating Expenses** | Sponsored Research as Pct of Total Operating Expenses |
|--|------------------------|----------------------------|--------------------------------------|--|-----------------------------------|---|
| Faculty of Arts and Sciences | \$86,483,276 | \$19,699,185 | \$106,182,461 | 16.9% | \$675,590,189 | 15.7% |
| Division of Engineering & Applied Sci. | 32,529,171 | 3,842,888 | 36,372,059 | 5.8% | 72,991,610 | 49.8% |
| FAS - Academic Support | 207,304 | 63,072 | 270,376 | 0.0% | 242,650,764 | 0.1% |
| School of Design | 77,915 | 263,436 | 341,351 | 0.1% | 32,133,045 | 1.1% |
| Divinity School | 13,339 | 469,388 | 482,727 | 0.1% | 27,593,223 | 1.7% |
| Graduate School of Education | 4,395,155 | 7,314,397 | 11,709,552 | 1.9% | 64,907,600 | 18.0% |
| JFK School of Government | 9,346,908 | 18,090,541 | 27,437,449 | 4.4% | 127,505,662 | 21.5% |
| Law School | 328,536 | 3,422,546 | 3,751,082 | 0.6% | 146,404,223 | 2.6% |
| Medical School | 193,626,871 | 31,971,700 | 225,598,571 | 35.8% | 549,761,267 | 41.0% |
| School of Dental Medicine | 6,619,667 | 647,045 | 7,266,712 | 1.2% | 30,915,856 | 23.5% |
| School of Public Health | 176,944,988 | 30,440,388 | 207,385,377 | 32.9% | 271,272,273 | 76.4% |
| Radcliffe Institute for Advanced Study | | 104,128 | 104,128 | 0.0% | 18,196,649 | 0.6% |
| Other Academic Tubs | 478,141 | 1,965,821 | 2,443,961 | 0.4% | 451,947,621 | 0.5% |
| Service & Central Administration | 203,473 | 583,118 | 786,591 | 0.1% | 458,780,501 | 0.2% |
| Total Expenditures* | \$511,254,744 | \$118,877,652 | \$630,132,396 | 100.0% | \$3,170,650,480 | 19.9% |

| Reconciliation Footnote | Total Non-Federal Expenses | Total Sponsored Program Expenditures | Total Sponsored Program Expenditures |
|--|----------------------------|--------------------------------------|--------------------------------------|
| Financial Aid, Work Study & Agency Fund Exclusions | \$15,476,607 | \$3,674,100 | \$19,150,708 |
| Treasurers Report | \$526,731,352 | \$122,551,752 | \$649,283,104 |



* The expenditures in this report exclude non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685

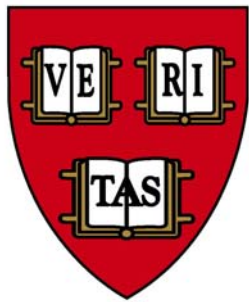
** Source: University Accounting Services; excludes: Scholarships applied to student income and "Agency" funds. Total for Operating Expenses includes the following Tubs which do not have Sponsored Expenses: 110,125, 135, 150, 155, 175,180,205, 340, 400, 430, 445, 460, 465, 475, 490, 510, 515, 565, 580, 640,645, 650.

V. Sponsored Program Expenditures for Salaries, Equipment and Subcontracts by School

The two most significant shifts in expenditures from FY06 to FY07 are: (1) Faculty of Arts & Sciences (FAS) salaries from sponsored sources are down 10.9% to \$40.9 million (with a commensurate decrease in indirect costs); and (2) School of Public Health (SPH) direct costs have increased (in all categories except salaries), with related indirect costs increasing as well.

| School | School Nmbr | Salaries Object Codes 6001-6370 | Pct Change in Salary Expenditures FY06 to FY07 | Equipment Object Codes 6800 - 6816 | Pct Change in Equipment Expenditures FY06 to FY07 | Subcontracts Object Codes 8180 - 8189 | Pct Change in Subcontract Expenditures FY06 to FY07 | Indirect Object Codes 8390 - 8420 | Pct Change in Indirect Expenditures FY06 to FY07 | Other | Pct Change in Other Expenditures FY06 to FY07 | Total Expenditures | Pct Change in Total Expenditures FY06 to FY07 |
|--|-------------------------|---------------------------------|--|------------------------------------|---|---------------------------------------|---|-----------------------------------|--|----------------------|---|----------------------|---|
| Faculty of Arts and Sciences | 310, 355, 370, 385, 415 | \$40,940,792 | -10.9% | \$5,670,690 | -13.6% | \$6,830,669 | -11.5% | \$27,241,456 | -13.8% | \$25,769,230 | -10.1% | \$106,452,837 | -11.7% |
| Division of Engineering & Applied Sci. | 325 | 15,295,527 | 8.3% | 1,898,238 | -9.4% | 5,166,055 | 16.8% | 10,713,553 | 5.8% | 3,298,685 | -23.1% | 36,372,059 | 3.8% |
| School of Design | 235 | 114,062 | -37.3% | | | | | 41,434 | -41.6% | 185,855 | -15.7% | 341,351 | -27.8% |
| Divinity School | 245 | 393,774 | -17.5% | | | | | 62,880 | 40.7% | 26,073 | -18.8% | 482,727 | -12.8% |
| Graduate School of Education | 255 | 5,822,673 | 9.9% | -578 | -196.3% | 1,533,336 | -51.7% | 1,589,989 | 2.7% | 2,764,132 | 21.6% | 11,709,552 | -4.8% |
| JFK School of Government | 215 | 9,729,181 | 2.7% | 20,591 | -88.9% | 762,206 | 37.3% | 3,901,297 | -1.9% | 13,024,174 | 9.2% | 27,437,449 | 5.1% |
| Law School | 265 | 1,714,652 | -23.0% | | | 543,585 | 110.0% | 302,685 | 43.9% | 1,190,159 | -8.7% | 3,751,082 | -6.2% |
| Medical School | 505, 520, 570 | 71,372,980 | 1.3% | 5,600,633 | -7.7% | 22,118,145 | -7.4% | 61,692,170 | -0.2% | 64,814,643 | 1.4% | 225,598,571 | -0.2% |
| School of Dental Medicine | 550 | 2,555,005 | 6.1% | 46,670 | N/A | 949,481 | -26.8% | 1,944,644 | 9.9% | 1,770,911 | 20.3% | 7,266,712 | 4.6% |
| School of Public Health | 275 | 60,506,577 | -4.6% | 1,661,718 | 13.1% | 51,496,227 | 12.2% | 43,402,607 | 10.6% | 50,318,248 | 34.3% | 207,385,377 | 10.6% |
| Radcliffe Institute for Advanced Study | 285 | 83,864 | -63.6% | | | | | 971 | -71.4% | 19,293 | -92.5% | 104,128 | -78.7% |
| Other Academic Tubs | 100, 105, 140, 145, 225 | 984,535 | 26.5% | 27,085 | N/A | 21,100 | N/A | 261,716 | 23.4% | 1,149,525 | 34.4% | 2,443,961 | 32.4% |
| Service & Central Administration | 170, 195, 610, 625 | 306,624 | -61.8% | | | | | 28,973 | -68.3% | 450,994 | -59.6% | 786,591 | -60.9% |
| Total | | \$209,820,246 | | \$14,925,047 | | \$89,420,806 | | \$151,184,375 | | \$164,781,922 | | \$630,132,396 | |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685



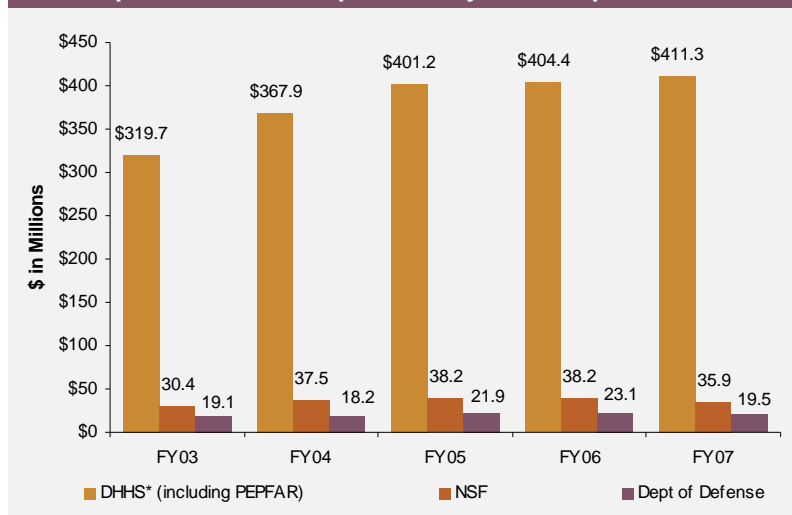
Federal Funding

VI. Leading Federal Sponsors by Expenditures

As in previous years, the University's three largest sponsored supporters continue to be the Department of Health and Human Services (DHHS) (including the National Institutes of Health), the National Science Foundation (NSF), and the Department of Defense (DoD). These three agencies collectively funded 91.2% of the University's federal sponsored programs in FY07 (including PEPFAR). As the graph below indicates, funding from these three sponsors has remained relatively flat for the last three years, following earlier strong growth.

| Federal Sponsors | FY03 | FY04 | FY05 | FY06 | FY07 | Pct of Total Federal Expenditures |
|--------------------------|---------|---------|---------|---------|---------|-----------------------------------|
| DHHS* (including PEPFAR) | \$319.7 | \$367.9 | \$401.2 | \$404.4 | \$411.3 | 80.4% |
| NSF | 30.4 | 37.5 | 38.2 | 38.2 | 35.9 | 7.0% |
| Dept of Defense | 19.1 | 18.2 | 21.9 | 23.1 | 19.5 | 3.8% |
| Dept of Energy | 10.7 | 12.9 | 12.9 | 11.7 | 12.0 | 2.3% |
| NASA | 9.4 | 10.4 | 8.4 | 9.3 | 10.2 | 2.0% |
| USAID | 4.2 | 3.7 | 5.6 | 7.6 | 6.0 | 1.2% |
| EPA | 4.1 | 4.5 | 6.0 | 6.0 | 5.0 | 1.0% |
| Dept of Education | 6.1 | 5.4 | 6.9 | 6.2 | 4.2 | 0.8% |
| Other Federal | 9.0 | 7.8 | 6.8 | 7.2 | 7.2 | 1.4% |
| Total Expenditures | \$412.7 | \$468.3 | \$507.9 | \$513.7 | \$511.3 | 100.0% |

Top Three Federal Sponsors by FY07 Expenditures



*It is important to note, however, that if PEPFAR funding is excluded from both FY06 and FY07, DHHS funding is actually down 5.3% in FY07.

| DHHS Excluding PEPFAR | | | |
|-----------------------|---------------|---------------------|--------------------|
| FY06 | FY07 | \$ Change FY06-FY07 | % Change FY06-FY07 |
| \$383,122,901 | \$362,817,482 | (20,305,419) | -5.3% |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685 (Amounts expressed in millions)

VII. Federal Expenditures by School and Major Agency

As demonstrated below, our major research schools are reliant on NIH funding in particular, reflecting Harvard's continued focus on the Life Sciences.

| Federal Sponsor | Faculty of Arts & Sciences (Including DEAS) | Medical & Dental Schools | School of Public Health | Kennedy School of Government | Graduate School of Education | All Other Schools | Total |
|---|--|--------------------------|-------------------------|------------------------------|------------------------------|--------------------|----------------------|
| NIH | \$52,222,491 | \$186,830,843 | \$105,499,858 | \$55,065 | \$215,090 | \$8,234 | \$344,831,581 |
| Other DHHS (Including PEPFAR) | | 5,121,296 | 60,433,837 | 426,389 | 501,309 | 46,438 | 66,529,269 |
| NSF | 31,224,256 | 935,864 | 780,743 | 1,257,608 | 1,007,315 | 680,121 | 35,885,907 |
| DOD | 14,364,942 | 1,664,704 | 3,421,009 | | | | 19,450,655 |
| Department of Energy | 7,406,754 | 4,145,206 | 484,630 | | | | 12,036,590 |
| NASA | 9,877,645 | 262,665 | 29,334 | | | | 10,169,644 |
| Agency for International Development (USAID) | 178,812 | 227,398 | 665,365 | 4,891,135 | | | 5,962,711 |
| EPA | 594,548 | | 4,181,279 | 165,760 | | 69,308 | 5,010,895 |
| Department of Education | 1,136,429 | | 149,051 | 50,999 | 2,671,441 | 148,800 | 4,156,720 |
| Department of State | | 11,107 | 40,667 | 1,584,755 | | 21,462 | 1,657,991 |
| Department of Commerce | 478,785 | | 302,584 | 476,530 | | | 1,257,899 |
| Veterans Administration | | 973,947 | | | | | 973,947 |
| Department of Transportation | | | 620,970 | 47,564 | | | 668,535 |
| Department of the Interior | 460,403 | | 5,839 | | | | 466,241 |
| National Endowment for the Humanities | 406,600 | | | | | 13,339 | 419,939 |
| Neighborhood Reinvestment Corporation | | | | 348,837 | | 13,594 | 362,431 |
| Library of Congress | 248,481 | | | | | | 248,481 |
| Smithsonian | 242,288 | | | | | | 242,288 |
| Fermi National Accelerator Laboratory | 149,350 | | | | | | 149,350 |
| Medicare Payment Advisory Commission (MedPAC) | | 73,507 | 72,042 | | | | 145,549 |
| Central Intelligence Agency | 141,795 | | | | | | 141,795 |
| Department of Housing and Urban Development | | | 124,768 | 11,569 | | | 136,337 |
| Department of Agriculture | 26,822 | | 10,183 | | | 62,194 | 99,199 |
| Department of Justice | | | 72,799 | 16,343 | | | 89,142 |
| General Services Administration | | | | | | 37,912 | 37,912 |
| Other Federal Sponsors | 59,352 | | 50,032 | 14,353 | | | 123,737 |
| Total | \$119,219,751 | \$200,246,538 | \$176,944,988 | \$9,346,908 | \$4,395,155 | \$1,101,403 | \$511,254,744 |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685

VIII. Federal Expenditures by School FY06 to FY07

The slowdown in federal funding is further evidenced in the table below. When PEPFAR funding is removed from the analysis, university-wide federal support is down 6%.

| School | Total Federal Costs FY06 | Total Federal Costs FY07 | Dollar Change FY06 to FY07 | % Change FY06 to FY07 |
|----------------------------|-----------------------------|-----------------------------|-------------------------------|--------------------------|
| HMS | \$203,572 | \$200,247 | (\$3,326) | -2% |
| SPH (not including PEPFAR) | 135,276 | 128,402 | (6,875) | -5% |
| FAS w/DEAS | 134,216 | 119,220 | (14,996) | -11% |
| KSG | 11,757 | 9,347 | (2,410) | -20% |
| GSE | 5,770 | 4,395 | (1,374) | -24% |
| Others | 1,787 | 1,101 | (685) | -38% |
| Subtotal | \$492,377 | \$462,711 | (\$29,666) | -6% |
| PEPFAR | 21,315 | 48,543 | 27,228 | 128% |
| Total | \$513,692 | \$511,254 | (\$2,438) | 0% |

(Amounts expressed in thousands)

IX. Federal Expenditures by Function

| | Research & Development | | | Training | | | Other | | | Total | | |
|--|------------------------|---------------|---------------|--------------|-------------|--------------|--------------|-------------|--------------|---------------|---------------|---------------|
| | Direct | Indirect | Total | Direct | Indirect | Total | Direct | Indirect | Total | Direct | Indirect | Total |
| Faculty of Arts and Sciences | \$59,128,413 | \$25,158,693 | \$84,287,105 | \$241,450 | \$19,043 | \$260,493 | \$1,731,739 | \$203,939 | \$1,935,678 | \$61,101,602 | \$25,381,674 | \$86,483,276 |
| Division of Engineering & Applied Sci. | 21,864,283 | 10,241,102 | 32,105,386 | 288,507 | 18,641 | 307,148 | 116,461 | 177 | 116,637 | 22,269,251 | 10,259,920 | 32,529,171 |
| FAS - Academic Support | | | | | | | 176,744 | 30,560 | 207,304 | 176,744 | 30,560 | 207,304 |
| School of Design | 62,016 | 12,298 | 74,314 | | | | 3,600 | | 3,601 | 65,617 | 12,299 | 77,915 |
| Divinity School | 13,339 | | 13,339 | | | | | | | 13,339 | | 13,339 |
| Graduate School of Education | 2,960,825 | 786,360 | 3,747,185 | 224,402 | 8,478 | 232,880 | 337,678 | 77,412 | 415,090 | 3,522,905 | 872,250 | 4,395,155 |
| JFK School of Government | 4,533,569 | 1,295,393 | 5,828,961 | 1,511,727 | 126,579 | 1,638,305 | 1,544,578 | 335,064 | 1,879,642 | 7,589,873 | 1,757,035 | 9,346,908 |
| Law School | 251,830 | 76,706 | 328,536 | | | | | | | 251,830 | 76,706 | 328,536 |
| Medical School | 117,403,362 | 57,110,781 | 174,514,144 | 17,278,563 | 914,127 | 18,192,690 | 812,885 | 107,152 | 920,038 | 135,494,811 | 58,132,060 | 193,626,871 |
| School of Dental Medicine | 3,589,863 | 1,771,763 | 5,361,626 | 1,190,911 | 67,130 | 1,258,041 | | | | 4,780,774 | 1,838,893 | 6,619,667 |
| School of Public Health | 80,468,541 | 32,458,859 | 112,927,400 | 13,018,104 | 703,814 | 13,721,918 | 43,614,551 | 6,681,119 | 50,295,670 | 137,101,196 | 39,843,792 | 176,944,988 |
| Other Academic Tubs | 335,094 | 119,568 | 454,662 | | | | 18,500 | 4,978 | 23,478 | 353,594 | 124,546 | 478,141 |
| Service & Central Administration | 35,362 | | 35,362 | | | | 142,542 | 25,569 | 168,111 | 177,904 | 25,569 | 203,473 |
| Total Expenditures | \$290,646,497 | \$129,031,523 | \$419,678,020 | \$33,753,663 | \$1,857,811 | \$35,611,474 | \$48,499,279 | \$7,465,971 | \$55,965,250 | \$372,899,440 | \$138,355,304 | \$511,254,744 |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685



Non-Federal Funding

X. Leading Non-Federal Sponsors by Expenditures

Non-federal sponsored funding increased for the first time in five years in FY07. While foundation support continues to decline, all other sources of non-federal funding increased in FY07 relative to FY06. Among these sources, corporate support demonstrated the most significant influx of new funding, increasing 70% to \$15.5 million in FY07. [Note: not reported in these numbers are alternative methods of corporate and foundation support that do not qualify as sponsored funding, but provide financial support to important research initiatives (e.g. the Harvard Stem Cell Institute).]

| Non-Federal Sponsors (in \$ millions) | FY03 | FY04 | FY05 | FY06 | FY07 | Dollar Pct Change FY06-07 | FY 06 Pct of Total Non-Fed Exp | FY 07 Pct of Total Non-Fed Exp | Pct of Total Change FY06-07 |
|---|----------------|----------------|----------------|----------------|----------------|---------------------------------|--------------------------------------|--------------------------------------|-----------------------------------|
| Foundations | \$89.3 | \$86.4 | \$78.1 | \$74.1 | \$72.9 | -1.6% | 67.2% | 61.4% | -5.8% |
| State, Local, Foreign Governments | 10.6 | 10.4 | 12.8 | 12.2 | 13.1 | 7.4% | 11.1% | 11.0% | 0.0% |
| Corporations | 9.9 | 10.1 | 11.1 | 9.1 | 15.5 | 70.3% | 8.3% | 13.0% | 4.8% |
| Research Institutes, Universities, Hospitals, and Others | 16.5 | 15.4 | 13.5 | 14.9 | 17.3 | 16.1% | 13.5% | 14.6% | 1.1% |
| Total | \$126.3 | \$122.3 | \$115.5 | \$110.3 | \$118.8 | 7.7% | | | |

| Foundation Support (in \$ thousands) | FY03 | FY04 | FY05 | FY06 | FY07 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Bill and Melinda Gates Foundation | \$14,944.7 | \$14,348.1 | \$11,821.3 | \$9,583.0 | \$7,533.9 |
| Robert Wood Johnson Foundation | 5,047.5 | 4,246.3 | 4,685.3 | 4,468.5 | 5,528.1 |
| John D. and Catherine T. MacArthur Foundation | 2,109.3 | 1,955.1 | 2,447.0 | 2,597.0 | 3,738.8 |
| Ford Foundation | 5,426.7 | 5,902.1 | 3,174.9 | 3,079.4 | 3,237.9 |
| Ellison Medical Foundation | 977.9 | 2,248.5 | 2,642.1 | 3,253.5 | 3,080.1 |
| Public Authority for Assmt of Compensation, Govt of Kuwait | 2,301.8 | 3,151.5 | 4,933.1 | 3,229.8 | 2,780.7 |
| Merck and Company, Inc. | 504.9 | 792.9 | 527.1 | 655.1 | 2,716.4 |
| Andrew W. Mellon Foundation | 3,153.6 | 3,141.8 | 3,545.0 | 3,415.7 | 2,664.5 |
| John Templeton Foundation | 0.0 | 0.0 | 195.7 | 874.1 | 1,907.2 |
| Juvenile Diabetes Research Foundation International | 4,658.5 | 2,421.7 | 883.2 | 1,486.1 | 1,874.3 |
| Other Sponsors | 87,157.6 | 84,072.8 | 80,620.0 | 77,623.7 | 83,815.7 |
| Total | \$126,282.5 | \$122,280.8 | \$115,474.7 | \$110,265.9 | \$118,877.6 |

Note: \$0.0 listed for prior FY indicates that sponsor was not in the top 10 for that FY. Expenditures exclude financial aid and work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685 (Amounts expressed in thousands except as otherwise noted)

XI. Top Ten Non-Federal Sponsors by Expenditures by Major School

The tables on the next three pages detail the top ten non-federal sponsors for each school, and their percentage of funding relative to the school's total non-federal expenses, total sponsored expenses and total operating expenses.

| School | Sponsor | Non-Federal Expenses | Pct of School Non-Federal Expenses | Pct of School Total Sponsored Expenses | Pct of School Total Operating Expenses |
|-----------------------|--|----------------------|------------------------------------|--|--|
| HMS | Merck and Company, Inc. | \$2,716,358 | 8.50% | 1.20% | 0.49% |
| | Juvenile Diabetes Research Foundation International | 1,754,278 | 5.50% | 0.78% | 0.32% |
| | Aventis Pharmaceuticals Inc. | 1,742,662 | 5.50% | 0.77% | 0.32% |
| | National Multiple Sclerosis Society | 1,405,929 | 4.40% | 0.62% | 0.26% |
| | Commonwealth of Massachusetts | 1,373,798 | 4.30% | 0.61% | 0.25% |
| | International AIDS Vaccine Initiative | 1,098,456 | 3.40% | 0.49% | 0.20% |
| | Commonwealth Fund | 1,005,442 | 3.10% | 0.45% | 0.18% |
| | Ellison Medical Foundation | 805,499 | 2.50% | 0.36% | 0.15% |
| | DNAPrint genomics, Inc. | 772,160 | 2.40% | 0.34% | 0.14% |
| | Howard Hughes Medical Institute | 673,651 | 2.10% | 0.30% | 0.12% |
| | Other Non-Federal Sponsors | 18,623,467 | 58.25% | 8.26% | 3.39% |
| | Total | \$31,971,700 | 100.00% | 14.17% | 5.82% |
| SPH | Bill and Melinda Gates Foundation | \$4,758,182 | 15.60% | 2.29% | 1.75% |
| | Robert Wood Johnson Foundation | 3,362,429 | 11.00% | 1.62% | 1.24% |
| | Public Authority for Assmt of Compensation, Govt of Kuwait | 2,781,624 | 9.10% | 1.34% | 1.03% |
| | Ellison Medical Foundation | 1,655,150 | 5.40% | 0.80% | 0.61% |
| | Bristol-Myers Squibb Foundation, Inc. | 1,322,529 | 4.30% | 0.64% | 0.49% |
| | Government of the Republic of Cyprus | \$960,794 | 3.20% | 0.46% | 0.35% |
| | Mexican Ministry of Health | \$924,919 | 3.00% | 0.45% | 0.34% |
| | Oak Foundation | \$867,434 | 2.80% | 0.42% | 0.32% |
| | African Comprehensive HIV/AIDS Partnership | \$810,290 | 2.70% | 0.39% | 0.30% |
| | Government of Switzerland | \$795,766 | 2.60% | 0.38% | 0.29% |
| | Other Non-Federal Sponsors | \$12,201,272 | 40.08% | 5.88% | 4.50% |
| | Total | \$30,440,388 | 100.00% | 14.68% | 11.22% |
| FAS (Including DEAS) | Bill and Melinda Gates Foundation | \$2,019,944 | 8.60% | 1.41% | 0.20% |
| | Andrew W. Mellon Foundation | 1,850,425 | 7.80% | 1.30% | 0.19% |
| | Robert Wood Johnson Foundation | 1,432,637 | 6.10% | 1.00% | 0.14% |
| | Samsung Electronics Co. Ltd | 837,141 | 3.50% | 0.59% | 0.08% |
| | John M. Olin Foundation | 827,451 | 3.50% | 0.58% | 0.08% |
| | Rockefeller Foundation | 704,826 | 3.00% | 0.49% | 0.07% |
| | Ellison Medical Foundation | 619,468 | 2.60% | 0.43% | 0.06% |
| | Spinal Muscular Atrophy Foundation | 613,068 | 2.60% | 0.43% | 0.06% |
| | Microsoft Corporation | 589,395 | 2.50% | 0.41% | 0.06% |
| | David and Lucile Packard Foundation | 581,106 | 2.50% | 0.41% | 0.06% |
| | Other Non-Federal Sponsors | 13,529,685 | 57.30% | 9.47% | 1.36% |
| | Total | \$23,605,144 | 100.00% | 16.53% | 2.38% |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685

XI. Top Ten Non-Federal Sponsors by Expenditures by Major School (cont.)

| School | Sponsor | Non-Federal Expenses | Pct of School Non-Federal Expenses | Pct of School Total Sponsored Expenses | Pct of School Total Operating Expenses |
|------------------------------|--|----------------------|------------------------------------|--|--|
| JFK School of Government | Ford Foundation | \$1,471,311 | 8.10% | 5.36% | 1.15% |
| | Government of Dubai | 1,236,385 | 6.80% | 4.51% | 0.97% |
| | Carnegie Corporation of New York | 1,090,720 | 6.00% | 3.98% | 0.86% |
| | National Treasury of South Africa | 1,004,186 | 5.60% | 3.66% | 0.79% |
| | India Administrative Services/Dept of Personnel and Training | 971,420 | 5.40% | 3.54% | 0.76% |
| | Instituto Tecnologico y de Estudios Superiores de Monterrey | 929,177 | 5.10% | 3.39% | 0.73% |
| | Amyway (China) Co., Limited | 890,366 | 4.90% | 3.25% | 0.70% |
| | National University of Singapore | 799,416 | 4.40% | 2.91% | 0.63% |
| | John D. and Catherine T. MacArthur Foundation | 781,050 | 4.30% | 2.85% | 0.61% |
| | William and Flora Hewlett Foundation | 582,156 | 3.20% | 2.12% | 0.46% |
| | Other Non-Federal Sponsors | 8,334,354 | 46.07% | 30.38% | 6.54% |
| | Total | \$18,090,541 | 100.00% | 65.93% | 14.19% |
| Graduate School of Education | The Wallace Foundation | \$1,430,626 | 19.60% | 12.20% | 2.20% |
| | Spencer Foundation | 899,291 | 12.30% | 7.70% | 1.40% |
| | The Atlantic Philanthropies | 632,467 | 8.60% | 5.40% | 1.00% |
| | Ford Foundation | 562,197 | 7.70% | 4.80% | 0.90% |
| | Charles Stewart Mott Foundation | 403,704 | 5.50% | 3.40% | 0.60% |
| | Hawaiian Education Council | 388,000 | 5.30% | 3.30% | 0.60% |
| | David and Lucile Packard Foundation | 350,114 | 4.80% | 3.00% | 0.50% |
| | William K. Kellogg Foundation | 267,776 | 3.70% | 2.30% | 0.40% |
| | Bialik College | 207,490 | 2.80% | 1.80% | 0.30% |
| | Carnegie Corporation of New York | 184,139 | 2.50% | 1.60% | 0.30% |
| | Other Non-Federal Sponsors | 1,988,593 | 27.20% | 16.98% | 3.06% |
| | Total | \$7,314,397 | 100.00% | 62.47% | 11.27% |
| Law School | John D. and Catherine T. MacArthur Foundation | \$1,433,419 | 41.90% | 38.20% | 1.00% |
| | John M. Olin Foundation | 861,819 | 25.20% | 23.00% | 0.60% |
| | Alfred P. Sloan Foundation | 330,217 | 9.60% | 8.80% | 0.20% |
| | Cogan Family Foundation | 172,541 | 5.00% | 4.60% | 0.10% |
| | Ford Foundation | 129,971 | 3.80% | 3.50% | 0.10% |
| | Rockefeller Foundation | 124,067 | 3.60% | 3.30% | 0.10% |
| | Hivos | 65,918 | 1.90% | 1.80% | 0.05% |
| | Lynde and Harry Bradley Foundation | 57,020 | 1.70% | 1.50% | 0.04% |
| | Charles H. Revson Foundation, Inc. | 49,285 | 1.40% | 1.30% | 0.03% |
| | Open Society Institute | 49,224 | 1.40% | 1.30% | 0.03% |
| | Other Non-Federal Sponsors | 149,065 | 4.36% | 3.97% | 0.10% |
| | Total | \$3,422,546 | 100.00% | 91.24% | 2.34% |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685

XI. Top Ten Non-Federal Sponsors by Expenditures by Major School (cont.)

| School | Sponsor | Non-Federal Expenses | Pct of School Non-Federal Expenses | Pct of School Total Sponsored Expenses | Pct of School Total Operating Expenses |
|------------------|---|----------------------|------------------------------------|--|--|
| Dental School | Foundation Fighting Blindness | \$119,618 | 18.50% | 1.65% | 0.39% |
| | Olympus Corporation | 108,099 | 16.70% | 1.49% | 0.35% |
| | Colgate-Palmolive Company | 94,160 | 14.60% | 1.30% | 0.31% |
| | Musculoskeletal Transplant Foundation | 68,856 | 10.60% | 0.95% | 0.22% |
| | ITI Foundation for the Promotion of Oral Implantology | 63,078 | 9.70% | 0.87% | 0.20% |
| | Philips Oral Healthcare | 54,677 | 8.50% | 0.75% | 0.18% |
| | Arthritis Foundation | 43,036 | 6.70% | 0.59% | 0.14% |
| | The John Butler Mulliken Foundation, Inc. | 37,621 | 5.80% | 0.52% | 0.12% |
| | Muscular Dystrophy Association | 32,950 | 5.10% | 0.45% | 0.11% |
| | Sunstar Incorporated | 23,093 | 3.60% | 0.32% | 0.08% |
| | Other Non-Federal Sponsors | 1,856 | 0.29% | 0.03% | 0.01% |
| | Total | \$647,045 | 100.00% | 8.90% | 2.09% |
| Divinity School | John Templeton Foundation | \$418,014 | 89.10% | 86.60% | 1.50% |
| | Ford Foundation | 50,615 | 10.80% | 10.50% | 0.20% |
| | Other Non-Federal Sponsors | 759 | 0.16% | 0.16% | 0.00% |
| | Total | \$469,388 | 100.00% | 97.24% | 1.70% |
| School of Design | Keio University | \$54,280 | 20.60% | 15.90% | 0.17% |
| | Cedar Tree Foundation | 51,106 | 19.40% | 14.97% | 0.16% |
| | Urban District Planning and Land Use, City of Vienna, Austria | 37,158 | 14.10% | 10.89% | 0.12% |
| | University of Cantabria | 20,552 | 7.80% | 6.02% | 0.06% |
| | Lincoln Institute of Land Policy | 20,344 | 7.70% | 5.96% | 0.06% |
| | Satellier LLC | 15,043 | 5.70% | 4.41% | 0.05% |
| | Department of Urban Development, Municipality of Almere | 12,805 | 4.90% | 3.75% | 0.04% |
| | Ministry of Tourism, Morocco | 11,829 | 4.50% | 3.47% | 0.04% |
| | Valcucine S.p.A. | 9,349 | 3.50% | 2.74% | 0.03% |
| | Government of the Republic of Cyprus | 9,130 | 3.50% | 2.68% | 0.03% |
| | Other Non-Federal Sponsors | 21,839 | 8.30% | 6.40% | 0.07% |
| | Total | \$263,436 | 100.00% | 77.17% | 0.82% |
| Radcliffe | Ford Foundation | \$24,264 | 23.30% | 23.30% | 0.13% |
| | Andrew W. Mellon Foundation | 79,864 | 76.70% | 76.70% | 0.44% |
| | Total | \$104,128 | 100.00% | 100.00% | 0.57% |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685

XII. International Sponsored Programs

International projects continue to be a large part of Harvard's sponsored portfolio. A select listing of countries that provide Harvard with funding, as well as countries where Harvard has issued subcontracts, are listed below.

Expenditures on Awards from Foreign Sponsors (Top 10):

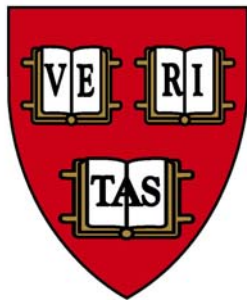
| Sponsor Country | Expenses (In Thousands) |
|-------------------------------|----------------------------|
| Kuwait | \$2,824.1 |
| Mexico | \$2,126.9 |
| Switzerland | \$2,078.5 |
| United Arab Emirates | \$1,236.4 |
| United Kingdom | \$1,147.8 |
| India | \$1,058.3 |
| South Africa | \$1,004.2 |
| Korea, South | \$998.0 |
| Cyprus | \$969.9 |
| China | \$890.4 |
| Other Countries | \$6,408.8 |
| Total Awards/Subawards | \$20,743.3 |

N.B. The data above was revised on 3/5/09

Expenditures on Awards Subcontracted by Harvard to Foreign Subrecipients (Top 10):

| Country | Expenses (In Thousands) |
|-----------------------------|----------------------------|
| Nigeria | \$12,028.0 |
| Tanzania | \$10,129.8 |
| United Kingdom | \$1,084.6 |
| Kuwait | \$1,000.0 |
| Sweden | \$772.0 |
| Australia | \$601.7 |
| Canada | \$569.0 |
| Costa Rica | \$550.0 |
| Israel | \$457.5 |
| Thailand | \$377.7 |
| Other Foreign Subrecipients | \$3,282.3 |
| Total | \$30,852.7 |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 68 (Amounts expressed in thousands)

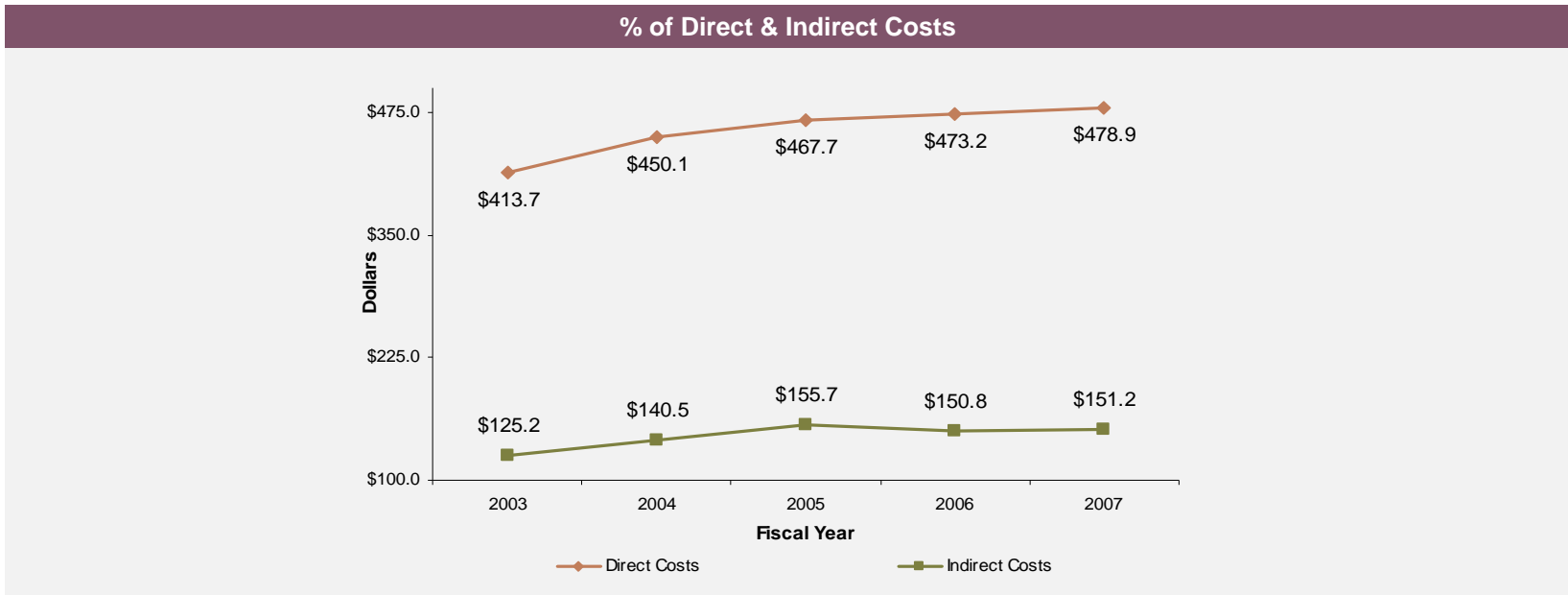


Direct and Indirect Cost

XIII. Direct and Indirect Cost Recovery

Indirect costs recovery is flat this year while direct costs continue to increase. The effective rate, defined as indirect costs as a percentage of total direct costs, is less than 33% university-wide.

| Fiscal Year | Direct Costs | Direct % change from Prior FY | Indirect Costs | Indirect % change from Prior FY | Total Sponsored Expenditures | Effective Indirect Cost Rate |
|-------------|--------------|-------------------------------|----------------|---------------------------------|------------------------------|------------------------------|
| 2003 | \$413.7 | 3.90% | \$125.2 | 1.00% | \$538.9 | 30.30% |
| 2004 | 450.1 | 8.80% | 140.5 | 12.20% | 590.6 | 31.20% |
| 2005 | 467.7 | 3.90% | 155.7 | 10.80% | 623.4 | 33.30% |
| 2006 | 473.2 | 1.20% | 150.8 | -3.20% | 624.0 | 31.90% |
| 2007 | \$478.9 | 1.20% | \$151.2 | 0.30% | \$630.1 | 31.60% |



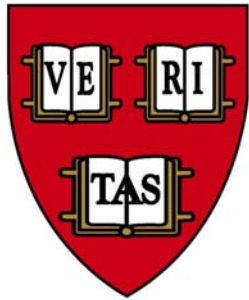
Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685 (Amounts expressed in millions)

XIV. Sponsored Direct and Indirect Costs by School

This table further details effective indirect cost rates (defined as indirect costs collected as a percentage of total direct costs): by school and by federal and non-federal funding source.

| School | Federal Direct Costs | Federal Indirect Costs | Total Federal Costs | Effective Federal IDC Rate | Non-Federal Direct Costs | Non-Federal Indirect Costs | Total Non-Federal Costs | Effective Non-Federal IDC Rate |
|--|----------------------|------------------------|----------------------|----------------------------|--------------------------|----------------------------|-------------------------|--------------------------------|
| Faculty of Arts and Sciences | \$61,278,346 | \$25,412,234 | \$86,690,580 | 42% | \$17,933,035 | \$1,829,222 | \$19,762,257 | 10% |
| Division of Engineering & Applied Sci. | 22,269,251 | 10,259,920 | 32,529,171 | 46% | 3,389,254 | 453,633 | 3,842,888 | 13% |
| School of Design | 65,617 | 12,299 | 77,915 | 19% | 234,300 | 29,135 | 263,436 | 12% |
| Divinity School | 13,339 | | 13,339 | N/A | 406,508 | 62,880 | 469,388 | 15% |
| Graduate School of Education | 3,522,905 | 872,250 | 4,395,155 | 25% | 6,596,659 | 717,738 | 7,314,397 | 11% |
| JFK School of Government | 7,589,873 | 1,757,035 | 9,346,908 | 23% | 15,946,279 | 2,144,262 | 18,090,541 | 13% |
| Law School | 251,830 | 76,706 | 328,536 | 30% | 3,196,567 | 225,979 | 3,422,546 | 7% |
| Medical School | 135,494,811 | 58,132,060 | 193,626,871 | 43% | 28,411,590 | 3,560,110 | 31,971,700 | 13% |
| School of Dental Medicine | 4,780,774 | 1,838,893 | 6,619,667 | 38% | 541,293 | 105,752 | 647,045 | 20% |
| School of Public Health | 137,101,196 | 39,843,792 | 176,944,988 | 29% | 26,881,573 | 3,558,815 | 30,440,388 | 13% |
| Radcliffe Institute for Advanced Study | | | | | 103,157 | 971 | 104,128 | 1% |
| Other Academic Tubs | 353,594 | 124,546 | 478,141 | 35% | 1,828,651 | 137,170 | 1,965,821 | 8% |
| Service & Central Administration | 177,904 | 25,569 | 203,473 | 14% | 579,714 | 3,404 | 583,118 | 1% |
| Total | \$372,899,440 | \$138,355,304 | \$511,254,744 | 37% | \$106,048,581 | \$12,829,071 | \$118,877,652 | 12% |

Note: Expenditures exclude financial aid, Agency funds, work study and non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685



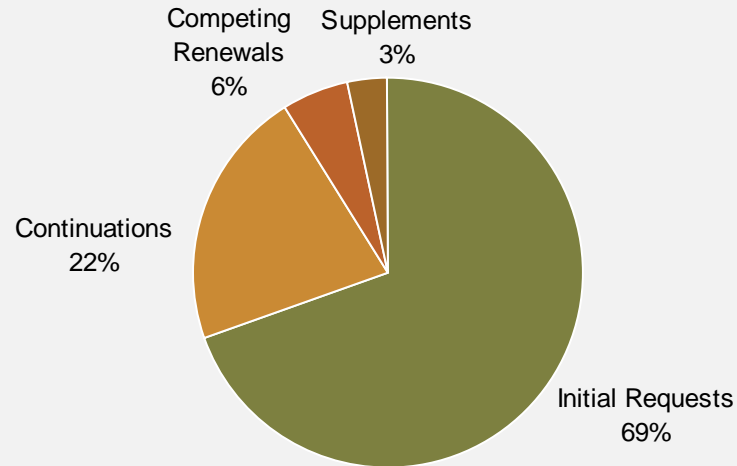
Proposals and Obligations

XV. Sponsored Programs Proposals

The Office for Sponsored Programs, Sponsored Programs Administration at Harvard Medical School and the Office of Financial Services at the School of Public Health together processed a total of 3,171 proposals in FY07, a decrease of 75 proposals (or 2.3%) from FY06*. This continues a 3-year trend in which proposal submissions have continued to decrease. Of the 3,171 proposals submitted for review, 69.5% were requests for new awards, 21.6% were continuation requests, and 5.6% were requests for competing renewals.

| School | FAS | | DEAS | | HMS | | SPH | | All Other Schools | | Total All Schools for FY | |
|-----------------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------------|---------------|
| Fiscal Year Submitted | Number of Requests | From Prior FY | Number of Requests | From Prior FY | Number of Requests | From Prior FY | Number of Requests | From Prior FY | Number of Requests | From Prior FY | Number of Requests | From Prior FY |
| FY03* | 837 | 5.5% | 220 | 5.3% | 1,339 | -7.5% | 652 | -6.5% | 375 | 0.8% | 3,423 | -2.7% |
| FY04* | 926 | 10.6% | 270 | 22.7% | 1,214 | -9.3% | 832 | 27.6% | 326 | -13.1% | 3,568 | 4.2% |
| FY05* | 818 | -11.7% | 257 | -4.8% | 1,324 | 9.1% | 785 | -5.6% | 278 | -14.7% | 3,462 | -3.0% |
| FY06* | 790 | -3.4% | 227 | -11.7% | 1,229 | -7.2% | 741 | -5.6% | 259 | -6.8% | 3,246 | -6.2% |
| FY07 | 793 | 0.4% | 259 | 14.1% | 1,175 | -4.4% | 706 | -4.7% | 238 | -8.1% | 3,171 | -2.3% |

Types of Proposals Submitted in FY07



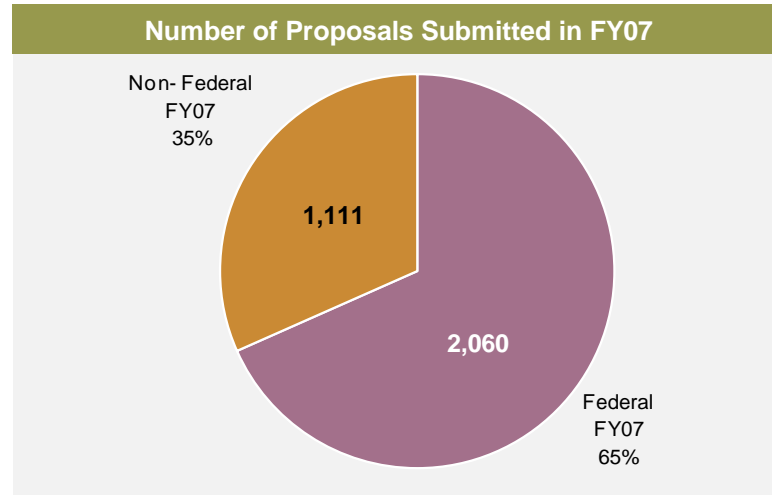
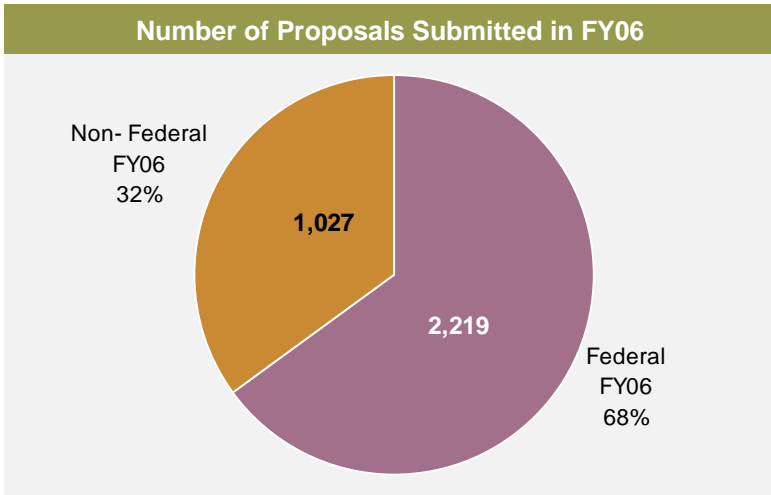
Note: Data exclude non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685

*Proposal numbers in this year's report differ from previous years' reports due to older (unfunded) proposals being entered into the new system of record.

XVI. Federal and Non-Federal Proposals Submitted—Two Year Comparison

This page details by school the number of proposals submitted to federal and non-federal sponsors in FY06 and FY07.

| School | FY06* | | | FY07 | | | % Change |
|--|--------------|------------------|------------|--------------|------------------|------------|----------|
| | Federal FY06 | Non-Federal FY06 | Total FY06 | Federal FY07 | Non-Federal FY07 | Total FY07 | |
| Faculty of Arts and Sciences | 534 | 254 | 788 | 514 | 277 | 791 | 0.4% |
| Division of Engineering & Applied Sci. | 197 | 30 | 227 | 219 | 40 | 259 | 14% |
| FAS - Academic Support | 2 | | 2 | 1 | 1 | 2 | 0% |
| Total FAS | 733 | 284 | 1,017 | 734 | 318 | 1,052 | 3% |
| School of Design | 2 | 14 | 16 | 4 | 9 | 13 | -19% |
| Divinity School | | 4 | 4 | | 3 | 3 | -25% |
| Graduate School of Education | 30 | 61 | 91 | 22 | 60 | 82 | -10% |
| JFK School of Government | 28 | 78 | 106 | 24 | 61 | 85 | -20% |
| Law School | 1 | 14 | 15 | 2 | 32 | 34 | 127% |
| Medical School | 803 | 353 | 1,156 | 769 | 356 | 1,125 | -3% |
| School of Dental Medicine | 50 | 23 | 73 | 37 | 13 | 50 | -32% |
| School of Public Health | 557 | 184 | 741 | 460 | 246 | 706 | -5% |
| Other Academic Tubs | 7 | 10 | 17 | 5 | 9 | 14 | -18% |
| Service & Central Administration | 8 | 2 | 10 | 3 | 4 | 7 | -30% |
| Total Number of Proposals | 2,219 | 1,027 | 3,246 | 2,060 | 1,111 | 3,171 | -2% |



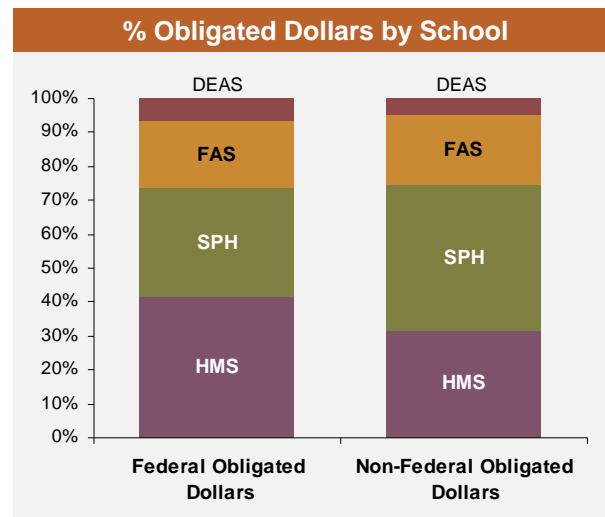
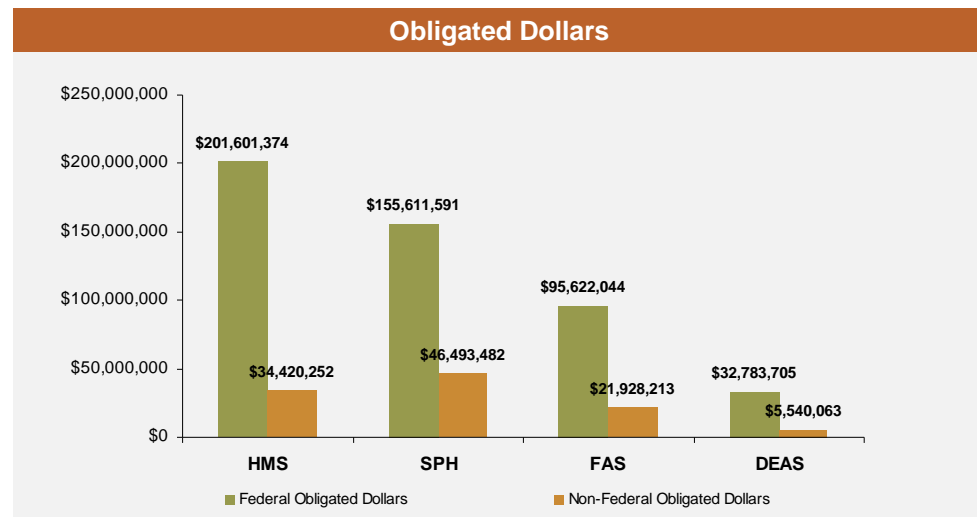
Note: Data exclude non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685
 Submissions counted for Initial, Continuation, Competing Renewal and Supplement Request (Using GMAS Request Data through September 26, 2007)
 *Proposal numbers in this year's report differ from previous years' reports due to older (unfunded) proposals being entered into the new system of record.

XVII. Federal and Non-Federal Obligations by School

This page details the number of new awards committed to Harvard by sponsors in FY07*, as well as the dollar values associated with these new obligations.

| School | Federal | Non-Federal | Total Sponsored Obligations |
|--|----------------------|----------------------|-----------------------------|
| | Total Obligated | Total Obligated | Total Obligated |
| Faculty of Arts and Sciences | \$95,622,044 | \$21,928,213 | \$117,550,257 |
| Division of Engineering & Applied Sci. | 32,783,705 | 5,540,063 | 38,323,768 |
| FAS - Academic Support | 123,021 | 39,500 | 162,521 |
| School of Design | 94,160 | 232,870 | 327,030 |
| Divinity School | | 70,000 | 70,000 |
| Graduate School of Education | 1,624,591 | 10,852,587 | 12,477,178 |
| JFK School of Government | 4,910,299 | 16,533,671 | 21,443,970 |
| Law School | 1,972,673 | 2,086,687 | 4,059,360 |
| Medical School | 201,601,374 | 34,420,252 | 236,021,626 |
| School of Dental Medicine | 6,407,202 | 719,699 | 7,126,901 |
| School of Public Health | 155,611,591 | 46,493,482 | 202,105,072 |
| Other Academic Schools | 515,179 | 2,609,490 | 3,124,669 |
| Service & Central Administration | 83,853 | 374,048 | 457,901 |
| Other | 5,027,124 | | 5,027,124 |
| Total | \$506,376,816 | \$141,900,561 | \$648,277,378 |

| Federal | Non-Federal | Total FY07 |
|---------------------------|---------------------------|---------------------------|
| Count of New Obligations* | Count of New Obligations* | Count of New Obligations* |
| 483 | 248 | 731 |
| 188 | 39 | 227 |
| 1 | 2 | 3 |
| 3 | 10 | 13 |
| | 1 | 1 |
| 23 | 47 | 70 |
| 31 | 91 | 122 |
| 3 | 23 | 26 |
| 617 | 304 | 921 |
| 20 | 17 | 37 |
| 426 | 185 | 611 |
| 4 | 11 | 15 |
| 2 | 2 | 4 |
| 4 | | 4 |
| 1,805 | 980 | 2,785 |



Note: Obligations exclude non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685
 *Obligations committed by sponsors in FY07 for periods in FY07 and beyond.

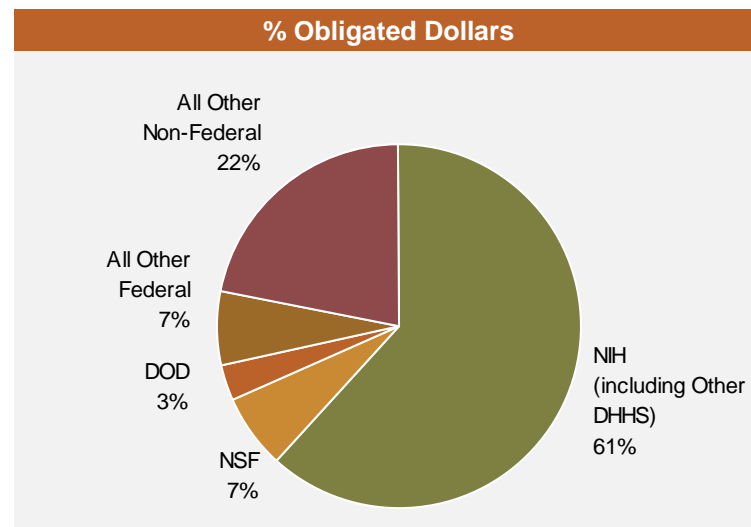
XVIII. Obligations by Federal and Non-Federal Direct and Indirect Dollars

| School | Federal | | | Non-Federal | | | Total Sponsored Obligations | | |
|--|------------------|------------------|------------------|------------------|-----------------|------------------|-----------------------------|------------------|------------------|
| | Obligated Direct | Indirect | Total Obligated | Direct | Indirect | Total Obligated | Direct | Indirect | Total Obligated |
| Faculty of Arts and Sciences | \$69,592 | \$26,030 | \$95,622 | \$19,336 | \$2,592 | \$21,928 | \$88,928 | \$28,622 | \$117,550 |
| Division of Engineering & Applied Sci. | 21,786 | 10,998 | 32,784 | 4,690 | 850 | 5,540 | 26,476 | 11,847 | 38,324 |
| FAS - Academic Support | 103 | 20 | 123 | 40 | | 40 | 143 | 20 | 163 |
| School of Design | 79 | 16 | 94 | 211 | 22 | 233 | 289 | 38 | 327 |
| Divinity School | | | | 70 | | 70 | 70 | | 70 |
| Graduate School of Education | 1,390 | 235 | 1,625 | 9,401 | 1,452 | 10,853 | 10,791 | 1,687 | 12,477 |
| JFK School of Government | 3,996 | 914 | 4,910 | 14,719 | 1,815 | 16,534 | 18,715 | 2,729 | 21,444 |
| Law School | 1,213 | 760 | 1,973 | 1,900 | 187 | 2,087 | 3,113 | 946 | 4,059 |
| Medical School | 141,220 | 60,381 | 201,601 | 30,351 | 4,070 | 34,420 | 171,571 | 64,451 | 236,022 |
| School of Dental Medicine | 4,605 | 1,802 | 6,407 | 628 | 92 | 720 | 5,234 | 1,893 | 7,127 |
| School of Public Health | 119,746 | 35,866 | 155,612 | 41,365 | 5,129 | 46,493 | 161,111 | 40,995 | 202,105 |
| Other Academic Schools | 362 | 153 | 515 | 2,425 | 184 | 2,609 | 2,788 | 337 | 3,125 |
| Service & Central Administration | 84 | 0 | 84 | 372 | 2 | 374 | 456 | 2 | 458 |
| Other | 4,162 | 865 | 5,027 | | | | 4,162 | 865 | 5,027 |
| Total | \$368,338 | \$138,039 | \$506,377 | \$125,507 | \$16,394 | \$141,901 | \$493,845 | \$154,432 | \$648,277 |

Note: Obligations exclude non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685. (Amounts expressed in thousands)
 *Obligations committed by sponsors in FY07 for periods in FY07 and beyond.

XIX. Obligations by Top Federal and Non-Federal Sponsors

| Top Federal Sponsors | Total Obligated |
|--------------------------------------|----------------------|
| NIH | \$364,163,480 |
| NSF | 42,531,147 |
| Other DHHS | 36,294,141 |
| DOD | 19,156,989 |
| NASA | 8,328,734 |
| Department of Energy | 8,194,719 |
| Agency for International Development | 6,110,135 |
| Department of Education | 5,050,131 |
| EPA | 4,351,820 |
| Department of State | 1,647,000 |
| Other Federal Sponsors | 10,548,520 |
| Total | \$506,376,816 |



| Top Non-Federal Sponsors Domestic | Total Obligated |
|---|----------------------|
| Bill and Melinda Gates Foundation | \$15,641,036 |
| Robert Wood Johnson Foundation | 11,278,103 |
| John D. and Catherine T. MacArthur Foundation | 3,446,568 |
| Juvenile Diabetes Research Foundation International | 3,380,229 |
| Ellison Medical Foundation | 2,987,412 |
| Ford Foundation | 1,702,985 |
| Andrew W. Mellon Foundation | 1,461,000 |
| National Multiple Sclerosis Society | 469,208 |
| John M. Olin Foundation | 148,642 |
| Other Non-Federal Sponsors - Domestic | 81,555,635 |
| Total | \$122,070,818 |

| Top Non-Federal Sponsors Foreign | Sponsor Country | Total Obligated |
|--|----------------------|---------------------|
| The Wellcome Trust | United Kingdom | \$1,550,327 |
| Government of Dubai | United Arab Emirates | 1,500,000 |
| Government of Switzerland | Switzerland | 1,319,524 |
| Government of the Republic of Cyprus | Cyprus | 1,184,714 |
| India Administrative Services/Dept of Personnel and Training | India | 1,107,910 |
| Mexican Ministry of Health | Mexico | 1,050,000 |
| Amway (China) Co., Limited | China | 999,805 |
| Samsung Electronics Co. Ltd | Korea, South | 803,245 |
| Public Authority for Assmt of Compensation, Govt of Kuwait | Kuwait | 801,666 |
| BP International Limited | United Kingdom | 800,000 |
| BP Alternative Energy Holdings Limited | United Kingdom | 650,000 |
| Other Non-Federal Sponsors - Foreign | | 8,062,552 |
| Total | | \$19,829,743 |

Note: Obligations exclude non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685
 * Obligations committed by sponsors in FY07 for periods in FY07 and beyond.

XX. International Sponsored Program Obligations

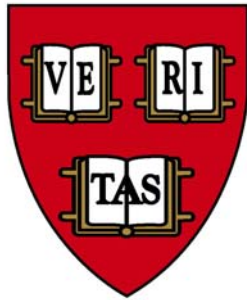
Obligations from Foreign Sponsors (Top 10):

| Sponsor Foreign Countries | Obligated Total (In Thousands) |
|---------------------------|--------------------------------|
| United Kingdom | \$4,174.5 |
| Switzerland | \$2,171.2 |
| India | \$1,677.9 |
| United Arab Emirates | \$1,500.0 |
| Korea, South | \$1,302.9 |
| Cyprus | \$1,184.7 |
| Mexico | \$1,050.0 |
| China | \$999.8 |
| Kuwait | \$971.7 |
| Germany | \$759.9 |

Harvard's Obligated Subcontracts to Foreign Subrecipients (Top 10):

| Subrecipient Foreign Countries | Total Issued Amount (In Thousands) |
|--------------------------------|------------------------------------|
| Nigeria | \$9,386.4 |
| Tanzania | \$6,753.7 |
| Sweden | \$1,046.1 |
| Australia | \$826.1 |
| Canada | \$575.0 |
| Denmark | \$500.0 |
| Israel | \$453.5 |
| United Kingdom | \$440.9 |
| Thailand | \$421.0 |
| Peru | \$378.0 |

Note: Obligations exclude non-consolidating tubs: 130, 185, 190, 295, 455, 595, 670, 685
 *Obligations committed by sponsors in FY07 for periods in FY07 and beyond.
 (Obligated dollar amount expressed in thousands)



Appendix

Appendix: Consolidating Schools

Consolidating

| School | School Name | School Abbreviation | Owning School | University Reporting Class |
|--------|--------------------------------|---------------------|---------------|--|
| 100 | Arnold Arboretum | ARB | 100 | Arnold Arboretum |
| 105 | HU Art Museums | HUAM | 105 | Harvard University Art Museums |
| 110 | Dumbarton Oaks | DOAK | 110 | Faculty of Arts and Sciences |
| 115 | Hellenic Ctr | HLNC | 115 | Faculty of Arts and Sciences |
| 135 | Mem Church | MEM | 135 | Memorial Church |
| 140 | Nieman Foundation | NMNF | 140 | Nieman Foundation |
| 145 | Villa I Tatti | VIT | 145 | Villa I Tatti |
| 150 | Dining Services | DINE | 150 | Dining Services |
| 155 | Faculty Club | CLUB | 155 | Faculty Club |
| 160 | Security | SEC | 160 | Security |
| 165 | Human Resource Svcs | HRSV | 165 | Human Resource Services |
| 170 | Univ Health Svcs | UHS | 170 | University Health Services |
| 175 | Univ Information Systems | UIS | 175 | University Information Systems |
| 180 | Univ Ops Svcs | UOS | 180 | University Operations Services |
| 195 | HU Library | HUL | 195 | University Library |
| 205 | Inst of Politics | IOP | 205 | John F. Kennedy School of Government |
| 215 | Kennedy School of Government | KSG | 215 | John F. Kennedy School of Government |
| 225 | Joint Ctr for Housing Studies | JCHS | 225 | Joint Center for Housing Studies |
| 235 | Grad School of Design | GSD | 235 | School of Design |
| 245 | Divinity School | DIV | 245 | Divinity School |
| 255 | Grad School of Education | GSE | 255 | School of Education |
| 265 | Harv Law School | HLS | 265 | Law School |
| 275 | School of Public Health | SPH | 275 | School of Public Health |
| 285 | Radcliffe | RAD | 285 | Radcliffe Institute for Advanced Study |
| 310 | FAS College Life+Student Svcs | FCOL | 370 | Faculty of Arts and Sciences |
| 370 | FAS Core | FCOR | 370 | Faculty of Arts and Sciences |
| 325 | Schl of Engineering & Appl Sci | SEAS | 325 | Faculty of Arts and Sciences |
| 340 | FAS Athletics | FATH | 370 | Faculty of Arts and Sciences |
| 355 | FAS Continuing Education | FDCE | 370 | Faculty of Arts and Sciences |
| 385 | FAS Museums | FMUS | 370 | Faculty of Arts and Sciences |
| 400 | Grad School of Arts+Sciences | FGS | 370 | Faculty of Arts and Sciences |
| 415 | Harv Coll Library | FHCL | 370 | Faculty of Arts and Sciences |

Appendix: Consolidating Schools & Non-Consolidating Schools

Consolidating (cont.)

| School | School Name | School Abbreviation | Owning School | University Reporting Class |
|--------|--------------------------------|---------------------|---------------|-----------------------------------|
| 430 | Harv Business School | HBS | 430 | School of Business Administration |
| 445 | HBS - Executive Dev Ctr | HBSI | 430 | School of Business Administration |
| 460 | HBS - Publishing | HBSP | 430 | School of Business Administration |
| 465 | HBS - Student Clubs | HBSC | 465 | School of Business Administration |
| 475 | HBS - Student Ed Loan Fund | SELF | 430 | School of Business Administration |
| 490 | Harv Med Center | MEDC | 520 | Medical School |
| 520 | Harv Med School | HMS | 520 | Medical School |
| 505 | Harv Med Intnl | HMI | 520 | Medical School |
| 510 | Hrvd Med Intnl Gulf FZ LLC | HMIG | 510 | Medical School |
| 515 | Dubai Harv Fdn for Med Rsch | HMID | 515 | Medical School |
| 535 | HMS - Ion Inc | ION | 520 | Medical School |
| 550 | Harv School of Dental Med | HSDM | 520 | School of Dental Medicine |
| 565 | Armenise | ARMN | 520 | Medical School |
| 570 | Harv Ctr for Neurodegen+Repair | HCNR | 570 | Medical School |
| 580 | Harvard Real Estate Services | HRES | 580 | Harvard Real Estate |
| 610 | Central Administration | CADM | 610 | Central Administration |
| 625 | President's Initiatives | PRES | 625 | President's Initiatives |
| 630 | University Science Initiatives | USI | 630 | University Science Initiatives |
| 640 | Central Financial Core | CCOR | 640 | Central Financial Core |
| 650 | Benefits | BEN | 650 | Benefits |

Non-Consolidating

| School | School Name | School Abbreviation | Owning School | University Reporting Class |
|--------|-------------------------------|---------------------|---------------|--------------------------------------|
| 130 | Harv Magazine | MAG | 130 | Harvard Magazine |
| 185 | Agencies | AGEN | 185 | Agencies |
| 190 | Yenching | YEN | 190 | Yenching |
| 295 | American Repertory Theatre | ART | 295 | American Repertory Theatre |
| 455 | HBS Research Centers | HBSR | 455 | School of Business Administration |
| 595 | HRES - 3rd Party | HRE3 | 580 | Harvard Real Estate - 3RD Party |
| 660 | GIA Nonconsolidated Entities | GIAN | 660 | Non-consolidated General Investments |
| 670 | Master Trust | MSTR | 670 | Master Trust |
| 685 | Charitable Annuity Lead Trust | CALT | 685 | Charitable Annuity Lead Trust |