

F.M. KIRBY FOUNDATION SOLICITATION EVALUATION FORM

DATE: March 11, 2019

REQUEST DATE: February 7, 2019

Last grant acknowledgement: Yes

Program Area: Health

APPLICANT:

Yale University

School of Medicine

PO Box 2038

New Haven, CT 06521-2038

CONTACT: Dr. Patricia E. Pedersen, Associate VP, University Director of Corporate and Foundation Relations

PHONE: 203-436-8518

PAYEE OTHER THAN ADDRESSEE:

AMOUNT REQUESTED: \$200,000 **NATURE OF REQUEST:** For general operating support for the CNNR Imaging Facility

GRANT HISTORY

LAST GRANT DATE: 4/23/2018

LAST GRANT AMOUNT: \$140,000 **AFS DATE:** 10/2/2018

2014	\$200,000	4/14/2014	Toward the CNNR Imaging Facility Capital Equipment Fund-\$75,000
2015	\$200,000	4/13/2015	Toward the CNNR Imaging Facility Capital Equipment Fund-\$75,000
2016	\$150,000	4/4/2016	Toward operational costs of the CNNR Imaging Facility
2017	\$140,000	4/28/2017	Toward operational costs of the CNNR Imaging Facility
2018	\$140,000	4/23/2018	Toward operational costs of the CNNR Imaging Facility

DLK COMMENTS: Financial analysis attached. Yale has put forward a concise, straightforward request for FMKF to continue with operational support of the CNNR Imaging Facility. The CNNR Program Budget has declined by approximately 5%, all in the research funding area (this may be, in part, due to a drop from 93 researchers in 2018 down to 91 for 2019). I reviewed some of their highlights against WHB's site visit in February 2018. Since his visit, CNNR publications have grown to 436 (versus 335) over a ten-year span, with a large jump in the Neuron category. Of the seven new faculty hired since 2012, all are now Associate Professors (vs four) and one is a Professor. Their NIH R01 grants total 24 for 2019. Foundation support included new mentions: Klingenstein, Smith Family and Dementia Discovery Fund. Research on neurogenerative diseases and repair is so critical and I believe there are few people whose lives have not been touched in some way from these diseases. We budgeted a fairly large drop from \$140K to \$100K but I wouldn't be against going back to \$125K if we have room in the health docket.

SDK COMMENTS: Ms. Pedersen has provided good stewardship over years. Not a "named" center here, like some of the other neuroscience programs we support, so consider just below a tier 1 support level (certainly not tier 1 program). With an approximate CNNR infrastructure budget of \$475K (including \$225K in overhead costs), I can appreciate DLK's suggestion, but I think we ought to stay with the reduction as planned (also let us keep in mind that we haven't "skipped"

APPLICANT: Yale University/School of Medicine

them in quite a while). With WHB's departure, I also would not want Ms. Pedersen to somehow think the drop is a reflection of such, so I would like to call her just before the grant goes out assuming the Board approves the grant.

FM KIRBY FOUNDATION
Financial Statement Analysis

Grantee Name:	Yale University	Date:	3/8/2019
Prepared By:	DLK		
Grant Request Amt.	\$ 200,000	Type of Financial Report Submitted	Audit
Budgeted Amt.	\$ 100,000	Period Covered in Financial Report	FYE 6/30/18
Audit Firm	PricewaterhouseCoopers LLP	Date of Report Issuance	10/22/2018
Opinion	Present fairly		
Basis of Acctg.	GAAP		

Current Ratio (Liquidity Ratio/Working Capital Ratio)	4.35	Amount of Unrestricted Net Assets (Operating Reserve)	\$ 6,526,924
--	------	--	--------------

Note: A current ratio measures an organization's ability to pay short-term and long-term obligations. The higher the ratio, the more capable the organization is of paying its obligations. A ratio under 1 indicates that the organization's liabilities are greater than its assets.

Allocation of Functional Expenses	6/30/2018	%	Must Read Financial Statement Notes
A. Program Service Expenses	\$ 3,289,647,514.64	90%	Ideally program expenses should be at least 70% of total budget.
B. Management and General	\$ 323,153,805.58	9%	
C. Fundraising	\$ 45,066,679.78	1%	
D. Total Expenses	\$ 3,657,868,000.00	100%	

* Used % from 2015 990PF and applied to 2018 financials

Comments/ Notes:

Budget - Consistent with the 2018 request, the budget submitted is for general operating support of the CNNR. The \$200K requested is 1.0% of the total CNNR Program Budget and 42.4% of the total annual infrastructure expenses. The Total CNNR program budget is projecting a 4.9% decrease (\$1.0M) over 2018/19, all in the research funding area.

Audit - There was a \$190M operating surplus as of June 30, 2018 (vs \$167M in 2017). Net tuition represented 9.8% of the university's operating revenue. 71% of university eligible students received some type of student aid in the form of scholarships and/or loans. Grant and contract income represented 21% of the university's operating revenue and the federal government funded 74% of that income. The University had \$30.6B in investments, of which \$29.4B was endowment related. Endowment revenue provided \$1.3 billion or 33% of the university's operating revenue. Overall, there were no red flags as a result of my review.

APPLICANT: Yale University/School of Medicine

DISPOSITION:

- Rejection
- Hold for review on/about:
- Approval for: **\$100,000**
- Hold for Board Review
- Insert Information: **Toward operational costs of the CNNR Imaging Facility**
- Other:

Initials: 102 Date: 3/11/19

Check #: _____ Date: _____