

**Consolidated Statements of Activities**  
**Years Ended June 30, 2014 and 2013** *(in thousands of dollars)*

Revenue	2014	2013
Gross tuition and fees	\$ 706,731	\$ 671,799
Less: Student aid	<u>(327,518)</u>	<u>(310,056)</u>
Net tuition and fees	379,213	361,723
Government grants and contracts	344,850	356,938
Private gifts, grants, and contracts	236,528	160,132
Endowment payout	392,118	367,225
Earnings on other investments	3,899	1,772
Patient care	1,593,911	1,480,295
Auxiliaries	208,725	210,945
Other income	284,515	246,938
Net assets released from restrictions	75,015	52,071
<b>Total Operating Revenue</b>	<b>3,518,774</b>	<b>3,238,039</b>
<b>Expenses</b>		
<b>Compensation Expenses</b>		
Academic salaries	505,660	484,507
Staff salaries	1,034,184	962,837
Benefits	417,567	412,371
<b>Total Compensation Expenses</b>	<b>1,957,411</b>	<b>1,859,715</b>
<b>Other Operating Expenses</b>		
Utilities, alterations, and repairs	90,406	68,886
Depreciation	247,974	223,140
Interest	129,916	108,320
Supplies, services, and other	1,032,105	939,330
Insurance	38,490	44,733
<b>Total Other Operating Expenses</b>	<b>1,538,891</b>	<b>1,384,409</b>
<b>Total Operating Expenses</b>	<b>3,496,302</b>	<b>3,244,124</b>
<b>Excess (Deficiency) of Operating Revenue over Expenses</b>	<b>22,472</b>	<b>(6,085)</b>
<b>Changes in Unrestricted Net Assets from Nonoperating Activities</b>		
Investment gains	178,845	26,296
Postretirement benefit changes other than net periodic benefit cost	34,016	89,046
Affiliation—MBL net assets as of July 1, 2013	89,999	—
Change in value of derivative instruments	(7,577)	70,310
Loss on debt refinancing	—	(1,143)
Other	(25,546)	9,661
<b>Change in Unrestricted Net Assets from Nonoperating Activities</b>	<b>269,737</b>	<b>194,170</b>
<b>Increase in Unrestricted Net Assets</b>	<b>292,209</b>	<b>188,085</b>
<b>Changes in Temporarily Restricted Net Assets</b>		
Private gifts	172,128	119,085
Investment gains	323,792	87,456
Affiliation—MBL net assets as of July 1, 2013	16,730	—
Other	(33,633)	(64,572)
Net assets released from restrictions	(75,015)	(52,071)
<b>Increase in Temporarily Restricted Net Assets</b>	<b>404,002</b>	<b>89,898</b>
<b>Changes in Permanently Restricted Net Assets</b>		
Private gifts	119,042	82,981
Affiliation—MBL net assets as of July 1, 2013	51,256	—
Endowment payout	1,969	2,156
Investment losses	(3,013)	(33,658)
Other	22,236	41,832
<b>Increase in Permanently Restricted Net Assets</b>	<b>191,490</b>	<b>93,311</b>
<b>Increase in Net Assets</b>	<b>887,701</b>	<b>371,294</b>
<b>Net Assets at Beginning of Year</b>	<b>7,305,221</b>	<b>6,933,927</b>
<b>Net Assets at End of Year</b>	<b>\$ 8,192,922</b>	<b>\$ 7,305,221</b>