Consolidated Financial Statements and
Supplementary Information Together with
Report of Independent Certified Public Accountants

ALFRED P. SLOAN FOUNDATION

December 31, 2013 and 2012

ALFRED P. SLOAN FOUNDATION

TABLE OF CONTENTS

Grant Thornton

Audit • Tax • Advisory

Grant Thornton LLP
666 Third Avenue, 13th Floor
New York, NY 10017-4011

T 212.599.0100
F 212.370.4520
www.GrantThornton.com

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Trustees of
Alfred P. Sloan Foundation:

We have audited the accompanying consolidated financial statements of the Alfred P. Sloan Foundation (the "Foundation"), which comprise the consolidated statements of financial position as of December 31, 2013 and 2012, and the related consolidated statements of activities and cash flows, for the years then ended, and the related notes to the consolidated financial statements.

Management's responsibility for the financial statements
Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; 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.

Auditor's responsibility
Our responsibility is to express an opinion on these consolidated 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 consolidated 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 auditor's 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Alfred P. Sloan Foundation as of December 31, 2013 and 2012, and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Supplementary information

Our audit was conducted for the purpose of forming an opinion on the basic 2013 consolidated financial statements as a whole. The schedule of management and investment expenses for the years ended December 31, 2013 and 2012 on page 19 and the schedule of grants and appropriations for the year ended December 31, 2013 on pages 20 through 26 are presented for purposes of additional analysis and are not a required part of the basic consolidated financial statements. Such supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and certain additional procedures. These additional procedures included comparing and reconciling the information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America established by the American Institute of Certified Public Accountants. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Grant Thornton LLP

New York, New York
June 17, 2014

ALFRED P. SLOAN FOUNDATION
Consolidated Statements of Financial Position
As of December 31, 2013 and 2012

	2013	2012
ASSETS		
Cash	$ 1,244,519	$ 878,760
Investments (Note 3):		
Direct investments – equities	145,512,350	94,458,538
Direct investments – fixed income	104,982,138	163,264,399
Direct investments – mutual & exchange traded funds	209,304,270	158,863,478
Alternative investments	1,427,677,514	1,316,773,203
Total investments	1,887,476,272	1,733,359,618
Total assets	$ 1,888,720,791	$ 1,734,238,378
LIABILITIES AND NET ASSETS		
LIABILITIES		
Grants payable (Note 8)	$ 62,454,443	$ 57,991,294
Federal excise tax payable (Note 5)	12,980,634	8,779,379
Deferred compensation arrangements	928,555	1,093,388
Accrued postretirement health benefit obligation (Note 7)	6,270,079	4,882,853
Other liabilities	113,235	137,581
Total liabilities	82,746,946	72,884,495
Commitments (Notes 3, 4, and 9)		
NET ASSETS – unrestricted	1,805,973,845	1,661,353,883
Total liabilities and net assets	$ 1,888,720,791	$ 1,734,238,378

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

ALFRED P. SLOAN FOUNDATION
Consolidated Statements of Activities
For the years ended December 31, 2013 and 2012

	2013	2012
INVESTMENT INCOME		
Interest and dividends	$ 20,718,467	$ 19,225,496
Less:		
Investment expenses	(9,790,259)	(11,902,589)
Provision for taxes (Note 5)	(1,500,000)	(2,000,000)
	(11,290,259)	(13,902,589)
Net investment income	9,428,208	5,322,907
EXPENSES		
Grants (net of refunds of $181,303 in 2013 and $374,129 in 2012)	86,382,161	69,352,644
Management expenses	9,824,850	8,959,800
	96,207,011	78,312,444
Excess of expenses over net investment income	(86,778,803)	(72,989,537)
INVESTMENT GAINS		
Net realized gain on disposal of investments	80,747,979	114,771,505
Unrealized gain on investments, net of deferred federal excise tax expense of $12,214,453 and $9,125,712 in 2013 and 2012, respectively	151,348,301	46,174,865
	232,096,280	160,946,370
Increase in net assets before postretirement benefit adjustments	145,317,477	87,956,833
Amounts not yet recognized as a component of net periodic benefit cost	(697,515)	(768,040)
Increase in net assets	144,619,962	87,188,793
Net assets at beginning of year	1,661,353,883	1,574,165,090
Net assets at end of year	$ 1,805,973,845	$ 1,661,353,883

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

ALFRED P. SLOAN FOUNDATION
Consolidated Statements of Cash Flows
For the years ended December 31, 2013 and 2012

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES		
Increase in net assets	$ 144,619,962	$ 87,188,793
Adjustments to reconcile increase in net assets to net cash used in operating activities:		
Net realized gain on disposal of investments	(80,747,979)	(114,771,505)
Unrealized gain on investments	(154,437,042)	(47,117,209)
Increase (decrease) in federal excise tax payable	4,201,255	(960,273)
Increase (decrease) in grants payable	4,463,149	(7,049,839)
Decrease in accrued postretirement health benefit obligation	1,387,226	1,345,379
(Decrease) increase in deferred compensation arrangements	(164,833)	208,020
Decrease in other liabilities	(24,346)	(6,514)
Net cash used in operating activities	(80,702,608)	(81,163,148)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sales of investments	101,785,986	100,727,942
Purchases of investments	(20,717,619)	(20,174,256)
Net cash provided by investing activities	81,068,367	80,553,686
Net increase (decrease) in cash	365,759	(609,462)
Cash at beginning of year	878,760	1,488,222
Cash at end of year	$ 1,244,519	$ 878,760

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

1. ORGANIZATION

Alfred P. Sloan Foundation makes grants primarily to support original research and broad-based education related to science, technology, economic performance, and the quality of American life. Alfred P. Sloan Foundation is unique in its focus on science, technology, and economic institutions-and the scholars and practitioners who work in these fields-as chief drivers of the nation's health and prosperity. Alfred P. Sloan Foundation has a deep-rooted belief that carefully reasoned systematic understanding of the forces of nature and society, when applied inventively and wisely, can lead to a better world for all. Alfred P. Sloan Foundation's investment portfolio provides the financial resources to support its activities. The investment strategy for the investment portfolio is to invest prudently in a diversified portfolio of assets with the goal of achieving superior returns.

In June 2009, Sloan Projects LLC was established under the Delaware Limited Liability Company Act. Alfred P. Sloan Foundation and Sloan Projects LLC share the common charitable and educational purpose of supporting, among other projects, film, theatrical, and television projects that promote education about science and technology themes and characters and challenge existing stereotypes about scientists and engineers. Sloan Projects LLC is a single member limited liability company ("LLC") with the sole member being Alfred P. Sloan Foundation. Sloan Projects LLC is consolidated with Alfred P. Sloan Foundation for financial statement and tax purposes.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying consolidated financial statements have been prepared on the accrual basis of accounting and include the assets, liabilities, net assets, and financial activities of Alfred P. Sloan Foundation and Sloan Projects LLC (collectively, the "Foundation"). All significant inter-organization balances and transactions have been eliminated in consolidation.

Income Taxes

Alfred P. Sloan Foundation is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code (the "Code") and is a private foundation as defined in Section 509(a) of the Code. Sloan Projects LLC is a single member LLC and is a disregarded entity for tax purposes. The Foundation recognizes the effect of income tax positions only if those positions are more likely than not of being sustained.

Fair Value Measurements

Fair value is defined as the price that would be received to sell an asset in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement, and sets out a fair value hierarchy with the highest priority being quoted prices in active markets. The Foundation discloses fair value measurements by level within that hierarchy. The fair value hierarchy maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Foundation as of the reporting date. Unobservable inputs reflect the Foundation's assumptions about the inputs market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The fair value is categorized into three levels based on the inputs as follows:

Level 1 - Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities that the Foundation has the ability to access at the measurement date. An active market for the asset or liability is a market in which transactions for the asset or liability occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value and shall be used to measure fair value whenever available. Since valuations are based on quoted prices that are readily available and regularly available in an active market, valuation of these securities does not entail a significant degree of judgment.

Level 2 - Valuations based on quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly. Also included in Level 2 are investments measured using a net asset value ("NAV") per share, or its equivalent, that may be redeemed at that NAV as of the date of the statement of financial position or in the near term, which the Foundation has generally considered to be within one-year.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Also included in Level 3 are investments measured using a NAV per share, or its equivalent, that can never be redeemed at NAV in the near term or for which redemption at NAV is uncertain due to lockup periods or other investment restrictions.

The categorization of a financial instrument within the fair value hierarchy is based upon the pricing transparency of the instrument and does not necessarily correspond to the Foundation's perceived risk of that instrument.

Investments

Investments in equity securities with readily determinable fair values are reported at fair value based on quoted market prices. Investments in debt securities are measured using quoted market prices where available. If quoted market prices for debt securities are not available, the fair value is determined using an income approach valuation technique that considers, among other things, rates currently observed in publicly traded markets for debt with similar terms to companies with comparable credit risk, the issuer's credit spread, and illiquidity by sector and maturity.

The Foundation follows the accounting standards of the Financial Accounting Standards Board (FASB) Accounting Standards Codification ("ASC") Subtopic, 820-10-35-59, *Fair Value Measurement and Disclosures – Fair Value Measurements of Investments in Certain Entities That Calculate Net Asset Value per Share (or its Equivalent).* This allows for the estimation of the fair value of investments in investment companies, for which the investment does not have a readily determinable fair value, using net asset value per share or its equivalent, as provided by the investment managers. The Foundation reviews and evaluates the values provided by the investment managers and agrees with the valuation methods and assumptions used in determining the net asset values of these investments as of the measurement date. These estimated fair values may differ significantly from the values that would have been used had a ready market for these securities existed.

Most investments classified in Levels 2 and 3 consist of shares or units in investment funds as opposed to direct interests in the funds' underlying holdings, which may be marketable. Because the net asset value reported by each fund is used as a practical expedient to estimate fair value of the Foundation's interest therein, its classification in Level 2 or 3 is based on the Foundation's ability to redeem its interest at or near December 31st. If the interest can be redeemed in the near term, which the Foundation has determined to be within one-year, the investment is classified as Level 2.

Gains and losses on disposal of investments are determined on the first-in, first-out basis on a trade date basis.

Concentrations of Credit Risk

Financial instruments which potentially subject the Foundation to concentrations of credit risk consist of cash and cash equivalents, equity and fixed-income securities and alternative investments. The Foundation maintains its cash in various bank deposit accounts which, at times, may exceed federally insured limits. The Foundation's cash accounts were placed with high credit quality financial institutions. The Foundation has not experienced, nor does it anticipate, any losses with respect to such accounts. The Foundation has a significant investment in equities, fixed income securities, mutual and exchange-traded funds and alternative investments, both marketable and non-marketable, and is therefore subject to concentrations of credit risk.

Grants

Grants are recorded as an expense of the Foundation when authorized by the Board of Trustees and the grantee has been selected and notified. In certain instances, grants are recorded as an expense and liability when the Board of Trustees appropriates amounts for selected projects. Refunded grants are recorded as a reduction to grant expense. Conditional grants are not recorded until the conditions are substantially met.

Use of Estimates

The preparation of consolidated 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 consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

Subsequent Events

The Foundation evaluated its December 31, 2013 consolidated financial statements for subsequent events through June 17, 2014, the date the consolidated financial statements were available to be issued. Except as disclosed in Note 9, the Foundation is unaware of any other events that would require disclosure in the accompanying consolidated financial statements.

3. INVESTMENTS

The following tables present the fair value hierarchy of investments, the only financial instruments of the Foundation that are measured at fair value on a recurring basis, at December 31, 2013 and 2012:

	Fair Value Measurements at December 31, 2013			
	Total	**Level 1**	**Level 2**	**Level 3**
Direct investments:				
Equities:				
Domestic	$ 123,229,849	$ 123,229,849	$ -	
International	22,282,501	22,282,501	-	-
	145,512,350	145,512,350	-	-
Fixed income:				
U.S. government	104,982,138	104,982,138	-	-
Mutual & exchange-traded funds:				
Equities	83,005,768	83,005,768	-	-
Independent return	55,661,105	55,661,105		
Fixed income	70,637,397	70,637,397	-	-
	209,304,270	209,304,270	-	-
Alternative investments:				
Equities:				
Domestic	129,038,930	-	129,038,930	-
Long/short	159,387,038	-	86,860,877	72,526,161
International	240,745,909	-	215,983,482	24,762,427
Fixed income:				
Global sovereign bonds	58,269,841	-	58,269,841	-
High yield	55,327,905	-	55,327,905	-
Independent return	468,687,617	21,169,228	186,897,683	260,620,706
Real estate	61,575,745	-	-	61,575,745
Private equity	254,644,529	-	-	254,644,529
	1,427,677,514	21,169,228	732,378,718	674,129,568
	$ 1,887,476,272	$ 480,967,986	$ 732,378,718	$ 674,129,568

	Fair Value Measurements at December 31, 2012			
	Total	**Level 1**	**Level 2**	**Level 3**
Direct investments:				
Equities:				
Domestic	$ 72,002,729	$ 72,002,729	$ -	$ -
International	22,455,809	22,455,809	-	-
	94,458,538	94,458,538	-	-
Fixed income:				
U.S. government	163,264,399	163,264,399	-	-
Mutual & exchange-traded funds:				
Equities	65,887,339	65,887,339	-	-
Fixed income	92,976,139	92,976,139	-	-
	158,863,478	158,863,478	-	-
Alternative investments:				
Equities:				
Domestic	98,384,780	-	-	98,384,780
Long/short	127,576,451	-	59,968,535	67,607,916
International	200,738,282	-	179,673,995	21,064,287
Fixed income:				
Global sovereign bonds	60,310,179	-	60,310,179	-
Independent return	479,178,450	15,146,614	202,035,448	261,996,388
Real estate	64,605,245	-	-	64,605,245
Private equity	285,979,816	-	-	285,979,816
	1,316,773,203	15,146,614	501,988,157	799,638,432
	$ 1,733,359,618	$ 431,733,029	$ 501,988,157	$ 799,638,432

The following table presents a reconciliation for all Level 3 assets measured at fair value at December 31, 2013:

	Beginning Balance	Purchases	Settlements/ Redemptions	Total Net Realized and Unrealized Gains	Transfers In/ (Out) *	Ending Balance
Alternative Investments:						
Equities:						
Domestic	$ 98,384,780	$ -	$ -	$ 30,654,150	$ (129,038,930)	$ -
Long/short	67,607,916	-	(2,864,000)	7,782,245	-	72,526,161
International	21,064,287		-	3,698,140	-	24,762,427
Independent return	261,996,388	71,724,916	(43,413,400)	25,640,707	(55,327,905)	260,620,706
Real estate	64,605,245	2,261,790	(14,390,433)	9,099,143	-	61,575,745
Private equity	285,979,816	19,305,634	(84,287,166)	33,646,245	-	254,644,529
	$ 799,638,432	$ 93,292,340	$ (144,954,999)	$ 110,520,630	$ (184,366,835)	$ 674,129,568

* Certain alternative investments were reclassified from Level 3 to Level 2 during 2013 due to changes in liquidity terms. Other certain investments were reclassified from Level 2 to Level 3 as the Foundation redeemed from the main fund and residual balances remained in liquidating side pockets. The Foundation recognizes transfers at the date of the statement of financial position.

The following table presents the reconciliation for all Level 3 assets measured at fair value at December 31, 2012:

	Beginning Balance	Purchases	Settlements/ Redemptions	Total Net Realized and Unrealized Gains (Losses)	Transfers In/ (Out) **	Ending Balance
Alternative Investments:						
Equities:						
Domestic	$ 77,244,606	$ -	$ -	$ 21,140,174	$ -	$ 98,384,780
Long/short	58,555,735	-	-	(18,497,862)	27,550,043	67,607,916
International	2,355,621	20,000,000	-	(1,289,881)	(1,453)	21,064,287
Independent return	257,095,237	33,450,000	(82,762,649)	90,448,938	(36,235,138)	261,996,388
Real estate	60,050,751	3,702,538	(4,994,174)	5,846,130	-	64,605,245
Private equity	296,679,055	17,507,277	(150,873,530)	109,755,036	12,911,978	285,979,816
	$ 751,981,005	$ 74,659,815	$ (238,630,353)	$ 207,402,535	$ 4,225,430	$ 799,638,432

** Certain alternative investments classified as Level 3 during 2011 were reclassified to Level 2 during 2012 due to the expiration of lock-up periods. One alternative investment was reclassified from Level 2 to Level 3 as the Foundation entered into a share class with a 2-year lock-up period. The Foundation recognizes transfers at the date of the statement of financial position.

The following table lists the redemption terms and unfunded commitments for the alternative investments as of December 31, 2013 and 2012:

2013	# of Funds	Fair Value	Unfunded Commitments ($ in millions)	Redemption Frequency	Redemption Notice Period	Lock-up Period
Alternative investments:						
Equities:						
Domestic	1	$ 129,038,930	$ -	quarterly, other	30 days	None
Long/short	6	159,387,038	-	quarterly, semi-annually, other	30-90 days	none, rolling 3-year
International	4	240,745,909	-	monthly, quarterly, other	6-60 days	none, 2-year
Fixed income:						
Global sovereign bonds	1	58,269,841	-	monthly	10 days	None
High Yield	1	55,327,905	-	semi-annually	90 days	None
Independent return	21	468,687,617	36	daily, monthly, quarterly, annually, other	30-180 days	none, 1-year, rolling 2-year
Real estate	9	61,575,745	5	None	N/A	N/A
Private equity	49	254,644,529	72	None	N/A	N/A
Total		$ 1,427,677,514	$ 113			

2012	# of Funds	Fair Value	Unfunded Commitments ($ in millions)	Redemption Frequency	Redemption Notice Period	Lock-up Period
Alternative investments:						
Equities:						
Domestic	2	$ 98,384,780	$ -	quarterly, other	30 days	None, 3-year
Long/short	5	127,576,451	-	quarterly, semi-annually, other	30 - 90 days	None, Rolling 3-year
International	4	200,738,282	-	monthly, quarterly, other	6 - 60 days	None, 2-year
Fixed income:						
Global sovereign bonds	1	60,310,179	-	monthly	10 days	None
Independent return	21	479,178,450	12	monthly, quarterly, annually, other	30 - 180 days	None, 1-3 years
Real estate	9	64,605,245	6	None	N/A	N/A
Private equity	49	285,979,816	93	None	N/A	N/A
Total		$ 1,316,773,203	$ 111			

Equities: Alternative investments in this category invest predominantly in equity securities including U.S., international developed and emerging markets, benchmarked against MSCI All Country World Index. Equity funds range from no lock-up provisions to no more than 3 years.

Fixed Income: Alternative investments in this category invest in domestic and international fixed income securities, benchmarked against Citigroup Salomon Broad index.

Independent Return: Independent return funds include investments such as low net exposure equity hedge funds, distressed credit, and merger arbitrage. Such strategies are expected to have equity-like long-term returns but with less correlation to the equity markets. $75.6 million is invested in drawdown structures with no predetermined redemption date.

Real Estate: Includes funds that invest primarily in commercial real estate, all of which are illiquid investments.

Private Equity: Includes private equity and venture capital, all of which are illiquid investments.

Private foundations are required by the Internal Revenue Service to distribute 5% of average assets during the year. In order to plan and budget in an orderly manner, the Foundation implements the 5% rule by using a 12-quarter rolling average of the fair value of its investment portfolio to determine the distribution level for the year. The last quarter on the 12-quarter rolling average is September 30th.

4. FINANCIAL INSTRUMENTS WITH OFF-BALANCE-SHEET CREDIT OR MARKET RISK

The Foundation's investment strategy has the ability to incorporate certain financial instruments that involve, to varying degrees, elements of market risk and credit risk in excess of the amounts recorded on the consolidated financial statements.

During 2013, the Foundation sold options contracts. S&P 500 Index put options sold were valued at approximately $21.2 million at December 31, 2013 and to $15.1 million at December 31, 2012. The Foundation does not anticipate that losses, if any, resulting from its market or credit risks would materially affect its consolidated financial statements.

5. TAXES

The Foundation is liable for a federal excise tax of 2% of its net investment income, which includes realized capital gains. However, this tax is reduced to 1% if certain conditions are met. The Foundation met the requirements for the 1% tax for the years ended December 31, 2013 and 2012. Therefore, current taxes are estimated at 1% of net investment income for 2013 and 2012. Additionally, certain of the Foundation's investments give rise to unrelated business income tax liabilities. Such tax liabilities for 2013 and 2012 are not material to the accompanying consolidated financial statements; however, the provision for taxes, as of December 31, 2013 and 2012, includes an estimate of tax liabilities for unrelated business income.

Deferred taxes principally arise from differences between the cost value and fair value of investments. Since the qualification for the 1% tax is not determinable until the fiscal year in which net gains are realized, deferred taxes represent 2% of unrealized gains at December 31, 2013 and 2012.

6. RETIREMENT PLAN

The Foundation has a defined contribution retirement plan covering substantially all employees under arrangements with Teachers Insurance and Annuity Association of America and College Retirement Equities Fund and Fidelity Investments. Retirement plan expense was $803,288 and $801,710 in 2013 and 2012, respectively.

7. POSTRETIREMENT BENEFITS OTHER THAN PENSIONS

The Foundation provides healthcare benefits for qualified retirees. The Foundation records annual amounts relating to the plan based on calculations that incorporate various actuarial and other assumptions, including discount rates, mortality, turnover rates, and healthcare cost trend rates.

The Foundation reviews its assumptions on an annual basis and makes modifications to the assumptions based on current rates and trends as appropriate. The effect of modifications to those assumptions is recorded as a charge to net assets and amortized to net periodic cost over future periods using the corridor method. The net periodic costs are recognized as employees render the services necessary to earn the postretirement benefits.

The following table sets forth the financial information for the plan for 2013 and 2012:

	2013	2012
Change in accrued postretirement benefit obligation:		
Benefit obligation at beginning of year	$ 4,882,853	$ 3,537,474
Service cost	299,108	150,403
Interest cost	186,625	149,956
Actuarial loss	1,173,576	1,244,101
Benefits paid	(272,083)	(199,081)
Benefit obligation at end of year	$ 6,270,079	$ 4,882,853
Components of net periodic postretirement benefit cost reported:		
Service cost	$ 299,108	$ 150,403
Interest cost	186,625	149,956
Amortization of transition obligation	476,061	476,061
Amortization of gain	(359,198)	(317,241)
Net periodic postretirement benefit cost	$ 602,596	$ 459,179
Benefit obligation weighted average assumptions at December 31, 2013 and 2012:		
Discount rate	4.86 %	3.91 %
Periodic benefit cost weighted average assumptions for the years ended December 31, 2013 and 2012:		
Discount rate	3.91 %	4.33 %

The medical trend and inflation rate is 9% in 2014 grading down to 6% in 2017 and 5.5% ultimately.

Assumed healthcare cost trend rates have a significant effect on the amounts reported for the postretirement health benefit plan. The effects of a 1% increase (decrease) in trend rates on total service and interest cost and the postretirement health benefit obligation are as follows:

	2013		2012	
	1% Increase	**1% Decrease**	**1% Increase**	**1% Decrease**
Effect on total service and interest cost	$ 46,879	$ (49,574)	$ 70,737	$ (71,385)
Effect on postretirement benefit obligation	922,043	(745,160)	710,751	(570,586)

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

Year ending December 31:	
2014	$ 288,763
2015	306,483
2016	322,959
2017	321,395
2018	332,947
Thereafter through 2023	1,668,128
	$ 3,240,675

The accumulated amount not yet recognized as a component of net periodic benefit cost was $(667,842) and $(1,365,357) at December 31, 2013 and 2012, respectively. The components are as follows:

	2013	2012
Transition obligation	$ 2,939,284	$ 3,415,345
Net actuarial gain	(3,607,126)	(4,780,702)
	$ (667,842)	$ (1,365,357)

The transition obligation and actuarial gain that will be amortized into net periodic benefit cost in 2014 will be $476,061 and $359,198, respectively.

8. GRANTS PAYABLE

The Foundation estimates that the grants payable balance as of December 31, 2013 will be paid as follows:

Year:	
2014	$ 37,003,758
2015	17,231,506
2016	5,259,179
2017	2,960,000
	$ 62,454,443

The Foundation awards multi-year grants for certain programs with continued annual funding contingent upon the respective grantee satisfying certain performance criteria as outlined in the executed grant agreement; accordingly, the Foundation has not recorded a liability for these conditional awards which are subject to annual review. Such conditional grant commitments total approximately $2.5 million at December 31, 2013.

9. LEASE

The Foundation entered into a ten-year lease effective January 1, 1999. The lease contains an escalation clause that provides for rental increases resulting from increases in real estate taxes and certain operating expenses. On January 11, 2007, the Foundation renegotiated its lease for the period commencing on January 1, 2009 and expiring on December 31, 2016. As a result of the renegotiation, the fixed rent payable under the lease is an amount equal to $1,379,926 per annum for the period commencing on January 1, 2012 and ending on December 31, 2016. Effective November 1, 2008, the Foundation acquired additional space at an annual rent of $386,250. The lease on the additional space expires on December 31, 2016. Rent expense for 2013 and 2012, including escalations, was $1,923,254 and $1,842,768, respectively.

On November 21, 2013, the Foundation modified the original lease to provide for the leasing of a portion of the 22nd floor as substitute premises and to surrender the original premises on the 25th floor. Prior to the surrender of the original premises, the Foundation shall lease the original premises upon all of the terms of the original lease. The substitute premises were delivered on February 27, 2014. On the date after the Foundation vacates the original premises and provides written notice of the surrender to the Landlord, but in no case later than November 27, 2014, the term of the original lease shall expire on the date of surrender and the original lease shall be deemed modified. As a result of the lease modification, rent commencement on the substitute premises will occur on February 27, 2015 for a period of fifteen years ending on February 28, 2030. The fixed rent payable under the lease is an amount equal to (a) $1,740,492 per annum for the period commencing on February 27, 2015 and ending on February 26, 2020 and (b) $1,874,376 per annum for the period commencing on February 27, 2020 and ending on February 26, 2025 and (c) $2,008,260 per annum for the period commencing on February 27, 2025 and ending on February 28, 2030.

10. LINE OF CREDIT

The Foundation established a $40,000,000 line of credit with Bank of New York Mellon to provide bridge funding of grants and to finance short-term working capital needs of the Foundation. The line of credit is secured by the Foundation's investments held at Bank of New York Mellon. To date, the Foundation has not yet used the line of credit. The interest rate is calculated using the Mellon Monthly LIBOR plus 75 basis points, with a fallback rate of Wall Street Journal Prime minus 125 basis points. The interest rate was 2% at December 31, 2013 and 2012. If the line is used, interest will be payable monthly on the 15th of each month and principal will be due on demand. If payment is not made within 15 days following the payment date, a $25 late fee will be assessed.

SUPPLEMENTARY INFORMATION

ALFRED P. SLOAN FOUNDATION
Schedule of Management and Investment Expenses
For the years ended December 31, 2013 and 2012

	2013	2012
Management expenses:		
Salaries and employees' benefits:		
Salaries	$ 6,574,515	$ 6,725,657
Employees' retirement plan and other benefits	2,990,154	2,670,134
Total	9,564,669	9,395,791
Rent	1,923,253	1,842,768
Program expenses	1,124,169	1,209,920
Office expenses	911,183	894,785
Website and publications	61,143	65,508
Professional fees	970,755	822,857
Total management expenses	14,555,172	14,231,629
Less direct investment and other management expenses allocated to investments	(4,730,322)	(5,271,829)
Management expenses	$ 9,824,850	$ 8,959,800
Investment expenses:		
Investment management fees	$ 5,059,937	$ 6,630,760
Direct investment and other management expenses allocated to investments	4,730,322	5,271,829
Investment expenses	$ 9,790,259	$ 11,902,589

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

ALFRED P. SLOAN FOUNDATION
Schedule of Grants and Appropriations
For the year ended December 31, 2013

Grantee	Unpaid December 31, 2012	2013 Authorized	2013 Payments	Unpaid December 31, 2013
Alaska, University of, Anchorage	$ 32,000	$ -	$ 32,000	$ -
Alberta, University of	-	100,000	100,000	-
American Academy of Arts and Sciences	125,000	50,000	154,128	20,872
American Assembly	-	210,000	210,000	-
American Association for the Advancement of Science	-	840,625	532,199	308,426
American Chemical Society	12,500	-	12,500	-
American Council on Education	-	855,577	518,259	337,318
American Economic Association	-	124,803	62,402	62,401
American Film Institute	192,000	-	96,000	96,000
American Indian College Fund	100,000	-	100,000	-
American Institutes for Research	436,312	-	-	436,312
American Physical Society	6,000	-	6,000	-
American Society for Engineering Education	-	19,825	19,825	-
American University	16,662	-	16,662	-
Anstor Inc.	-	17,451	17,451	-
Arius Association	-	150,000	45,000	105,000
Arizona State University	193,790	164,852	358,642	-
Arizona, University of	-	123,050	123,050	-
Association of American Colleges and Universities	-	31,606	31,606	-
Association of Public and Land-Grant Universities	-	94,865	94,865	-
Association of Research Libraries	-	50,000	50,000	-
Astrophysical Research Consortium	-	10,000,000	500,000	9,500,000
Baylor University	193,250	100,000	100,000	193,250
Behavioral Science And Policy Association	-	12,000	-	12,000
BioBricks Foundation, Inc.	-	100,000	100,000	-
Bipartisan Policy Center	-	349,989	233,224	116,765
Borel, Brooke	-	40,000	-	40,000
Boston College	849,334	100,000	949,334	-
Boston Symphony Orchestra	-	122,280	122,280	-
Boston University	-	50,000	50,000	-
Brandeis University	-	25,000	25,000	-
British Columbia, University of	526,873	127,629	356,203	298,299
Brooklyn Academy of Music	300,000	-	300,000	-
Buffalo, University of , SUNY	-	50,000	50,000	-
Business-Higher Education Forum	236,679	18,000	115,820	138,859

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

ALFRED P. SLOAN FOUNDATION
Schedule of Grants and Appropriations
For the year ended December 31, 2013

Grantee	Unpaid December 31, 2012	2013 Authorized	2013 Payments	Unpaid December 31, 2013
California Institute of Technology	$ -	$ 50,000	$ 50,000	$ -
California, University of, Berkeley	1,958,458	3,546,764	3,806,541	1,698,681
California, University of, Davis	387,656	1,264,517	1,103,377	548,796
California, University of, Irvine	-	472,392	362,428	109,964
California, University of, Los Angeles	710,663	1,520,000	1,383,263	847,400
California, University of, Santa Cruz	-	50,000	50,000	-
California, University of, San Diego	113,940	244,059	357,999	-
California, University of, Santa Barbara	-	50,000	50,000	-
California, University of, San Francisco	-	400,000	275,000	125,000
California, University of, Riverside	-	50,000	50,000	-
Carnegie Endowment for International Peace	100,000	-	100,000	-
Carnegie Institution of Washington	1,800,000	1,650,000	3,184,000	266,000
Carnegie Mellon University	973,249	395,000	1,037,618	330,631
Catticus Corporation	500,000	-	-	500,000
Center for Open Science	-	500,000	331,400	168,600
Chicago, University of	688,790	312,697	894,587	106,900
Chrinon Limited	-	644,943	644,943	-
Chemical Heritage Foundation	-	410,740	285,740	125,000
Cincinnati, University of	-	50,000	50,000	-
Cold Spring Harbor Laboratory	20,000	3,000,000	2,020,000	1,000,000
College, University of, London	80,000	-	80,000	-
Colby College	-	50,000	50,000	-
Colorado, University of, at Boulder	1,163,774	400,000	934,303	629,471
Colorado, University of, Denver	192,506	50,000	187,197	55,309
Columbia University	73,945	270,000	343,945	-
Conference Board, Inc.	-	125,000	-	125,000
Coolidge Corner Theater Foundation	-	480,606	250,606	230,000
Cornell University	50,000	224,458	274,458	-
Corporation for National Research Initiatives	194,147	-	194,147	-
Council for Economic Education	-	150,000	75,000	75,000
Council of Graduate Schools	260,000	-	135,000	125,000
Council on Foreign Relations	-	1,114,059	400,000	714,059
Council on Foundations, Inc.	-	45,000	45,000	-
Council on Library and Information Resources	-	1,299,616	420,243	879,373
Council of Professional Associations on Federal Statistics	-	45,000	-	45,000

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

ALFRED P. SLOAN FOUNDATION
Schedule of Grants and Appropriations
For the year ended December 31, 2013

Grantee	Unpaid December 31, 2012	2013 Authorized	2013 Payments	Unpaid December 31, 2013
Dartmouth College	$ 899,815	$ 63,075	$ 357,457	$ 605,433
Digital Public Library of America, Inc.	1,200,000	-	900,000	300,000
Drexel University	463,121	-	113,494	349,627
Duke University	-	224,346	224,346	-
Emory University	-	50,000	50,000	-
Ensemble Studio Theatre, Inc.	-	1,791,000	597,000	1,194,000
Environmental Defense Fund Incorporated	-	1,250,000	1,250,000	-
Families and Work Institute, Inc.	434,141	-	434,141	-
Fedcap Rehabilitation Services, Inc.	-	105,000	105,000	-
Film Independent, Inc.	110,000	-	110,000	-
Financial Stability Board	-	125,000	-	125,000
Finance Flows, Inc.	-	20,000	20,000	-
Finkelstein, Katherine Eban	-	50,000	-	50,000
Firestein, Stuart	-	40,000	-	40,000
Foundation Center	65,000	-	65,000	-
Fund for the City of New York	778,548	1,425,000	1,063,548	1,140,000
Georgia Institute of Technology	-	98,731	98,731	-
George Mason University	246,028	89,951	335,979	-
George Washington University	-	109,000	-	109,000
Greater Washington Educational Telecommunications Assn.,	-	1,500,000	780,000	720,000
GuideStar USA, Inc.	-	7,500	7,500	-
Hamptons International Film Festival	-	186,467	186,467	-
Harvard Medical School	-	125,000	125,000	-
Harvard University	1,100,063	616,188	1,579,263	136,988
Hong Kong, University of	-	74,918	74,918	-
ICPO-INTERPOL	350,000	-	350,000	-
Illinois Institute of Technology	-	283,340	163,340	120,000
Illinois, University of, Urbana-Champaign	-	150,000	150,000	-
ImpactStory	-	500,000	250,000	250,000
Indiana, University of	203,659	100,000	303,659	-
International Energy Program Evaluation Conference	-	10,000	10,000	-
Institute of International Education Inc.	250,000	-	250,000	-
Institute for Advanced Study	-	124,995	124,995	-
Johns Hopkins University	182,458	-	182,458	-

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

ALFRED P. SLOAN FOUNDATION
Schedule of Grants and Appropriations
For the year ended December 31, 2013

Grantee	Unpaid December 31, 2012	2013 Authorized	2013 Payments	Unpaid December 31, 2013
Kanigel, Robert	$ -	$ 50,000	$ 20,000	$ 30,000
Kansas, University of	6,500	-	6,500	-
Keck Graduate Institute	175,000	-	100,000	75,000
Keystone Symposia on Molecular and Cellular Biology	-	78,794	78,794	-
L.A. Theatre Works	352,941	-	214,941	138,000
Library Foundation of Los Angeles	-	50,000	50,000	-
Loughborough University (UK)	104,212	-	104,212	-
Manhattan Theatre Club	419,816	125,000	358,295	186,521
Marine Biological Laboratory	157,466	1,250,000	757,466	650,000
Maryland, University of, College Park	62,845	50,000	50,000	62,845
Massachusetts Institute of Technology	527,161	4,097,505	2,125,536	2,499,130
McGill University	-	50,000	50,000	-
Michigan, University of	2,929,480	230,562	1,660,167	1,499,875
Middlebury College	151,984	-	151,984	-
Mindell, David	-	50,000	-	50,000
Minnesota, University of	-	323,703	323,703	-
Montana Tech. of the University of Montana	24,065	-	24,065	-
Montana State University	-	10,000	10,000	-
Montana, University of	19,400	-	19,400	-
Mozilla Foundation	436,700	-	436,700	-
Museum of Mathematics	101,461	-	101,461	-
Museum of the Moving Image	-	358,170	208,170	150,000
National Academy of Sciences	923,106	417,886	875,992	465,000
National Action Council for Minorities in Engineering, Inc.	5,077,178	3,835,000	4,014,846	4,897,332
National Bureau of Economic Research, Inc.	840,369	1,994,619	1,487,841	1,347,147
National Geographic Society	500,000	-	500,000	-
National Information Standards Organization	-	207,533	105,314	102,219
National Opinion Research Center	373,684	-	373,684	-
National Public Radio, Inc.	500,000	300,000	450,000	350,000
New Venture Fund	-	110,000	110,000	-
New York Academy of Medicine	100,000	-	100,000	-
New York County District Attorney	60,000	-	60,000	-
New York Genome Center, Inc.	2,000,000	-	1,000,000	1,000,000
New York Hall of Science	133,000	-	133,000	-
New York Public Library	-	60,000	60,000	-
New York Public Radio	-	1,625,000	775,000	850,000
New York University	1,535,299	2,648,039	2,293,763	1,889,575

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

ALFRED P. SLOAN FOUNDATION
Schedule of Grants and Appropriations
For the year ended December 31, 2013

Grantee	Unpaid December 31, 2012	2013 Authorized	2013 Payments	Unpaid December 31, 2013
North Carolina State University	$ -	$ 753,933	$ 331,951	$ 421,982
North Carolina, University of, Chapel Hill	-	50,000	50,000	-
Northern Arizona University	100,000	-	100,000	-
Northwestern University	-	177,947	177,947	-
Northeastern University	-	575,000	575,000	-
Ohio State University	-	1,250,000	750,000	500,000
Open Knowledge Foundation	79,350	-	79,350	-
Oregon, University of	300,000	1,325,000	1,000,000	625,000
ORCID	-	349,659	349,659	-
Oxford University	712,836	80,000	479,878	312,958
Pennsylvania, University of	241,594	206,695	433,289	15,000
Philantrophy New York	28,000	30,000	28,000	30,000
Pittsburgh, University of	-	33,000	33,000	-
Pittsburgh, University of, Medical Center	-	450,000	250,000	200,000
Polytechnic Institute of New York University	20,000	20,000	20,000	20,000
Price, Catherine	-	50,675	50,675	-
Princeton University	36,711	250,000	286,711	-
Project HOPE	-	20,000	-	20,000
Project Implicit Inc.	-	49,500	49,500	-
Puerto Rico, University of	275,000	-	64,144	210,856
Purdue University	48,956	50,000	98,956	-
RAND Corporation	581,040	1,120,309	864,990	836,359
Rice University	-	436,928	436,928	-
Rensselaer Polytechnic Institute	450,000	-	450,000	-
ReServe Elder Service, Inc.	-	45,000	45,000	-
Resources for the Future, Inc.	-	1,175,533	791,136	384,397
Rhode Island, University of	449,381	-	449,381	-
Rochester, University of	-	100,000	100,000	-
Rockefeller University	680,000	50,000	397,333	332,667
Rutgers, The State University of New Jersey	275,907	50,000	172,300	153,607
Segre, Gino	-	16,100	-	16,100
Science Festival Foundation	-	1,300,000	700,000	600,000
Science Friday Initiative, Inc.	-	684,117	234,117	450,000
Skidmore College	-	74,980	74,980	-
Sloan Consortium, Sloan-C	500,000	-	500,000	-
Smithsonian Institution	250,000	140,000	360,000	30,000

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

ALFRED P. SLOAN FOUNDATION
Schedule of Grants and Appropriations
For the year ended December 31, 2013

Grantee	Unpaid December 31, 2012	2013 Authorized	2013 Payments	Unpaid December 31, 2013
Social Science Research Network	$ -	$ 20,000	$ -	$ 20,000
Society for Human Resources Management Foundation	-	909,650	450,000	459,650
SoundVision Productions	473,397	-	473,397	-
Southern California, University of	238,900	100,000	219,450	119,450
South Florida, University of	-	100,000	100,000	-
Southern Regional Education Board	555,000	-	230,000	325,000
Stanford University	574,354	422,973	856,658	140,669
Stony Brook University	-	50,000	50,000	-
Sundance Institute	-	500,000	250,000	250,000
Technology Affinity Group	-	22,500	22,500	-
Texas, University of, Austin	982,703	1,831,513	1,790,204	1,024,012
Texas, University of, Southwestern Medical Center at Dallas	-	50,000	50,000	-
The Brookings Institution	451,336	407,959	566,673	292,622
The New School for Social Research	-	710,000	710,000	-
Third Sector New England Inc.	-	125,000	125,000	-
TIAA-CREF Institute	-	104,650	104,650	-
Tribeca Film Institute	108,000	861,744	594,744	375,000
Toronto, University of	376,258	400,000	676,258	100,000
Tufts University	-	50,000	50,000	-
Upjohn Institute for Employment Research	171,660	-	171,660	-
Urban Institute	364,884	-	364,884	-
Utah, University of	-	50,000	50,000	-
Vanderbilt University	-	50,000	50,000	-
Virginia Polytechnic Institute and State University	100,000	190,000	230,000	60,000
Washington, University in St. Louis	-	50,000	50,000	-
Washington, University of	361,127	1,682,022	1,293,149	750,000
Waterloo, University of	-	50,000	50,000	-
Wayne State University	-	50,000	50,000	-
Wellesley College	112,731	31,712	144,443	-
WGBH Educational Foundation	1,500,000	2,500,000	2,750,000	1,250,000
Wikimedia Foundation	1,000,000	-	1,000,000	-
Wilcox, Christie	-	25,000	-	25,000
Wisconsin, University of, Madison	489,233	650,000	246,631	892,602
WNET.ORG	-	45,000	-	45,000
WNYC Public Radio	250,000	-	250,000	-
Women Make Movies, Inc.	-	247,546	-	247,546

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.

ALFRED P. SLOAN FOUNDATION
Schedule of Grants and Appropriations
For the year ended December 31, 2013

Grantee	Unpaid December 31, 2012	2013 Authorized	2013 Payments	Unpaid December 31, 2013
Woodrow Wilson International Center for Scholars	$ 844,850	$ 600,001	$ 1,160,852	$ 283,999
Worcester Polytechnic Institute	-	125,000	125,000	-
Yale University	-	3,230,163	1,638,832	1,591,331
TOTAL	50,265,236	86,990,534	82,091,585	55,164,185
Sloan research fellowships to be granted in ensuing year	6,300,000	-	-	6,300,000
Other appropriations authorized but not committed	1,426,058	249,863	685,663	990,258
	57,991,294	87,240,397	82,777,248	62,454,443
Reduction for grant transfers	-	(676,932)	(676,932)	-
	$ 57,991,294	$86,563,465	$82,100,316	$ 62,454,443

This schedule should be read in conjunction with the accompanying consolidated financial statements and notes thereto.