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December 7, 2015

VIA HAND DELIVERY

Mr. Joseph Orlando, Appellate Division Clerk
Superior Court of New Jersey, Appellate Division
Hughes Justice Complex, 5th Floor
25 West Market Street
Trenton, New Jersey 08625-0006

**Re: Motion for Leave to Appear as Amici Curiae in *Fields, et al. v. Trustees of Princeton University, et al.*, Tax Court Docket Nos. 0059004-2014, 007556-2015;
Lewis, et al v. Trustees of Princeton University, et al., Tax Court Docket No. 010656-2011**

Dear Mr. Orlando:

This firm represents proposed Amici Curiae Center For Non-Profit Corporations, Inc.; New Jersey Association of Community Providers, Inc.; Alliance for the Betterment of Citizens With Disabilities, Inc.; New Jersey Association of Mental Health and Addiction Agencies, Inc.; Eva's Village, Inc.; and Volunteers of America Delaware Valley, Inc. (collectively, "Amici"). Please accept for filing the enclosed papers representing the Amici's motion for leave to appear as Amici Curiae in connection with this Court's consideration of the motion, currently pending before this Court in the referenced matter, of Defendant-Movant Trustees of Princeton University for leave to appeal the November 5, 2015 Order of the Tax Court. The papers enclosed include an original and five (5) copies of the following documents: (1) Notice of Motion for Leave to Appear as Amici Curiae; (2) Certification of Michael J. Hahn, Esq. in support thereof; (3) Brief and Appendix of Amici in support of the pending motion of Defendant-Movant; and (4) Certification of Service.

Please date-stamp one copy of the above documents and kindly return same to the waiting messenger. Please charge our firm's account (62300) for all applicable filing fees. Thank you for your attention to this matter. If you have any questions or concerns, please do not hesitate to contact me.

Respectfully submitted,



Eric Jesse

Enclosures

cc: Bruce I. Afran, Esq. (w/encls. via E-mail and FedEx)
Michael J. Castiglione, Esq. (w/encls. via E-mail and FedEx)
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America Delaware Valley, Inc.*

KENNETH FIELDS, MARY ELLEN
MERINO, JOSEPH KING, and
KATHRYN KING,

Plaintiffs,

v.

TRUSTEES OF PRINCETON
UNIVERSITY, PRINCETON
UNIVERSITY, and BOROUGH OF
PRINCETON,

Defendants.

ESTATE OF ELEANOR J. LEWIS,
KENNETH FIELDS, MARY ELLEN
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TRUSTEES OF PRINCETON
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UNIVERSITY, and BOROUGH OF
PRINCETON,

Defendants.

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION
Docket No.: AM185-15

Tax Court Docket Nos.
005904-2014
007556-2015

Sat Below:
Hon. Vito L. Bianco, J.T.C.

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION
Docket No.:

Tax Court Docket No.
010656-2011

Sat Below:
Hon. Vito L. Bianco, J.T.C.

NOTICE OF MOTION OF
CENTER FOR NON-PROFIT CORPORATIONS, INC.; NEW JERSEY ASSOCIATION
OF COMMUNITY PROVIDERS, INC.; ALLIANCE FOR THE BETTERMENT OF
CITIZENS WITH DISABILITIES, INC.; NEW JERSEY ASSOCIATION OF
MENTAL HEALTH AND ADDICTION AGENCIES, INC.; EVA'S VILLAGE, INC.;
AND VOLUNTEERS OF AMERICA DELAWARE VALLEY, INC.
FOR LEAVE TO APPEAR AS AMICI CURIAE

To: Mr. Joseph Orlando, Appellate Division Clerk
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PLEASE TAKE NOTICE that, pursuant to Rule 1:13-9, the
Center For Non-Profit Corporations, Inc.; New Jersey Association
of Community Providers, Inc.; Alliance for the Betterment of
Citizens With Disabilities, Inc.; New Jersey Association of
Mental Health and Addiction Agencies, Inc.; Eva's Village, Inc.;
and Volunteers of America Delaware Valley, Inc. (collectively,
"Amici"), through their attorneys, Lowenstein Sandler LLP,
hereby move the Superior Court of New Jersey, Appellate

Division, for an order granting them leave to appear as Amici Curiae, to file the amicus brief and appendix enclosed with this motion, and to participate in any oral argument as may be scheduled in this case.

PLEASE TAKE FURTHER NOTICE that, in support of this motion, Amici rely on the attached Certification of Michael J. Hahn, submitted herewith.

Respectfully submitted,
LOWENSTEIN SANDLER LLP

Dated: December 7, 2015

By: 
Michael J. Hahn
Kathryn Pearson

Counsel for Amici Curiae
Center for Non-Profit Corporations,
Inc., New Jersey Association of
Community Providers, Inc., Alliance
for the Betterment of Citizens With
Disabilities, Inc., New Jersey
Association of Mental Health and
Addiction Agencies, Inc., Eva's
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Agencies, Inc.; Eva's Village, Inc.; and Volunteers of
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KENNETH FIELDS, MARY ELLEN
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Hon. Vito L. Bianco, J.T.C.

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION
Docket No.:

Tax Court Docket No.

010656-2011

Sat Below:

Hon. Vito L. Bianco, J.T.C.

CERTIFICATION OF MICHAEL J. HAHN IN SUPPORT OF MOTION OF
CENTER FOR NON-PROFIT CORPORATIONS, INC.; NEW JERSEY ASSOCIATION
OF COMMUNITY PROVIDERS, INC.; ALLIANCE FOR THE BETTERMENT OF
CITIZENS WITH DISABILITIES, INC.; NEW JERSEY ASSOCIATION OF
MENTAL HEALTH AND ADDICTION AGENCIES, INC.; EVA'S VILLAGE, INC.;
AND VOLUNTEERS OF AMERICA DELAWARE VALLEY, INC.
FOR LEAVE TO APPEAR AS AMICI CURIAE

I, Michael J. Hahn, Esq., being of full age, hereby certify
as follows:

1) I am counsel to proposed Amici Curiae, the Center
For Non-Profit Corporations, Inc. (the "Center"); New Jersey
Association of Community Providers, Inc.; Alliance for the
Betterment of Citizens With Disabilities, Inc.; New Jersey
Association of Mental Health and Addiction Agencies, Inc.; Eva's
Village, Inc.; and Volunteers of America Delaware Valley, Inc.
(collectively, "Amici"). The Amici are nonprofit organizations
providing a broad array of services to the people of New Jersey
and to New Jersey's nonprofit community itself. The Amici
therefore have a "special interest, involvement or expertise" in
this matter, which turns on the interpretation of the statute
granting property tax exemptions to nonprofit organizations,
N.J.S.A. 54:4-3.6. See R. 1:13-9(a). In my capacity as
counsel, I am familiar with the facts set forth herein and am
authorized to give this Certification in support of the
application to appear as Amici Curiae in this case.

2) The Center is a nonprofit corporation and the sole umbrella organization for New Jersey's more than 30,000 nonprofit entities. Its mission is to strengthen the nonprofit community within the state to improve the quality of life for the people of New Jersey. The Center pursues its charitable mission through several broad program areas, including: (i) public education and research regarding the size, scope, strength, and needs of the nonprofit community; (ii) public policy advocacy to promote sound legislation and regulations that will support nonprofit organizations in their charitable work; and (iii) direct services to 501(c)(3) organizations, such as management and compliance assistance, training, telephone and e-mail helplines, conferences, and discount programs to help members save money.

3) New Jersey Association of Community Providers, Inc. is a nonprofit organization supporting and advocating on behalf of organizations that provide services for people with intellectual and other developmental disabilities.

4) Alliance for the Betterment of Citizens with Disabilities, Inc. is a New Jersey nonprofit organization advocating on behalf of and made up of nonprofit entities providing services to people with intellectual and developmental physical disabilities in the state.

5) New Jersey Association of Mental Health and Addiction Agencies, Inc. ("NJAMHAA") is a nonprofit organization whose mission is to promote the value of its member organizations by providing advocacy, visibility and professional development to facilitate their economic viability, which is essential to ensure their ongoing capacity to deliver quality, cost-effective healthcare and social services, and supports to those they serve. Through advocacy, education, training, mutual support, development of key partnerships and a variety of services, NJAMHAA assists agencies committed to improving the availability and quality of behavioral health services throughout the state.

6) Eva's Village, Inc. is a New Jersey nonprofit organization whose mission is to feed the hungry, shelter the homeless, treat the addicted, and provide free medical and dental care to the poor. Eva's Village runs twelve individual programs providing these services directly to the poor in order to fulfill its mission.

7) Volunteers of America Delaware Valley, Inc. is a nonprofit organization providing direct community-based assistance to needy populations in New Jersey. Specifically, it provides addiction treatment, community housing and supportive services, re-entry services, and behavioral health programs directly to New Jersey citizens.

8) The instant case will have immediate and broad implications on the ability of New Jersey's nonprofit entities to continue effectively providing their vital services to their respective constituencies and the public in New Jersey. Specifically, the Tax Court's decision will impact the ability of nonprofit organizations to maintain their property tax exemptions and avoid vexatious litigation, which will directly impact their budgets and other limited resources. Those implications are compounded by the Tax Court's erroneous statement that the burden of proof rests on the exempt organization when challenged by a third-party, which creates immediate financial risk to nonprofits, and is not supported by a single reported authority. For these reasons and because nonprofits provide extensive and varied services directly to the public, the Court's decision is a matter of public interest.

9) If permitted to appear as Amici Curiae, Amici will present a perspective on the issues distinct from those of the parties. The Center, an umbrella organization advocating on the behalf of all of New Jersey's non-profit organizations, and the additional Amici, nonprofit organizations providing an extensive array of services and advocacy in New Jersey, will address the broad policy implications of the decision below upon the spectrum of New Jersey's nonprofit organizations. The Amici

respectfully submit that this Court should grant the defendant's motion for leave to appeal and reverse the Tax Court's decision.

10) For these reasons, the Amici move for leave to appear as Amici Curiae, to file the brief and appendix submitted with this motion, and to participate in any oral argument as may be scheduled in this case.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: December 7, 2015

By: 
Michael J. Hahn

KENNETH FIELDS, MARY ELLEN
MERINO, JOSEPH KING, and
KATHRYN KING,

Plaintiffs,

v.

TRUSTEES OF PRINCETON
UNIVERSITY, PRINCETON
UNIVERSITY, and BOROUGH OF
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Defendants.

SUPERIOR COURT OF NEW JERSEY
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Docket No.: AM185-15

Tax Court Docket Nos.

005904-2014

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Sat Below:

Hon. Vito L. Bianco, J.T.C.

ESTATE OF ELEANOR J. LEWIS,
KENNETH FIELDS, MARY ELLEN
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UNIVERSITY, and BOROUGH OF
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Defendants.

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION
Docket No.:

Tax Court Docket No.

010656-2011

Sat Below:

Hon. Vito L. Bianco, J.T.C.

BRIEF AND APPENDIX OF
CENTER FOR NON-PROFIT CORPORATIONS, INC.; NEW JERSEY ASSOCIATION
OF COMMUNITY PROVIDERS, INC.; ALLIANCE FOR THE BETTERMENT OF
CITIZENS WITH DISABILITIES, INC.; NEW JERSEY ASSOCIATION OF
MENTAL HEALTH AND ADDICTION AGENCIES, INC.; EVA'S VILLAGE, INC.;
AND VOLUNTEERS OF AMERICA DELAWARE VALLEY, INC.
FOR LEAVE TO APPEAR AS AMICI CURIAE

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STATEMENT OF INTEREST OF AMICUS CURIAE

The Center for Non-Profit Corporations, Inc. (the "Center for Non-Profits" or the "Center") is a nonprofit 501(c)(3) entity that serves as the only umbrella organization for all of this State's nonprofit corporations. Founded in 1982, the Center provides services for, and advocates on behalf of, New Jersey's more than 30,000 501(c)(3) organizations. The Center's mission is to strengthen the nonprofit community within the State for the purpose of improving the quality of life for the people of New Jersey.

New Jersey's nonprofit organizations provide vital services, from food and shelter, health care, job training, education, child care, counseling, hospice, research, disaster preparedness and response, and many others, to people of all walks of life and at all stages of life. Especially in our State's most distressed communities, nonprofits are often the first and last source of help for people in need. The Center for Non-Profits is the only entity in the State that exists specifically to assist New Jersey 501(c)(3) nonprofits individually and collectively in accomplishing their charitable missions. In light of national and in-state surveys, which consistently document that demand for nonprofits' services is

growing without a commensurate increase in resources, (Ca90 - 91; Ca107),¹ the Center's mission is more important than ever.

The Center for Non-Profits pursues its charitable mission through several broad program areas, including: (i) public education and research regarding the size, scope, strength, and needs of the 501(c)(3) nonprofit community; (ii) public policy advocacy to promote sound legislation and regulations that support 501(c)(3) nonprofit organizations in their charitable work; and (iii) direct services to 501(c)(3) organizations, such as management and compliance assistance, training, telephone and e-mail helplines, conferences, and discount programs to help members save money.

Rule 1:13-9, which governs applications to appear as an amicus curiae, establishes "a liberal standard for permitting amicus appearances." Pfizer, Inc. v. Dir., Div. of Taxation, 23 N.J. Tax 421, 424 (Tax 2007). The participation of amicus curiae is appropriate in cases with "broad implications," Taxpayers Ass'n of Weymouth Twp. v. Weymouth Twp., 80 N.J. 6, 17 (1976), or in cases of "general public interest," Casey v. Male, 63 N.J. Super. 255, 259 (Cnty. Ct. 1960) (describing the history and parameters of amicus curiae participation).

¹ "Ca" refers to the Center's appendix submitted herewith.

Such participation is appropriate here because the Tax Court's decision below will have far-reaching financial and other implications for every nonprofit in New Jersey that is made to carry the burden of proof in third-party challenges to their tax exemption. The Center, as the only advocate for all of New Jersey's nonprofit community, is uniquely situated to assist in the resolution of this matter of public importance. Indeed, the Center for Non-Profits previously appeared as amicus curiae before the United States Supreme Court in two prior matters that had a large impact on charitable institutions. See Wis. Right to Life v. Fed. Election Comm'n, 546 U.S. 410 (2006); Camps Newfound/Owatonna, Inc. v. Town of Harrison, 520 U.S. 564 (1997).

Also joining as amici curiae are the following nonprofit organizations, operating and providing programs and services to the people of New Jersey: New Jersey Association of Community Providers, Inc.; Alliance for the Betterment of Citizens with Disabilities, Inc.; New Jersey Association of Mental Health and Addiction Agencies, Inc.; Eva's Village, Inc.; and Volunteers of America Delaware Valley, Inc. (collectively, "Amici"). As such, all of the Amici have a substantial interest in the outcome of the instant motion and join the Center in this brief.

PRELIMINARY STATEMENT

Charitable tax exemptions for New Jersey's nonprofit corporations are essential to advancing the State's paramount public policy interest in protecting and supporting our charitable institutions, including enabling those entities to provide as many programs and services as feasible given scarce and diminishing resources. The property tax exemption, in particular, is an essential part of the public/private compact between government and nonprofits -- an accommodation granted to nonprofits by the Legislature in exchange for the public benefits they provide. For those organizations that own property, the exemption is a vital tool to maximize limited resources to provide essential programs and services in communities throughout the State.

The overwhelming majority of New Jersey's more than 30,000 501(c)(3) nonprofits are small, community-based organizations. Among public charities filing financial reports with the IRS, over 75% have budgets of less than \$500,000, and more than 90% have budgets of under \$5 million. See Internal Revenue Service, Exempt Organizations Business Master File (501(c)(3) Public Charities); The Urban Institute, National Center for Charitable Statistics, <http://nccsweb.urban.org> (last visited Dec. 5, 2015). Nonprofit organizations in New Jersey fulfill a variety of charitable, benevolent, educational, civic, religious,

cultural, scientific, and other purposes; they do so to assist individuals, groups, and causes, rather than garner profits for themselves. Whether providing mentoring to youth, meals to homebound seniors, poverty assistance, health and wellness, child care, education, affordable housing, services and supports to children and adults with mental illness or substance abuse disorders, artistic and cultural enrichment, or preserving our natural resources, nonprofits help to promote social welfare in the State and relieve government of the costs and burdens of providing many such services itself.

The financial implications of this case are far-reaching. The Tax Court's erroneous placement of the burden of proof at trial on Defendants-Appellants Trustees of Princeton University ("Defendant" or the "University") concerning the validity of property tax exemptions that it already proved to the municipal assessor raises serious questions about whether many less well-resourced nonprofits can continue to adequately fulfill their missions. Indeed, the costs of continuously proving entitlement to their exemptions in response to third-party challenges would divert already-limited resources from essential programs and services in communities throughout the State.

The Tax Court's new rule transferring the burden of proof from third-party taxpayers to the University also sets a dangerous precedent that could make thousands of nonprofit

property owners of all sizes -- particularly those serving unpopular constituencies or whose causes may be controversial -- vulnerable to arbitrary and sweeping challenges that would be extremely costly, time-consuming, and difficult to defend. Indeed, with the burden of proof shifted to nonprofits in taxpayer initiated lawsuits, it would take little imagination for individuals to illegitimately challenge the property tax exemptions of drug treatment centers, reproductive health facilities, homeless shelters, group homes and supportive housing for people with mental illness or addictions, and group homes for people with developmental disabilities, to name just a few.

The Tax Court's decision will have an immediate and deleterious effect on nonprofits throughout New Jersey unless leave to appeal is granted and the lower court's decision is overturned. With the Tax Court's publication of its opinion and the bar having been lowered for plaintiffs to challenge the property tax exemptions of nonprofit organizations, those lawsuits will become more numerous. Delaying appeal until after there has been a decision on the merits will immediately expose small and financially vulnerable nonprofit organizations to frequent and potentially life-threatening lawsuits. Cf. Larry Kaplan, In the Wake of Princeton Ruling, Northampton, MA Votes in a PILOT, Nonprofit Quarterly (Nov. 23, 2015),

<https://nonprofitquarterly.org/2015/11/23/in-the-wake-of-the-princeton-ruling-northampton-ma-votes-in-a-pilot/> (last visited Dec. 4, 2015).

This case presents an opportunity for immediate appellate review to determine and clarify which party bears the burden of proof when a third-party challenges any New Jersey nonprofit's property tax exemption state-wide. Accordingly, the Center respectfully submits that leave to appeal should be granted.

PROCEDURAL HISTORY²

Plaintiffs filed complaints in 2011, 2014, and 2015. On July 14, 2015, Defendant Princeton University moved for an order setting the burden of proof at trial. (Da2). Plaintiffs filed their opposition, and the co-defendant municipality submitted a letter to the Tax Court supporting the University's motion. (Da19). On September 17, 2015, the Tax Court heard argument on the motion. By order dated November 5, 2015, (Da1 - 2), accompanied by a written opinion approved for publication (Da3 - 15), the Court held that (1) the normal presumption of validity that attaches to a tax assessor's assessment or exemption determination does not apply when a third-party challenges an

² The Center for Non-Profits also incorporates by reference the more complete Procedural History and Statement of Facts set forth in Defendant Trustees of Princeton University's Brief in Support of Its Motion for Leave to Appeal. (Db4 - 6).

exemption; (2) the already exempt Defendant, Princeton University, bears the burden of proof at trial; and (3) the Tax Court has jurisdiction to hear the third-party exemption claim. The University's motion for leave to appeal followed.

STATEMENT OF FACTS

Plaintiffs are four individuals who allegedly live in and own real property in the consolidated municipality of Princeton. The University owns real property in Princeton. (Ca1 ¶¶1-2). The University was chartered in 1746, and moved to its current location in 1756. (Ca13). The mission of the University is "to prepare students to pursue meaningful lives and to help address the challenges of the future." Id. It employs more than 6,000 benefits-eligible employees and attracts approximately 790,000 people and \$2 billion in economic activity to the region in which it is situated every year. (Ca15).

The municipality of Princeton has determined that property of the University is exempt from taxation, pursuant to State law exempting the property of nonprofit educational institutions from property tax assessments. (Ca2 ¶4). Plaintiffs initiated the 2011 lawsuit against the University to attack individual tax exemptions for twenty-one parcels. Plaintiffs' 2014 and 2015 lawsuits attack the University's tax exempt status "in toto" based on plaintiffs' claim that Princeton is not a nonprofit school. Id. ¶7.

Among other holdings, the Tax Court assigned the burden of proof to the University, holding that when a third-party challenges an exemption, the exempt entity maintains the burden to prove at trial its entitlement to the exemption previously granted by the tax assessor. (Da2; Da12).

ARGUMENT

I. LEAVE TO APPEAL SHOULD BE GRANTED "IN THE INTEREST OF JUSTICE" TO FURTHER NEW JERSEY'S STRONG PUBLIC POLICY OF PROTECTING THE STATE'S NONPROFIT ORGANIZATIONS.

Leave to appeal an interlocutory order may be granted "in the interest of justice." R. 2:2-4. That standard is satisfied here because the Tax Court's decision concerning the burden of proof at trial for establishing a property tax exemption has a direct and material effect on the ability of nonprofits in the State to carry out their missions. Such an outcome, in favor of leave to appeal, is consistent with New Jersey's strong public policy interest of protecting the State's nonprofit organizations.

A. New Jersey Has a Multifaceted Legal Framework that Protects Nonprofit Entities.

New Jersey has long recognized a strong "public policy for the protection of nonprofit corporations, societies and associations organized for religious, charitable, educational or hospital purposes." See, e.g., N.J.S.A. 2A:53A-10. Nonprofit organizations significantly contribute to the State's economy by enhancing the quality of life, providing tangible and intangible attributes that make communities attractive to businesses and more livable for its residents. New Jersey's nonprofits deliver a wide range of vital services to the State's citizens, which, in many cases, would be provided by the government in their absence. These include, among many more, educational services,

health care services, substance abuse prevention and treatment, housing services, environmental conservation, and artistic and cultural enhancement.

To further the important public policies that encourage nonprofits to continue the delivery of programs and services to those in need and that benefit the larger community, New Jersey has historically provided a multifaceted framework of constitutional and statutory protections. For instance, nonprofit corporations are entitled to certain tax exemptions, immunity from tort liability, exemption from certain labor rules, and other benefits to sustain the altruistic work that they do.

An illustrative example is New Jersey's Charitable Immunity Act, N.J.S.A. 2A:53A-10, which was "designed by the Legislature to foster the private provision of services that benefit the general welfare, thus relieving the government of the obligation to provide those services." Estate of Komninos v. Bancroft Neurohealth, Inc., 417 N.J. Super. 309, 319 (App. Div. 2010) (citing Abdallah v. Occupational Ctr. of Hudson Cty., Inc., 351 N.J. Super. 280, 284 (App. Div. 2002); Parker v. St. Stephen's Urban Dev. Corp., 243 N.J. Super. 317, 324-25 (App. Div. 1990)) Likewise, the New Jersey Cultural Trust Act ("NJCTA"), enacted in July 2000, provides that "[h]undreds of nonprofit cultural organizations in this State play an invaluable role in ensuring

that the benefits of the arts, history, and humanities are extended to the people and communities of New Jersey." N.J.S.A. 52:16A-73.

Given the important work that they do, our courts have also consistently recognized that nonprofit organizations are "afforded 'substantial latitude in determining the appropriate avenues for achieving their objectives.'" Komninos, supra, at 320 (quoting Bloom v. Seton Hall Univ., 307 N.J. Super. 487, 491 (App. Div.), certif. denied, 153 N.J. 405 (1998)).

B. New Jersey's Strong Public Policy of Protecting the State's Nonprofit Organizations Underlies the Property Tax Exemption.

New Jersey's paramount public policy underpins the property tax exemption, which is granted to nonprofits that own property and utilize it in pursuit of their charitable missions. N.J.S.A. 54:4-3.6. The Supreme Court has underscored that "[t]he exemption is granted by the State because of the contribution of the exempt facility to the public good." Roman Catholic Diocese of Newark v. Borough of Ho-Ho-Kus, 42 N.J. 556, 565-66 (1964) (emphasis added). Indeed, "[t]he 'legislative design' of the statute has been long recognized as '[a] concession . . . due as quid pro quo for the performance of a service essentially public, and which the State is hereby relieved . . . from the necessity of performing.'" Girls Friendly Soc'y of Pa. v. Cape May City, 26 N.J. Tax 549, 564

(Tax 2012) (quoting Soc'y of Holy Child Jesus v. City of Summit, 418 N.J. Super. 365, 373 (App. Div. 2011)); see also Advance Hous., Inc. v. Twp. Of Teaneck, 215 N.J. 549, 574-75 (2013) (In applying test to determine that nonprofit was entitled to property tax exemption, the Supreme Court noted that the entity "is relieving the State of the expense that it would otherwise bear," that its mission "aligns perfectly with the public policy of this State," and that draining its resources through property tax assessments would "run[] directly contrary to our State's public policy.").

N.J.S.A. 54:4-3.6 facilitates the essential work of a broad variety of nonprofits -- thereby furthering the State's public policy goals -- by exempting from taxation:

all buildings actually used for historical societies, associations or exhibitions, when owned by the State . . . ;

all buildings actually and exclusively used for public libraries, asylums or schools for adults and children with intellectual disabilities;

all buildings used exclusively by any association or corporation formed for the purpose and actually engaged in the work of preventing cruelty to animals;

all buildings actually and exclusively used and owned by volunteer first-aid squads . . . ;

all buildings actually used in the work of associations and corporations organized exclusively for the moral and mental

improvement of men, women and children . .
.;

all buildings actually used in the work of
associations and corporations organized
exclusively for religious purposes,
including religious worship, or charitable
purposes . . .;

all buildings actually used in the work of
associations and corporations organized
exclusively for hospital purposes[.]

Notably, protecting these kinds of exemptions is so paramount in
our State that New Jersey's 1947 Constitution provides that
exemptions from taxation then in existence could not be repealed
or altered by general laws for "property used exclusively for
religious, educational, charitable or cemetery purposes . . .
and owned by any corporation or association organized and
conducted exclusively for one or more of such purposes and not
operating for profit." N.J. Const. art. VIII, § 1, ¶ 2.

**C. The "Interests of Justice" Weigh in Favor of Granting
Leave to Appeal in Light of New Jersey's Strong Public
Policy of Protecting the State's Nonprofit
Organizations.**

If the Tax Court's decision is not overturned, third-
parties will be able to effectively veto a taxing district's
exemption determination, leaving the tax exempt entity with the
burden of proving again at trial its entitlement to the
exemption. The prohibitive costs in doing so, on an annual
basis, will deplete the resources of nonprofits and undermine
their public service missions.

The impact of the Tax Court's decision in the current prolonged economic downturn and slow recovery is particularly problematic. In annual surveys conducted nationally and in New Jersey, 75 to 80 percent of nonprofit respondents consistently indicate that demand for their services had risen in the previous year, and similar proportions predicted that demand would continue to rise in the year to come. See, e.g., (Ca90 - 91; Ca107). Notably, however, charitable donations by New Jersey households, as measured by itemized deductions claimed on IRS tax returns, were still lower in 2013 (the most recent year available) than in pre-recession 2007. Compare (Ca118 - 19) (2007 IRS tax data), with (Ca121 - 22) (2013 IRS tax data). As the Legislature has correctly recognized: "As a whole, they [nonprofits] are undercapitalized, which makes them vulnerable to economic downturns." N.J.S.A. 52:16A-73.³ There is simply little room in the current economic climate to draw resources away from the critical missions of nonprofits for the

³ The State of New Jersey Department of State further recognizes that, "[t]hese important nonprofit organizations, as well serving and well run as they are, are also severely undercapitalized. They are particularly vulnerable to economic fluctuations. In a previous economic downturn when the arts and history communities lost precious State funding, too many were forced to close their doors and valuable cultural resources in our State were lost forever." (Ca126) (emphasis added).

significant legal costs that would be incurred if the Tax Court's decision is permitted to stand.

Moreover, the Tax Court's decision, if left unchecked, has the real potential to open the floodgates to ideologically or politically motivated taxpayers who may focus on nonprofits that are in the most financially precarious circumstances, but who serve the most vulnerable populations or controversial causes. Subjecting New Jersey's nonprofit community to such arbitrary and costly threats would be antithetical to the State's well-established policy supporting and promoting charitable works.

For these reasons, the Center respectfully submits that leave to appeal should be granted "in the interest of justice" to further New Jersey's paramount public policy to protect the State's nonprofit organizations and the property tax exemptions applicable to them.

II. LEAVE TO APPEAL SHOULD BE GRANTED "IN THE INTEREST OF JUSTICE" AS APPELLATE REVIEW AND GUIDANCE ARE NECESSARY TO IMMEDIATELY CORRECT THE TAX COURT'S IMPROPER DECISION TO PLACE THE BURDEN OF PROOF ON THE UNIVERSITY.

The Tax Court held that the burden falls upon the University to prove its entitlement to a tax exemption despite the fact that the plaintiffs are challenging the municipal assessor's finding that the University is exempt. (Dal to 2). The Court's order and accompanying published opinion is not supported by relevant case law, and, if allowed to stand, risks

burdening the State's nonprofit organizations with further unwarranted litigation expenses.

The Tax Court explained that, in its view, it is "firmly established within the body of law" that the purportedly exempt entity has the burden of proving it is entitled to an exemption. (Dall). Were the Court referring to the much more common situation where the entity and the municipality are litigating against each other over the entity's exempt status, the Court would have been correct. See, e.g., Int'l Sch. Servs., Inc. v. W. Windsor Twp., 207 N.J. 3, 15 (2011); Pingry Corp. v. Hillside Twp., 86 N.J. Super. 437, 448 (App. Div. 1965), rev'd on other grounds, 46 N.J. 457 (1966). To the contrary, however, there is no case holding that, when a taxpayer challenges a municipality's finding that a nonprofit entity is entitled to a property tax exemption, the entity bears the burden of proving the tax assessor's decision was correct.

The distinction is important. Placing the burden on nonprofit entities in these situations would create a regime where any taxpayer could haul an exempt entity into court and force it to expend significant resources proving entitlement to an exemption that was already granted by the municipality.

Empowering individual taxpayers to force nonprofit entities to expend funds to re-prove their entitlement to property tax exemptions is bad policy. First, it is not necessary to make it

easier for taxpayers to bring such suits by relieving them of the burden to prove their case (something that plaintiffs typically face). Municipalities already act as a gatekeeper on behalf of taxpayers. Municipal assessors are in a far better position than the general public to evaluate whether entities are entitled to exemptions.

Second, municipalities have every incentive to deny exemptions to entities that do not meet the statutory criteria, as the municipalities are the beneficiaries of any additional taxes that would be realized. There is no reason to believe municipalities are "leaving money on the table" by granting exemptions where they are not warranted.

Moreover, there is a problematic trend for New Jersey's nonprofit organizations whereby municipalities are improperly challenging their property tax exemptions, sometimes on specious grounds, to plug gaps in local revenues. Indeed, one New Jersey news outlet reported:

[N]on-profit property owners in a handful of municipalities had received letters from their local governments requesting "voluntary contributions" of a percentage of the property tax bill they would pay if not for their exemptions. A few years ago, Camden changed the property-tax status of dozens of non-profit groups as the city faced a fiscal crisis. The property owners that appealed the loss of their exemptions were successful, but not all could afford the legal fees to do so, according to an expert on the state's non-profit sector.

Lindy Washburn, North Jersey Towns Reassess Tax-Exempt Status for Hospitals After Key Ruling (Nov. 23, 2015), <http://www.northjersey.com/news/north-jersey-towns-reassess-tax-exempt-status-for-hospitals-after-key-ruling-1.1461487?page=all> (last visited Dec. 4, 2015) (emphasis added). See also, e.g., New Ventures Mgmt., Inc. v. City of Camden, No. 015775-2012, 2013 WL 3227790 (N.J. Tax June 25, 2013) (determining after Camden assessed property taxes against the charity that subject property was exempt from local property taxes) (Ca130 - 35); S. Jersey Eye Ctr., Inc. v. City of Camden, Nos. 013740-2011, 014244-2012, 2013 WL 2346473 (N.J. Tax May 28, 2013) (same) (Ca136 - 45); Task Force Looks for Ways to Collect from Tax-Exempt Nonprofits, NJBIZ.com (Apr. 20, 2012), <http://www.njbiz.com/article/20120420/njbiz01/120429981/task-force-looks-for-ways-to-collect-from-taxexempt-nonprofits> (quoting executive director of the New Jersey State League of Municipalities and a State Senator, among others). The problem experienced in certain municipalities will only multiply by deputizing every citizen in this State as an additional tax assessor with the power to force nonprofits to re-establish their already-established tax exemptions.

Putting this burden on nonprofits also runs contrary to the stated policy of this State favoring the protection and conservation of the resources of charitable and nonprofit

institutions. See, e.g., N.J.S.A. 2A:53A-10 (setting forth the State's "public policy for the protection of nonprofit corporations, societies and associations organized for religious, charitable, educational or hospital purposes"). Doing so would allow any taxpayer to effectively invalidate the municipality's determination (sending the nonprofit back to square one) without the taxpayer having to present a shred of evidence. Under such a circumstance, a disgruntled taxpayer could easily drain resources from a disfavored nonprofit entity by filing a conclusory complaint against the entity, thereby forcing the entity to marshal and present the requisite evidence to prove the taxpayer wrong. Allowing this type of wasteful litigation without first requiring any proofs from the plaintiff would drain the resources of the State's nonprofits and divert them to needless and expensive legal maneuvering. Such harassment would likely be repetitive because in property tax appeals, each tax year stands alone and an exemption may be challenged every year.

For these reasons, the Tax Court order should be reversed, and plaintiffs should bear the burden of proof at trial.


CONCLUSION

The Center for Non-Profits respectfully requests that the Court consider the important policy issues discussed herein when adjudicating the University's pending motion for leave to appeal to reverse the Tax Court's decision below and require plaintiffs to prove their case.

Respectfully submitted,

LOWENSTEIN SANDLER LLP
ON BEHALF OF AMICUS CURIAE,
THE CENTER FOR NON-PROFIT CORPORATIONS,
INC.

Dated: Dec. 7, 2015

By: 
Michael J. Hahn (NJ Bar # 012772001)
Kathryn Pearson (NJ Bar # 021982012)

Appendix

Bruce I. Afran
10 Braeburn Drive
Princeton, New Jersey 08540
609-924-2075

Attorney for Plaintiffs

TAX COURT OF NEW JERSEY

KENNETH FIELDS;
MARY ELLEN MERINO; JOSEPH KING;
KATHRYN KING;

Plaintiffs,

DOCKET NO:

v.

TRUSTEES OF PRINCETON UNIVERSITY;
PRINCETON UNIVERSITY; BOROUGH
OF PRINCETON;

Defendants.

Plaintiffs by their attorney, Bruce I. Afran, as and for their complaint assert as follows:

1. Plaintiffs are residents and owners of real property in Princeton, New Jersey (formerly the Borough and Township of Princeton, now consolidated) and pay property taxes based on the municipal assessment for their property.
2. Defendant Princeton University owns real property in Princeton and has claimed such property as exempt from taxation; the master lot and block and qualifier for said property is: 00045 01, Qualifier 00001 for property described as 88 acre main campus.
3. Defendants Trustees of Princeton University are the fiduciaries who supervise the University and have ultimate control and responsibility for its corporate management.

4. Defendant municipality of Princeton (hereafter "Princeton") has entered property of Princeton University on its tax records as exempt from taxation.

5. As set forth below, the University's property tax exemption is improper and Plaintiffs' property taxes are adversely increased because of the exemption granted to Princeton University.

6. The exempt property covers property that has an assessment in excess of \$1,000,000.

7. Plaintiffs contest the University's tax exemption in toto because the University is not a qualified tax exempt entity as it shares profit with faculty, engages in profit seeking conduct through its patent, copyright and trademark licensing businesses, its venture capital businesses, its retail business, its real estate rental business and certain investment operations, among other activities.

For the foregoing reasons, the plaintiffs hereby seek judgment directing that the Universities property be placed on the tax rolls as property subject to property tax, directing payment of outstanding tax on said properties for applicable prior tax years, along with attorney's fees and cost of suit.

FIRST ISSUE COUNT

1. Princeton University contends in its Initial Filings and in its supplemental filings every third year that it is a non-profit institution that is entitled to maintain exemption from property taxation.

2. In actuality, the University, though registered as a non-profit corporation with 501(c)(3) status, distributes tens of millions of dollars of profit each year from its patent

royalties to its faculty and is not entitled to claim exemption from local property taxation.

3. Consistent with this policy, since at least 2005 Princeton University has distributed at least \$118,493,000 in profits to faculty above and beyond their normal compensation and continues to do so in the current tax year at issue on this appeal.

4. Upon information and belief its patent profit distribution for the 2013 tax year is in \$38,000,000 to faculty as profit sharing on patent royalties.

5. The 2013 distribution of profit is part of a regular and increasing pattern the University has practiced since at least 2005.

6. Between 2005 and 2012 the University distributed profits on patents to faculty as follows:

7. In 2012 the University share profit of at least \$38 million to its faculty above and beyond their normal compensation.

8. In 2011, the University shared profit of nearly \$35 million to its faculty above and beyond their normal compensation.

9. In 2011, Princeton University received a total of \$117,586,000 in patent royalties. Of this sum, it shared \$34,839,000 in profit with faculty inventors and gave a rebate to the inventors' departments of only \$397,000. See 2010-2011 Annual Report of the University Research Board and the Office of Research and Project Administration (hereafter "Annual Report") at B1-B3.

10. In 2010 the University paid \$28,924,000 to faculty on net royalties of \$98,839,000 with rebates to departments of \$319,000. See 2010-2011 Annual Report at B1-B3.

11. In 2009 the University paid \$18,971,000 to faculty on net royalties of \$65,653,000 with rebates to departments of \$202,000. See 2008-2009 Annual Report at A14-A16.

12. In 2008 the University paid \$13,871,000 to faculty on net royalties of \$51,020,000 with rebates to departments of \$154,000. See 2008-2009 Annual Report at A14-A16.

13. In 2007 the University paid \$10,895,000 to faculty on net royalties of \$37,616,000 with rebates to departments of \$273,000. See 2006-2007 Annual Report at A18-A21.

14. In 2006 the University paid \$7,817,000 to faculty on net royalties of \$28,958,000 with rebates to departments of \$310,000. See 2006-2007 Annual Report at A18-A21.

15. In 2005 the University paid \$3,176,000 to faculty on net royalties of \$12,848,000 with rebates to the inventors' departments of \$140,000. See 2005 Annual Report at A19-A21.

16. As the above data shows, rebates to departments from patent royalties is a fractional part of the University's royalty distribution program that is overwhelmingly and primarily directed to distributing profit to faculty inventors.

SECOND ISSUE COUNT

17. The University engages in profit seeking commercial activities by its patent and copyright licensing programs.

THIRD ISSUE COUNT

18. The University operates a venture capital and joint venture business to commercialize technologies and has licensed its patents to faculty and others for commercial gain and has established or taken shares or other interest in the following companies:

Aculon: A provider of nano-tech surface modification technologies.

BioNano Genomics: A company offering a platform for genome biology, including DNA structural variation that current tools fail to highlight.

Chiromics LLC: A research company that is developing technologies to accelerate identification of new drug candidates that are active against given targets.

Etaphase: A company that designs and develops device architectures in a variety of materials for applications in solar, integrated circuits, structural materials, and datacomm.

FORGE Life Science: A company dedicated to building a pipeline of anti-infectives that address the problem of acquired resistance and provide unique broad-spectrum treatment modalities.

Generation Biotech: A privately held biotechnology company in Lawrenceville, NJ that provides tools for complex DNA analysis.

GPB Scientific: A privately-held cell-separation company which markets its technology to life sciences companies and research establishments.

Kadmon Pharmaceuticals LLC: A global biopharmaceutical company offering products for treatment of hepatitis C and other targets in oncology, infectious diseases, immunology and neurodegenerative diseases.

Liquid Light: A technology company developing highly efficient catalysts and chemical processes for conversion of carbon dioxide to chemicals and fuels.

NanoFlex Power Corp.: A company developing technologies and processes for the next generation of solar power technology with materials that are mobile, lightweight, flexible, and inexpensive.

Nanonex: A company offering patterning of 3D nanostructures with sub-10 nm resolution and accurate overlay alignment.

Optimeos Life Sciences LLC: An early-stage company developing a nanotechnology approach to optimal imaging for research and eventually clinical use.

Orthobond: A privately held medical company developing surface modification technology for use in implantable prostheses and diagnostic applications.

Proteodesign: A company committed to the development of protein modification technologies for the production of a new generation of therapeutic protein conjugates.

Signum Biosciences: A developer of therapeutic agents for Alzheimer's, Parkinson's and other neurodegenerative diseases.

Tag Optics: A specialty lens manufacturing company which develops and produces custom built tunable acoustic gradient index lenses.

TetraLogic Pharmaceuticals: A company specializing in the discovery and development of oncology therapeutics.

Tiger Optics: A producer of laser-based instruments and electro-optical components to serve an array of markets, including semiconductor fabrication, medical diagnostics and environmental monitoring.

Twinleaf: A creator of high-performance magnetic field sensors and related equipment.

Universal Display Corporation: A developer of innovative OLED technology for use in flat panel displays, lighting and organic electronics.

Vorbeck Materials Inc.: A producer of graphene based inks and other conductive materials for printed electronics, smart packaging, smart cards, security and identification labeling, and other applications.

FOURTH ISSUE COUNT

21. The University is engaged in other extensive commercial and/or profit-seeking conduct including retail business operations, printing operations, retail restaurant operation and commercial, profit driven hedge fund operation and catering.

WHEREFORE, defendant Princeton University is engaged in commercial and/or profit seeking and profit driven conduct, distributes profits and is not entitled to claim a non-profit educational exemption and judgment should be entered that its property that is listed by the Assessor as exempt be placed on the tax rolls.

Respectfully submitted,



Bruce I. Afran, Esquire
Counsel for Plaintiffs

Princeton, New Jersey
April 1, 2014

PROOF OF SERVICE - A COPY OF YOUR COMPLAINT MUST BE SERVED ON THE CLERK AND ASSESSOR OF THE TAXING DISTRICT AND THE ADMINISTRATOR OF THE COUNTY BOARD OF TAXATION. ALL THREE MUST BE SERVED.

1. On 4/1/14, I, the undersigned, served on the Clerk of Princeton (taxing district), or the person in charge of the office, personally OR by ordinary mail in accordance with *Rule 8:5-4* (strike one out), a copy of the within complaint.
2. On 4/1/14, I, the undersigned, served on the Assessor of Princeton (taxing district), or the person in charge of the office, personally OR by ordinary mail in accordance with *Rule 8:5-4* (strike one out), a copy of the within complaint.
3. On _____, I, the undersigned, served on the Administrator of the County Board of Taxation, or the person in charge of the office, personally OR by ordinary mail in accordance with *Rule 8:5-4* (strike one out), a copy of the within complaint.

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

4/1/14
Date

[Signature]
Signature

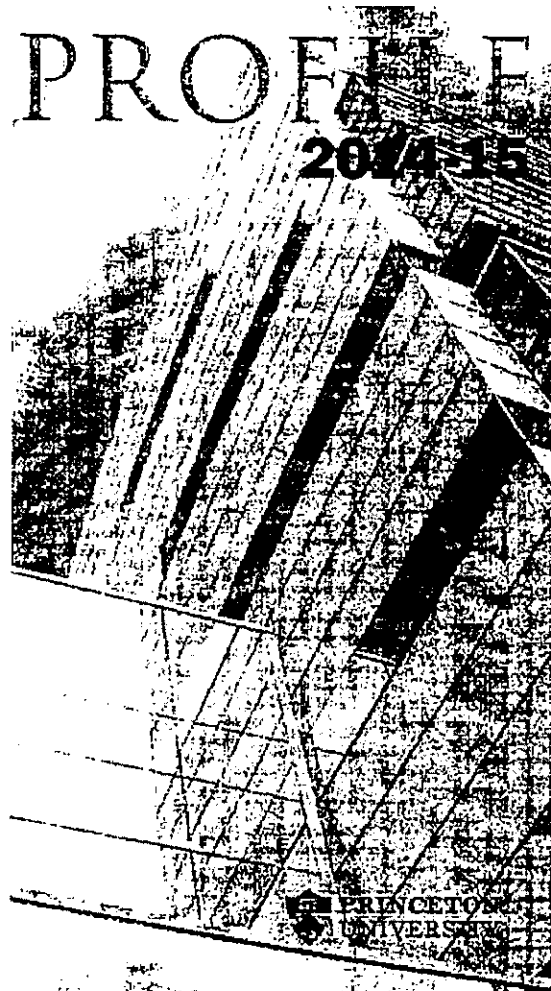
Certification of Service

I certify that on this 1st day of April, 2014 I caused the within Complaint and case information statement to be served via hand delivery upon the following defendant:

Trustees of Princeton University

I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are fully false, I am subject to punishment.

Bruce A. Franke 4/1/14
Bruce Afran Dated

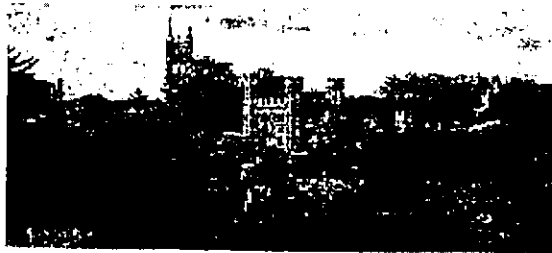


2014-15 Calendar

Sept. 3, 2014	Graduate and undergraduate student registration begins
Sept. 7	Opening Exercises
Sept. 10	Fall-term classes begin
Sept. 20	Board of Trustees meeting
Sept. 29-Oct. 19	Ph.D. general examinations
Oct. 25-Nov. 2	Fall recess
Nov. 15	Board of Trustees meeting
Nov. 25-Nov. 30	Thanksgiving recess
Dec. 12-Jan. 4, 2014	Winter recess
Jan. 5-13	Reading period
Jan. 5-25	Ph.D. general examinations
Jan. 14-24	Fall-term examinations
Jan. 19	Martin Luther King Day
Jan. 31	Board of Trustees meeting
Feb. 2	Spring-term classes begin
Feb. 22	Alumni Day
March 14-22	Spring recess
March 29	Board of Trustees meeting
April 20-May 23	Ph.D. general examinations
April 26	Communi-versity
May 4-12	Reading period
May 13-23	Spring-term examinations
May 28-31	Reunions
May 31	Baccalaureate
June 1	Board of Trustees meeting
June 1	Class Day and Hooding Ceremony
June 2	Commencement

Cover Image: Perotzman Scully Hall, the new home of the Department of Psychology, and the Princeton Neuroscience Institute were dedicated on April 25, 2014. "Discoveries made here — illuminating the brain's role in our thoughts, behavior and well-being — will have a profound impact on society," said President Christopher L. Eisgruber. (Photo by Denise Applewhite)

This Princeton University publication also is available online:
www.princeton.edu/profile



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About Princeton University

Princeton University is a vibrant community of scholarship and learning that stands in the nation's service and in the service of all nations. Its educational mission is to prepare students to pursue meaningful lives and to help address the challenges of the future. To this end, the University aims to enroll the most capable students from all parts of the world and to provide them with an educational experience that strengthens their intellects, sharpens their skills, expands their horizons and prepares them for leadership — all while pursuing the highest possible standards of excellence.

The "Profile" answers the most frequently asked questions about Princeton and highlights many of the diverse resources available on campus, including our generous need-based financial aid program. Additionally, the booklet offers a quick reference to many of the academic, cultural, recreational, economic and community activities that enrich this University and all whom it touches. For more information, visit the Princeton website at www.princeton.edu.

Chartered in 1746 as the College of New Jersey — the name by which it was known for 150 years — Princeton University was British North America's fourth college. Located in Elizabeth for one year and then in Newark for nine, the College of New Jersey moved to Princeton in 1756. It was housed in Nassau Hall, which was newly built on land donated by Nathaniel

FitzRandolph. Nassau Hall contained the entire College for nearly half a century. In 1896, when expanded program offerings brought the College university status, the College of New Jersey was officially renamed Princeton University in honor of its host community of Princeton. Four years later, in 1900, the Graduate School was established.

Fully coeducational since 1969, Princeton for the past academic year (2013-14) enrolled 7,910 students — 5,244 undergraduates (825 of whom are New Jersey residents, representing almost every county in the state) and 2,666 graduate students (degree candidates only). The ratio of undergraduate students to faculty members (in full-time equivalents) is 6 to 1.

The University provides its students with academic, extracurricular and other resources — in a residential community committed to diversity in its student body, faculty and staff — that prepare them for positions of leadership and lives of service in many fields of human endeavor.

Living up to its unofficial motto, “In the Nation’s Service and in the Service of All Nations,” Princeton University has educated thousands of individuals who have dedicated their lives to public service, including two U.S. presidents (Woodrow Wilson and James Madison); hundreds of U.S. and state legislators (the House of Representatives, for example, has housed a Princeton alumnus every year since it first met in 1789); and 44 governors, including 11 New Jersey governors.

Each year, many members of the student body, faculty, staff and local alumni volunteer in community service projects throughout the region. The University as an institution supports many service initiatives. Princeton’s Office of Sustainability helps ensure progress in areas where the University has been a leader, such as energy conservation.

As a global research university, Princeton seeks to achieve the highest levels of distinction in the discovery and transmission of knowledge and understanding. At

the same time, Princeton is distinctive among research universities in its commitment to undergraduate teaching. Interdisciplinary work is vital to Princeton and is reflected in a full spectrum of academic programs, including such initiatives as the Lewis Center for the Arts, the Center for African American Studies, the Princeton Neuroscience Institute and the Princeton Institute for International and Regional Studies.

Princeton's main campus consists of approximately 9 million square feet of space in more than 180 buildings on 500 acres. The University also accommodates more than 1,000 units (2013-14), totaling more than 1.2 million square feet, of rental housing for graduates and faculty/staff. Including Springdale Golf Course and Lake Carnegie, the University owns more than 975 acres in Princeton, more than 895 acres in Plainsboro Township and more than 520 acres in West Windsor Township.

The University, with approximately 6,323 benefits-eligible employees, is one of the region's largest private employers. It plays a major role in the educational, cultural and economic life of the area by bringing close to 790,000 visitors and approximately \$2 billion in economic activity to the region.





Admission and Costs

Undergraduate Admission and Enrollment

Admission to Princeton is quite competitive. In recent years, Princeton has generally offered admission to less than 10 percent of those who apply. Successful applicants must demonstrate exceptionally high academic ability and performance. Personal strengths and nonacademic talents and commitment are also highly valued.

Princeton offers two admission programs: Single-Choice Early Action — requiring applicants to apply early only to Princeton, though they can defer acceptance of Princeton's offer until the end of the regular admission process — and Regular Decision. The postmark or electronic submission deadline for Early Action is Nov. 1. For Regular Decision, the deadline is Jan. 1, although Regular Decision applicants are encouraged to submit their portion of the application by Dec. 15, if possible.

Admission Rates, 5-year history

Academic year	Applications	Admitted	%
2014-15	26,642	1,983	7.4
2013-14	26,498	1,963	7.4
2012-13	26,664	2,094	7.9
2011-12	27,189	2,300	8.5
2010-11	26,247	2,311	8.8

Undergraduate Enrollment, 2013-14*

	<i>Number</i>	<i>%</i>
Total	5,244	
Men	2,673	51.0
Women	2,571	49.0
American minorities	2,100	40.0
African American	400	7.6
American Indian	4	0.1
Asian American	1,051	20.0
Latino/Hispanic	424	8.1
Multiracial (non-Hispanic)	218	4.2
Pacific Islander	3	0.1
Alumni children	652	12.4
International students	577	11.0

Approximate Undergraduate Enrollment, 2014-15*

	<i>Number</i>	<i>%</i>
Total	5,230	
Men	2,666	51.0
Women	2,564	49.0
American minorities	2,162	41.3
African American	406	7.8
American Indian	6	0.1
Asian American	1,087	20.8
Latino/Hispanic	436	8.3
Multiracial (non-Hispanic)	221	4.2
Pacific Islander	6	0.1
Alumni children	632	12.1
International students	592	11.3

**Note: An exact comparison to previous years is not possible because of changes in federal requirements concerning the collection and reporting of race and ethnicity information. Each student has been counted once.*

In recent years, approximately 88 percent of each entering class has graduated from Princeton within four years, and 96 percent of all undergraduates have received a degree from Princeton within six years.

Admission 2014: Class of 2018 *All percentages rounded*

	Applicants		Admitted		Enrolled	
	No.	% of Total	No.	% of Applicants	No.	% of Admits
Total	26,642	—	1,983	7.4	1,314	66.3
Men	14,167	53.2	1,013	7.2	680	67.1
Women	12,475	46.8	970	7.8	634	65.4
Alumni children	597	2.2	184	30.8	149	81.0
Minority students	11,375	42.7	982	8.6	585	57.5
International students	4,879	18.3	225	4.6	148	65.8
						11.3

SATs/SAT Subject Tests/ACT

Middle 50 percent of Critical Reasoning SAT, Mathematics SAT, Writing SAT and two highest SAT Subject Tests. For example, 25 percent of the applicants had Critical Reasoning scores below 640; 50 percent had Critical Reasoning scores between 640 and 760; 25 percent had Critical Reasoning scores above 760.

	Applicants		Admits		Enrollees	
	No.	% of Total	No.	% of Applicants	No.	% of Admits
ACT	30,34	—	31,35	—	31,35	—
Critical Reasoning	640-760	—	700-800	—	690-800	—
Math	670-780	—	710-800	—	710-800	—
Writing	650-770	—	710-800	—	700-790	—
SAT II	690-790	—	730-800	—	720-800	—

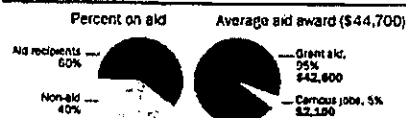
Undergraduate Costs and Financial Aid

Here is what it costs for an undergraduate to study in 2014-15:

Tuition	\$41,820
Room	7,570
Board	6,050
Miscellaneous expenses (books, supplies, etc.)	3,525
Total	\$58,965

Admission to Princeton is need-blind for all applicants, including international students, ensuring equality of opportunity for low- and middle-income students. Princeton provides grants and campus jobs — not student loans — to meet the full demonstrated financial need of all students offered admission. Currently, about 60 percent of Princeton's undergraduate students receive financial aid from the University.

Class of 2018



Students who receive financial aid help pay for their education by working in the summer and during the school year. Because they are not required to take loans to help pay their basic expenses, the University provides grants to fill any gap between the cost of attendance and the amount a student and his or her parents are able to pay.

The amount parents are asked to contribute varies from family to family based on a review of their financial circumstances. Princeton uses its own need formula to determine parental contributions.

Princeton's Estimated Financial Aid Budget, 2014-15

Number of undergraduates receiving financial aid	60%	3,1500
Average family income of students receiving aid		\$119,720
Average parental contribution for students receiving aid		\$15,530
Total scholarship budget		\$131,400,000
Provided by the University	93.9%	
Endowed scholarships		104,635,000
General funds		18,325,000
Yearly gifts to scholarship program		460,000
Provided by government	3.4%	4,480,000
Provided by outside organizations	2.6%	3,500,000
Earnings of financial aid students		\$3,200,000

Graduate Admission and Enrollment

Admission to Princeton's Graduate School presents singular opportunities in a community that offers students extraordinary academic and intellectual resources.

Of the 10,964 applicants to the Graduate School for 2014-15, 1,231 were admitted and 608 accepted the offer of admission.

While graduate candidates submit applications to the Graduate School, faculty members in the individual departments that will award the degrees review the applications and make admission recommendations to the dean.

In 2013-14, Princeton awarded 389 Ph.D.'s and 181 final master's degrees. The University emphasizes Ph.D. programs in the humanities, social and natural sciences, and engineering. Princeton has no business, law or medical schools.

Graduate Admission 2014-15: All Master's and Doctoral Candidates

All percentages rounded

	Applicants		Admitted		Accepted	
	No.	% of Total	No.	% of Applicants	No.	% of Admits
Total	10,964	—	1,231	11	608	49
Men	7,147	65	772	11	376	49
Women	3,817	35	459	12	232	51
International students	6,004	55	487	8	274	56
Minority students	1,245	11	200	16	82	41
Women in science and engineering	1,391	13	209	15	87	42
						14

Graduate Admission 2014-15

<i>Division</i>	<i>Applications</i>	<i>Admits</i>	<i>%</i>
Humanities	1,480	140	9
Natural sciences	2,402	345	14
School of Architecture	516	50	10
School of Engineering and Applied Science	2,826	316	11
Social sciences	2,742	242	9
Woodrow Wilson School of Public and International Affairs	998	138	14
Total	10,964	1,231	11

GRE scores 2014-15

Average Graduate Record Examination scores vary by discipline.

	<i>Applicants</i>	<i>Admits</i>	<i>Enrollees</i>
Verbal (average)			
Humanities	161	164	164
Natural sciences	158	163	161
Architecture	154	159	159
Engineering	156	161	160
Social sciences	161	164	164
Woodrow Wilson School	161	164	164
Quantitative (average)			
Architecture	154	156	156
Engineering	151	162	160
Humanities	155	165	164
Natural sciences	154	161	158
Social sciences	142	160	158
Woodrow Wilson School	155	163	162

Graduate Enrollment 2013-14

The Graduate School enrolled 2,666 degree candidates in 42 departments and programs in academic year 2013-14. Thirty-eight percent of the Graduate School's students are female, 38 percent are citizens

of other countries, and 14 percent are members of U.S. minority groups. The median time from matriculation to receiving a Ph.D. at Princeton, including all departments, is 5.7 years (for 2013-14).

Enrollment of graduate degree candidates by academic division, 2013-14

<i>Division</i>	<i>Number</i>	<i>%</i>
Humanities	477	18
Natural sciences	767	29
School of Architecture	78	3
School of Engineering and Applied Science	576	21
Social sciences	564	21
Woodrow Wilson School of Public and International Affairs	204	8
Total	2,666	100

Graduate Costs and Financial Support

All Ph.D. and many master's degree candidates in the Graduate School receive financial support for the duration of their degree program through some combination of University fellowships, assistantships in research or teaching, and non-University awards.

The Graduate School participates in all major national fellowship programs, and graduate students win many of the following awards: Department of Defense Fellowships, Ford Foundation Fellowships, Hertz Fellowships in the Applied Sciences, National Science Foundation Graduate Research Fellowships, and U.S. Department of Education Fellowships (FLAS, Fulbright-Hays-DDRA, Javits).

The Graduate School has several family-focused initiatives in place, including 12 weeks of leave with financial support for childbirth or adoption, free work-life counseling, and grants for child care, both throughout the year and during travel to academic conferences.



Academic Life

Princeton University is unique in combining the strengths of a major research university with the qualities of an outstanding liberal arts college. With a student-faculty ratio of 6 to 1, Princeton excels in its commitment to teaching and provides learning opportunities both within and outside of the classroom. Whether through independent study, student-initiated seminars or lectures in emerging fields such as neuroscience, Princeton students have the flexibility to shape dynamic academic programs that prepare them for leadership and lives of service.

Internationalism

Princeton University aims to meet the challenges of globalization in a way that is both vigorous and consistent with traditions and practices that define Princeton's scholarly community.

The faculty governance board that oversees the University's international initiatives is the Council for International Teaching and Research. Among its responsibilities, the council oversees several Princeton grant programs that support international academic initiatives, reviews and approves new international programs and collaborations, oversees the University's strategic partnerships with the University of Tokyo, Humboldt University and the University of São Paulo, and monitors the University's progress in meeting its international

goals. Through linkages and networks promoted and overseen by the council, Princeton's international engagements can evolve and adapt to the ever-shifting priorities and advances in teaching and research. In this fashion, the University enhances its mission of providing outstanding educational opportunities on campus while projecting its strengths abroad.

Princeton undergraduates have opportunities to incorporate international experiences and perspectives into all parts of their Princeton careers. Incoming students have the opportunity to take a "bridge year," postponing their coursework for a year to engage in an international service experience that emphasizes cultural immersion. Throughout their time at Princeton, all undergraduates have opportunities to: study or conduct research abroad during the academic year, breaks or the summer; participate in international internships; study 21 modern languages; take courses on international and regional topics; and participate in on-campus intercultural programs.

Upon graduation, students have the option of participating in Princeton-affiliated international service internships and fellowships. Graduate students have opportunities to participate in international exchange programs, conduct research abroad and collaborate with global scholars and visiting international faculty who are recognized leaders in their fields.

The Faculty

In spring 2014, the faculty (including visitors and part-time faculty) totaled 1,175, including 495 professors, 80 associate professors, 180 assistant professors, 17 instructors, 292 lecturers and 111 visitors.

Seventy-one percent of the professorial faculty is tenured. Excluding visitors, approximately 344 members of the faculty are women, and 224 are identified as members of minority groups. There were 198 tenured women on the faculty in spring 2014.

Approximately 49 percent of Princeton's tenured faculty members were promoted to tenure while at Princeton; the others were hired with tenure from other institutions.

All faculty members at Princeton are expected to teach, as well as engage in research. Faculty members work most closely with undergraduates in the supervision of junior-year independent work and senior theses.

Twelve members of the current Princeton faculty (including emeritus) are recipients of the Nobel Prize.

Princeton's Nobel Prize winners

Faculty	Nobel
Philip W. Anderson, <i>Joseph Henry Professor of Physics Emeritus</i>	physics 1977
Val L. Fitch, <i>James S. McDonnell Distinguished University Professor of Physics Emeritus</i>	physics 1980
Toni Morrison, <i>Robert F. Goheen Professor in the Humanities Emeritus</i>	literature 1993
Joseph H. Taylor, <i>James S. McDonnell Distinguished University Professor of Physics Emeritus</i>	physics 1993
Russell A. Hulse, <i>principal research physicist, Princeton Plasma Physics Laboratory</i>	physics 1993
John F. Nash, <i>Senior research mathematician</i>	economics 1994
Eric F. Wieschaus, <i>Squibb Professor of Molecular Biology</i>	physiology/ medicine 1995
Daniel C. Tsui, <i>Arthur Legrand Doty Professor of Electrical Engineering Emeritus</i>	physics 1998
Daniel Kahneman, <i>Eugene Higgins Professor of Psychology Emeritus and professor of psychology and public affairs emeritus</i>	economics 2002
David J. Gross, <i>Thomas D. Jones Professor of Mathematical Physics Emeritus</i>	physics 2004
Paul Krugman, <i>Professor of economics and international affairs</i>	economics 2008
Christopher Sims, <i>Harold H. Helm '20 Professor of Economics and Banking</i>	economics 2011

Also, Princeton faculty and staff members are frequently named MacArthur Fellows and receive other notable awards in their fields.

Undergraduate College

Program of Study

Princeton offers two bachelor's degrees: a bachelor of arts (A.B.) and a bachelor of science in engineering (B.S.E.). Within these degree programs, students can choose from among 80 departments and interdepartmental programs. In lieu of existing programs, students may apply for independent concentration.

Undergraduates in the A.B. program must successfully complete general education requirements that include two courses each in literature and the arts, science and technology (at least one course must be with laboratory), and social analysis; and one course each in epistemology and cognition, ethical thought and moral values, historical analysis, and quantitative reasoning. A.B. candidates also must satisfy writing and foreign language requirements.

Departmental requirements combine upper-level courses with independent work in both the junior and senior years. A senior thesis is required of all A.B. candidates.

Engineering students take at least seven courses in the humanities and social sciences, in addition to satisfying the writing requirement and meeting the requirements in mathematics, physics, chemistry and computer programming as specified by the School of Engineering and Applied Science. B.S.E. students are required to take one course in four of the following six areas: epistemology and cognition, ethical thought and moral values, foreign language, historical analysis, literature and the arts, and social analysis. Independent work or a senior thesis is required for completion of the B.S.E. degree.

Departments and Programs

Students may choose from among 34 majors, or an independent concentration, and participate in 47

special programs, many of them interdisciplinary or interdepartmental. The University also provides ample support resources, such as a modern language lab that bolsters the instruction in 21 modern languages currently offered.

Academic Departments

Undergraduates may concentrate their studies in the following fields:

Anthropology	Independent Concentration
Architecture	Mathematics
Art and Archaeology	Mechanical and Aerospace Engineering
Astrophysical Sciences	Molecular Biology
Chemical and Biological Engineering	Music
Chemistry	Near Eastern Studies
Civil and Environmental Engineering	Operations Research and Financial Engineering
Classics	Philosophy
Comparative Literature	Physics
Computer Science	Politics
East Asian Studies	Psychology
Ecology and Evolutionary Biology	Religion
Economics	Slavic Languages and Literatures
Electrical Engineering	Sociology
English	Spanish and Portuguese Languages and Cultures
French and Italian	Woodrow Wilson School of Public and International Affairs
Geosciences	
German	
History	

Interdepartmental Programs

Interdisciplinary and interdepartmental programs are available to complement more traditional courses of study. Participants in programs take designated courses in the subject area and prepare substantial independent work toward completion of a certificate of proficiency.

Undergraduates may supplement their concentration by participating in any of the following programs, all of which grant certificates of proficiency:

African American Studies	Language and Culture
African Studies	Latin American Studies
American Studies	Latino Studies
Applications of Computing	Linguistics
Applied and Computational Mathematics	Materials Science and Engineering
Architecture and Engineering	Medieval Studies
Biophysics	Musical Performance
Contemporary European Politics and Society	Near Eastern Studies
Creative Writing	Neuroscience
Dance	Planets and Life
East Asian Studies	Quantitative and Computational Biology
Engineering Biology	Robotics and Intelligent Systems
Engineering and Management Systems	Russian, East European and Eurasian Studies
Engineering Physics	South Asian Studies
Environmental Studies	Statistics and Machine Learning
European Cultural Studies	Sustainable Energy
Finance	Teacher Preparation
Gender and Sexuality Studies	Technology and Society
Geological Engineering	Theater
Global Health and Health Policy	Translation and Intercultural Communication
Hellenic Studies	Urban Studies
Humanistic Studies	Values and Public Life
Jazz Studies	Visual Arts
Judaic Studies	

Areas of Concentration

Undergraduate concentration patterns have remained fairly constant over the years. Here, in descending order, are the 10 areas of concentration for juniors and seniors that were most popular in academic year 2013-14:

<i>Department</i>	<i>Number of Concentrators</i>
Economics	254
Woodrow Wilson School of Public and International Affairs	250
Computer Science	201
Politics	184
History	159
Psychology	143
Ecology and Evolutionary Biology	120
Operations Research and Financial Engineering	118
Molecular Biology	117
Mechanical and Aerospace Engineering	106

The Creative Arts

The Lewis Center for the Arts is the academic unit comprising the programs in creative writing, dance, theater, visual arts and the Princeton Atelier. The center puts the arts at the heart of the Princeton experience. The work coming out of more than 140 courses offered each year, along with visits by world-renowned guest artists, is shared with the larger community through more than 120 public arts events presented annually, most free, which attract an audience of over 10,000. Students may take one or more courses or earn certificates in creative writing, dance, theater and visual arts in addition to the bachelor's in their major area of study; a bachelor's in studio art is offered through the Department of Art and Archaeology in collaboration with the Lewis Center.

Creative Writing. The Program in Creative Writing offers undergraduate students the unique opportunity to pursue original work in fiction, poetry, screenwriting and translation in small workshop classes with renowned practicing writers. A reading series brings distinguished poets and writers to campus to read from their work and provides the opportunity for students to present their work.

Dance. The Program in Dance exposes students to professional artists and scholars in dance through courses, workshops, master classes and guest choreographers. The program offers training in modern and contemporary dance and ballet. Courses focus on technique, repertory, choreography, history and criticism, and daily co-curricular classes are available to any student interested in dance. The program's dance concerts offer opportunities for dance performance and present works choreographed by students, faculty and guest artists.

Theater. The Program in Theater offers workshop courses in acting, directing, dramaturgy, design, playwriting, performance, history and criticism — all taught by professional artists, scholars and critics. The program also presents productions acted and directed by

students. The Music Theater Lab brings together students, faculty and guest artists in the creation, study and performance of music theater.

Visual Arts. The Program in Visual Arts introduces students to the studio arts in the context of a liberal arts education. Courses are offered in ceramics, drawing, film theory and history, painting, photography, digital photography, printmaking, sculpture, and film and video production. A series of gallery exhibitions and screenings highlight student work created in the program.

The Princeton Atelier. The Princeton Atelier brings together professional artists from different disciplines to create new work in the context of semester-long workshops with students.

Performance Central. The Performance Central Series offers high-profile performances, readings and lectures by notable artists in the areas of creative writing, dance, music, theater and the visual arts.

Music Study. The Department of Music is at the epicenter of a musical culture that reaches across campus, from the classroom to the concert hall, and from faculty-led groups to those run exclusively by students. Undergraduate students can major in music with an emphasis on writing music or writing about music. They can earn a certificate in the programs in jazz studies or musical performance as a major in another department or as a music major. Those who do not plan to pursue a degree or certificate in music are welcome to take courses with world-renowned composers and music historians, take instrumental or voice lessons in the private studios of top professionals, and audition to perform with our six jazz groups, three choruses, two orchestras, a wind ensemble, an opera theater, a musical comedy troupe, at least a dozen chamber music ensembles, a laptop orchestra, and almost 20 small a cappella singing groups.

Fellowship Programs. In collaboration with the Department of Music, the Lewis Center offers two fellowship programs supporting individual artists. The Hodder Fellowships provide a year of support to provide

emerging artists with time and space to create new work. The Fellowships in the Creative and Performing Arts, supported in part by the Andrew W. Mellon Foundation, provide a two-year residency for emerging artists to teach and engage with the creative community at Princeton.

Arts and Transit Project. Three new arts buildings to house the Lewis Center for the Arts and some functions of the Department of Music are part of the project that will remake an area along University Place and Alexander Street south of the McCarter Theatre Center and east of Forbes College.

Awards and Fellowships

Princeton students do very well in national scholarship and fellowship competitions. During the past 10 years, 16 Princeton undergraduates have been U.S. Rhodes Scholars. The table below lists seven of the award programs open to graduates and shows the number of Princetonians who have accepted these scholarships over the past five years.

	Total awarded†	09-10	10-11	11-12	12-13	13-14
Churchill	11	2	1	0	1	1
Fulbright	1,560	16	11	5	17	15
Gates Cambridge	90	1	2	5	3	6
Hertz	30	1	2	1	2	1
Marshall	40	1	1	5	2	1
NSF*	2,000	35	29	31	27	27
Rhodes	32	1	2	4	0	2

† Approximate number, varies by year

The Graduate School

The Graduate School was established in 1900 and, by history and design, it is relatively small and emphasizes Ph.D. programs in the humanities, social and natural sciences, and engineering. Doctoral education

focuses on original and independent scholarship, while master's degree programs prepare candidates for careers in professional practice and public life.

These programs share a number of distinctive and desirable features: a high level of engagement between distinguished faculty and outstanding students, a residential campus environment that fosters a community of scholars, and a depth of financial support that allows concentration on academics. A wide range of interdisciplinary areas complement and enrich these degree-granting programs, which promote intellectual activities and research across departmental and divisional boundaries.

Doctoral Programs

Doctoral students work toward a Ph.D. in one of 42 degree-granting departments and programs. In addition to residing in Princeton for one academic year, doctoral candidates must fulfill departmental requirements, pass a general departmental examination, prepare a doctoral dissertation and present a public oral defense of the dissertation.

The University grants doctoral degrees in the following degree-granting departments and programs:

Anthropology	Economics
Applied and Computational Mathematics	Electrical Engineering
Architecture	English
Art and Archaeology	French and Italian
Astrophysical Sciences	Geological Sciences
Atmospheric and Oceanic Sciences	German
Chemical and Biological Engineering	History
Chemistry	History of Science
Civil and Environmental Engineering	Mathematics
Classics	Mechanical and Aerospace Engineering
Comparative Literature	Molecular Biology
Computer Science	Musiology
East Asian Studies	Music Composition
Ecology and Evolutionary Biology	Near Eastern Studies
	Neuroscience
	Operations Research and Financial Engineering
	Philosophy

Physics	Quantitative and Computational Biology
Plasma Physics	Religion
Politics	Slavic Languages and Literatures
Population Studies	Sociology
Psychology	Spanish and Portuguese Languages and Cultures
Public and International Affairs (Woodrow Wilson School)	

Master's Programs

Princeton's requirements for a master's degree vary greatly by department. Students may apply to the Graduate School for the following 14 master's programs:

Architecture (Master of Architecture)	Electrical Engineering (M.Eng., M.S.E.)
Chemical and Biological Engineering (Master of Engineering, Master of Science in Engineering)	Finance (Master in Finance)
Chemistry (Master of Science)	Mechanical and Aerospace Engineering (M.Eng., M.S.E.)
Civil and Environmental Engineering (M.Eng., M.S.E.)	Near Eastern Studies (Master of Arts)
Computer Science (M. Eng., M.S.E.)	Woodrow Wilson School of Public and International Affairs (Master in Public Affairs, Master in Public Policy)

Interdisciplinary/Interdepartmental Programs

The following are interdepartmental (and often interdisciplinary) programs in which Ph.D. work may be concentrated or in which joint degrees may be granted:

African American Studies	Linguistics
African Studies	Materials
Ancient World	Media and Modernity
Classical Art and Archaeology	Medieval Studies
Classical Philosophy	Near Eastern Studies
Demography	Neuroscience
East Asian Studies	Plasma Physics
Environmental Engineering and Water Resources	Plasma Science and Technology
Environmental Studies	Political Economy
Hellenic Studies	Political Philosophy
History of Science	Renaissance Studies
Humanities	Science and Technology of Materials
Italian Studies	Social Policy
Latin American Studies	

Joint Degrees

The Graduate School offers joint degrees in the following areas (students apply to one of the appropriate Ph.D.-granting fields above):

Area	Joint Ph.D.
demography	economics and demography; sociology and demography
materials science	chemistry and materials; chemical engineering and materials; civil and environmental engineering and materials; electrical engineering and materials; geosciences and materials; mechanical and aerospace engineering and materials
neuroscience	applied and computation mathematics and neuroscience; chemistry and neuroscience; chemical engineering and neuroscience; computer science and neuroscience; ecology, evolutionary biology and neuroscience; electrical engineering and neuroscience; molecular biology and neuroscience; philosophy and neuroscience; physics and neuroscience; psychology and neuroscience
humanities	interdisciplinary humanities
social policy	demography and social policy politics and social policy psychology and social policy sociology and social policy

Dual Degrees

Princeton partners with other institutions in offering two dual degree programs. The first is the M.D./Ph.D. program with the Robert Wood Johnson Medical School and the Rutgers-New Brunswick Graduate School of Biomedical Sciences. Students in the program complete their Ph.D. work in molecular biology at Princeton. The second program is the M.P.A./J.D. program in the Woodrow Wilson School, offered in cooperation with the

law schools of Columbia University, New York University, Stanford University and Yale University.

Exchange Programs

The Graduate School participates in a number of exchange programs that enable students to take courses or conduct dissertation research that cannot be done at Princeton. The programs include exchanges with U.S. institutions, as well as universities in England, France, Germany, Italy and Japan. In addition, experts from institutions around the world visit Princeton in scholarly exchanges every term.

The School of Architecture

The School of Architecture, Princeton's center of teaching and research in architectural design, urbanism, history and theory, and architectural technologies provides students with a course of study that reflects on contemporary and emerging issues in architecture. Its roots reach back to 1832, when Professor Joseph Henry, an amateur architect and scientist, taught a course on the history of architecture. The School of Architecture was opened in 1919.

Principal degrees offered by the school include a bachelor of arts (A.B.), a master of architecture (M.Arch.) and a doctor of philosophy (Ph.D.). The master of architecture program, accredited by the National Architectural Accrediting Board (NAAB), is intended for students who plan to practice architecture professionally.

Architecture is addressed as a practice involving both speculative intelligence and practical know-how. Students are encouraged to construct a personal course of study around a core of required courses that represent the knowledge essential to the education of an architect today. A thesis is central to the curriculum. Graduates of the master's program are qualified to take the state professional licensing examination after the completion of a required internship.

The five-year doctoral programs have a double focus: the history and theory of architecture and architectural

technologies. The approach of both programs is interdisciplinary, covering a broad range of research interests. Working closely with the faculty of the school and allied departments in the University, students build individual programs of study involving at least two years of coursework, general examinations and a dissertation.

Students at the School of Architecture benefit from its small size and thorough integration with the University community. In recent years, the school has enrolled approximately 60 graduate students and roughly the same number of undergraduates.

The School of Engineering and Applied Science

Like the overall University, the engineering school is unique in combining the strengths of a world-leading research institution with the qualities of an outstanding liberal arts college. In both its teaching and research, Princeton engineering pursues fundamental knowledge as well as multidisciplinary collaborations that make technology effective in solving societal problems. The school is committed to preparing all students — engineers as well as students from across the University — to become leaders in a technology-driven society.

In its research, the engineering school emphasizes the discovery of basic principles that enable innovation in many fields and industries. Engineering faculty and students collaborate with colleagues in industry, the natural sciences, humanities, social sciences and public policy to build on these discoveries and forge multidimensional solutions. The school has 130 faculty members who, in 2011-12, conducted approximately \$77 million in research funded by government, industry and foundations. Current areas of strength and growth include research in human health, energy and the environment, and security.

Several centers foster campuswide collaborations on critical areas of research and teaching: the Andlinger Center for Energy and the Environment, the Center for Information Technology Policy (jointly with the Wilson

School), and the Princeton Institute for the Science and Technology of Materials.

Degrees offered by the school include a bachelor of science in engineering (B.S.E.), a bachelor of arts (A.B.), a master of science in engineering (M.S.E.), a master of engineering (M.Eng.) and a doctor of philosophy (Ph.D.). In spring 2014, the school enrolled 1,240 undergraduates, of whom 37 percent were women. As of May 2014, 539 graduate students, including 25 percent women, were pursuing advanced degrees in engineering.

Engineering education at Princeton began in 1875 and grew into the creation of the School of Engineering and Applied Science in 1921. Throughout its history, the school has created and supported new fields of study, including aeronautical engineering in 1942 and operations research and financial engineering in 1999. The six engineering departments include: chemical and biological engineering; civil and environmental engineering; computer science; electrical engineering; mechanical and aerospace engineering; and operations research and financial engineering. The Keller Center, created in 2005, has become a cross-campus hub for entrepreneurship, innovative teaching, service projects and internships.

Research and teaching in engineering is concentrated in six buildings: Bowen Hall; Computer Science; the Engineering Quadrangle (EQuad); the Friend Center for Engineering Education; Hoyt Laboratory and Sherrerd Hall. A new home for the Andlinger Center, including 127,000 square feet of laboratory, office and lecture spaces, surrounded by a network of gardens, is due to be completed in 2015.

The Woodrow Wilson School of Public and International Affairs

The Woodrow Wilson School was founded in 1930 as the School of Public and International Affairs. It offers an undergraduate major and a professional school that brings together teaching and research in economics,

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politics, sociology, psychology, several of the natural sciences, history and other disciplines within the University to prepare talented women and men for careers in public service, particularly government service in the area of international affairs.

Its graduate degree programs include a two-year course of study leading to a master in public affairs (M.P.A.), a one-year program for midcareer professionals leading to a master in public policy (M.P.P.) and a Ph.D. program. The graduate program was added in 1948 when the school was named in honor of Woodrow Wilson, the 28th U.S. president, former governor of New Jersey and former president of the University. The graduate program was greatly strengthened in the 1960s through a \$35 million gift from Marie Robertson, wife of Charles Robertson, a 1926 alumnus.

The school counts among its alumni a secretary of state, a secretary of defense, a secretary of the Treasury, several U.S. representatives, senators and governors, a chair of the Federal Reserve Board, U.S. and foreign government officials, ambassadors, leaders of nonprofit organizations, and other policymakers.

Both undergraduate and graduate students have the opportunity to gain real-world experience in domestic public policy or international affairs. Undergraduates participate in policy seminars, which can include travel in the United States and abroad. The undergraduate program underwent a restructuring in 2011 that opened the major — previously the University's only competitive undergraduate major — to all students who meet prerequisite requirements, taking effect for the students who enrolled in fall 2011 as the Class of 2015.

In its graduate program, the school emphasizes policy-oriented research and teaching. M.P.A. candidates follow a core curriculum and then branch into one of four fields of concentration. An M.P.A./J.D. joint-degree program and five certificate programs expand the graduate curriculum.

Graduate students complete a policy workshop for a real-world client, with recent workshops focusing on

subjects such as managing elections in fragile states like Myanmar, state policies on hydrofracking, shaping American policy in the Middle East, implementing the Affordable Care Act, harnessing the power of "nudges" and peace-building in conflict-affected countries.

Graduate students also gain professional experience during a required summer internship between their first and second years of study.

The school's "Scholars in the Nation's Service Initiative," launched in 2006, encourages the nation's best and brightest students to pursue careers in the U.S. federal government, especially in international relations. The six-year program, beginning in a Princeton student's junior year, includes a summer federal government internship, two years of federal government service between the first and second year of the M.P.A. program, and graduation from the M.P.A. program.

Councils, Institutes and Centers

Princeton has academic units that are interdisciplinary in nature and draw faculty members and students together through teaching and research. A sampling of these is listed below:

Andlinger Center for Energy and the Environment	Lewis Center for the Arts
Bendheim Center for Finance	Lewis-Sigler Institute for Integrative Genomics
Center for African American Studies	Princeton Center for Theoretical Science (PCTS)
Center for Architecture, Urbanism and Infrastructure (CAUI)	Princeton Environmental Institute (PEI)
Center for Information Technology Policy (CITP)	Princeton Institute for Computational Science and Engineering (PICSciE)
Center for Statistics and Machine Learning	Princeton Institute for International and Regional Studies (PIIRS)
Center for the Study of Religion	Princeton Neuroscience Institute (PNI)
Council of the Humanities	Princeton Institute for the Science and Technology of Materials (PRISM)
Council for International Teaching and Research (CITR)	Program in Law and Public Affairs (LAPA)
Council on Science and Technology	University Center for Human Values (UCHV)
Davis Center for Historical Studies	
Keller Center	



Scholarship and Research

Scholarship and research are essential components of the University's enterprise. Pushing the frontiers of knowledge and addressing real-world problems, Princeton scientists and scholars conduct research across the spectrum of intellectual inquiry. Every member of the faculty engages in research, and each year the members of the faculty publish more than 3,000 scholarly documents. In addition, graduate students and undergraduates pursue independent research. While many research projects begin with individual scholars and scientists working within their academic departments, others arise from collaborations among traditional academic disciplines.

Students have numerous opportunities to become members of the research community and pursue new channels of investigation through the bachelor of arts (A.B.), bachelor of science in engineering (B.S.E.) and interdisciplinary programs. Undergraduates actively participate in research through a required senior thesis project. To reinforce classroom learning, students have many research resources on campus, from the Peyton Hall telescope to the Frick Chemistry Laboratory, which features state-of-the-art laboratories and instrumentation. Scholarship and research also take students far beyond Princeton through vibrant partnerships with faculty and institutions around the world.

The Office of the Dean for Research supports Princeton's mission to be one of the leading research universities in the world by uniting people, resources and opportunities for the creation, preservation and transmission of knowledge. Within the Office of the Dean for Research are five departments that address different aspects related to scholarship and research. Research and Project Administration oversees the solicitation, acceptance and administration of research grants from government and other sources. Research Integrity and Assurance ensures that research activities involving human, animal and biohazardous agents are performed in compliance with applicable federal or state regulations and also reviews financial conflicts of interest. Laboratory Animal Resources provides humane care, research support and veterinary services for research animals based on a philosophy of compassion and respect. Technology Licensing supervises the patenting and licensing of discoveries made by University researchers. Corporate and Foundation Relations manages relationships with partners in the business community and with charitable foundations for the support of research projects.

External sources funded 1,373 separate projects in 2013-14 (not including the Princeton Plasma Physics Laboratory). There were 621 sponsored projects in the natural sciences, 454 in engineering and applied science, 139 in the humanities and social sciences, and 159 in centers, institutes and non-departmental programs. Expenditures for these projects totaled \$199.8 million — 82.5 percent from government and 17.5 percent from foundations, corporations and other sources. Including PPPL, the University received approximately \$279.4 million in 2013-14 in research funding from external sources.

Princeton Plasma Physics Laboratory

The U.S. Department of Energy's Princeton Plasma Physics Laboratory (PPPL) is a collaborative national center for plasma and fusion science. Its primary

mission is to make the scientific discoveries and develop the key innovations that will lead to fusion as a safe, economical and environmentally attractive energy source. Associated missions include conducting world-class research along the broad frontier of plasma science and providing the highest quality of scientific education. The laboratory, which is funded by the U.S. Department of Energy and other sources, is located on the James Forrestal Campus. PPPL has approximately 445 employees, and the laboratory's budget in federal fiscal year 2014 is approximately \$98 million.

Academic Resources

The 500-acre Princeton campus is a nexus of opportunity for students. A wealth of resources and support services help them get the most out of their time at the University. From first-rate libraries to innovative computer technology, students have access to many tools to explore academic interests.

The Library

The Princeton University Library, one of the world's most distinguished research libraries, consists of the Harvey S. Firestone Memorial Library and nine special libraries. Its holdings include more than 8 million books, 6 million microforms, 49,000 linear feet of manuscripts, and smaller but distinguished holdings of rare books, prints, archives and other material that require special handling. The library's extensive electronic resources include databases and journals, statistical packages, images and digital maps. The budget for 2012-13 was approximately \$56 million, which included more than \$24 million for acquisitions.

The Princeton University Art Museum

The Princeton University Art Museum is one of the nation's leading art museums, with collections of more than 92,000 works ranging from ancient to contemporary, concentrating geographically on Europe and the

Mediterranean, Asia and the Americas. The museum advances Princeton's teaching and research missions while serving the local, national and international communities through its collections, exhibitions, and educational and social activities. Founded in 1882 on the belief that the study of great original works of art was essential to higher education, the museum welcomes more than 130,000 visitors each year. The museum is open to the public, and admission is free.

Information Technology

The Office of Information Technology (OIT) supports the use of information technologies and Internet access for the University's academic and administrative needs. Princeton's computing resources are connected to campus fiber-optic and wireless networks and to the Internet. Students' personally owned computers and mobile devices can access the campus network and the Internet in dormitories and around campus. Students also have access to workstations, academic software, audio/video software and printers in computing centers across campus. OIT's support for academic endeavors includes the Blackboard course management system, TIGRESS high-performance research computing center, and the Humanities Resource Center (HRC). OIT also provides administrative information systems, audiovisual services, computer hardware repair, coordination and training for distributed campus computing support personnel, software purchases, the University's telephone and unified voice messaging systems, a walk-in computer consultation center, and 24/7 assistance in the use of these resources through the OIT Support and Operations Center at 609-258-HELP, helpdesk@princeton.edu, and online chat from www.princeton.edu/oit.



Campus Life

Housing and Dining

The Residential Colleges

Freshmen and sophomores live in one of the University's six residential colleges: Butler, Forbes, Mathey, Rockefeller, Whitman or Wilson. Juniors and seniors have the option of living and/or dining in four-year residential colleges.

More than 98 percent of Princeton undergraduates live on campus. Almost 70 percent of juniors and seniors take their meals at one of 11 private, coed eating clubs.

Some juniors and seniors cook their own meals in dormitory kitchens, dine in the residential colleges, join a cooperative or make other arrangements. Students also may dine at the Frist Campus Center or Princeton's Center for Jewish Life, which houses the University's kosher dining facility. Students also have halal and kosher options in the residential colleges.

Eating Clubs

For many juniors and seniors, Princeton's 11 historic coed eating clubs offer a hub for dining and social life. Financial aid awards for upperclassmen increase to assist in covering eating club meal costs. The clubs, governed by student officers under the auspices of independent alumni boards, offer daily meals and a

variety of social, athletic and other events. Seven clubs have a selective membership selection process and four operate on a sign-in basis. The smaller numbers of students per club create a family-like atmosphere.

Housing for Enrolled Graduate Students

Approximately 70 percent of enrolled graduate students within their regular program length live in University housing, taking advantage of dormitory and apartment options. Dormitories include historic and modern rooms in the Graduate College and rooms in converted homes, known as annexes. Another dormitory living option for graduate students is to apply to be a resident graduate student in one of the undergraduate residential colleges. For students choosing apartment communities, there is a range of unit sizes in both high-rise and garden configurations. University residential life offers academic, athletic, social, cultural, personal-development and community-service opportunities to graduate students and their families.

Graduate students gather for meals in Procter Hall at the Graduate College, in dining halls at the residential colleges, at Frist Campus Center, at the cafés in Chancellor Green, the E-Quad, Genomics, and the Woodrow Wilson School, and in the dining hall at the Center for Jewish Life.

Campus Centers

- Frist Campus Center is a place where the entire campus community — students, faculty, staff and alumni — as well as visitors, meet and interact, engaging in a variety of programs, events and services that enrich campus life and the Princeton experience.
- Campus Club is a social facility for undergraduate and graduate students. The club hosts numerous student-organization activities and offers flexible spaces for casual relaxation and formal gatherings.
- The Center for Jewish Life provides cultural, social, religious and informal educational activities of interest to Jewish students and the overall University community.

- The Kathryn W. and Shelby Cullom Davis '30 International Center provides a full array of services and programs for international students and scholars, including advising on immigration and visa matters and consulting on intercultural issues. The center also serves as a central resource on questions related to international students and scholars, and hosts intercultural programs and events.
- The Carl A. Fields Center for Equality and Cultural Understanding focuses on exploring issues of diversity, equity and cultural pluralism and also provides a variety of flexible spaces for cultural, educational and social programs by student organizations.
- The Women's Center provides a supportive atmosphere for women students and hosts an array of cultural and educational programs for the entire community.
- Princeton's Lesbian, Gay, Bisexual and Transgender (LGBT) Center works to create a safe and supportive environment by providing educational opportunities and advocating for the needs and concerns of LGBTQA students.

Religious Life

The Princeton community is home to many religious denominations that welcome involvement by students, faculty and staff. The Office of Religious Life supports the religious traditions that flourish on Princeton's campus and encourages interfaith dialogue and cooperation. Through its own programs and in collaboration with others, the office provides opportunities for community service, cross-cultural understanding and constructive social action. The University also supports 15 campus chaplaincies and numerous faith-based student organizations. Religious facilities at Princeton include the University Chapel and Center for Jewish Life. The Office of Religious Life is in Murray-Dodge Hall, which houses many program spaces including the basement café, Muslim Prayer Room and Interfaith Meditation Room.

Athletics

Princeton sponsors 38 varsity intercollegiate teams (20 for men, 18 for women), with slightly more than 1,000 participants — about 20 percent of the undergraduate population. In addition, an estimated 1,000 students participate in the University's 35 club teams.

Varsity Sports. Princeton teams have won more Ivy League championships than any school over the last two decades, and Princeton has had at least one team or individual national champion each of the past 43 years, including Julia Ratcliffe, who won the NCAA championship in the hammer throw in spring 2014. Since 2000, 31 of the 33 Princeton teams that compete in official Ivy League sports have won at least one league championship.

Princeton won six Ivy League championships in 2013-14, and it finished first in the Ivy League and 44th in Division I in the 2013-14 Directors' Cup.

Campus Recreation Program. About 500 teams are active in the intramural program, which schedules competition among residential colleges, eating clubs, independent groups, and faculty and staff. Students can participate in 38 active clubs in the sport club program. Princeton's group fitness and instructional program offers instruction in nine core areas.

Athletic Facilities

- Roberts Stadium features two soccer fields, one natural grass (Myslik Field) and one FieldTurf (Plummer Field), as well as a press box, team rooms, seating on three sides, a lounge and other amenities.
- Jadwin Gymnasium provides 250,000 square feet of indoor space for intercollegiate sports in addition to a practice area for outdoor field sports. Jadwin is the site of Pete Carril Court, the varsity basketball floor.
- Dillon Gymnasium has facilities for recreational activities. At the Stephens Fitness Center in Dillon, students can pursue personal health goals, individually or with trained supervision.

- DeNunzio Pool provides complete facilities for competitive swimming and diving.
- Princeton Stadium has a seating capacity of 27,800. The field at Princeton Stadium officially was named Powers Field at Princeton Stadium beginning with the 2007-08 season.
- Weaver Track and Field Stadium has an eight-lane Olympic track and has hosted some of the nation's premier college track and field events.
- The Class of 1952 Stadium is a lighted, artificial-surface facility that accommodates approximately 4,000 spectators for lacrosse and field hockey. The field at Class of 1952 Stadium was named Sherrerd Field beginning with the 2012 season.
- The Shea Rowing Center is home to the crew program.
- Baker Rink, built in 1923, houses hockey and ice skating.
- Bedford Field, which opened in September 2012, is the home of Princeton field hockey, featuring state-of-the-art artificial turf.
- Outdoor athletic facilities also include the Cordish Family Pavilion and Lenz Tennis Center and an 18-hole golf course. The University has more than 50 acres of fields, including the Finney/Campbell FieldTurf fields, for baseball, softball, soccer, lacrosse and rugby, as well as many intramural sports.

Healthier Princeton

As an educational institution, residential community and employer, Princeton seeks to provide a campus environment and a range of programs that sustain and enhance the physical, psychological and emotional health of undergraduates, graduate students, postdocs, faculty and staff, and that assist them in achieving an appropriate balance between work and personal/family life.

The Healthier Princeton program offers an integrated approach to health promotion and education, disease detection and prevention, and fitness and wellness services for the University community. Its initiatives are based on an assessment of the academic, cultural, physical and social environments of the campus, and their impact upon the health and well-being of all members of the University community. The Healthier Princeton board advises the offices responsible for this initiative and the senior officers of the University.

Student Activities

Student Organizations

Student organizations are created and run by students with support from the University through the Office of the Dean of Undergraduate Students, the Pace Center for Civic Engagement and the Office of Religious Life. Some 300 organizations make it easy for students to engage their interests outside the classroom, in areas such as politics, civic engagement, publications, performing arts, multiculturalism and religion.

Reserve Officer Training Corps (ROTC)

Princeton University students may participate in Army, Air Force or Navy ROTC programs. The Army program is based at Princeton University, and the Air Force



and Navy programs are based at Rutgers University. These programs are conducted by the United States Armed Services. Participants engage in noncredit courses and activities that, if successfully completed, lead to a commission as an officer.

Student Performing Arts Spaces

- The programs of the Lewis Center for the Arts occur in venues throughout the Princeton campus including theaters, screening rooms, dance studios, a gallery and art studios at 185 Nassau St.; the Berlind Theatre at McCarter Theatre Center; writing seminar rooms and dance and theater studios in the New South building; galleries and theater spaces in the residential colleges; and other traditional and nontraditional spaces.
- The McCarter Theatre Center offers drama, music, dance, film and events ranging from acrobatics to mime. The theater also hosts the annual show presented by student members of the Triangle Club. McCarter's Berlind Theatre houses major productions of the Program in Theater and Program in Dance.
- Richardson Auditorium in Alexander Hall hosts musical, dramatic and other performances, most open to the public, and most for a fee.
- Theatre Intime, a student-run facility, schedules dramatic productions, dance concerts and comedy shows throughout the year at Murray-Dodge Hall.
- The Frist Campus Center Film/Performance Theater is a multipurpose performance space that hosts theatrical productions, musical and film events, and other performances throughout the year.
- The Department of Music utilizes its laboratory, Taplin Auditorium in Fine Hall, and other campus venues including Richardson Auditorium for its many performances.

Seniors' Post-Graduation Plans

The Office of Career Services assists undergraduates, graduate students and alumni in all aspects of career planning and offers services, resources and programs designed to support the integration of academic and career interests as well as the development of lifelong career management skills. Each year, the office surveys the undergraduate senior class regarding their post-graduation plans and prepares a summary report.

There were 1,261 graduates in the Class of 2013. In May 2013, approximately 99 percent of the class (1,244 students) completed the annual Career Plans Survey at Senior Check-out to indicate their post-graduation plans. By December 2013 (six months following graduation), 86.6 percent of graduates of the Class of 2013 had confirmed achieving their post-graduation plans. A total of 65.4 percent of graduates had confirmed acceptance of employment and 19.7 percent had confirmed admission to a graduate or professional school. The remaining percentage had confirmed plans to travel (1.4 percent) or other pursuits (0.2 percent).

Alumni

Princeton alumni contribute extensively to the life of the campus, with more than 25,000 alumni, their families and guests returning annually for Reunions.

There are approximately 90,256 living Princeton alumni, including 26,723 women and 26,212 Graduate School alumni. Princeton graduates live in all 50 states and 142 countries.

In a typical year, some 22,500 volunteers work for Princeton in class and regional association activities, fundraising, programs in the local schools, a career network and internship program, and community service. Many serve in University advisory and leadership roles. Currently, there are 165 Princeton regional associations throughout the world.



Service and Outreach

Princeton offers all members of its community a wide range of opportunities for volunteerism, outreach and work in public service. In addition to the programs listed below, individual graduate and undergraduate organizations, residential colleges, eating clubs, academic departments and alumni classes promote service through various activities.

The Pace Center for Civic Engagement helps make civic engagement an integral part of the Princeton experience by connecting students with experiential service opportunities to sustain lasting and meaningful change in the community and around the world. From civic action break trips and social entrepreneurship, to public service internships and direct volunteerism, students are learning beyond the classroom, being exposed to new perspectives, stretching their own views and leading the way to make a positive impact.

The Pace Center's programs are centered on four core values: engaged discovery, impactful programs, community focus and student leadership. Freshmen can start a path to civic engagement at Princeton during Orientation with the Pace Center's Community Action program, which introduces students to Princeton University and the community with an immersive week of service.

But it doesn't end there. From tackling a pressing social issue on a Breakout Princeton fall or spring break trip, to joining an ongoing service project with the

Student Volunteer Council (SVC) and Community House, or working with a student advocacy group through the Pace Council for Civic Values (PCCV), the Pace Center's student-led, student-driven initiatives offer a wide array of ways to get involved and make a difference.

Over the summer, students can continue to learn and engage through an internship. The alumni-driven Princeton Internships in Civic Service (PICS) program, in partnership with the Pace Center, connects students to careers and Princeton alums in the nonprofit and public service sector. The Daniel and Florence Guggenheim Internships in Criminal Justice and the Interfaith Summer Internship Program offer additional opportunities to learn more about a variety of social issues. Graduating seniors can extend service with a post-graduate fellowship, while graduate students can teach with the Prison Teaching Initiative.

Other civic-engagement programs on campus include:

Bridge Year. Launched in 2009, Bridge Year is a nine-month, tuition-free program that allows incoming students the opportunity to defer their enrollment for a year to engage in community service work in another country. While abroad, Bridge Year participants volunteer in nongovernmental organizations, schools, clinics and other institutions serving the needs of local communities. Participants also study the local language, live with local host families and engage in a variety of cultural enrichment activities. Bridge Year placements are currently offered in Brazil, China, India, Peru and Senegal.

Community and Regional Affairs, Office of. Members of the Community and Regional Affairs staff serve as liaisons between the University and the communities in which it resides on a wide variety of local and regional issues. Community and Regional Affairs staff members participate in the creation of special events such as Communiversities, Community and Staff Day, parades, workshops, symposiums, and other programs enjoyed by tens of thousands of campus and community members each year. The office partners with campus and community organizations to provide

service opportunities and initiatives. The Surplus Equipment Program, which helps charitable nonprofit organizations acquire furniture and equipment no longer used by the University, is coordinated by Community and Regional Affairs.

Community-Based Learning Initiative (CBLI). The Community-Based Learning Initiative (CBLI) connects students' academic work with their interest in and concern for the communities around the University. Working with local nonprofits, students develop research projects, collect and analyze data, and share their results and conclusions, not just with their professors, but also with organizations and agencies that can make use of the information.

International Internship Program. Offering high quality, eight-week service internships arranged especially for Princeton undergraduates, the International Internship Program carefully designs placements in which the work of interns leads to tangible impacts for local communities in resource-poor contexts across the world.

Princeton AlumniCorps. This independent, alumni-led nonprofit organization inspires and builds civic leadership among Princetonians of all ages by engaging them in public-interest initiatives. AlumniCorps programs include the flagship Princeton Project 55 Fellowship Program for recent graduates, Emerging Leaders for aspiring nonprofit leaders, and the ARC Innovators program for alumni or class projects interested in short-term, skills-based pro bono work.

Princeton in Service Programs. Three independent nonprofits affiliated with the University — Princeton in Asia, Princeton in Africa and Princeton in Latin America — place Princeton students and/or recent graduates in service internships and fellowships spanning four continents.

Princeton Internships in Civic Service (PICS). Founded and supported by alumni with the student interface administered by the Pace Center, Princeton Internships in Civic Service places students mentored

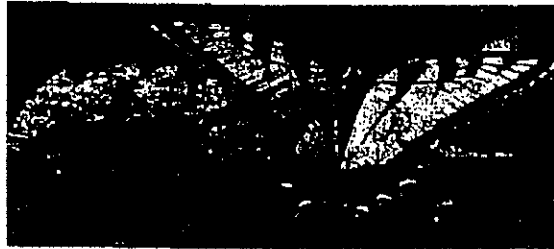
by Princeton alumni in summer internships in nonprofit organizations where they work in issue areas ranging from public policy, community development, and health and social services to education, sustainability and the arts. Established by the Class of 1969 Community Service Fund, PICS also involves other alumni classes and regional associations and alumni from other classes.

Princeton University Class of 1969 Community Service Fund. The fund established and administers, in partnership with the Pace Center, the Princeton Internships in Civic Service program. The fund also provides both financial and logistical support for service projects initiated by students and alumni, which have included Princeton in Africa, Princeton in Latin America, the Princeton student chapter of Engineers Without Borders and the Princeton University Summer Journalism Program.

Princeton University Preparatory Program (PUPP). Founded in 2001 by the Princeton University Program in Teacher Preparation, the Princeton University Preparatory Program is a rigorous academic and cultural-enrichment program that supports high-achieving, low-income high school students from local districts. The multiyear, tuition-free program prepares participants for admission to and ongoing success within selective colleges and universities.

Program in Teacher Preparation. For nearly 50 years, this nationally accredited program has provided an opportunity for Princeton University undergraduates, graduate students and alumni to obtain a New Jersey teaching license through a combination of academic courses and field-based learning experiences. Teacher Prep also manages the High School Program at Princeton University that allows exceptional high school students who have completed their secondary coursework and met the admission criteria to enroll in University courses at no cost. In addition, the program offers enriching professional development opportunities for teachers and administrators in area schools through the Teachers as Scholars and Administrators as Scholars seminars.

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Sustainability

Princeton University, with its distinguished faculty and dedicated staff, strives to integrate the principles of sustainability across all campus systems, from operations to academics, and to lead by accelerating implementation of sustainable solutions locally and globally. By engaging the campus as a living laboratory for sustainability, students are actively engaged with the local ecological, social and economic environment — a microcosm of global challenges and possible solutions — enhancing their educational experience and leadership potential.

To further these efforts, Princeton adopted a comprehensive Sustainability Plan in 2008, which grew out of collaborative efforts between the Princeton Sustainability Committee and the Office of Sustainability. In 2013, a renewed visioning and goal-setting process was launched based on recommendations endorsed by the Board of Trustees. An updated Sustainability Plan is anticipated for launch in 2015.

The Sustainability Plan identifies three priority areas — greenhouse gas emissions reduction; resource conservation; and research, education and leadership. As a key feature, Princeton has committed to reducing its absolute local greenhouse gas emissions to 1990 levels by 2020 without the purchase of market offsets, and while expanding the campus population and square footage.

In 2013, Princeton published its fifth sustainability progress report. This report highlights improved and often award-winning operational performance trends in a number of key areas including carbon dioxide emissions, local and sustainable food purchases, waste reduction, alternative transportation incentives, integrated landscape and storm water management, and water usage. Academically, progress includes increasing development of and enrollment in sustainability-related courses, increased national and international sustainability internship participation, increasing numbers of students graduating with environment and sustainability-related certificates, and a newly launched Campus as Lab Innovation Fund for academic research.





Finances

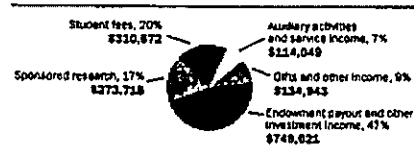
Operating Budget

2013-14	\$1,582,403,000
2014-15 (projected)	\$1,640,032,000

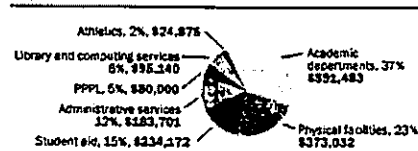
The total operating budget for 2013-14 included funding for sponsored research at the Princeton Plasma Physics Laboratory (PPPL), which totals \$80 million. PPPL operates on a federal fiscal year that ends Sept. 30, 2014.

Income and Expenditures, 2013-14

Income (in thousands)



Expenditures (in thousands)



The Priorities Committee (PriComm)

The Priorities Committee is a committee of the Council of the Princeton University Community and is advisory to the University president. Every year since 1974, the committee has made recommendations regarding the subsequent year's operating budget. The provost chairs the committee, which also includes the dean of the faculty, the executive vice president, the treasurer, six faculty members, four undergraduates, two graduate students and one member from one of the other groups represented on the council. In addition, the vice provost for academic programs and the budget director and associate provost for finance meet with the committee.

The Endowment

Princeton's endowment is the fifth-largest in the country, with a value of \$19.7 billion as of March 31, 2014. (Harvard University, Yale University, Stanford University and the University of Texas System had larger endowments as of June 30, 2013.) The endowment is invested mostly through funds managed externally in a diversified group of assets, including domestic and international stocks and bonds, independent return funds, private equity, venture capital, real estate, and other assets not traded on organized trading markets.

Princeton's portfolio has historically experienced solid returns. The total return on Princeton's endowment — defined as "dividends and interest on portfolio holdings, plus or minus capital appreciation or depreciation" — is estimated to be over 12 percent per year over the 25-year period ending June 30, 2014.

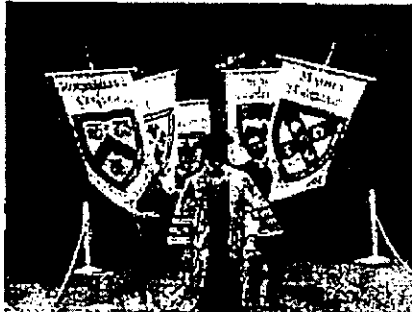
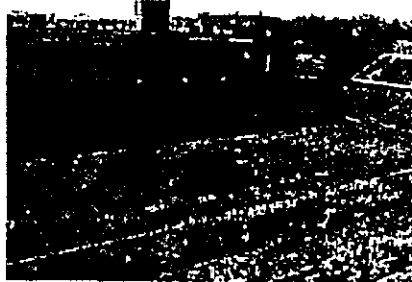
Giving to Princeton

Gifts are essential to keeping the University at the forefront of higher education. The generosity of Princetonians of all ages and from every part of the world supports excellence in teaching, innovation in research and advancement of the University's long traditions of service.

In recent years, donations from alumni, parents and friends have strengthened programs in the creative and performing arts, engineering and the environment, and global citizenship, among others. State-of-the-art facilities to help carry out the University's mission are a priority. Princeton recently dedicated new buildings devoted to the study of neuroscience and psychology. A complex that will serve as a hub of the University's programs in the arts is under construction.

Annual Giving. Critically important to Princeton's continuing vitality, Annual Giving is at the core of the University's efforts to seize extraordinary opportunities for learning and discovery, to support the comprehensive financial aid program, to provide funds for new initiatives, and to help meet emerging needs and challenges. Flexible and immediately available, the unrestricted funds raised through Annual Giving provide nearly 10 percent of the University's overall budget for educational expenses.

Since 1940, Annual Giving has raised more than \$1.15 billion for Princeton, and 90.9 percent of all alumni have participated in Annual Giving at some time. The 2013-14 Annual Giving campaign raised \$58.7 million in unrestricted funds, with 61.4 percent of all undergraduate alumni participating. Annual Giving owes its success to an exceptional volunteer effort that reaches out to Princetonians and friends from all over the world through personal meetings, class events, phone calls, mail and email.





Local Contributions

Princeton University is committed to ensuring the success of the greater Princeton community, and contributes greatly to the overall economic growth of New Jersey and quality of life in the region. The University's Office of Community and Regional Affairs serves to manage important University/community relationships and to collaborate with regional and local governments and public and private organizations on University issues.

Regional Economic Impact

With approximately 6,323 benefits-eligible employees, Princeton University is one of the largest private employers in central New Jersey. The institution's overall regional economic impact amounts to approximately \$2 billion. This is based on the University's total expenditures in 2013-14 of approximately \$1.58 billion (including \$80 million for the Princeton Plasma Physics Laboratory, or PPPL), along with the expenditures of close to 790,000 people attending events throughout the year on campus, and the expenditures of the thousands of students and employees. Included in these statistics is the \$25 million economic impact of the nationally acclaimed McCarter Theatre Center, whose facility is owned by the University (McCarter programming drew approximately 150,000 visitors last year, with an operating budget of \$11.3 million and approximately 160 full and part-time employees).

The University strives to purchase goods and services in New Jersey as much as possible. Approximately 43 percent of the \$318.1 million spent on capital construction and major maintenance in 2013-14 went to New Jersey firms, and approximately 25 percent of the \$263.1 million spent on nonconstruction purchases in 2013-14 went to New Jersey firms.

The University continues to play an important role in attracting prestigious international corporations to central New Jersey, particularly to the University-developed Forrestal Center properties in Plainsboro and South Brunswick. These lands feature premier office, retail and residential space as well as academic space, with an approximate assessed valuation of \$1.4 billion in Plainsboro and South Brunswick.

In addition, the University has helped spur the high-tech alley on U.S. Route 1 by helping to create hundreds of new jobs through research and development. For example, in the past decade the University's interdisciplinary research centers, including the Princeton Institute for the Science and Technology of Materials (PRISM), have formed research and development partnerships with approximately 300 New Jersey-based companies (including nearly 100 startups) and entrepreneurs in a wide array of fields, ranging from environmental monitoring to pharmaceuticals, energy, security and nanotechnology.

Princeton is committing substantial resources to further advance its engineering research programs, including investments in specialized laboratory spaces that are open for use by industrial partners. The strategic plan for the School of Engineering and Applied Science places a high priority on engagement and collaboration with industry, including the venture and investment communities.

According to the Moody's Investor Service Municipal Credit Research report, the University's positive effect on the local economy and stability of its presence is the dominant factor in the Triple A bond rating for the Municipality of Princeton and the Princeton Public Schools.

By the Numbers

- Total expenditures: \$1.58 billion
- Total payroll: \$570 million
- New Jersey state income taxes paid by University employees: \$22.5 million
- Construction spending and major maintenance: \$318.1 million; in the past decade, spending has been more than \$2 billion
- Campus visitors estimated total: 784,000, including top attractions: athletic events, 260,000; the McCarter Theatre Center, 150,000; the University Art Museum, 130,000; other concerts and performances, 70,000; Orange Key tours, 45,000.

Financial Contributions

Property Tax Payments. The University owns approximately 2,500 acres for commercial and academic use in several central New Jersey municipalities, with significant holdings in the Municipality of Princeton, West Windsor Township, Plainsboro Township and South Brunswick Township. Most of the academic properties are located in the Municipality of Princeton, which serves as host to the University's main campus (500 acres). The chart below includes property and sewer tax paid.

Total local taxes paid: approximately \$10.8 million



The University is the largest taxpayer in the Municipality of Princeton. In total, the University pays 5.8 percent of total property tax receipts in the community (more than 8 times the amount paid by the next largest taxpayer in the municipality).

Voluntary Property Tax Payments. The total annual tax payment made to the Municipality of Princeton includes taxes paid on housing for faculty, staff

(including the official residence of the University president) and graduate students. The University policy is to leave all nondormitory student housing on the tax rolls, and to remove a nonresidential building from the tax rolls only when 100 percent of the building is to be used for educational purposes. These are voluntary gestures, as state law exempts colleges and universities from paying taxes on housing and any portion of a building used for academic purposes.

Voluntary Cash Contributions to Municipality. In addition to annual tax payments made to the local municipalities, Princeton University makes an annual nontax voluntary contribution to the Municipality of Princeton. In calendar year 2014, the voluntary nontax contribution to the Municipality of Princeton is \$2.475 million.

Payments for Infrastructure and Publicly Used Facilities. During the past decade, more than \$2.5 million has been spent on crosswalk and road improvements for the benefit of the public. The University annually spends hundreds of thousands of dollars for the maintenance of University-owned but publicly used facilities such as the McCarter Theatre Center, an internationally renowned, Tony-award-winning regional arts facility; the Princeton Garden Theatre, the town's only movie theater; and the upkeep of the Princeton train station, home to the "Dinky" shuttle train.

Affordable Housing Contributions. The University is proud to partner with the Municipality of Princeton to provide significant funding for the construction and renovation of affordable housing in the community. In the past decade, the University's contributions to affordable housing have totaled more than \$2 million. Additionally, in this same period, the University has created 25 units of affordable housing that are available to the general public on Leigh Avenue, Bayard Lane and in phase one of Merwick Stanworth.

Support and Special Gifts. The University has contributed more than \$10 million in special gifts to municipalities and community organizations over the past decade.



Campus Attractions

Princeton welcomes visitors to its historic campus. Each year, the University hosts close to 790,000 visitors for major events and thousands more who are interested in the many educational, scholarly, cultural, recreational and athletic activities that enrich the campus and its community.

Princeton does not approve campus use that interferes with its educational mission, and some activities are limited or restricted. Several University offices manage public use of the campus, including those listed below.

Community Services

Office of Conference and Event Services. The Office of Conference and Event Services coordinates visits to campus by outside organizations for meetings, workshops and educational institutes, as well as sports camps and other athletic activities, each year hosting more than 43,000 people on campus.

Princeton University Services. Princeton University Services is a grouping of service units designed to provide and manage facilities, services and programs that support the University's educational mission and enhance the quality of life on campus. Among the service units, those that interact with the public most often are: Transportation and Parking Services, Conference and Event Services, and Campus Venue Services.

Office of Community and Regional Affairs. In conjunction with the Office of Conference and Event Services, the Office of Community and Regional Affairs coordinates the use of University facilities by community, charitable and governmental organizations. It also administers the Community Auditing Program and the Program in Continuing Education, both of which are academic programs available to the greater community, Princeton University staff and area teachers.

Community Auditing Program (CAP). Under the auspices of Community and Regional Affairs, CAP enables members of the community to register to audit, or sit in on, lecture classes at the University for \$175 per class. On average, 190 undergraduate classes are available each semester for auditing. Approximately 700 area residents participate in the CAP program each semester. No credit or certification is given for CAP classes. However, certified teachers currently working in New Jersey may obtain written certification for classes they have audited.

Program in Continuing Education. Within the Program in Continuing Education, administered by Community and Regional Affairs, individuals become officially registered students, pay full tuition for each course they take, and receive a transcript and credit that may be used toward a degree at another institution of higher learning. Teachers who are certified to teach in New Jersey may participate in this program at a greatly reduced fee.

Media Relations. Members of the media are permitted on campus through coordination with the media relations staff in the Office of Communications. Still and broadcast photographers — for projects including commercial use, documentaries, films and news — must seek and gain permission before working on campus. Photography for personal use is permitted on campus, as long as photographers gain permission from all people who appear identifiably in the photograph.

Tours. Student representatives from the Orange Key Guide Service offer tours of the historic main campus seven days a week throughout the year. Tours of the Engineering Quadrangle, or EQuad, are conducted by the School of Engineering and Applied Science weekdays during the academic year when classes are in session and in the summer during July and August. Tours of the Princeton Plasma Physics Laboratory are offered by special arrangement.

Information. The Daily Princetonian, an independent student newspaper published weekdays when the University is in session, is a good source of events information. Also, calendars, employment opportunities and a wide range of up-to-date information about the University are available on the Web at www.princeton.edu. The Princeton Weekly Bulletin, a weekly email newsletter produced by the Office of Communications, highlights recent news and coming events.

Open Facilities

- The Princeton University Art Museum presents highlights of its global collections, 12 to 15 exhibitions annually, and public lectures, symposia and family programs, without charge.
- The Lewis Center for the Arts at 185 Nassau St. houses the programs in creative writing, dance, theater and visual arts, which host art exhibits, theatrical productions, dance performances, and poetry and fiction readings.
- Princeton athletic events are open to the public, some at no charge, with season tickets available for basketball, football and ice hockey. Athletic recreational facilities are often available to residents of the community for modest fees.
- Lake Carnegie, which is owned by the University and serves as its intercollegiate rowing facility, is a popular community recreation area, providing a site for rowing, fishing, canoeing and ice skating.

- The Princeton University Chapel, which seats nearly 2,000 people, offers religious services, musical performances and other special events.
- Firestone Library offers access privileges (which do not include borrowing) to the public for a fee. The public is welcome, without charge, to visit the Cotsen Children's Library, at the main entrance to the library. Also open to the public is the exhibition gallery on the first floor. Researchers are welcome in Dulles Reading Room at Firestone and at the Forrester Reading Room at the Mudd Library after registering with a photo identification.
- The Peyton Hall 12-inch telescope offers viewing of the night sky monthly, depending on conditions.
- The Frist Campus Center is a world-class facility that offers opportunities for social and academic interactions, events and programs. The general public uses the center's Welcome Desk, the Ticket Office, the Food Gallery, Café Vivian, convenience store and Witherspoon's Ice cream/coffee shop.
- The McCarter Theatre Center — home of the Matthews Theatre and the Berline Theatre — offers drama, music, dance, film and other events ranging from acrobatics to mime. It also hosts the major productions of the programs in theater and dance and the annual show presented by student members of the Triangle Club.
- Richardson Auditorium in Alexander Hall hosts musical, dramatic and other performances, most of them open to the public and most for a fee.
- Taplin Auditorium in Fine Hall hosts campus musical groups throughout the year, which are sponsored by the Department of Music.
- Theatre Intima, a student-run facility, schedules dramatic productions, dance performances and comedy shows throughout the academic year at Hamilton-Murray Theater. This theater is used in the summer by Princeton Summer Theater for highly acclaimed productions, as well as special shows for children.

Landmarks

- Nassau Hall and Maclean House were completed in 1756 and are the oldest and only original buildings on campus.
- FitzRandolph Gate, the ornate entrance to Princeton's campus from Nassau Street, was erected in 1905 and restored for its 100th birthday in 2005.
- The Class of 1879 Tigers have guarded the entrance to Nassau Hall since 1911, when they replaced the Class of 1879 Lions (which are now on display in Wilson College).
- Alexander Hall, completed in 1894, houses Richardson Auditorium, the premier performance venue on campus.
- Maclean House, constructed in 1756, was originally the residence of the president of the University. In 1968, when it became the home of the Alumni Council, it was renamed in honor of John Maclean Jr., founder of the Alumni Association.
- The Stamp Act Sycamores in front of MacLean House, the oldest trees on campus, were planted (according to legend) in commemoration of the Stamp Act's repeal in March 1766.
- Prospect House, which for 90 years served as the home of the University president, now serves as the faculty and staff dining facility.
- Prospect Garden, which lies behind Prospect House, was designed by Ellen Wilson, who lived there with her husband, Woodrow Wilson 1879, while he served as University president.
- Cleveland Tower, which flanks the main entrance of the Graduate College, was erected as a memorial to President Grover Cleveland, who was a trustee of the University and served as chair of the trustees' graduate school committee.
- Lake Carnegie, a gift of Andrew Carnegie to create an intercollegiate rowing facility, was created in 1906 by the construction of a dam at Kingston that impounded the confluence of the Stony Brook and the Millstone rivers.



Officers of the University

Christopher L. Eisgruber '83, president

Academic Officers

David S. Lee '99, provost

Deborah A. Prentice, dean of the faculty

Sanjeev Kulkarni, dean of the Graduate School

Valerie A. Smith, dean of the college

Pablo G. Debenedetti, dean for research

H. Vincent Poor '77, dean of the School of Engineering
and Applied Science

Cecilia E. Rouse, dean of the Woodrow Wilson School of
Public and International Affairs

Alejandro Zaera-Polo, dean of the School of Architecture

Officers of the Corporation

David S. Lee '99, provost

Treby Williams '84, executive vice president

Robert K. Durkee '69, vice president and secretary

Carolyn N. Almste, vice president for finance and treasurer

Elizabeth Boluch Wood, vice president for development

Cynthia Cherrey, vice president for campus life

Michael E. McKay, vice president for facilities

James Dominick, vice president for information technology
and chief information officer

Lianne C. Sullivan-Crowley, vice president for human
resources

Chad Klaus, vice president for university services

Sankar Sanyasrayan, acting general counsel

Nikita K. Shreff, chief audit and compliance officer

Andrew K. Golden, president of the Princeton University
Investment Company



Trustees of the University

Ex-Officio

Christopher L. Eisgruber '83, president
Christopher J. Christie, governor of the State of New Jersey

Trustees

Aku Ammah-Tagoe '11 (2015); Palo Alto, California; doctoral candidate in English, Stanford University
Jaime I. Ayala '84 (2016); Makati City, Philippines; founder and chief executive officer, Hybrid Social Solutions Inc.
Thomas A. Barron '74 (2015); Boulder, Colorado; writer
A. Scott Berg '71 (2021); Los Angeles, California; writer
Victoria B. Bjorklund '73 (2017); Sea Cliff, New York; partner, Simpson Thatcher & Bartlett LLP
Katherine Bradley '86 (2021); Washington, District of Columbia; president, CityBridge Foundation
Denny Chin '75 (2017); New York, New York; judge, Federal Circuit Court
Pyper Davis '87 (2015); Bethesda, Maryland; executive director, Educare DC
John D. Diekman '65 (2018); Atherton, California; managing partner, 5AM Ventures
Carl Forenbach III '64 (2015); Boston, Massachusetts; chairman, High Meadows Foundation
Heather K. Gerken '91 (2018); New Haven, Connecticut; professor, Yale Law School
Charles D. Gibson '65 (2015); New York, New York; former anchor, ABC's "World News with Charles Gibson"
Yvonne Gonzalez Rogers '87 (2018); Piedmont, California; judge, U.S. District Court

C. Kim Goodwin '81 (2022); Miami, Florida; investment adviser

Angela Groves '12 (2016); New York, New York; doctoral candidate, New York University School of Law

Paul G. Haaga Jr. '70 (2022); La Canada, California; retired chairman, Capital Research and Management Company

Kathryn A. Hall '80 (2017); San Francisco, California; chief executive officer and co-chief investment officer, Hall Capital Partners LLC

Philip U. Hammarakjeld '87 (2015); San Francisco, California; director and chief executive officer, Heliman & Friedman LLC

Brent L. Henry '69 (2020); Chestnut Hill, Massachusetts; vice president and general counsel, Partners HealthCare System, Inc.

Robert J. Huglin '76 (2020); Summit, New Jersey; chairman and chief executive officer, Celgene Corp.

Lisa P. Jackson '86 (2018); Cupertino, California; vice president of environmental initiatives, Apple Inc.

Mitchell R. Julia '77 (2018); Beverly Hills, California; co-founder, co-chairman and co-chief executive officer, Canyon Partners

Randall L. Kennedy '77 (2015); Dedham, Massachusetts; professor, Harvard Law School

Steven D. Leach '82 (2017); Baltimore, Maryland; director, Center for Pancreatic Cancer Research, Memorial Sloan Kettering Cancer Center

Anthony P. Lee '79 (2018); Sydney, Australia; director, Aberon Pty Ltd.

Kanwal S. Matharu '13 (2017); Houston, Texas; medical student, University of Texas

Laurence C. Morse '80 (2016); Stamford, Connecticut; managing partner, Fairview Capital Partners Inc.

Robert S. Murley '72 (2016); Lake Forest, Illinois; chair, investment banking, Credit Suisse Securities LLC

Nancy B. Peretsman '76 (2015); New York, New York; managing director, Allen & Co. LLC

Brian M. Reilly '14 (2018); San Juan del Sur, Nicaragua; fellow, Princeton in Latin America

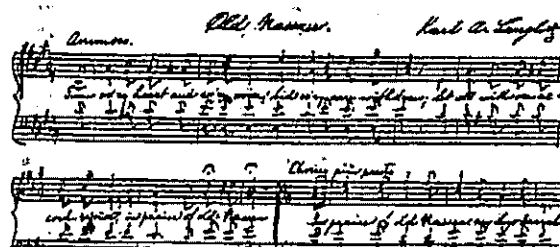
Margarita Rosa '74 (2017); New York, New York; executive director, Grand Street Settlement

Ruth J. Simmons (2016); Humble, Texas; president emerita, Brown University

Bradford L. Smith '81 (2018); Bellevue, Washington; general counsel and executive vice president, legal and corporate affairs, Microsoft Corp.

Peter C. Wendell '72 (2020); San Francisco, California; managing director, Sierra Ventures; faculty, Stanford Business School
Sheryl WuDunn '88 (2017); Scarsdale, New York; senior managing director, Mid-Market Securities LLC
John O. Wynne '87 (2016); Virginia Beach, Virginia; retired president and chief executive officer, Landmark Communications Inc.
Min Zhu '88 (2015); Bethesda, Maryland; deputy managing director, International Monetary Fund





A Princeton Timeline

- 1696** Town of Princeton settled.
- 1746** College of New Jersey founded in Elizabeth, New Jersey, by the Presbyterian Synod.
- 1747** Jonathan Dickinson appointed first president. College moves to Newark, New Jersey
- 1748** Aaron Burr Sr. becomes second president. Present charter granted in New Brunswick, New Jersey
- 1753** Nathaniel and Rebeckah FitzRandolph and others deed 10 acres in Princeton to the College.
- 1756** Nassau Hall completed; College of New Jersey moves from Newark to Princeton.
- 1758** Jonathan Edwards becomes third president.
- 1759** Samuel Davies installed as fourth president.
- 1761** Samuel Finley becomes fifth president.
- 1768** The Rev. John Witherspoon of Scotland installed as sixth president.
- 1769** American Whig Debating Society formed.
- 1770** Philosophic Debating Society formed.
- 1776** President Witherspoon signs the Declaration of Independence.
- 1777** George Washington drives the British from Nassau Hall.
- 1783** Continental Congress meets in Nassau Hall, which served as the capitol of the United States from June until November.

- 1795 Samuel S. Smith becomes seventh president.
- 1812 Ashbel Green Installed as eighth president.
- 1823 James Carnahan becomes ninth president.
- 1826 James Madison, Class of 1771 and former president of the United States, becomes the first president of the Alumni Association of the College of New Jersey.
- 1854 John Maclean Jr. installed as 10th president.
- 1868 James McCosh of Scotland elected 11th president.
- 1876 The *Princetonian* is published for the first time (still published daily by students during the academic year).
- 1882 Princeton University Art Museum founded.
- 1883 Triangle Club (originally called the Princeton College Dramatic Association) founded.
- 1888 Francis L. Patton becomes 12th president.
- 1893 Honor system established.
- 1896 Name officially changed to Princeton University.
- 1900 Graduate School established.
- 1902 Woodrow Wilson, Class of 1879, elected 13th president.
- 1905 President Wilson establishes system of preceptorials.
- 1906 Lake Carnegie created by Andrew Carnegie.
- 1912 John G. Hibben Installed as 14th president.
- 1913 Graduate College dedicated.
- 1914 Palmer Stadium completed.
- 1918 School of Architecture established.
- 1921 School of Engineering established.
- 1928 Princeton University Chapel dedicated.
- 1930 School of Public and International Affairs established.
- 1933 Harold W. Dodds becomes 15th president; Albert Einstein becomes a life member of the Institute

- for Advanced Study, with an office on the Princeton University campus.
- 1940** Program of Annual Giving established. Undergraduate radio station (then WPRU, now WPRB) founded.
- 1948** Firestone Library dedicated.
- 1951** Forrestal Campus established on U.S. Route 1; "Project Matterhorn" research in nuclear fusion begins there. In 1961 its name is changed to the Princeton Plasma Physics Laboratory (PPPL).
- 1957** Robert F. Goheen installed as 16th president.
- 1982** \$53 million fundraising campaign, under President Robert F. Goheen, concludes. It exceeds its goal and raises \$61 million.
- 1964** Ph.D. degree awarded to a woman for the first time.
- 1969** Trustees vote to admit women undergraduates.
- 1970** Council of the Princeton University Community (CPUC), a deliberative body of faculty, students, staff and alumni, is established.
- 1971** Third World Center founded (renamed the Fields Center for Equality and Cultural Understanding in 2002).
- 1972** William G. Bowen becomes 17th president.
- 1982** System of residential colleges established.
- 1986** A five-year "Campaign for Princeton" concludes under President William G. Bowen, after raising \$410.5 million.
- 1988** Harold T. Shapiro installed as 18th president.
- 1996** 250th anniversary celebrated.
- 2000** Graduate School celebrates 100th anniversary. A five-year "Anniversary Campaign" concludes under President Harold T. Shapiro, after raising \$1.14 billion.
- 2001** Shirley M. Tilghman becomes 19th president. "No-loan" financial aid policy — replacing loans with grants that do not need to be repaid — is instituted.
- 2003** Lewis-Sigler Institute established for research and teaching at the interface of biology and the quantitative sciences.



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- 2005** Princeton Neuroscience Institute established, expanding interdisciplinary teaching and research of the brain and the nervous system. Princeton Center for Theoretical Science established to bring together science departments across campus to study topics ranging from the Big Bang to quantum computing to evolution.
- 2006** University Center for the Creative and Performing Arts established (renamed the Lewis Center for the Arts in 2007), with a mandate to enhance the role of the arts in the University and community. Center for African American Studies established to serve as a model for interdisciplinary teaching and research on race in America.
- 2007** Four-year residential college system launched with the opening of Whitman College.
- 2008** Andlinger Center for Energy and the Environment established to accelerate research on effective and sustainable solutions to problems of energy and the environment. Lewis Library, designed by Frank Gehry, opens.
- 2009** Bridge Year Program begins with 20 students deferring admission for one year to engage in international service; Energy Frontier Research Center established to study combustion science and discover clean replacements for fossil fuels; Butler College reopens with new dormitories as a four-year residential college.
- 2010** Frick Chemistry Laboratory, the largest single academic building on campus excluding Firestone Library, opens; Streicker Bridge opens, connecting the two sides of the science neighborhood across Washington Road.
- 2012** A five-year campaign, "Aspire: A Plan for Princeton," concludes under President Shirley M. Tilghman, after raising \$1.88 billion.
- 2013** Christopher L. Eisgruber becomes 20th president.
- 2014** Opening of Peretsman Scully Hall, the new home of the Department of Psychology, and the Princeton Neuroscience Institute.

Fun Facts



Founded

1746, in Elizabeth, New Jersey,
moved to Princeton in 1756

Original name

The College of New Jersey; changed in 1896

First president

Jonathan Dickinson, 1747



Current president

Christopher L. Eisgruber, Class of
1983, became the 20th president in
2013

Official motto

Dei Sub Numine Viget (Under God's
Power She Flourishes)

Informal motto

Princeton in the Nation's Service and in the Service of
All Nations

Colors

Orange and black; formally adopted in 1896

Mascot

Tiger; emerged around 1882

Insignia

The shield, which derives from the official seal, is
designated for more common use. It includes
an open Bible with *Vet Nov Testamentum*, sig-
nifying both Old and New Testaments. In its
lower part is a chevron, signifying the rafters
of a building. The official motto is sometimes
displayed on a ribbon under the shield.



Alma mater

"Old Nassau," since 1859. Modern first verse: "Tune
ev'ry heart and ev'ry voice, Bid ev'ry care withdraw; Let

all with one accord rejoice, in praise of Old Nassau. In
praise of Old Nassau, we sing, Hurrah! Hurrah! Hurrah!
Our hearts will give, while we shall live, Three cheers for
Old Nassau."

Alumni U.S. presidents

James Madison, Class of 1771; Woodrow Wilson, Class
of 1879

A sampling of Princeton firsts

The first-recorded use of the now common understanding
of the word campus, in 1774, was generally attributed
to Princeton's sixth president, John Witherspoon. The
Continental Congress met in Nassau Hall, which served
as the capitol of the United States for approximately five
months in 1783. On Nov. 6, 1869, the first American
intercollegiate football game was played between Prince-
ton and Rutgers. The nation's first cheer took place
at Princeton during a football game in the late 1880s,
when a group of male students led a crowd in the first
recorded, organized chant, which today is Princeton's
legendary "locomotive." During the first modern Olympic
Games in 1896, Robert Garrett, Class of 1897, won first
place in both the discus and the shot put, second place
in the long jump, and third in the high jump. On Nov. 19,
1969, Charles "Pete" Conrad, Class of 1953, became
the third person to walk on the moon, and planted a
Princeton flag there.

Some things named after Princeton

USS Princeton, commissioned in 1843; Mt. Princeton
in Colorado, named in 1872; *Nassauica Dusenii*, a plant
first found in Patagonia in 1897; Asteroid Princetonia,
number 508, discovered in 1903; and Princeton
Glacier, in Alaska, named in 1909.

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NONDISCRIMINATION STATEMENT

In compliance with Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, Title VI of the Civil Rights Act of 1964, and other federal, state, and local laws, Princeton University does not discriminate on the basis of age, race, color, sex, sexual orientation, gender identity, religion, national or ethnic origin, disability, or veteran status in any phase of its employment process, in any phase of its admission or financial aid programs, or other aspects of its educational programs or activities. The vice provost for institutional equity and diversity is the individual designated by the University to coordinate its efforts to comply with Title IX, Section 504 and other equal opportunity and affirmative action regulations and laws. Questions or concerns regarding Title IX, Section 504 or other aspects of Princeton's equal opportunity or affirmative action programs should be directed to the Office of the Vice Provost for Institutional Equity and Diversity, Princeton University, 205 Nassau Hall, Princeton, NJ 08544 or (609) 258-0110.

Key Telephone Numbers

Main campus information (609) 258-3000

Admission

Undergraduate	258-3060
Graduate	258-3034
Alumni Association	258-1900
Alumni Records	258-3114
Annual Giving	258-3373
Art Museum	258-3788
Athletics	258-1800; ticket office 258-3539
Career Services	258-3325
Communications office	258-3601
Community Auditing Program (CAP)	258-0202
Community and Regional Affairs	258-3204
Conference and Event Services	258-6115
Continuing Education Program	258-5226
Daily Princetonian student newspaper	258-3632
Development office	258-5273
Employment Opportunities Hotline (Human Resources)	258-3300
Financial Service Center	258-3080
Frist Campus Center Ticket Office	258-1742
Frist Campus Center Welcome Desk	258-1766
Library	access office 258-5737; information center 258-1470
McCarter Theatre Center	258-6500; ticket office 258-2787
Office of Information Technology (OIT) Help Desk	258-4357
Orange Key Guide Service	258-3060
President's office	258-6101
Princeton Alumni Weekly magazine	258-4885
Princeton Plasma Physics Laboratory (PPPL)	243-2750
Princeton University Store (U Store)	921-8500
Princeton University Bulletin	258-3601
Public Safety	258-1000
Registrar	258-3361
Richardson Auditorium	events and ticket office 258-5000
University Ticketing	258-9220

The information herein is correct as of August 2014.

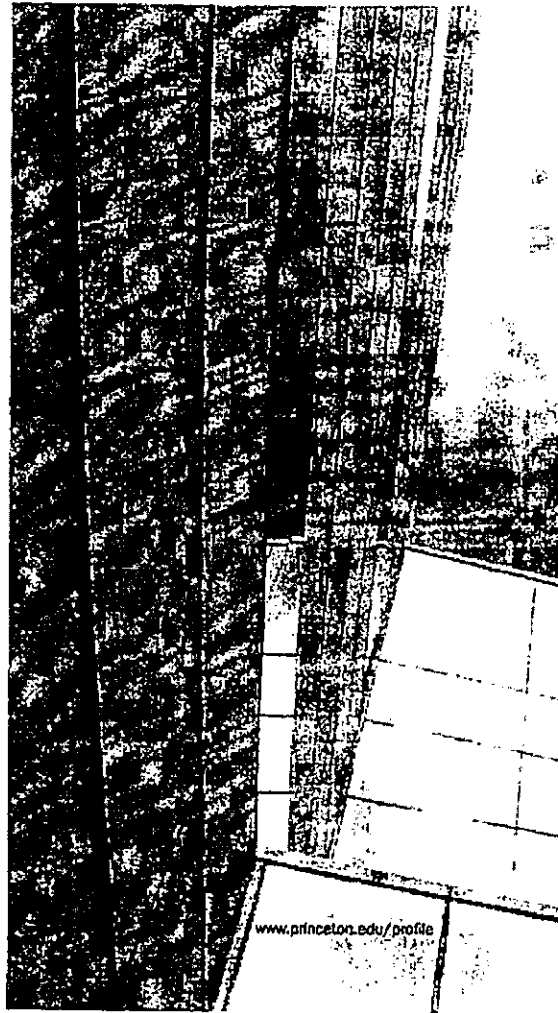
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Published by the Office of Communications, 22 Chambers St., Suite 201,
Princeton, N.J. 08542

Michael Hochries, editor; Magne Westergaard, design and layout; Danielle Abo,
Dennis Agnewitz, David Kelly Crow, Arlene Hardy, John Jameson, Beverly Schaefer,
Oran Wilson, Frank Wyperskowski, interior photos.

In the Nelson's Service and in the Service of All Nations

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Nonprofit Finance Fund 2015 State of the Nonprofit Sector Survey National Results dated May,

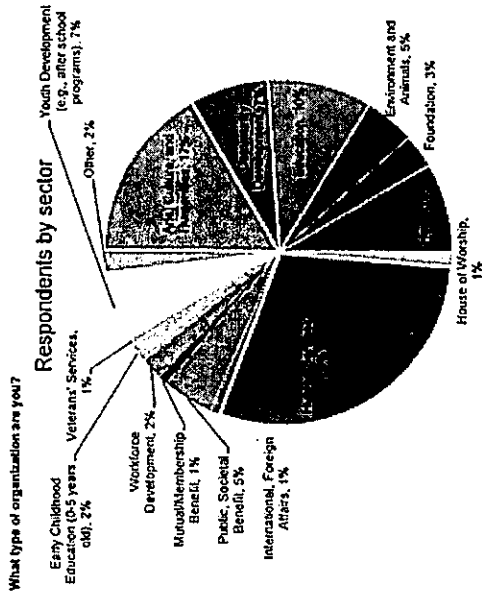
Nonprofit Finance Fund
2015 State of the Nonprofit Sector Survey
National Results
May 2015



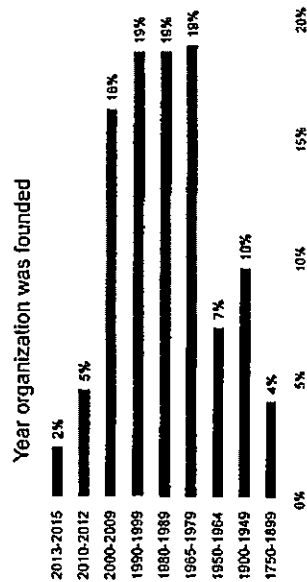
Generously supported by the Bank of America Charitable Foundation



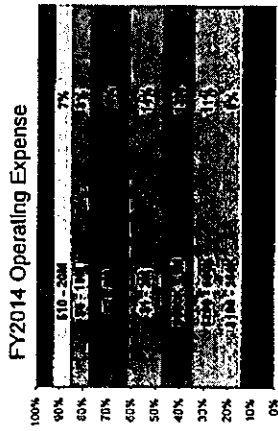
Nonprofit respondents by state			
AK	16	0%	
AL	15	0%	
AR	22	0%	
AZ	73	1%	
CA	1112	20%	
CO	48	1%	
CT	132	2%	
DC	84	2%	
DE	59	1%	
FL	162	3%	
GA	64	2%	
HI	304	6%	
IL	23	0%	
ID	17	0%	
IL	444	8%	
IN	85	2%	
KS	21	0%	
KY	20	0%	
LA	53	1%	
MA	302	6%	
MD	110	2%	
ME	25	0%	
MI	97	2%	
MN	58	1%	
MO	80	1%	
MS	7	0%	
NAT	15	0%	
NC	122	2%	
ND	2	0%	
NE	54	1%	
NH	30	1%	
NJ	105	2%	
NM	43	1%	
NV	26	0%	
NY	240	4%	
OH	78	1%	
OK	32	1%	
OR	65	1%	
PA	158	3%	
PR	3	0%	
RI	19	0%	
SC	42	1%	
SD	6	0%	
TN	80	1%	
TX	185	3%	
UT	67	1%	
VA	402	7%	
VT	8	0%	
WA	107	2%	
WI	35	1%	
WV	37	1%	
WY	7	0%	
Other	21	0%	
Total	5451	100%	



In what year was your organization founded?



What was your total annual operating expense for the fiscal year ending in 2013?



Total \$	% of total
470	9%
296	5%
502	9%
583	11%
723	13%
755	14%
878	16%
452	8%
366	7%
417	8%
\$481	100%

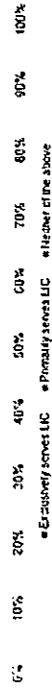
Total Annual Op Exp 2014
 \$0-\$50,000
 \$50,001-\$100,000
 \$100,001-\$150,000
 \$150,001-\$200,000
 \$200,001-\$250,000
 \$250,001-\$300,000
 \$300,001-\$350,000
 \$350,001-\$400,000
 \$400,001-\$450,000
 \$450,001-\$500,000
 Greater than \$500,000
 Total

Does your organization serve low-income communities?

Does your organization serve a low-income community?

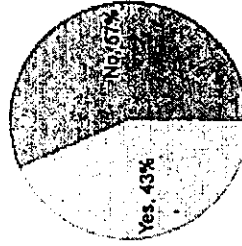
Serve low-income communities (LIC)?
 Exclusively serves LIC
 Primarily serves LIC
 Neither of the above
 Total

Total \$	% of total
1227	23%
2408	44%
1813	33%
\$448	100%



Is your organization located in a low-income community?

Located in a low-income community?

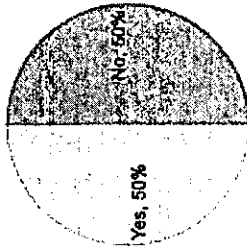


Total \$	% of total
2355	43%
3089	57%
\$444	100%

Located in a low-income community?
 Yes
 No
 Total

Do you consider yourself a 'lifecycle' organization? (i.e., providing critical services to people in need)?

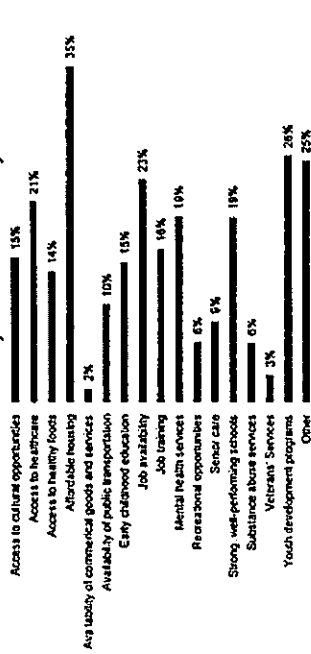
'Lifecycle' organization?



Response	Total #	% of total
Yes	2983	50%
No	2705	50%
Total	5188	100%

What would you identify as the most critical need(s) of the communities your organization serves? (Select up to 3)

Most critical community needs identified by NPOs



Most critical needs identified by NPOs

Access to cultural opportunities

Access to healthy foods

Affordable housing

Availability of commercial goods and services

Availability of public transportation

Early childhood education

Job availability

Job training

Mental health services

Recreational opportunities

Senior care

Strong, well-performing schools

Substance abuse services

Veterans' Services

Youth development programs

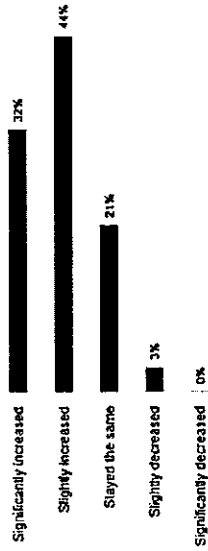
Other

Total survey respondents

Need	Total #	% of total
Access to cultural opportunities	822	15%
Access to healthy foods	1134	21%
Affordable housing	741	14%
Availability of commercial goods and services	1894	35%
Availability of public transportation	87	2%
Early childhood education	537	10%
Job availability	795	15%
Job training	1258	23%
Mental health services	887	16%
Recreational opportunities	1050	19%
Senior care	348	9%
Strong, well-performing schools	464	8%
Substance abuse services	1048	18%
Veterans' Services	343	6%
Youth development programs	168	3%
Other	1394	26%
Total survey respondents	1366	25%
	5451	

In 2014, demand for my organization's services or programs...

In 2014, service demand...



In 2014, service demand...

Significantly increased

Slightly increased

Stayed the same

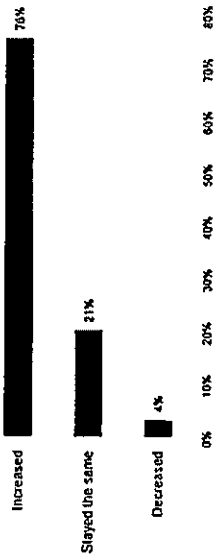
Slightly decreased

Significantly decreased

Total

Demand Level	Total #	% of total
Significantly increased	1726	32%
Slightly increased	2337	44%
Stayed the same	1102	21%
Slightly decreased	175	3%
Significantly decreased	17	0%
Total	5337	100%

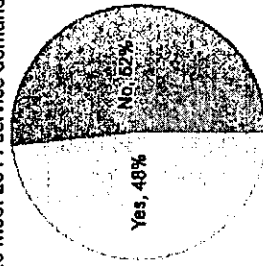
In 2014, service demand...



In 2014, service demand...	Total #	% of total
Increased	4083	76%
Stayed the same	1102	21%
Decreased	192	4%
Total	5357	100%

In 2014, were you able to fully meet demand for your services or programs?

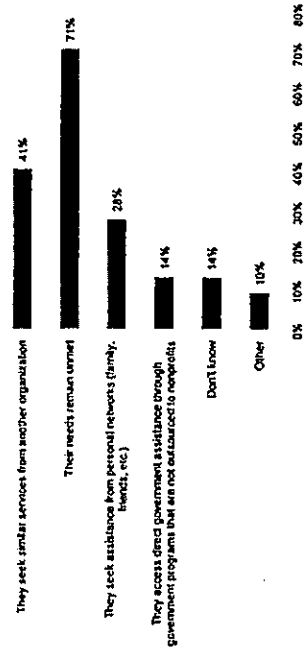
Able to meet 2014 service demand?



Able to meet 2014 demand?	Total #	% of total
Yes	2560	48%
No	2779	52%
Total	5339	100%

When you cannot meet community demand for services, how are client needs met? Select all that apply.

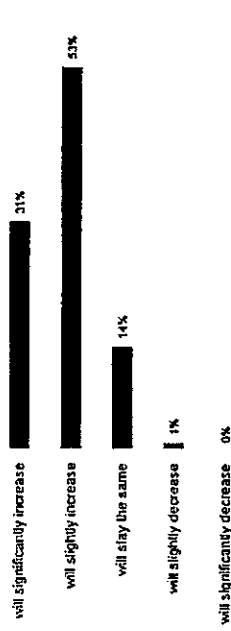
When you cannot meet demand for services, how are client needs met?



How are client needs met? Select all that apply.	Total #	% of total
They seek similar services from another organization	1138	41%
They seek assistance from personal networks (family, friends, etc.)	1879	71%
They access direct government assistance through government programs that are not outsourced to nonprofits	787	29%
They access direct government assistance through government programs that are not outsourced to nonprofits	300	14%
Don't know	376	14%
Total	2759	100%

In 2015, I anticipate that demand for my organization's services or program...

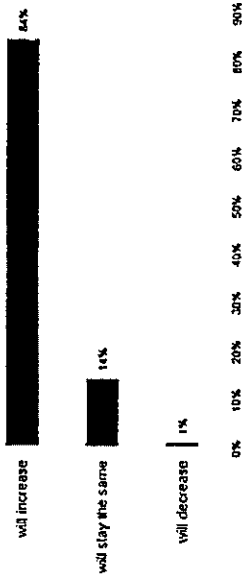
In 2015, we anticipate service demand will...



2015 anticipated service demand

Anticipation	Total #	% of total
will significantly increase	1848	31%
will slightly increase	2840	53%
will stay the same	770	14%
will slightly decrease	58	1%
will significantly decrease	5	0%
Total	5382	100%

In 2015, we anticipate service demand will...

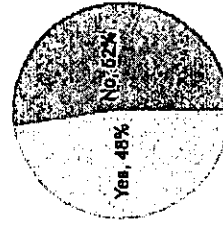


2015 anticipated service demand

Anticipation	Total #	% of total
will increase	4520	64%
will stay the same	770	14%
will decrease	63	1%
Total	5382	100%

In 2015, do you anticipate that you will be able to fully meet demand for your services or programs?

In 2015, will you be able to meet demand?



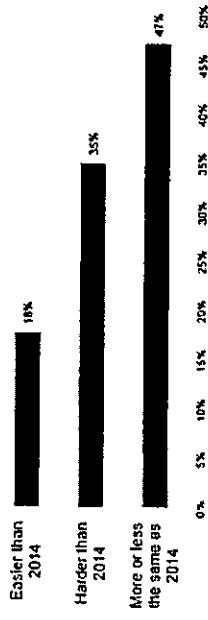
Will you be able to meet 2015 demand?

Response	Total #	% of total
Yes	2550	48%
No	2810	52%
Total	5360	100%

#

What is your financial outlook for your organization in 2015?

For our organization, 2015 will be...

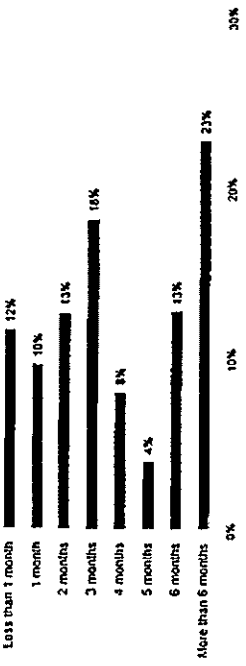


Total #	% of total
823	18%
1852	35%
2184	47%
4859	100%

For our organization, 2015 will be...
Easier than 2014
Harder than 2014
More or less the same as 2014
Total

Please indicate how many months of cash the organization has in reserves. Months of Cash = Total available (unrestricted) cash divided by average monthly operating expenses.

How many months of cash are in reserves?

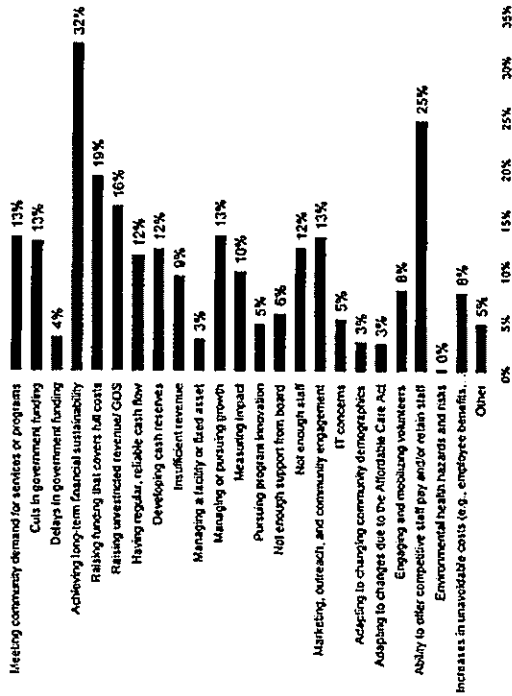


Total #	% of total
519	12%
420	10%
564	13%
808	18%
353	8%
179	4%
587	13%
1014	23%
4439	100%

Months of cash in reserves:
Less than 1 month
1 month
2 months
3 months
4 months
5 months
6 months
More than 6 months
Total

What are the greatest challenges your organization is facing? Please select up to 3 options.

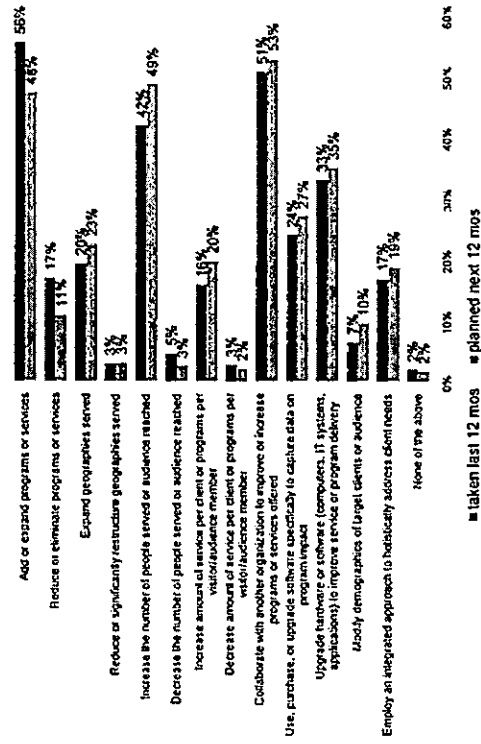
Top challenges that nonprofits are facing



Greatest challenges:	Total #	% of total
Meeting community demand for services or programs	725	13%
Cuts in government funding	704	13%
Delays in government funding	192	4%
Achieving long-term financial sustainability	1759	32%
Raising funding that covers full costs	1090	19%
Raising unrestricted revenue/COGS	890	16%
Having regular, reliable cash flow	631	12%
Developing cash reserves	664	12%
Insufficient revenue	517	9%
Managing a facility or fixed asset	180	3%
Managing or pursuing growth	734	13%
Measuring impact	543	10%
Pursuing program innovation	262	5%
Not enough support from board	320	6%
Marketing, outreach, and community engagement	670	12%
IT concerns	776	13%
Adapting to changing community demographics	289	5%
Adapting to changes due to the Affordable Care Act	169	3%
Engaging and mobilizing volunteers	154	3%
Ability to offer competitive staff pay and/or retain staff	447	8%
Environmental health hazards and risks	1345	25%
Increases in unavoidable costs (e.g., employee benefits, utilities, or rent)	20	0%
Other	433	8%
Total Survey Respondents	5481	6%

Have you taken any of the following program & service-related actions in the last 12 months, or do you plan to take any of them in the next 12 months? Please check all that apply.

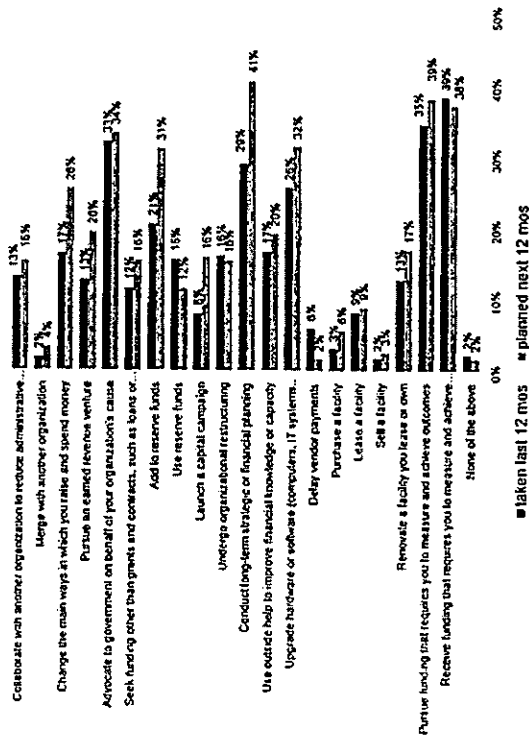
Program & Service-related actions taken or planned in last/next 12 mos.



Service-related actions:	last 12 mos	% of total	planned next 12 mos	% of total
Add or expand programs or services	3041	56%	2394	48%
Reduce or eliminate programs or services	932	17%	603	11%
Expand geographies served	1005	20%	1238	23%
Reduce or significantly restructure geographies served	176	3%	183	3%
Increase the number of people served or audience reached	2399	42%	2071	40%
Decrease the number of people served or audience reached	262	5%	154	3%
Increase amount of service per client or programs per visitor/audience member	874	16%	1088	20%
Decrease amount of service per client or programs per visitor/audience member	165	3%	129	2%
Collaborate with another organization to improve or increase programs or services offered	2776	51%	2895	53%
Use, purchase, or upgrade software specifically to capture data on program impact	1320	24%	1491	27%
Upgrade hardware or software (computers, IT systems, applications) to improve service or program delivery	1817	33%	1924	35%
Modify demographics of target clients or audience	366	7%	533	10%
Employ an integrated approach to holistically address client needs	631	12%	1040	19%
None of the above	127	2%	108	2%
Total Survey Respondents	5451			

Have you taken any of the following operations & finance actions in the last 12 months, or do you plan to take any of them in the next 12 months? Please check all that apply.

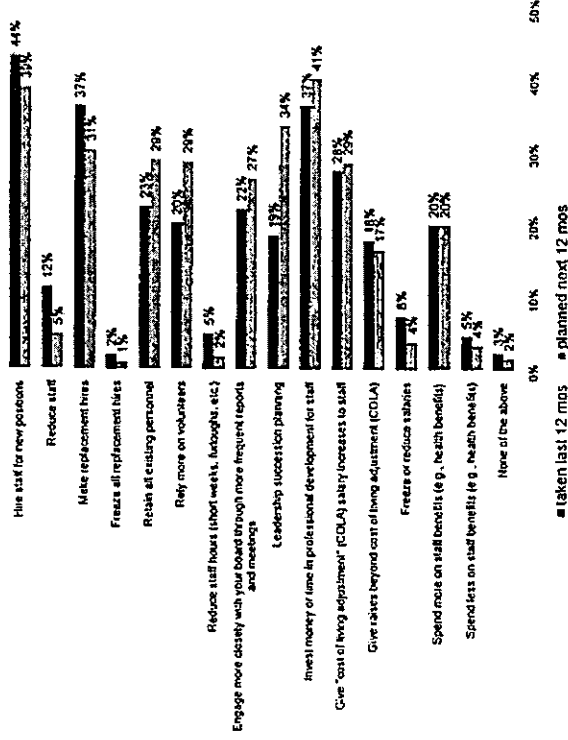
Operations & Finance actions taken or planned in last (next) 12 months



Operations & Finance actions:	taken last 12 mos	% of total	planned next 12 mos	% of total
Collaborate with another organization to reduce administrative expenses	722	13%	655	16%
Merge with another organization	112	2%	163	4%
Change the main ways in which you raise and spend money	911	17%	1411	26%
Pursue an earned revenue venture	707	13%	1075	20%
Advocate to government on behalf of your organization's cause	1772	33%	1836	34%
Seek funding other than grants and contracts, such as loans or other investments	648	12%	881	18%
Add to reserve funds	1137	21%	1715	31%
Use reserve funds	870	16%	642	12%
Launch a capital campaign	454	8%	881	16%
Undergo operational restructuring	897	16%	857	16%
Conduct long-term strategic or financial planning	1600	29%	2239	41%
Use outside help to improve financial knowledge or capacity	928	17%	1065	20%
Upgrade hardware or software (computers, IT systems, applications) to improve organizational efficiency	1419	26%	1732	32%
Delay vendor payments	339	6%	106	2%
Purchase a facility	164	3%	320	6%
Lease a facility	468	9%	501	9%
Sell a facility	110	2%	152	3%
Renovate a facility you lease or own	215	4%	642	12%
Pursue funding that requires you to measure and achieve outcomes	1603	30%	2102	39%
Receive funding that requires you to measure and achieve outcomes	2112	39%	2851	53%
None of the above	135	2%	107	2%
Total Survey Respondents	5491			

Have you taken any of the following staff-related actions in the last 12 months, or do you plan to take any of them in the next 12 months? Please check all that apply.

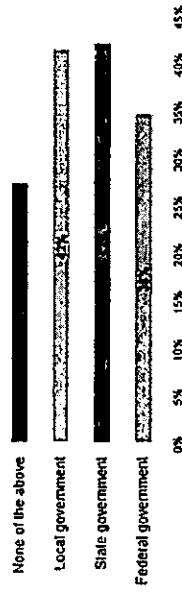
Staff related actions taken or planned in last/next 12 months



Government funding

Do you have funding or contracts from any of the following government sources? Select all that apply.

Do you receive funding/contracts from any of the following sources?

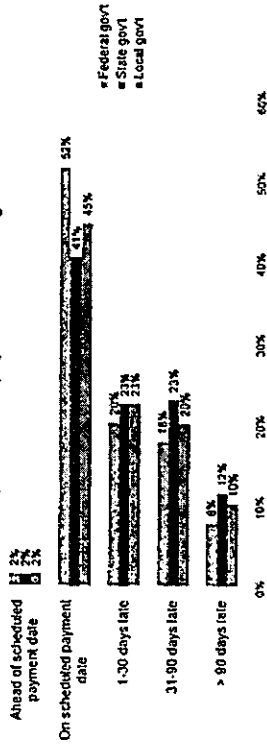


Staff-related actions:	taken last 12 mos	% of total	planned next 12 mos	% of total
Hire staff for new positions	2378	44%	2137	39%
Reduce staff	631	12%	283	5%
Make replacement hires	1990	37%	1605	31%
Freeze all replacement hires	129	2%	73	1%
Retain all existing personnel	1241	23%	1591	29%
Rely more on volunteers	1114	20%	1578	29%
Reduce staff hour (short weeks, furloughs, etc.)	286	5%	115	2%
Engage more closely with your board through more frequent reports and meetings	1221	22%	1455	27%
Leadership succession planning	1016	19%	1852	34%
Invest money or time in professional development for staff	1999	37%	2269	41%
Give "cost of living adjustment" (COLA) salary increases to staff	1512	28%	1570	29%
Freeze or reduce salaries	924	18%	917	17%
Spend more on staff benefits (e.g., health benefits)	413	8%	227	4%
Spend less on staff benefits (e.g., health benefits)	1106	20%	1105	20%
None of the above	268	5%	201	4%
Total Survey Respondents	145	3%	105	2%
	6451			

Government funding sources:	Total	% of total
Federal government	1596	35%
State government	2302	42%
Local government	2267	42%
None of the above	1455	27%
Total Survey Respondents	6451	

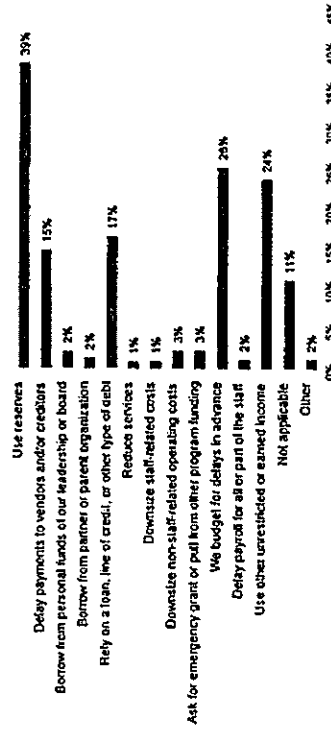
How many days after submitting an invoice do you usually receive payment from government for services?

When do you receive payment from the gov't?



If you experience delays in payments from any level of government, how does your organization cover the gap? Select all that apply.

How do NPOs manage the delays in gov't payment?



When do you receive payment from the government?

Ahead of scheduled payment date	2%	2%	2%
On scheduled payment date	41%	41%	45%
1-30 days late	20%	23%	23%
31-90 days late	18%	23%	23%
> 90 days late	8%	12%	10%
Total	100%	100%	100%

Federal gov't

29	2%
860	41%
337	20%
299	18%
132	8%
1657	100%

State gov't

35	2%
471	41%
461	23%
471	23%
238	12%
2036	100%

Local gov't

36	2%
908	45%
452	23%
408	20%
210	10%
2019	100%

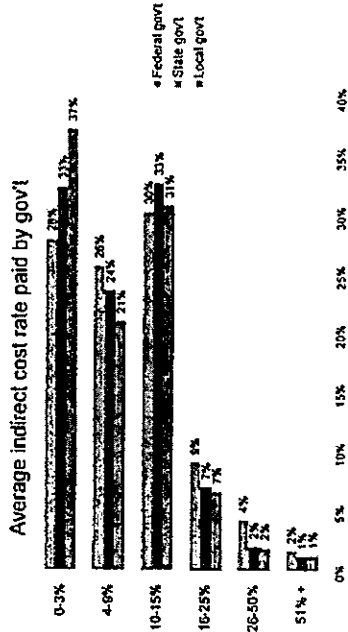
How do organizations receiving late government payments cover the funding gap?

Use reserves	30%
Delay payments to vendors and/or creditors	15%
Borrow from personal funds of our leadership or board	2%
Borrow from partner or parent organization	2%
Rely on a loan, line of credit, or other type of debt	2%
Reduce services	17%
Downsize staff-related costs	3%
Downsize non-staff-related operating costs	3%
Ask for emergency grant or pull from other program funding	20%
We budget for delays in advance	2%
Delay payroll for all or part of the staff	2%
Use other unreserved or earned income	24%
Not applicable	11%
Other	2%
Total respondents with gov funding	3215

Total #

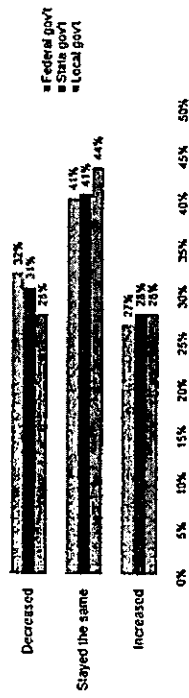
1241	39%
489	15%
80	2%
53	2%
543	17%
34	1%
38	1%
82	3%
84	3%
824	26%
49	2%
775	24%
306	11%
49	2%

In 2014, what was the average indirect cost rate (i.e. allowable indirect cost rate or overhead/administrative cost rate) that the government paid?



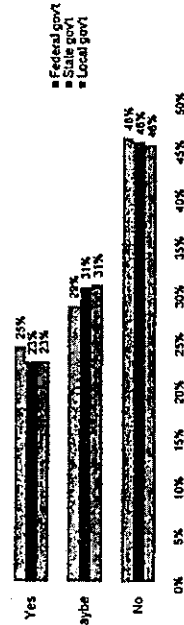
In the last 3 years, has the amount of government funding/contracts as a percentage of total revenue decreased, stayed the same, or increased?

In the last 3 years, has the amount of government funding/contracts as a percentage of total revenue decreased, stayed the same, or increased?



Is your organization planning to replace any type of government funding with revenue from non-governmental sources?

Is your NPO planning to replace any type of gov't funding with revenue from non-governmental sources



Average indirect cost rate

0-3%	28%	33%	37%
4-9%	26%	30%	31%
10-15%	42%	53%	48%
16-25%	13%	11%	7%
26-50%	6%	3%	2%
51% +	2%	1%	1%
Total	1889	1838	1810

In the last 3 years, has the amount of government funding/contracts as a percentage of total revenue decreased, stayed the same, or increased?

Decreased	28%	31%	28%
Stayed the same	41%	41%	44%
Increased	27%	28%	28%
Total	1875	2031	2018

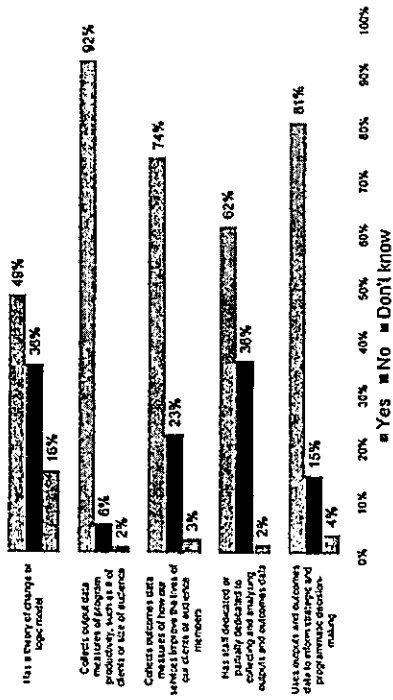
Is your organization planning to replace any type of government funding with revenue from non-governmental sources?

Yes	25%	23%	23%
Maybe	41%	31%	31%
No	28%	46%	46%
Total	1819	1919	1919



My organization...

Impact measurement practices: my organization...

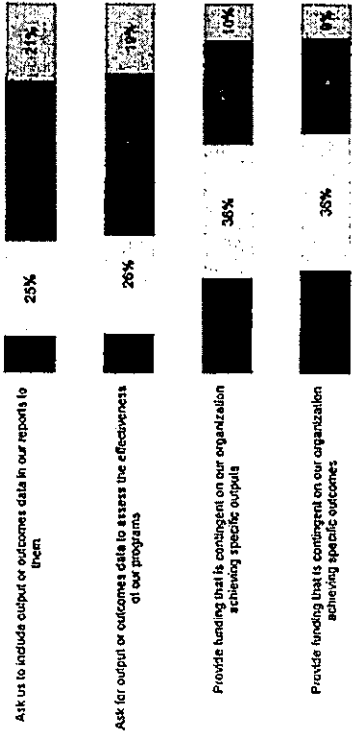


My organization...	Yes	No	Don't know
Has a theory of change or logic model	1945	1431	630
Collects output data: measures of program productivity, such as # of clients or size of audience	3831	244	74
Collects outcomes data: measures of how our services improve the lives of our clients or audience members	3648	975	178
Has staff dedicated or partially dedicated to collecting and analyzing outputs and outcomes data	2215	1485	87
Uses outputs and outcomes data to inform strategic and programmatic decision-making	3317	813	108
Total	4098		
Has a theory of change or logic model	100%		
Collects output data: measures of program productivity, such as # of clients or size of audience	100%		
Collects outcomes data: measures of how our services improve the lives of our clients or audience members	100%		
Has staff dedicated or partially dedicated to collecting and analyzing outputs and outcomes data	100%		
Uses outputs and outcomes data to inform strategic and programmatic decision-making	100%		

Approximately how many of your funders pursue the practices below? Please give your best estimate:

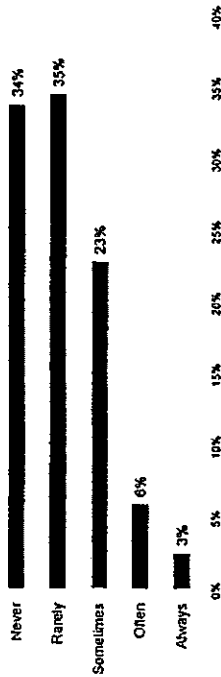
Impact measurement practices: Estimated portion of funders that...

■ None ■ Less than half ■ Half or more ■ All



How often do funders cover the costs associated with measuring program outputs or outcomes?

How often do funders cover the costs associated with measuring program outputs or outcomes?



How often do funders cover the costs associated with measuring program outputs or outcomes?

Frequency	Total #	% of total
Never	1357	34%
Rarely	1385	35%
Sometimes	919	23%
Often	241	6%
Always	104	3%
Total	4006	100%

Approximately how many of your funders pursue the practices below? Please give your best estimate:

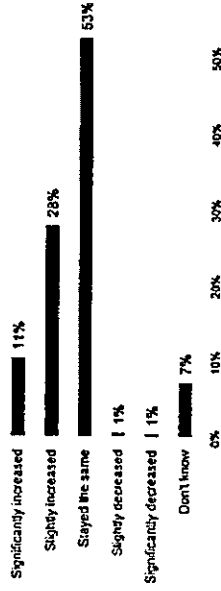
Practice	None	Less than half	Half or more
Ask us to include output or outcomes data in our reports to them	436	1037	1754
Ask for output or outcomes data to assess the effectiveness of our programs	459	1068	1763
Provide funding that is contingent on our organization achieving specific outputs	1062	1437	1140
Provide funding that is contingent on our organization achieving specific outcomes	1150	1462	1044
Total	373	4029	100%

Approximately how many of your funders pursue the practices below? Please give your best estimate:

Practice	Total #	% of total
Ask us to include output or outcomes data in our reports to them	860	21%
Ask for output or outcomes data to assess the effectiveness of our programs	772	19%
Provide funding that is contingent on our organization achieving specific outputs	405	10%
Provide funding that is contingent on our organization achieving specific outcomes	373	9%

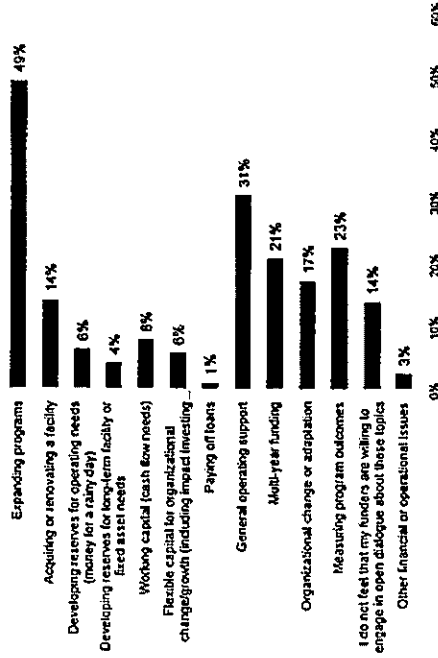
In 2014, the number of funders asking us to measure or provide program outputs or outcomes...

In 2014, the number of funders asking us to measure or provide program outputs or outcomes...



Overall, do you feel the majority of your funders are willing to engage in open dialogue on funding for any of the purposes below? Please select all that apply:

My org can have open dialogue with funders about:



In 2014, the number of funders asking us to measure or provide program outputs or outcomes...

	Total #	% of total
Significantly increased	423	11%
Slightly increased	1121	28%
Stayed the same	3107	53%
Slightly decreased	30	1%
Significantly decreased	23	1%
Don't know	298	7%
Total	4608	100%

My organization can have open dialogue with funders about:

	Total #	% of total
Expanding programs	2686	49%
Acquiring or renovating a facility	781	14%
Developing reserves for operating needs (money for a rainy day)	354	6%
Developing reserves for long-term facility or fixed asset needs	236	4%
Working capital (cash flow needs)	434	6%
Flexible capital for organizational change/growth (including impact investing products)	322	6%
Paying off loans	65	1%
General operating support	1686	31%
Multi-year funding	1145	21%
Organizational change or adaptation	949	17%
Measuring program outcomes	1241	23%
I do not feel that my funders are willing to engage in open dialogue about these topics	768	14%
Other financial or operational issues	147	3%
Total survey respondents	5451	

In 2014, how often did funding from the following sources cover the full costs (including indirect/overhead costs) of the programs/project they intended to support?

How often do funders cover the full costs of programs they intend to support?*

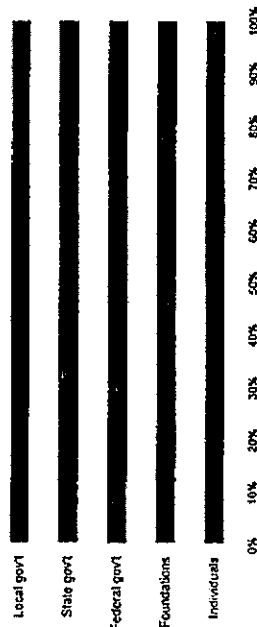
■ Never ■ Rarely ■ Sometimes ■ Often ■ Always



*Survey respondents were given 'not applicable' as a potential survey response item. All 'NA' responses have been excluded from this graph and table.

Please describe the relationship between reporting requirements and funding amounts from the following sources:
 "Overall in 2014, the reporting requirements were _____ in relation to the amount of funding received."

"Overall in 2014, the reporting requirements were _____ in relation to the amount of funding received."
 ■ Low ■ Proportional ■ High



"Overall in 2014, the reporting requirements were _____ in relation to the amount of funding received."

"Overall in 2014, the reporting requirements were _____ in relation to the amount of funding received."

Low	Proportional	High
Local govt	13%	10%
State govt	9%	10%
Federal govt	7%	10%
Foundations	15%	22%
Individuals	87%	10%
Total	2177	2144
Local govt	2177	2144
State govt	1979	1979
Federal govt	2220	2220
Foundations	3452	3452
Individuals		

*Survey respondents were given 'not applicable' as a potential survey response item. All 'NA' responses have been excluded from this graph and table.

NEW JERSEY NON-PROFITS 2014

Trends and Outlook

March 2014

A publication of

Center
FOR NON-PROFITS



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Summary

This report is the latest in a series of annual surveys designed to gauge trends, experiences and expectations among New Jersey non-profit organizations, and to explore the effects of the economy on New Jersey's charitable community. The Center for Non-Profits conducted this year's survey online in January 2014 to assess how non-profits fared in 2013 and to determine their outlook for the coming year. This analysis is based on the 185 responses from 501(c)(3) organizations submitted during the survey period.

Among the key findings:

- Four-fifths (82%) of responding organizations reported that demand for services had increased during the past year, and a similar percentage (80%) expected demand to continue rising in 2014.
- Forty-six percent reported relatively level funding in 2013 vs. 2012, but 31% reported that expenses exceeded support and revenue during their most recently completed fiscal year.
- Seventy-four percent expected their total expenses to increase in 2014, but only 58% expected total 2014 funding to increase. About one-quarter (28%) expected total funding to remain the same as 2013, but only 8% anticipated a decrease. Respondents overall were more optimistic than one year ago, predicting increased funding from foundations, corporations, individual gifts and special events.
- Overall, compared with the last several years, fewer organizations reported new cost-cutting measures such as cutting staff, reducing or freezing salaries or curtailing programs, but they remained a possibility for a sizeable percentage in 2014. Twenty-four percent indicated that they might curtail programs, and 21% said that they might cut or freeze salaries. By contrast, slightly higher percentages reported that they might be able to add programs (41%), add staff (33%), or increase salaries (30%) in the coming year. Significant majorities had already launched new fundraising appeals, sought funds from alternative sources, increased their advocacy efforts, recruited additional volunteers, or indicated their intent to take these actions.
- A significant portion of respondents (47%) reported launching new partnerships or collaborations in 2013, most commonly with other non-profit organizations, although partnerships with government and business were also reported. Twenty-two percent said either that they might explore a merger in 2014 or that that they definitely intended to do so, while 10% percent indicated that might, or definitely would, complete a merger in 2014.
- Asked to identify the issues presenting the greatest challenges to the viability of *their own organizations*, non-profits most frequently mentioned financial uncertainty, the need for better branding/ communications, the need for a stronger board, and staffing/benefit costs.
- When asked to choose the issues most important to maintaining and improving the viability of the *non-profit sector* in the coming decade, non-profits were most likely to select attracting/retaining capable, committed board members; non-profit infrastructure/capacity building; foundation/corporate funding; and attracting/retaining qualified workers.

This year's survey revealed encouraging signs of economic improvement for a significant number of organizations. More organizations reported increased or steady funding, fewer decreases were reported, and overall optimism was higher than in recent years. However, demand for services continues to skyrocket, and funding, while improving, is not keeping pace with rising demand and increased expenses. Many factors, including the slow economic recovery, funding uncertainties, flat or reduced government funding, and organizational infrastructure and capacity issues are continuing to challenge many organizations.

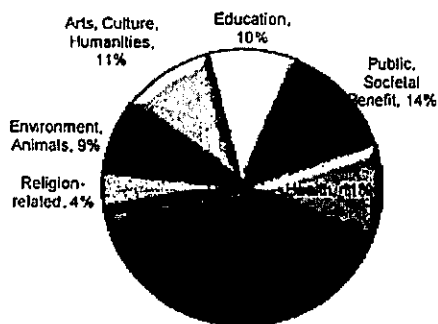
With governments and communities turning more than ever to non-profits to provide essential programs and services, non-profits continue to develop creative solutions, forge new partnerships, and adjust their working models in order to meet community needs. The Center for Non-Profits will continue to share the latest information about the economic, social and policy environment for non-profits, and will work cooperatively to help tackle the collective challenges we face.

Background and Methodology

The *New Jersey Non-Profit Issues and Trends Survey* is conducted annually by the Center for Non-Profits in order to gauge trends, experiences and views of our state's non-profit community.

The Center conducted this year's survey online during January 2014 to assess how non-profits fared in 2013 and to determine their outlook for the coming year. An email announcement with a link to the survey was sent to approximately 3,500 subscribers of the Center's email list, and additional outreach was made via social media (Facebook, Twitter and LinkedIn) and to funders or other umbrella organizations serving non-profits in the state. All communications encouraged recipients to share the survey notice/instrument broadly within their own networks. The 197 responses from 501(c)(3) organizations that were submitted as of January 21, 2014, were included in this analysis.

Chart 1: Primary Service Focus
(N=185)

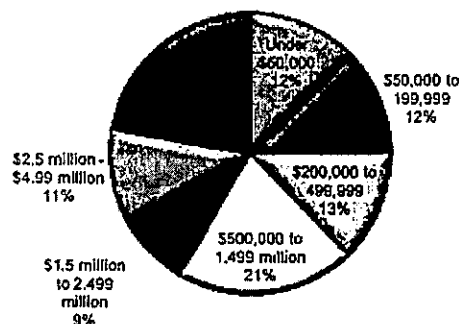


Responding Organizations

Primary Service Focus

Respondents were asked to select their organization's primary purpose from a list of 8 classifications (Chart 1). Compared with the New Jersey's non-profit community overall, human services organizations are overrepresented in our survey while educational and religious organizations are underrepresented. However, the diversity of organizations within the non-profit sector is reflected within the survey respondent group.

Chart 2: Annual Operating Budget
(N=185)



Budget Size

Chart 2 represents the breakdown of survey respondents by annual budget. Although a wide range of budget sizes are present, organizations with budgets of less than \$200,000, which make up the majority of New Jersey's non-profits, are underrepresented, while organizations with budgets of \$5 million or more are somewhat overrepresented.

Geographic Location

All regions of the New Jersey were represented among survey respondents. Organizations from North Jersey (Bergen, Essex, Hudson, Morris, Passaic, Sussex, Union and Warren Counties) comprised 54% of the respondents, Central Jersey (Hunterdon, Mercer, Middlesex, Monmouth and Somerset) made up 31%, while approximately 16% were located in the Southern region (Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Ocean and Salem).

Demand for Services

Change in Demand in 2013

Organizations were asked whether demand for core services increased or decreased during 2013 as compared to 2012 (Table 1). Consistent with prior surveys, an overwhelming majority (82%) of responding organizations reported that demand for services had grown. Only 4% reported a lower demand for services in 2013. Rising demand was reported by large margins among all types of organizations, and most acutely among environmental and public/societal benefit non-profits.

Demand for Core Services in 2013 vs. 2012 (N=179)	
Increase	82%
Decrease	4%
No significant change	13%
Unknown	1%

Table 1

Changes in number of people served in 2013

Although not all non-profits' missions involve direct service to individuals, there were some clear gaps between the increased demand noted by some types of organizations and whether they had served more people in the same period (Tables 1 and 2). This gap was more prevalent in health, public/societal benefit and human service organizations.

Changes in Numbers of People Served in 2013 (N=164)	
Increase	70%
Decrease	12%
Remained the same	16%
Unknown	2%

Table 2

Predictions for 2014

Four-fifths of organizations (80%) predicted that demand for their services would continue to increase in 2014. Fifteen percent felt that demand for services would remain about the same, and only 1% predicted a decrease in demand (Table 3). Health, human services, and public/societal benefit organizations were most likely to predict increased demand, although rising demand was expected in all sectors.

Projected Demand for Core Services in 2014 vs. 2013 (N=164)	
Increase	80%
Decrease	1%
No significant change	15%
Unknown	4%

Table 3

Expenses

In 2013

Organizations were asked whether overall expenses in 2013 increased or decreased compared with 2012. Three-fifths (61%) of respondents reported that expenses increased by at least 5% in 2013 (Table 4). Thirty-two percent reported expense increases of 10% or more. One-quarter reported relatively unchanged expenses. Compared with our last two surveys, a higher proportion of organizations reported increased expenses, suggesting a slight reversal of some of the austerity measures implemented by many organizations in previous years.

Total Expenses Most Recent Year vs. Previous Year			
	2013	2012	2011
Increase of 5% or more	61%	48%	49%
Decrease of 5% or more	10%	15%	12%
No significant change (+/- 5% or less change)	25%	35%	34%
Unknown	5%	2%	5%

Table 4

Expense predictions for 2014

About three-fourths (74%) of respondents expected *expenses* to rise in 2014 (Table 5). This proportion is a slight increase over the past 4 years, and could mean the reversal of some of the cost-cutting implemented at the start of the recession. Other possible explanations could relate to certain purchases (e.g., technology) that had been delayed but are now being made; or steadily rising costs such as employee benefits. It's also important to note that only 58% of organizations expected their total *funding* to rise in 2014 (see page 6).

Projected Expenses in 2014 vs. 2013 (N=175)	
Increase	74%
Decrease	7%
Remain the same	15%
Unknown	4%

Table 5

Revenue/Expense Comparisons

Approximately one-third (31%) of responding organizations reported spending more money than they took in during their most recent fiscal year, while 23% reported that revenues had exceeded expenses. Compared with one year ago, a smaller percentage of organizations reported surpluses (30% in 2013), while those reporting deficits remained relatively constant (34% in 2013). Coupled with the steady growth in demand for services, these figures suggest that the effects of the economic downturn remain acute for many organizations (Table 6).

Total Income vs. Expenses for Most Recent Fiscal Year-End (N=174)	
Surplus	23%
Break-even	46%
Deficit	31%

Table 6

Cash Reserves/Lines of Credit

Three-fifths (62%) of this year's respondents reported that they had a cash reserve (defined in the survey as an unrestricted amount of funds set aside to provide a cushion against future unexpected cash flow shortages, expenses or losses), and 32% reported having a line of credit.

Among organizations with cash reserves, 39% reported having a reserve of 1-3 months of operating funds; 24% reported 3-6 months' worth; and 35% reported over six months of operating funds. Fifty-one percent indicated that their cash reserve remained relatively constant over the past year, while 21% said it was smaller than one year ago and 28% said that their reserve was larger.

Half (50%) of organizations with lines of credit reported having to borrow against the line of credit in 2013; 21% reported that they had to borrow more in 2013 than in the previous year, and 29% reported borrowing less. By comparison, in last year's survey, only 13% of respondents had borrowed less against their line of credit than the year before. Sixty-nine percent of respondents with a line of credit indicated that it was "essential" or "very important" to their organizations' continued ability to provide core programs and services.

Trends in Funding

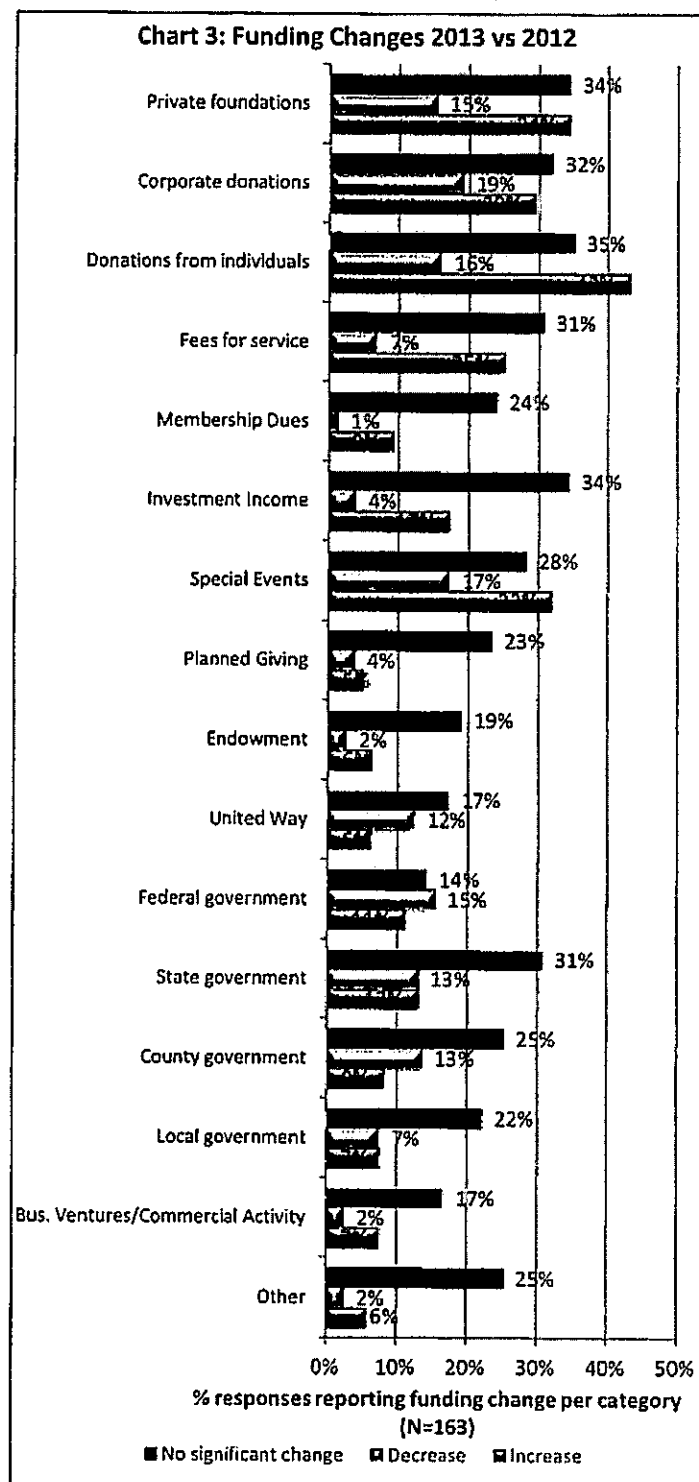
Total Funding 2013 vs. 2012

More than half (52%) of our respondents reported that funding had increased in 2013 compared with the previous year – the first time in several years in which a majority of respondents reported increased funds. One-quarter (24%) reported that funding had held steady and about one-fifth (20%) reported decreases. The growing reports of increased or stable funding is a marked improvement over our survey results for the past three years (Table 7).

Funding in Most Recent Year vs. Previous Year				
	2013	2012	2011	2010
Increase of 5% or more	52%	33%	32%	29%
Decrease of 5% or more	20%	24%	37%	34%
No significant change (+/- 5% or less change)	24%	40%	26%	33%
Unknown	3%	2%	6%	4%

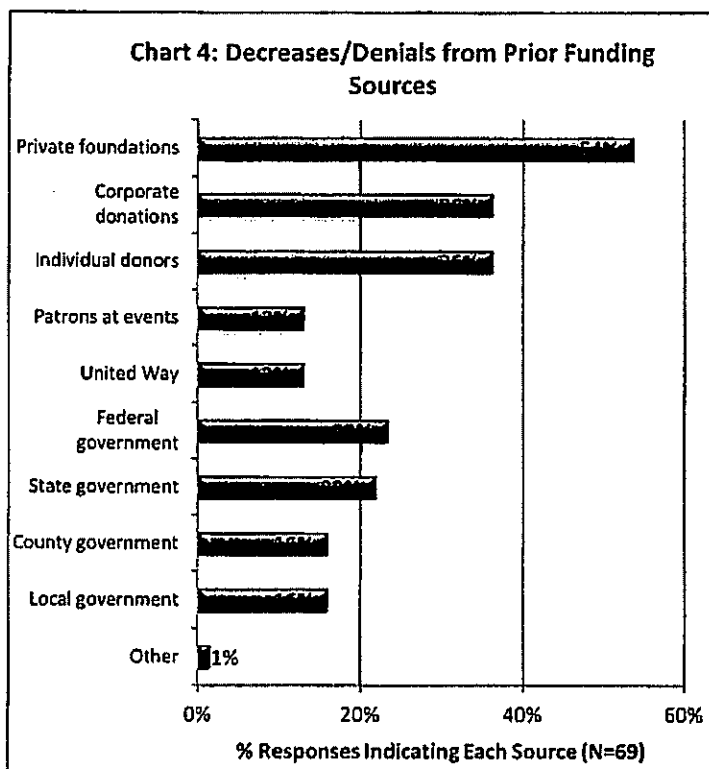
Table 7

Overall funding in 2013 showed some modest improvements compared with the prior year. In several major categories, including corporations, foundations, investments and special events, fewer organizations reported decreased funding in 2013 than in 2012. For the first time in several years, more organizations reported increased gifts from individuals than those whose funding remained flat or went down (Chart 3).

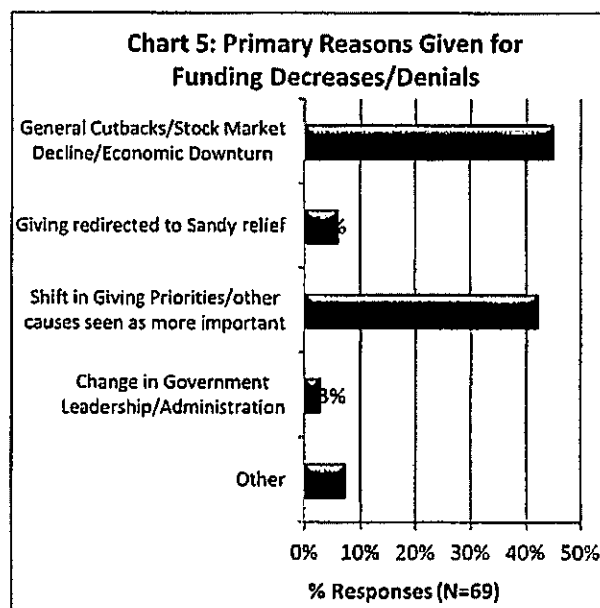


Denials/Reductions by Previous Funders

Approximately two-fifths (43%) of survey respondents reported that a previous funding source had informed them in 2013 that they either would not be giving to their organization or that they would be giving less. This continues a series of gradual improvements from our 2010 survey, when 65% of organizations reported funding denials or reductions, and last year's survey (47%). Among those who had funding denied or reduced, private foundations (54%) were cited most frequently, followed by corporations and individuals (36% each) (Chart 4).



Although the economic downturn continued to be a frequently given reason for reducing or denying grants, (45% of those reporting denials/reductions), shifts in giving priorities were cited almost as often (42%). Similar to one year ago, few funders/donors explicitly cited Superstorm Sandy in their decisions, although it is possible that the recovery effort factored into overall shifts in giving priorities (Chart 5).



Funding Outlook for 2014

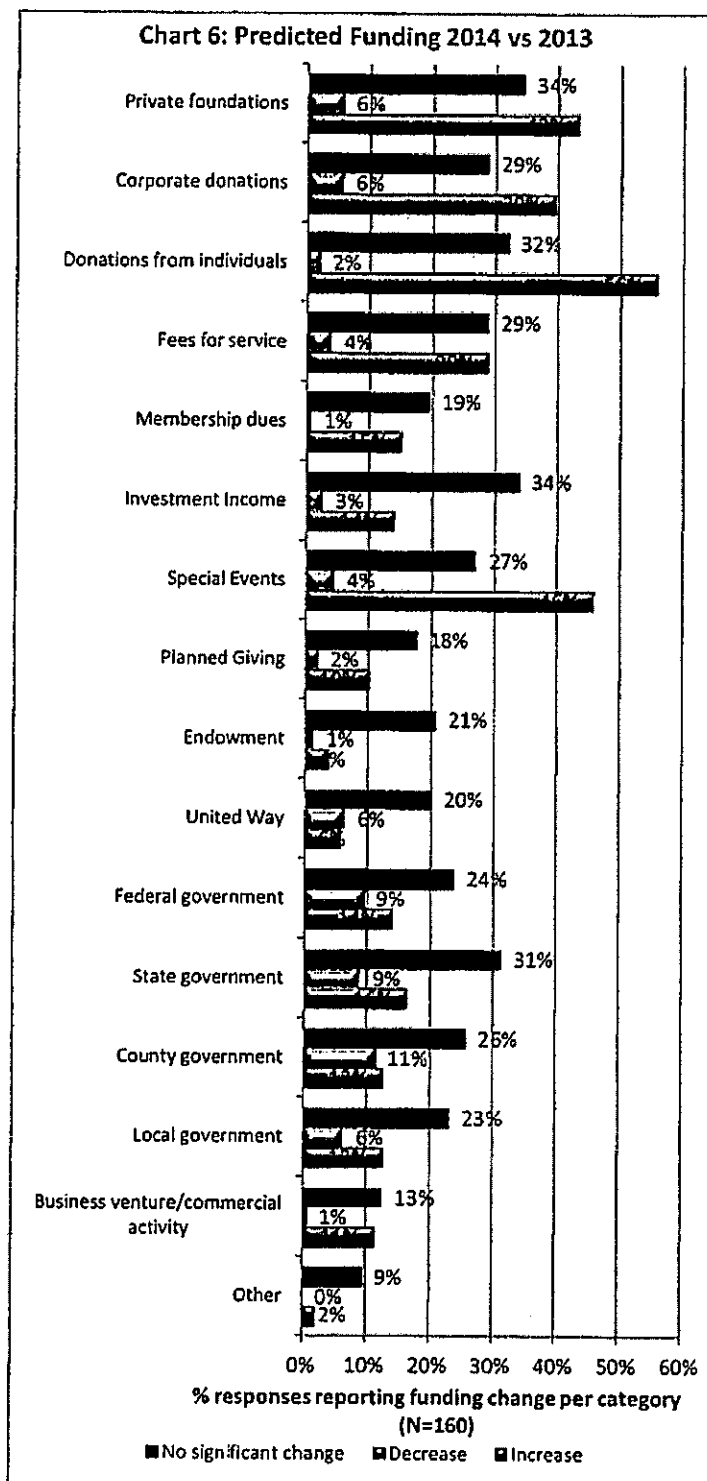
As Table 8 shows, survey respondents were more optimistic about total funding prospects for 2014 than in the preceding three years. Nearly three-fifths (58%) predicted funding increases in 2014; by contrast, only 8% predicted decreases, compared with 19% one year ago (Table 8).

Projected Funding: Upcoming vs. Previous Year				
	2014	2013	2012	2011
Increase	58%	42%	39%	38%
Decrease	8%	19%	18%	25%
Remain the same	28%	34%	39%	31%
Unknown/not reported	6%	5%	5%	6%

Table 8

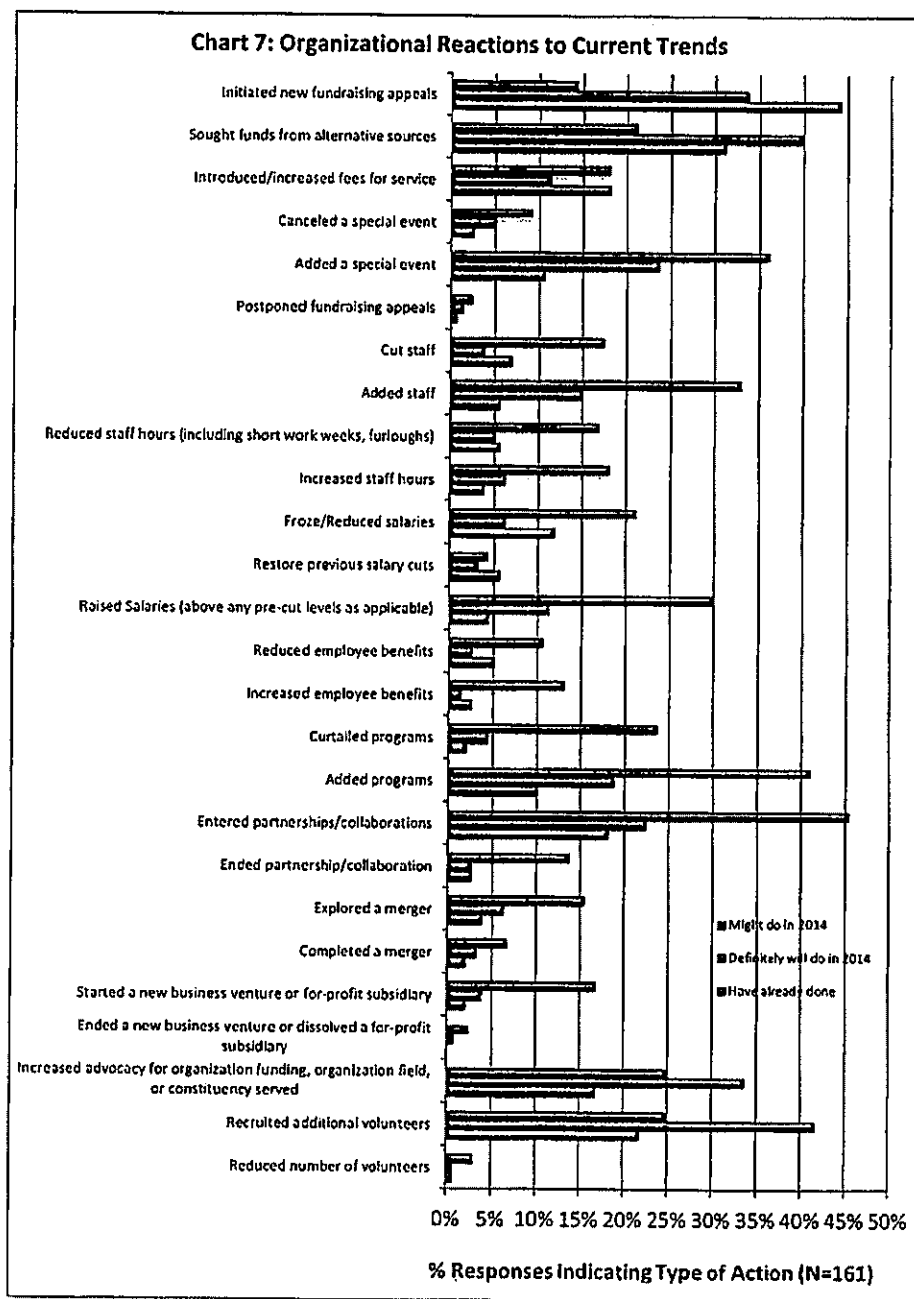
Projected Funding from Specific Sources in 2014

Respondents' overall optimism regarding funding also carried over into several major funding categories. For the first time in several years, a higher proportion of respondents predicted funding increases from foundation and corporate sources, along with individual giving and special events. For many other major funding levels, such as government and fees for service, respondents were more cautious in their outlook, but fewer decreases overall were predicted compared with one year ago (Chart 6, next page).



Organizational Reactions to Emerging Trends

In 2013, organizations continued to seek additional sources of revenue to support their work. (Chart 7) A sizeable percentage also reported that they had added new programs or were considering doing so, and significant number indicated that they had launched, or were contemplating new collaborative efforts. Comparatively fewer respondents identified staff or program cuts as having been taken, although between 20-25% indicated that such actions were a possibility in 2014. Sixteen percent said that they might explore a merger in 2014 and 7% said that they might complete one this year. These responses suggest modest improvements are taking place, although others are still working their way back from the economic downturn.



Partnerships/Collaborations

A significant portion (57%) of respondents reported launching new partnerships or collaborations in 2013, most commonly with other non-profit organizations, although partnerships with government and business were also reported. Sample activities included regional partnerships with out-of-state organizations; non-profit/university partnerships; leveraging complementary purposes for Sandy recovery; joint fundraising efforts; and a co-location center for non-profits.

Changes in Program/Service Focus

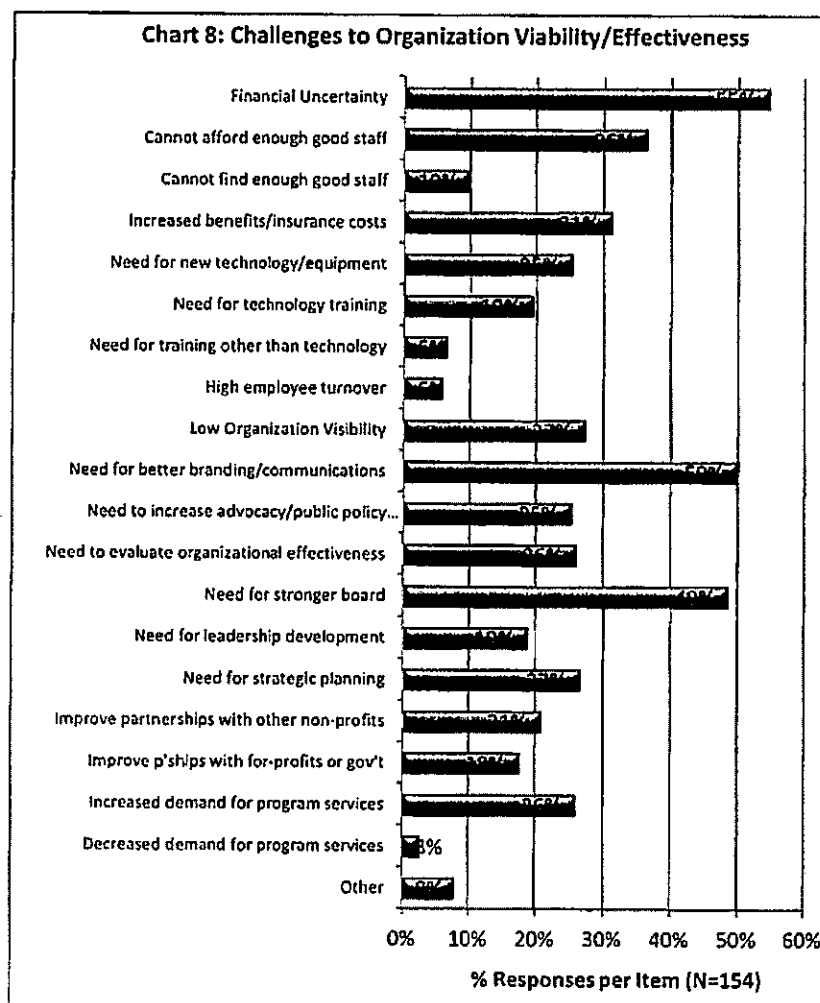
Respondents were asked to describe any changes in program or service focus made in response to the trends they had experienced. Consistent with the past few years, many reported streamlining operations, narrowing focus or reducing/eliminating programs due to funding or capacity shortages, while others reported launching new advocacy campaigns or fund raising activities. Several reported undertaking internal reorganizations such as board or organizational restructuring, or program analysis/planning. A number mentioned service adaptations such as Sandy recovery; education or programs related to the Affordable Care Act; and immigration-related advocacy or services.

Issues Facing New Jersey's Non-Profits

Respondents were asked to identify which issues, aside from funding, presented the greatest challenges to the viability and effectiveness of their *individual*

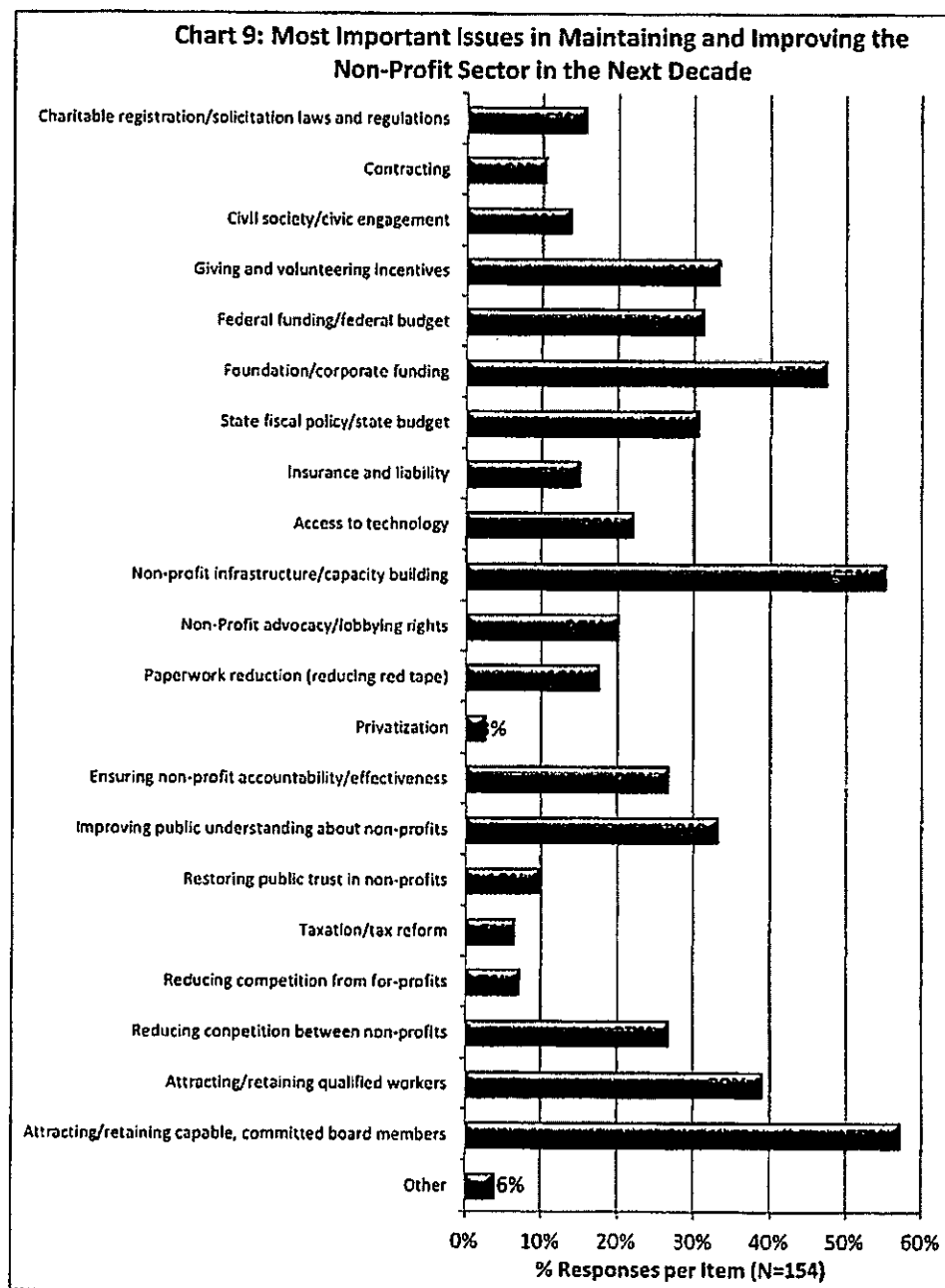
organizations. They were also asked to select from a diverse list those five issues that they felt were most important to improving the viability of the *non-profit sector* in the coming decade.

Challenges faced by individual organizations
Financial uncertainty, selected by 55% of respondents, was the most frequently cited challenge for individual organizations, followed by the need for better branding/communications (50%), and the need for a stronger board (49%), followed by staffing and benefits costs, cited by approximately one-third as challenges. A variety of infrastructure and outreach-related concerns, such as strategic planning, evaluation, technology and visibility, were also identified by approximately one-fourth of respondents (Chart 8).



Non-Profit Sector Issues

Governance, infrastructure and funding concerns continued to dominate the issues identified as important to the well-being of the non-profit community. Indeed, the top issue cited was attracting/retaining capable, committed board members (57%), followed by non-profit infrastructure/capacity building (55%) and foundation/corporate funding (47%). Attracting/retaining qualified workers (39%), giving/volunteering incentives (33%), improving understanding about non-profits (33%), and federal or state government funding (31% each) were also mentioned frequently (Chart 9).



Overall Circumstances and Outlook

Comparison with One Year Ago

There was a marked improvement in respondents' assessment of their organizations' overall circumstances compared with one year ago. Fifty-eight percent – the highest since 2008 – reported that their organization's circumstances had improved over the past year, while only 12% said that their situation was worse and 30% said it was no different (Table 9).

Overall, would you describe your organization's circumstances as better, worse, or no different than the same time a year ago?							
Response	January 2014	February 2013	January 2012	February 2011	February 2010	February 2009	2008
Better	58%	43%	38%	32%	30%	31%	51%
Worse	12%	22%	23%	29%	36%	34%	15%
No different	30%	35%	40%	38%	34%	36%	35%

Table 9

Outlook for 2014

Similarly, predictions by survey respondents regarding whether their overall circumstances in one year would be better, worse, no different or "unknown/too early to tell" were notably more optimistic than in recent years. Although a significant proportion remain cautious in their outlook, over 60% expected their organization's circumstances to improve and only 3% predicted that it would worsen. (Table 10)

Overall, one year from now, do you think your organization's circumstances will be better, worse or no different than they are currently?							
Response	January 2014	February 2013	January 2012	February 2011	February 2010	February 2009	2008
Better	62%	46%	44%	45%	43%	41%	68%
Worse	3%	7%	8%	10%	14%	33%	8%
No different	11%	15%	16%	11%	9%	26%	24%
Unknown/Too early to tell	25%	32%	32%	34%	34%	n/a	n/a

Table 10

Interpretation/Implications

This year's survey revealed encouraging signs of economic improvement for a significant number of organizations. More organizations reported increased or steady funding, fewer decreases were reported, and overall optimism was higher than in recent years.

However, demand for services continues to skyrocket, and funding, while improving, is not keeping pace with rising demand and increased expenses. Many factors, including the slow economic recovery, funding uncertainties, flat or reduced government funding, and organizational infrastructure and capacity issues are continuing to challenge many organizations.

With governments and communities turning more than ever to non-profits to provide essential programs and services, non-profits continue to develop creative solutions, forge new partnerships, and adjust their working models in order to meet community needs.

The Center for Non-Profits will continue to share the latest information about the economic, social and policy environment for non-profits, and will work cooperatively to help tackle the collective challenges we face.



About the Center for Non-Profits

The Center for Non-Profits is New Jersey's state association of non-profits. For more than 30 years since its founding in 1982, the Center has been, and remains, New Jersey's only umbrella organization for all charities in the state.

The champion and first-stop resource *for and about* New Jersey non-profits

The Center helps thousands of non-profits every year – **tracking trends, advocating on non-profit issues, providing legal and management expertise and timely information.** We specialize in the issues that are common to the broad cross-section of non-profits, enhancing and complementing the work organizations do in their own fields. Because the Center is keeping watch on these broad issues, **individual non-profits are free to focus more on their own goals, saving time and money in the process.**

A strong **BASE for New Jersey non-profits**

Building non-profit capacity through shared resources and expertise

Advocating on behalf of the New Jersey non-profit sector

Saving non-profits money through group buying and affinity programs

Educating prospective and existing non-profit leaders on best practices

For more information about the Center and how membership can add value for your organization, visit www.njnonprofits.org, or call the Center at 732-227-0800.

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IRS: Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2007

Table 2. Individual Income and Tax Data, by State
And Size of Adjusted Gross Income, Tax Year 2007*
(Money amounts in thousands of dollars)

Item	All returns	Size of adjusted gross income				
		Under \$50,000 (1)	\$50,000 to \$64,999 \$65,000	\$65,000 to \$99,999 \$100,000	\$100,000 to \$149,999 \$150,000	\$150,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)
New Jersey						
Number of returns	4,678,140	2,758,018	888,533	401,437	217,347	213,805
Number of joint returns	1,528,728	423,733	243,887	261,824	481,121	204,070
Number with paid preparer's signature	2,873,214	1,632,629	590,111	268,911	129,618	172,945
Number of exempt filers	8,610,232	5,658,616	1,218,723	963,063	1,717,318	737,055
Adjusted gross income (AGI) (1)	338,524,254	49,487,383	36,341,233	24,887,938	28,883,122	137,819,777
Capital gains and losses in AGI: (2) Number	3,847,858	2,016,884	514,690	337,845	848,763	208,796
Amount	773,512,964	41,741,688	28,289,547	27,018,328	63,843,445	77,892,024
Taxable interest: (3) Number	2,586,107	872,962	372,742	298,431	822,431	213,599
Amount	8,972,687	1,728,473	941,349	683,284	1,689,874	4,528,797
Ordinary dividends: (4) Number	1,328,577	482,980	185,883	167,182	331,647	127,886
Amount	8,624,733	844,421	571,579	583,858	1,284,487	4,887,028
Business or profession net income (loss) (5) Number	804,703	247,248	77,252	83,145	115,218	84,957
Amount	10,840,584	3,738,808	898,980	847,048	2,471,809	4,604,949
Number of farm returns	9,346	2,009	1,268	1,291	3,375	1,882
Net capital gain (loss) in AGI: (6) Number	1,078,981	251,482	141,129	128,988	275,481	178,431
Amount	28,377,889	8,404,485	434,807	543,369	2,182,831	22,097,077
Transferable individual retirement arrangements distributions: (7) Number	254,940	184,884	81,803	47,892	68,792	23,859
Amount	5,591,499	3,778,738	1,896,853	724,281	1,817,886	1,078,858
Taxable pensions and annuities in AGI: (8) Number	777,902	386,609	120,541	84,245	227,800	42,110
Amount	15,090,902	3,888,838	2,841,718	2,470,330	6,227,708	1,735,418
Unemployment compensation: (9) Number	308,588	199,881	47,749	32,873	38,257	7,886
Amount	1,724,487	886,143	279,382	186,100	222,731	8,110
Taxable Social Security benefits in AGI: (10) Number	804,300	182,829	112,643	77,549	81,180	26,839
Amount	5,892,440	1,038,292	1,682,801	1,371,987	1,788,519	878,539
Self-employment retirement plan: (11) Number	48,469	3,848	3,889	4,357	14,272	22,108
Amount	1,011,382	26,428	32,027	46,785	224,872	889,406
Total itemized deductions: (12) Number	1,158,872	813,858	348,433	311,080	549,284	228,198
Amount	80,874,838	10,238,502	7,247,780	7,241,922	18,730,845	18,218,396
State and local income taxes: (13) Number	1,850,380	303,719	298,414	278,244	828,880	223,538
Amount	14,747,080	1,022,841	631,803	882,873	3,111,238	9,089,438
State and local general sales tax: (14) Number	299,030	182,809	64,084	32,230	22,381	3,738
Amount	308,730	178,958	81,830	58,332	48,414	17,486
Real estate taxes: (15) Number	1,730,518	404,879	308,150	283,583	517,276	218,881
Amount	12,846,474	2,187,827	1,747,888	1,615,147	4,138,700	3,089,128
Taxes paid: (16) Number	1,167,840	610,431	256,987	211,580	649,868	228,178
Amount	21,867,083	8,854,812	2,608,771	2,281,840	7,495,454	13,002,831
Net capital loss in AGI: (17) Number	1,512,184	203,184	276,154	264,893	488,486	184,828
Amount	20,722,287	3,828,884	3,821,078	2,887,873	6,448,835	4,774,148
Contributions: (18) Number	1,682,701	357,257	309,818	274,741	303,217	218,874
Amount	3,898,829	587,803	687,815	618,018	1,412,829	2,845,384
Taxable income: (19) Number	3,498,879	1,878,377	591,758	399,718	646,368	233,590
Amount	235,481,187	73,753,234	73,178,108	73,252,253	87,887,484	107,208,888
Total tax credits: (20) Number	1,430,023	873,327	233,789	201,060	391,799	117,814
Amount	1,833,143	452,835	310,539	308,312	298,658	77,942
Residential energy tax credits: (21) Number	77,029	77,014	34,111	32,860	86,532	17,029
Amount	41,081	8,983	7,688	7,772	14,721	4,895
Child tax credit: (22) Number	718,454	284,080	182,808	130,830	147,840	197
Amount	883,218	733,201	222,778	211,042	194,008	86
Child and dependent care credit: (23) Number	328,808	88,822	34,181	31,719	85,682	73,141
Amount	234,880	43,300	18,486	18,078	48,444	19,098
Earned income credit: (24) Number	831,781	531,731	0	0	0	0
Amount	1,027,494	1,097,483	0	0	0	0
Excess earned income credit (refundable): (25) Number	457,230	477,230	0	0	0	0
Amount	670,458	870,458	0	0	0	0
Alternative minimum tax: (26) Number	278,781	1,107	2,841	4,983	79,360	198,422
Amount	1,408,093	5,381	3,384	9,184	145,184	1,272,828
Income tax: (27) Number	3,136,094	1,412,288	664,083	383,814	995,248	332,850
Amount	48,348,132	2,322,840	3,147,641	3,318,177	10,281,263	75,312,378
Total tax liability: (28) Number	3,353,872	1,795,874	664,822	388,592	886,140	232,718
Amount	80,841,878	2,842,922	3,548,842	3,686,711	10,741,854	20,881,720
Tax due at time of filing: (29) Number	808,714	378,682	172,193	88,030	185,333	122,373
Amount	4,991,164	283,028	308,833	250,829	804,843	2,878,971

Overseas as related (12) Number	3,183,637	1,884,270	440,834	295,829	581,372	77,377
Amount	9,072,179	3,616,374	1,337,428	1,168,000	1,041,153	1,031,429

IRS: Table 2 Individual Income and Tax Data, by State and Size of Adjusted Gross Income,

Table 2. Individual Income and Tax Data, by State and Size of Adjusted Gross Income, Tax Year 2013
(Money amounts are in thousands of dollars)

Item	All returns	Size of adjusted gross income									
		Under \$1 [1]	\$1 under \$10,000	\$10,000 under \$25,000	\$25,000 under \$50,000	\$50,000 under \$75,000	\$75,000 under \$100,000	\$100,000 under \$200,000	\$200,000 under \$500,000	\$500,000 under \$1,000,000	\$1,000,000 or more
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
NEW JERSEY											
Number of returns	4,326,890	57,230	639,770	845,860	887,850	571,400	392,060	857,446	224,110	35,220	16,840
Number of single returns	2,029,920	36,560	536,770	503,760	466,590	256,180	117,510	95,960	18,860	2,570	1,150
Number of joint returns	1,566,540	15,680	39,900	116,150	196,890	206,790	223,050	520,560	197,770	31,460	14,150
Number of head of household returns	638,850	2,930	55,930	210,440	196,860	69,820	42,370	33,370	5,750	820	340
Number with paid preparer's signature	2,808,810	42,190	273,950	530,530	559,610	370,830	262,070	446,290	162,190	29,250	14,400
Number of exemptions	9,346,480	80,990	530,490	1,401,900	1,632,990	1,115,790	894,470	1,825,410	695,520	115,770	53,170
Number of dependent exemptions	2,795,260	17,150	115,270	498,590	552,390	338,250	279,600	647,630	273,720	49,110	23,200
Adjusted gross income (AGI) [2]	335,598,912	-5,532,191	3,229,324	14,432,026	32,318,008	35,206,283	34,013,411	90,426,270	63,858,968	23,701,451	44,057,375
Total income: [3] [4] Number	4,318,540	48,900	639,770	845,860	887,850	571,400	392,060	857,446	224,110	35,220	16,840
Amount	346,904,282	-5,520,758	3,348,600	14,700,683	32,816,536	35,678,655	34,435,197	91,597,751	65,023,336	24,237,687	44,589,605
Salaries and wages in AGI: Number	3,595,350	16,140	470,590	665,030	761,940	490,290	341,010	598,290	207,900	31,520	13,650
Amount	246,194,255	547,164	2,400,325	10,550,220	25,699,330	26,988,696	25,575,116	70,741,481	48,628,443	15,742,272	19,319,506
Taxable interest: Number	1,513,160	21,710	114,360	149,270	215,600	216,810	187,300	387,960	172,250	32,270	15,410
Amount	3,291,284	115,658	63,444	135,871	207,919	235,755	226,522	543,333	469,550	258,335	1,132,000
Ordinary dividends: Number	1,091,950	19,740	87,810	93,450	132,690	139,230	128,950	294,200	151,790	29,690	14,490
Amount	7,355,822	122,628	105,709	209,831	364,453	476,611	503,803	1,429,273	1,465,823	738,056	1,938,267
Qualified dividends: [5] Number	1,015,560	18,190	80,130	84,150	120,560	127,750	115,880	276,740	145,880	28,830	14,190
Amount	5,290,426	78,644	66,308	131,229	238,566	329,334	355,759	1,054,504	1,119,555	557,928	1,394,507
State and local income tax refunds: Number	859,860	2,080	5,070	20,100	83,420	156,110	163,849	335,739	93,210	11,620	8,800
Amount	1,397,496	8,327	2,811	9,537	42,855	103,460	145,587	401,644	245,732	106,684	321,257
Business or profession net income (less loss): Number	427,060	15,550	87,570	118,840	95,040	69,480	58,120	119,550	50,880	8,420	3,520
Amount	12,112,264	-163,361	413,181	1,196,874	1,135,356	896,445	875,594	2,681,734	3,030,275	1,066,796	957,371
Net capital gain (less loss) in AGI: Number	902,520	25,790	73,000	70,340	100,720	106,800	100,210	240,570	140,500	29,840	14,770
Amount	13,909,881	180,718	13,100	70,956	134,569	216,066	267,854	1,155,725	2,022,859	1,411,068	8,416,563
Taxable individual retirement arrangements distributions: Number	420,230	4,750	26,620	57,680	73,520	66,030	56,720	30,650	16,150	4,240	1,870
Amount	7,310,804	77,857	97,553	382,366	709,539	902,254	979,402	2,440,930	1,346,998	248,141	127,766
Taxable pensions and annuities in AGI: Number	793,590	6,640	53,079	119,260	150,690	133,049	106,110	172,670	45,350	5,110	2,230
Amount	19,181,177	87,247	236,922	1,229,829	2,427,924	3,140,291	3,145,477	8,425,760	2,106,539	252,112	129,878
Number of farm returns	8,220	640	450	680	1,170	1,300	1,170	2,960	1,150	240	170
Unemployment compensation: [6] Number	391,990	1,370	25,550	104,820	92,160	51,930	39,700	61,600	13,400	1,200	760
Amount	3,250,111	12,239	117,821	752,265	876,026	478,593	353,522	527,520	117,902	11,830	2,592
Taxable social security benefits in AGI: Number	578,480	100	1,530	61,870	141,380	120,600	91,680	125,280	30,130	4,000	1,900
Amount	6,935,261	968	6,724	116,396	1,015,823	1,902,550	1,868,453	3,024,788	810,583	113,494	55,542
Partnership (S-corp) net income (less loss): Number	275,930	11,490	8,360	16,410	27,600	27,580	27,190	72,360	56,320	17,430	10,650
Amount	19,068,167	-1,110,201	-13,082	-45,614	195,517	272,770	360,815	1,809,829	4,129,651	3,873,647	9,677,515
Total statutory adjustments: [7] Number	1,094,930	12,950	102,070	168,440	206,350	163,740	197,890	232,780	75,670	15,990	8,360
Amount	5,304,370	111,453	117,276	268,677	497,520	478,392	421,785	1,177,481	1,164,339	336,235	531,331
Educator expenses: Number	153,870	260	1,080	6,350	20,490	28,600	24,620	59,250	12,640	600	190
Amount	39,519	82	229	1,500	4,920	7,024	6,110	16,191	3,286	165	32
Self-employed (Keogh) retirement plans: Number	43,150	130	190	560	1,770	2,300	3,020	12,380	16,270	4,560	2,570
Amount	1,089,714	1,618	888	3,355	16,249	26,019	36,544	203,831	422,908	224,054	153,649
Self-employed health insurance deduction: Number	105,330	3,090	4,730	9,040	14,500	12,280	10,490	23,460	16,200	5,990	3,580
Amount	1,034,432	24,581	23,396	51,517	106,947	97,251	90,270	232,610	244,263	99,799	69,588
Individual retirement arrangement payments: Number	83,720	360	1,240	5,310	16,310	15,800	12,550	26,530	4,670	800	340
Amount	447,660	1,681	4,176	18,045	67,933	75,460	88,820	155,522	44,056	8,084	3,582
Student loan interest deduction: Number	323,070	2,320	13,170	48,200	98,010	71,990	30,820	80,570	0	0	0
Amount	356,810	3,100	14,293	50,420	118,284	72,301	37,968	60,423	0	0	0
Tuition and fees deduction: Number	55,690	2,270	8,860	5,590	6,800	11,090	2,820	18,160	0	0	0
Amount	141,474	8,333	26,562	14,831	17,065	25,814	6,722	40,128	0	0	0
Domestic production activities deduction: Number	11,090	10	170	270	560	680	730	2,570	3,000	1,470	1,630
Amount	217,985	36	64	174	930	1,532	2,074	11,877	27,825	30,700	142,670
Total itemized deductions: [8] Number	1,797,330	0	39,120	105,750	242,690	299,850	269,110	579,290	220,740	34,910	15,680
Amount	54,133,530	0	650,702	1,736,047	4,171,554	5,693,198	6,940,255	18,402,658	10,523,330	3,338,121	5,674,624
State and local income taxes: Number	1,495,390	0	7,790	36,320	157,250	233,220	237,600	554,790	218,060	34,890	15,600
Amount	15,280,085	0	15,618	41,556	216,781	549,942	810,451	3,494,551	3,822,245	1,880,353	4,437,767
State and local general sales taxes: Number	273,390	0	24,410	60,120	78,810	53,720	30,180	23,420	2,490	200	70
Amount	264,145	0	10,670	34,680	63,882	59,337	42,813	44,531	6,930	897	314
Real estate taxes: Number	1,573,260	0	31,020	81,900	188,370	243,620	239,270	535,980	206,510	33,420	15,210
Amount	14,068,376	0	215,598	537,058	1,212,189	1,646,041	1,790,952	4,832,546	2,692,744	863,490	478,760
Total taxes paid: Number	1,791,480	0	37,480	104,020	241,530	289,300	258,890	579,010	220,680	34,690	15,680
Amount	29,806,147	0	244,253	625,140	1,528,482	2,287,751	2,683,822	8,456,455	6,558,230	2,564,697	4,907,337
Home mortgage interest paid: Number	1,276,430	0	16,130	47,550	137,750	195,950	201,390	465,180	175,590	26,560	10,230
Amount	11,994,819	0	103,456	300,300	918,494	1,412,543	1,627,744	4,539,948	2,375,129	492,144	225,061
Charitable contributions: Number	1,524,690	0	21,600	71,240	195,190	238,240	239,790	582,110	303,970	99,210	15,210
Amount	5,486,148	0	26,591	101,965	345,879	510,214	551,128	1,500,103	1,022,321	401,993	1,031,853
Taxable income: Number	3,378,980	0	92,440	552,260	846,100	566,750	390,590	658,280	222,820	25,170	15,800
Amount	242,880,010	0	172,493	3,534,714	16,899,961	22,895,994	23,356,175	66,090,137	51,150,631	20,246,732	38,433,173
Income tax before credits: Number	3,345,650	310	79,420	541,880	839,380	564,820	386,560	655,490	222,930	35,210	16,840
Amount	53,116,311	4,168	18,948	272,042	2,090,185	3,304,201	3,590,876	11,792,558	12,747,089	6,215,265	13,072,678
Alternative minimum tax: Number	255,690	250	50	320	320	1,100	4,110	45,090	182,800	19,420	2,230
Amount	1,637,143	4,154	214	539	1,256	1,957	6,038	97,700	1,079,608	254,100	191,574
Total tax credits: [9] Number	1,334,070	180	6,310	165,700	333,690	219,250	169,340	315,170	86,890	21,830	11,720

Amount	2,051,256	21,203	65,399	193,574	208,735	170,785	166,371	458,384	421,634	166,712	178,458
Total tax payments: [10] Number	4,090,570	26,080	527,110	765,750	863,060	562,870	368,340	653,830	222,950	35,020	15,760
Amount	62,045,317	175,521	456,130	2,319,115	3,812,189	4,332,526	4,409,682	13,303,187	12,969,833	6,190,146	14,074,877
Earned income credit: [11] Number	630,100	5,610	165,990	286,520	169,270	710	0	0	0	0	0
Amount	1,415,169	6,855	168,725	899,711	319,662	116	0	0	0	0	0
Excess earned income credit (refundable): [12] Number	541,610	3,770	142,160	267,440	137,700	550	0	0	0	0	0
Amount	1,213,895	4,584	157,761	790,290	261,172	88	0	0	0	0	0
Additional child credit: Number	455,690	2,990	53,630	230,690	142,550	21,190	3,890	1,030	(16)	0	0
Amount	576,842	4,733	36,864	300,418	202,947	29,169	5,117	1,590	4	0	0
Refundable education credit: [13] Number	313,940	4,190	29,750	66,480	67,940	42,620	33,060	69,910	0	0	0
Amount	297,049	4,197	28,423	56,153	61,820	42,324	32,800	71,332	0	0	0
Income tax: [14] Number	3,061,990	230	76,100	426,150	700,680	541,970	385,510	654,100	222,900	35,200	15,830
Amount	51,445,766	4,001	16,427	307,434	1,781,654	3,012,604	3,337,272	11,318,806	12,630,033	6,102,765	12,934,575
Total tax liability: [15] Number	3,263,870	5,900	181,080	510,520	736,050	549,650	387,440	655,030	223,960	35,200	15,830
Amount	54,428,690	28,995	84,287	507,313	2,068,441	3,207,043	3,529,877	11,855,200	13,268,472	6,453,163	13,476,898
Total additional Medicare tax: Number	163,080	400	20	60	150	130	190	6,290	113,570	26,900	13,250
Amount	364,300	782	23	45	199	169	137	2,032	89,234	190,790	170,888
Net investment income tax: Number	149,530	20	20	20	30	50	60	2,000	103,650	29,470	14,200
Amount	546,933	578	152	27	33	116	79	916	80,532	85,007	378,891
Tax due at time of filing: [16] Number	796,490	4,720	67,130	78,720	117,150	112,740	87,610	189,750	110,990	20,240	7,450
Amount	4,685,076	10,155	31,471	88,905	196,745	267,258	256,716	871,911	1,299,679	702,992	969,243
Overpayments refunded: [17] Number	3,272,770	21,280	489,440	729,990	752,250	444,200	291,930	441,070	91,510	7,520	3,540
Amount	10,703,220	126,267	401,236	1,890,470	1,971,255	1,338,790	1,092,718	2,133,477	561,735	153,154	934,100

11 Not shown to avoid disclosure of information about specific taxpayers. However, the data are combined with data in an adjacent site class, as appropriate, and included in the appropriate totals.

[1] Includes returns with adjusted gross deficit.

[2] Less deficit.

[3] "Total income" represents the summation of taxpayer reported income items made up in the calculation of the total income line of Form 1040 before adjustments.

[4] "Number," here, and elsewhere in Table 2, represents number of returns, unless otherwise specified. The number of returns have been rounded to the nearest ten.

[5] "Qualified dividends" are ordinary dividends received that meet certain conditions and receive preferential tax rates. The maximum qualified dividends tax rate is 20%.

[6] Includes the Alaskan permanent fund, reported by residents of Alaska on Forms 1040A and 1040EZs. This fund only applies to statistics in the U.S. totals, and the state of Alaska.

[7] "Total statutory adjustments" represents the summation of the individual adjustments to income reported on Form 1040.

[8] The components are overstated in relation to the total because there was a statutory limitation on the total of itemized deductions that could be claimed by certain high-income taxpayers. This limitation did not affect the component deductions, the sum of which therefore exceeded the total used in computing income tax.

[9] "Total tax credits" represent the summation of taxpayer reported credit items made up in the calculation of the total credits line of Form 1040. It does not include the "earned income credit" and "refundable education credit," which are shown separately below in the table.

[10] "Total tax payments" represent the summation of taxpayer reported payment items made up in the calculation of the total payments line of Form 1040.

[11] "Earned income credit" includes both the refundable and non-refundable portions. The non-refundable portion could reduce income tax and certain related taxes to zero. The earned income credit amounts in excess of total tax liability, or amounts when there was no tax liability at all, were refundable. See footnote 12 below for explanation of the refundable portion of the earned income credit.

[12] The refundable portion of the "earned income credit" equals "total income tax" minus the "earned income credit." If the result is negative, this amount is considered the refundable portion. No other refundable credits were taken into account for this calculation.

[13] The "refundable education credit" can partially or totally offset tax liability as well as be totally refundable.

[14] "Income tax" reflects the amount reported on Form 1040 line 55. It also includes data from Form 1040A and 1040EZ filers. This amount differs from "income tax after credits" used in statistical tables derived from the Individual Statistics of Income (SOI) sample. The SOI figure for "income tax after credits" takes into account the effect of refundable credits.

(11) "Earned income credit" includes both the refundable and non-refundable portions. The non-refundable portion could reduce income tax and certain related taxes to zero. The earned income credit amounts in terms of total tax liability, or amounts when there was no tax liability at all, were refundable. See footnote 12 below for explanation of the refundable portion of the earned income credit.

(12) The refundable portion of the "earned income credit" equals "total income tax" minus the "earned income credit." If the result is negative, this amount is considered the refundable portion. No other refundable credits were taken into account for this calculation.

(13) The "refundable education credit" can partially or totally offset tax liability as well as be totally refundable.

(14) "Income tax" reflects the amount reported on Form 1040 line 58. It also includes data from Form 1040A and 1040EZ filers. This amount differs from "income tax after credits" used in statistical tables derived from the Individual Statistics of Income (SOI) sample. The SOI figure for "income tax after credits" takes into account the effect of refundable credits.

(15) For Table 1, "Total tax liability" differs from "income tax" in that "Total tax liability" includes the taxes from recipients of certain retirement credits, tax applicable to individual retirement arrangements (IRAs), social security taxes on self-employment income and on certain tip income, advanced earned income payments, household employment taxes, and certain "other taxes" listed in the Form 1040 instructions.

(16) Refunds payments to or withholdings made to "Total tax liability." This is the amount the tax filer owes when the income tax return is filed.

(17) The amount of overpayments the tax filer requested to have refunded.

(18) Includes, for example, returns filed from Army Post Office and Fleet Post Office addresses by members of the armed forces; returned envelopes; returns filed by other U.S. citizens abroad; and returns filed by residents of Puerto Rico with income from sources outside Puerto Rico or with income earned as U.S. government employees.

(19) Less than 6 returns.

(20) Less than \$500.

NOTE: This table presents aggregates of all returns filed and processed through the Individual Master File (IMF) system during Calendar Year 2013, including any returns filed for tax years preceding 2012.

In general, during administrative or Master File processing, taxpayer reporting discrepancies are corrected only to the extent necessary to verify the total tax liability reported. Most of the other corrections to the taxpayer records used for these statistics could not be made because of time and resource constraints. The statistics in Table 2 should, therefore, be used with the knowledge that some of the data have not been perfected or edited for statistical purposes and that U.S. totals in this table may not be altogether comparable to U.S. totals published in Individual Income Tax Returns, IRS Publication 1304, as a result. Also, see footnote 16, above for differences in tax return coverage, which affect U.S. totals in this table.

Classification by State was mostly based on the taxpayer's home address. However, some taxpayers may have used the address of a tax preparer, or accountant, or the address of a place of business; moreover, such addresses could have been located in a State other than the State in which the taxpayer resided.

For explanation of the tax law changes which could affect the year-to-year analysis of data, refer to the respective years' "Individual Income Tax Returns, Preliminary Data" article published in the SOI White Papers. For further explanation of the tax terms, refer to the respective years' "Individual Income Tax Returns," Publication 1304.

Note: Number of returns and amounts may not add to totals because of rounding.

SOURCE: IRS, Statistics of Income Division, Individual Master File System, December 2013.

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Reporting Public Charities in New Jersey, 2012

NTEE Code	Description	Number	Gross Receipts	Total Revenue	Public Support	Total Expenses	Total Assets
A	Arts, Culture, and Humanities	1,056	511,856,339	399,752,765	169,436,120	409,719,585	1,114,424,197
B	Education	2,428	7,563,708,667	5,970,559,579	1,716,063,840	5,621,508,197	29,210,065,774
C	Environmental Quality, Protection, and Beautification	161	92,431,454	82,303,466	70,289,014	66,542,979	320,766,788
D	Animal-Related	241	81,689,930	69,234,399	40,166,616	63,596,821	127,670,099
E	Health	763	24,451,332,041	23,261,921,610	858,744,332	22,437,274,668	29,964,150,335
F	Mental Health, Crisis Intervention	268	936,615,783	907,309,746	487,104,331	899,754,230	590,390,108
G	Diseases, - Disorders, Medical Disciplines	351	496,704,379	457,137,749	224,616,477	442,089,644	389,212,215
H	Medical Research	63	152,847,138	78,229,336	32,466,559	80,733,289	329,076,064
I	Crime, Legal Related	127	131,297,461	126,916,322	105,394,001	125,581,106	83,984,958
J	Employment, Job Related	98	265,307,689	224,400,902	103,832,217	213,201,487	234,655,613
K	Food, Agriculture, and Nutrition	68	174,783,742	169,221,782	153,978,927	165,120,831	89,929,262
L	Housing, Shelter	460	490,533,111	438,515,555	149,726,952	404,732,451	1,523,588,943
M	Public Safety	457	55,923,989	49,308,633	32,105,892	46,722,176	194,898,111
N	Recreation, Sports, Leisure, Athletics	1,118	442,794,994	382,052,482	100,156,323	360,136,809	616,776,029
O	Youth Development	210	195,755,531	151,643,406	71,875,119	151,967,000	225,273,051
P	Human Services - Multipurpose and Other	1,155	3,785,904,166	3,438,520,561	1,492,468,514	3,427,862,965	4,542,940,848
Q	International, Foreign Affairs, and National Security	214	192,291,358	175,994,753	90,729,363	178,830,215	150,819,092
R	Civil Rights, Social Action, Advocacy	58	24,889,658	23,966,559	20,130,216	23,684,132	29,190,798
S	Community Improvement,	509	333,399,333	266,289,130	152,241,344	264,032,181	729,500,603

NTEE Code	Description	Number	Gross Receipts	Total Revenue	Public Support	Total Expenses	Total Assets
	Capacity Building						
T	Philanthropy, Voluntarism, and Grantmaking Foundations	444	1,550,772,501	718,518,702	593,574,845	536,552,578	2,151,992,541
U	Science and Technology Research Institutes, Services	43	975,018,748	532,610,318	121,057,008	485,861,646	1,208,779,775
V	Social Science Research Institutes, Services	22	23,926,684	19,143,716	11,616,332	18,744,831	14,387,757
W	Public, Society Benefit - Multipurpose and Other	69	36,658,957	36,193,442	23,930,806	37,664,904	31,840,155
X	Religion Related, Spiritual Development	652	446,583,258	371,425,028	201,517,415	328,532,779	2,220,863,685
Z	Unknown	13	1,000,160	948,269	420,205	1,144,569	11,202,714
Total		11,048	43,414,037,471	38,352,118,210	7,023,744,788	36,791,692,073	76,106,378,615

Notes: Excludes out-of-scope organizations.

Gross receipts = Total Revenue from the IRS Form 990 plus expenses on lines 6b, 8b, 9b, & 10b.

Total assets = Includes cash, savings, property, etc. from Part IV of the Form 990.

Total revenue = Includes all revenue reported on Part I, line 12 of the Form 990.

Total expenses = Reported from Part I, line 17 on the Form 990.

Public support = Includes private contributions & government grants from Part I, line 1d on the Form 990.

Source: NCCS Core File 2012 (The National Center for Charitable Statistics at the Urban Institute)

New Jersey Dept. of State-Cultural Trust-About the Trust

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New Jersey Department of State - Cultural Trust - About the Trust

Governor Chris Christie • Lt. Governor Kim Guadagno

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NEW JERSEY CULTURAL TRUST

GRANT OPPORTUNITIES

TRUST INFORMATION

FEATURED GRANT RECIPIENTS

CONTACT THE NJ CULTURAL TRUST

NJ Cultural Trust
P.O. Box 305
Trenton, NJ 08625

Tel: (609) 984-6767

Fax: (609) 633-8168

Email: Feedback@doe.nj.gov

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TRUST INFORMATION

The New Jersey Cultural Trust was created in July 2000 as a public/private partnership to help ensure a stable and healthy nonprofit cultural industry in New Jersey that is sustainable even in the toughest of economic times.

The Trust provides grants to support capital projects, endowments and institutional and financial stabilization of arts, history and humanities organizations in New Jersey. Funding for the grants comes from interest earned on the Cultural Trust Fund, which is a permanent investment fund.

With the FY 2014 grant awards, the Cultural Trust has distributed nearly \$6.6 million to qualified organizations throughout the State for financial stabilization and historic preservation projects. (See a listing of grant recipients under "Grant Opportunities" in this website.) The New Jersey State Council on the Arts, the New Jersey Historical Commission, and the New Jersey Historic Trust develop programs that recommend projects for such grants to the Cultural Trust. Please see the "Grant Amounts" section of the website for a complete listing of recipients and funded projects.

In order to participate in the programs of the Trust and be eligible to apply for grants, organizations must be "qualified." At this exciting time in the development of the Trust, we encourage all nonprofit arts, history and humanities organizations throughout the State to seek qualification. See the "Grant Opportunities" section for qualification and sample grant guidelines and applications.

Qualified Organizations

A copy of the qualified list can be found under the [GRANT OPPORTUNITIES SECTION](#).

Documents & Links

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WHAT IS THE CULTURAL TRUST?

The Cultural Trust is many things, including:

- a State agency, created by the Cultural Trust Act in July 2000, to ensure a stable and healthy nonprofit cultural industry in New Jersey;
- a funding source for grants to strengthen arts, history and humanities organizations and provide much needed dollars for capital improvements;
- a permanent investment fund that will yield annual income for distribution to cultural organizations;
- a public-private initiative;
- an incentive to increase philanthropy to New Jersey's nonprofit cultural organizations;
- a Governor-appointed board and professional staff dedicated to promoting and strengthening New Jersey's cultural resources;
- stewardship that ensures our state's cultural legacy; and
- a source of pride in New Jersey.

Why was the Cultural Trust created?

New Jersey has an extraordinary cultural landscape. Orchestras, theaters, artists, scholars, historical landmarks and museums and so much more enhance our quality of life, revitalize our cities, enrich our children's education, boost tourism, celebrate our achievements, commemorate our lives and make us proud.

Talented people and successful companies gravitate to places where culture thrives. And, as study after study has shown, the nonprofit arts and history organizations contribute over \$1.5 billion annually to our economic activity and to our economic health. The arts and humanities are part of what makes New Jersey great.

These important nonprofit organizations, as well serving and well run as they are, are also severely undercapitalized. They are particularly vulnerable to economic fluctuations. In a previous economic downturn when the arts and history communities lost precious state funding, too many were forced to close their doors and valuable cultural resources in our State were lost forever. Research revealed the need for more than \$1 billion in new and focused funding to ensure that our cultural organizations can both fight off bad economics and realize their full potential.

Since the mid-1990's, people in New Jersey have been talking seriously about how to establish an additional source of funding to help stabilize the arts, history and humanities. One way to do this, they agreed, was through a permanent endowment that would grow and provide income year after year, but for specific new purposes.

In the year 2000, the State created a unique and innovative way to ensure that New Jersey's rich cultural heritage thrives well into the future.

Without a single dissenting vote in either legislative house The New Jersey Cultural Trust was created as a State agency governed by a 15 member board to receive and invest funds and protect and nurture the State's cultural legacy for generations to come.

What is the Purpose of the Cultural Trust Fund?

The New Jersey Cultural Trust Fund is a permanent investment fund whose earnings will be given in grants to support three specific purposes:

- Build the endowments of nonprofit arts, history and humanities organizations
- Finance important capital projects, and
- Improve the organizational and financial management of cultural organizations.

Are Grants Being Awarded?

Yes, with the FY 2014 grant awards, the Cultural Trust has distributed nearly \$6.6 million to qualified organizations throughout the State for financial stabilization and historic preservation projects. (See a listing of grant recipients under "Grants Awarded" in this website.)

How can Cultural Organizations Apply for Grants?

Organizations must first be designated "qualified" in order to be eligible to participate in the programs of the Trust.

Any private, nonprofit, tax-exempt, arts, humanities, or history organization that is incorporated in New Jersey and has been operating for at least 4 years, and has appropriate financial records is eligible to be designated a "qualified" organization. Applications are accepted several times each year and forms may be obtained from the office by calling 609-984-8767 or from this website - see Programs Section.

As called for in the Cultural Trust Act, grants are made based on the recommendations from the New Jersey Council on the Arts, the New Jersey Historical Commission and the New Jersey Historic Trust. The recommending agencies establish criteria and guidelines for the grants programs, manage the process and make recommendations annually to the Cultural Trust. Sample applications are available on this website - see programs Section.

Qualified organizations will be notified when new grant programs are announced.

Builds the Fund, How Does it Work, What is the Financial Goal?

The Cultural Trust is a public-private initiative that seeks over ten years to develop through equal contributions from state and outside sources at least \$200,000,000 that can be invested either in the fund or the endowments of qualified organizations.

How do donors give to the Trust?

Donors are able to give in one of two ways. They can either give directly to the Trust Fund, or they can give to a particular qualified group or groups for endowment purposes. Each private sector contribution will trigger the State funds, subject to available appropriation, into the Fund.

As an example, The Geraldine R. Dodge Foundation made a lead gift of \$1 million to the Fund the very day the legislation was signed into law and that was matched by the State with \$1 million transferred into the Fund. The Cultural Trust Fund started that day with \$2 million.

How Donations are Matched

Is there any incentive for donors to give larger gifts?

Yes, to encourage large gift donations to endowments of qualified groups, when a qualified organization receives and certifies a single endowment gift of over \$100,000, the gift is matched, subject to available appropriation, with State dollars into the Fund. Twenty percent of the State's match then goes to that organization. The other eighty percent is kept in the Cultural Trust Fund. This is a powerful way for cultural groups to encourage the private sector to make larger gifts.

How and When are Donations Certified and Matched?

In order to certify a donation, an organization must first be designated "qualified."

A donation that is money, property, or other object(s) with monetary value given directly to a qualified organization that is expressly dedicated for endowment may be certified.

Only donations received since January 1, 2000 are eligible for certification.

An application to certify donations must be completed, signed by the appropriate officials of the organization and submitted with required documentation on or before the deadline, as established and announced by the Cultural Trust.

The Cultural Trust then certifies the donation to the State Treasurer who transfers any available State appropriations into the Cultural Trust Fund. At that time, any 20% large donation matches (or available portions thereof) are distributed by the Cultural Trust to the eligible organization.

Documentation includes:

- A copy of the donation documents received by the organization from the donor, designating the gift for the organization's endowment.

- A copy of the board minutes accepting the gift for the permanently restricted endowment of the organization.
- In the case of the donation of real property or other item(s) of monetary value, a certified appraisal, deed, or other documentation describing the real property or item of monetary value that states its fair market value as of the close of business on the day the donation is made. (The Cultural Trust Board reserves the right to require additional proofs of value.)
- Proof of receipt of the donation and its deposit into the organization's permanently restricted endowment fund, the financial institution and account numbers.
- A copy of the official organization board minutes establishing an endowment.
- Copies of the organization's policies and procedures governing the use and management of the endowment.
- The donation must be held in the organization's endowment in perpetuity and be classified as "permanently restricted" in audited financial statements of the organization.

Once certified by the Cultural Trust, future annual audits of the organization must identify in audit notes that the amount certified as well as any large gift matching funds received from the Cultural Trust are held in the permanently restricted endowment(s).

All qualified arts, history, and humanities organizations are strongly encouraged to plan to have their endowment donations, no matter how large or small, certified. They all help build the Trust Fund and speed us to our goal of stable cultural organizations able to do their best.

As of September 2013, the certification process is on hold pending the ability of the State to provide matching funds for previously certified donations. However, when the process is resumed, notification of deadlines and application guidelines and criteria will be broadly distributed and may be obtained from the Cultural Trust through this website.

WHAT IS THE STATUS OF THE FUND?

As of October 2013, the principal in the Fund itself has reached just over \$20 million and has earned over \$4 million in interest. Certified donations to endowments of qualified organizations plus 20% large gift matching dollars from the Fund exceed \$43 million.

Where is the money?

Where HAS THE MONEY COME FROM?

The Cultural Trust Act called on the State of New Jersey annually to appropriate \$10 million for ten years for a total of \$100 million to be leveraged into the Fund when private donations directly to the Fund, or to the endowments of qualified organizations, are certified. Had the State been able to meet that commitment, it would have contributed \$90 million through FY14.

However, to date, the State has contributed \$29,021,000 toward the purposes of the Trust with the following annual appropriations.

State Appropriations

FY13 - \$500,000	FY14 - \$500,000	FY13 - \$500,000	FY12 - \$500,000
FY11 - \$500,000	FY10 - \$500,000	FY09 - \$621,000	FY08 - \$500,000
FY07 - \$720,000	FY06 - \$500,000	FY05 - \$621,000	FY04 - \$500,000
FY03 - \$10,000,000	FY02 - \$10,000,000	FY01 - \$1,020,000	

The New Jersey Cultural Trust, a national model, does much to ensure that the State preserves and nourishes New Jersey's invaluable cultural resources well into the future.

Who CAN PARTICIPATE AND HOW?

NJ based nonprofit arts, history or humanities organizations.

Apply to be qualified. It makes you eligible to participate fully, including applying for grants.

Qualified organizations with an endowment or building one.

Seek to have every contribution certified. They build the Cultural Trust Fund faster, bolster interest earnings and increase the grants making impact.

Individuals, Corporations, Businesses, Foundations, Municipal and County Governments who care about the health and vitality of NJ and the future of its cultural community.

Support the Cultural Trust and its goals. Gifts given directly to the Cultural Trust Fund leverage a 100% State match to grow the Trust Fund. Gifts directed to the endowments of qualified organizations also leverage an equal State match into the Trust Fund, and when that gift is \$100,000 or more, the recipient receives an additional 20% from the State match.

Board members of nonprofit cultural organizations.

Encourage your organizations to become qualified and your donors to contribute to their endowments, thereby leveraging matching dollars directly into the Trust Fund. Strategize now about how to stabilize fully your organizations and pursue appropriate future opportunities for Cultural Trust support.

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www.nj.gov/state/culturaltrust/dos_ct_information.html

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2013 WL 3227790 (N.J.Tax)

UNPUBLISHED OPINION. CHECK COURT RULES
BEFORE CITING.

Tax Court of New Jersey

New Ventures Management, Inc.

v.

City of Camden

| June 25, 2013

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Opinion

Patrick DeAlmeida, P.J.T.C.

*1 This letter constitutes the court's opinion granting plaintiff's motion for summary judgment. For the reasons explained more fully below, the court concludes that plaintiff's real property in the City of Camden is exempt from local property taxes for tax year 2012. As has been the case in other recent exemption matters, the City offered no meaningful defense for its assessor's decision to revoke a longstanding exemption for property owned by a non-profit corporation providing valuable charitable services.

I. Findings of Fact and Procedural History

This letter opinion sets forth the court's findings of fact and conclusions of law with respect to plaintiff's motion. *R.* 1:7-4. The court's findings of fact are based on the certifications and exhibits submitted by plaintiff.

Plaintiff New Ventures Management, Inc. ("New Ventures") was incorporated in November 1982 under New Jersey's non-profit corporations law. The corporation's purposes are described in its certificate of incorporation as follows

a To acquire, retain, administer and manage the real estate known as 315 Cooper Street in the City of Camden, County

of Camden and State of New Jersey, and to acquire such other real estate as the corporation deems appropriate.

b. Not only to do and perform all things necessary or appropriate for the foregoing purpose but also to do and perform without limitation that which is deemed necessary to provide services to troubled youth of South Jersey; to provide assistance and programs in areas of education, counseling, employment and training as well as other areas to aid the healthy development of the youth of South Jersey, to serve those young people whose problems have led them into the Juvenile (sic) Justice System, and to provide a wide range of services to aid those young people to develop into healthy, happy, productive citizens; to provide diagnostic and remedial resources and services for the social adjustment of serious juvenile offenders, and to cooperate with public institutions and other human resource agencies in providing comprehensive and integrated services for such purposes.

New Ventures' certificate of incorporation provides that "[n]o part of the earnings of the corporation shall inure to the benefit of any officer, trustee or member of the corporation except that they may be paid reasonable compensation for services actually rendered to the corporation." In addition, the certificate of incorporation prohibits New Ventures from "carrying on propaganda or otherwise attempting to influence legislation" or acting in any way "in support of any political campaign on behalf of any candidate for public office." Upon dissolution, the assets of New Ventures, after discharge of the entity's debts, shall be distributed to or for the exclusive use of charitable, scientific, educational or other types of non-profit organizations.

Plaintiff purchased the subject property, which is designated by the City as Block 70, Lot 65, on January 26, 1983. Commonly known as 315 Cooper Street, the property has been leased by New Ventures to the Camden Center for Youth Development, Inc. ("CCYD") since the time of purchase. CCYD, then known as the Juvenile Resource Center, Inc., is plaintiff's "sister corporation" and was incorporated in September 1979 under the New Jersey non-profit corporations law. The purpose of CCYD is defined by its certificate of incorporation:

*2 The purposes for which this corporation is formed is to provide needed human services to troubled youth of South Jersey; to provide assistance and programs in areas of

education, counseling, employment and training as well as other areas to aid the healthy (sic) development of the youth of South Jersey; to serve those young people whose problems have led them into the Juvenile Justice System and to provide a wide range of services to aid these young people to develop into healthy, happy and productive citizens; to provide diagnostic and remedial resources and services for the social adjustment of serious juvenile offenders and to cooperate with public institutions and other human resource agencies in providing comprehensive and integrated services for such purposes

CCYD's certificate of incorporation provides that "[n]o part of the net earnings of the corporation shall inure to the benefit of, or be distributed to its members, trustees, officers or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of" CCYD's purposes. CCYD is prohibited from engaging in the distribution of propaganda or involvement in political campaigns. Upon dissolution, CCYD's assets, after satisfaction of CCYD's debts, shall be used to further the purposes of CCYD or distributed to an organization operated exclusively for charitable, educational, religious or scientific purposes.

The last executed lease for the subject property between New Ventures and CCYD is for the period July 1, 2008 to June 30, 2009 at \$1,250 per month. The lease provides that CCYD will use the subject property for "[a]dministrative offices and school facility" and has been continued past the stated end date continually through the 2012 tax year.

Plaintiff's uncontested statement of material facts not in dispute, which are deemed admitted, if substantially supported, by virtue of defendant's failure to object, *R.* 4:46-2(a), states that CCYD uses the subject property to provide programs and education in leadership development, academics, and vocational skills for troubled youth. Those

programs include: (1) skills training for parents and youth designed to reduce truancy in the Camden City school system. Parents and students are court mandated to attend the training after a student receives 15 absences from school; (2) student internships in the workplace with adult mentors; (3) the P.R.I.M.E. program addressing the needs of adolescent girls, focusing on minimizing disruptive behavior, building self-esteem, and improving socialization and coping skills. Participants in this program are referred by the Division of Child Protection and Permanency ("DCCP") or the courts; and (4) the P.E.A.C.E. program designed to keep young men off the streets of Camden in the evening. Through adult peer counseling session, the program focuses on youth development principles, self-awareness and problem solving. Participants are referred by the DCCP and the juvenile justice system. CCYD handles plaintiff's administrative matters at the subject property.

Both New Ventures and CCYD fund their operations through donations, grants and charity fundraising activity. In addition, CCYD receives tuition reimbursement from public school districts that refer students to CCYD programs. Neither entity generates a profit.

CCYD has a moderately compensated staff of counselors, coordinators and administrative employees. The agency's Executive Director earns an annual salary of \$66,496. The Coordinator of Disaffected Youth earns an annual salary of \$66,935. Seven other employees earn annual salaries ranging from \$5,200 to \$18,807.

Beginning with its purchase by plaintiff in 1983, the subject property was treated as exempt from local property taxes. On February 1, 2011, the City's tax assessor sent plaintiff a letter stating that the "Camden County Tax Administrator has made a determination that your facility is not eligible for exemption of real estate taxes. As a consequence, she has ordered me to notify your organization that your building will be taxed beginning January 1, 2011." No further explanation of the revocation was provided. Plaintiff's use of the property had not changed and the record reveals nothing suggesting a rationale for the assessor's decision.

*3 As a result, an assessment was placed on the subject property for tax year 2011:

Land	\$195,900
Improvements	<u>\$556,800</u>

Total

\$752,700

It appears plaintiff did not challenge the tax year 2011 revocation.

permit a rational factfinder to resolve the alleged disputed issue in favor of the non-moving party.

In 2012, plaintiff filed a petition of appeal with the Camden County Board of Taxation challenging the revocation of its exemption for tax year 2012.

On July 31, 2012, the board issued a Judgment affirming the assessment on the property.

On September 13, 2012, plaintiff filed a Complaint challenging the county board Judgment.

On March 12, 2013, plaintiff moved for summary judgment. Defendant does not oppose the motion. Although the motion is unopposed, the court has an obligation to make findings of fact and conclusions of law to determine whether the subject property is entitled to exempt status. *See Allstate Ins. Co. v. Fisher*, 408 N.J.Super. 289, 299–301 (App.Div.2009), R. 4:46–2.

The parties waived oral argument. Plaintiff's motion is, therefore, decided on the papers.

"The express import of the *Brill* decision was to 'encourage trial courts not to refrain from granting summary judgment when the proper circumstances present themselves.' " *Township of Howell v. Monmouth County Bd. of Taxation*, 18 N.J. Tax 149, 153 (Tax 1999) (quoting *Brill*, *supra*, 142 N.J. at 541). The court concludes that no genuine issues of material fact exist relevant to plaintiff's claim for an exemption for the subject property for 2012.

The Legislature has provided an exemption from local property taxes for:

all buildings owned by a corporation created under or otherwise subject to the provisions of Title 15 of the Revised Statutes or Title 15A of the New Jersey Statutes and actually and exclusively used in the work of one or more associations or corporations organized exclusively for charitable or religious purposes, which associations or corporations may or may not pay rent for the use of the premises or the portions of the premises used by them.

[N.J.S.A. 54:4–3.6.]

II. Conclusions of Law

Summary judgment should be granted where the pleadings, depositions, answers to interrogatories and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact challenged and that the moving party is entitled to a judgment or order as a matter of law. R. 4:46–2(c). In *Brill v. Guardian Life Ins. Co. of Amer.*, 142 N.J. 520, 523 (1995), our Supreme Court established the standard for summary judgment as follows:

[W]hen deciding a motion for summary judgment under *Rule* 4:46–2, the determination whether there exists a genuine issue with respect to a material fact challenged requires the motion judge to consider whether the competent evidential materials presented, when viewed in the light most favorable to the non-moving party in consideration of the applicable evidentiary standard, are sufficient to

The exemption applies only if the use of the building is "not conducted for profit" and the entity seeking the exemption is a non-profit entity that "owns the property in question and is incorporated or organized under the laws of this State and authorized to carry out the purposes on account of which the exemption is claimed...." *Ibid.* In addition, an exemption for a building used for charitable purposes "shall extend to cases where the charitable ... work therein carried on is supported partly by fees and charges received from or on behalf of beneficiaries using or occupying the buildings; provided the building is wholly controlled by and the entire income therefrom is used for said charitable ... purposes." *Ibid.*

*4 If a building is found to be exempt, "the lands whereon any of the buildings ... are erected, and which may be necessary for the fair enjoyment thereof, and which is devoted to the purposes above mentioned and to no other purpose and does not exceed five acres" is also exempt. *Ibid.* The parties do not dispute that in the event plaintiff establishes that its

building is exempt, the land on which the building sits would also be exempt

Because they represent a departure from the fundamental approach that all property owners bear their fair share of the local property tax burden "[t]ax exemption statutes are strictly construed, and the burden of proving entitlement to an exemption is on the party seeking it." *Abunda Life Church of Body, Mind & Spirit v. City of Asbury Park*, 18 N.J. Tax 483, 485 (App.Div.1999)(citing *New Jersey Carpenters Apprentice Training and Educ. Fund v. Borough of Kenilworth*, 147 N.J. 171, 177-78 (1996), cert. denied, 520 U.S. 1241, 117 S.Ct. 1845, 137 L. Ed.2d 1048 (1997); *Princeton Univ. Press v. Borough of Princeton*, 35 N.J. 209, 214 (1961)). "[A]ll doubts are resolved against those seeking the benefit of a statutory exemption...." *Chester Borough v. World Challenge, Inc.*, 14 N.J. Tax 20, 27 (Tax 1994)(quoting *Township of Teaneck v. Lutheran Bible Inst.*, 20 N.J. 86, 90 (1955)). These standards, however, do "not justify distorting the language or the legislative intent" of the exemption statute. *Boys' Club of Clifton, Inc. v. Township of Jefferson*, 72 N.J. 389, 398 (1977). "[W]hile the construction of the applicable statute must be strict, it must also be reasonable." *Phillipsburg Riverview Org., Inc. v. Town of Phillipsburg*, 26 N.J. Tax 167, 175 (Tax 2011)(citing *International School Serv., Inc. v. Township of West Windsor*, 412 N.J. Super. 511, 524 (App Div.), aff'd, 207 N.J. 3 (2011)), aff'd, 2013 N.J. Tax Lexis 9 (App Div 2013). "The rule of strict construction must not defeat the evident legislative design." *Ibid*.

It is undisputed that the subject property is owned by New Ventures, "a corporation created under or otherwise subject to the provisions of ... Title 15A...." N.J.S.A. 54:4-3.6. Nor is there any doubt that New Ventures is authorized to own the building and carry out the purposes on account of which the exemption is claimed. The court turns, therefore, to the question of whether the building is "actually and exclusively used in the work of one or more associations or corporations organized exclusively for charitable or religious purposes." This inquiry requires an examination of CCYD and its use of the subject property.

In order to effectuate this review, the court will apply the criteria and analysis applicable to charitable exemptions generally (where the organization using the property for charitable purposes also owns the property). In those cases, the charitable entity must demonstrate that: (1) it owns the property (not applicable here, given New Ventures' ownership of the property), (2) it is organized exclusively for

charitable purposes and is authorized to conduct the activities for which the property is used; (3) the property was actually and exclusively used for the tax exempt purpose¹; and (4) the operation and use of the property was not conducted for profit, although fees may be collected from or on behalf of beneficiaries of the charitable services, provided revenue from the fees is used to further the organization's charitable purposes. See *Essex Properties Urban Renewal Assocs. v. City of Newark*, 20 N.J. Tax 360, 364 (Tax 2002).

(1) Organized exclusively for charitable purposes and authorized to carry out the purposes for which the property is used.

*5 Whether an entity is organized for exclusively charitable purposes must be determined from the entity's organizational documents. See *Black United Fund v. City of East Orange*, 17 N.J. Tax 446, 455 (Tax 1998), aff'd, 339 N.J. Super. 462 (App Div.2001); *1711 Third Avenue, Inc. v. City of Asbury Park*, 16 N.J. Tax 174, 182 (Tax 1996); *Planned Parenthood v. City of Hackensack*, 12 N.J. Tax 598, 610 n. 6 (Tax 1992), aff'd, 14 N.J. Tax 171 (App.Div.1993).

The Supreme Court, when examining this issue, explained:

We have not previously had occasion to define "charitable purposes" as used in N.J.S.A. 54:4-3.6. Courts of other states with similar statutes have defined "charitable purposes" as:

[A]n application of property for the benefit of an indefinite number of persons, either by bringing their hearts under the influence of education or religion, by relieving their bodies from disease, suffering and constraint, by assisting them to establish themselves for life, or by erecting or maintaining public buildings or works, or otherwise lessening the burdens on government.

[*The Presbyterian Homes of the Synod of New Jersey v. Division of Tax Appeals*, 55 N.J. 275, 284 (1970)(quoting *Coyne Electrical School v. Paschen*, 146 N.E.2d 73, 79 (Ill.1957)) (footnote and emphasis omitted).]

Adopting this definition, the Court held that "the term 'charity' in a legal sense is a matter of description rather than a precise definition." *Id.* at 285. "Therefore, the determination of whether property is devoted to a charitable purpose depends upon the facts or circumstances of each case. As a guide, however, it should be borne in mind that a sometimes

stated justification for charitable tax exemptions is that if the charitable work were not being done by a private party, it would have to be undertaken at public expense." *Ibid.*

The court is convinced that CCYD is organized exclusively for charitable purposes. The organization's purpose is to provide assistance and programs in education, counseling, employment, training, and healthy development for troubled youth, including juvenile offenders. These objectives will enhance the future of young people through education and assist them in establishing themselves for life, two factors mentioned by the Court in *Presbyterian Homes*. To the extent that CCYD succeeds in its mission, the government will be relieved of what would otherwise be the public burden of providing continued services to trouble youths, particularly those in the juvenile justice system. No other purpose is included in CCYD's organizational documents. The court concludes the second factor of the statutory test is satisfied.

(2) The subject property must actually be used for the tax exempt purpose.

No factual dispute exists with respect to how CCYD uses the subject property. The agency operates a number of programs for troubled youth at the subject property. The programs provide education, training, leadership, vocational skills, and instruction in reducing truancy, minimizing disruptive behavior, building self-esteem, improving coping skills and a number of other worthy objectives. The beneficiaries of CCYD's services are young people who have been identified by schools, courts, the DCPD and the juvenile justice system as needing assistance. CCYD also performs its administrative functions, and the administrative functions of plaintiff at the subject property. There is no evidence in the record suggesting any use other than a charitable use of the subject property. This prong of the analysis is satisfied.

(3) The operation and use of the property was not conducted for profit.

*6 As the Supreme Court explained in *Paper Mill Playhouse v. Township of Millburn*, 95 N.J. 503, 521-22 (1984) (footnote omitted),

Our cases require a pragmatic inquiry into profitability. The decisions reveal a realistic common sense analysis of the actual operation of the taxpayer; mechanical centering on income and expense figures is to be avoided. As Chief Justice Vanderbilt stated in *The Kimberly School v.*

Montclair, 2 N.J. 28, 37-38 (1949); "It is our conception that the test imposed by the statute is simply, in the words of Mr. Justice Swayze, whether or not the school is 'conducted for the purpose of making a profit.' "

The Court continued, "[a] crucial factor is where the profit goes." *Id.* at 522. " 'Who gets the money?' If we can trace it into someone's pocket" the exemption does not apply. *Ibid.* (quoting *City of Trenton v. Division of Tax Appeals*, 65 N.J. Super. 1, 12 (App.Div.1960)). "As long as salaries are not excessive, the mere payment of them is not sufficient grounds for denying the exemption." *Ibid.*

[I]f surplus inures to the benefit of individuals in the form of dividends and other similar distributions, the corporate purpose is to turn a profit. If, on the other hand, money is placed into an endowment fund or used to pay moderately priced salaries, the fact that the corporation may operate at a surplus is not relevant to obtaining an exemption under N.J.S.A. 54:4-3.6.

[*Job Haines Home for the Aged v. Township of Bloomfield*, 19 N.J. Tax 408, 416 (Tax 2001), *aff'd*, 20 N.J. Tax 137 (App.Div.2002).]

Here, profits from CCYD's operations cannot be traced to anyone's pocket. The entity pays dividends to no one. No distributions of profits are made. The salaries paid by CCYD to its staff are entirely reasonable. Two administrators earn approximately \$66,000 annually. This figure is hardly excessive, given the scope and diversity of CCYD's programs and the challenging nature of CCYD's client base. The remaining employees earn as little as \$5,200 in one case and no more than \$18,807, the highest salary outside the two high level employees of CCYD. It is impossible for the court to conclude that this level of compensation represents the inappropriate diversion of CCYD's profits to any person. The final prong of the analysis is satisfied.

Having determined that plaintiff meets all of the statutory criteria for an exemption, the court will enter Judgment designating the subject property as exempt from local property taxes for tax year 2012 pursuant to N.J.S.A. 54:4-3.6.

All Citations

2013 WL 3227790

Footnotes

- 1 Although the exclusive-use requirement was removed from the portion of *N.J.S.A. 54:4–3.6* concerning a charitable organization's use of its own property, see *L. 2001, c. 18*, the exclusivity requirement remains in the provision of the statute concerning the use of property by a charitable organization owned by a different charitable organization.

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2013 WL 2346473 (N.J.Tax)

Only the Westlaw citation is currently available.

UNPUBLISHED OPINION. CHECK
COURT RULES BEFORE CITING.

Tax Court of New Jersey.

Re: South Jersey Eye Center, Inc.

v.

City of Camden

| May 28, 2013

Attorneys and Law Firms

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Opinion

Patrick DeAlmeida, Presiding Judge

*1 This letter constitutes the court's opinion with respect to plaintiff's motion for summary judgment. The central issue before the court is whether real property owned by plaintiff in the City of Camden is exempt from local property taxes pursuant to *N.J.S.A.* 54-4-3.6 for tax years 2011 and 2012. For the reasons explained more fully below, the court concludes that the subject property is exempt from local property taxes for tax years 2011 and 2012 because it was used for charitable, non-profit purposes. Plaintiff's motion for summary judgment is therefore granted and Judgments of the county board of taxation denying exemption for the property are reversed.

1. Findings of Fact and Procedural History

The following findings of fact are based on the certifications and exhibits submitted by the parties with respect to plaintiff's motion *R.* 1:7-4.

Plaintiff South Jersey Eye Center, Inc. ("SJEC") was formed by six health care professionals in 1960 as the Camden Optometric Eye Clinic. The organization, incorporated under

New Jersey's non-profit corporations law, later changed its name to Camden Eye Center and thereafter to SJEC. Plaintiff's certificate of incorporation states, in pertinent part, as follows:

The purpose for which this corporation is formed is to perform eye examinations and supply glasses to all these indigent persons, residing in the counties of Camden, Gloucester, and Burlington, who are referred by various welfare agencies and philanthropic groups to the Camden Optometric Eye Clinic. It is the intent and purpose that the said corporation shall be organized and operated exclusively for scientific and charitable purposes, and no part of any profits, which the said corporation may acquire, shall inure to the benefit of any private shareholder or individual, and no part of the activities of such corporation, or any recipient of its funds, shall be to carry on propaganda or otherwise to attempt to influence legislation.

The purpose of SJEC is also stated in amended and restated bylaws as follows:

The purposes of the Corporation shall be to provide comprehensive eye and vision care to indigent, needy and underserved residents of Camden County, New Jersey and surrounding areas on a charitable, non-profit tax-exempt basis.

Plaintiff's bylaws permit the agency's board to authorize the sale, lease, exchange or other disposition of all, or substantially all, of plaintiff's assets. The bylaws do not contain a provision expressly requiring that profits from the disposition of plaintiff's assets be distributed to other charitable entities should plaintiff be dissolved.

Plaintiff purchased the subject property, which is designated in the records of the City as Block 1406, Lot 32, on December 27, 2000. Commonly known as 400-402 Chambers Avenue, the property has been used continuously since that time as plaintiff's headquarters and to provide eye care services

to plaintiff's clients. The property is conveniently located for Camden City residents, many of whom are poor and unable to pay market rate for eye care. Plaintiff provides eye exams and other eye-care medical services at the property during approximately 10,000 patient visits per year. The facility is the only freestanding, non-profit clinic in New Jersey dedicated to providing free and low-cost eye care to poor, low- and moderate-income, uninsured, underinsured and homeless patients.¹

*2 SJEC's clinic at the subject property is staffed by six optometrists who work various hours on a monthly basis. The

38% Patient Fees (Including Insurance Reimbursements)

25% Private Contributions

15% Corporate Contributions

13% Foundation Grants

8% Public Contributions

1% Unclassified

Plaintiff imposes no income-based criteria for the acceptance of patients. Anyone who appears at the facility is provided care. Plaintiff has adopted a fee schedule for its services, as detailed below. It does not, however, collect the full amount of its charges from most patients.

Indigent patients without insurance are provided free services. SJEC uses income guidelines promulgated by the federal Department of Housing and Urban Development to determine

doctors, who are compensated for their work at the clinic, also have private practices. One ophthalmologist who operates a private practice volunteers at the clinic once a month for six or seven hours. He is not compensated for his work but submits claims for reimbursement to the insurance carriers of patients with insurance.

Plaintiff's revenue is derived from charitable contributions and from fees collected in exchange for patient services. SJEC's income is derived as follows:

if patients without insurance are indigent and entitled to free care. Between 26% and 35% of plaintiff's patients fall into this category.

Services are provided to patients with insurance, including Medicaid and Medicare, for whatever amount is reimbursed by the insurance carrier. Approximately 65% of plaintiff's patients have some type of insurance. The amounts collected by plaintiff for its services can be summarized as follows:

Service	SJEC Fee Schedule	Payment by Indigent Patients	Medicaid (No cost to patients)	Medicare (No cost to patients)	Private Insurance (No cost to patients)
Comprehensive Eye Exam	\$75	\$0	\$22	\$75	Whatever amount reimbursed
Standard Bifocal	\$75	\$0	\$15	\$0	Whatever amount reimbursed
Progressive Bifocal	\$160	\$0	\$0	\$0	Whatever amount reimbursed
Single Vision Lenses	\$40	\$0	\$15	\$0	Whatever amount reimbursed
Frames (Range)	\$25-\$85	\$0	Lab cost only	\$0	Whatever amount reimbursed
Visual Fields and Studies	\$40	\$0	Only with approval	\$35	Whatever amount reimbursed
Follow up examination	\$35	\$0	\$0	\$35	Whatever amount reimbursed

Plaintiff produced evidence suggesting that its fee schedule reflects below market rates for the Camden area. Two of the optometrists who volunteer time at the clinic and an optometrist who serves as a Trustee of plaintiff charge between 28.6% to 68.8% more for identical services at their local private practices.

Defendant countered this information with advertisements obtained from the Internet. One advertisement offers free eye exams and two pairs of glasses for \$69.95. If accurate, these rates are below those charged by plaintiff. Another advertisement for Sears offers single vision lenses for \$69.99, an amount above what is charged by plaintiff. An advertisement of Eye Drx offers a \$59 eye exam, slightly below the rate charged by plaintiff and two pairs of glasses, with or without bifocals, for \$99, which is more than plaintiff charges for two pairs of glasses without bifocals and less than plaintiff charges for two pairs of glasses with bifocals. Notably, all of the advertisements state that the offers are not valid with insurance plans, suggesting that the rates advertised are charged to patients without insurance. If this is correct, then each of the service providers in the advertisements charge patients without insurance more than does plaintiff.²

*3 In 2010, SJEC paid a total of \$525,463 in salaries and 1099 wages. Dr. Lawrence Ragone, SJEC's founder and president, received \$96,587.50 in compensation. This included a salary of \$72,032.50, and \$24,555.00 in 1099 wages for hours that he manned the agency's mobile vision van. Dr. Ragone's daughter, MaryAnn Ragone, is the Chief

Operating Officer of SJEC. In 2010, she received a salary of \$80,377.23. Dr. Ragone's grandson, Lawrence Ragone, III, is employed as SJEC's Director of Development. In 2010, he received a salary of \$39,844.48. Kevin Ragone, another grandson of Dr. Ragone, was employed in 2010 as a part-time, temporary office assistant. He received a salary of \$6,335.

In 2011, plaintiff paid a total of \$494,019.18 in salaries and 1099 income. Dr. Ragone was paid \$54,235.04 for a partial year as President and CEO of SJEC and for a partial year as Director of Patient Care at the agency. He was also scheduled to be paid \$17,655 in 1099 wages for his work as a staff doctor. His total compensation for 2011 was \$71,900.04. MaryAnn Ragone was paid \$78,517.47 for her position as Chief Operating Officer. Lawrence Ragone III received \$44,509.20 for his position as Director of Development. Kevin Ragone worked as a temporary office assistant at the clinic, earning \$17,665. SJEC's Board of Trustees set salaries at the clinic through the agency's budget process. Salaries at SJEC are not reviewed by an independent commission or experts.

The doctors who contribute their time to the clinic are paid \$175 for a three-and-one-half-hour shift. This amounts to \$50.00 per hour. Plaintiff contends that this rate of compensation is half their ordinary hourly rates. Defendant contends that, based on information obtained from the Internet, the median salary for an optometrist in the United States is \$100,000 and the median salary for an optometrist in New Jersey is \$111,201. Assuming a 40-hour work week, this results in a median hourly rate in New Jersey of \$53.46.

Plaintiff introduced credible evidence that optometrists in New Jersey who are members of the American Optometric Association ("AOA") earn on average \$154,739 per year, while non-members earn an average of \$132,000. All SJEC optometrists are members of the AOA. Assuming a 40-hour work week, this results in an hourly rate of \$74.40.

The ophthalmologist who volunteers at the clinic once a month receives no compensation. According to the AOA, ophthalmologists in New Jersey earn between \$100,000 and \$500,000 per year, with approximately 45% of all

69% Patient Care
24% Administration
3% Development
2% Building
2% Other

Beginning with its purchase by plaintiff in 2000, the subject property was treated as exempt from local property taxes. On February 1, 2011, the City's tax assessor sent plaintiff a letter stating that the "Camden County Tax Administrator has made a determination that your facility is not eligible for exemption of real estate taxes. As a consequence, she has ordered me

Land

Improvements

Total

On February 11, 2011, plaintiff filed a petition of appeal with the Camden County Board of Taxation challenging the revocation of its exemption. The board held a hearing on June 21, 2011 in connection with plaintiff's appeal.

On July 25, 2011, the board issued a Judgment affirming the assessment on the property.

On August 2, 2011, plaintiff filed a Complaint in this court challenging the Judgment of the county board.

On September 23, 2011, plaintiff moved for summary judgment. Defendant opposed the motion.

After hearing oral argument from counsel on November 4, 2011, the court requested supplemental evidentiary submissions and argument from counsel. Over the next

ophthalmologists earning between \$200,000 and \$500,000. The ophthalmologist provides free care to patients without insurance and bills through his office patients with insurance.

All of the funds collected by SJEC are used to pay salaries of staff members and provide eye care to plaintiff's patients. Profits and dividends are not distributed to any person.³

SJEC's expenses are categorized as follows:

to notify your organization that your building will be taxed beginning January 1, 2011."

*4 As a result of the assessor's determination, an assessment was placed on the property for tax year 2011 as follows:

\$ 65,400

\$197,300

\$262,700

several months the parties filed extensive supplemental materials, including a deposition transcript, plaintiff's tax returns, additional documentary evidence, and further briefing.

On March 1, 2012, the court signed a Consent Order in which the City agreed not to proceed with the issuance or sale of any tax liens with respect to any alleged tax deficiency associated with the subject property until final adjudication by the court. A second round of oral arguments was presented to the court thereafter.

During the course of the parties' supplemental submissions, plaintiff filed a challenge before the county board to the assessor's denial of exempt status for the property for tax year 2012. The board upheld the denial and, on August 20, 2012, plaintiff filed a Complaint in this court challenging the board's Judgment with respect to tax year 2012.

On November 8, 2012, the court consolidated the tax year 2011 and tax year 2012 Complaints for all purposes. The parties agree that the parties' submissions with respect to 2011 apply equally to 2012 and plaintiff's use of the property was consistent during those two years.

II. Conclusions of Law

Summary judgment should be granted where the pleadings, depositions, answers to interrogatories and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact challenged and that the moving party is entitled to a judgment or order as a matter of law R. 4:46-2(c). In *Brill v. Guardian Life Ins. Co. of Amer.*, 142 N.J. 520, 523 (1995), our Supreme Court established the standard for summary judgment as follows.

[W]hen deciding a motion for summary judgment under Rule 4:46-2, the determination whether there exists a genuine issue with respect to a material fact challenged requires the motion judge to consider whether the competent evidential materials presented, when viewed in the light most favorable to the non-moving party in consideration of the applicable evidentiary standard, are sufficient to permit a rational factfinder to resolve the alleged disputed issue in favor of the non-moving party.

"The express import of the *Brill* decision was to 'encourage trial courts not to refrain from granting summary judgment when the proper circumstances present themselves.' " *Township of Howell v. Monmouth County Bd. of Taxation*, 18 N.J. Tax 149, 153 (Tax 1999)(quoting *Brill*, *supra*, 142 N.J. at 541). The court concludes that no genuine issues of material fact exist relevant to plaintiff's claim for an exemption for the subject property for the relevant tax years

*5 The Legislature has provided an exemption from local property taxes for:

all buildings actually used in the work of associations and corporations organized exclusively for ... charitable purposes....

[including] cases where the charitable ... work therein carried on is supported partly by fees and charges received from or on behalf of beneficiaries using or occupying the buildings; provided the building is wholly controlled by and the entire income therefrom is used for said charitable ... purposes.

[N.J.S.A. 54:4-3.6.]

The exemption applies only if the use of the building is "not conducted for profit" and the entity seeking the exemption is a non-profit entity that "owns the property in question and is incorporated or organized under the laws of this State and authorized to carry out the purposes on account of which the exemption is claimed...." *Ibid*.

If a building is found to be exempt, "the lands whereon any of the buildings ... are erected, and which may be necessary for the fair enjoyment thereof, and which is devoted to the purposes above mentioned and to no other purpose and does not exceed five acres" is also exempt. *Ibid*. The parties do not dispute that in the event plaintiff establishes that its building is exempt, the land on which the building sits, which does not exceed five acres, would also be exempt.

Because they represent a departure from the fundamental approach that all property owners bear their fair share of the local property tax burden "[t]ax exemption statutes are strictly construed, and the burden of proving entitlement to an exemption is on the party seeking it." *Abunda Life Church of Body, Mind & Spirit v. City of Asbury Park*, 18 N.J. Tax 483, 485 (App.Div.1999)(citing *New Jersey Carpenters Apprentice Training and Educ. Fund v. Borough of Kenilworth*, 147 N.J. 171, 177-78 (1996), *cert. denied*, 520 U.S. 1241, 117 S.Ct. 1845, 137 L. Ed.2d 1048 (1997), *Princeton Univ. Press v. Borough of Princeton*, 35 N.J. 209, 214 (1961)). " '[A]ll doubts are resolved against those seeking the benefit of a statutory exemption...' " *Chester Borough v. World Challenge, Inc.*, 14 N.J. Tax 20, 27 (Tax 1994)(quoting *Township of Teaneck v. Lutheran Bible Inst.*, 20 N.J. 86, 90 (1955)). These standards, however, do "not justify distorting the language or the legislative intent" of the exemption statute. *Boys' Club of Clifton, Inc. v. Township of Jefferson*, 72 N.J. 389, 398 (1977). "[W]hile the construction of the applicable statute must be strict, it must also be reasonable." *Phillipsburg Riverview Org., Inc. v. Town of Phillipsburg*, 26 N.J. Tax 167, 175 (Tax 2011)(citing *International School Serv., Inc. v. Township of West Windsor*, 412 N.J.Super. 511, 524 (App Div.), *aff'd*, 207 N.J. 3 (2011)), *aff'd*, 2013 N.J. Tax

Lexis 9 (App.Div.2013). "The rule of strict construction must not defeat the evident legislative design." *Ibid*.

The statutory criteria for a charitable exemption are properly summarized as follows. A claimant must demonstrate that: (1) it owns the property; (2) it is organized exclusively for charitable purposes and is authorized to conduct the activities for which the property is used; (3) the property was actually used for the tax exempt purpose; and (4) the operation and use of the property was not conducted for profit, although fees may be collected from or on behalf of beneficiaries of the charitable services, provided revenue from the fees is used to further the organization's charitable purposes. See *Essex Properties Urban Renewal Assocs. v. City of Newark*, 20 N.J. Tax 360, 364 (Tax 2002).⁴

(1) Ownership of the subject property.

*6 It is undisputed that plaintiff owns the subject property. This factor of the charitable exemption test is satisfied.

(2) Organized exclusively for charitable purposes and plaintiff is authorized to carry out the purposes for which the property is used.

Whether an entity is organized for exclusively charitable purposes must be determined from the property owner's organizational documents. See *Black United Fund v. City of East Orange*, 17 N.J. Tax 446, 455 (Tax 1998), *aff'd*, 339 N.J.Super. 462 (App.Div.2001), *1711 Third Avenue, Inc. v. City of Asbury Park*, 16 N.J. Tax 174, 182 (Tax 1996); *Planned Parenthood v. City of Hackensack*, 12 N.J. Tax 598, 610 n. 6 (Tax 1992), *aff'd*, 14 N.J. Tax 171 (App.Div.1993).

The Supreme Court, when examining this issue, explained:

We have not previously had occasion to define "charitable purposes" as used in N.J.S.A. 54:4-3.6. Courts of other states with similar statutes have defined "charitable purposes" as:

[A]n application of property for the benefit of an indefinite number of persons, either by bringing their hearts under the influence of education or religion, by relieving their bodies from disease, suffering and constraint, by assisting them to establish themselves for life, or by erecting or maintaining public buildings or works, or otherwise lessening the burdens on government.

[*The Presbyterian Homes of the Synod of New Jersey v. Division of Tax Appeals*, 55 N.J. 275, 284 (1970)(quoting *Coyne Electrical School v. Paschen*, 146 N.E.2d 73, 79 (Ill.1957)(footnote and emphasis omitted).]

Adopting this definition, the Court held that "the term 'charity' in a legal sense is a matter of description rather than a precise definition." *Id.* at 285. "Therefore, the determination of whether property is devoted to a charitable purpose depends upon the facts or circumstances of each case. As a guide, however, it should be borne in mind that a sometimes stated justification for charitable tax exemptions is that if the charitable work were not being done by a private party, it would have to be undertaken at public expense." *Ibid*.

The court is convinced that plaintiff is established exclusively for charitable purposes. Plaintiff's purpose is to provide free or affordable eye care to indigent, uninsured, underinsured and homeless patients. There is no doubt that the services provided by plaintiff relieve the human body of disease, a criterion expressly stated by the Court in *Presbyterian Homes*. To the extent that plaintiff provides medical care to patients without the resources to pay for that care, the government is relieved of what would otherwise be a public burden. The SJEC clinic on the subject property is the only freestanding facility of its type in New Jersey. Without services from plaintiff these patients likely would either seek government subsidized care in hospitals or would go without eye care, creating the undesirable condition of having citizens with untreated medical conditions. It is likely that the government would bear at least some burden were plaintiff not to provide its services.

This conclusion applies equally to SJEC patients with insurance. Plaintiff accepts from insured patients whatever reimbursement is provided by the insurance carrier. This practice has the effect of encouraging insured and underinsured patients to seek medical care because the patients will not be personally liable for uncovered services or the difference between SJEC's fee and the reimbursed amount. The court concludes that some insured and underinsured patients would, without plaintiff's services, elect to forego eye care to avoid personal financial liabilities.

*7 The fact that plaintiff's certificate of incorporation mentions both a "scientific" and a "charitable" purpose does not change the result. There are three reasons for this conclusion. First, plaintiff's purpose is most specifically defined in the certificate of incorporation thusly: "to perform

eye examinations and supply glasses to all these indigent person ... who are referred by various welfare agencies and philanthropic groups....” The reference to a scientific purpose must be understood in the context of this more specific statement.

Second, plaintiff’s purpose is clarified in its amended and restated bylaws:

to provide comprehensive eye and vision care to indigent, needy and underserved residents of Camden County, New Jersey and surrounding areas on a charitable, non-profit tax-exempt basis.

The amended and restated bylaws do not specify an additional, independent scientific purpose.

Third, the services plaintiff provides—eye care—are scientific in nature. It is through the medical sciences that plaintiff provides its charitable services to its patients. This explains the reference in plaintiff’s incorporating document to a scientific purpose. Plaintiff is not authorized to conduct any scientific endeavor other than the provision of eye care services to its patients. Unlike the taxpayer in *Planned Parenthood, supra*, SJEC’s organizational documents do not authorize purposes independent of the organization’s overall charitable purpose. Although described in the certificate of incorporation as both scientific and charitable, plaintiff’s authorized purpose is one and the same—the charitable purpose of providing medical care on a non-profit basis to needy patients.

The court concludes the second factor of the statutory test is satisfied. Plaintiff is exclusively authorized for charitable purposes and is authorized to carry out the purposes for which the subject property is used.

(3) The subject property must actually be used for the tax exempt purpose.

No factual issue exists with respect to how SJEC uses the subject property. It is not disputed that the property serves as plaintiff’s headquarters and houses the clinic at which SJEC provides medical care to its patients.

The City argues that plaintiff’s use of the subject property is not for a charitable purpose because. (1) SJEC employs no income-based criteria for eligibility for service and charges

some of its patients for medical care; and (2) SJEC does not charge below-market rates for its service. The inquiry into whether the property is used for charitable purposes is the “essential consideration in matters of tax exemption.” *Church Contribution Trust v. Borough of Mendham*, 9 N.J. Tax 299, 307 (Tax 1987), *aff’d as modified*, 224 N.J. Super. 643 (App.Div.1988). The City’s arguments are addressed in turn below.

SJEC’s provision of eye care services to patients who are not in financial distress does not negate the agency’s charitable use of the subject property. There is no statutory requirement that every beneficiary of a charity be indigent, needy or unable to pay market rate for services. In fact, the Legislature recognized that a charitable organization may, as a practical matter, charge fees to those beneficiaries who are able to pay for services in order to subsidize services that the charity provides for free. *N.J.S.A.* 54:4–3.6 provides that “the exemption of the buildings and lands used for charitable, benevolent or religious purposes shall extend to cases where the charitable, benevolent or religious work therein carried on is supported partly by fees and charges received from or on behalf of beneficiaries using or occupying the buildings....” The motion record demonstrates how SJEC’s collection of fees from patients who can afford to pay for medical care and who have insurance supports and advances plaintiff’s charitable purpose. The fees that SJEC collects from non-indigent, insured patients are used to subsidize eye care for indigent patients and patients with insurance carriers that reimburse SJEC less than its stated fees.

*8 Moreover, although there is no evidence directly on point in the motion record, both parties recognized that given the location of plaintiff’s clinic and its targeted patient population, it is rare for a financially secure, fully-insured patient to appear at the subject property for treatment. The court will, however, assume, for the sake of defendant’s argument, that on occasion SJEC treats patients with insurance that will reimburse 100% of SJEC’s charges or who have the personal financial means to pay the stated rate for SJEC’s service. In those circumstances, all profits that SJEC realizes from the provision of services are used by SJEC to subsidize medical care for patients who are unable to pay SJEC’s full fees. By using the revenue generated by financially able patients to provide treatment to needier patients SJEC furthers its charitable purpose and relieves the State of the obligation of providing medical care to plaintiff’s financially challenged clients. See *Southern Jersey Family Medical Centers, Inc. v. City of Pleasantville*, 351 N.J. Super. 262, 267

(App.Div.2002)(holding that entity that provides health and dental care irrespective of a patient's ability to pay entitled to exemption even though thirteen percent of entity's patients had private insurance), *aff'd o.b.*, 176 N.J. 184 (2003).

The same conclusion is true with respect to plaintiff's practices as they relate to uninsured and underinsured patients, who may not qualify as indigent under federal guidelines, but who might not have the means to pay for services not covered by insurance. The fact that a patient has health insurance does not necessarily equate to a conclusion that the patient can readily afford to pay for medical services not fully covered by insurance. SJEC accepts from the insurance carriers for those patients whatever reimbursement is offered. Again, this revenue is used by SJEC to subsidize care to its patients.

Nor is there any support for the City's contention that all fees charged by a charitable organization for its services must be below market rates for the property to be exempt. No provision of N.J.S.A. 54:4-3.6 expressly provides that a charitable entity provide services to all of its beneficiaries at rates below market. Nor can such a requirement be gleaned as an implied provision of the statute. It is certainly true that a charitable entity's below-market charges for services are a relevant factor in the court's determination of whether an exemption applies. See *Salt & Light Co. v. Township of Mount Holly*, 15 N.J. Tax 274 (Tax 1995), *aff'd o.b.*, 15 N.J. Tax 40 (App.Div.1996), *certif. denied*, 148 N.J. 458 (1997). It is sufficient, as is the case here, for a charitable entity to provide services to the majority of its beneficiaries at no cost or a reduced cost (i.e., at rates below the charity's fee schedule) and to subsidize those services with fees charged to other customers at market or above market rates, provided that no profits inure to the benefit of any individuals.

Here, it is undisputed that 26% to 35% of SJEC's patients receive free eye care because they are indigent and lack insurance. For these patients it is clear that SJEC does not receive market rates for its services, whatever market rates may be. This finding alone is sufficient to satisfy the statutory criterion for charitable use of the property. Plaintiff qualifies for the exemption whether its free services are funded by donations, grants or revenue from the 65% of its patients with health insurance. The relevant inquiry is not whether plaintiff provides all of its services at below market rates, but whether plaintiff provides charitable works without generating a profit to any individuals.

In addition, 65% of plaintiff's patients have some insurance coverage, including Medicare and Medicaid. SJEC accepts from the insurance carriers whatever reimbursement is provided with no cost to the patients. Medicaid reimbursements are well below SJEC's fee schedule. Thus, even if the court were to assume that SJEC charges market rates, it does not recover those rates for its Medicaid patients. For patients covered by Medicare, SJEC receives nearly full reimbursement for eye examinations, visual field studies and follow up examinations, but no reimbursement for standard bifocals, progressive bifocals, single vision lenses or frames. Viewed in the best light for defendant, SJEC recovers less than market rates for many of the services that it provides to its Medicare patients and uses the revenue from its rates to subsidize services for all of its patients, including indigent patients who are not charged for medical care. Compare *Church Contribution Trust*, *supra*, 224 N.J.Super. at 647 (exemption denied where counseling entity collected full fees from 60% of clients and no clients provided free services).⁵

(4) The operation and use of the property was not conducted for profit.

*9 As the Supreme Court explained in *Paper Mill Playhouse v. Township of Millburn*, 95 N.J. 503, 521-22 (1984)(footnote omitted),

Our cases require a pragmatic inquiry into profitability. The decisions reveal a realistic common sense analysis of the actual operation of the taxpayer; mechanical centering on income and expense figures is to be avoided. As Chief Justice Vanderbilt stated in *The Kimberly School v. Montclair*, 2 N.J. 28, 37-38 (1949); "It is our conception that the test imposed by the statute is simply, in the words of Mr. Justice Swayze, whether or not the school is 'conducted for the purpose of making a profit.' "

The Court continued, "[a] crucial factor is where the profit goes." *Id.* at 522, " 'Who gets the money?' If we can trace it into someone's pocket" the exemption does not apply. *Ibid.* (quoting *City of Trenton v. Division of Tax Appeals*, 65 N.J.Super. 1, 12 (App.Div.1960)). "As long as salaries are not excessive, the mere payment of them is not sufficient grounds for denying the exemption." *Ibid.*

[I]f surplus inures to the benefit of individuals in the form of dividends and other similar distributions, the corporate purpose is to turn a profit. If, on the other hand, money is placed into an endowment fund or used to pay moderately priced salaries, the fact that the corporation may operate at

a surplus is not relevant to obtaining an exemption under *N.J.S.A.* 54:4-3.6.

[*Job Haines Home for the Aged v. Township of Bloomfield*, 19 *N.J. Tax* 408, 416 (Tax 2001), *aff'd*, 20 *N.J. Tax* 137 (App.Div.2002).]

Here, profits from SJEC's operations cannot be traced to anyone's pocket. The entity pays dividends to no one. No distributions of profits are made to any persons. The salaries paid by plaintiff to its staff strike the court as entirely reasonable, particularly in light of the services that SJEC provides.⁶

Because of the nature of the plaintiff's activities, it is necessary for SJEC to staff its facility with licensed medical professionals. It would be unreasonable to interpret *N.J.S.A.* 54:4-3.6 to predicate an exemption on plaintiff paying its professional medical staff less than what they could reasonably expect as compensation in their profession. While an entirely volunteer medical staff would be an ideal circumstance, *N.J.S.A.* 54:4-3.6 does not impose such a requirement. Medical professionals who provide eye care are highly trained, must maintain their competency and licensing, and have valuable skills for which compensation is rightly expected. In addition, although not detailed in the record, it is commonly understood that medical professionals must maintain malpractice insurance, an expensive proposition. Like the tax-exempt theater in *Paper Mill*, *supra*, 95 *N.J.* at 518-19, which hired professional Broadway actors at standard wages for its productions, SJEC cannot be denied an exemption because it hires professional medical care providers at standard rates to treat its patients. It is SJEC's obligation to "assure[] a high standard of quality for" its patients. See *City of New Brunswick v. George St. Playhouse, Inc.*, 2 *N.J. Tax* 407, 409 (1981). Indigent, uninsured, underinsured and homeless patients are no less deserving of competent medical care than those who are fortunate enough to have the means or insurance to pay fully for their treatment. Undisputed evidence establishes that the medical professionals who work at SJEC's clinic are paid at market rates for their fields.

*10 In addition, members of SJEC management are compensated at reasonable rates. The SJEC clinic is a large operation, accomodating approximately 10,000 patient visits per year. The record contains evidence which has not been refuted detailing significant responsibilities for Dr. Ragone and MaryAnn Ragone, SJEC's Chief Operating Officer. Both

are involved in managing the operation of the clinic and in raising funds from contributors, government agencies and foundations. Both are expected to attend functions after work hours in order to raise funds for the organization, adding to their responsibilities at SJEC.

Defendant introduced no evidence suggesting that the salaries paid to the management of SJEC are excessive or represent the diversion of profits to any individual. Indeed, the SJEC salary structure for 2011 and 2012 is in line with the salaries found to be reasonable by the Appellate Division in *South Jersey Family Medical*, *supra*, for the staff operating a medical clinic in 1999. 351 *N.J. Super.* at 267. Nor is the court persuaded by defendant's argument that the familial relationship between the senior management staff at SJEC negates the property's exemption. It does not strike the court as unusual or inappropriate for several members of the same family to be involved in the operation of a charitable organization founded by a family patriarch. Dr. Ragone is one of the founders of SJEC and serves as its President. His daughter is the agency's Chief Operating Officer. Two of Dr. Ragone's grandsons work at the agency, one in a part-time position. Nothing in the record suggests that the Ragone family members do not provide services in exchange for their salaries or that they are compensated excessively. Several members of the Ragone family are involved in providing charitable services and receive compensation for their efforts. This arrangement does not run afoul of *N.J.S.A.* 54:4-3.6.⁷

The court concludes that the subject property is used for charitable purposes. No for-profit medical services operation would follow SJEC policies. A for-profit enterprise would not regularly provide free services to patients, would not target an uninsured, underinsured and homeless patient population, and would not accept whatever amounts are reimbursed by insurance companies without attempting to collect the balance from patients. In addition, a for-profit organization would not use all of its revenue, after the payment of salaries and expenses, to underwrite free patient services. See *Paper Mill*, *supra*, 95 *N.J.* At 514-515. The court concludes that the fourth factor of the charitable-exemption inquiry is satisfied.

. Having determined that plaintiff meets all of the statutory criteria for an exemption, the court will enter judgments designating the subject property as exempt from local property taxes for 2011 and 2012 pursuant to *N.J.S.A.* 54:4-3.6 as property used for charitable purposes.

All Citations

2013 WL 2346473

Footnotes

- 1 Additionally, through the use of its mobile vision clinic, plaintiff makes visits to neighborhoods, schools, senior housing and federally-funded, income-restricted housing throughout Camden to provide eye care services to its targeted population.
- 2 According to the February 7, 2012, Certification of SJEC's founder and president, the advertisements cited by the City are misleading. He contends that advertisements for low-cost eye care are used to lure in clients who are then told that the discounted merchandise is not available and are ultimately charged higher amounts for eye care. In support of these allegations, plaintiff submitted numerous written consumer complaints relating to the entities offering services in the advertisements submitted by the City. The court makes no findings with respect to plaintiff's allegations regarding eye care services of any entity other than SJEC.
- 3 SJEC instituted a profit-sharing plan for its employees. Plaintiff made a single payment of \$7,000 to the plan in 2008. No further contributions were made and the plan was subsequently terminated. Given that plaintiff's contribution to the plan took place three years prior to the first tax year at issue, the court considers the plan to be immaterial.
- 4 *N.J.S.A. 54:4-3.6* previously required actual and exclusive use of the building for charitable purposes. *L. 2001, c. 18* removed the exclusive-use element of the statute for the charitable use exemption. In its submissions to the court, defendant initially argued that the exempt status of the subject property was correctly revoked because plaintiff did not use the property exclusively for charitable purposes. In light of the 2001 revision of *N.J.S.A. 54:4-3.6*, the City abandoned this argument.
- 5 These observations do not equate to a finding that plaintiff charges market rates for its services. Quite to the contrary, the motion record strongly suggests that it does not. The best evidence in the record of market rates is the certification from two of the optometrists who volunteer time at the clinic and an optometrist who serves as a Trustee of plaintiff. Those professionals charge between 28.6% to 68.8% more than does SJEC for identical services at their local private practices. The advertisements produced by defendant are insufficient to establish that plaintiff charges market rates for its services. Those advertisements are hearsay and each indicates that the advertised rates do not apply with insurance plans, which suggests that the rates are applicable to uninsured patients, who are not charged for services by plaintiff.
- 6 A 1963 letter from the Internal Revenue Service admitted into evidence states that plaintiff is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code. However, "[i]t is well established that the standards under § 501(c)(3) 'have no relation to state law governing property tax exemption.'" *Black United Fund, supra*, 339 *N.J. Super.* at 466 (quoting *Presbyterian Homes, supra*, 55 *N.J.* at 286 n. 3). The fact that plaintiff satisfies the federal statutory criteria for exemption from federal income tax does not mean that SJEC meets the requirements of *N.J.S.A. 54:4-3.6*. The IRS determined, however, "does support a finding that it is not operated for a profit." *Paper Mill, supra*, 95 *N.J.* at 523 n.7.
- 7 Defendant argues that an exemption is not warranted because plaintiff's organizational documents do not contain a provision requiring that, upon dissolution, proceeds from the sale of SJEC's assets be given to a charitable entity. See *Paper Mill*, 95 *N.J.* at 511. Plaintiff argues that dissolution of SJEC's assets would be covered by the provision of the articles of incorporation mandating that no profit from SJEC's operations shall inure to the benefit of any individual. *N.J.S.A. 15A:12-8* requires that an entity organized under the State's non-profit corporation statutes, as was SJEC, provide for a plan for disposition of assets upon dissolution. In the absence of a provision in the originating documents requiring distribution of assets to members of the corporation, the dissolved entity's assets will be distributed to entities engaged in charitable activities similar to those carried out by the dissolved entity. *N.J.S.A. 15A:12-8(b)*.

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Agencies, Inc.; Eva's Village, Inc.; and Volunteers of
America Delaware Valley, Inc.

KENNETH FIELDS, MARY ELLEN
MERINO, JOSEPH KING, and
KATHRYN KING,

Plaintiffs,

v.

TRUSTEES OF PRINCETON
UNIVERSITY, PRINCETON
UNIVERSITY, and BOROUGH OF
PRINCETON,

Defendants.

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION

Docket No.: AM185-15

Tax Court Docket Nos.

005904-2014

007556-2015

Sat Below:

Hon. Vito L. Bianco, J.T.C.

ESTATE OF ELEANOR J. LEWIS,
KENNETH FIELDS, MARY ELLEN
MERINO, JOSEPH KING, KATHRYN
KING,

Plaintiffs,

v.

TRUSTEES OF PRINCETON
UNIVERSITY, PRINCETON
UNIVERSITY, and BOROUGH OF
PRINCETON,

Defendants.

SUPERIOR COURT OF NEW JERSEY
APPELLATE DIVISION

Docket No.:

Tax Court Docket No.

010656-2011

Sat Below:

Hon. Vito L. Bianco, J.T.C.

CERTIFICATION OF SERVICE

I, Eric Jesse, being of full age, hereby certify as follows:

1. On this date I caused two (2) copies of the (1) Notice of Motion of the Center for Non-Profit Corporations, Inc.; New Jersey Association of Community Providers, Inc.; Alliance for the Betterment of Citizens With Disabilities, Inc.; New Jersey Association of Mental Health and Addiction Agencies, Inc.; Eva's Village, Inc.; and Volunteers of America Delaware Valley, Inc. for Leave to Appear as Amici Curiae; (2) Certification of Michael J. Hahn in support thereof; (3) Brief and Appendix in support thereof; and (4) this Certification of Service, to be served via e-mail and FedEx on the following:

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I certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: December 7, 2015


Eric Jesse