



OFFICE OF THE PRESIDENT
BROWN UNIVERSITY

Brown University Annual Financial Report Fiscal Year 2023

Brown University Summary

Fiscal years ended June 30

FINANCIAL *(dollars in millions)*

Principal Revenue Sources

Tuition and fees (net)	\$391	\$413
Grants and contracts	\$285	\$263
Endowment return appropriated	\$241	\$195
Contributions	\$387	\$344
Total investment return	\$147	(\$354)

Principal Purpose of Expenditures

Instruction and departmental research	\$430	\$381
Academic and student support	\$320	\$307

Financial Balance Sheet

Total assets	\$9,426	\$9,266
Total liabilities	\$1,732	\$1,734
Net assets	\$7,694	\$7,532

Fundraising

New gifts and pledges	\$424	\$476
Cash	\$335	\$312

STUDENTS

Enrollment

Undergraduate students	7,639	7,349
Graduate students	2,955	2,736
Medical students	595	611

Degrees Conferred

Bachelor's degrees	1,682	1,677
Master's degrees	986	876
Doctor of Philosophy	246	289
Doctor of Medicine	135	148

Annual Tuition and Required Fees

Undergraduate	\$65,046	\$62,304
Graduate	\$63,273	\$62,755
Medical	\$68,444	\$67,354

EMPLOYEES

Campus-based faculty (all ranks)*	848	819
Medical school faculty	614	598
Non-faculty regular staff**	3,537	3,162

*Campus-based faculty head counts include professor, associate and assistant professor, and lecturer and senior lecturer.

**Non-faculty regular staff head counts include full- and part-time staff, excluding student and seasonal and contract employees.

President's Letter

I am pleased to present the Brown University Annual Financial Report for Fiscal Year 2023. This year's report, which provides an overview of Brown's financial statements, success in fundraising, investment performance and research growth, reflects the University's continued commitment to responsibly steward resources in support of the world-class academic programs and high-impact research that is a hallmark of the Brown experience.

In addition to reporting on Brown's financial health, this year's financial report includes an updated Finance and Budgeting Report, which provides a high-level overview of Brown's financial model and the factors that drive Brown's financial decisions. It is important to understand the University's long-term view of financial sustainability and the careful balance the University must strike to determine the funding, capital, services, programs and resources that Brown's faculty, staff and students need to thrive and succeed. I encourage you to read this section, which encompasses important information on topics including principles of tuition setting and salary pools, an understanding of how the endowment supports the operating budget, and how the University funds capital expenses, among other aspects of Brown's finances.

As outlined in the Finance and Budgeting Report, in FY23 Brown continued to strengthen its financial position as net assets grew by 2.2% to \$7.7 billion, despite an operating margin of -3%. The University also benefited from a modest return of 2.7% on the endowment, which provided \$241.3 million to the University and supported approximately 16% of Brown's annual operating budget. This endowment growth is noteworthy, particularly considering the significant disruption in global economic markets that have been challenged by geopolitical uncertainty and sustained inflation, among other issues. This underscores the importance of careful stewardship of the endowment to ensure it will be available to support the University for generations to come.



We are seeing continued success in sponsored research, largely funded by federal agencies such as the National Institutes of Health, among many others. Grants and contracts are Brown's second-largest revenue source and grew by \$21.5 million, or 8.2%, over FY22. Following the October 2022 release of the *Operational Plan for Investing in Research*, we have made substantial progress to bolster systems, structures, staffing and stakeholder partnerships that will be critical to achieving research excellence. And in November 2022, Brown and our two major health system partners formally agreed to align research operations in a unified enterprise that will collectively strengthen research efforts.



Philanthropy continues to play a vital role in supporting University operations. In another record year of fundraising, more than 33,750 generous alumni, parents and friends gave \$423.7 million as part of the *BrownTogether* comprehensive fundraising campaign, bringing the campaign total to more than \$3.8 billion. The Brown Annual Fund, which provides immediate use funding for University priorities that range from broadening research opportunities to supporting graduate education, also saw a record-setting year with \$50.8 million raised. This marks the second consecutive year that the annual fund has surpassed the \$50 million mark.

The Brown community also gave generously to support key initiatives that will significantly increase access and affordability of a Brown education. Some \$57.2 million was raised in support of international financial aid, moving us closer to our goal of becoming need-blind for international students by Fall 2025. And with \$9.7 million in contributions, we reached our \$100 million goal for The Brown Promise, ensuring the permanence of this initiative that eliminates packaged loans from all University undergraduate financial aid awards.

These combined factors reflect the overall financial strength of the University and the need to continue to be prudent in determining how resources are allocated so that this strong position can be maintained. As noted in the section of this document reporting on Brown's financial health, the ongoing, but moderating, effects of inflation and the possibility of a recession continue to be a concern that we are monitoring as the University develops its financial plans.

The report shows the ways in which targeted investments continue to build on Brown's strength as a world-class academic institution while also focusing on operational excellence. Through carefully directed investments in the people, programs and physical spaces on campus that contribute to innovative education, scholarship and research, we will continue to build on Brown's distinction.

Sincerely,



Christina H. Paxson
President

Finance and Budgeting Report

Brown University Finance Division

Brown University's mission is to make an impact on society and the world by educating students and advancing knowledge and discovery. It's the people of Brown — its faculty, staff and students — who make achieving this mission possible, and Brown's commitment to its community members directs all aspects of Brown's financial decision making. In any given year, Brown's decisions about how to allocate limited financial resources are made with an eye toward ensuring that Brown's faculty and students thrive and succeed as we advance the University's mission.

Through this Annual Financial Report, Brown aims to build an understanding of its resources and priorities among all members of the extended Brown community — faculty, staff, students, alumni, parents and others with an interest in the University. This is important to both the success of the academic enterprise and the culture of the campus community.

Recognizing that operating budgets and audited financial statements can be challenging to interpret, this Finance and Budgeting section of the Annual Financial Report has two components:

- **Brown's Financial Model:** This section provides a high-level overview of the factors driving Brown's financial decision making.
- **Review of Fiscal Year 2023 Financial Statements:** This section reviews the FY23 financial performance of the University, based on Brown's audited financial statements.

BROWN'S FINANCIAL MODEL

The University takes a long-term view with respect to financial sustainability, recognizing that important decisions today affect the institution's present and future. The economic landscape in which universities operate is increasingly complex. New and ongoing challenges facing institutions of higher education, including Brown, have prompted an increased focus on financial strategy, cost discipline and planning to make it possible to weather disruptive forces. The University works to carefully balance between investing in the people, capital and resources that drive education, discovery and innovation, while maintaining careful stewardship of Brown's finances to ensure the longevity of the work that faculty, staff and students do every day.

Brown's process of financial decision making reflects its commitment to shared governance. Each year, the University Resources Committee (URC), a committee comprising faculty, students and administrators, performs an annual assessment of the University's overall financial health, projected operating revenues, expenses and academic priorities. This assessment informs its recommendations to the president on major elements of the budget that reflect the University's institutional values and an expressed commitment to academic excellence, a diverse and inclusive community and a financially sustainable operating model. The Corporation of Brown University, the University's governing body, makes final decisions on the budget.

Brown's Financial Health

While Brown University closed Fiscal Year 2023 in a stronger financial position than the previous year, the University did post a modest operating loss of 3%, resulting in a deficit of \$37.2 million as calculated according to generally accepted accounting principles (GAAP¹). The University's endowment and other managed assets generated a modest return of 2.7% in FY23, up from the -4.6% for the prior fiscal year. This positive return comes despite significant disruption in global economic markets that have been challenged by geopolitical uncertainty and sustained inflation, in addition to government and policy activity affecting major industry and finance sectors. This reinforces the need to be prudent with the use of the endowment to protect it for future generations.

Brown's net assets were \$7.7 billion, growing by \$162.2 million, or 2.2% from FY22. Total debt at the end of FY23 stood at \$1.30 billion, up from \$1.27 billion in FY22.

¹ The University's financial statements are prepared in accordance with U.S. generally accepted accounting principles (GAAP) and audited by independent outside auditors. Throughout this report, GAAP financials have been summarized for presentation purposes in charts and tables.

The current portfolio of debt has an average maturity of 21.1 years and carries a 2.97% blended cost of capital, which remains one of the lowest in higher education. Brown’s credit rating remains at AA+/Aa1 with S&P and Moody’s respectively, reflecting the financial health of the University.

The number and quality of Brown’s applicants continue to be at an all-time high, the University’s cost of capital is one of the lowest in higher education, and investment and fundraising operations continue to outperform virtually all of Brown’s peers. The critical importance of philanthropy in supporting the University’s financial health cannot be overstated, and in FY23 Brown experienced another record year for contributions, with \$423.7 million in new gifts and pledges.

All of these elements speak to the financial strength and vitality of the University, and sustaining this financial health for the campus continues to be a key factor in determining how resources are allocated. The ongoing, but moderating, effects of inflation and the possibility of a recession continue to be a concern and are front and center as the University develops its financial plans.

Operating revenues fall into six major categories:

- 1. **Tuition and Fees.** Accounting for 44% of total University funding in FY23, gross tuition and fees from Brown’s undergraduate, graduate and medical programs comprise the single largest source of revenue supporting academic and administrative operations. For the 2022-23 academic year, each undergraduate student was charged tuition and fees of \$62,680 per year, not including room and board (whose revenue is included in “sales and services of auxiliary enterprises”). Tuition for most doctoral and on-campus master’s degree programs was \$7,835 per course (approximately a dozen master’s programs have tuition rates that vary from the standard), and medical school tuition was \$67,268.

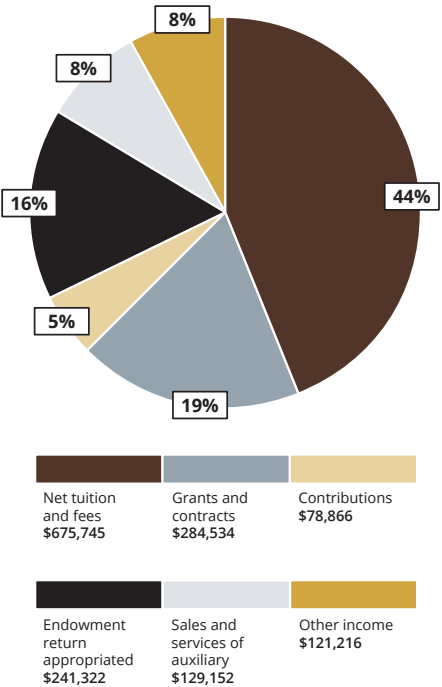
It is important to note that financial aid and support provided to students reduces the gross revenue from tuition and fees such that roughly 60% of tuition is left to support Brown’s actual operating expenses. For the 2022-23 academic year, nearly half the class of undergraduates (45%) received some form of financial aid, and the average need-based award was \$56,740. More than \$180 million, or 38% of undergraduate tuition and fees, was funded by University scholarships. Similarly, while gross tuition for doctoral students was \$96 million in FY23, Ph.D. tuition revenue was largely offset by \$95 million in graduate student aid (a discount of 99% of gross tuition) provided by Brown. Full-tuition scholarships to Ph.D. and MFA students totaled \$62,680.

Principles Guiding Tuition Setting

Each year, the faculty, students and administrators that make up the URC recommend tuition increases for the following year. At 2.85%, the tuition increase for FY23 matched the lowest increase in the previous 11 years. The URC deliberates extensively on how to keep tuition increases as reasonable as possible while ensuring Brown will have the revenue required to sustain investment in research, teaching, student support, financial aid and other priorities. Net tuition and fees (gross revenue minus the support for financial aid and graduate support) has to provide the revenue required for Brown to attract and support the most talented students, faculty and staff, and to sustain the environment needed to advance Brown’s mission of knowledge, discovery and community impact.

Brown has a history of keeping tuition increases modest, while at the same time complementing increases with new and enhanced financial aid initiatives. The University commits to meet 100% of the demonstrated need of all accepted undergraduate students. Beginning with the 2022-23 year, Brown began to cover full tuition for families of undergraduates earning \$125,000 or less with typical assets, while students of families making less than \$60,000 a year with typical assets now receive scholarships that cover all expenses — tuition, room, board, books and other expenses. Even as such moves are vital for meeting University priorities, they decrease net tuition revenues and must be considered when setting tuition for the coming year.

Figure 1: Components of Revenue
Total Revenue \$1,530,835
dollars in thousands



GAAP statements summarized for presentation purposes

2. **Sponsored Research Funding.** High-impact research is core to the mission of the University. The major source of funding for research is grants and contracts from federal agencies, foundations and corporations. Sponsored research is the second-largest source of revenue for Brown, at 19% in FY23. Sponsored research revenue supports both direct costs of research, such as the salaries of researchers, equipment, supplies and travel costs associated with the funded research project, and also indirect costs of research, such as support for libraries, research administration and utilities and maintenance for laboratory buildings. Roughly 77% of sponsored research awards from the federal government and foundations goes to supporting direct costs.

Although sponsored research awards fund most of Brown's research activity, they do not cover all of the direct and indirect costs of research. In aggregate, grants from federal agencies and foundations typically need an additional investment from the University of between 30% and 40% to fully cover the costs of research. This additional investment is funded by philanthropic sources such as professorships, fellowships and gifts directed to supporting research, as well as other sources of revenues at the University.

3. **Endowment Payout.** Brown's endowment contributed \$241.3 million to the University in FY23, or 16% of total revenue, representing the third largest revenue source. The fraction of the investment return of the endowment paid to support the University budget (the payout rate) is set annually by the Corporation of Brown University and ranges from 4.5% to 5.5%, based on principles of ensuring that the endowment can weather changes in financial conditions and sustainably support the University's priorities in perpetuity. Lower payout rates allow the endowment to grow more quickly, providing greater levels of support for University priorities in future years; however, the Corporation may decide to increase the payout for strategic purposes. The payout rate, currently set at 4.8%, uses endowment funds in support of vital priorities such as financial aid for students, salaries for faculty who hold endowed professorships, academic programs, research, libraries, lectures, athletics and other aspects of student life, and other designated purposes.

Most endowed funds are restricted by law to the specific use designated by individual donors. Brown's endowment is not a single fund, but is instead a collection of more than 3,800 funds that were donated to the University over hundreds of years. A small portion of the endowment (currently 14%) is classified as "unrestricted," meaning that the funds have been allocated — without the restriction of a donor's designation — to support purposes identified by the University. These unrestricted funds are invested for the long term alongside other endowment funds, such that the payout is available to support operations. These endowment funds that were "allocated by purpose" in FY23, totaling \$34 million of the \$241.3 million of endowment payout, were distributed to meet a wide range of revenue needs across the budget, including operating balances for grant support and operations across academic and administrative cost centers. To learn more, see the section on "Understanding How the Endowment Contributes to Revenues."

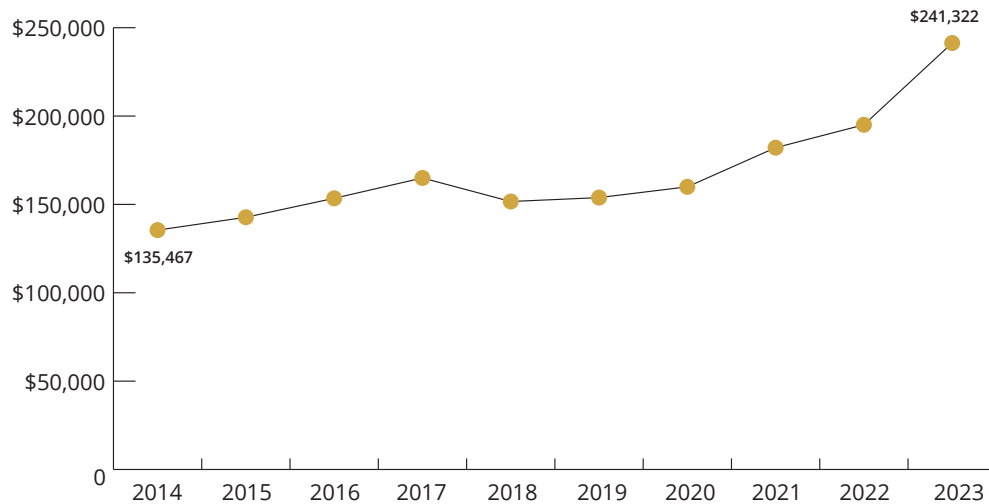
4. **Auxiliary Revenue.** Sales and services of auxiliary enterprises is the fourth largest source of revenue at the University, at 8% for FY23. This category primarily includes revenue from student housing and dining services ("room and board"), student health insurance and the Brown Bookstore. As with tuition and fees, many students have financial aid awards that cover all or part of the costs of room and board and health insurance. In addition, low-income undergraduates qualify for free textbooks from the bookstore.
5. **Other Income.** Brown receives a small amount of "other income" from sources such as rental income on property owned by Brown, interest on liquidity reserves and revenue from affiliation agreements with Rhode Island's two largest health systems that support medical education and research. This contributed \$121.2 million, or 8% of total revenue.
6. **Contributions.** In FY23, contributions made up 5% of total revenue, the sixth largest source of funding. Made up of charitable gifts from donors, which are often called "current-use gifts," contributions are not invested with the endowment and are typically spent within a year of receipt. One source of current-use gifts is the Brown Annual Fund, which is used to enrich all aspects of life at Brown, most especially financial aid. The Brown Annual Fund also provides flexibility to respond to unexpected financial challenges and allows the University to take advantage of emerging opportunities, such as developing a new academic program to align with trends in scholarship, research or learning. Donors give other current-use gifts to support specific priorities including student programs, research projects, diversity initiatives, athletic teams and sustainability.

Understanding How the Endowment Contributes to Revenues

As a nonprofit charitable institution, Brown has a legal responsibility to manage its endowment in a financially responsible way, and to use it in support of the University's mission. Since 1764, alumni, parents, students and friends of Brown have made generous donations to support a specific University purpose (i.e., a student scholarship, a specific professorship, faculty research, etc.), and these funds are "restricted" by law for their designated use. The endowment — now totaling more than 3,800 distinct funds — is invested in a diverse portfolio of assets with the goal of growing the original gifts to provide an ongoing income stream to support the specific endowed purpose.

The University is charged with both protecting and growing the endowment to support Brown's educational mission in perpetuity. Because Brown has preserved and increased the core value of the endowment over time, the University has been able to support past generations of Brown students in their academic pursuits; to fund current education, research and scholarship for those teaching and learning at Brown today; and to make it possible for students, faculty and staff to advance knowledge and discovery for decades into the future. Growing the endowment means that its payouts to the University — the contributions that fund the work of students, faculty and staff and provide the facilities, support and services they need — can grow over time.

Figure 2: Endowment Return Contributed to Operating Revenues 2014-2023
dollars in thousands



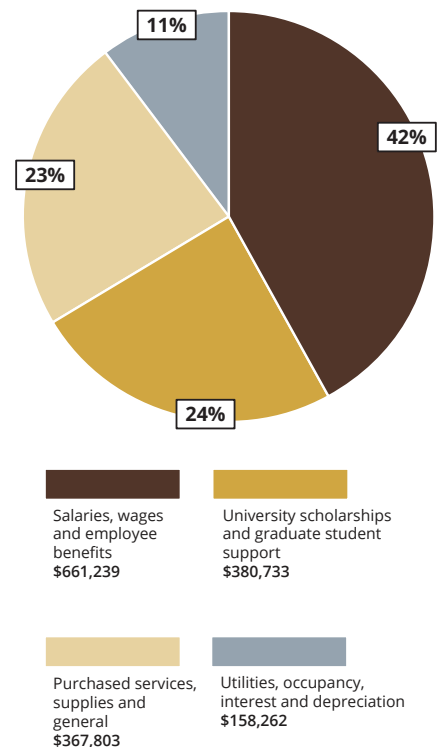
To support this dual mission of both preserving and enhancing the endowment, the Brown Corporation votes annually on the amount that will be distributed from the endowment to the University. The Corporation limits the endowment's annual distributions to the University to between 4.5% and 5.5% of the average market value of the endowment. The market value is calculated by taking the average over the prior 12 quarters to smooth distributions relative to market conditions. This translates to 12% to 16% percent of the University's annual operating budget supplied by the endowment in any given year over the past decade.

Brown's payout rate of 4.8% is comparable to the University's peers, and is critical to sustaining the endowment distribution as the University's third largest source of revenues. With ongoing careful stewardship, the endowment will continue to build financial support for the many endeavors of the University's faculty, staff and students, shape the character of Brown as an institution and ensure its permanence.

SETTING BUDGET PRIORITIES / RESOURCE ALLOCATION

A joint committee of faculty, administrators and students, the URC develops a recommendation for major components of Brown's annual operating budget that is ultimately presented to the Corporation of Brown University, the institution's highest governing body, for approval. The URC budget process is an example of shared governance in action at Brown. The committee receives budgetary information on all aspects of University operations in an open and transparent way with leaders from major areas presenting to the committee. The URC then deliberates thoughtfully before making its recommendations on macro-level elements of the budget such as tuition increases and salary merit pool recommendations. These decisions involve balancing the need to support the University community with the need to produce a fiscally responsible budget and, in making decisions, the URC is firmly guided by the shared values and goals of the people who live, work and study at Brown.

Figure 3: FY23 Operating Expenses
Total Expenses \$1,568,037
dollars in thousands



Categories of Operating Expenses

- 1. Salaries, Wages and Employee Benefits.** Spending for faculty and staff compensation and benefits is the largest expense category, totaling \$661 million in FY23, or 42% of total expenditures. Of this total amount, 40% is for Brown's faculty and 57% for University staff, with 3% for student employees. For FY23, the URC recommended faculty and staff salary pools of 4.25%, the highest increase in over a decade. Although tuition and salary pools are not intrinsically linked, the committee discusses the parity between increases in tuition — Brown's largest source of revenue — and the ability to fund salary pool investments for faculty and staff. The URC determined that the proposed increase would enable the University to fund the majority of investments that are necessary to adequately support Brown's faculty and staff.

Principles Guiding Salary Pool Levels

The faculty, administrators, students and staff who are members of the URC determine salary pools in keeping with the committee's charge to ensure that resources are aligned with the institution's highest strategic priorities and commitment to supporting all members of the community. The University strives to be an employer of choice for faculty and staff and takes a holistic approach to determining the benefits it offers. This includes generous health care, retirement, tuition assistance, child care stipends and paid time off, as well as other benefits that make Brown an attractive place to work.

In making its FY23 recommendation, the URC reviewed substantial analysis on faculty salary levels and hiring and retention rates across all faculty ranks and disciplines. To determine staff compensation pools, University Human Resources provided market data and hiring and retention trends at Brown in all staff employment categories. The URC assessed labor markets and such factors as changing modalities of work (including opportunities for remote and hybrid work that have made recruitment and retention more challenging), to ensure Brown as an employer remains competitive.

- 2. University Scholarships and Graduate Student Support.** Commonly referred to as student aid and support, spending for undergraduate scholarships and financial support for graduate students is the second-largest expense category for Brown, accounting for 24% of expenditures. The University spent \$381 million on student aid and support in FY23, divided between \$185 million for undergraduate financial aid (provided as University scholarships) and \$196 million for graduate and medical student fellowships and stipends.

Over the past several decades, the University has made expanding financial aid a major priority to ensure a Brown education is accessible to students from the full range of socioeconomic backgrounds regardless of financial need. Undergraduate financial aid has long been among the fastest-growing elements of the annual budget, with an increase of more than 86% in the past decade. The University follows a need-blind admissions policy for all domestic students (other than transfer students), and all student veterans, meaning that admission decisions are made independent of a student's ability to pay. In addition, Brown meets the full assessed financial need of all undergraduate students who matriculate, including transfer students and international students. Brown eliminated loans from its financial aid packages for all undergraduates, starting in the 2018-19 academic year, and further enhancements were announced in Fall 2021. Brown eliminated the home equity provision for incoming students for Fall 2022, with the resulting increased scholarships covering full tuition for families earning \$125,000 or less a year with typical assets. The University also announced the goal of adopting need-blind admissions for international students starting with the Class of 2029 (after becoming need-blind for domestic students in 2003).

- 3. Purchased Services, Supplies and General Operating Costs.** The next category of expenses includes the myriad list of products and services needed to operate the University: food, library materials, supplies for research projects, cleaning and maintaining facilities and caring for grounds, and much more. A University priority is to ensure that the goods and services are purchased economically, and from a diverse range of suppliers who respect the University's commitments to sustainability and ethical labor practices. The University places priority on buying locally sourced products.
- 4. Utilities, Occupancy, Interest and Depreciation.** This final major category of expenses includes the costs to support the University's property plant and equipment and occupancy costs such as electricity, water, gas and heat. Interest expense is the result of the University issuing debt to pay for capital expenses, such as constructing new buildings; renovating residence halls, office buildings, classrooms and laboratories; and paying for information technology infrastructure. Depreciation represents the value of the University's property plant and equipment that has been used during the year. Importantly, this helps inform the University's capital plan and allocation of resources to the ongoing maintenance and renewal of the campus infrastructure.

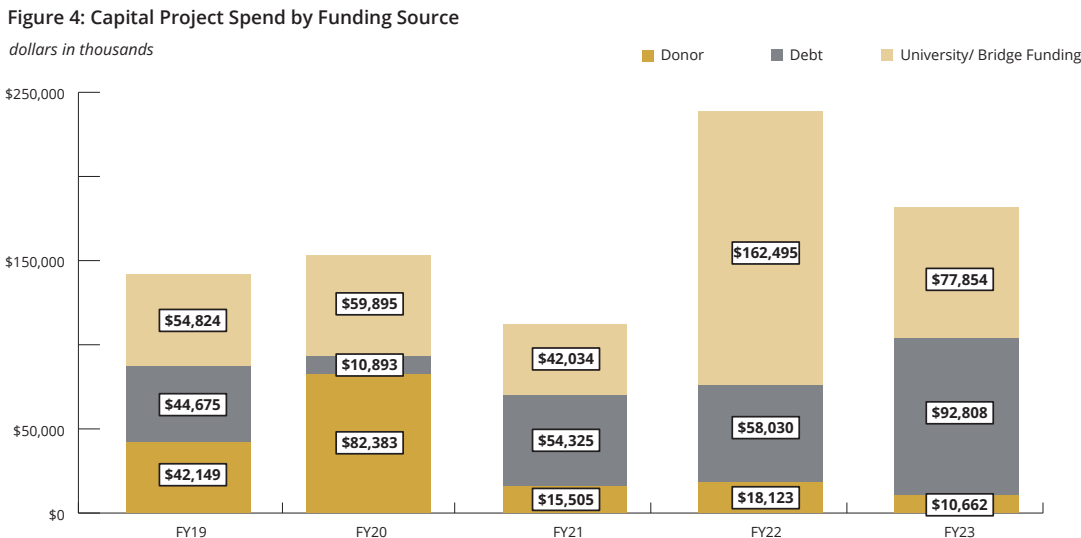
Capital Expenses

In recent years, Brown has spent between \$110 million and \$240 million per year on capital expenses, defined as the purchase, construction or upgrade of durable assets such as new buildings, major renovations, information technology, real estate and major pieces of equipment. Capital items typically have a long service life of 10 to 40 years. Capital expenses differ from operating expenses, which are typically recurring, short-term expenses.

Capital expenses are generally funded in four ways: 1) from philanthropic contributions (gifts from individual donors); 2) through the issuance of debt; 3) from University reserves (savings from previous years); and, 4) if available, from positive operating margins (the balance of University revenues after total expenditures). In some cases, the University will provide “bridge funding” to cover the costs of a capital project in advance of the receipt of gifts pledged to support the project.

In recent years, Brown’s average operating margins have been close to zero; hence, in practice, capital expenses have been funded by philanthropy, debt and reserves. An important priority is to improve the University’s operating margins in future years, targeting a surplus of 2% to 3%, which will allow the University to expand the level of resources available for reinvestment in capital expenses such as renovations of academic buildings and dorms, enhancements to information technology systems and the development of critical research facilities.

Figure 4 illustrates the capital project spending by funding source used in the respective fiscal year.



Fundraising is especially important to Brown’s ability to construct new buildings. At the beginning of each building project, the University sets a fundraising goal, depending on a number of factors: the objectives of the project in the context of the University’s mission; the likely interest the project will generate among donors; and whether the building will generate new revenues. For example, because residence halls generate auxiliary revenue (through room fees charged to students), the fundraising goal may be less than the full cost of construction. Conversely, for new research facilities, fundraising is even more critical. Even though a new research building will enable more funded research, which will attract external sponsored research funding, research requires an additional 30% to 40% of investment over every research dollar received. This makes fundraising crucial to Brown’s ability to expand its research enterprise.

Brown has established a priority that all athletics facilities be fully funded by gifts, while renovations of academic buildings and residence halls are often all or partially debt-funded. As previously noted, a University priority is to grow its operating margin, so that renovations of academic buildings and residence halls can be completed without incurring debt. In FY23 Brown spent \$181 million in new capital expenses, including support for the new Lindemann Performing Arts Center and the new Brook Street dormitories, the William and Ami Danoff and Chen Family residence halls. All of these projects were supported at least in part by generous philanthropy from members of the University community.

REVIEW OF FISCAL YEAR 2023 FINANCIAL STATEMENTS

The following materials outline the Fiscal Year 2023 financial performance of Brown University. The University's financial statements were prepared in accordance with U.S. generally accepted accounting principles (GAAP) and audited by Brown's independent outside auditors from the firm KPMG LLP. The GAAP financials have been summarized for presentation purposes in the charts and tables presented in Figure 5.

Figure 5: Summary of GAAP Financial Statements *(dollars in thousands)*

Balance Sheet	2023	2022	% Change
Assets	\$9,426,363	\$9,266,395	2%
Liabilities	\$1,732,163	\$1,734,429	0%
Net assets	\$7,694,200	\$7,531,966	2%
Total liabilities and net assets	\$9,426,363	\$9,266,395	2%
Statement of Activities	2023	2022	% Change
Operating revenues	\$1,246,193	\$1,231,020	1%
Operating expenses	\$1,283,395	\$1,181,472	9%
Net operating activities	-\$37,202	\$49,548	-175%
Nonoperating activities	\$199,436	-\$331,713	-160%
Change in net assets	\$162,234	-\$282,165	-157%
Net assets, beginning of year	\$7,531,966	\$7,814,131	-4%
Net assets, end of year	\$7,694,200	\$7,531,966	2%
Cash Flow	2023	2022	% Change
Change in net assets	\$162,234	-\$282,165	-157%
Adjustments	-\$410,810	\$151,885	-370%
Net cash used in operating activities	-\$248,576	-\$130,280	91%
Cash flows from investing activities			
Additions to land, buildings and equipment	-\$181,324	-\$249,558	-27%
Net investments	\$93,389	\$62,051	51%
Other	-\$37,723	\$7,346	-614%
Net cash used in investing activities	-\$125,658	-\$180,161	-30%
Cash flows from financing activities			
Gift-related activities	\$249,144	\$199,365	25%
Proceeds and payments on debt instruments	\$30,503	-\$162,958	-119%
Net cash used from financing activities	\$279,647	\$36,407	668%
Change in cash	-\$94,587	-\$274,034	-65%
Beginning cash balance	\$450,842	\$724,876	-38%
Ending cash balance	\$356,255	\$450,842	-21%

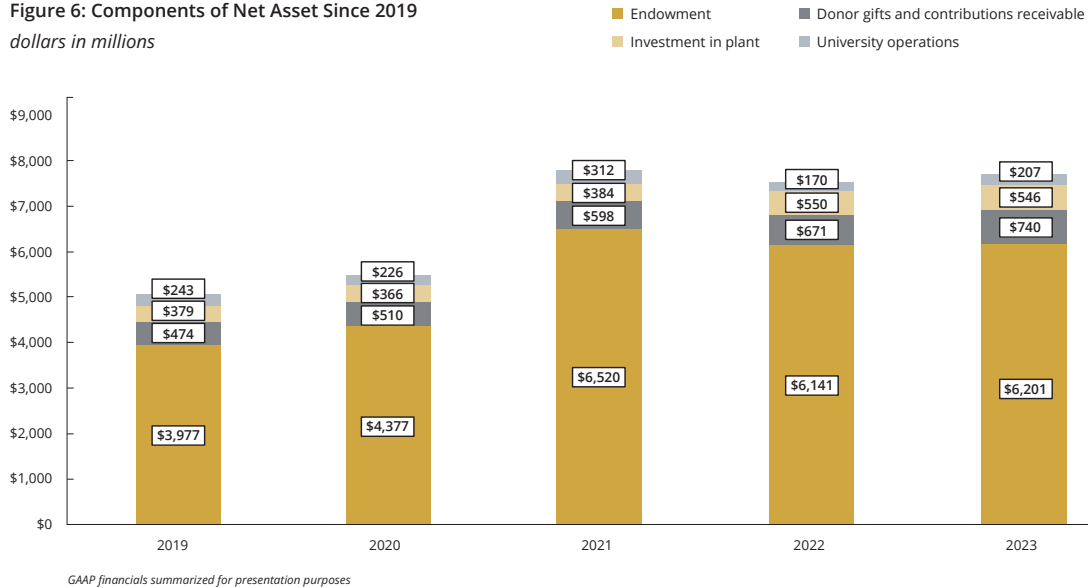
GAAP financials summarized for presentation purposes

Net Assets

The University ended FY23 with net assets of \$7.7 billion, an increase of \$0.2 billion (2.2%) despite recording an operating loss of \$37.2 million. The increase of net assets was driven by \$308 million in gifts to the endowment and capital projects and investment performance of 2.7%, offset by the endowment return appropriated. The cumulative change in net assets for the last five years totals \$2.6 billion.

Figure 6: Components of Net Asset Since 2019

dollars in millions

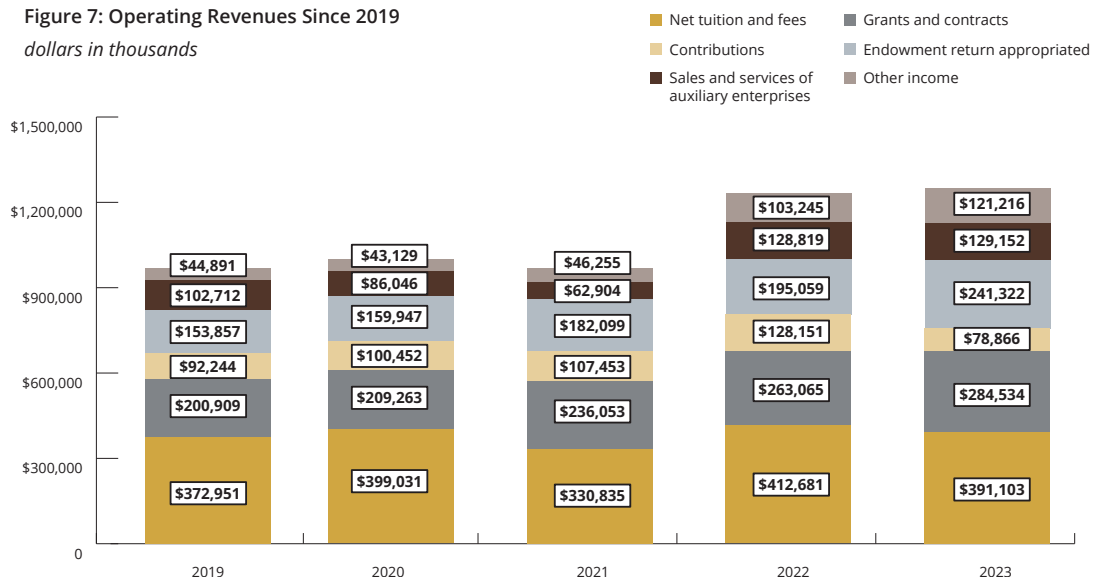


Operating Revenue

The University's total operating revenues increased slightly by \$15.2 million or 1.2%, from \$1.23 billion in FY22 to \$1.25 billion in FY23. The change in total revenue was driven by growth in grants and contracts, the endowment return appropriated and other income. The growth was offset by declines in net tuition and fees and contributions for current use. The net tuition fees represent gross tuition and fees offset by University scholarships. The University strengthened its commitments to financial aid, resulting in scholarships outpacing the increase in tuition and fees. This resulted in an overall decrease in net tuition and fees.

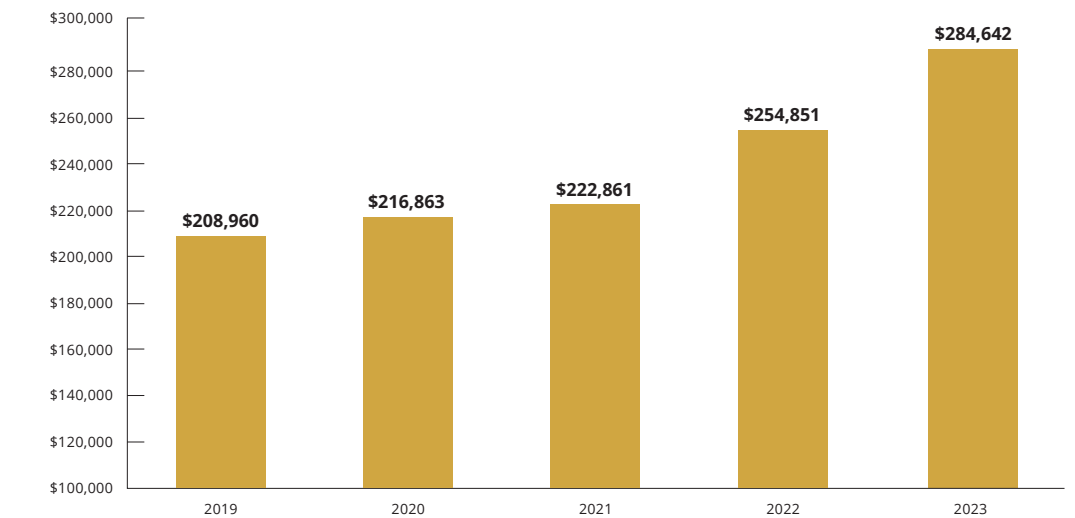
Figure 7: Operating Revenues Since 2019

dollars in thousands



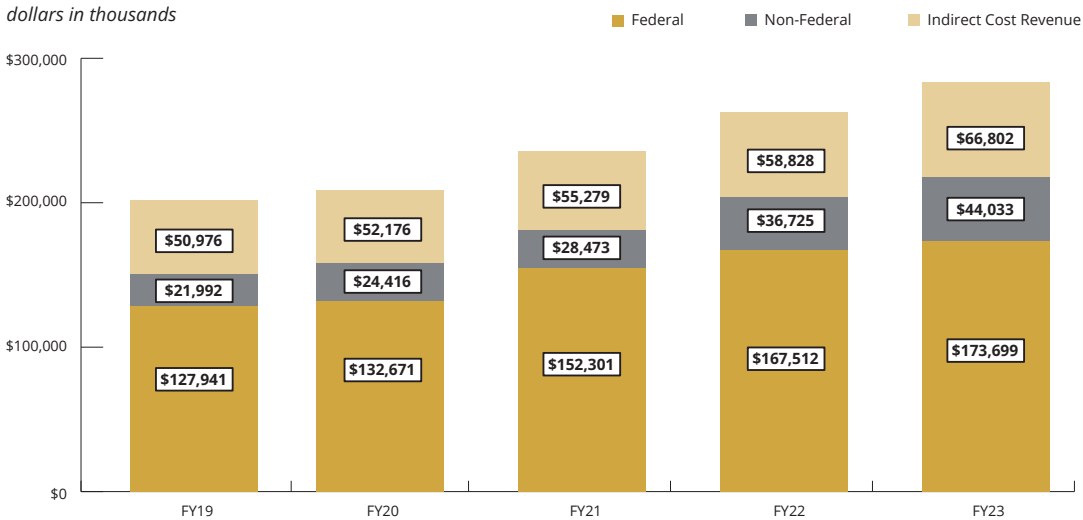
Gross tuition and fees increased by 1.2% or \$8.2 million, from \$667.5 million in FY22 to \$675.7 million in FY23. There was marginal growth in gross tuition because the FY22 gross tuition includes a portion of the third-semester revenue of Academic Year 2020-2021. This was a one-time transition to three semesters as a response to the COVID-19 pandemic, resulting in an inflation of FY22 gross revenue compared to FY23. Scholarships grew at a strong pace of 11.7%, or \$29.7 million, to \$284.6 million in FY23, up from \$254.9 million in FY22. This reflects the University’s continued commitment to access and affordability for its students and the University’s initiative to remove the consideration of home equity in a student’s financial aid package. This greater investment in financial aid results in a net decrease in tuition and fee revenue. In aggregate, net tuition and fees decreased by 5.2% year over year to \$391.1 million.

Figure 8: University Scholarships Paid
dollars in thousands



Grants and contracts revenue from government and private sources increased \$21.5 million to \$284.5 million, an 8.2% increase over FY22. Of the increase, \$14.1 million was from federally funded grants and contracts. The percentage of revenue from federal funding sources such as the National Institutes of Health, the National Science Foundation and the Department of Defense declined slightly to 85% in FY23 from 86% in FY22. The University’s effective indirect cost reimbursement rate remained constant at 31% for FY23 and FY22. Indirect cost reimbursement, which allows the University to recover certain overhead expenses related to grants, is a critical component of the operating budget, as it broadly supports research Brown. The University also grew its private grant revenue, which represents 15% of the revenue in FY23, or \$7.0 million of the grant and contract revenue increase. Over the past 5 years, revenue in the category of grants and contracts has increased by more than \$80 million.

Figure 9: Grants and Contract Revenue Composition 2019-2023



Operating revenue for current-use gifts decreased by \$49.3 million to \$78.9 million in FY23, reflecting a decline in cash received and new operating pledges. Although there was a decline in current-use gifts, the total operating and nonoperating contribution revenue increased from FY22. Donors continue to give generously, and the mix of gifts has been primarily designated to the endowment in FY23.

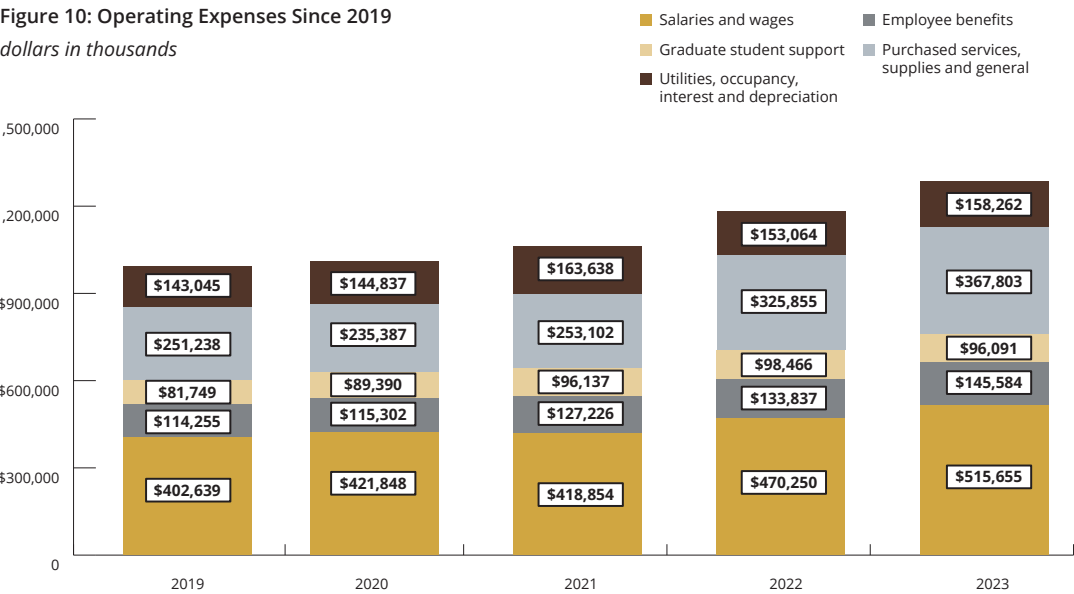
The Corporation of Brown University approved an endowment appropriation distribution of 4.8% for FY23, consistent with the approved distribution in FY22. This payout rate is applied to the average market value of the Brown endowment over the most recent three-year period. Despite a flat approved endowment distribution percentage, the appropriated endowment income increased \$46.3 million as a result of the investment growth in calendar year 2021 and donor contributions. This FY23 appropriation of \$241.3 million from the endowment represents 19.4% of the University’s operating revenue.

Auxiliary revenue remained relatively flat, increasing by only \$0.3 million to \$129.2 million for FY23. Housing, dining and student health fees constitute 79% of these revenues.

Operating Expenses

Total operating expenses for the University increased 8.6% to \$1.28 billion in FY23, from \$1.18 billion in FY22. Salaries, wages and benefits expenses, which represent more than 50% of the operating expenses of the University, grew by 9.5%, to \$661.2 million in FY23. Graduate student support, including scholarships and stipends, slightly decreased by 2.4%, to \$96.1 million. Non-compensation expenses increased by 9.8%, to \$526.1 million. This reflects continuing efforts by the University to grow its research, including increases in subcontracts for research, along with increases in study abroad programs. This also reflects continued increases in travel-related expenses, which were offset by reductions in COVID-19 testing costs that occurred in the first semester of FY22.

Total salaries and wages increased by 9.7% to \$515.7 million. The growth was a result of increases in both faculty and staff positions, as well as a merit and equity increase to compensation for existing faculty and staff. Employee benefits increased 8.8% to \$145.6 million in FY23. While health insurance costs remained fairly consistent at approximately \$48 million, an increase in benefits expenses in FY23 was primarily driven by headcount, with increased employer contribution to faculty and staff retirement plans.



Balance Sheet

Fiscal Year 2023 ended with increases to both assets and net assets when compared to Fiscal Year 2022.

Figure 11: Balance Sheet Summary

(dollars in thousands)

	FY2023	FY2022	% Change
Assets			
Cash and cash equivalents	\$356,255	\$450,842	-21%
Accounts receivable and other assets	\$94,769	\$81,836	16%
Contributions receivable, net	\$428,516	\$362,957	18%
Funds held in trust by others	\$75,276	\$36,219	108%
Rights-of-use assets, operating	\$84,405	\$91,604	-8%
Investments	\$6,831,006	\$6,782,034	1%
Land, buildings and equipment, net	\$1,556,136	\$1,460,903	7%
	\$9,426,363	\$9,266,395	2%
Liabilities			
Accounts payable and accrued liabilities	\$140,240	\$142,906	-2%
Student deposits and grant advances	\$95,096	\$104,671	-9%
Operating lease obligations	\$85,655	\$92,599	-7%
Other long-term obligations	\$50,324	\$61,348	-18%
Retirement obligations	\$57,436	\$57,979	-1%
Bonds, loans and notes payable	\$1,303,412	\$1,274,926	2%
	\$1,732,163	\$1,734,429	0%
Net assets			
Without donor restrictions	\$1,578,411	\$1,495,437	6%
With donor restrictions	\$6,115,789	\$6,036,529	1%
	\$7,694,200	\$7,531,966	2%
Total liabilities and net assets	\$9,426,363	\$9,266,395	2%

GAAP statements summarized for presentation purposes

Cash and Cash Equivalents

Cash and cash equivalents declined by \$94.6 million to \$356.3 million in FY23. The University's use of \$67.2 million to pay down debt, combined with a \$37.2 operating loss, resulted in the decline in cash.

Investments

Brown investments remained relatively flat at \$6.8 billion as of the balance sheet date. The endowment and other managed assets generated a 2.7% return in FY23. Additional information on the endowment can be found later in this report, in the section prepared by the Brown University Investment Office.

Debt

Total bonds, loans and notes payable increased by \$28.5 million to \$1.3 billion in FY23. The increase was driven by the issuance of tax-exempt bonds offset by the \$67.2 million paydown of maturing debt, plus the annual debt service payments. The tax-exempt bonds proceeds are designated to fund construction projects.

Capital Expenditures

Brown invested \$181.3 million in capital projects, buildings and equipment in FY23. The University continued to contribute to a number of significant projects, including the construction efforts at The Lindemann Performing Arts Center, which opened in Fall 2023. Other capital projects included the 353-bed Brook Street residence halls, the William and Ami Danoff and Chen Family residence halls; the Churchill House renovation, including Rites and Reason Theatre; and continual capital support for the University's commitment to greenhouse gas reduction and decarbonization.

SUMMARY

In Fiscal Year 2023, Brown University continued to strengthen its financial position by increasing net assets by 2%, despite a modest decline in the operating margin. The foundation of the University's financial health lies in the strength of its community. Brown's community is galvanized by its commitment to shared governance in financial planning, which allows University leadership to make well informed decisions that foster the impactful work of faculty and staff and the world-class academic and research programs that Brown offers. These financial statements demonstrate that the responsibility to steward the institution's resources is not one that is taken lightly. Stewardship of these important resources is part of Brown's enduring commitment to continue offering world-class academic programs and conduct high-impact research for generations to come.

Endowment Report

Brown University Investment Office

INTRODUCTION

At the conclusion of the fiscal year ending June 30, 2023, Brown University's endowment and other managed assets stood at \$6.6 billion, a net increase of \$75 million over the previous year. The net increase accounts for gifts to the endowment of \$175 million, contributions from the endowment and other managed assets to the University budget of \$257 million and investment gains of \$174 million. The investment gains represent an annual investment return of 2.7%.

Over the past decade the endowment has compounded investment gains at a rate of 11.3%, and more than doubled in size, from \$2.9 billion to \$6.6 billion. As the endowment and other managed assets have grown, so has the annual contribution to the University operating budget, from \$137 million a decade ago to \$257 million in FY23. The mandate of the endowment's investment program is to produce investment returns sufficient to maintain the size and purchasing power of the endowment such that each gift can continue to not only make contributions to its stated purpose in perpetuity, but also such that those contributions do not lose economic value over time to the pressures of inflation. Fortunately, the investment gains have been sufficient to increase the value of those gifts substantially.

As the size of the endowment grows, the investment gains increase— and therefore the investment strategy increases— in relative importance to Brown's mission of scholarship and research. The investment strategy can be summarized as follows:

- Build a team of professional investors that believe in Brown's mission and pursue a culture of excellence that is consistent with the overall quality of Brown as an academic institution.
- Guide the investment strategy with an informed and engaged Investment Committee of volunteers from the Corporation of Brown University.
- Partner with the best professional investment managers pursuing competitively advantaged strategies.
- Emphasize Brown's unique advantages, particularly the community of alumni, parents and scholars who represent the core constituencies of the endowment.
- Be empirical. Be contrarian. Be long-term. Take appropriate risk.

In the context of an institution entering its third century, the outcomes achieved through this strategy have consistently strengthened the endowment's ability to make a significant impact on Brown's academic mission and enhance financial access for those aspiring to be part of it.

SUPPORTING THE UNIVERSITY

The \$257 million contribution to the University's operating budget in FY23 was a new all-time high. The contribution is determined annually but is always between 4.5% and 5.5% of the endowment. This payout rate is expressed as a percentage of the 12-quarter trailing average of the endowment's size. This insulates the annual budgeting of the beneficiaries of the endowment's contributions from the volatility inherent in the financial assets in which the endowment invests. As a result, the endowment's financial support for the University continues to rise to reflect the growth of the endowment in previous years. For the 2023 fiscal year, the contribution represents 4.8% of the endowment.

The University's overall operating budget received 17% of its total from contributions from the endowment and other managed assets in the form of financial aid, professorships, lectures and other programmatic and academic support. The providers of Brown's endowed funds have helped to shape the character of the University through these specific uses, designated to a specific purpose at the time of the original gifts that established the funds, and inextricable from the gifts. The Brown University endowment currently comprises more than 3,800 funds donated as charitable gifts to support the University since its founding.

PERFORMANCE

The performance of the endowment's investment program can be assessed in multiple ways. First and foremost, the guiding principle is to ensure that the purchasing power of the endowment's financial resources is preserved for future generations in perpetuity. Another objective is that the endowment's investment performance over time should compete with market benchmarks and peer organizations pursuing similar goals of perpetual financial support to an educational mission.

This section of the endowment report will examine each of these objectives in turn, but in each case the differential between the results of FY23 and the longer-term results will merit discussion. The important context, which can be seen in Figure 13, is that the volatility of single-year returns for the endowment has expanded in recent years. After three consecutive years of returns within 1% of one another (FY18-FY20), the returns exploded higher in FY21 (51.5%), growing the endowment by \$2.4 billion in a single year.

Based on the annual contribution in that year of \$194 million, the investment gains from FY21 alone could theoretically account for more than 12 years of the endowment's contribution to the University's operations. That growth was, in a sense, a windfall. It was the product of significant economic distortions resulting from the pandemic and concomitant governmental fiscal policy.

Growing Brown's endowment by half in a single year was appropriately recognized as a transformational event for Brown. The annual contributions of the endowments to their designated purposes have grown rapidly as a result. However, the growth also introduced distortions to the endowment's investment program: in asset allocation, in key measures of the portfolio's liquidity, and in accurate assessments of the true value of some illiquid investments. These distortions complicated decision making for the investment portfolio.

Figure 12: Endowment Income by Gift Purpose

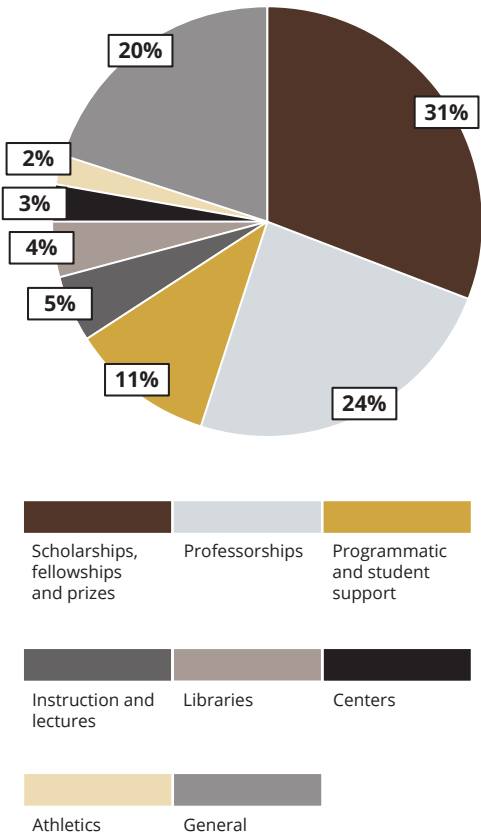
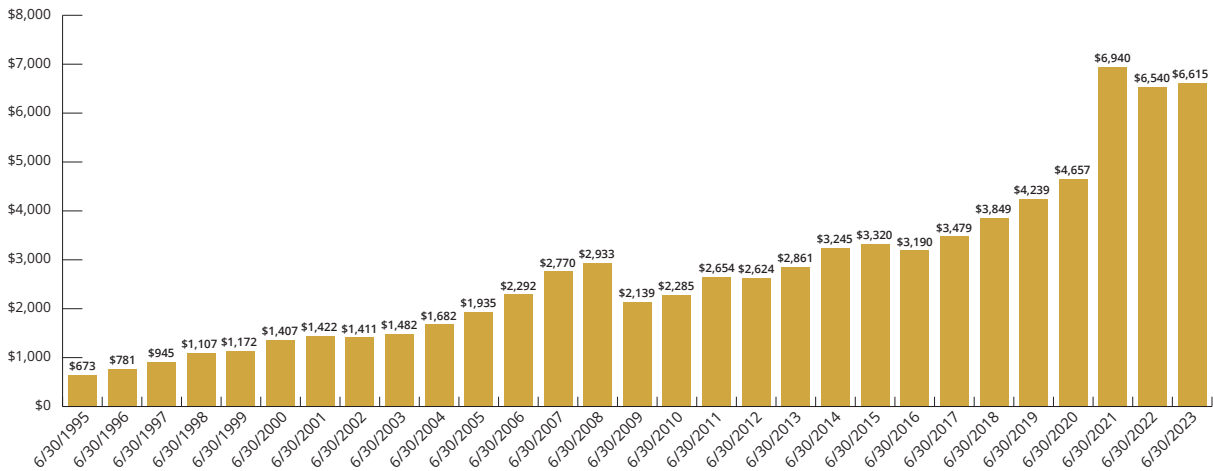


Figure 13: Market Value by Fiscal Year End
dollars in millions



The value of the endowment today stands slightly below its level at the conclusion of FY21. A short-term view would — accurately — identify the following two years as an unproductive stretch during which the portfolio has failed to grow at the necessary replacement rate to preserve the purchasing power of the endowment. A longer-term view would — also accurately — accede that by not relinquishing the windfall gains of FY21, the endowment's project of maintaining and growing as a financial resource for Brown's mission of scholarship and research remains on track. It is the longer-term view that carries more import.

Spending

The investment gains of \$174 million from FY23 do not entirely fund the contributions to the University. Repeating this result and extrapolating over time would quite obviously result in a deterioration and eventual depletion of the endowment's resources. Over the past decade, however, the total investment gains are \$4.7 billion, while total contributions to the University are \$1.8 billion, supporting a University growth strategy to increase contributions to Brown's operating budget over time. The prices for financial assets fluctuate cyclically, but the long-term growth in the endowment's financial capability to support the University has been structural in nature.

The silver lining in the category of spending is that the rate of change of Brown's most relevant measure of inflation, the Higher Education Pricing Index (HEPI), declined slightly from the prior year's measure. The 20-year average of HEPI stands at 3%.

Benchmark Comparisons

There are two essential categories of benchmarks that are useful in measuring the investment performance of the endowment: internal and external. The internal benchmark — Brown calls this the Aggregate Benchmark — combines the endowment's actual asset allocation during the year with index returns from those asset classes. The Aggregate Benchmark, in other words, does not seek to measure Brown's asset allocation; rather it seeks to measure whether, given Brown's asset class selection, Brown's investment managers added value over and above that asset allocation. External benchmarks, on the other hand, are market-based results that can aid in assessing the results of whether the endowment was invested appropriately overall.

In FY23, the endowment exceeded its Aggregate Benchmark but trailed most market indexes. Brown makes these data points available annually for the benefit of the endowment's stakeholders, but comparisons are most practically made over longer periods of time, which are detailed in Figure 14.

The single-year result for the Aggregate Benchmark was a gain of 1.9%, trailing the endowment's return by 80 basis points. The endowment's result has exceeded the Aggregate Benchmark in each of three-, five-, 10- and 20-year trailing periods. In the case of the 20-year measure, the endowment's result has averaged 210 basis points of outperformance. This margin indicates the value generated by Brown's external managers that invest capital on behalf of the endowment. While 210 basis points may not sound like a large number, it is very significant when compounded over 20 years. The Brown endowment has grown approximately 60% more than it would have absent this level of outperformance.

Figure 14: Fiscal Year Annualized Returns

annualized returns as of June 30, 2023

	FY 2023	3-Year	5-Year	10-Year	20-Year
Brown Endowment*	2.7%	14.1%	13.3%	11.3%	9.8%
Aggregate Benchmark**	1.9%	12.8%	9.3%	8.3%	7.7%
70-30 MSCI ACWI/Barclays Global Aggregate	11.1%	6.1%	5.5%	6.3%	6.7%
70-30 S&P 500/Barclays US Aggregate	13.3%	9.0%	9.1%	9.6%	8.1%
MSCI All-Country World (ACWI)	16.5%	11.0%	8.1%	8.8%	8.2%
MSCI All-Country World (ACWI) ex-US	12.7%	7.2%	3.5%	4.7%	6.7%
S&P 500 Index	19.6%	14.6%	12.3%	12.9%	10.0%

* FY 2023 final performance includes 93.9% of private 6/30/2023 valuations, 13.4% of which are estimates.

** FY 2023 aggregate benchmark is preliminary as of 9/27/2023.

Turning to market benchmarks, Brown's 2.7% result trailed every measure of stocks and stock/bond combinations that represent appropriate measuring sticks. This is a disappointing data point. Once again, however, it is the compounded rates over longer stretches of time that best demonstrate the effectiveness of the endowment's investment program. Over three-, five-, 10- and 20-year periods (inclusive of the current year), Brown's results exceed combinations of 70% stocks and 30% bonds for both U.S.-focused and global formats, and even exceed returns generated by the MSCI All-Country World index, which is made up entirely of stocks. The sole exception is the S&P 500 index of the largest U.S.-domiciled companies, which has had an exceptionally productive decade. Even in the case of the S&P 500, however, it is worth noting that Brown has exceeded those returns on a five-year trailing basis.

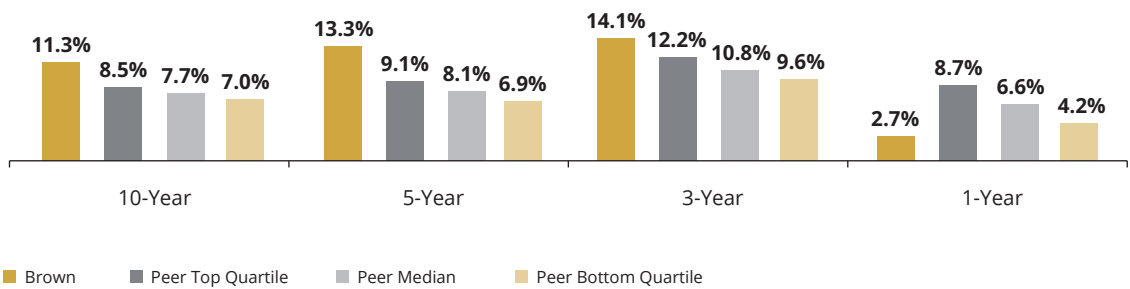
Stock indexes are important benchmarks for the endowment because stocks have historically delivered a high rate of return, and access to broad market indexes like the MSCI All-Country World or the S&P 500 are liquid and available to even the smallest investors at trivial cost. Why then would Brown's endowment not pursue a highly liquid, high-returning, low-cost investment? One reason is because portfolios made up entirely of stocks tend to be highly volatile. Stock investors "earn" those high returns by enduring significant fluctuations in the value of their holdings. For an endowment with an annual payout, however, that volatility represents real risk. The diversification that is necessary to mitigate that risk is what makes an all-stock benchmark an imperfect comparison for the endowment's investment portfolio.

Peer Comparison

A mix of stocks and bonds, such as the 70% stock and 30% bond indexes highlighted above, is a more useful comparison, not simply because a blended index mitigates the volatility of stocks, but also because it represents a simple and popular asset allocation strategy that can be easily achieved with widely available securities.

Among the universe of peers to which the endowment's investment performance should be compared, those that carried a simpler asset allocation (that is, those that owned plenty of stocks) delivered for the most part higher returns in Fiscal Year 2023. Brown's asset mix includes a significant allocation to so-called alternative investment strategies, including hedge funds and private equity. The utilization of alternative investments has been a foundational contributor to the endowment's excellent returns over the past decade, but in FY23, alternative investments mostly struggled while stocks rebounded sharply. The result of this dynamic is that Brown's FY23 investment performance trailed the majority of 161 college and university peers according to data compiled by consultancy Cambridge Associates.

Figure 15: Brown Performance vs. Peers Through FY23
annualized, as reported by Cambridge Associates*



*All peer quartiles calculated using Cambridge Associates preliminary data as of 10/12/2023

Longer-term comparisons, however, paint a brighter picture. The endowment's results rank comfortably in the first quartile for three-, five- and 10-year periods. Indeed, the endowment's margin of outperformance over a 10-year period above and beyond the threshold for inclusion in the first quartile has grown the endowment at a rate roughly 55% greater than if Brown had only achieved a first-quartile result.

In summary, the endowment's approach has generated superlative results over time, and while the current year is a disappointing result, the core strategy will remain undisturbed, albeit with necessary and ongoing minor adjustments.

ASSET ALLOCATION

In the staid world of asset allocation, this is an exciting time. Choosing the assets in which the endowment is invested is a foundational task for the investment program, and it has been animated by the return of interest rates to levels that change the fundamental arithmetic of formulating an optimal combination of assets.

In the years since the global financial crisis of 2008, the decline of interest rates to historically anomalous levels has had a broad impact. Interest payments on cash balances became trivial, and the returns on all but the riskiest of debt instruments fell to paltry levels. But the second-order effects were arguably greater: The employment of large levels of debt in the levered purchase of companies became commonplace, and assets with very long duration — meaning assets whose payoff remains far into the future, such as unprofitable growth companies — were bid up to high valuations. The largest impact of the era of low interest rates may have been that the risk of investing capital in exchange for a potentially huge but uncertain payoff far into the future became not only tolerable but increasingly attractive as prices rose ever upward.

There is virtually no financial asset that does not, in some way, derive its value from the level of interest rates. The future level and direction of interest rates will impact each of the asset classes in which Brown invests, and this section will highlight each of those in turn. As ever, the task is not to make a forecast and optimize a portfolio that will thrive in one set of future circumstances; rather, it is to construct a portfolio that can be productive regardless of any set of future circumstances.

Public Equity

Public Equity strategies comprise 14.6% of the endowment, or \$968 million. These strategies generated profits of \$133 million during the fiscal year, performing in line with benchmarks. Stock markets rebounded during the period after steep declines in the prior year, supported predominantly by steady declines in inflation readings. The performance of the S&P 500 during the year masks an unbalanced set of returns, however, as a handful of the largest technology companies posted impressive gains on the promise of productivity enhancements and new product launches derived from advances in AI (generative artificial intelligence). For the rest of the stock market, especially smaller stocks, gains were more difficult to come by as interest rates moved steadily higher.

The endowment's opportunity set is global, and the public equity portfolio is split approximately evenly between U.S. markets and international developed markets, with a smaller allocation to emerging markets. Of these three, only emerging markets struggled during the fiscal year, as China's economy recovered more slowly than expected following the dismantling of COVID-19 pandemic restrictions. Increased political tension between the U.S. and China has manifested itself in constraints on foreign capital introduced by both parties. Although China has been a productive destination for investment opportunity historically for the endowment, the heightened uncertainty is precipitating a fundamental re-assessment of the role China can play for the portfolio — across asset classes — going forward.

Absolute Return

Absolute Return strategies represent 21% (\$1.38 billion) of the endowment, and generated \$48 million in profits for a 3.7% return. A portfolio of Absolute Return strategies, when working properly, should generate consistent returns with only limited correlation to broader equity markets. In recent years, the endowment's historically productive Absolute Return portfolio began to show signs of excessive correlation: to each other, to other significant asset class exposures (Venture Capital), and to broader markets. The returns generated by these strategies are valuable to a diversified portfolio precisely because of their limited correlation, so the endowment commenced a restructuring of the asset class that is now nearing completion.

Figure 16: Endowment Asset Allocation as of June 30, 2023
dollars in millions

Asset class	Market value	% of endowment
Public Equity	\$968	15%
Absolute Return	1,380	21%
Private Equity	2,637	40%
Real Assets	729	11%
Asset class	\$5,715	86%
Fixed Income	\$466	7%
Hedges	0	0%
Cash and Receivables	434	7%
Total Endowment	\$6,615	100%

The success of the actions taken will have to be judged over the coming years. But early indications suggest that the portfolio is capable of returning to its former health: steady returns, mostly independent of market direction, with sufficiently accessible liquidity. FY23's results, in fact, were held back by the decline in valuations of private, immature growth companies, which are more appropriately the domain of venture capitalists. These are precisely the type of investments the endowment has marginalized in the Absolute Return asset class. Finally, the prospect of structurally higher interest rates actually holds promise for higher returns for many of the strategies that make up the portfolio.

Private Equity

Private Equity is the largest asset class at 40% (\$2.6 billion) of the endowment. There are two primary strategies within Private Equity: Buyouts and Venture Capital. Combined, these delivered losses of \$81 million during the year.

Venture Capital is the larger of the two strategies, at \$1.5 billion, and generated losses of \$161 million as the re-pricing of young private companies continued into its second year. Brown's Venture Capital portfolio has been without peer in terms of returns for the past decade, compounding at a rate of 20% annualized. Venture Capital, in other words, grew its way to becoming the endowment's largest exposure. Valuations became unsustainably high in the wake of the distortions of the pandemic — another product of low interest rates — but signs of the return of rational capital allocation are becoming evident.

In Buyouts the focus is on mature companies. Typically, the lower growth but higher profitability of these companies is enhanced by significant amounts of borrowed money. Higher interest costs on that debt are likely to present challenges to this model. The characteristics of the endowment's Buyout portfolio, however, were selected in part to be complementary to the Venture Capital portfolio. These characteristics include lower leverage ratios, lower valuations and diverse sector exposures. As a result, in a year in which Venture Capital struggled, Buyout strategies generated \$76 million in profits, an 8.2% return, and have compounded the endowment's capital at a 15% rate over the past 10 years.

Real Assets and Credit Strategies

Real Assets and Credit Strategies are smaller allocations, though each is growing in importance, and today they combine to be 18% of the endowment. Real Estate and Commodities are the primary components of the Real Assets portfolio, which generated \$18 million in gains for the fiscal year, despite comparable benchmarks producing losses. Real Estate assets have been negatively impacted by changes in interest rates, but the endowment for the most part has refrained from investing in traditional real estate areas where the challenges currently appear steepest. Instead, Brown has opted for more niche strategies such as investing in digital infrastructure. The banking crisis that claimed several regional banks in March 2023 will only serve to exacerbate the financing challenges faced by asset owners, as regional banks provide a significant amount of commercial real estate financing.

Credit Strategies represent a broad set of potential investment opportunities, held together by the common thread that, in each case, Brown is acting ultimately as a lender. In recent years the endowment has laid the groundwork for a portfolio of managers pursuing differentiated approaches, each of which are capable of generating attractive returns at reasonable levels of risk. This is a goal that felt virtually unachievable during the period when interest rates were effectively zero. Although rising interest rates tend to drive down the prices of existing debt securities, Credit Strategies produced \$47 million of profits for FY23, outperforming benchmarks.

IN CLOSING

Despite two consecutive years of effectively flat returns, the endowment has grown dramatically over the past 10 years, and the impact on the University is significant. This was the result of prudent asset allocation and manager selection decisions, and Brown's endowment performance over that period of time ranks among the top 5% of all endowment peers.

What has worked well for the past decade, however, has no guarantee to be what continues to work well. In financial markets, as elsewhere, change is constant and adaptability is an essential characteristic of long-term success. Over the past two years, the adaptation of the stewardship of the endowment and the financial resource it represents has been a constant focus. Amid that perpetual adjustment, the foundation of that stewardship remains: a repeatable process, rooted in risk assessment, leveraging world-class partners and benefitting from expert counsel.

Report on Fundraising

Brown University Division of Advancement

Fiscal Year 2023 was the third straight year that Brown University raised more than \$400 million, and the fourth year of the last five to exceed that threshold. More than 33,750 donors contributed \$423.7 million in new gifts and pledges, bringing the *BrownTogether* campaign total to more than \$3.8 billion. The University also saw a 7.4% increase in cash raised, with a total of \$335.2 million. In addition, the Brown Annual Fund crossed the \$50 million threshold for the second straight year, with a record-breaking \$50.8 million raised for immediate use.

Brown's alumni community led the way forward, contributing more than \$275 million of the total new gifts and pledges. Non-alumni parent giving surpassed \$100 million for the third straight year, including \$9.7 million directed to the Brown Annual Fund. Brown Athletics also had a record-breaking year, with new gifts and pledges totaling \$93.2 million, including a record \$6.6 million given to the Athletics Annual Fund. In addition, gifts from Brown's international constituents reached an all-time high, with a total of \$120.3 million in new gifts and pledges. This represents an 11% increase over the FY22 total.

Donors were inspired by a number of initiatives focused on enhancing the student experience, from new dormitories and athletic facilities to financial aid and the reimagining of Brown's career services. Supporters also contributed to Brown's plans to expand its research enterprise over the next five to seven years, contributing seven- and eight-figure gifts to the planned Integrated Life Sciences Building, the Robert J. and Nancy D. Carney Institute for Brain Science, the Institute at Brown for Environment and Society, the School of Engineering and the Watson Institute for International and Public Affairs.

Figure 17: FY23 New Gifts and Pledges by Constituency

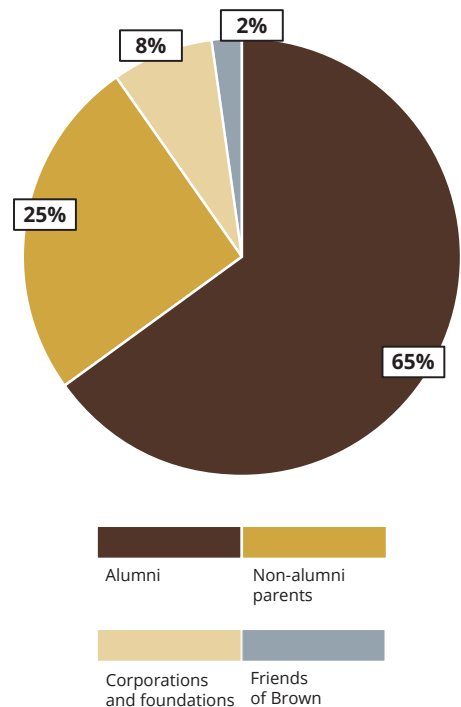
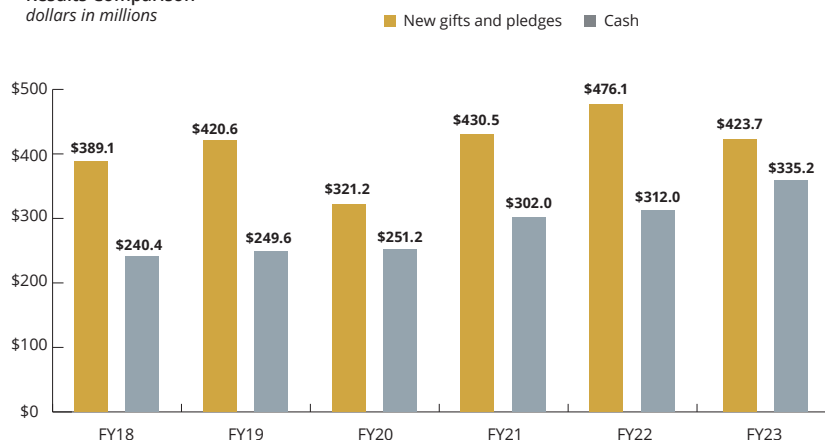


Figure 18: Fiscal Year 2023 Fundraising Results Comparison
dollars in millions

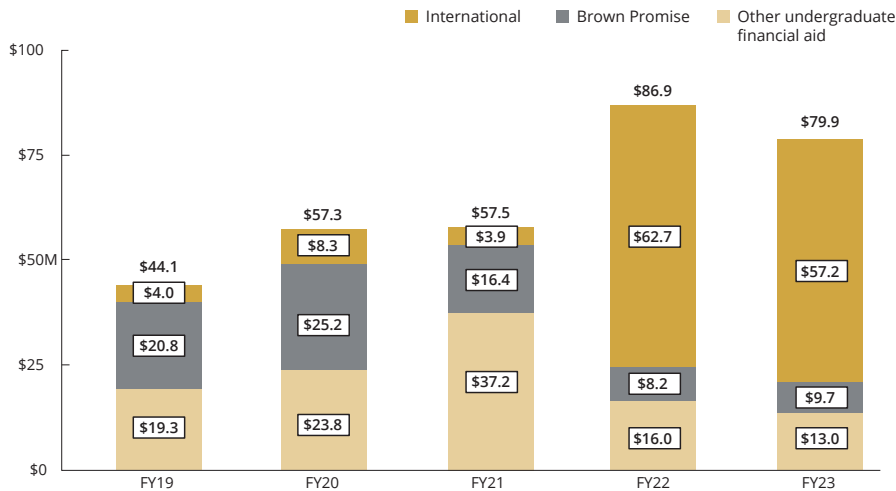


The following sections of this report provide a snapshot of progress in key campaign extension priority areas during Fiscal Year 2023. After the *BrownTogether* campaign eclipsed its initial fundraising goal of \$3 billion more than a year ahead of schedule, President Christina H. Paxson announced in March 2022 that the University would extend the campaign through December 2024, with the goal of raising an additional \$1 billion. The campaign was launched publicly in October 2015 to support priorities outlined in the strategic plan, *Building on Distinction: A New Plan for Brown*, and has sustained continued momentum through the generosity of Brown’s alumni, parents, friends and community partners.

FINANCIAL AID

Brown’s commitment to enhancing its financial aid programs and broadening access for students from a wide range of backgrounds continues to inspire donors. This year, fundraising for undergraduate financial aid topped \$79.9 million, including \$57.2 million for international student aid. Brown announced in 2021 that it would aggressively grow its financial aid budget to become fully need-blind for international students (meaning international student applicants, like applicants from the U.S., will be admitted without consideration of their ability to pay) for the graduating Class of 2029, who will begin at Brown in Fall 2025. The generosity of donors worldwide at various endowment levels, including a gift of \$15 million and another of \$7 million, put Brown within reach of its \$120 million goal for international undergraduate student aid.

Figure 19: Financial Aid Fundraising (Current-Use and Endowment)
dollars in millions



In addition, gifts totaling \$9.7 million enabled the University to reach its fundraising goal of \$100 million for the Brown Promise endowment, which continues to allow Brown to eliminate loans from all University-awarded undergraduate financial aid packages. FY23 marked the fifth academic year in which students benefited from the Brown Promise. The initiative helps more than 1,800 students each year. Brown also surpassed its \$25 million fundraising goal for its Veterans Financial Aid Initiative, raising more than \$28.5 million total to support veterans of the U.S. Armed Forces who are pursuing a degree from Brown. Announced by President Christina H. Paxson in 2019, the Veterans Financial Aid Initiative fundraising goal was part of a broader slate of changes intended to double the number of veterans studying at Brown. In the 2022-23 academic year, there were 42 veterans enrolled at Brown, up from 21 in 2019-20.

PROFESSORSHIPS

During FY23 the University surpassed its goal to raise funding for 123 endowed professorships. These endowments allow Brown to recruit and retain both distinguished scholars and rising stars in a variety of academic fields. The total of endowed faculty positions raised during the *BrownTogether* campaign stood at 130 as of the end of the fiscal year. Donors created the newest endowments to support faculty in economics, brain science, international and public affairs, medicine and biological sciences, and environment and society.

RESEARCH

In October 2022, Brown released its ambitious Operational Plan for Investing in Research across all disciplines over the next five to seven years. The plan provides a strategy for targeted investments in faculty and staff; undergraduate and graduate student support; and the facilities and resources that support research. The University received an anonymous \$20 million commitment to the construction of the Integrated Life Sciences Building, a major research facility that is a key component of Brown's research growth strategy. Now in the initial design phase, the state-of-the-art facility in Providence's Jewelry District will bring together researchers in biology, medicine, brain science, bioengineering and other disciplines to work together on issues related to health care, disease treatment and prevention, and aging.

Donors have also committed resources to support graduate students, postdoctoral researchers and funding for faculty research in high-priority areas. Multiple new graduate and postdoctoral fellowships were established in FY23 in the Watson Institute for International and Public Affairs, the Division of Biology and Medicine and the Institute at Brown for Environment and Society. In addition, endowed faculty support and innovation funds for research were established in the Robert J. and Nancy D. Carney Institute for Brain Science; the Center for Philosophy, Politics, and Economics; the Brown University School of Public Health; and the School of Engineering. Finally, donors responded to a challenge put forth by an alumnus to reach a \$10 million fundraising goal for the Center for the Study of Slavery and Justice. This collective generosity allowed Brown to rename the center in honor of president emerita Ruth J. Simmons: The Ruth J. Simmons Center for the Study of Slavery and Justice.

CAREER SERVICES

Donors embraced the opportunity to help Brown reimagine its career services model. With more than \$28 million raised to support the initiative, the University launched the Brown Center for Career Exploration in August 2023. This expanded center replaces the CareerLAB (Careers and Life after Brown), and its model for transforming career preparation at Brown is anchored in the University's student-centered approach. A commitment of \$5 million from an alumnus and parent has endowed the center director's position, and additional gifts will fund internship and research experiences, new staff positions, and tailored advising within defined professional pathways.

ATHLETICS

The Division of Athletics and Recreation had a record-breaking fundraising year in FY23, with \$93.2 million in new gifts and pledges. As part of its new strategic plan focused on enhanced competitiveness, student-athlete wellness and development and opportunities for recreation across campus, the division began fundraising for the construction of an indoor turf practice facility within the Erickson Athletic Complex. Athletics received three gifts of more than \$15 million each to support this project, which will ensure that Brown has an indoor facility that supports student health and wellness, community building, varsity competitive excellence and expanded recreational offerings throughout all four seasons.

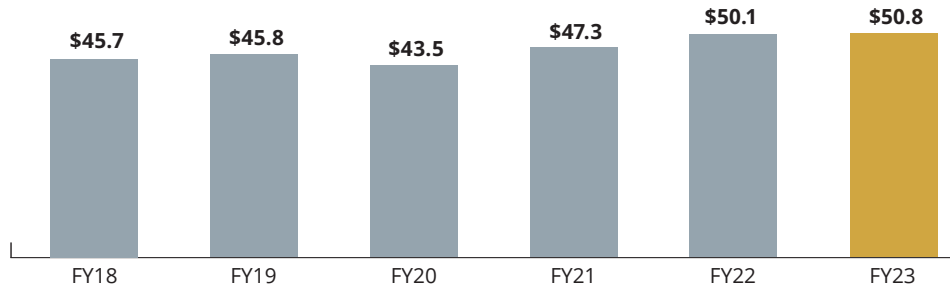
Donors also established endowed funds to support men's tennis, club men's rugby and men's soccer. In addition, two gifts of \$1 million and \$5 million respectively will support student-athlete well-being programs and a sports psychology and mental health program. The Athletics Annual Fund set new records for both dollars raised and participation, with \$6.6 million from 8,164 donors. Bruno Gives Back Day, a 24-hour giving event for Athletics held in October, contributed more than \$2.6 million to these results.

BROWN ANNUAL FUND

The Brown Annual Fund family of funds — which in FY23 included The Brown Fund, three professional school funds and four targeted impact funds — crossed the \$50 million threshold for the second straight year. More than 30,000 donors came together to contribute \$50.8 million. This total included \$35.1 million in unrestricted, immediate-use funding through The Brown Fund, as well as record-breaking totals for the School of Engineering Annual Fund and the Campus Sustainability Fund.

Both the Brown Medical Annual Fund and the School of Engineering Annual Fund topped the \$1 million mark for the second straight year, raising \$1.3 million and \$1.7 million respectively. The BrownConnect Fund saw an 84% increase in dollars in comparison to Fiscal Year 2022, with \$1.2 million raised from more than 350 donors. This fund helps the University provide stipends and summer earnings waivers to undergraduates receiving financial aid who pursue low- or no-pay internships and research opportunities during the summer or an academic semester.

Figure 20: Brown Annual Fund Cash Totals
Fiscal Year Comparison
dollars in millions



In addition, the Pathways to Diversity and Inclusion Fund and the Inman Page Black Alumni Council Brown Annual Fund Scholarship — which provides financial aid with a preference for Black and African American undergraduates — each raised \$1.1 million and saw increases of 7.6% and 11.4% respectively in donors. The Pathways Fund is used to support diversity and inclusion initiatives across campus, from new course development to academic conferences, lectures and cultural programming that explores and reflects the diverse lived experiences of historically underrepresented groups.

Special giving days also contributed to the Brown Annual Fund's extraordinary results. The inaugural I Heart Brown Day, held on November 15, 2022, raised more than \$3 million from more than 3,500 donors, and Brunonians Pay It Forward Day in April 2023 eclipsed \$2.5 million in giving.

The generosity that Brown's community has demonstrated through gifts at all levels continues to fuel the excellence of the University's academic programs; the innovation and collaboration inherent in its research enterprise; and the accessibility of a Brown education for the most talented students from around the world.

Research Report

Office of the Vice President for Research

On October 24, 2022, Brown University released the *Operational Plan for Investing in Research*, a bold and ambitious roadmap to propel research across all fields of study to new levels of excellence over the next five to seven years. In the next seven months of Fiscal Year 2023, the University looked at every aspect associated with research across the institution to determine how to improve it. Significant efforts are underway to bolster systems, structures, staffing and stakeholder partnerships as critical building blocks to achieve research excellence in the coming months and years.

This report outlines efforts undertaken in FY23 to establish the strong foundation necessary to make progress on a trajectory that will build momentum over time. In addition, aligned with the research highlights offered in the Annual Financial Report in previous years, the second half of this research report is dedicated to performance measures of Brown's research growth, including examples of sponsored research making an impact in academic disciplines across the University.

BUILDING THE FOUNDATION FOR INVESTING IN RESEARCH

In May 2023, the Corporation of Brown University approved the University's operating budget for FY24, which includes investments totaling approximately \$25 million to help achieve Brown's vision and goals for excellence and impact outlined in the *Operational Plan for Investing in Research*. In June 2023, the Corporation approved the site for construction of Brown's planned Integrated Life Sciences Building (ILSB), a 300,000-square-foot, seven-story research facility to be built on Richmond Street across from Brown's Warren Alpert Medical School. The Corporation's site approval moved Brown one step closer to realizing a long-held vision to create the ILSB, with state-of-the-art laboratory space for researchers in biology, medicine, brain science, bioengineering and public health. The ILSB is one instrumental priority as Brown makes new investments in space, staffing and infrastructure to advance the operational plan.

Achieving the full vision of the operational plan requires working in phases, starting with building a strong foundation. In this initial phase, the University is focused first on improvements across staffing and operations to make it more seamless to conduct research at Brown.

The Phase 1 foundational work completed in FY23 was organized into three primary categories, aligned with the structure of the operational plan. This report outlines the early progress toward building strength in these areas:

- Investing in the Academic Enterprise
- Strengthening Administrative Support for Research
- Funding Research Growth

Efforts summarized in this report in each of these three areas represent just a sampling of Brown's early-stage work toward the goal of achieving new heights of excellence in research that will have a transformative impact on people, communities and society locally and around the world.

INVESTING IN THE ACADEMIC ENTERPRISE

Investing in the academic enterprise involves everything from physical space to researcher positions to library infrastructure. Brown's early focus is to expand University funding and support to build and maintain a pipeline of future world-class researchers at Brown. The following activities and targets were established in FY23 for the year ahead:

- The Graduate School has increased admissions targets for Ph.D. programs in the physical and life sciences under the Dean of the Faculty by 25% for FY24. This growth is tied to the availability of grant funding and has been made possible through a combination of funding from the Office of the Provost and the Graduate School.

- The Office of the Vice President for Research (OVPR) increased its Humanities Research Funds by 50% for the 2023-24 academic year and added funds for additional Salomon Faculty Research Awards, designed to recognize excellence in scholarship by funding exceptional faculty research projects.
- The College increased SPRINT|UTRA awards that fund undergraduate students collaborating with Brown faculty on research and teaching projects in research assistantships. The University invested approximately \$5 million in 2023 alone to provide students with paid research and teaching experiences through the Summer/Semester Projects for Research, Internships and Teaching (SPRINT) program. Applications in FY23 more than doubled, and the College offered 200 additional awards — an increase of nearly 50%. With the launch of the new Brown Center for Career Exploration shortly after the end of the fiscal year, the College expects to expand advising support by nearly 600 students in FY24.
- The Dean of the Faculty is piloting a short-term visiting professor program focused on bringing top scholars in the humanities and humanistic social sciences to campus for several weeks to engage with faculty and students
- The Office of University Postdoctoral Affairs is leading an initiative to increase Brown's postdoctoral population by 5% in FY24 tied to grant funding.
- The Dean of the Faculty is leading a working group charged with developing consistency in policies, titles, career ladders, salary ranges and standards/criteria for research faculty, staff and postdoctoral scholars.

The additional work in the next fiscal year and beyond will engage faculty and staff in academic departments, schools, centers and institutes across Brown.

STRENGTHENING ADMINISTRATIVE SUPPORT FOR RESEARCH

Strengthening administrative support for research involves assessing staffing, budgets and operations to build strength in research administration, research staff, computing infrastructure, faculty onboarding and a range of administrative processes related to research.

Many of these projects are already underway, with an initial focus on operations supported by OVPR:

- OVPR hired several new positions in FY23 to help improve and increase service to faculty and research staff and ensure regulatory compliance. This represents the first hiring stage, as several support areas across OVPR were identified for more staffing resources.
- A new system for the Institutional Review Board (IRB), which reviews and approves all research that meets the federal definition of human subject research, successfully went live on May 15, 2023. The new IRB system has massively upgraded infrastructure support for human subjects research protocol submissions, reducing process times and improving user experience.
- OVPR launched a rebuild to transform its website into a faculty- and researcher-centric space to make resources and other information easily accessible, and where it will be easy to navigate the resources needed throughout the lifecycle of conducting research at Brown. The site has a target launch date in FY24.
- OVPR is collaborating with the Office of Information Technology to develop a strategic, multiyear roadmap for upgrading research systems — an initiative identified in the operational plan as essential to future research growth.

FUNDING RESEARCH GROWTH

The operational plan makes clear that, while the University commits millions of dollars every year to support research, growing research at Brown will require significant new investments in several key areas. This includes identifying and funding programs to support early-stage research projects, professional development related to research, and grant proposals.

The work currently launched in FY23 identifies the early-stage resources needed to build strength in core operations and academic and administrative areas across the University that will play important roles in growing investment in research in the coming months and years in the areas described in the previous two sections.

- Brown reviewed proposed new institutional investments for the FY24 budget, including direct support for faculty research and research administration.
- Brown invested in launching several new major research initiatives in FY23, particularly the Initiative for Sustainable Energy and the Institute for Biology, Engineering and Medicine (IBEAM).
- The University is expanding its base of grant support from federal funding agencies, particularly through targeted funding mechanisms such as the CHIPS and Science Act, which includes a \$280 billion federal appropriation to fund initiatives nationwide, with \$81 billion for semiconductor research over five years.

- The University engaged a consulting firm, McAllister & Quinn, to help develop large grant submissions such as those for the CHIPS and Science Act and potential climate research-related grants. The firm began consulting with faculty teams taking the lead on center and institute proposals.
- The University is focused on growing philanthropic support for research purposes, along with foundation and corporate funding. One of the main priorities for the \$1 billion extension of the *BrownTogether* campaign announced in 2021 (over its original \$3 billion goal) is continuing to raise endowed chairs, building on the 130 chairs raised to date in the campaign. The University is also fundraising for capital projects directly supporting research, such as the Integrated Life Sciences Building.

EXCELLENCE IN FUNDED RESEARCH

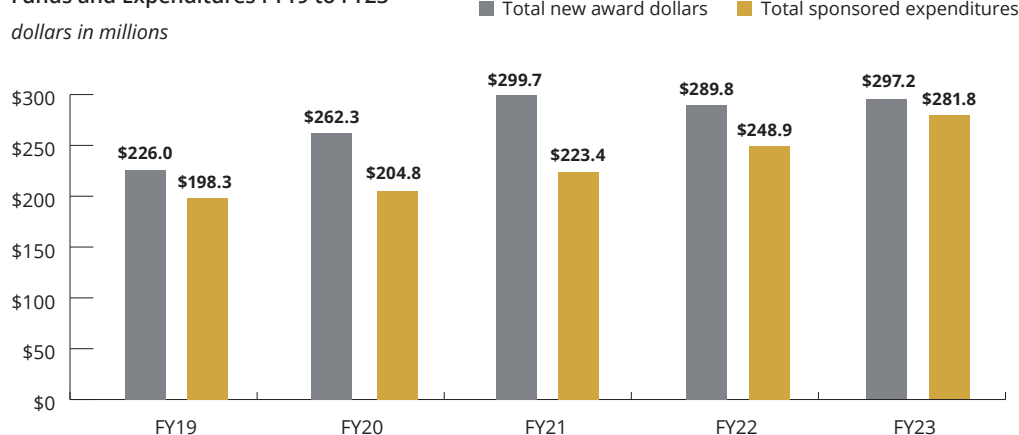
Brown has had another outstanding year in research growth. Research expenditures in FY23 grew to \$282 million; researchers and scholars received 1,399 awards; and the total new award dollars surpassed \$297 million.

Fiscal years often show spikes and troughs in big awards. While FY22 award totals reflected three large awards from \$12 million to \$22 million, FY23 showed a consistently strong number of grants in the \$1 million to \$5 million range. The upward trajectory is favorable, with two major awards of \$5.9 million received in July and August as a preview to what's ahead in FY24.

Figure 21 shows near-steady growth of new award dollars and sponsored expenditures. The trend is steadily upward viewed over a period of years in the Total New Award category. This category is also very sensitive to extremely large awards coming in every year, which doesn't happen consistently, and variations reflect these ups and downs.

Total Sponsored Expenditures measures the direct and indirect costs of spending on research, a common measurement shared by universities that quickly captures the breadth and scale of the research enterprise.

Figure 21: Total University Research Award Funds and Expenditures FY19 to FY23



Total Research Expenditures represents actual direct and indirect expenses incurred on grants and contracts. It excludes certain federal resources, including Higher Education Emergency Relief Fund reimbursement and the Federal Work-Study Program.

**Funding levels reflect total dollars over the funded period, in some cases for multiyear awards.*

FISCAL YEAR 2023 RESEARCH GRANT HIGHLIGHTS

In FY23, Brown researchers and scholars received 14 grants in the \$3 million to \$5 million category and 41 grants in the \$1 million to \$3 million category, totaling \$125.4 million. A dozen of Brown's nationally prominent centers, institutes and academic departments attracted large-scale external funding, receiving 55 awards ranging from \$250,000 to \$3.9 million, totaling \$111.2 million, as follows:

- The departments of Molecular Microbiology and Immunology and Molecular Biology, Cell Biology, and Biochemistry received \$29.5 million in 13 grants to fund biomedical research that includes studies on autism spectrum disorders; aging and age-associated cardiovascular disease; ovarian cancer; candida albicans; and pulmonary hypertension. These grants were awarded by the National Institute of Allergy and Infectious Diseases; National Institute of Mental Health; National Institute of General Medical Sciences; National Heart, Lung, and Blood Institute; National Cancer Institute; and Steven J. Massarsky Charitable Trust.
- The Center for Gerontology and Healthcare Research received \$19.3 million in eight grants to fund research that includes studies on Alzheimer's disease and related dementias (ADRD); drug interactions among nursing home residents with ADRD; and healthcare disparities among older transgender and cisgender adults. These grants were awarded by the National Institute on Aging and the National Institute on Minority Health and Health Disparities.
- The Department of Psychiatry and Human Behavior, one of the top psychiatry departments in the country, received \$18.8 million in six grants to fund research that includes studies on preteen suicidal thoughts and behavior; cannabis use following trauma exposure; and improving mental health among LGBTQ+ individuals impacted by COVID-19. These grants were awarded by the National Institute of Mental Health, the National Institute on Drug Abuse and Michigan State University.
- The Center for Alcohol and Addiction Studies received \$11.2 million in four grants to fund research that includes studies on driving under the influence of cannabis; substance abuse intervention outcomes; and cognitive behavioral interventions for alcohol and other drugs. These grants were awarded by the National Institute on Drug Abuse and the National Institute on Alcohol Abuse and Alcoholism.
- The Center for Health Promotion and Health Equity received \$6.5 million in two grants to fund research that includes studies on the impact of Medicaid prescription cap policies on opioid use disorder treatment; and a Strong Families Start at Home intervention method to improve the diet quality of low-income, ethnically diverse children. These grants were awarded by the National Institute on Drug Abuse and the National Institute of Child Health and Human Development.
- The Department of Neuroscience received \$5.7 million in three grants to fund research that includes studies on representational dynamics for flexible learning in complex environments; and analysis of resting state MEG data using the Human Neocortical Neurosolver software tool. These grants were awarded by the National Institute of Mental Health and the National Institute of General Medical Sciences.
- The Annenberg Institute received \$5.4 million in six grants to fund research that includes studies on instructional improvement in mathematics; increased teacher diversity, supply and retention; and the effectiveness of high-impact early literacy tutoring. These grants were awarded by the National Science Foundation, College Futures Foundation, William T. Grant Foundation, Overdeck Family Foundation, New Venture Fund and Office of the State Superintendent of Education for the District of Columbia.
- Applied Mathematics received \$5 million in two awards for a study on the next generation of operator regression networks; and SEA-CROGS: Scalable, Efficient and Accelerated Causal Reasoning Operators, Graphs and Spikes for Earth and Embedded Systems. These funds were awarded by the Office of Naval Research and U.S. Department of Energy.
- The Population Studies and Training Center received \$4.4 million in seven grants to fund research that includes studies on individual and neighborhood vulnerability to the Spanish flu; housing market discrimination and residential segregation; and the community-centered database project Stolen Relations: Recovering Stories of Indigenous Enslavement in the Americas. These grants were awarded by the National Institute of Child Health and Human Development, National Institute on Aging, Gilead Foundation, William T. Grant Foundation, National Science Foundation and National Endowment for the Humanities.
- The Institute at Brown for Environment and Society received \$4.4 million in three grants from HT LLC, the Sequoia Foundation and KR Foundation. The Department of Earth, Environmental and Planetary Sciences received \$1.1 million from NASA Shared Services Center, for a total of \$5.5 million to fund research that addresses climate-related challenges.

ADDITIONAL HIGH-IMPACT GRANTS

The list below represents a sampling of other significant grants spanning federal and non-federal sources for academic and administrative research and programs.

- \$1.47M to the School of Engineering from the Defense Threat Reduction Agency (DTRA) for super-hydrophobic breathable barrier thin films through deposition of functionalized 2D nanosheets and compressive surface texturing, a project continued from OVPR SEED funds (2015) and DTRA
- \$1.25M to the Ruth J. Simmons Center for the Study of Slavery and Justice from the Boston-based Abrams Foundation for scholars to collect personal stories that reveal how slavery and colonialism shaped societies across the globe
- \$1.2M to the Swearer Center from the Laidlaw Foundation for the Laidlaw Scholars Leadership and Research Programme
- \$1M to the School of Engineering from the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration for selection and development of safer polymer and composite pipeline liners through microstructural and macroscopic study of materials and design
- \$484K to the Department of Africana Studies/Rites and Reason Theatre from Johns Hopkins University for Black Beyond Data: From Lab to Ecosystem
- \$250K to the Watson Institute for International and Public Affairs from the William and Flora Hewlett Foundation for a Joint Program on the New Generators of Inequality: Asset Managers and Private Equity

Figure 22: Total Research Awards FY19 to FY23

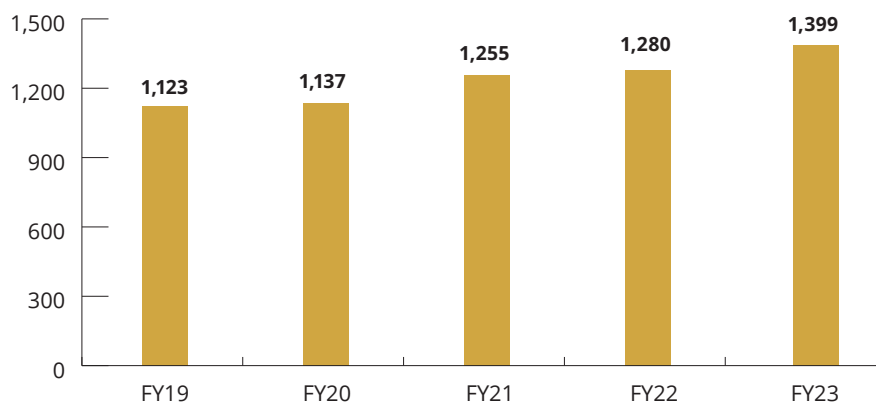


Figure 22 shows a continuous increase in the number of grants and awards Brown researchers are receiving, growing from 1,123 awards in FY19 to 1,399 in FY23, a 24% increase over five years. For the past two years, grant revenue has been Brown's second largest source of revenue behind student tuition.

The University will make significant investments over the coming years to make it easier for faculty to conduct research and for staff to support the research enterprise. This includes providing more assistance for researchers to apply for and secure grant funds. To that end, the FY24 budget includes support for major grant proposals, including retaining a consulting firm to help manage large grant submissions.

Editing and Design
Office of University Communications

Photography
Nicholas Dentamaro

President's Letter
Office of the President

Finance and Budgeting Report
Finance Division

Endowment Report
Investment Office

Fundraising Report
Division of Advancement

Research Report
Office of the Vice President for Research



ABOUT THE COVER

The front cover is a detail of the fluted aluminum façade of The Lindemann Performing Arts Center, whose construction was completed in Fiscal Year 2023. The façade is intersected by a “clearstory” that reveals the interior of the main floor. Back cover: Brooklyn, N.Y.-based Urban Bush Women rehearse in The Lindemann’s Main Hall during a tuning event in the months prior to the facility’s formal opening.

Brown University Annual Financial Report Fiscal Year 2023

Office of the President
Brown University
Box 1862
Providence, Rhode Island 02912
brown.edu/president