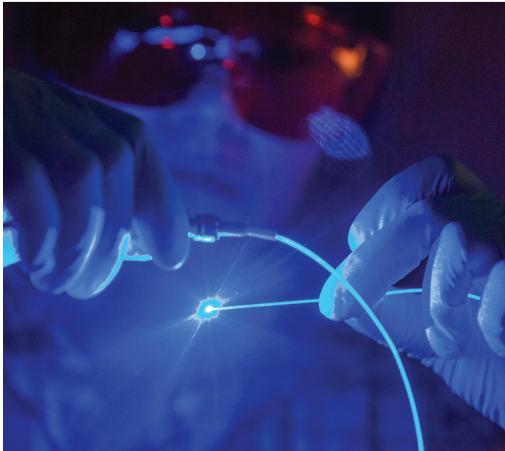


# University Resources Committee

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## Proposed 2023-2024 Operating Budget



BROWN

May 17, 2023

Dear President Paxson,

I am pleased to submit the University Resources Committee (URC) report summarizing the proposed Fiscal Year 2024 operating budget for Brown University. The URC recommends a total balanced operating budget of \$1.685 billion in revenues and \$1.685 billion in expenditures.

As always, this year's budget process was a wonderful example of shared governance in action at Brown. The committee received budgetary information on all aspects of University operations in an open and transparent way, then deliberated thoughtfully before making its recommendations. These decisions are never easy. They involve balancing the need to support our community with the need to produce a fiscally responsible budget. And in making these decisions, we are firmly guided by the shared values and goals of our community.

The budget reflects first and foremost a commitment to Brown's mission and its people. At the core of the URC's recommendations is the recognition that the faculty, staff and students in our community define all that Brown is and all that we can accomplish. The budget reflects a commitment to supporting key academic initiatives, accessibility through robust student aid, and the implementation of the University's *Operational Plan for Investing in Research*.

In a challenging economic environment, the URC also paid special attention to the impact of inflation on all members of our community — faculty, staff, and students and their families. I want to commend the URC for its thoughtful approach to balancing the competing demands of keeping Brown affordable and maintaining competitive compensation levels for faculty and staff, while controlling the costs of goods and services needed to operate the University.

Balancing these priorities meant making many difficult decisions. Initially, submitted funding requests from across the University exceeded available resources by \$117 million — roughly 7% of the overall operating budget. Over the course of several months, these funding requests were prioritized based on Brown's institutional goals, and, where possible, additional funding sources were identified to cover a significant portion of the requests. In the end, the URC approved a balanced budget that includes significant investments in our employees, our students, and our local Providence community.

Many of the new investments proposed are intended to bolster research systems, structures, staffing and stakeholder partnerships — critical building blocks for the progress we'll make in the coming months and years to significantly increase the impact of Brown's research enterprise. We are establishing the strong foundation necessary to move us forward on a trajectory that will build momentum over time.

I must note that we will likely be facing significant financial headwinds over the next several years. We need to balance a series of significant investments in compensation and benefits for our employees, facilities across campus, and financial aid for our students with a base of revenue that is growing more slowly than in recent years. Accomplishing this balance will require us to be judicious

in order to ensure a sustainable financial future for the University. I firmly believe that the submitted FY24 operating budget puts us on the right path.

I am grateful to all of the participants in this year's process — the faculty, staff, and students serving on the URC, the members of our community who spent months developing their funding requests, and the academic and administrative leaders who supported the process. Our community was broadly engaged throughout the course of the URC's efforts and provided significant input that guided our recommendations. The community's dedication to Brown was key to enabling the URC committee's important work of shaping the University's financial future.

Respectfully,

A handwritten signature in cursive script, appearing to read "L. E. Larson". The signature is written in dark ink on a white background.

Lawrence E. Larson  
Interim Provost

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## EXECUTIVE SUMMARY

Brown University's annual budget process is the primary mechanism through which we as a university ensure that resources are aligned with the institution's highest strategic priorities and commitment to supporting all members of the community. The proposed budget of the University Resources Committee (URC) reflects the University's institutional values and our unwavering commitment to academic excellence, a diverse and inclusive community, and a financially sustainable operating model.

This executive summary outlines key strategic recommendations by the URC that shaped the proposed Fiscal Year 2024 operating budget and are reflected within the operating budget recommendation:

- Tuition rate increase for undergraduates and non-variable graduate programs
- Faculty and staff salary pools
- Foundational investments in research
- Maintaining the endowment payout rate
- Recommendation for total operating revenues and expenditures

### **Tuition rate increase of 4.75% for undergraduates and other non-variable graduate programs**

Committee discussions and analysis included a review of historical trends, peer benchmarking, a review of the University's strategic goals and objectives, and the impact of the significant financial aid initiatives that were implemented over the past several years.

Brown meets 100% of each student's demonstrated financial need. [The Brown Promise](#), along with the University's [newest financial aid initiatives](#), have been established to make Brown increasingly affordable to students and families from all backgrounds. The University's newest initiatives include providing scholarships for middle/moderate-income families, eliminating home equity for a family's primary residence, reducing the summer earnings expectation for our highest need students, and moving toward need-blind admissions for international students over the next several years. These efforts will further strengthen the University's ability to attract the most promising students from all socioeconomic groups and will reduce financial obstacles for moderate-income families.

The committee reviewed peer analysis that indicated Brown's last two years of tuition increases, each at 2.85%, were considerably lower than the peer average of 3.7%, with projected tuition increases of 4-5% next year based on the current economic climate.

Lastly, the committee discussed the parity between tuition increases and the ability to fund salary pool investments for faculty and staff. Although tuition and salary pools are not intrinsically linked, the committee determined the proposed 4.75% increase would help the University fund the majority of investments that are necessary to adequately support Brown's faculty and staff. The tight labor market and need to retain and attract premium talent is necessary for Brown to maintain its competitive advantage.

### **Faculty and staff salary pools of 4.0%**

Before making this recommendation, the URC reviewed substantial analyses, including presentations by the Dean of the Faculty and leadership from the Division of Biology and

Medicine, the School of Public Health, and the School of Engineering on faculty salary levels and hiring and retention rates across all faculty ranks and disciplines. University Human Resources provided market data and hiring and retention trends at Brown in all staff employment categories.

The committee's FY24 recommendation considers Brown's most recent investments in salary pools for faculty and staff, including the FY23 salary pool of 4.25% along with a special one-time faculty and staff bonus payment of 3% in March 2022 (with a minimum payment of \$2,000 and maximum of \$4,500, based on salary level). The committee reviewed promotion and retention data that represented targeted investments in staff salaries, largely driven by the tight labor market and post-pandemic job mobility. The Dean of the Faculty is currently similarly reviewing faculty salaries.

Importantly, industry data reviewed by the committee indicates that projected merit increases across all industries for 2023 would rise between 3.2% and 4.0%, consistent with additional economic data reviewed that suggest inflation has peaked and may be below 3% by the end of 2023. As a result, the committee felt this recommendation is fiscally responsible while ensuring the University's capacity to remain an employer of choice in Rhode Island and the region.

### **Investments in research totaling \$25 million**

For FY24, the URC recommends foundational investments that are focused on direct support for faculty research and improvements in research administration. These investments include significant support for the University's Operational Plan for Investing in Research, a bold and ambitious roadmap for driving research and scholarship across all disciplines at Brown to a new level of excellence. The research operational plan makes clear that, while the University commits millions of dollars every year to support research, growing research at Brown will require new investments in several key areas.

In addition, the University will need to phase investments over the next few years based on prioritization of needs across campus. Examples of these investments include:

- Significant increases in the collections budget for the University Library to ensure faculty and students are able to access the most cutting-edge scholarship and digital resources;
- Higher enrollment targets for PhD programs in the physical and life sciences, along with a pilot program to increase the number of postdocs on campus and significant headcount growth among tenure-track faculty;
- Investments in information technology systems and infrastructure – including implementing new research administration systems and continuing to upgrade the University's data infrastructure;
- Renovations for research space across campus, ranging from the arts and humanities to laboratory spaces in the Jewelry District;
- Hiring additional research staff to help faculty submit grant applications, streamline administrative processes, and provide high levels of support to researchers across campus; and
- Financial support to facilitate greater research collaboration and systems integration with Lifespan and Care New England.

The foundational steps and investments the University is making now will help build a trajectory of progress that will gather momentum over time.

## **Maintaining the 4.8% endowment payout rate**

To support the operating budget's critical investments and to achieve the proposed balanced budget in FY24, the University will use a wide array of actions and levers. One key action proposed is to maintain the current fiscal year's endowment payout rate of 4.8%.

The University determines the annual endowment distribution by using a payout formula intended to provide a steady stream of income to support current needs, while preserving the endowment's future purchasing power. If too much is spent in the short term, inflation will erode the endowment's value in real-dollar terms and could shortchange future generations.

## **Total operating revenues of \$1.685 billion and \$1.685 billion in expenditures**

In support of all the strategic priorities outlined for FY24, the URC recommends a balanced total operating budget of \$1.685 billion in revenues and \$1.685 billion in expenditures.

In addition to the broad-based investments that benefit the majority of the University community noted above, the proposed budget also includes important targeted investments, which include: the continued expansion of the faculty, graduate student support; health and wellness investments for the undergraduate body; and investments in the University's physical infrastructure, including the opening of both the Lindemann Performing Arts Center and Brook Street Residence Halls.

## **FY24 Budget Process**

Shared governance is at the heart of the budget process at Brown. The URC — made up of faculty, staff and students — is committed to transparency throughout the budget process.

FY24 budget guidance to offices and departments across the University placed a renewed emphasis on strategically utilizing the budget as the primary mechanism to identify and request resources, including those needed to best support research growth. Thanks to these efforts from budget partners and department and unit leaders across campus, there is a more holistic understanding of resource requests for the entire year ahead.

Having this data at the beginning of the FY24 budget process enabled active and regular communication with the University community, including presentations at meetings of the Executive Committee, Chairs and Directors, Faculty, Administrative Leadership Group (ALG), among others. These meetings highlighted key financial principles adopted by the Corporation in February 2023 and include the commitment to balanced operating budgets, maintaining a culture of accountability, prioritizing strategic goals and highest priority capital needs, transparency and decision making that is guided by data.

As is the case in any strategic planning process, many department and unit budget requests had to be deferred in order to prioritize requests that best support the University's strategic goals, including the Operational Plan for Investing in Research. There was a concerted effort to proactively shift costs from unrestricted to restricted funds to more fully utilize gifts and endowments. Internal commitments were carefully reviewed and adjusted, where and when appropriate. There was also a focus on maximizing undergraduate, graduate and summer revenues with new programs and experiential learning opportunities for students.

Importantly, while the FY24 budget reflects a break-even result, many of the actions employed to achieve this result are one-time in nature, which will challenge future fiscal years. Financial



headwinds are expected by way of continued capital market uncertainty, with potential impacts on the endowment; inflationary pressures, including on capital projects; and continued competition in higher education labor markets.

While the University has enhanced its financial planning and management in recent years by way of improved budgeting and forecasting, efforts have just begun to develop robust and complementary multi-year financial plans and integrated capital plans. Developing an integrated, multi-year financial model will be an area of focus in the coming year as the University carefully develops and maps new revenue streams against our strategic goals and priorities.

## BROWN UNIVERSITY CONSOLIDATED OPERATING BUDGET

### Financial Overview

For FY24, the URC recommends a total consolidated revenue budget of \$1.685 billion, an increase of \$138.5 million and 9% over the prior year budget. The consolidated expense budget is \$1.685 billion, an increase of \$136.4 million and 8.8% higher than FY23. The consolidated operating margin reflects a surplus of \$70 thousand vs. the FY23 budgeted deficit of \$2.0 million.

*Table 1: Consolidated Operating Budget Summary*

(\$ in 000s)	FY23 Budget	FY24 Proposed	\$ Change	% Change
Revenue	\$1,546,594	\$1,685,053	\$138,459	9.0%
Expenses	\$1,548,614	\$1,684,984	\$136,369	8.8%
<b>Operating Margin (\$)</b>	<b>(\$2,020)</b>	<b>\$70</b>	<b>\$2,090</b>	<b>103.4%</b>

The budget encompasses six operating units: Educational and General (E&G) includes all academic departments that are not in schools and auxiliary operations includes dining services, residential life, health services, student health insurance and the bookstore; the School of Professional Studies (Professional Studies); Pre-College and Undergraduate Programs (Pre-College); the School of Engineering (Engineering); Biology and Medicine (BioMed); and the School of Public Health (Public Health).

*Table 2: FY24 Consolidated Operating Budget by Business Unit*

(\$ in 000s)	E&G & Auxiliaries	Professional Studies	Pre-College	Engineering	BioMed	Public Health	Total
Revenue	\$1,244,414	\$14,087	\$45,261	\$25,503	\$231,565	\$124,222	\$1,685,053
Expenses	\$1,215,263	\$12,358	\$28,900	\$40,687	\$247,454	\$140,322	\$1,684,984
Net Contributions	\$51,112	(\$586)	\$0	(\$16,074)	(\$17,618)	(\$16,834)	(\$0)
<b>Operating Margin (\$)</b>	<b>(\$21,961)</b>	<b>\$2,315</b>	<b>\$16,361</b>	<b>\$889</b>	<b>\$1,730</b>	<b>\$735</b>	<b>\$70</b>

For FY24, E&G has a planned \$22 million deficit, including net contributions from the auxiliaries and other business units. Professional Studies and Pre-College are planning for surpluses that will be contributed to E&G of \$2.3 million and \$16.4 million, respectively. Engineering, BioMed and Public Health receive University Contributions from E&G totaling \$50.5 million. Engineering is budgeting a surplus of \$889 thousand, BioMed a surplus of \$1.7 million (which includes the Carney Institute for Brain Science for purposes of this consolidated report, but is not part of BioMed) and Public Health a surplus of \$735 thousand, which will be transferred to reserves.

Table 3: FY24 Consolidated Operating Budget

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Tuition & Fees	\$662,621	\$716,299	\$53,678	8.10%
Sponsored and F&A Revenue	\$282,217	\$287,095	\$4,878	1.73%
Annual Contributions	\$131,338	\$133,335	\$1,997	1.52%
Endowment Utilization	\$227,369	\$277,792	\$50,422	22.18%
Auxiliary Revenue	\$139,989	\$153,916	\$13,926	9.95%
Other Income	\$103,059	\$116,617	\$13,558	13.16%
<b>TOTAL REVENUES</b>	<b>\$1,546,594</b>	<b>\$1,685,053</b>	<b>\$138,459</b>	<b>8.95%</b>
<b>EXPENSES</b>				
Salaries & Wages	\$512,527	\$572,725	\$60,198	11.75%
Benefits	\$142,844	\$165,086	\$22,241	15.57%
Student Aid and Support	\$417,768	\$452,261	\$34,493	8.26%
General Operating Expenses & Subcontracts	\$307,594	\$332,279	\$24,685	8.03%
Property Costs, Debt Service and Capital Expenses	\$103,533	\$114,013	\$10,480	10.12%
Internal Services, Transfers, and All Other Expenses	\$64,348	\$48,620	(\$15,728)	-24.44%
<b>TOTAL EXPENSES</b>	<b>\$1,548,614</b>	<b>\$1,684,984</b>	<b>\$136,369</b>	<b>8.81%</b>
Contributions to E&G	\$1,492	\$527	(\$965)	-64.67%
Contributions from E&G	(\$1,492)	(\$527)	\$965	64.67%
<b>Net Contributions</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>--</b>
<b>Operating Margin (\$)</b>	<b>(\$2,020)</b>	<b>\$70</b>	<b>\$2,090</b>	<b>103.44%</b>

### Revenue Highlights

In FY24, tuition and fees continue to comprise the largest source of revenue, accounting for 43% of total University funding. Tuition and fees revenues are expected to increase by 8.1% over the FY23 budget, from \$662.6 million to \$716.3 million in FY24. The increase is driven primarily by the 4.75% tuition increase in undergraduate, non-variable masters & PhD.

Sponsored funding is the next largest revenue source at 17%. Sponsored research and indirect costs are collectively expected to increase by \$4.9 million and 1.7% to \$287 million.

Table 4: FY24 Sponsored and F&A Revenue

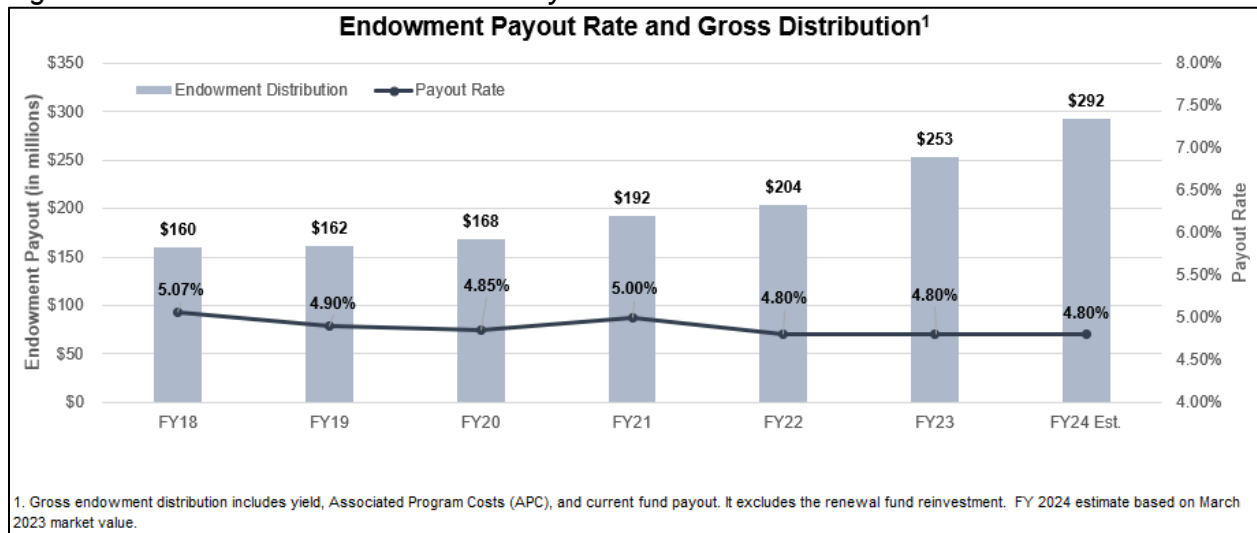
(\$ in 000s)	FY23 Budget	FY24 Proposed	\$ Change	% Change
<b>Direct Sponsored Activities</b>				
E&G	\$75,585	\$74,872	(\$714)	-0.9%
Engineering	\$15,359	\$16,315	\$956	6.2%
BioMed	\$55,823	\$63,564	\$7,741	13.9%
Public Health	\$74,397	\$65,116	(\$9,280)	-12.5%
<b>Total Direct Sponsored Activities</b>	<b>\$221,164</b>	<b>\$219,867</b>	<b>(\$1,297)</b>	<b>-0.6%</b>
<b>Indirect Sponsored Activities</b>				
E&G <sup>1</sup>	\$19,953	\$21,466	\$1,513	7.6%
Engineering	\$0	\$0	\$0	--
BioMed	\$20,600	\$23,612	\$3,012	14.6%
Public Health	\$20,500	\$22,150	\$1,650	8.0%
<b>Total Indirect Sponsored Activities</b>	<b>\$61,053</b>	<b>\$67,228</b>	<b>\$6,175</b>	<b>10.1%</b>
<b>Total Sponsored Activities</b>	<b>\$282,217</b>	<b>\$287,095</b>	<b>\$4,878</b>	<b>1.7%</b>
<sup>1</sup> E&G Indirect budget includes Engineering.				

Endowment utilization at Brown comprises 16% of total University revenue and is budgeted to increase \$50.4 million and 22.2% to \$277.8 million. It is important to note that Brown's budget is constructed on a largely cash-basis as revenue from the endowment is recognized when spent (utilized) rather than when received (distributed). Therefore, the budget reflects the amount of the current year's endowment distribution and any accumulated balances from previous years that will be spent in FY24.

The \$50.4 million increase in endowment utilization is largely driven by a \$13.4 million increase in Undergraduate Financial Aid, a \$13.1 million increase in faculty and staff compensation, and approximately \$13.1 million increase in other expenses and transfers, which includes assumptions on utilizing existing endowment balances.

Although endowment utilization need not equal the endowment distribution in any given year, they are linked over time. The endowment distribution is proposed to increase \$39 million and 15.4% to \$292 million in FY24, including Associated Program Cost (APC), renewal fund, and the Current fund, which are University unrestricted resources invested as part of the endowment. The endowment distribution reflects an endowment payout rate of 4.8%, the same rate used in FY23. The Associate Program Cost is proposed to increase from 10% in FY23 to 15% in FY24, but also to exempt financial aid accounts in FY24. The distribution growth is attributable to the strong investment returns from FY 2021, and new gifts received that have been added to the endowment. The table below illustrates the total University endowment distribution.

Figure 1: Endowment Distribution and Payout Rate

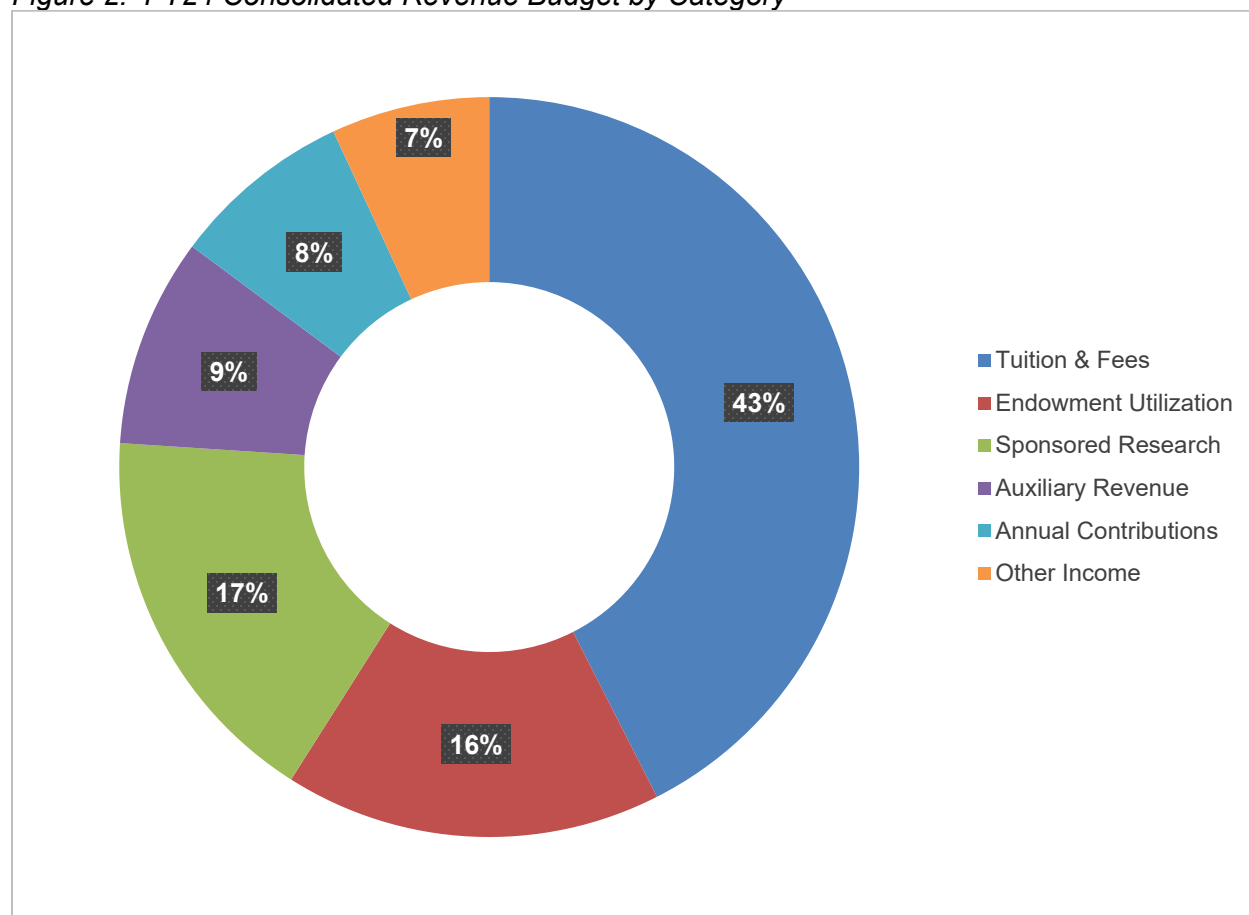


Auxiliary revenue comprises 9% of total revenue and is expected to increase by \$13.9 million and 9.9% to \$153.9 million. This increase is primarily driven by dining, housing and health services revenue.

Annual Contributions are expected to increase by \$2.0 million and 1.5% over the FY23 budget to \$133.3 million, primarily driven by gifts for undergraduate financial aid, BioMed, Public Health, Athletics, and shifting \$12.5 million of costs from unrestricted funding to more fully utilize existing gift balances. Similar to endowment revenue, annual contributions revenue is recognized when spent (utilized) rather than when received. Therefore, the budget reflects the amount of the current year gifts and any accumulated balances from previous years that will be spent in FY24.

Other Income is expected to increase by \$13.6 million and 13.2% to \$116.6 million. This increase is primarily driven by Pre-College programming, investment income, and other revenues.

Figure 2: FY24 Consolidated Revenue Budget by Category



## Expense Highlights

In FY24, salaries and benefits comprise 44% of total University expenses and are the largest expense categories with a total consolidated budget of \$737.8 million. Total compensation expenses increased by \$82.5 million and 13% over the FY23 budget. This increase is driven primarily by investments in faculty and staff, including a 4.0% faculty and non-union staff salary pools, contractual obligations for union wage and step as well as approving new positions critical to Brown's mission and research growth.

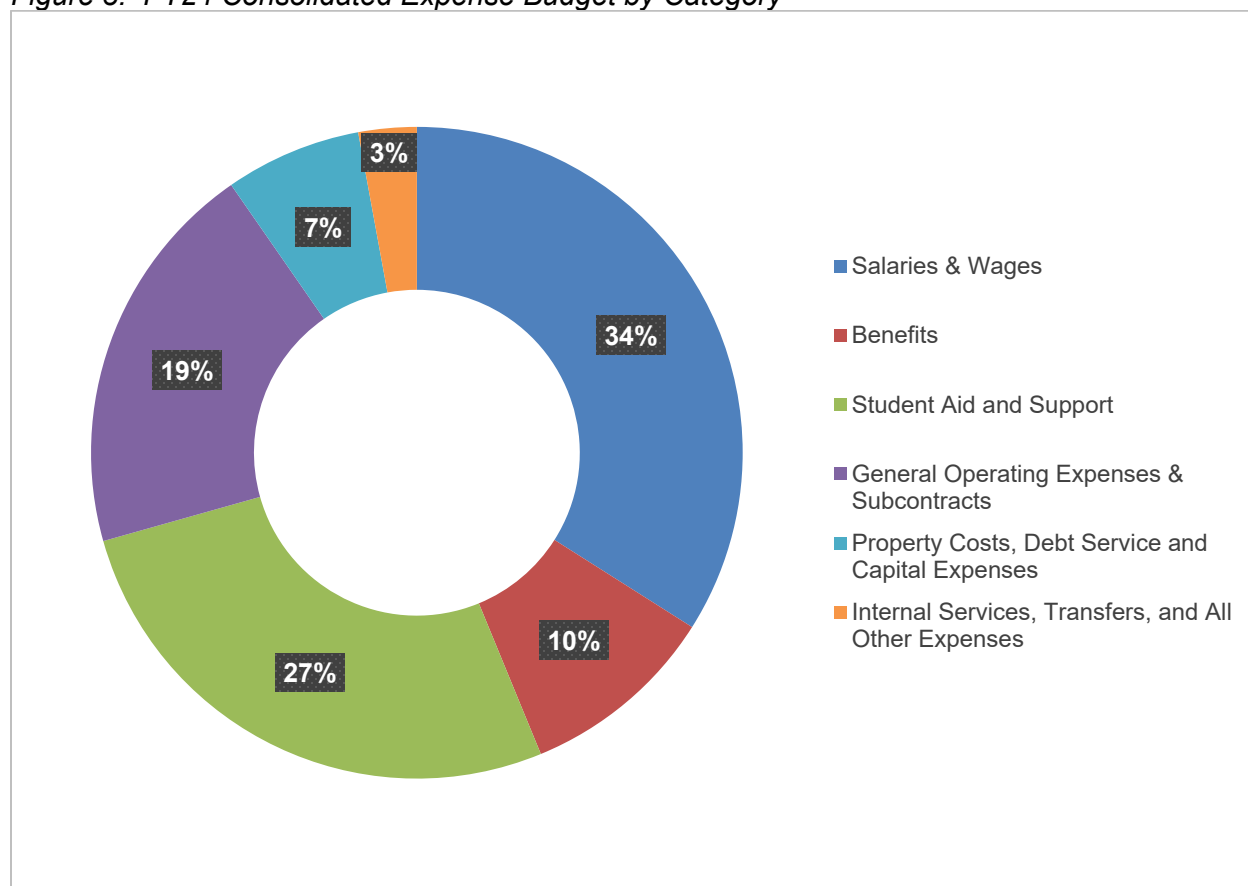
Student aid and support make up the next largest expense category with a total FY24 budget of \$452.3 million and 27% of total expenses. The budget for FY24 increased by \$34.5 million and 8%. This increase is driven by the University's commitment to significantly increase scholarships for moderate-income students, reduce the summer earnings expectation for our highest-need students, and move toward need-blind admissions for international students over the next several years. Importantly, the incremental financial support will be made possible, in part, by the performance of the University's endowment and the success of the *BrownTogether* fundraising campaign.

General operating expenses represent \$332.3 million and 20% of total expenses. The budget for FY24 increased by \$24.7 million and 8%, primarily driven by increases in cost of goods sold related to revenue, programming costs, research-related requests, business & travel, and dean start-up commitments.

Property, debt, and capital represent \$114.0 million and 7% of total expenses. The increases are primarily driven by debt service, utilities, facilities and technology capital requests, and new space costs beginning in FY 2024.

Internal services, transfers and other expenses of \$48.6 million make up the remaining 3% of total University expenses. The increases are driven by the increased contributions to the University's renewal reserves, transfers for sustainability projects through utility savings, and increases to university-wide facilities renewal. This category also includes the additional targeted utilization of existing endowment and gift balances.

*Figure 3: FY24 Consolidated Expense Budget by Category*



## EDUCATIONAL AND GENERAL (INCLUDING AUXILIARIES)

### Financial Overview

For FY24, the Educational and General and Auxiliaries have proposed a total revenue budget of \$1.244 billion, which is an increase of \$108 thousand and 9.6%, over the prior year budget. Expenses total \$1.215 billion, an increase of \$99 thousand and 8.9% over the prior year budget. E&G provides and receives internal contributions to and from other business units to support mission-critical needs. Collectively in FY24, E&G expects to make a net contribution to other University operating units of \$51.1 million. After accounting for internal contributions, E&G & Auxiliary has budgeted for an operating deficit of \$22.0 million.

Table 5: FY24 Educational & General and Auxiliaries Budget

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Tuition & Fees	\$561,675	\$603,993	\$42,319	7.5%
Sponsored and F&A Revenue	\$95,539	\$96,338	\$799	0.8%
Annual Contributions	\$95,045	\$95,492	\$447	0.5%
Endowment Utilization	\$193,950	\$236,996	\$43,045	22.2%
Auxiliary Revenue	\$139,989	\$153,916	\$13,926	9.9%
Other Income	\$49,733	\$57,680	\$7,948	16.0%
<b>TOTAL REVENUES</b>	<b>\$1,135,930</b>	<b>\$1,244,414</b>	<b>\$108,484</b>	<b>9.6%</b>
<b>EXPENSES</b>				
Salaries & Wages	\$364,939	\$400,501	\$35,562	9.7%
Benefits	\$101,865	\$117,368	\$15,503	15.2%
Student Aid and Support	\$345,984	\$369,912	\$23,928	6.9%
General Operating Expenses & Subcontracts	\$194,119	\$228,722	\$34,603	17.8%
Property Costs, Debt Service and Capital Expenses	\$90,988	\$96,754	\$5,766	6.3%
Internal Services, Transfers, and All Other Expenses	\$18,035	\$2,006	(\$16,029)	-88.9%
<b>TOTAL EXPENSES</b>	<b>\$1,115,930</b>	<b>\$1,215,263</b>	<b>\$99,333</b>	<b>8.9%</b>
<b>Net Contributions</b>	<b>\$41,835</b>	<b>\$51,112</b>	<b>\$9,278</b>	<b>22.2%</b>
<b>Operating Margin (\$)</b>	<b>(\$21,834)</b>	<b>(\$21,961)</b>	<b>(\$127)</b>	<b>-0.6%</b>

## Revenue Highlights

### Tuition and Fees

FY24 tuition and fees total \$604.0 million and represent the largest E&G revenue source. Undergraduate tuition at \$466.1 million is the largest single component, representing 77% of total tuition and fees. Total tuition and fees, which also include study abroad, Master's, and PhD tuition reflects an increase of \$42.3 million and 8%, driven primarily by the 4.75% tuition rate increase for undergraduate and non-variable graduate programs and PhD.

**Undergraduate Tuition and Fees:** The budget includes a tuition rate increase 4.75%. In December 2022, the URC discussed and analyzed tuition and fees through a review of historical trends, peer benchmarking, and the impact of the significant financial aid initiatives that were implemented over the past few years. The recommended 4.75% tuition increase for undergraduate and non-variable graduate programs was recommended based on several discussions after the review of data and analysis.

First, the impact of inflation to the university has been evident over the last year (along with the global economy). Brown's last two years of tuition increases were also considerably lower versus a peer group of twenty institutions. Last year's tuition increased 2.85%, which was less than the peer average of 3.7%. It is anticipated that the peer group will have on average a 4-5% tuition increase based on the current economic climate. The Higher Education Price Index (HEPI) for FY 2022 was published in December 2022, which shows that inflation for U.S. colleges and



universities rose 5.2% in FY 2022, a sharp increase from the previous fiscal year's 2.7% rate and the highest since 6.0% in FY 2001.

Secondly, the proposed tuition increase will be coupled with continued significant increases in financial aid. Brown meets 100% of each student's demonstrated financial need. The Brown Promise, along with our newest financial aid initiatives, have been established to make Brown increasingly affordable to students and families from all backgrounds. The University's newest initiatives include scholarships for middle/moderate-income families, eliminating home equity for a family's primary residence, reducing the summer earnings expectation for our highest-need students, and moving toward need-blind admissions for international students over the next several years. These efforts will further strengthen the University's ability to attract the most promising students from all socioeconomic groups and will reduce financial obstacles for moderate-income families. With a 4.75% tuition increase, the projected undergraduate financial aid budget will increase nearly \$15.6 million, reflective of the University's expanded initiatives and the tuition rate increase.

Third, the committee discussed the parity between tuition increases and the ability to fund salary pool investments for faculty and staff. Although tuition and salary pools are not intrinsically linked, the committee determined the proposed 4.75% increase would help the University fund the majority of investments that are necessary to adequately support Brown's faculty and staff. The tight labor market and need to retain and attract premium talent is necessary for Brown to maintain its competitive advantage.

Finally, the committee reviewed and discussed the proposed undergraduate tuition rate increases' impact on total student charges, including mandatory fees. While keeping the overall student charges increase at 4.75%, the committee reviewed rationale from campus partners for rate changes specific to their institutional objectives. For example, the Athletics and Recreation proposed modestly increasing the student recreation fee in order to eliminate direct charging for group fitness and intramural sports participation. This change is in support of the Athletics and Recreation strategic plan and the university's emphasis on health and well-being. Similarly, the Undergraduate Finance Board, in consultation with Campus Life, proposed an increase in the undergraduate student activities fee in a continued effort to promote equity, inclusion, and participation in several large events that are now offered to students free of charge (e.g. gala, spring weekend, and senior week). The URC recommended tuition, fee, room and board increases as follows:

*Table 6: FY24 Undergraduate Tuition and Fees*

	FY23 Budget	FY24 Proposed	\$ Change	% Change
Tuition	\$62,680	\$65,656	\$2,976	4.75%
Room Rate	\$9,368	\$9,650	\$282	3.01%
Board Rate	\$6,472	\$6,948	\$476	7.35%
Health Fee	\$1,036	\$1,090	\$54	5.19%
Undergraduate Student Resource Fee	\$974	\$1,004	\$30	3.10%
Student Activities Fee	\$286	\$300	\$14	5.00%
Student Recreation Fee	\$70	\$80	\$10	14.29%
<b>Total</b>	<b>\$80,886</b>	<b>\$84,729</b>	<b>\$3,843</b>	<b>4.75%</b>

**Graduate Tuition:** The tuition rate increase for non-variable programs is 4.75%, consistent with that of undergraduate tuition. See table below for full list of proposed tuition and fee increases for FY24.

**Table 7: Proposed Tuition Increases for FY24**

Proposed Tuition Increases for FY24				Proposed Fee Increases for FY24			
	FY23	FY24	% Change		FY23	FY24	% Change
<b>Undergraduate</b>				<b>Room and Board</b>			
Undergraduate Tuition	\$62,680	\$65,656	4.75%	Room charges <sup>5</sup>	\$9,368	\$9,650	3.01%
<b>Master's (per course)<sup>1</sup></b>				Room daily rate (Winter & Summer)	\$40	\$45	12.50%
Non-variable Programs	\$7,835	\$8,207	4.75%	Board charges	\$6,472	\$6,948	7.35%
Biostatistics	\$8,004	\$8,284	3.50%	Board weekly rate (Winter & Summer) <sup>6</sup>	\$209	\$225	7.66%
Public Health	\$7,342	\$7,599	3.50%	<b>Health Services Fees</b>			
Public Health (Online)	\$5,000	\$5,000	0.00%	Health service fee	\$1,036	\$1,090	5.19%
Public Health Accelerated		\$6,400		Health service fee for Online <sup>7</sup>	\$300	\$315	5.00%
Clinical and Translational Research	\$7,342	\$7,599	3.50%	Health service fee for Summer <sup>8</sup>	\$195	\$0	-100.00%
Computer Science	\$9,429	\$9,759	3.50%	<b>Student Activities Fees</b>			
Cybersecurity	\$9,168	\$9,168	0.00%	Undergraduate student activities fee	\$286	\$300	5.00%
Data Science	\$9,152	\$9,472	3.50%	Graduate student activities fee	\$80	\$80	0.00%
Engineering	\$9,132	\$9,452	3.50%	Medical student activities fee	\$70	\$70	0.00%
PRIME	\$8,509	\$8,807	3.50%	<b>Other</b>			
Design Engineering	\$7,012	\$7,257	3.50%	Undergraduate student resources fee	\$974	\$1,004	3.10%
Data-Enabled Comp. Eng. and Science	\$9,132	\$9,132	0.00%	Student recreation fee	\$70	\$80	14.29%
Physics	\$8,800	\$9,108	3.50%	Academic records fee	\$100	\$100	0.00%
Public Affairs	\$7,808	\$8,081	3.50%				
<b>Mid-Career Master's (program rates)<sup>2</sup></b>							
Healthcare Leadership <sup>3</sup>	\$92,000	\$73,500	-20.11%				
Technology Leadership	\$83,300	\$83,300	0.00%				
Business Administration	\$141,500	\$141,500	0.00%				
<b>Doctoral</b>							
PhD Tuition (annual rate)	\$62,680	\$65,656	4.75%				
<b>Medical</b>							
Medical Tuition (annual rate)	\$67,268	\$69,286	3.00%				
Gateways (per course)	\$7,049	\$7,331	4.00%				
<b>Winter/Summer Undergraduate</b>							
Winter Session Tuition	\$7,835	\$8,207	4.75%				
Summer Session Course Fee <sup>4</sup>	\$4,736	\$4,961	4.75%				
Summer Session Enrollment Fee <sup>4</sup>	\$322	\$337	4.75%				

**Notes**

Tuition and some fees must be evenly divisible between fall and spring semesters, resulting in varied % changes.

Online students are charged the student activities fee, but not the student recreation fee.

<sup>1</sup> Master's tuition recommendations presented on a per course rate.

<sup>2</sup> Mid-career master's tuition recommendations presented at the program rate.

<sup>3</sup> The Master of Science in Healthcare Leadership (MHL) program is proposed at a reduced tuition rate to a midpoint among peer institutions at \$73,500. This proposal also redesigns MHL as an accelerated 12-month program with one of the shortest times to graduation yet innovatively delivers the same content. Such a program will lower the residential time and improve academic flexibility for students. In addition, closer alignment with the School of Public Health, and compliance with their accreditation (CEPH - Council on Education for Public Health) will add more competitive standing to the program regarding accreditation status. Finally, the curriculum will be further strengthened by adding cutting edge content related to Digital Health Innovation, and Artificial Intelligence/Machine Learning.

<sup>4</sup> Due to Summer programs overlap of fiscal years, FY23 rate represents Summer Session 2023 and FY24 rate represents the Summer Session 2024.

<sup>5</sup> Beginning in Fall 2023, a Housing Cancellation Fee will be assessed to rising seniors who cancel their booking between Feb 1st - April 30th at 50% of the semester room charge and 100% if after May 1st.

<sup>6</sup> Current winter period board plan rate is \$229/week and summer period \$209/week. Beginning in FY24, winter and summer periods will have same weekly rate.

<sup>7</sup> In February 2023, the Corporation approved the Health Services Fee for Online (MPH) Programs as \$210. As the program was new in academic year 2022-2023, the program only held 2 semesters in FY23. The program is held 3 full semesters, and the approved annual rate should be \$315 (\$105 per semester Summer, Fall, Spring for academic year 2023-2024).

The reduced Health Service Fee are financially supporting the costs of teledoc and teletherapy services (which have increased) for online / lowresidency students.

<sup>8</sup> Summer health fee is proposed to be eliminated to reduce barriers for students in the Providence area during summer months.

PhD tuition revenue is projected to increase by \$7.2 million and 9.5% over the FY23 budget, though PhD tuition is largely offset by graduate student aid provided by Brown. The increase is due primarily to the 4.75% tuition rate increase and a slight increase in PhD students.

Master's tuition revenue for E&G increased \$942 thousand over the FY23 budget, based on allocations of that revenue to specific schools. Overall, Master's tuition revenue increased \$8.4 million university-wide. This is driven by the 4.75% tuition increase for non-variable rate programs and enrollment growth including increases in Physics, Engineering, and Data-Enabled Computational Engineering and Science.

### Sponsored and F&A Revenue

For E&G and Auxiliaries, sponsored funding and indirect cost recovery revenue of \$96.3 million is \$799 thousand more than the FY23 budget of \$95.5 million. This includes projected indirect costs (IDC) of \$1.5 million and 7.6% more than the FY23 budget.

### Annual Contributions

The budget for annual contributions features two major components. The first component relates to unrestricted giving through the Brown Annual Fund. For FY24, the Brown Annual Fund expects to raise \$37 million, an increase of \$1.0 million and 2.8% over the prior year. BioMed receives a 5% allocation of the Brown Annual Fund based on a pre-existing agreement, with the remaining \$35.2 million retained at E&G.

The second component of the budget for annual contributions relates to spendable gift utilization. For FY24, E&G expects to recognize \$60.3 million, a decrease of \$503 thousand from the prior year. Brown's operating budget recognizes the revenue for spendable gifts as the expense is incurred in accordance with donor stipulations.

### Endowment Utilization

The endowment supports approximately 19% of the E&G and Auxiliaries budget and helps to finance vital activities, including undergraduate scholarships, professorships, graduate student fellowships, library acquisitions, more than 70 academic programs and varsity sports. The utilization increased to \$237.0 million in FY24 or 22% increase. The endowment utilization also includes \$26.4 million of associated program cost revenue. This represents an increase of \$6.2 million and 30.5% over the FY23 budget.

### Auxiliary Revenue

Auxiliary revenue includes income generated by units that are self-supported entities and include student housing, dining services, student health insurance, health services and the bookstore. The FY24 proposed auxiliary revenue budget is \$153.9 million, a 10% increase over the FY23 budget. The increase is primarily driven by the rate increase for housing, dining, and health services.

### Other Income

For E&G and Auxiliaries, the FY24 total budget for other income is \$57.7 million, a 16% increase over the FY23 budget. The increase is a result of increases from the Current Fund (related to the endowment), investment income, and affiliated hospital revenues.

### **Expense Highlights**

The FY24 total proposed expense budget is \$1.2 billion, a \$99.3 million and 8.9% increase over the FY23 budget. The largest expenses are compensation and student aid and support, which make up just over 73% of total expenses. The proposed budget includes anticipated spending from endowment utilization, spendable gifts and grants, which are offset fully by restricted revenue.

### Salaries and Benefits

For FY24, the E&G and Auxiliaries budget for faculty, staff, and student salaries and wages is \$400.5 million, an 10% increase over the prior year. This increase is driven primarily by investments in faculty and staff, including a 4.0% faculty and non-union staff salary pools recommended by the URC. The FY24 total benefits budget is \$117.4 million, a 15.2% increase over the prior year budget. FY24 benefit costs are based on proposed fringe rates of 31.0% for full-time positions and 7.1% for part-time positions.

The committee's analysis of salary pools included a presentation by the Dean of the Faculty and leadership from of Biology and Medicine, the School of Public Health, and the School of Engineering on faculty hiring and retention across all faculty ranks and disciplines. University Human Resources (UHR) provided an overview of the University's compensation philosophy, along with significant market data and hiring and retention trends at Brown in all staff employment categories. The committee felt strongly that tight labor markets and increased opportunities for remote and hybrid work have made recruitment and retention more challenging and has resulted in increased voluntary staff turnover across the country, including here at Brown.

The committee's FY 2024 recommendation considers the recent investments that Brown has made in salary pools for faculty and staff. FY 2023 included a salary pool of 4.25% along with a special one-time faculty and staff bonus payment of 3% in March 2022 (with a minimum payment of \$2,000 and maximum of \$4,500, based on salary level). The committee also reviewed promotion and retention data that represented significant, targeted investments in staff salaries, largely driven by the tight labor market and post-pandemic job mobility. Importantly, industry market data provided by UHR indicated that projected merit increases across all industries for 2023 would rise between 3.2% and 4.0%. This is consistent with additional economic data reviewed by the committee that suggest inflation has peaked and may be below 3% by the end of 2023. In January 2023, the committee reviewed the U.S. Department of Labor's most recent (December 2022) Consumer Price Index (CPI) report, which explained that CPI continued to slow to 6.5% through December 2022, down from 8.2% through September, representing the 3rd consecutive month of decreases for all items less food and energy, and in line with expectations. This data will continue to be monitored closely over the course of the semester in conjunction with the development of the University's consolidated FY 2024 operating budget.

### Student Aid and Support

E&G's FY24 budget for total student aid and support is \$369.9 million, an increase of \$23.9 million and 10% over the prior year.

Undergraduate student aid and support represents 54% of the total aid amount. The undergraduate scholarship budget for FY24 is based on guidance from the Office of Financial Aid and reflects the funding requirements to meet the full need of undergraduate students. Undergraduate aid is budgeted at \$201.0 million, an increase of \$14.8 million and 7.9% from the FY23 budget of \$186.3 million. The total undergraduate aid budget on a university-wide basis is \$202.6 million with \$1.5M budgeted under Pre-college for Winter session aid.

For FY24, E&G and Auxiliaries has budgeted \$157.5 million for graduate student aid and support, a \$9.1 million increase over the prior year. The increase is driven by the agreement with Graduate Labor Organization and respective rate increases (tuition, health, dental, stipend).

### General Operating Expenses and Subcontracts

The FY24 general operating budget of \$228.7 million comprises approximately 19% of total expenses. The increase of \$34.6 million and 17.8% primarily attributes to increases in cost of goods sold in dining and bookstore, student health insurance costs, and computer software and cloud services.

### Property Costs, Debt Service and Capital Expenses

Property, debt and capital expenses represent \$96.8 million and 8% of total E&G expenses, an increase of \$5.8 million and 6.3% over the FY23 budget. The increases are primarily driven by debt service, utilities, facilities and technology capital requests, and new space costs beginning in FY 2024.

### Internal Services, Transfer and All Other Expenses

Internal services, transfers and other expenses make up 0.2% of total E&G expenses. The FY24 budget is expected to decrease by \$16.0 million over the FY23 budget. The decrease is driven by the increased contributions to the University's renewal reserves, transfers for sustainability projects through utility savings, and increases to university-wide facilities renewal.

## SCHOOL OF PROFESSIONAL STUDIES

### Financial Overview

The School of Professional Studies supports the administration and delivery of academic programs for professional learners. This includes Executive Master's degrees, residential Master's degrees, and non-degree executive education.

*Table 8: School of Professional Studies*

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Masters Tuition	\$2,508	\$2,686	\$177	7.1%
Professional Studies Tuition	\$5,313	\$5,682	\$369	6.9%
Student Fees	\$350	\$350	(\$0)	0.0%
<b>Total Tuition &amp; Fees</b>	<b>\$8,171</b>	<b>\$8,717</b>	<b>\$546</b>	<b>6.7%</b>
All Other Spendable Gifts	\$3	\$166	\$163	5040.5%
<b>Total Annual Contributions</b>	<b>\$3</b>	<b>\$166</b>	<b>\$163</b>	<b>5040.5%</b>
All Other Income	\$4,982	\$5,203	\$221	4.4%
<b>Total Other Income</b>	<b>\$4,982</b>	<b>\$5,203</b>	<b>\$221</b>	<b>4.4%</b>
<b>TOTAL REVENUES</b>	<b>\$13,156</b>	<b>\$14,087</b>	<b>\$931</b>	<b>7.1%</b>
<b>EXPENSES</b>				
Faculty Salaries & Wages	\$1,894	\$1,216	(\$678)	-35.8%
Staff Salaries & Wages	\$3,948	\$3,644	(\$304)	-7.7%
Student Wages	\$454	\$335	(\$119)	-26.2%
<b>Total Salaries &amp; Wages</b>	<b>\$6,296</b>	<b>\$5,196</b>	<b>(\$1,100)</b>	<b>-17.5%</b>
Faculty Benefits	\$435	\$275	(\$160)	-36.8%
Staff Benefits	\$1,151	\$1,100	(\$52)	-4.5%
<b>Total Benefits</b>	<b>\$1,587</b>	<b>\$1,375</b>	<b>(\$212)</b>	<b>-13.3%</b>
All Other Student Aid and Support	\$467	\$730	\$263	56.3%
<b>Total Student Aid and Support</b>	<b>\$467</b>	<b>\$730</b>	<b>\$263</b>	<b>56.3%</b>
Supplies & General	\$2,756	\$1,655	(\$1,101)	-40.0%
Purchased Services	\$1,216	\$1,410	\$195	16.0%
Business & Travel	\$200	\$246	\$46	22.9%
<b>Total General Operating Expenses &amp; Subcontracts</b>	<b>\$4,172</b>	<b>\$3,311</b>	<b>(\$861)</b>	<b>-20.6%</b>
Property Costs	\$680	\$701	\$20	3.0%
<b>Total Property Costs, Debt Service and Capital Expenses</b>	<b>\$680</b>	<b>\$701</b>	<b>\$20</b>	<b>3.0%</b>
Internal Services, Transfers, and All Other Expenses	\$343	\$1,045	\$702	204.9%
<b>Total Internal Services, Transfers, and All Other Expenses</b>	<b>\$343</b>	<b>\$1,045</b>	<b>\$702</b>	<b>204.9%</b>
<b>TOTAL EXPENSES</b>	<b>\$13,545</b>	<b>\$12,358</b>	<b>(\$1,187)</b>	<b>-8.8%</b>
Contributions to E&G	(\$1,500)	(\$586)	\$914	60.9%
<b>Net of Internal Contributions</b>	<b>(\$1,500)</b>	<b>(\$586)</b>	<b>\$914</b>	<b>60.9%</b>
<b>Operating Margin (\$)</b>	<b>\$1,111</b>	<b>\$2,315</b>	<b>\$1,204</b>	<b>108.3%</b>

## **Revenue Highlights**

FY24 total revenue is projected to increase \$931 thousand and a 7.1% increase compared to the FY23 budget.

### Tuition and Fees

Tuition for the School of Professional Studies is expected to increase \$546 thousand and 6.7% due to increased enrollments in the Master's in Technology Leadership program, and the launch of new non-degree programs.

## **Expense Highlights**

Expenses have decreased \$1.2 million and -8.8% compared to the FY23 budget.

### Salaries and Benefits

Salaries and benefits have decreased \$1.1 million and -17.5% from the FY23 budget. The decrease is driven by the reallocation of compensation expenses for the Online Masters of Public Health to SPH and the deferral of instruction costs for the redesign of the Healthcare Leadership program that will launch in FY25.

### Student Aid and Support

Student aid and support have increased \$263 thousand and 56.3% from the FY23 budget based on financial needs.

### General Operating Expenses and Subcontracts

General operating expenses have decreased \$861 thousand and -20.6% from the FY23 budget. The decrease is driven by the reallocation of operating expenses for the Online Masters of Public Health to SPH. This decrease is offset slightly by the addition of an open house for prospective learners, fly-in programs for admitted students, and orientation expenses to increase enrollment and attract new audience of learners.

### Property Costs, Debt Service and Capital Expenses

Property costs have increased \$20 thousand and 3% from the FY23 budget.

### Contributions to E&G

Professional Studies has budgeted for their net margin of \$2.3M to be fully contributed centrally to E&G in FY24.

## PRE-COLLEGE AND UNDERGRADUATE PROGRAMS

### Financial Overview

Pre-College and Undergraduate Programs offers a wide range of residential, location-based, and online academic offerings for undergraduate and pre-college students.

*Table 9: Pre-College and Undergraduate Programs*

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Student Fees	\$4,564	\$5,997	\$1,433	31.4%
<b>Total Tuition &amp; Fees</b>	<b>\$4,564</b>	<b>\$5,997</b>	<b>\$1,433</b>	<b>31.4%</b>
Pre-College	\$33,596	\$38,753	\$5,158	15.4%
All Other Income	\$849	\$511	(\$338)	-39.9%
<b>Total Other Income</b>	<b>\$34,445</b>	<b>\$39,264</b>	<b>\$4,819</b>	<b>14.0%</b>
<b>TOTAL REVENUES</b>	<b>\$39,009</b>	<b>\$45,261</b>	<b>\$6,252</b>	<b>16.0%</b>
<b>EXPENSES</b>				
Faculty Salaries & Wages	\$1,059	\$1,158	\$99	9.4%
Staff Salaries & Wages	\$5,428	\$6,696	\$1,268	23.4%
Student Wages	\$1,261	\$1,475	\$213	16.9%
<b>Total Salaries &amp; Wages</b>	<b>\$7,748</b>	<b>\$9,329</b>	<b>\$1,581</b>	<b>20.4%</b>
Faculty Benefits	\$147	\$156	\$9	6.4%
Staff Benefits	\$1,067	\$1,407	\$340	31.8%
<b>Total Benefits</b>	<b>\$1,214</b>	<b>\$1,563</b>	<b>\$349</b>	<b>28.8%</b>
Undergraduate Student Aid and Support	\$705	\$1,539	\$834	118.2%
All Other Student Aid and Support	\$5,882	\$5,428	(\$454)	-7.7%
<b>Total Student Aid and Support</b>	<b>\$6,587</b>	<b>\$6,966</b>	<b>\$379</b>	<b>5.8%</b>
Supplies & General	\$2,091	\$1,887	(\$204)	-9.7%
Purchased Services	\$3,324	\$2,505	(\$819)	-24.6%
Business & Travel	\$114	\$153	\$39	33.8%
<b>Total General Operating Expenses &amp; Subcontracts</b>	<b>\$5,530</b>	<b>\$4,545</b>	<b>(\$984)</b>	<b>-17.8%</b>
Property Costs	\$680	\$701	\$20	3.0%
<b>Total Property Costs, Debt Service and Capital Expenses</b>	<b>\$680</b>	<b>\$701</b>	<b>\$20</b>	<b>3.0%</b>
Internal Services, Transfers, and All Other Expenses	\$4,322	\$5,795	\$1,473	34.1%
<b>Total Internal Services, Transfers, and All Other Expenses</b>	<b>\$4,322</b>	<b>\$5,795</b>	<b>\$1,473</b>	<b>34.1%</b>
<b>TOTAL EXPENSES</b>	<b>\$26,082</b>	<b>\$28,900</b>	<b>\$2,819</b>	<b>10.8%</b>
<b>Operating Margin (\$)</b>	<b>\$12,928</b>	<b>\$16,361</b>	<b>\$3,433</b>	<b>26.6%</b>



## **Revenue Highlights**

FY24 total revenue is projected to increase \$6.3 million, a 16% increase compared to FY23 budget.

### Tuition and Fees

Revenue is expected to increase due to enrollment growth for in-person programs over the FY23 budget.

## **Expense Highlights**

Expenses have increased \$2.8 million and 10.8% compared to the FY23 budget.

### Salaries and Benefits

Salaries and benefits have increased \$1.6 million and 20.4% from the FY23 budget due to increases in staff, college access, and readiness initiatives.

### Student Aid and Support

Student aid and support have increased \$379 thousand and 5.8% from the FY23 budget based on financial needs.

### General Operating Expenses and Subcontracts

General operating expenses have decreased \$984 thousand and -17.8% from the FY23 budget. The decrease is driven by the transition of summer sports camp to Athletics.

### Property Costs, Debt Service and Capital Expenses

Property costs have increased \$20 thousand and 3% from the FY23 budget.

### Contributions to E&G

Pre-College has budgeted for their net margin of \$16.4 million to be fully contributed centrally to E&G in FY24.

## SCHOOL OF ENGINEERING

### Financial Overview

In FY24, the School of Engineering has proposed a total revenue budget of \$25.5 million which represents a favorable increase of \$1.3 million and 5.5% over the FY23 revenue budget. Total expenses are estimated at \$40.7 million, an unfavorable increase of \$3.3 million and 8.7% over FY23 expenses. Additionally, the school will receive \$16.1 million as a contribution from E&G.

*Table 10: School of Engineering*

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Masters Tuition	\$5,243	\$5,368	\$125	2.4%
<b>Total Tuition &amp; Fees</b>	<b>\$5,243</b>	<b>\$5,368</b>	<b>\$125</b>	<b>2.4%</b>
Sponsored Revenue	\$15,359	\$16,315	\$956	6.2%
<b>Total Sponsored and F&amp;A Revenue</b>	<b>\$15,359</b>	<b>\$16,315</b>	<b>\$956</b>	<b>6.2%</b>
All Other Spendable Gifts	\$1,118	\$1,474	\$356	31.9%
<b>Total Annual Contributions</b>	<b>\$1,118</b>	<b>\$1,474</b>	<b>\$356</b>	<b>31.9%</b>
Endowment Utilization	\$2,458	\$2,345	(\$113)	-4.6%
<b>Total Endowment Utilization</b>	<b>\$2,458</b>	<b>\$2,345</b>	<b>(\$113)</b>	<b>-4.6%</b>
<b>TOTAL REVENUES</b>	<b>\$24,178</b>	<b>\$25,503</b>	<b>\$1,324</b>	<b>5.5%</b>
<b>EXPENSES</b>				
Faculty Salaries & Wages	\$12,953	\$14,584	\$1,630	12.6%
Staff Salaries & Wages	\$4,505	\$5,726	\$1,221	27.1%
Student Wages	\$112	\$225	\$113	100.4%
<b>Total Salaries &amp; Wages</b>	<b>\$17,571</b>	<b>\$20,535</b>	<b>\$2,964</b>	<b>16.9%</b>
Faculty Benefits	\$3,717	\$4,428	\$711	19.1%
Staff Benefits	\$1,329	\$1,775	\$446	33.6%
<b>Total Benefits</b>	<b>\$5,046</b>	<b>\$6,203</b>	<b>\$1,157</b>	<b>22.9%</b>
Graduate Student Aid and Support	\$5,506	\$7,151	\$1,645	29.9%
All Other Student Aid and Support	\$108	\$517	\$410	380.5%
<b>Total Student Aid and Support</b>	<b>\$5,613</b>	<b>\$7,668</b>	<b>\$2,055</b>	<b>36.6%</b>
Supplies & General	\$3,586	\$2,390	(\$1,196)	-33.3%
Purchased Services	\$148	\$282	\$134	90.8%
Business & Travel	\$906	\$251	(\$655)	-72.3%
Subcontracts	\$2,348	\$1,810	(\$538)	-22.9%
<b>Total General Operating Expenses &amp; Subcontracts</b>	<b>\$6,989</b>	<b>\$4,733</b>	<b>(\$2,255)</b>	<b>-32.3%</b>
Capital & Plant Expenses	\$2,623	\$2,059	(\$565)	-21.5%
<b>Total Property Costs, Debt Service and Capital Expenses</b>	<b>\$2,623</b>	<b>\$2,059</b>	<b>(\$565)</b>	<b>-21.5%</b>
Internal Services, Transfers, and All Other Expenses	(\$412)	(\$511)	(\$99)	-24.1%
<b>Total Internal Services, Transfers, and All Other Expenses</b>	<b>(\$412)</b>	<b>(\$511)</b>	<b>(\$99)</b>	<b>24.1%</b>
<b>TOTAL EXPENSES</b>	<b>\$37,430</b>	<b>\$40,687</b>	<b>\$3,257</b>	<b>8.7%</b>
Contributions from E&G	(\$15,856)	(\$16,074)	(\$218)	-1.4%
<b>Net of Internal Contributions</b>	<b>(\$15,856)</b>	<b>(\$16,074)</b>	<b>(\$218)</b>	<b>-1.4%</b>
<b>Operating Margin (\$)</b>	<b>\$2,604</b>	<b>\$889</b>	<b>(\$1,715)</b>	<b>-65.8%</b>

## **Revenue Highlights**

### Tuition and Fees

The FY24 Master's revenue is up \$0.1 million driven by increased enrollments.

### Sponsored and F&A Revenue

Sponsored revenue budget of \$16.3 million is projected to be up \$1.0 million compared to FY23. Engineering does not retain its F&A, figures in Table 11 are direct costs only.

### Annual Contributions

Budgeted use of spendable gifts assumes an increase of \$0.4 million driven by increased Grad TA expenses.

### Endowment Utilization

Endowment utilization decreased \$0.1 million due to a faculty sabbatical that limits our use of a professorship endowment.

## **Expense Highlights**

### Salaries and Benefits

Salary and fringe increase of \$4.1 million is driven by merit, a reduced faculty sabbatical rate, and the addition of positions to support the Master's programs.

### Student Aid and Support

Student aid and support increase of \$2.1 million is driven by the increased PhD enrollments and the need for TA positions that are not supported by Grad school slots.

### General Operating Expenses & Subcontracts

General operating and subcontract expense decrease of \$2.3 million driven by reduced subcontracts, reduced sponsored travel, and more accurate budgeting of Dean's startup spending.

### Property Costs, Debt Service and Capital Expenses

Property costs, debt service and capital expense decrease of \$0.1 million driven by sponsored activity spending.

## BIOLOGY AND MEDICINE

### Financial Overview

Biology and Medicine – composed of the Program in Biology and The Warren Alpert Medical School – is home to numerous centers of excellence in education, biomedical research, and clinical care. Biology and Medicine is large and diverse; currently there are 147 biology/basic science faculty, 602 medical academic faculty (employed by an affiliated hospital or practice plan), 1,837 clinical faculty (community-based physicians), four basic science, 14 clinical departments, and two hybrid basic science/clinical departments. Biology and Medicine is affiliated with seven diverse teaching hospitals in and around Providence, as well as HopeHealth and Brown Physicians, Inc. Staff in Biology and Medicine total over 500 (including those contracted through hospital partners).

Biology and Medicine is committed to excellence in teaching and research. We have more than 4,000 students enrolled in undergraduate biology and neuroscience courses. Approximately 17% of annual bachelor degree conferrals are to students graduating from one of the biology program concentrations. We have 274 PhD students, 133 Master's students, and 599 medical students. The Warren Alpert Medical School is one of the most selective and diverse in the country. External funding for research has grown 153% since 2013, and research focus areas include aging and aging-related disease; immunology and infectious disease; RNA biology; and brain health.

**Overview** (*Carney Institute for Brain Science is included for reporting purposes only, but is a separate unit*)

Biology and Medicine is projecting a positive \$1.7 million bottom line. Biology and Medicine's total FY24 revenue budget of \$232 million across all funds represents an 11.3% increase over the \$208 million budget in FY23 (\$23.5 million). Biology and Medicine's total FY24 expense budget of \$247 million across all funds represents a 13.4% increase over the \$218 million total expense budget in FY23 (\$29 million). Expense coverage from Contributions from E&G have increased by \$5.3 million for a total of \$17.6 million in FY24 in comparison to \$12.3 million in FY23.

*Table 11: Biology and Medicine (Carney Institute for Brain Science is included for reporting purposes only, but is a separate unit)*

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Masters Tuition	\$5,930	\$7,542	\$1,612	27.2%
Professional Studies Tuition	\$572	\$850	\$278	48.6%
Ph.D. Tuition	\$16,924	\$19,627	\$2,703	16.0%
Medical Tuition	\$39,292	\$37,913	(\$1,379)	-3.5%
Student Fees	\$678	\$678	\$0	0.0%
<b>Total Tuition &amp; Fees</b>	<b>\$63,396</b>	<b>\$66,611</b>	<b>\$3,215</b>	<b>5.1%</b>
Sponsored Revenue	\$55,823	\$63,564	\$7,741	13.9%
F&A Revenue (Indirect Cost Recovery)	\$20,600	\$23,612	\$3,012	14.6%
<b>Total Sponsored and F&amp;A Revenue</b>	<b>\$76,423</b>	<b>\$87,176</b>	<b>\$10,753</b>	<b>14.1%</b>
Brown Annual Fund	\$1,800	\$1,850	\$50	2.8%
All Other Spendable Gifts	\$23,352	\$26,103	\$2,751	11.8%
<b>Total Annual Contributions</b>	<b>\$25,152</b>	<b>\$27,953</b>	<b>\$2,801</b>	<b>11.1%</b>
Endowment Utilization	\$26,149	\$30,820	\$4,672	17.9%
Associated Program Cost	\$3,038	\$4,536	\$1,498	49.3%
<b>Total Endowment Utilization</b>	<b>\$29,187</b>	<b>\$35,356</b>	<b>\$6,170</b>	<b>21.1%</b>
Affiliated Hospital Revenue	\$3,627	\$3,853	\$226	6.2%
All Other Income	\$10,272	\$10,616	\$344	3.3%
<b>Total Other Income</b>	<b>\$13,900</b>	<b>\$14,469</b>	<b>\$570</b>	<b>4.1%</b>
<b>TOTAL REVENUES</b>	<b>\$208,057</b>	<b>\$231,565</b>	<b>\$23,508</b>	<b>11.3%</b>
<b>EXPENSES</b>				
Faculty Salaries & Wages	\$36,768	\$39,850	\$3,082	8.4%
Staff Salaries & Wages	\$33,203	\$37,162	\$3,959	11.9%
Student Wages	\$661	\$676	\$15	2.2%
<b>Total Salaries &amp; Wages</b>	<b>\$70,632</b>	<b>\$77,688</b>	<b>\$7,056</b>	<b>10.0%</b>
Faculty Benefits	\$10,552	\$11,929	\$1,377	13.1%
Staff Benefits	\$9,659	\$11,317	\$1,658	17.2%
Student Benefits	\$42	\$42	\$0	0.0%
<b>Total Benefits</b>	<b>\$20,252</b>	<b>\$23,287</b>	<b>\$3,035</b>	<b>15.0%</b>
Graduate Student Aid and Support	\$41,572	\$47,320	\$5,748	13.8%
All Other Student Aid and Support	\$687	\$512	(\$175)	-25.4%
<b>Total Student Aid and Support</b>	<b>\$42,259</b>	<b>\$47,832</b>	<b>\$5,573</b>	<b>13.2%</b>
Supplies & General	\$14,583	\$26,023	\$11,441	78.5%
Purchased Services	\$23,418	\$19,355	(\$4,062)	-17.3%
Business & Travel	\$1,806	\$2,226	\$420	23.3%
Subcontracts	\$10,817	\$11,597	\$780	7.2%
<b>Total General Operating Expenses &amp; Subcontracts</b>	<b>\$50,623</b>	<b>\$59,202</b>	<b>\$8,578</b>	<b>16.9%</b>
Property Costs	\$978	\$2,401	\$1,423	145.5%
Capital & Plant Expenses	\$7,583	\$11,397	\$3,814	50.3%
<b>Total Property Costs, Debt Service and Capital Expenses</b>	<b>\$8,561</b>	<b>\$13,799</b>	<b>\$5,237</b>	<b>61.2%</b>
Internal Services, Transfers, and All Other Expenses	\$25,860	\$25,646	(\$214)	-0.8%
<b>Total Internal Services, Transfers, and All Other Expenses</b>	<b>\$25,860</b>	<b>\$25,646</b>	<b>(\$214)</b>	<b>-0.8%</b>
<b>TOTAL EXPENSES</b>	<b>\$218,188</b>	<b>\$247,454</b>	<b>\$29,267</b>	<b>13.4%</b>
Contributions from E&G	(\$12,308)	(\$17,618)	(\$5,311)	-43.2%
<b>Net of Internal Contributions</b>	<b>(\$12,308)</b>	<b>(\$17,618)</b>	<b>(\$5,311)</b>	<b>-43.2%</b>
<b>Operating Margin (\$)</b>	<b>\$2,177</b>	<b>\$1,730</b>	<b>(\$447)</b>	<b>-20.6%</b>

## Revenue Highlights

For FY24, BioMed budgeted total revenues of \$232 million, an 11.3% increase from the FY23 budget of \$208 million. This revenue growth was seen in nearly all categories, but most heavily generated by sponsored research and elevated gift and endowment utilization.

### Tuition and Fees

Proposed revenue from tuition and fees for FY24 is \$66.6 million, a 5.1% increase from the FY23 revenue of \$63 million. For FY24, an increased number of PhD matriculants was approved in order to support faculty research and teaching assistant needs. A total of 50 slots were approved versus 43 seen in FY23 (16% increase). Growth is also anticipated within the master's programs, specifically Biotechnology and Biomedical Engineering. In contrast to recent years, non-variable programs saw a moderate tuition increase of 4.75%. The Warren Alpert Medical School student tuition increase is 3.0%. Overall medical school FTEs were adjusted to reflect increasing leaves of absence that is prevalent among most medical schools.

### Sponsored and F&A Revenue

A projected 153% increase in total awards funded between FY13 to FY23 contributed to a steady increase in indirect revenue from \$11 million in FY13 to nearly \$24 million projected in FY24. Sponsored research revenue is undergoing significant growth and is estimated to reach \$63.6 million for FY24. Year-over-year indirect cost recovery is expected to increase by 14.6%.

### Annual Contributions

FY24 budgeted annual contributions of \$28 million represents an 11.1% increase from the FY23 budget of \$25 million. Greater utilization of donor funds is anticipated while rolling out new divisional initiatives.

### Endowment Utilization

For FY24, BioMed is projecting an endowment utilization of \$35 million, a 21.1% increase from the FY23 proposed distribution of \$29 million. The proposed FY24 endowment yield of \$31 million represents a 17.9% increase from the FY23 endowment yield of \$26 million. Additionally, the proposed FY24 APC of \$4.5 million is a \$1.5 million increase from the FY23 budget, reflecting the basis for the APC reconfiguration whereby non-financial aid related funds increase to 15% from 10% while financial aid related endowments are now assessed 0%.

### Other Income

Other revenue for FY24 is estimated at \$14.5 million compared to \$13.9 million in FY23.

## **Expense Highlights**

### Salaries and Benefits

The proposed salaries and benefits expenses for FY24 is \$101 million, an 11.1% increase from FY23. The increase is driven by faculty and staff salary pools, including eight new faculty and a significant backfill of previously approved, but vacant positions.

### Student Aid and Support

Consistent with the increased PhD tuition via matriculants, the student aid and support budget increased by \$5.6 million for a total of \$47.8 million in FY24. This figure is subject to change based upon the completion of the negotiated PhD stipend increase currently underway.

### General Operating Expenses & Subcontracts

General operating expenses and subcontracts increased to \$59 million in the FY24 budget in comparison to \$51 million in the FY23 budget. Startup expenditures, most specifically in the supplies category, are increased in relation to the eight new faculty hires, retention agreements for highly impactful faculty, and expanded research efforts. As more events are returning to in-person format, BioMed has budgeted for increased event related business expenditures.

### Property Costs, Debt Service and Capital Expenses

Property costs and capital expenses increased by \$5.2 million, bringing the FY24 budget to nearly \$14 million. In order to address the laboratory research space needs by both current and newly hired faculty, rent and capital fit-out of the sixth floor of 225 Dyer was approved for critical support. Approximately \$1 million of restricted gift-funded capital was also approved.

### Contributions from E&G

BioMed has budgeted internal contributions from E&G of \$17.6 million in FY24.

The University's budgeted allocation for FY24 includes commitments from the President, Provost, and Dean of the Faculty totaling \$2.8 million to fund faculty startup and other initiatives. BioMed receives contributions from the University that includes \$11.1 million to support undergraduate teaching and \$0.3 million for shared support of the animal care facility and herbarium. An additional \$3.4 million is included to convert the sixth floor of 225 Dyer to laboratory space and associated rent during FY24.

## SCHOOL OF PUBLIC HEALTH

### Financial Overview

The FY24 budget reflects the second year of a five-year financial plan to create a top-five school of public health. The Dean has outlined new areas of focus for the School, given the changing landscape in public health:

- An academic strategy designed to invest in emerging leaders in public health, including a Center for Pandemic Preparedness, Center for Health Policy, and the Center for Comparative Global Health Systems. New programmatic areas include Climate Change and Health, Information Disorder (Misinformation), Data Science in Health, and Initiatives on Equity and Racism in Health, including our new Health Equity Scholars program.
- A staffing infrastructure to support the research administration, growing Master's program, a fundraising enterprise, and fortifying the school leadership structure to provide necessary oversight.

The School of Public Health proposes an operating budget for FY24 that reflects total revenues of \$124.2 million and total expenditures of \$140.3 million, which, after accounting for internal contributions of \$16.8 million to the school, results in an operating surplus of \$735 thousand.

Public Health's modest operating surplus is a combination of increased revenue from expanding its Master's programs offset by investments in new tenured faculty lines and key administrative personnel to advance its strategic mission.



Table 12: School of Public Health

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Masters Tuition	\$13,654	\$19,183	\$5,529	40.5%
Professional Studies Tuition	\$526	\$192	(\$335)	-63.6%
Ph.D. Tuition	\$5,391	\$6,237	\$847	15.7%
<b>Total Tuition &amp; Fees</b>	<b>\$19,571</b>	<b>\$25,612</b>	<b>\$6,041</b>	<b>30.9%</b>
Sponsored Revenue	\$74,397	\$65,116	(\$9,280)	-12.5%
F&A Revenue (Indirect Cost Recovery)	\$20,500	\$22,150	\$1,650	8.0%
<b>Total Sponsored and F&amp;A Revenue</b>	<b>\$94,897</b>	<b>\$87,266</b>	<b>(\$7,630)</b>	<b>-8.0%</b>
All Other Spendable Gifts	\$10,021	\$8,250	(\$1,771)	-17.7%
<b>Total Annual Contributions</b>	<b>\$10,021</b>	<b>\$8,250</b>	<b>(\$1,771)</b>	<b>-17.7%</b>
Endowment Utilization	\$1,694	\$2,661	\$967	57.1%
Associated Program Cost	\$80	\$434	\$354	442.0%
<b>Total Endowment Utilization</b>	<b>\$1,774</b>	<b>\$3,094</b>	<b>\$1,321</b>	<b>74.5%</b>
<b>TOTAL REVENUE</b>	<b>\$126,262</b>	<b>\$124,222</b>	<b>(\$2,040)</b>	<b>-1.6%</b>
<b>EXPENSES</b>				
Faculty Salaries & Wages	\$26,926	\$32,872	\$5,947	22.1%
Staff Salaries & Wages	\$17,745	\$26,094	\$8,348	47.0%
Student Wages	\$670	\$510	(\$160)	-23.8%
<b>Total Salaries &amp; Wages</b>	<b>\$45,341</b>	<b>\$59,476</b>	<b>\$14,135</b>	<b>31.2%</b>
Faculty Benefits	\$7,646	\$8,658	\$1,013	13.2%
Staff Benefits	\$5,235	\$6,630	\$1,395	26.7%
<b>Total Benefits</b>	<b>\$12,881</b>	<b>\$15,289</b>	<b>\$2,408</b>	<b>18.7%</b>
Graduate Student Aid and Support	\$16,835	\$18,628	\$1,793	10.7%
All Other Student Aid and Support	\$22	\$525	\$503	2286.3%
<b>Total Student Aid and Support</b>	<b>\$16,857</b>	<b>\$19,153</b>	<b>\$2,296</b>	<b>13.6%</b>
Supplies & General	\$10,681	\$7,281	(\$3,400)	-31.8%
Purchased Services	\$6,221	\$6,670	\$449	7.2%
Business & Travel	\$1,414	\$1,480	\$66	4.7%
Subcontracts	\$27,844	\$16,333	(\$11,511)	-41.3%
<b>Total General Operating Expenses &amp; Subcontracts</b>	<b>\$46,161</b>	<b>\$31,765</b>	<b>(\$14,396)</b>	<b>-31.2%</b>
Internal Services, Transfers, and All Other Expenses	\$16,200	\$14,639	(\$1,562)	-9.6%
<b>Total Internal Services, Transfers, and All Other Expenses</b>	<b>\$16,200</b>	<b>\$14,639</b>	<b>(\$1,562)</b>	<b>-9.6%</b>
<b>TOTAL EXPENSES</b>	<b>\$137,440</b>	<b>\$140,322</b>	<b>\$2,882</b>	<b>2.1%</b>
Contributions from E&G	(\$12,171)	(\$16,834)	(\$4,663)	-38.3%
<b>Net of Internal Contributions</b>	<b>(\$12,171)</b>	<b>(\$16,834)</b>	<b>(\$4,663)</b>	<b>-38.3%</b>
<b>Operating Margin (\$)</b>	<b>\$993</b>	<b>\$735</b>	<b>(\$258)</b>	<b>-26.0%</b>

## **Revenue Highlights**

The School of Public Health is heavily dependent on sponsored funding, which is its largest source of unrestricted revenue. Master's tuition is the second largest source of revenue; these two revenue elements provide the greatest flexibility in terms of budgetary support.

The School is making significant efforts to diversify its revenue streams and mitigate its dependency on sponsored funding as its primary revenue source. These include a focus on fundraising for professorships, as well as programmatic funds such as the Health Equity Scholars Program, capital projects and a naming opportunity. The School continues to expand its Master's enrollment for existing programs and in non-degree programs, the latter in conjunction with the School of Professional Studies. It also launched an online Master's of Public Health program this past fall, which will provide a steady revenue stream within the next few years.

### Tuition and Fees

Master's tuition is the second largest revenue source for Public Health, with expected income of \$19.1 million in FY24. This figure represents a 40.5% increase over the FY23 budget driven by the restructuring and reinvigoration of the Master's of Public Health program, including the addition of the online Master's in Public Health and Accelerated Master's in Public Health programs.

PhD tuition of \$6.2 million compares to a FY23 budget of \$5.4 million and represents approximately 100 doctoral students. This income is largely offset by PhD tuition scholarship and is not a main revenue driver of the school.

### Sponsored and F&A Revenue

Sponsored revenue is the largest revenue source for Public Health and it expects to generate total revenue of \$87.2 million in FY24. The School of Public Health's associated FY24 budgeted indirect cost recovery on sponsored activity is \$22.1 million, compared to \$20.5 million for FY23, reflecting a favorable mix of award cost reimbursement rates over the prior year.

### Annual Contributions

Contributions make up 6.6% of Public Health total revenue. For FY24, utilization of annual contributions is expected to be \$8.2 million, a decrease over the FY23 budget of \$10 million as the new administrative team made significant efforts to utilize available gift balances during FY23.

### Endowment Utilization

Endowment utilization makes up 2.5% of Public Health total revenue. For FY24, the School expects to utilize \$3 million from the payout of endowed gifts. This represents a 57% increase from the prior year, which can be attributed to new endowed professorships and overall increased utilization of carry forward endowment yield balances.

## **Expense Highlights**

Public Health expenses for FY24 have grown 2.1% over FY23 budget, mainly driven by investments in new faculty and supporting infrastructure.

### Salaries and Benefits

The salaries and benefits budget for FY24 shows 28% growth compared to the FY23 budget primarily related to nine planned net faculty hires for FY24 and continued research staffing hires for new school initiatives. The faculty hires, mainly funded on operating funds for FY24, will receive future funding in the form of new endowed chairs as well as sponsored support.

### Student Aid and Support

The School of Public Health's student aid and support budget for FY24 is \$19.1 million, a 13.6% increase over FY23 budget of \$16.8 million. This increase is driven by increased enrollment in the Master's and PhD programs as well as the addition of the two new Master's programs.

### Other Operating Expenses

FY24 general operating expenses, property costs, internal services and all other expenses of \$46.4 million decreased \$15.9 million over FY23 budget, driven largely by a shift of planned resources from general operating to salary expense as the new research centers refine their operational planning.

### Net Internal Contributions (to/from E&G)

FY24 internal contributions from E&G are \$16.8 million, compared to \$12.1 million for the FY23 budget. Increased contribution represents the leveraging of University funds for the School's strategic goals until new revenue sources and fundraising efforts are realized.

## SUPPLEMENTARY INFORMATION

This section features various tables of student and financial data that is intended to provide contextual information related to the development of the proposed budget for fiscal year 2023.

**Table 13: Undergraduate Applications**

Brown University: Undergraduate Applications					
Year	Applied	Admitted	% Admitted	Enrolled	% Enrolled
FY11	30,944	2,815	9.1%	1,540	54.7%
FY12	28,742	2,757	9.6%	1,538	55.8%
FY13	28,919	2,759	9.5%	1,603	58.1%
FY14	30,431	2,654	8.7%	1,558	58.7%
FY15	30,396	2,661	8.8%	1,495	56.2%
FY16	32,390	2,875	8.9%	1,604	55.8%
FY17	32,723	3,014	9.2%	1,778	59.0%
FY18	35,437	2,779	7.8%	1,690	60.8%
FY19	38,674	2,718	7.0%	1,653	60.8%
FY20	36,793	2,733	7.4%	1,722	63.0%
FY21	46,568	2,822	6.1%	1,874	66.4%
FY22	50,649	2,568	5.1%	1,721	67.0%
FY23	51,316	2,616	5.1%	1,700	65.0%
CAGR	4.71%	-0.66%	-5.13%	0.91%	1.58%
Source: Common Data Set; Office of Institutional Research					
Note: Numbers reflect degree-seeking, first-time, first-year students;					
"CAGR" denotes compounded annual growth rate					

**Table 14: Student FTE Enrollments**

Brown University: Student FTE Enrollments														
Category	Student Type	Fall 2011	Fall 2012	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	CAGR
Undergraduate	Degree-Seeking	6,109	6,118	6,165	6,253	6,311	6,568	6,662	6,739	6,822	6,616	7,101	7,194	1.50%
	Special	138	158	147	149	174	178	165	150	171	83	115	220	4.33%
	Total	6,247	6,276	6,312	6,402	6,485	6,746	6,827	6,889	6,993	6,699	7,216	7,414	1.57%
Medical	Degree-Seeking	417	455	461	490	523	545	566	585	597	595	611	595	3.28%
	Total	417	455	461	490	522	545	564	585	597	595	611	595	3.28%
Graduate	Degree-Seeking	1,864	1,899	1,935	2,051	2,140	2,170	2,380	2,456	2,430	2,457	2,626	2,861	3.97%
	Special	29	23	28	27	29	28	23	23	18	30	24	18	-4.24%
	Total	1,893	1,922	1,963	2,078	2,169	2,198	2,403	2,479	2,448	2,487	2,650	2,879	3.89%
Total	Total Degree-Seeking	8,390	8,472	8,560	8,793	8,974	9,283	9,608	9,780	9,849	9,668	10,338	10,650	2.19%
	Total Special	167	181	175	176	203	206	188	173	189	113	139	238	3.27%
	Total	8,557	8,653	8,735	8,969	9,177	9,489	9,796	9,953	10,038	9,781	10,477	10,888	2.21%
Source: Office of Institutional Research; data is based on official census date of October 15 for each year														
Note: Brown/HISU dual-degree students counted as 1.0 FTE; "CAGR" denotes compounded annual growth rate; degree-seeking includes graduate-level certificate programs (n = 5 in fall 2019)														

## APPENDIX

### FY24 Consolidated Operating Budget

#### Revenue Detail

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Undergraduate Tuition	\$439,123	\$466,119	\$26,995	6.15%
Study Abroad Tuition & Fees	\$9,778	\$16,414	\$6,636	67.87%
Masters Tuition	\$59,530	\$67,916	\$8,386	14.09%
Professional Studies Tuition	\$6,411	\$6,724	\$312	4.87%
Ph.D. Tuition	\$98,634	\$109,425	\$10,791	10.94%
Medical Tuition	\$39,292	\$37,913	(\$1,379)	-3.51%
Student Fees	\$9,852	\$11,789	\$1,937	19.66%
<b>Total Tuition &amp; Fees</b>	<b>\$662,621</b>	<b>\$716,299</b>	<b>\$53,678</b>	<b>8.10%</b>
Sponsored Revenue	\$221,164	\$219,867	(\$1,297)	-0.59%
F&A Revenue (Indirect Cost Recovery)	\$61,053	\$67,228	\$6,175	10.11%
<b>Total Sponsored and F&amp;A Revenue</b>	<b>\$282,217</b>	<b>\$287,095</b>	<b>\$4,878</b>	<b>1.73%</b>
Brown Annual Fund	\$36,000	\$37,000	\$1,000	2.78%
All Other Spendable Gifts	\$95,338	\$96,335	\$997	1.05%
<b>Total Annual Contributions</b>	<b>\$131,338</b>	<b>\$133,335</b>	<b>\$1,997</b>	<b>1.52%</b>
Endowment Utilization	\$204,032	\$246,444	\$42,412	20.79%
Associated Program Cost	\$23,337	\$31,348	\$8,011	34.33%
<b>Total Endowment Utilization</b>	<b>\$227,369</b>	<b>\$277,792</b>	<b>\$50,422</b>	<b>22.18%</b>
Housing Contractual Revenue	\$47,177	\$51,492	\$4,315	9.15%
Dining Contractual Revenue	\$28,775	\$35,000	\$6,225	21.63%
Student Health Insurance	\$19,850	\$20,921	\$1,071	5.40%
Student Health Services Fees	\$10,503	\$11,200	\$697	6.64%
All Other Auxiliary Revenue	\$33,684	\$35,303	\$1,618	4.80%
<b>Total Auxiliary Revenue</b>	<b>\$139,989</b>	<b>\$153,916</b>	<b>\$13,926</b>	<b>9.95%</b>
Current Fund Investment Income	\$11,962	\$12,877	\$915	7.65%
Affiliated Hospital Revenue	\$6,002	\$8,353	\$2,351	39.17%
Investment Income	\$8,000	\$11,000	\$3,000	37.50%
Pre-College	\$33,596	\$38,753	\$5,158	15.35%
All Other Income	\$43,499	\$45,634	\$2,135	4.91%
<b>Total Other Income</b>	<b>\$103,059</b>	<b>\$116,617</b>	<b>\$13,558</b>	<b>13.16%</b>
<b>TOTAL REVENUES</b>	<b>\$1,546,594</b>	<b>\$1,685,053</b>	<b>\$138,459</b>	<b>8.95%</b>

## Expense Detail

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>EXPENSES</b>				
Faculty Salaries & Wages	\$207,880	\$230,153	\$22,273	10.71%
Staff Salaries & Wages	\$289,654	\$325,648	\$35,994	12.43%
Student Wages	\$14,992	\$16,924	\$1,931	12.88%
<b>Total Salaries &amp; Wages</b>	<b>\$512,527</b>	<b>\$572,725</b>	<b>\$60,198</b>	<b>11.75%</b>
Faculty Benefits	\$59,128	\$67,431	\$8,303	14.04%
Staff Benefits	\$83,669	\$97,605	\$13,936	16.66%
Student Benefits	\$48	\$50	\$2	4.27%
<b>Total Benefits</b>	<b>\$142,844</b>	<b>\$165,086</b>	<b>\$22,241</b>	<b>15.57%</b>
Undergraduate Student Aid and Support	\$186,976	\$202,586	\$15,610	8.35%
Graduate Student Aid and Support	\$212,285	\$230,550	\$18,264	8.60%
All Other Student Aid and Support	\$18,507	\$19,125	\$619	3.34%
<b>Total Student Aid and Support</b>	<b>\$417,768</b>	<b>\$452,261</b>	<b>\$34,493</b>	<b>8.26%</b>
Supplies & General	\$140,409	\$166,510	\$26,100	18.59%
Purchased Services	\$99,178	\$106,018	\$6,840	6.90%
Business & Travel	\$21,909	\$23,741	\$1,832	8.36%
Other Operating Expenses	\$0	\$0	\$0	--
Subcontracts	\$46,098	\$36,010	(\$10,088)	-21.88%
<b>Total General Operating Expenses &amp; Subcontracts</b>	<b>\$307,594</b>	<b>\$332,279</b>	<b>\$24,685</b>	<b>8.03%</b>
Property Costs	\$36,959	\$38,475	\$1,516	4.10%
Debt Service	\$50,137	\$51,211	\$1,074	2.14%
Capital & Plant Expenses	\$16,437	\$24,327	\$7,890	48.00%
<b>Total Property Costs, Debt Service and Capital Expenses</b>	<b>\$103,533</b>	<b>\$114,013</b>	<b>\$10,480</b>	<b>10.12%</b>
Internal Services, Transfers, and All Other Expenses	\$64,348	\$48,620	(\$15,728)	-24.44%
<b>Total Internal Services, Transfers, and All Other Expenses</b>	<b>\$64,348</b>	<b>\$48,620</b>	<b>(\$15,728)</b>	<b>-24.44%</b>
<b>TOTAL EXPENSES</b>	<b>\$1,548,614</b>	<b>\$1,684,984</b>	<b>\$136,369</b>	<b>8.81%</b>
Contributions to E&G	\$1,492	\$527	(\$965)	-64.67%
Contributions from E&G	(\$1,492)	(\$527)	\$965	64.67%
<b>Net Contributions</b>	<b>\$0</b>	<b>(\$0)</b>	<b>(\$0)</b>	<b>--</b>
<b>Operating Margin (\$)</b>	<b>(\$2,020)</b>	<b>\$70</b>	<b>\$2,090</b>	<b>103.44%</b>

## FY24 Educational & General and Auxiliaries Budget

### Revenue Detail

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>REVENUES</b>				
Undergraduate Tuition	\$439,123	\$466,119	\$26,995	6.1%
Study Abroad Tuition & Fees	\$9,778	\$16,414	\$6,636	67.9%
Masters Tuition	\$32,194	\$33,136	\$942	2.9%
Ph.D. Tuition	\$76,320	\$83,560	\$7,241	9.5%
Student Fees	\$4,260	\$4,764	\$504	11.8%
<b>Total Tuition &amp; Fees</b>	<b>\$561,675</b>	<b>\$603,993</b>	<b>\$42,319</b>	<b>7.5%</b>
Sponsored Revenue	\$75,585	\$74,872	(\$714)	-0.9%
F&A Revenue (Indirect Cost Recovery)	\$19,953	\$21,466	\$1,513	7.6%
<b>Total Sponsored and F&amp;A Revenue</b>	<b>\$95,539</b>	<b>\$96,338</b>	<b>\$799</b>	<b>0.8%</b>
Brown Annual Fund	\$34,200	\$35,150	\$950	2.8%
All Other Spendable Gifts	\$60,845	\$60,342	(\$503)	-0.8%
<b>Total Annual Contributions</b>	<b>\$95,045</b>	<b>\$95,492</b>	<b>\$447</b>	<b>0.5%</b>
Endowment Utilization	\$173,731	\$210,617	\$36,886	21.2%
Associated Program Cost	\$20,219	\$26,378	\$6,159	30.5%
<b>Total Endowment Utilization</b>	<b>\$193,950</b>	<b>\$236,996</b>	<b>\$43,045</b>	<b>22.2%</b>
Housing Contractual Revenue	\$47,177	\$51,492	\$4,315	9.1%
Dining Contractual Revenue	\$28,775	\$35,000	\$6,225	21.6%
Student Health Insurance	\$19,850	\$20,921	\$1,071	5.4%
Student Health Services Fees	\$10,503	\$11,200	\$697	6.6%
All Other Auxiliary Revenue	\$33,684	\$35,303	\$1,618	4.8%
<b>Total Auxiliary Revenue</b>	<b>\$139,989</b>	<b>\$153,916</b>	<b>\$13,926</b>	<b>9.9%</b>
Current Fund Investment Income	\$11,962	\$12,877	\$915	7.6%
Affiliated Hospital Revenue	\$2,375	\$4,500	\$2,125	89.5%
Investment Income	\$8,000	\$11,000	\$3,000	37.5%
All Other Income	\$27,395	\$29,303	\$1,908	7.0%
<b>Total Other Income</b>	<b>\$49,733</b>	<b>\$57,680</b>	<b>\$7,948</b>	<b>16.0%</b>
<b>TOTAL REVENUES</b>	<b>\$1,135,930</b>	<b>\$1,244,414</b>	<b>\$108,484</b>	<b>9.6%</b>

## Expense Detail

	FY23 Budget	FY24 Budget	\$ Change	% Change
<b>EXPENSES</b>				
Faculty Salaries & Wages	\$128,281	\$140,473	\$12,192	9.5%
Staff Salaries & Wages	\$224,825	\$246,326	\$21,501	9.6%
Student Wages	\$11,833	\$13,703	\$1,869	15.8%
<b>Total Salaries &amp; Wages</b>	<b>\$364,939</b>	<b>\$400,501</b>	<b>\$35,562</b>	<b>9.7%</b>
Faculty Benefits	\$36,631	\$41,984	\$5,352	14.6%
Staff Benefits	\$65,227	\$75,376	\$10,149	15.6%
Student Benefits	\$6	\$8	\$2	33.2%
<b>Total Benefits</b>	<b>\$101,865</b>	<b>\$117,368</b>	<b>\$15,503</b>	<b>15.2%</b>
Undergraduate Student Aid and Support	\$186,271	\$201,048	\$14,777	7.9%
Graduate Student Aid and Support	\$148,372	\$157,451	\$9,079	6.1%
All Other Student Aid and Support	\$11,341	\$11,413	\$72	0.6%
<b>Total Student Aid and Support</b>	<b>\$345,984</b>	<b>\$369,912</b>	<b>\$23,928</b>	<b>6.9%</b>
Supplies & General	\$106,712	\$127,273	\$20,561	19.3%
Purchased Services	\$64,852	\$75,795	\$10,944	16.9%
Business & Travel	\$17,467	\$19,384	\$1,917	11.0%
Subcontracts	\$5,088	\$6,270	\$1,182	23.2%
<b>Total General Operating Expenses &amp; Subcontracts</b>	<b>\$194,119</b>	<b>\$228,722</b>	<b>\$34,603</b>	<b>17.8%</b>
Property Costs	\$34,621	\$34,673	\$52	0.2%
Debt Service	\$50,137	\$51,211	\$1,074	2.1%
Capital & Plant Expenses	\$6,230	\$10,871	\$4,641	74.5%
<b>Total Property Costs, Debt Service and Capital Expenses</b>	<b>\$90,988</b>	<b>\$96,754</b>	<b>\$5,766</b>	<b>6.3%</b>
Internal Services, Transfers, and All Other Expenses	\$18,035	\$2,006	(\$16,029)	-88.9%
<b>Total Internal Services, Transfers, and All Other Expenses</b>	<b>\$18,035</b>	<b>\$2,006</b>	<b>(\$16,029)</b>	<b>-88.9%</b>
<b>TOTAL EXPENSES</b>	<b>\$1,115,930</b>	<b>\$1,215,263</b>	<b>\$99,333</b>	<b>8.9%</b>
Contributions to E&G	\$2,992	\$1,113	(\$1,879)	-62.8%
Contributions from E&G	\$38,843	\$49,999	\$11,157	28.7%
<b>Net Contributions</b>	<b>\$41,835</b>	<b>\$51,112</b>	<b>\$9,278</b>	<b>22.2%</b>
<b>Operating Margin (\$)</b>	<b>(\$21,834)</b>	<b>(\$21,961)</b>	<b>(\$127)</b>	<b>-0.6%</b>



### **Charge of the University Resources Committee**

- Review, analyze, and offer recommendations to the President on all budgetary plans, proposals, and priorities affecting the University
- Maintain awareness of budgetary matters throughout the University to encourage informed opinions and discussion of issues
- Make recommendations regarding University resource allocations for the coming fiscal year and for long-range plans developed by the administration
- Release written report every year that summarizes URC recommendations and budget information.

## URC MEMBERS 2022-2023

### Administrators

Richard M. Locke, Provost, Chair (2022)  
 Larry Larson, Interim Provost, Chair (2023)  
 Russell Carey, Executive VP for Planning and Policy  
 Sarah Latham, Executive VP for Finance & Administration  
 Kimberly Galligan, Executive Dean for Admin & Finance  
 \*Tejal Desai, Dean, School of Engineering  
 Tim Fater, Associate VP for Financial Strategy & Planning  
 \*Leah VanWey, Dean of the Faculty  
 Jay Rowan, Chief of Staff  
 Sara Walsh, Executive Dean for Admin & Finance  
 Michael White, VP Finance, CFO  
 Mary Wright, Director of the Sheridan Center for Teaching And Learning  
 \*Rashid Zia, Dean of the College  
 Robert Eaton, Director, Budget, Planning & Analysis  
 Charlene Sweeney, Associate Vice President and University Controller

### Department

Office of the Provost  
 Office of the Provost  
 Office of the President  
 Executive VP of Finance & Administration  
 Division of Biology and Medicine  
 School of Engineering  
 Office of Budget, Planning & Analysis  
 Dean of the Faculty  
 Office of the Provost  
 School of Public Health  
 Office of the Provost  
 Sheridan Center  
  
 Dean of the College  
 Office of Budget, Planning & Analysis  
 Controller's Office

### Faculty

Roe Gutman, Associate Professor of Biostatistics  
 \*\*John (Jack) Mustard, Professor of Earth, Environmental, and Planetary Sciences  
 \*Alexander Jaworski, Assoc Professor of Neuroscience  
 \*Brian Knight, Professor of Economics  
 \*Lisa Di Carlo, Senior Lecturer of Sociology  
 Caroline Castiglione, Professor of Italian Studies  
 Robert Pelcovits, Professor of Physics

BioMed	2024
EEPS	2024
Neuroscience	2025
History	2022
Environment & Society	2022
Italian Studies	2023
Physics	2023

### Students

Chaelin Jung, Undergraduate Student	2024
Benjamin Pollard, Undergraduate Student	2024
*Safwan Islam, Undergraduate Student	2024
*Tasawwar Rahman, Undergraduate Student	2024
*Lucille Xiang, Graduate Student	2023
*Kristin Gervasio, Graduate Student	2024
*Wilson Guo, Medical Student	2024

### Staff Representative

*Ines Tomas Pereira	Carney Institute for Brain Science	2024
*Meredith Scarlata Dawson	Campus Life	2024

### Staffed By:

Katherine Montilla, Administrative and Project Specialist

\* *New Members* \*\**Vice Chair*

## URC MASTER SCHEDULE 2022-2023

DATE	TOPICS	SPEAKER
September 26, 2022	<ul style="list-style-type: none"> <li>Kick-Off</li> <li>Brown Financial Overview</li> <li>FY22 Results Preview</li> <li>FY23 Financial Planning Timeline</li> </ul>	N/A
October 17, 2022	<ul style="list-style-type: none"> <li>October B&amp;F deck review                             <ul style="list-style-type: none"> <li>FY22 results</li> </ul> </li> <li>Key Revenue                             <ul style="list-style-type: none"> <li>Sponsored Research</li> <li>Advancement</li> </ul> </li> </ul>	Jill Pipher (available 4:15 – 5) Sergio Gonzalez (available 4:30 – 5)
November 7, 2022	<ul style="list-style-type: none"> <li>Endowment</li> <li>Financial aid</li> <li>Admissions</li> </ul>	Jane <u>Dietze</u> Jim Tilton Logan Powell
November 21, 2022	<ul style="list-style-type: none"> <li>Tuition</li> <li>Merit (Faculty and Staff)</li> <li>Discussion</li> </ul>	<u>Tuition</u> – Mike White  <u>Faculty Merit</u> Leah <u>VanWey</u> (DOF) Mukesh Jain (BioMed) Sara Walsh (SPH) <u>Tejal</u> Desai (Engineering)  <u>Staff Merit</u> Marie Williams (HR)
December 12, 2022	<ul style="list-style-type: none"> <li>Tuition - vote</li> </ul>	No speakers (1 hour)
January 30, 2023	<ul style="list-style-type: none"> <li>Salary Pools - vote</li> </ul>	No speakers
March 1, 2023	<ul style="list-style-type: none"> <li>URC Public Forum</li> </ul>	No speakers
May 12, 2023	<ul style="list-style-type: none"> <li>FY24 Budget</li> <li>Recommendation and vote</li> </ul>	No speakers