

University Resources Committee

Proposed 2026-2027
Operating Budget



BROWN



May 14, 2026

Dear President Paxson,

I am writing to share the University Resources Committee (URC) report summarizing the proposed Fiscal Year 2027 operating budget (FY27 Budget) for Brown University. The URC recommends an operating budget that includes \$1.89 billion in revenues and \$1.95 billion in expenditures for an operating deficit of \$58 million, equating to 3.1% of total revenues.

Excluding the University's time-limited strategic investments in Brown University Health, the Brown Innovation and Research Collaborative for Health (BIRCH), December 13th related impacts, and Workforce Development Grants as part of the Brown-U.S. Government agreement in July 2025, the budget represents a \$14 million deficit, which is less than 1.0% of total revenues.

The FY27 Budget reflects the significant progress we have made reducing the structural deficit by over \$60 million compared to projections from just two years ago. This has been achieved while continuing to invest in important academic priorities, supporting the Brown community's recovery after the tragic events of December 13th, and navigating an uncertain federal environment.

This year's budget process upheld Brown's commitment to, and strong tradition of, shared governance. Throughout the year, the committee - comprising faculty, staff and students - engaged with a wide range of budgetary information related to University operations, which was provided in an open and transparent manner. After careful review and thoughtful discussion, these efforts culminated in strategic recommendations for tuition and fees, as well as faculty and staff salary pools. As always, our decisions were grounded in the priorities of the Brown community.

Efforts to Ensure Brown's Financial Health

Brown has experienced tremendous growth over the last decade, fueled in large part by strong investment returns, the success of the *BrownTogether* campaign, the expansion of the undergraduate student body, and access to credit at extraordinarily low interest rates in a low-inflation environment in the years preceding the COVID-19 pandemic. We are now operating in a significantly different financial climate with greater fundamental risks.

At the same time, Brown has continued to evolve its academic and financial model to align with our community's aspirations for growth as a leading research university. Brown has reached an inflection point where we can no longer maintain the University's historic, undergraduate tuition-dependent funding model. To achieve our goals, we must slow expense growth while exploring innovative revenue growth opportunities in education and research.

In October 2024, Executive Vice President for Finance and Administration Sarah Latham and I launched the Financial Health Initiative. Those communications explained that a "structural deficit" occurs when an organization's typical operating expenses - throughout the course of ordinary

business - are greater than its typical operating revenues, causing an operating budget deficit to persist over time. It does not include direct investments in capital or building construction (except for costs of debt and building depreciation). It also does not include other large, one-time or short-term extraordinary expenses that will not be repeated.

It is important to note that the structural deficit is not driven by capital investments in projects like the Danoff Laboratories (except for costs of debt and building depreciation), which is funded by a combination of philanthropy and long-term debt. Similarly, Brown's investments in Brown University Health will yield new financial flows back to the University after an initial period of Brown's investment. This will augment operating revenues over time. Both of these investments keep Brown on the trajectory of strengthening its standing as a leading research institution.

Beginning in earnest with the Financial Health Initiative in 2024, several community actions were announced to begin to align the University's operating model with aspirations as a leading research institution. These included headcount management; reducing PhD admissions, and reducing operating expense growth. This also included revenue diversification and continuing to grow master's and professional program revenue. We shared several principles with the community in December 2024 that have continued to guide this multi-year effort:

- We will continue to make strategic investments in world-class research and teaching.
- We will continue to pay competitive wages and salaries to faculty and staff.
- We will continue to offer need-blind financial aid for undergraduates.
- We will continue to nurture a diverse and inclusive community in service to our academic mission.

New Measures to Ensure Financial Sustainability

Since our initial announcement in 2024, efforts to ensure the University's financial health have become more urgent in the face of continued federal uncertainty, including risks to federal research funding, changing rules for accreditation, reductions in student loan programs, declining international enrollment, and other challenges facing higher education.

In early 2025, the University's research funding from the National Institutes of Health (NIH) was frozen by the new administration. To address these impacts, Brown instituted hiring, spending, and travel freezes, along with salary freezes for the President's Cabinet and salary reductions for senior leadership. The initial FY26 Budget featured aggressive reductions including flat budget guidance, two rounds of downside scenario budget reductions, staff position eliminations, and reductions in faculty hiring, PhD admissions, and operating expenses.

In July 2025, the voluntary Brown-US Resolution Agreement lessened, but did not eliminate, the negative impact of federal actions on Brown's operating budget. Even after NIH research funding was restored, the University estimated unfavorable federal impacts of \$30 million. A plan was developed to close the remaining \$30 million gap by splitting the reductions between central actions and unit-level cuts. Central measures included consolidating health plans, selling non-strategic real estate, and pausing net-zero emissions spending. At the unit level, departments were tasked with an additional 2.5% reduction in expenses that resulted in 103 staff position eliminations, along with

adjustments to faculty, PhD admissions, and operating expenses. These adjustments were codified in the FY26 Revised Budget in October 2025.

In spite of these reductions and unlike many of our peers, the University proceeded with planned compensation increases in FY26 for non-Cabinet members to ensure Brown's faculty and staff salaries remained competitive. This approach is consistent with the guiding principles for deficit reduction shared in December 2024, including our commitment to pay competitive wages and salaries to faculty and staff while we focus on moderating new headcount growth and work to align revenues and expenses.

FY27 Budget: Progress on Structural Deficit, Continued Investment, Extraordinary Items

As a result of these measures the University has made significant progress reducing the structural deficit over the last two years, while continuing to invest in important academic priorities and navigating short-term extraordinary items.

While the total operating deficit has grown in FY27, this was projected in Brown's multi-year financial plan. The increase is largely driven by high-value term-limited strategic investments, which are essential for long-term revenue growth and research excellence. These investments, and many other academic initiatives led by faculty across the campus, represent a generational investment in the teaching, learning and research mission of the University that will have a positive impact on the campus, Providence and Rhode Island, the nation and the world for decades to come and beyond.

Alongside commitments for the Brown-US Workforce Development Agreement as well as the health system investments noted above, the budget also includes a substantial placeholder for the support of the community's healing and recovery related to the tragic events of December 13th. These costs will be further refined by the ongoing After-Action Review and Campus Safety and Security Assessment, which are expected to deliver reports by summer 2026.

Looking Ahead

We anticipate the University's fiscal strategy will transition from a period of emergency mitigation to one of sustained operational discipline and continued progress toward an academic and financial model more aligned with peer research universities.

The University's multi-year financial plan (MYFP) projects additional deficits in FY28 and FY29, before a rapid improvement in the years to follow. A cornerstone of our revenue diversification strategy is the continued expansion of our master's and professional programs, corporate engagement efforts, and focus on philanthropic funding for capital needs. Shifts in demographics and growth in the demand for advanced degrees provides an opportunity for Brown to extend its impact. Similarly, Brown is pursuing opportunities to diversify and expand its research funding portfolio by developing additional pathways of collaboration between corporations and Brown.

The multi-year plan includes a gradual step-down in the endowment payout beginning in FY28 while continuing to increase investments in facilities and information technology renewal that began in

FY27. Reducing the deficit over time, rather than addressing it all at once, will make it possible for the University to continue to support academic priorities, maintain competitive compensation for faculty and staff, and provide world-class education.

Our long-term goal remains realizing 3.0% operating margins while reducing the endowment payout and fully funding our renewal needs. Having a reliable 3.0% margin will provide the consistent resources needed to maintain and modernize our campus, support new research initiatives, and enhance the academic experience. While reaching this goal will involve continued financial discipline, we have a clear and actionable path forward. We are confident that this proactive, disciplined plan will grow revenues and effectively manage expense growth to ensure Brown remains on a trajectory of sustained financial resilience and academic distinction.

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's important work of shaping the University's financial future.

Respectfully,

Francis J. Doyle III

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Professor of Engineering
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Brown University

Table of Contents

FY26 REVISED BUDGET EXECUTIVE SUMMARY (OCT. 2025).....	1
FY27 BUDGET EXECUTIVE SUMMARY (MAY 2026).....	2
BROWN UNIVERSITY CONSOLIDATED OPERATING BUDGET.....	8
Financial Overview.....	8
Revenue Highlights.....	10
Expense Highlights.....	13
EDUCATIONAL AND GENERAL (INCLUDING AUXILIARIES).....	15
Financial Overview.....	15
Revenue Highlights.....	16
Expense Highlights.....	18
SCHOOL OF PROFESSIONAL STUDIES.....	20
PRE-COLLEGE and UNDERGRADUATE PROGRAMS.....	22
SCHOOL OF ENGINEERING.....	24
BIOLOGY AND MEDICINE.....	27
SCHOOL OF PUBLIC HEALTH.....	31
SUPPLEMENTARY INFORMATION.....	35
APPENDIX.....	36
FY27 Consolidated Operating Budget.....	36
Revenue Detail.....	36
Expense Detail.....	37
FY27 Educational & General and Auxiliaries Budget.....	38
Revenue Detail.....	38
Expense Detail.....	39
Charge of the University Resources Committee.....	40
UNIVERSITY RESOURCES COMMITTEE (URC) MEMBERS AY 2025-2026.....	41
URC MASTER SCHEDULE AY 2025-2026.....	42

FY26 REVISED BUDGET EXECUTIVE SUMMARY (OCT. 2025)

The URC's FY26 Budget recommendation and the FY26 Budget approved by the Brown Corporation in May 2025 did not yet include additional federal actions that were expected to adversely impact the University's budget, as they were not readily estimable at the time. By [August 2025](#), the University was able to estimate a negative impact of approximately \$30 million in federal actions in FY26. Although significant, it was far better than once feared, with estimates ranging from \$40 million to well over \$100 million. This higher end of the range reflected what would have occurred if federal funding from the National Institutes of Health (NIH) had not been restored from the [University's agreement with the federal government announced on July 30th](#).

During the summer of 2025, the President's Cabinet and a faculty committee helped determine a set of budget measures intended to offset the projected additional losses of \$30 million resulting from federal actions. Priority was given to protecting Brown's academic mission. An [update on these actions were announced](#) in late September 2025.

These measures included both \$15 million of centrally administered actions as well as \$15 million in savings achieved by reducing unrestricted expenditures campus-wide by approximately 2.5%, although percentage reductions identified for individual units varied.

The \$15 million in central actions administered included:

- Consolidating health plans to a single health insurance provider
- Monetizing non-strategic real estate holdings on College Hill and in the Jewelry District
- Temporarily pausing spending on plans to move the University to net-zero emissions
- Small reductions in information technology and facilities renewal
- Prioritizing fundraising for current-use gifts, which have an immediate positive impact on the University's budget.

The remaining \$15 million was achieved by reducing other unrestricted expenditures campus-wide by 2.5%. In general, areas that are core to Brown's academic mission of education and research, or that generate revenue supporting this mission, were assigned smaller budget reductions, while some areas received larger budget reductions. Cabinet leaders had discretion in how to allocate budget reductions across the units in their areas and were asked to protect mission-critical activities. As a result of these efforts, the following actions were implemented to achieve the \$15 million in unit-level reductions:

- Operating cost reductions across units, including decreased travel, reduced spending on external vendors and consulting, less discretionary spending on equipment, activities, tools and resources, and shifts to restricted funding sources.
- Elimination of 55 unfilled budgeted positions, which will no longer be pursued following the end of Brown's hiring freeze.
- Layoffs affecting 48 filled positions across campus.

With these actions, the University ended its campus-wide freeze on hiring, travel and discretionary spending in late September 2025. Units received notification from the Office of

Financial Planning & Strategy (OFSP) for their expense reductions, which were considered their official spending authority for FY26.

For purposes of this report, the FY27 Budget is compared to the FY26 Revised Budget, instead of the original FY26 Budget recommended by the URC and approved by the Brown Corporation in May 2025.

FY27 BUDGET EXECUTIVE SUMMARY (MAY 2026)

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 2027 operating budget and are reflected within the operating budget recommendation:

- Undergraduate tuition and fees
- Faculty and staff salary pools
- Endowment payout rate to support strategic priorities
- Recommendation for total operating revenues and expenditures

Undergraduate tuition and fees increase by 4.25%, which includes a 4.0% undergraduate tuition rate increase and other mandatory fee increases.

The URC recommended a 4.25% increase in total undergraduate tuition and fees, which includes a 4.0% undergraduate tuition rate increase and other mandatory fee increases, effective July 1, 2026. The proposed 4.0% increase in undergraduate tuition is projected to provide approximately \$9.8 million of additional net unrestricted revenue to the University.

Committee discussions and analysis of tuition and fees included 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 4.25% increase in total undergraduate tuition and fees, including a 4.0% tuition rate increase for undergraduate and non-variable graduate programs, was recommended based on several discussions after the review of significant data and analysis.

The committee reviewed and acknowledged the changed macroeconomic environment, particularly inflation that is more comparable with pre-pandemic levels and is expected by economists to remain in that range for the foreseeable future. Following two years (FY22 and FY23) of tuition and fee increases that were considerably lower versus a peer group of twenty institutions, the past three years (FY24, FY25 and FY26) increases of 4.75% and 4.85% were in line with peers. Inflation is expected to remain higher than pre-pandemic levels, though

significantly lower than the high-inflationary post-pandemic era. The most recent Higher Education Price Index (HEPI) data indicated a 3.6% inflation rate in FY25, an increase from 3.4% in FY24, but below 4.0% in FY23.

Secondly, the proposed tuition and fee increases will be coupled with continued investments 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 the elimination of loans from financial aid packages, eliminating the consideration of home equity for a family's primary residence in financial aid packages, reducing the summer earnings expectation for our highest-need students, and becoming need-blind for all undergraduate international students starting with the Class of 2029. These efforts will further strengthen the University's ability to attract the most promising students from all geographic and socioeconomic groups and will reduce financial obstacles for moderate-income families. With a 4.0% undergraduate tuition increase, the undergraduate financial aid budget is preliminarily projected to increase by \$6.8 million.

The committee reviewed and discussed proposed rate increases within the context of the impact on total student charges, including mandatory fees. The committee reviewed rationale from campus partners for rate changes specific to their institutional objectives. Brown Dining Services, for example, proposed increasing the undergraduate board charge by 8.0% to \$8,754. This increase was considered by reviewing a number of important data, including peer benchmarks that indicated Brown's board charges are among the lowest in our peer group, #14 of out 20 in FY26. Similarly, the Division of Athletics and Recreation proposed modestly increasing the student recreation fee in order to eliminate direct charges for group fitness and intramural sports participation. This change is in support of the division's strategic plan and the University's emphasis on health and well-being. The Undergraduate Finance Board (UFB), in consultation with the Division of Campus Life, proposed an increase in the undergraduate student activities fee in a continued effort to promote participation in several large events that are now offered to students free of charge (e.g. gala, spring weekend, and senior week).

Faculty and staff salary pools of 3.0% for those earning up to and including \$80,000 (2.5% base and 0.5% promotions, equity and retention ("PRE") components) and 2.0% for employees earning more than \$80,000 (1.5% base and 0.5% PRE), effective July 1, 2026.

It is important to underscore that salary pool recommendations include both base increases and funds that are deployed by the deans (for faculty) and University Human Resources (for staff) throughout the year for promotions, equity and retention. Annual increases for faculty and staff will reflect the base increases noted above, but would only include the promotions, equity, and retention component as applicable.

The URC deliberated extensively and with great care with regard to the faculty and staff salary pools, and the committee's recommendation reflects a commitment to community members with more modest salaries, while also recognizing the real constraints of the current budgetary moment. While mindful of the direction provided last year that salary pools consist of a base and a merit allocation, given the more modest size of the pool the URC feels it is prudent to not further divide the allocation this year. Dividing those amounts into merit and

base would result in a very small merit pool that would not have a meaningful impact on the University's performance evaluation process. It should be underscored that the absence of a distinct merit pool does not obviate the need for and importance of robust performance evaluations and feedback processes conducted by all supervisors, as normally occurs in the spring of each year.

The recommendation of a tiered structure was discussed at length and reflects the committee's desire to support the University's lower-compensated staff and faculty. To inform this recommendation, the committee's analysis included a presentation by the Dean of the Faculty, the Provost's Office, and leadership from the Division 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.

Comparative data on faculty salaries reviewed by the committee indicated that Brown is competitive with peers at most ranks and across most disciplinary areas. The committee did note and discuss limitations to the analysis. For example, the Association of American Universities (AAU) Data Exchange continues to collect faculty salary data and provide anonymized peer benchmarking, but recent changes to policies about aggregating and masking data to enhance confidentiality have reduced the utility of comparisons. Institutional participation has also been declining in recent years.

The committee's FY27 recommendation also considered the positive impact of recent investments in faculty salaries outside of the annually budgeted salary pools, including the \$2.5 million faculty market adjustment fund allocated in FY26.

For staff, the committee discussed the recruitment and retention landscape during and post-pandemic. During the pandemic, voluntary turnover increased significantly as increased flexibility via remote work resulted in increased competition for talent and pressured compensation. During this time, Brown experienced a significant increase in retention offers, equity increases and promotions as a result of the competitive and tight labor market.

As a result, the University executed several important compensation initiatives, including targeted and proactive salary reviews to ensure external competitiveness and internal equity. Brown has been strategically investing in staff salaries to ensure competitiveness, while also steadily increasing the equity component of the total salary pool. University Human Resources increased emphasis on career progression to address retention and employee expectations. The committee's FY27 recommendation also considered recent investments in faculty and staff salaries outside of the annually budgeted salary pools. Largely driven by the tight labor market and post-pandemic job mobility, the committee reviewed actual equity, promotion, and retention data that reflected significant, targeted investments in staff and faculty salaries. The committee was pleased to see data from UHR that showed a meaningful decrease in voluntary staff turnover that is approaching pre-pandemic levels.

Launched in April 2024, the Staff Compensation and Career Pathways Initiative (CCPI) is a multi-year phased initiative focused on redesigning Brown's job levels and pay structure for non-union staff members to provide pay that is more consistent, transparent, market-driven and competitive. This important initiative will modernize Brown's current staff pay

framework and ensure Brown continues to offer competitive pay to attract and retain a talented workforce. The new CCPI framework will be launched in fall 2026 and will require an adjustment to Brown's compensation levels (currently referred to as grades), and for some staff, may require adjustments to their base salaries. FY27 CCPI implementation adjustments will be prioritized based upon the following criteria: Below or near the minimum, lower paid positions, critical roles, difficult to fill or retain roles, and/or to maintain internal equity. Due to the University's current financial constraints, the committee proposed the 0.5% promotion, retention and equity (PRE) component of the FY27 staff salary pool be directed toward implementing CCPI salary adjustments as a first step in a multi-year phased approach.

The committee reviewed publicly-available peer data that reflected the budget challenges across higher education. One data point reviewed was that Brown provided planned faculty and staff salary increases in FY26, while many other higher education institutions had salary freezes or reductions. It is important to note that the President's Cabinet and other highly-compensated administrators had compensation freezes. In addition, President Paxson, Provost Doyle, and EVP Finance and Administration Sarah Latham each also took a one-time 10.0% salary cut in FY26. While collectively these actions were meaningful, the majority of our peers implemented campus-wide salary pool reductions or eliminations.

The committee discussed the parity between tuition increases and the ability to fund salary pool investments for faculty and staff. While tuition and fees and salary pools are not intrinsically linked and are driven by separate market pressures and other complex variables (including investments in financial aid), the committee considered the difference between new net tuition revenue produced by the proposed 4.0% increase (\$9.8 million net unrestricted revenues) and the costs associated with the committee's recommendation on salary pools necessary to adequately support Brown's faculty and staff (\$10.8 million unrestricted expenses).

While cost growth exceeds revenue, the committee also considered the long-term impacts using the University's multi-year financial planning tool (MYFP), a key financial planning tool developed to inform strategic decision making. As with any financial planning tool, Brown's MYFP is developed with a set of baseline assumptions informed by historical trends, probable changes, and reasonable forward-looking assumptions that are updated regularly with new scenarios, assumptions, and data. MYFP includes a 4.0% tuition rate assumption, in line with the URC's recommendation. The URC salary pool recommendation is less than the model's baseline assumption, thus is expected to produce modest savings in FY27 and beyond. With this recommendation, during the FY27 Budget process there were less downside scenario plan reductions with units since these salary pool estimates achieved savings from baseline estimates in the MYFP.

Maintaining the endowment payout rate at 5.5%

To support the operating budget's critical investments in FY27, the University will use a wide array of actions and levers. One key action proposed is to maintain the endowment payout rate at 5.5%, which is the same payout rate as FY25 and FY26. The University's multi-year

financial plan (MYFP) assumes the gradual step-down of the payout rate to 5.4% in FY28 and eventually to a sustainable 5.0% in FY32.

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 \$1.89 billion in revenues and \$1.95 billion in expenditures

In support of the strategic priorities outlined for FY27, the URC recommends an operating budget of \$1.89 billion in revenues and \$1.95 billion in expenditures for an operating deficit of \$58 million or 3.1% of total revenues. Excluding the University's time limited strategic investments in Brown University Health, the Brown Innovation and Research Collaborative for Health (BIRCH), December 13th emergency related impacts, and Workforce Development Grants as part of the Brown-U.S. Government agreement in July 2025, this represents a \$14 million deficit.

FY27 Budget Process

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

FY27 Budget guidance issued to offices and departments across the University in November 2025 placed emphasis on the significant financial headwinds expected for the next several years. Guidance indicated FY27 unrestricted (FD100) budget requests should not exceed FY26 unrestricted approved budgets. Units were expected to absorb existing contractual and inflationary increases, as well as new spending requests, into existing resources. Notably, there was an allowance for FY27 estimated salary pools (given the Corporation did not approve the FY27 salary pool percentage until February 2026) and the fringe rate increase in FY27.

The University continued its downside scenario planning exercise that was implemented several years ago. This is a best practice in financial planning and will continue as a regularized part of the annual budget process going forward. The FY27 Budget guidance issued in November 2025 suggested 2.0-5.0% downside targets (before URC recommendations). Final budget requests and downside targets were issued in January 2026, which requested 3.0% downside targets (to maximize optionality and to avoid having to go back to departments). The plan to achieve an overall target of ~1.5-2.0% was informed by an expectation of ~\$5 million in savings from URC recommendation with FY27 salary pools versus original projections (though reductions will vary by department).

Collectively, budget downside proposals have been key in achieving the significant improvements realized in the university's multi-year financial plan. Careful consideration has been taken during the review of these downside scenarios to ensure no units were disproportionately impacted. During the FY27 cycle, downside targets excluded regular faculty salary and benefits, undergraduate scholarship, central fee and assessments, and other unit-specific items areas may have little or no control over.

While reductions varied by unit and were considered within the context of each unit's available financial resources, they totaled more than \$50M in savings across the FY26 and FY27 budget processes. Across the FY26 and FY27 downside reductions, administrative units were reduced ~5.6% versus ~3.7% for academic units, despite having a smaller share of the unrestricted budget. As always, unit leaders were given flexibility to meet their assigned reductions in alignment with their missions, goals and operational realities.

BROWN UNIVERSITY CONSOLIDATED OPERATING BUDGET

Financial Overview

For FY27, the URC recommends a total consolidated revenue budget of \$1.89 billion, an increase of \$34.2 million and 1.8% over the prior year budget. The consolidated expense budget is \$1.95 billion, an increase of \$63.7 million and 3.4% over the prior year budget. The consolidated operating margin reflects a deficit of (-\$58.4) million or -3.1% of total revenues vs. the FY26 Revised Budget deficit of (-\$28.9) million or -1.6% of total revenues.

Table 1: Consolidated Operating Budget Summary

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
Revenues	\$1,857,409	\$1,891,565	\$34,156	1.8%
Expenses	\$1,886,278	\$1,949,973	\$63,695	3.4%
Operating Margin (\$)	(\$28,868)	(\$58,408)	(\$29,539)	

The budget encompasses six operating units, Educational and General (E&G) which includes all academic departments that are not in schools as well as auxiliary operations such as dining services, residential life, health services, student health insurance and the bookstore. The other five units include 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). Note: for the FY27 Budget, the Watson School of International and Public Affairs is included in Education & General.

Table 2: FY27 Consolidated Operating Budget by Business Unit

(\$ in 000s)	E&G & Auxiliaries	Professional Studies	Pre-College	Engineering	BioMed	Public Health	Total
Revenue	\$1,372,915	\$18,431	\$40,984	\$60,404	\$254,596	\$144,235	\$1,891,565
Expenses	\$1,369,725	\$16,821	\$32,938	\$82,514	\$281,509	\$166,466	\$1,949,973
Net Contributions	\$77,055	\$0	\$0	(\$23,144)	(\$30,385)	(\$23,525)	\$0
Operating Margin (\$)	(\$73,865)	\$1,611	\$8,046	\$1,034	\$3,473	\$1,294	(\$58,408)

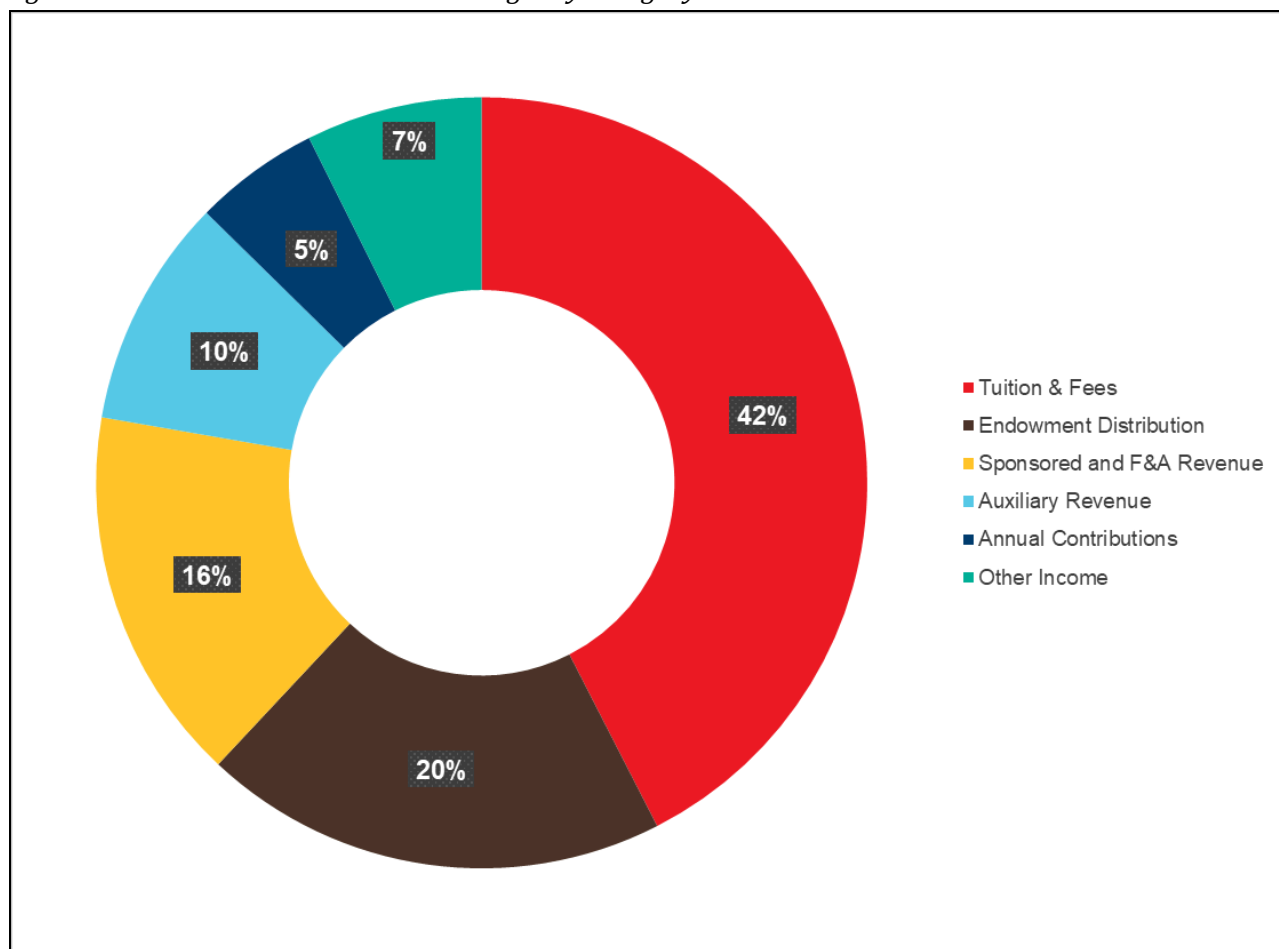
For FY27, E&G and Auxiliaries have a planned (-\$73.9) million deficit, including net contributions to/from the auxiliaries and other business units. Professional Studies and Pre-College are planning for surpluses that will be contributed to E&G of \$1.6 million and \$8 million, respectively. Engineering is budgeting for a surplus of \$1.0 million, BioMed a surplus of \$3.5 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 \$1.3 million. Based on memorandum of understanding (MOU) agreements, these three schools are able to transfer surplus funds at year-end to their own respective reserves. Campus Life also has a MOU agreement and is able to keep up to a \$5 million reserve annually.

Table 3: FY27 Consolidated Operating Budget

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Tuition & Fees	\$782,482	\$803,439	\$20,956	2.7%
Sponsored and F&A Revenue	\$315,194	\$297,890	(\$17,305)	-5.5%
Annual Contributions	\$106,461	\$99,572	(\$6,889)	-6.5%
Endowment Utilization	\$351,190	\$368,787	\$17,597	5.0%
Auxiliary Revenue	\$177,199	\$182,150	\$4,951	2.8%
Other Income	\$124,882	\$139,728	\$14,846	11.9%
TOTAL REVENUES	\$1,857,409	\$1,891,565	\$34,156	1.8%
EXPENSES				
Salaries & Wages	\$631,189	\$639,159	\$7,971	1.3%
Benefits	\$178,552	\$190,801	\$12,250	6.9%
Student Aid and Support	\$502,983	\$505,611	\$2,628	0.5%
General Operating Expenses & Subcontracts	\$369,287	\$372,010	\$2,723	0.7%
Property Costs, Debt Service and Capital Expenses	\$134,921	\$142,700	\$7,779	5.8%
Internal Services, Transfers, and All Other Expenses	\$69,347	\$99,691	\$30,344	43.8%
TOTAL EXPENSES	\$1,886,278	\$1,949,973	\$63,695	3.4%
Net Contributions	\$0	\$0	\$0	-
Operating Margin (\$)	(\$28,868)	(\$58,408)	(\$29,539)	

Revenue Highlights

Figure 1: FY27 Consolidated Revenue Budget by Category



In FY27, tuition and fees continue to comprise the largest source of revenue, accounting for 42% of total university revenues. Tuition and fees revenues are expected to increase by 2.7% over the FY26 Revised Budget, from \$782.5 million to \$803.4 million in FY27. The increase is driven by a 4.25% tuition and fee increase for undergraduate students (4.0% for tuition only). Non-variable master's and PhD tuition is also increasing 4.0%. The growth also includes master's enrollment increases as part of the strategic initiative to grow new and existing programs.

Sponsored research and indirect cost recovery revenues are budgeted to decrease by \$17.3 million and 5.5% to \$297.9 million. It should be noted that the FY26 Revised Budget did not yet include recalculated direct sponsored research expenditures as a result of federal impacts from the new administration's policies (discussed in the Executive Summary and Provost Doyle's letter to President Paxson). The FY27 Budget for both direct and indirect sponsored revenues are anticipated to be more in line with FY26 actuals. See below the breakdown of sponsored research and indirect cost recovery revenues by business unit.

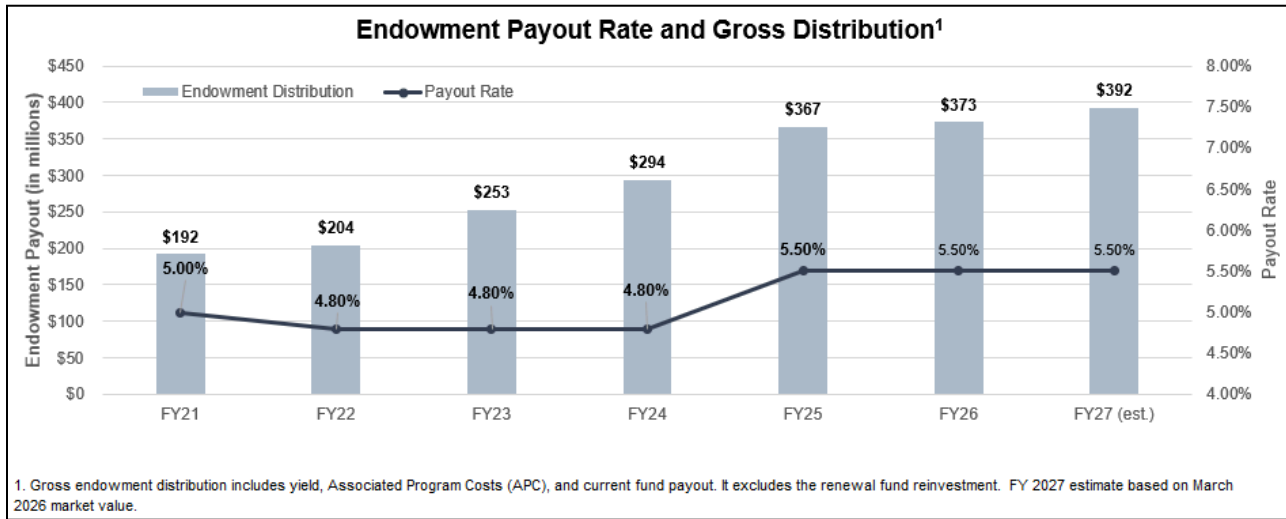
Table 4: FY27 Sponsored and F&A Revenue

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
Direct Sponsored Activities				
E & G	\$57,826	\$58,747	\$921	1.6%
Engineering	\$19,833	\$20,599	\$766	3.9%
BioMed	\$74,524	\$67,978	(\$6,546)	-8.8%
Public Health	\$90,855	\$79,963	(\$10,892)	-12.0%
Total Direct Sponsored Activities	\$243,038	\$227,287	(\$15,750)	-6.5%
Indirect Sponsored Activities				
E & G ¹	\$16,395	\$18,281	\$1,886	11.5%
Engineering ¹	\$6,771	\$6,821	\$50	0.7%
BioMed	\$25,400	\$21,000	(\$4,400)	-17.3%
Public Health	\$23,590	\$24,500	\$910	3.9%
Total Indirect Sponsored Activities	\$72,156	\$70,602	(\$1,554)	-2.2%
Total Sponsored Activities	\$315,194	\$297,890	(\$17,305)	-5.5%
¹ Effective FY26, Engineering will receive Indirect Sponsored revenue as part of new MOU.				

Endowment utilization is the next largest revenue source at 20% of total revenues. For FY27, endowment utilization is budgeted to increase \$17.6 million and 5.0% to \$368.8 million. It is important to note that Brown's budget is constructed to recognize endowment revenue when spent rather than when received and 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 FY27.

The \$17.6 million increase in endowment utilization is based on a 5.5% payout rate, which is the maximum rate per Corporation policy and the same as FY26 Budget. The increase in endowment utilization is driven by new gifts, utilization of prior-year endowment balances to fund existing unrestricted expenses, and continued overall positive returns on the endowment. The University's multi-year financial plan (MYFP) projects a gradual step-down in the payout rate over the next several years.

Figure 2: Endowment Distribution and Payout Rate



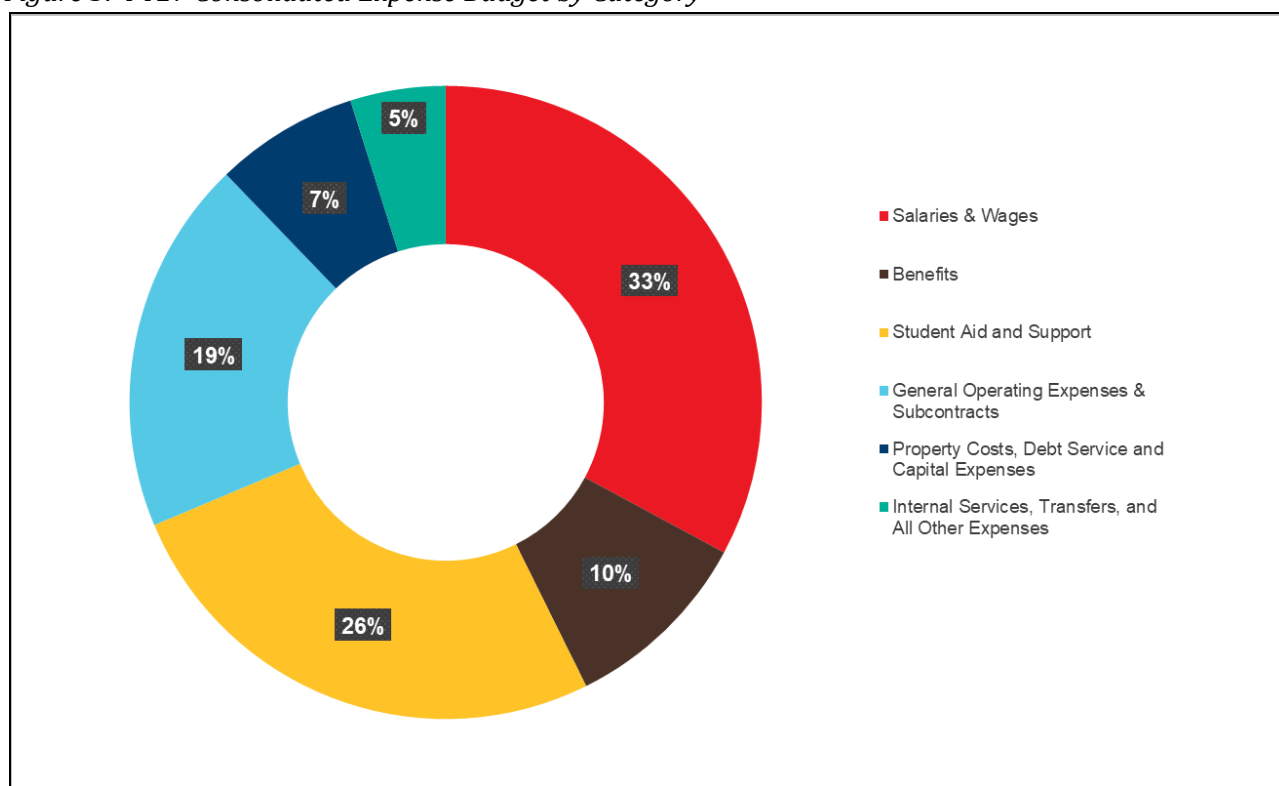
Auxiliary revenue comprises 10% of total revenue and is expected to increase by \$5.0 million and 2.8% to \$182.2 million. This increase is primarily driven by rate increases with dining, housing and student health insurance.

Annual contribution utilization is expected to decrease by \$6.9 million and 6.5% versus the FY26 Revised Budget to \$99.6 million, primarily driven by \$4.3 million less in spendable gift utilization in School of Public Health, and decreased balances with the President’s Office and centrally-funded spendable gifts.

Other Income is expected to increase by \$14.9 million and 11.9% to \$139.7 million. This is primarily driven by a \$13.1 million increase in BioMed hospital and other reimbursable contracts (directly offsetting expenses). The unrestricted other income increase is driven by current fund investment income (\$2.2 million), as well as \$2.0 million for renewable energy certificate arbitrage revenue.

Expense Highlights

Figure 3: FY27 Consolidated Expense Budget by Category



For FY27, salaries and benefits comprise 43% of total University expenses and are the largest expense category at \$830.0 million. Total compensation expenses increased by \$20.2 million and 2.5% over the FY26 Revised Budget. On an unrestricted fund basis, FY27 salaries and benefits increased \$10.2 million and 1.7%. The FY27 Budget includes faculty and staff salary pools of 3.0% for those earning up to and including \$80,000 (2.5% base and 0.5% promotions, equity and retention (“PRE”) components) and 2.0% for employees earning more than \$80,000 (1.5% base and 0.5% PRE), effective July 1, 2026. The FY27 Budget also includes contractual obligations for union wage and step which vary between 2.5% and 4.0% annual increases. The FY27 fringe rate increased to 31.5% from 30.0% in FY26, which drives benefit costs.

Student aid and support make up the second largest expense category with a total FY27 budget of \$505.6 million and 26% of total expenses. The budget for FY27 increased by \$2.6 million and 0.5%, including the undergraduate scholarship budget increasing \$6.8 million or 2.9%. This increase is driven by the University’s commitment to keep Brown affordable for students that demonstrate need while also supporting need-blind admissions for international students. The incremental financial support is made possible, in part, by the performance of the University’s endowment and the success of fundraising.

General operating expenses and subcontracts represent \$372.0 million and 19% of total expenses. The budget for FY27 increased by \$2.7 million and 0.74%, primarily driven by

increases in investments associated with master's and professional program growth plans, IT renewal, student health insurance, university insurance premiums, and reimbursable hospital contracts. This is offset by a decrease in subcontracts and other grant expenses in Public Health and BioMed.

Property, debt, and capital represent \$142.7 million and 7% of total expenses. The budget for FY27 increased by \$7.8 million and 5.8%, primarily driven by an \$8.2 million increase in electricity delivery rate increases for both FY26 and FY27, as well as new space including William A. and Ami Kuan Danoff Life Sciences Laboratories and the Penner Field House (Athletics).

Internal services, transfers and other expenses of \$99.7 million make up the remaining 5% of total University expenses. The budget for FY27 increased by \$30.3 million and 44%, primarily driven by \$15.0 million for December 13th related expenses (preliminary estimate), \$10.0 million for Brown University Health agreement (increasing to \$25.0 million total), \$4.0 million for restoration of contributions to the decarbonization program from solar savings, and a \$2.0 million for a step-up in the facilities renewal contribution.

EDUCATIONAL AND GENERAL (INCLUDING AUXILIARIES)

Financial Overview

The (E&G) business unit is the largest business unit at Brown and includes all academic departments that are not in schools, as well as auxiliary operations such as dining services, residential life, health services, student health insurance and the bookstore.

For FY27, the E&G business unit has a proposed total revenue budget of \$1.37 billion, which is an increase of \$40.4 million and 3.0%, over the prior year budget. Expenses total \$1.37 billion, an increase of \$66.4 million and 5.1% over the prior year budget. E&G provides and receives internal contributions to other business units to support mission-critical needs, namely through the MOU agreements with the schools. Collectively in FY27, E&G expects to make a net contribution to other University business units of \$77.1 million. After accounting for internal contributions, E&G is budgeted for an operating deficit of (-\$73.9) million.

Table 5: FY27 Educational & General and Auxiliaries

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Tuition & Fees	\$642,498	\$658,668	\$16,170	2.5%
Sponsored and F&A Revenue	\$74,221	\$77,028	\$2,806	3.8%
Annual Contributions	\$81,422	\$76,156	(\$5,265)	-6.5%
Endowment Utilization	\$293,522	\$310,647	\$17,125	5.8%
Auxiliary Revenue	\$177,199	\$182,150	\$4,951	2.8%
Other Income	\$63,669	\$68,265	\$4,596	7.2%
TOTAL REVENUES	\$1,332,532	\$1,372,915	\$40,383	3.0%
EXPENSES				
Salaries & Wages	\$432,520	\$438,179	\$5,659	1.3%
Benefits	\$122,566	\$131,140	\$8,574	7.0%
Student Aid and Support	\$399,257	\$404,493	\$5,235	1.3%
General Operating Expenses & Subcontracts	\$237,229	\$247,051	\$9,822	4.1%
Property Costs, Debt Service and Capital Expenses	\$114,781	\$124,874	\$10,092	8.8%
Internal Services, Transfers, and All Other Expenses	(\$3,072)	\$23,989	\$27,061	880.9%
TOTAL EXPENSES	\$1,303,281	\$1,369,725	\$66,444	5.1%
Net Contributions	\$73,199	\$77,055	\$3,856	5.3%
Operating Margin (\$)	(\$43,948)	(\$73,865)	(\$29,917)	

Revenue Highlights

Tuition and Fees

FY27 tuition and fees total \$658.7 million and represent the largest E&G revenue source. Undergraduate tuition at \$521.0 million is the largest single component, representing 79% of total tuition and fees. Total tuition and fees, which also include study abroad, master's, and PhD tuition reflect an increase of \$16.2 million and 2.5%, driven primarily by the 4.25% tuition and fee increase for undergraduate students (4.0% for tuition only). Non-variable master's and PhD tuition is also increasing 4.0%. The growth also includes master's enrollment increases as part of the strategic initiative to grow new and existing programs.

Undergraduate Tuition and Fees: Undergraduate tuition and fee revenue increased 2.6%, which includes a 4.25% undergraduate tuition and fee rate increase.

University Resource Committee discussions and analysis of tuition and fees included 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 4.25% increase in total undergraduate tuition and fees, including a 4.0% tuition rate increase for undergraduate and non-variable graduate programs, was recommended based on several discussions after the review of significant data, analysis, and benchmarking.

The proposed 4.0% increase in total undergraduate tuition is projected to provide approximately \$9.8 million of additional net unrestricted revenue to the University to support strategic priorities, while maintaining Brown's commitment to attracting and supporting students from a diverse range of socioeconomic backgrounds.

Table 6: FY27 Undergraduate Tuition and Fees

	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
Tuition	\$71,700	\$74,568	\$2,868	4.00%
Room Rate	\$10,410	\$10,710	\$300	2.88%
Board Rate	\$8,104	\$8,754	\$650	8.02%
Health Fee	\$1,236	\$1,296	\$60	4.85%
Undergraduate Student Resource Fee	\$1,086	\$1,136	\$50	4.60%
Student Activities Fee	\$428	\$442	\$14	3.27%
Student Recreation Fee	\$100	\$110	\$10	10.00%
Total	\$93,064	\$97,016	\$3,952	4.25%

Graduate Tuition: The tuition rate increase for non-variable programs is 4.0%, consistent with that of undergraduate tuition. See table below for full list of proposed tuition and fee increases for FY27.

Table 7: Proposed Tuition Increases for FY27

Approved Tuition Increases for FY27				Approved Fee Increases for FY27			
	FY26	FY27	% Change		FY26	FY27	% Change
Undergraduate				Room and Board			
Undergraduate Tuition	\$71,700	\$74,568	4.00%	Room charges	\$10,410	\$10,710	2.88%
Master's (per course)				Room daily rate (Winter & Summer)	\$45	\$45	0.00%
Non-variable Programs	\$8,962	\$9,320	4.00%	Board charges	\$8,104	\$8,754	8.02%
Biostatistics	\$8,533	\$8,746	2.50%	Board weekly rate (Winter & Summer)	\$262	\$284	8.40%
Biostatistics (Online) ²	\$7,500	\$7,500	0.00%	Health Services Fees			
Biomedical Engineering	\$8,962	\$9,320	4.00%	Health service fee	\$1,236	\$1,296	4.85%
Business Analytics (Online)	\$0	\$7,500	0.00%	Health service fee (Reduced/Online Student) ¹	\$118	\$124	5.08%
Clinical and Translational Research	\$8,259	\$8,259	0.00%	Student Activities Fees			
Computer Science	\$10,606	\$10,977	3.50%	Undergraduate student activities fee	\$428	\$442	3.27%
Cybersecurity ³	\$9,168	\$9,168	0.00%	Graduate student activities fee	\$90	\$90	0.00%
Data Science	\$9,851	\$10,196	3.50%	Medical student activities fee	\$84	\$84	0.00%
Data-Enabled Comp. Eng. and Science	\$9,543	\$9,877	3.50%	Other			
Design Engineering (MADE)	\$7,887	\$8,242	4.50%	Undergraduate student resources fee	\$1,086	\$1,136	4.60%
Engineering	\$9,877	\$10,223	3.50%	Student recreation fee	\$100	\$110	10.00%
Health Informatics and Artificial Intelligence	\$8,962	\$9,320	4.00%	Academic records fee	\$100	\$100	0.00%
Management (Online)	\$7,500	\$6,250	-16.67%				
Organizational Leadership (Online) ²	\$5,625	\$5,625	0.00%				
PRIME	\$9,203	\$9,525	3.50%				
Physics	\$9,898	\$10,245	3.50%				
Policy, Governance & Society (Online) ²	\$7,500	\$7,500	0.00%				
Public Affairs	\$8,445	\$8,740	3.50%				
Public Health	\$8,259	\$8,259	0.00%				
Public Health (Online)	\$5,434	\$5,624	3.50%				
Public Health Accelerated	\$6,956	\$6,956	0.00%				
Public Policy (Online)	\$0	\$6,250	0.00%				
Sustainable Energy	\$9,543	\$9,877	3.50%				
Mid-Career Master's (per credit)							
Healthcare Leadership	\$8,647	\$8,820	2.00%				
Technology Leadership	\$9,375	\$9,563	2.00%				
Mid-Career Master's (program rates)							
Business Administration	\$147,100	\$147,100	0.00%				
Doctoral							
PhD Tuition (annual rate)	\$71,700	\$74,568	4.00%				
Medical							
Medical Tuition (annual rate)	\$73,150	\$75,162	2.75%				
Gateways (per course)	\$7,740	\$7,953	2.75%				
Medical Academic Scholars Program	\$1,829	\$1,879	2.75%				
General Notes							
<ul style="list-style-type: none"> - Annualized tuition and fees must be evenly divisible between fall and spring semesters, resulting in varied % changes. - Part-time undergraduate and masters students charged a proportional tuition rate. - Summer and winter session course fees equal to 1/6 of the annual undergraduate tuition rate. 							
Program Specific Notes							
<ul style="list-style-type: none"> ¹ Health Service Fee (Reduced/Online Student) (charged per semester) is an administrative support fee which also provides access to supplementary remote telemental services to all active students regardless of their location of study ² Organizational Leadership (Online) and Policy, Governance & Society (Online) represents no increase in FY27 as it still within the first year of the new online program, program launched Spring of 2026. ³ Cybersecurity represents no increase in FY27 as it is currently above median compared vs. peers and is in a field where students may opt to complete specific lower priced certificates instead of a degree. ⁴ Management (Online) represents a decrease in FY27 to position Brown more competitively in a crowded market and increases price accessibility for working professionals. 							

PhD tuition revenue in E&G is decreasing by \$730 thousand and -0.9% over the FY26 budget. This decline is primarily attributable to Brown reducing overall Ph.D. admission targets to approximately 80% of the five-year average as part of an effort to manage university operating costs. It is important to note that PhD tuition revenue is largely offset by graduate student aid provided by Brown.

Master's tuition revenue for E&G increased \$2.6 million over the FY26 Revised Budget, based on allocations of that revenue to specific schools. Overall, master's tuition revenue increased \$6.6 million university-wide. This is driven by the 4.0% tuition increase for non-variable rate programs and enrollment growth due to the University's initiative to grow and expand master's programs.

Sponsored and F&A Revenue

For E&G and Auxiliary units, sponsored funding and indirect cost recovery revenue is projected at \$77.0 million, which is \$2.8 million higher than the FY26 Revised Budget of \$74.2 million. This includes an estimated \$18.3 million in indirect costs (IDC).

Annual Contributions

The budget for annual contributions features two major components. The first component relates to unrestricted giving through the Brown Fund. For FY27, the Brown Fund expects to raise \$34.0 million, in-line with FY26. BioMed receives a 5% allocation of the Brown Fund based on a pre-existing agreement, with the remaining \$32.3 million retained at E&G.

The second component of the budget for annual contributions relates to spendable gift utilization. For FY27, E&G expects to recognize \$43.9 million, a decrease of \$5.3 million 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 utilization is 23% of the E&G and Auxiliaries revenues 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 \$267.3 million in FY27, an increase of 6.4% over FY26 Revised Budget. The Associated Program Cost (APC) is budgeted at \$43.4 million, an increase of 2.5% over FY26 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 FY27 proposed auxiliary revenue budget is \$182.2 million, and 2.8% increase over the FY26 Revised Budget. The increase is primarily driven by the rate increase for housing, dining, and health services.

Other Income

For E&G and Auxiliaries, the FY27 total budget for other income is \$68.3 million, a 7.2% increase over the FY26 Revised Budget. The increase is primarily driven by \$2.2 million for current fund investment income and \$2 million for renewable energy certificate arbitrage income.

Expense Highlights

The FY27 total proposed expense budget is \$1.37 billion, a \$66.4 million and 5.1% increase over the FY26 Revised Budget. The largest expenses are compensation and student aid. The proposed budget includes anticipated spending from endowment utilization, spendable gifts, and sponsored research, which are offset by restricted revenue.

Salaries and Benefits

For FY27, the E&G and Auxiliaries budget for faculty, staff, and student salaries and wages is \$438.2 million, a 1.3% increase over the prior year. The FY27 Budget includes Faculty and

Staff salary pools of 3.0% for those earning up to and including \$80,000 (2.5% base and 0.5% promotions, equity and retention (“PRE”) components) and 2% for employees earning more than \$80,000 (1.5% base and 0.5% PRE), effective July 1, 2026. The FY27 Budget also includes contractual obligations for union wage and step increases.

The FY27 total benefits budget is \$131.1 million, a 7.0% increase over the prior year budget. This is primarily due to an increase in FY27 fringe rate to 31.5% for full-time positions (up from 30.0% in FY26) and a slight decrease to 7.2% for part-time positions (down from 7.4% in FY26).

Student Aid and Support

E&G’s FY27 budget for total student aid and support is \$404.5 million, an increase of \$5.2 million and 1.3% over the prior year.

Undergraduate student aid and support represents over half of the total aid amount. The undergraduate scholarship budget for FY27 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 \$236.5 million, an increase of \$6.5 million and 2.8% from the FY26 Revised Budget of \$229.9 million. The total undergraduate aid budget on a university-wide basis is \$238.1 million including \$1.6 million for Pre-college Winter session aid.

For FY27, E&G and Auxiliaries has budgeted \$152.8 million for graduate student aid and support, a \$1.5 million decrease over the prior year. This decrease is primarily due to Brown reducing its overall Ph.D. admissions to approximately 80% of the five-year average as part of an effort to manage university operating costs.

General Operating Expenses and Subcontracts

The FY27 general operating budget of \$247.1 million comprises approximately 18% of total expenses for E&G. The increase of \$9.8 million and 4.1% primarily driven by \$3.2 million increase in Software Maintenance & Subscriptions (namely IT Renewal in the Office of Information Technology), \$2.7 million increase in student health insurance, and a \$1.6 million increase in the University’s insurance premiums.

Property Costs, Debt Service and Capital Expenses

Property, debt and capital expenses represent \$124.9 million and 9% of total E&G expenses, an increase of \$10.1 million and 8.8% over the FY26 Revised Budget. The increases are primarily driven by an \$8.2 million increase in property costs associated with higher electricity delivery rates for both FY26 and FY27, as well as new space including William A. and Ami Kuan Danoff Life Sciences Laboratories and the Penner Field House (Athletics).

Internal Services, Transfer and All Other Expenses

Internal services, transfers, and other expenses increased by \$27.1 million versus the FY26 Revised Budget. The increases are primarily driven by a \$15 million placeholder for December 13th emergency-related costs, a \$10 million increase in the contribution to Brown Health to \$25 million, \$4 million for the restoration of decarbonization contributions from solar savings, and a \$2 million increase in facilities renewal contributions.

SCHOOL OF PROFESSIONAL STUDIES

Financial Overview

The School of Professional Studies supports the administration and delivery of academic programs for professional learners. This includes Professional, Residential, and Online Master's degrees for students at various career stages, as well as non-degree executive education.

Table 8: School of Professional Studies

(\$ in 000s)	FY26 Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$3,711	\$4,786	\$1,075	29.0%
Professional Studies Tuition	\$7,759	\$7,183	(\$576)	-7.4%
Student Fees	\$450	\$450	(\$0)	0.0%
Total Tuition & Fees	\$11,920	\$12,419	\$499	4.2%
All Other Income	\$6,137	\$6,013	(\$125)	-2.0%
Total Other Income	\$6,137	\$6,013	(\$125)	-2.0%
TOTAL REVENUES	\$18,057	\$18,431	\$374	2.1%
EXPENSES				
Faculty Salaries & Wages	\$1,715	\$1,784	\$69	4.0%
Staff Salaries & Wages	\$5,819	\$6,051	\$232	4.0%
Student Wages	\$59	\$60	\$1	1.3%
Total Salaries & Wages	\$7,593	\$7,895	\$302	4.0%
Faculty Benefits	\$421	\$370	(\$51)	-12.1%
Staff Benefits	\$1,594	\$1,746	\$152	9.5%
Total Benefits	\$2,015	\$2,116	\$100	5.0%
All Other Student Aid and Support	\$1,230	\$1,554	\$324	26.4%
Total Student Aid and Support	\$1,230	\$1,554	\$324	26.4%
Supplies & General	\$3,962	\$5,750	\$1,787	45.1%
Purchased Services	\$1,873	\$1,262	(\$611)	-32.6%
Business & Travel	\$349	\$374	\$25	7.1%
Total General Operating Expenses & Subcontracts	\$6,185	\$7,386	\$1,202	19.4%
Property Costs	\$790	\$783	(\$7)	-0.9%
Total Property Costs, Debt Service and Capital Expenses	\$790	\$783	(\$7)	-0.9%
Total Internal Services, Transfers, and All Other Expenses	(\$665)	(\$2,914)	(\$2,248)	-338.0%
TOTAL EXPENSES	\$17,148	\$16,821	(\$327)	-1.9%
Net of Internal Contributions	\$0	\$0	\$0	--
Operating Margin (\$)	\$909	\$1,611	\$701	77.1%

Revenue Highlights

FY27 total revenue is projected to increase \$374 thousand and a 2.1% increase compared to the FY26 Revised Budget.

Tuition and Fees

Tuition and fees are expected to increase \$499 thousand and 4.2% due to the launch of two new online master's programs.

Other Income

Other income has decreased \$125 thousand and 2.0% due to the reduced enrollments in the IE Brown Executive MBA master's program.

Expense Highlights

Expenses have decreased \$327 thousand and -1.9% compared to the FY27 budget.

Salaries and Benefits

Salaries and benefits have increased \$302 thousand and 4.0% from the FY26 Revised Budget due to increased salaries to fund teaching, development, and staff costs for the new programs.

Student Aid and Support

Student aid and support have increased by \$324 thousand and 26.4% from the FY6 Revised Budget for the new programs.

General Operating Expenses and Subcontracts

General operating expenses have increased \$1.2 million and 19.4% from the FY26 Revised Budget due to increased marketing and publicity for the launch of new programs, tracks, and micro-certificates.

Property Costs, Debt Service and Capital Expenses

Property costs have decreased \$7 thousand and -0.9% from the FY26 Revised Budget.

Internal Services, Transfers, and all Other Expenses

Internal services, transfers, and all other expenses have decreased \$2.2 million from the FY26 Revised Budget due to a shift in master's revenue share accounting model and increased gift funding to support the launch of new programs.

Contributions to E&G

The School of Professional Studies has budgeted for their operating surplus of \$1.6 million to be fully contributed centrally to the E&G business unit in FY27.

PRE-COLLEGE and UNDERGRADUATE PROGRAMS

Financial Overview

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

Table 9: Pre-College and Undergraduate Programs

(\$ in 000s)	FY26 Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Student Fees	\$8,662	\$8,372	(\$290)	-3.3%
Total Tuition & Fees	\$8,662	\$8,372	(\$290)	-3.3%
All Other Spendable Gifts	\$0	\$15	\$15	—
Total Annual Contributions	\$0	\$15	\$15	—
Pre-College	\$36,313	\$32,094	(\$4,218)	-11.6%
All Other Income	\$617	\$502	(\$114)	-18.5%
Total Other Income	\$36,930	\$32,597	(\$4,333)	-11.7%
TOTAL REVENUES	\$45,591	\$40,984	(\$4,608)	-10.1%
EXPENSES				
Faculty Salaries & Wages	\$1,578	\$1,338	(\$240)	-15.2%
Staff Salaries & Wages	\$7,512	\$7,631	\$120	1.6%
Student Wages	\$1,476	\$1,497	\$20	1.4%
Total Salaries & Wages	\$10,566	\$10,466	(\$100)	-0.9%
Faculty Benefits	\$117	\$96	(\$20)	-17.5%
Staff Benefits	\$1,651	\$1,770	\$119	7.2%
Student Benefits	\$0	\$96	\$96	—
Total Benefits	\$1,767	\$1,961	\$194	11.0%
Undergraduate Student Aid and Support	\$1,315	\$1,597	\$282	21.5%
All Other Student Aid and Support	\$7,682	\$7,251	(\$431)	-5.6%
Total Student Aid and Support	\$8,996	\$8,848	(\$149)	-1.7%
Supplies & General	\$1,933	\$1,649	(\$283)	-14.7%
Purchased Services	\$1,794	\$2,473	\$679	37.8%
Business & Travel	\$134	\$99	(\$35)	-26.3%
Total General Operating Expenses & Subcontracts	\$3,860	\$4,220	\$360	9.3%
Property Costs	\$814	\$845	\$30	3.7%
Total Property Costs, Debt Service and Capital Expenses	\$814	\$845	\$30	3.7%
Total Internal Services, Transfers, and All Other Expense:	\$7,282	\$6,597	(\$685)	-9.4%
TOTAL EXPENSES	\$33,287	\$32,938	(\$349)	-1.0%
Operating Margin (\$)	\$12,305	\$8,046	(\$4,259)	-34.6%

Revenue Highlights

FY27 total revenue is projected to decrease \$4.6 million, a 10.1% decrease compared to FY26 Revised Budget.

Tuition and Fees

Revenue is expected to decrease due to lower enrollment projections across all offerings. We're projecting 6,269 students in FY27 vs. 7,520 students budgeted in FY26. Total enrollments include both undergraduate and pre-college student populations. Partially offsetting the enrollment decrease is a 4.5% increase in tuition and fees.

Expense Highlights

Expenses have decreased \$349 thousand and 1.0% compared to the FY26 Revised Budget.

Salaries and Wages

Salaries and benefits have decreased \$100 thousand and 0.9% from the FY26 Revised Budget due to fewer course offerings aligned with the decrease in enrollment.

Student Aid and Support

Student aid and support have decreased \$149 thousand and 1.7% from the FY26 Revised Budget due to lower projected enrollment.

General Operating Expenses and Subcontracts

General operating expenses have increased \$360 thousand and 9.3% from the FY26 Revised Budget. The largest driver is the increase in bank fees. These fees are no longer paid directly by the enrollee as Brown is absorbing the cost consistent with industry standard.

Property Costs, Debt Service and Capital Expenses

Property costs have increased \$30 thousand and 3.7% from the FY26 Revised Budget.

Internal Services, Transfers, and All Other Expenses

Internal Services, Transfers, and All Other Expenses have decreased \$685 thousand and 9.4% from the FY26 Revised Budget. The decrease is primarily from lower dining costs due to fewer on-campus students.

Contributions to E&G

Pre-College has budgeted for the operating surplus of \$8.0 million to be fully contributed centrally to the E&G business unit in FY27.

SCHOOL OF ENGINEERING

Financial Overview

In FY27, the School of Engineering (SOE) has proposed a total revenue of \$60.4 million (9.3% increase over the FY26 Revised Budget) and total expenditures of \$82.5 million (3.4% increase over FY26 Revised Budget). This results in an FY27 projected surplus of \$1.0 million.

Table 10: School of Engineering

(\$ in 000s)	FY26 Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$11,062	\$12,304	\$1,243	11.2%
Ph.D. Tuition	\$9,966	\$12,162	\$2,196	22.0%
Total Tuition & Fees	\$21,028	\$24,467	\$3,439	16.4%
Sponsored Revenue	\$19,833	\$20,599	\$766	3.9%
F&A Revenue (Indirect Cost Recovery)	\$6,771	\$6,821	\$50	0.7%
Total Sponsored and F&A Revenue	\$26,605	\$27,421	\$816	3.1%
All Other Spendable Gifts	\$2,362	\$3,039	\$677	28.7%
Total Annual Contributions	\$2,362	\$3,039	\$677	28.7%
Endowment Utilization	\$4,232	\$4,399	\$167	3.9%
Total Endowment Utilization	\$5,279	\$5,478	\$199	3.8%
TOTAL REVENUES	\$55,273	\$60,404	\$5,131	9.3%
EXPENSES				
Faculty Salaries & Wages	\$17,394	\$17,417	\$23	0.1%
Staff Salaries & Wages	\$6,824	\$6,397	(\$427)	-6.3%
Student Wages	\$1,016	\$1,039	\$22	2.2%
Total Salaries & Wages	\$25,235	\$24,853	(\$381)	-1.5%
Faculty Benefits	\$5,238	\$5,507	\$269	5.1%
Staff Benefits	\$2,047	\$2,015	(\$32)	-1.6%
Total Benefits	\$7,285	\$7,522	\$237	3.3%
Graduate Student Aid and Support	\$19,075	\$20,419	\$1,345	7.0%
All Other Student Aid and Support	\$283	\$223	(\$60)	-21.1%
Total Student Aid and Support	\$19,357	\$20,642	\$1,285	6.6%
Supplies & General	\$2,911	\$2,781	(\$130)	-4.5%
Purchased Services	\$835	\$1,357	\$523	62.6%
Business & Travel	\$1,178	\$1,084	(\$94)	-8.0%
Subcontracts	\$2,300	\$2,400	\$100	4.3%
Total General Operating Expenses & Subcontracts	\$7,223	\$7,622	\$398	5.5%
Property Costs	\$1,395	\$167	(\$1,228)	-88.0%
Capital & Plant Expenses	\$4,320	\$2,870	(\$1,450)	-33.6%
Total Property Costs, Debt Service and Capital Expenses	\$5,715	\$3,038	(\$2,678)	-46.8%
Total Internal Services, Transfers, and All Other Expenses	\$14,976	\$18,838	\$3,861	25.8%
TOTAL EXPENSES	\$79,792	\$82,514	\$2,723	3.4%
Net of Internal Contributions	(\$24,642)	(\$23,144)	\$1,498	-6.1%
Operating Margin (\$)	\$123	\$1,034	\$911	737.5%

Revenue Highlights

Tuition and Fees

The FY27 Master's revenue is \$1.2 million and 11.2% higher than FY27, driven by an increase in tuition rates, which vary by program, and the inclusion of 100% of Design Engineering (MADE) revenue (FY26 only assumed 50%). The FY27 PhD revenue is \$2.2 million and 22.0% higher than FY26 due to the 4.0% rate increase and uptick in deferrals from fall 2025 admissions cycle, which are expected to matriculate in fall 2026. This is partially offset by a decrease in cohort from 34 to 29 in FY27.

Sponsored and F&A Revenue

Direct sponsored revenue budget of \$20.6 million is projected to be up \$766 thousand and 3.9% compared to FY26. Additionally, Engineering retains its \$6.8 million indirect cost recovery (F&A).

Annual Contributions

Utilization of spendable gifts assumes an increase of \$677 thousand and 28.7% driven by increased TA expenses, capital equipment expenses, and operating fund offsets.

Endowment Utilization

Endowment utilization increase of \$167 thousand and 3.8%, driven by professorships and student support expenses as well as operating fund offsets.

Expense Highlights

Salaries and Benefits

Salary and fringe decrease of \$144 thousand and 0.4% is driven by above-average faculty departures (net decrease of four faculty) and staffing reductions and hiring freezes (two positions closed and six positions put on hold). Savings partially offset by salary pools and increase in fringe rates.

Student Aid and Support

Student financial aid and support increase of \$1.3 million and 6.6% is due stipend, health insurance and health service fee rate increases. Additionally, FY27 includes Biomedical Engineering track students that had previously been included in the Graduate School budget.

General Operating Expenses & Subcontracts

General operating and subcontract expense increase of \$398 thousand and 5.5% is primarily driven by inclusion of Design Engineering revenue share (purchased service expense to Rhode Island School of Design). Excluding Master's programs, overall discretionary spending is flat vs the FY26 Revised Budget.

Property Costs, Debt Service and Capital Expenses

Property costs, debt service, and capital expense decrease of \$2.7 million and 46.8% is driven by reclassification of Deans' strategic funded lab renovation expenses to the funding transfers to capital projects (geography change - see below).

Internal Services, Transfers, and All Other Expenses

Internal Services, transfers, and all other expenses increase of \$3.9 million and 25.8% is driven by inclusion of reclassified lab renovation expenses (\$2.8 million shifted from capital expense), increase in administrative services fee (central fee), and uptick in School of Professional Studies support and marketing fees.

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. There are approximately 150 biology/basic science faculty, more than 600 medical academic faculty (employed by an affiliated hospital or practice plan), 1,880 clinical faculty (community-based physicians), four basic science, 14 clinical departments, and two hybrid basic science/clinical departments. Biology and Medicine is affiliated with three health systems and HopeHealth. Staff in the Division total over 500 (including those contracted through hospital partners) which exceeds 700 when including all affiliate appointments.

Biology and Medicine is committed to excellence in teaching and research. Our mission is, “To advance knowledge and improve the health and well-being of people and the planet.” We are a community of over 2,000 trainees that span from undergraduate trainees to senior trainees on the verge of their first faculty position. The Division awards over 400 degrees annually. We have 286 PhD students, 197 master’s students, and 566 medical students. The Warren Alpert Medical School is one of the most selective and diverse in the country. External funding for research has grown 129% 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’s total FY27 revenue budget of \$254.6 million across all funds represents a 2.7% increase over the \$248.0 million budget in FY26. Biology and Medicine’s total FY27 expense budget of \$281.5 million across all funds represents a 4.0% increase over the \$270.6 million total expense budget in FY26. Expense coverage from Contributions from E&G has increased by \$4.6 million for a total of \$30.4 million in FY27 in comparison to \$25.8 million in FY26. Biology and Medicine is projecting a \$3.5 million operating surplus for FY27.

Table 11: Biology and Medicine (includes Carney Institute for Brain Science)

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$7,794	\$9,599	\$1,806	23.2%
Professional Studies Tuition	\$486	\$225	(\$261)	-53.7%
Ph.D. Tuition	\$21,116	\$19,910	(\$1,206)	-5.7%
Medical Tuition	\$41,362	\$42,617	\$1,255	3.0%
Student Fees	\$733	\$793	\$61	8.3%
Total Tuition & Fees	\$71,490	\$73,144	\$1,655	2.3%
Sponsored Revenue	\$74,524	\$67,978	(\$6,546)	-8.8%
F&A Revenue (Indirect Cost Recovery)	\$25,400	\$21,000	(\$4,400)	-17.3%
Total Sponsored and F&A Revenue	\$99,924	\$88,978	(\$10,946)	-11.0%
Brown Fund	\$1,700	\$1,700	\$0	0.0%
All Other Spendable Gifts	\$11,213	\$13,181	\$1,968	17.5%
Total Annual Contributions	\$12,913	\$14,881	\$1,968	15.2%
Endowment Utilization	\$37,786	\$36,512	(\$1,274)	-3.4%
Associated Program Cost	\$7,762	\$8,227	\$465	6.0%
Total Endowment Utilization	\$45,548	\$44,739	(\$809)	-1.8%
Affiliated Hospital Revenue	\$4,082	\$4,172	\$91	2.2%
All Other Income	\$14,064	\$28,681	\$14,617	103.9%
Total Other Income	\$18,146	\$32,853	\$14,708	81.1%
TOTAL REVENUES	\$248,020	\$254,596	\$6,576	2.7%
EXPENSES				
Faculty Salaries & Wages	\$49,199	\$53,780	\$4,580	9.3%
Staff Salaries & Wages	\$40,833	\$40,937	\$105	0.3%
Student Wages	\$1,005	\$1,121	\$117	11.6%
Total Salaries & Wages	\$91,037	\$95,839	\$4,802	5.3%
Faculty Benefits	\$14,264	\$16,423	\$2,158	15.1%
Staff Benefits	\$12,039	\$12,737	\$698	5.8%
Total Benefits	\$26,303	\$29,159	\$2,856	10.9%
Graduate Student Aid and Support	\$50,978	\$49,165	(\$1,814)	-3.6%
All Other Student Aid and Support	\$440	\$590	\$150	34.1%
Total Student Aid and Support	\$51,418	\$49,754	(\$1,664)	-3.2%
Supplies & General	\$21,802	\$17,868	(\$3,934)	-18.0%
Purchased Services	\$20,946	\$30,547	\$9,600	45.8%
Business & Travel	\$3,031	\$2,840	(\$191)	-6.3%
Other Operating Expenses	\$0	\$2	\$2	-
Subcontracts	\$15,569	\$12,796	(\$2,773)	-17.8%
Total General Operating Expenses & Subcontracts	\$61,348	\$64,053	\$2,705	4.4%
Property Costs	\$3,873	\$4,330	\$457	11.8%
Capital & Plant Expenses	\$8,889	\$8,823	(\$67)	-0.7%
Total Property Costs, Debt Service and Capital Expenses	\$12,762	\$13,153	\$391	3.1%
Total Internal Services, Transfers, and All Other Expenses	\$27,756	\$29,551	\$1,795	6.5%
TOTAL EXPENSES	\$270,624	\$281,509	\$10,885	4.0%
Net of Internal Contributions	(\$25,775)	(\$30,385)	(\$4,610)	17.9%
Operating Margin (\$)	\$3,172	\$3,473	\$301	9.5%

Revenue Highlights

For FY27, BioMed budgeted total revenues of \$254.6 million, a 2.7% increase over the FY26 Revised Budget of \$248.0 million. The Division is experiencing revenue increases across combined tuition, fees, gift contributions and other income sources totaling \$18.3 million. The Division anticipates a reduction of sponsored research and total endowment utilization of \$10.9 million and \$809 thousand, respectively. Details of the aggregated \$6.6 million increase is discussed below.

Tuition and Fees

FY27 revenue from tuition and fees is \$73.1 million, representing a \$1.7 million and 2.3% increase over FY26. This growth is primarily driven by a \$1.8 million uptick in Master's program revenue, led by the Biotechnology and Health Informatics programs, alongside a 2.75% tuition increase at The Warren Alpert Medical School. Non-variable programs saw a 4.0% increase. These gains are partially offset by a \$1.2 million (-5.7%) decline in PhD tuition revenue resulting from lower PhD matriculants.

Sponsored and F&A Revenue

As of April 2026, sponsored research revenue is budgeted at \$89.0 million for FY27 with indirect cost recovery estimated at \$21.0 million. This represents a \$10.9 million decrease from the FY26 Revised Budget.

Annual Contributions

FY27 budgeted annual contributions of \$14.9 million equates to a \$2.0 million dollar increase from the FY26 Revised Budget of \$12.9 million due to deployment of one-time gift funds.

Endowment Utilization

For FY27, BioMed is projecting an endowment utilization of \$36.5 million, which is a \$1.3 million (3.4%) decrease from the FY26 Revised Budget. A significant portion of this decrease is attributed to the Carney Institute for Brain Science, which reduced its budgeted utilization by \$1.4 million. Within BioMed, three professorship vacancies resulted in \$1.1 million of unappointed yields; these funds will be redeployed upon recruitment. Excluding these factors, a variety of other endowments increased their budgeted utilization by more than \$1.2 million. The proposed FY27 Associated Program Cost (APC) of \$8.2 million is a \$465 thousand and 6.0% increase from the FY26 budget.

Other Income

Other revenue for FY27 is estimated at \$32.9 million, representing a \$14.7 million increase in comparison to \$18.1 million in FY26. This increase is primarily driven by new and developing academic and vivaria initiatives with our hospital affiliates.

Expense Highlights

Salaries and Benefits

The total budgeted salaries and benefits for the Division increased to \$125.0 million in FY27, which represents a 6.5% increase over FY26. The increase in faculty salaries is primarily related to clinical chairs now employed by the Division, but reimbursed by our clinical partners. Staff salaries remain essentially flat. This faculty expansion is heavily leveraged by restricted funding. Less than \$1.0 million (20.6%) originates from operating funds while \$3.6 million (79.4%) is derived from donor or sponsored research funding.

Student Aid and Support

The Division's FY27 student aid and support budget totals \$49.8 million, which is a \$1.7 million decline from the prior year's budget. The majority of the decrease is due to two years of lower PhD matriculants and reduced sponsored research funding. Medical student aid saw a modest increase over FY26.

General Operating Expenses & Subcontracts

General operating expenses and subcontracts will increase by \$2.7 million in FY27, totaling \$64.1 million. The Division launched a budget recalibration project which allowed \$1.1 million to be reallocated to rising contractual obligations and strategic research endeavors. The purchased services increase of \$9.6 million contains \$8.0 million of affiliated hospital arrangements noted within the Other Income revenue highlights. A more conservative spending philosophy has been implemented throughout the Division, reducing travel and entertainment costs.

Property Costs, Debt Service and Capital Expenses

Property costs and capital expenses increased by \$391 thousand, bringing the FY27 budget to \$13.2 million. The marginal rise is attributed to the 2027 opening of the William A. and Ami Kuan Danoff Life Sciences Laboratories, offset by other property cost savings measures.

Contributions from E&G

BioMed has budgeted internal contributions from E&G of \$30.4 million in FY27.

The University's budgeted allocation for FY27 includes commitments from the President, Provost, and Dean of the Faculty to fund faculty startup and other initiatives. BioMed receives contributions from the University that includes \$12.5 million to support undergraduate teaching, \$14.1 million for key faculty research and center support, and \$2.8 million of lab and space support.

SCHOOL OF PUBLIC HEALTH

Financial Overview

The FY27 Budget reflects the School of Public Health's continued investment in emerging leaders in public health, now including Health Policy, Climate Change and Health, and Data Science in Health. The School has continued its success with its online Master's in Public Health, now entering its fifth year of operations; its newly launched online Biostatistics Master's program is budgeted to be self-funded for FY27.

The School of Public Health proposes an operating budget for FY27 that reflects total revenues of \$144.2 million and total expenditures of \$166.5 million, resulting in an operating surplus of \$ 1.3 million after accounting for internal contributions of \$23.5 million to the School.

Public Health's modest operating surplus results from sustained Master's program performance, net-zero faculty roster growth, and controlled operating spend.

Table 12: School of Public Health

(\$ in 000s)	FY26 Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$18,530	\$18,427	(\$103)	-0.6%
Professional Studies Tuition	\$325	\$150	(\$175)	-53.8%
Ph.D. Tuition	\$8,030	\$7,792	(\$238)	-3.0%
Student Fees	\$0	\$0	\$0	-
Total Tuition & Fees	\$26,885	\$26,369	(\$516)	-1.9%
Sponsored Revenue	\$90,855	\$79,963	(\$10,892)	-12.0%
F&A Revenue (Indirect Cost Recovery)	\$23,590	\$24,500	\$910	3.9%
Total Sponsored and F&A Revenue	\$114,445	\$104,463	(\$9,982)	-8.7%
All Other Spendable Gifts	\$9,765	\$5,481	(\$4,283)	-43.9%
Total Annual Contributions	\$9,765	\$5,481	(\$4,283)	-43.9%
Endowment Utilization	\$5,492	\$6,505	\$1,014	18.5%
Associated Program Cost	\$1,349	\$1,417	\$68	5.0%
Total Endowment Utilization	\$6,841	\$7,922	\$1,081	15.8%
TOTAL REVENUES	\$157,935	\$144,235	(\$13,700)	-8.7%
EXPENSES				
Faculty Salaries & Wages	\$34,036	\$33,187	(\$849)	-2.5%
Staff Salaries & Wages	\$29,035	\$27,792	(\$1,243)	-4.3%
Student Wages	\$1,167	\$949	(\$218)	-18.7%
Total Salaries & Wages	\$64,238	\$61,927	(\$2,311)	-3.6%
Faculty Benefits	\$9,982	\$10,275	\$293	2.9%
Staff Benefits	\$8,633	\$8,628	(\$5)	-0.1%
Total Benefits	\$18,615	\$18,903	\$288	1.5%
Graduate Student Aid and Support	\$22,721	\$20,316	(\$2,404)	-10.6%
All Other Student Aid and Support	\$3	\$3	\$0	0.0%
Total Student Aid and Support	\$22,724	\$20,319	(\$2,404)	-10.6%
Supplies & General	\$17,856	\$14,559	(\$3,297)	-18.5%
Purchased Services	\$1,539	\$1,488	(\$51)	-3.3%
Business & Travel	\$1,350	\$1,276	(\$74)	-5.5%
Subcontracts	\$32,697	\$24,355	(\$8,342)	-25.5%
Total General Operating Expenses & Subcontracts	\$53,442	\$41,678	(\$11,764)	-22.0%
Property Costs	\$8	\$9	\$0	2.9%
Capital & Plant Expenses	\$50	\$0	(\$50)	-100.0%
Total Property Costs, Debt Service and Capital Expenses	\$58	\$9	(\$49)	-85.1%
Total Internal Services, Transfers, and All Other Expenses	\$23,070	\$23,630	\$560	2.4%
TOTAL EXPENSES	\$182,146	\$166,466	(\$15,680)	-8.6%
Net of Internal Contributions	(\$22,782)	(\$23,525)	(\$744)	3.3%
Operating Margin (\$)	(\$1,430)	\$1,294	\$2,724	190.5%

Revenue Highlights

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

The School is budgeting a material reduction in direct sponsored spending based on current projections of the proposal submission cycle, but is navigating the indirect revenue due to the funding mix. The School is making significant efforts to diversify its revenue streams and reduce its reliance on sponsored funding as its primary source. Recent external support proposal submissions have seen a material increase in non-federal, foundation and industry partners.

Fundraising continues to focus on professorships, 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 launched an online Master's of Biostatistics program in FY26, 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 revenue of \$18.4 million in FY27. The revenue stream is flat to FY26, driven by a modest enrollment uptick offset by flat traditional Master's tuition pricing (due to market considerations).

PhD tuition of \$7.8 million compares to the FY26 Revised Budget of \$8.0 million. This income is largely offset by PhD tuition scholarships and is not a major revenue driver for the School.

Sponsored and F&A Revenue

Sponsored revenue is Public Health's largest source of revenue and is expected to generate total revenue of \$104 million in FY27. The School of Public Health's associated FY27 budgeted indirect cost recovery on sponsored activities is \$24.5 million, compared to \$23.6 million in FY26, reflecting a conservative outlook driven by the current regulatory environment and reduced effective IDC rates from sponsors outside the Federal arena.

Annual Contributions and Endowment Utilization

Restricted gift utilization makes up less than 10% of Public Health's total revenue. For FY27, utilization of annual contributions is expected to be \$5.5 million, with another \$6.5 million from the payout of endowed gifts.

Expense Highlights

The School of Public Health has \$166.5 million in expenses budgeted for FY27, approximately half of which are funded by sponsored projects. The School's largest expense component is faculty and staff salary, which comprise about half of total expenses, followed by student support and sponsored subcontracts, each at about 10%.

Salaries and Benefits

The salaries and benefits budget for FY27 is \$80.8 million, a 2.5% decrease from the FY26 Revised Budget, driven by fewer term research staff and the full-year savings of two administrative restructuring initiatives. Zero net faculty roster growth is expected in FY27.

Student Aid and Support

The School of Public Health's student aid and support budget for FY27 is \$20.3 million. Student support consists of Master's tuition scholarship, PhD tuition scholarship, and PhD stipends and support. Master's scholarship represents an average scholarship of 33% for a projected 450 students. The School's PhD program is continuing at a steady state of about 100 students.

Other Operating Expenses

FY27 general operating expenses total \$41.7M and property costs total \$9 thousand. Internal services and all other expenses of \$23.6 million, which are primarily central administrative fees and occupancy expenses.

Net Internal Contributions

FY27 internal contributions from E&G are \$23.5 million, compared to \$22.8 million for the FY26 Revised Budget. Increased contribution represents leveraging University funds toward 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.

Table 13: Undergraduate Applications

Brown University: Undergraduate Applications					
Academic Year	Applied	Admitted	% Admitted	Enrolled	% Enrolled
AY2014-2015	30,431	2,661	8.7%	1,561	58.7%
AY2015-2016	30,396	2,875	9.5%	1,615	56.2%
AY2016-2017	32,390	3,014	9.3%	1,681	55.8%
AY2017-2018	32,723	2,799	8.6%	1,639	58.6%
AY2018-2019	35,437	2,718	7.7%	1,652	60.8%
AY2019-2020	38,674	2,733	7.1%	1,662	60.8%
AY2020-2021	36,793	2,822	7.7%	1,662	58.9%
AY2021-2022	46,568	2,568	5.5%	1,751	68.2%
AY2022-2023	50,649	2,562	5.1%	1,717	67.0%
AY2023-2024	51,316	2,686	5.2%	1,695	63.1%
AY2024-2025	48,904	2,638	5.4%	1,719	65.2%
AY2025-2026	42,774	2,710	6.3%	1,719	63.4%
CAGR	3.14%	0.17%	-2.89%	0.88%	0.71%

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 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	Fall 2025	CAGR
Undergraduate	Degree-Seeking	6,253	6,311	6,568	6,662	6,739	6,822	6,616	7,101	7,194	7,273	7,226	7,196	1.3%
	Special	149	174	178	165	150	171	83	115	220	468	684	755	15.9%
	Total	6,402	6,485	6,746	6,827	6,889	6,993	6,699	7,216	7,414	7,741	7,910	7,951	2.0%
Medical	Degree-Seeking	490	523	545	566	585	597	595	611	595	602	599	599	1.9%
	Total	490	522	545	564	585	597	595	611	595	602	599	599	1.9%
Graduate	Degree-Seeking	2,051	2,140	2,170	2,380	2,456	2,430	2,457	2,626	2,861	3,130	3,407	3,369	4.6%
	Special	27	29	28	23	23	18	30	24	18	43	40	20	-2.5%
	Total	2,078	2,169	2,198	2,403	2,479	2,448	2,487	2,650	2,879	3,173	3,447	3,389	4.5%
Total	Total Degree-Seeking	8,793	8,974	9,283	9,608	9,780	9,849	9,668	10,338	10,650	11,005	11,232	11,164	2.2%
	Total Special	176	203	206	188	173	189	113	139	238	511	724	775	14.5%
	Total	8,969	9,177	9,489	9,796	9,953	10,038	9,781	10,477	10,888	11,516	11,956	11,939	2.6%

Source: Office of Institutional Research, data is based on official census date of October 15 for each year
 Note: Brown RISD dual-degree students counted as 1.0 FTE; "CAGR" denotes compounded annual growth rate; degree-seeking includes graduate-level certificate programs

APPENDIX

FY27 Consolidated Operating Budget

Revenue Detail

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Undergraduate Tuition	\$507,884	\$521,031	\$13,147	2.6%
Study Abroad Tuition & Fees	\$16,187	\$17,416	\$1,228	7.6%
Masters Tuition	\$73,369	\$79,949	\$6,580	9.0%
Professional Studies Tuition	\$8,570	\$7,558	(\$1,012)	-11.8%
Ph.D. Tuition	\$121,062	\$121,083	\$21	0.0%
Medical Tuition	\$41,362	\$42,617	\$1,255	3.0%
Student Fees	\$14,048	\$13,784	(\$264)	-1.9%
Total Tuition & Fees	\$782,482	\$803,439	\$20,956	2.7%
Sponsored Revenue	\$243,038	\$227,287	(\$15,750)	-6.5%
F&A Revenue (Indirect Cost Recovery)	\$72,156	\$70,602	(\$1,554)	-2.2%
Total Sponsored and F&A Revenue	\$315,194	\$297,890	(\$17,305)	-5.5%
Brown Fund	\$34,000	\$34,000	\$0	0.0%
All Other Spendable Gifts	\$72,461	\$65,572	(\$6,889)	-9.5%
Total Annual Contributions	\$106,461	\$99,572	(\$6,889)	-6.5%
Endowment Utilization	\$298,721	\$314,685	\$15,965	5.3%
Associated Program Cost	\$52,469	\$54,102	\$1,632	3.1%
Total Endowment Utilization	\$351,190	\$368,787	\$17,597	5.0%
Housing Contractual Revenue	\$55,293	\$56,667	\$1,374	2.5%
Dining Contractual Revenue	\$43,201	\$44,638	\$1,437	3.3%
Student Health Insurance	\$27,482	\$30,260	\$2,778	10.1%
Student Health Services Fees	\$12,978	\$13,608	\$630	4.9%
All Other Auxiliary Revenue	\$38,245	\$36,978	(\$1,268)	-3.3%
Total Auxiliary Revenue	\$177,199	\$182,150	\$4,951	2.8%
Current Fund Investment Income	\$16,028	\$18,198	\$2,170	13.5%
Affiliated Hospital Revenue	\$9,482	\$10,172	\$691	7.3%
Working Capital Interest Income	\$23,000	\$23,046	\$46	0.2%
Pre-College	\$36,313	\$32,094	(\$4,218)	-11.6%
All Other Income	\$40,060	\$56,217	\$16,158	40.3%
Total Other Income	\$124,882	\$139,728	\$14,846	11.9%
TOTAL REVENUES	\$1,857,409	\$1,891,565	\$34,156	1.8%

Expense Detail

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
EXPENSES				
Faculty Salaries & Wages	\$252,401	\$259,632	\$7,231	2.9%
Staff Salaries & Wages	\$358,369	\$359,610	\$1,241	0.3%
Student Wages	\$20,419	\$19,917	(\$502)	-2.5%
Total Salaries & Wages	\$631,189	\$639,159	\$7,971	1.3%
Faculty Benefits	\$72,816	\$78,789	\$5,973	8.2%
Staff Benefits	\$105,735	\$111,516	\$5,781	5.5%
Student Benefits	\$0	\$496	\$496	-
Total Benefits	\$178,551	\$190,801	\$12,250	6.9%
Undergraduate Student Aid and Support	\$231,262	\$238,083	\$6,820	2.9%
Graduate Student Aid and Support	\$247,077	\$242,698	(\$4,380)	-1.8%
All Other Student Aid and Support	\$24,643	\$24,831	\$188	0.8%
Total Student Aid and Support	\$502,983	\$505,611	\$2,628	0.5%
Supplies & General	\$179,067	\$180,547	\$1,480	0.8%
Purchased Services	\$105,546	\$116,523	\$10,977	10.4%
Business & Travel	\$26,600	\$28,858	\$2,258	8.5%
Other Operating Expenses	\$0	\$9	\$9	-
Subcontracts	\$58,075	\$46,073	(\$12,001)	-20.7%
Total General Operating Expenses & Subcontracts	\$369,287	\$372,010	\$2,723	0.7%
Property Costs	\$37,711	\$48,773	\$11,062	29.3%
Debt Service	\$72,138	\$71,293	(\$845)	-1.2%
Capital & Plant Expenses	\$25,072	\$22,634	(\$2,438)	-9.7%
Total Property Costs, Debt Service and Capital Expenses	\$134,921	\$142,700	\$7,779	5.8%
Total Internal Services, Transfers, and All Other Expenses	\$69,347	\$99,691	\$30,344	43.8%
TOTAL EXPENSES	\$1,886,277	\$1,949,973	\$63,696	3.4%
Net Contributions	(\$0)	(\$0)	\$0	0.0%
Operating Margin (\$)	(\$28,868)	(\$58,408)	(\$29,540)	

FY27 Educational & General and Auxiliaries Budget

Revenue Detail

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
REVENUES				
Undergraduate Tuition	\$507,884	\$521,031	\$13,147	2.6%
Study Abroad Tuition & Fees	\$16,187	\$17,416	\$1,228	7.6%
Masters Tuition	\$32,273	\$34,832	\$2,559	7.9%
Ph.D. Tuition	\$81,950	\$81,219	(\$730)	-0.9%
Student Fees	\$4,204	\$4,169	(\$35)	-0.8%
Total Tuition & Fees	\$642,498	\$658,668	\$16,170	2.5%
Sponsored Revenue	\$57,826	\$58,747	\$921	1.6%
F&A Revenue (Indirect Cost Recovery)	\$16,395	\$18,281	\$1,886	11.5%
Total Sponsored and F&A Revenue	\$74,221	\$77,028	\$2,806	3.8%
Brown Fund	\$32,300	\$32,300	\$0	0.0%
All Other Spendable Gifts	\$49,122	\$43,856	(\$5,265)	-10.7%
Total Annual Contributions	\$81,422	\$76,156	(\$5,265)	-6.5%
Endowment Utilization	\$251,211	\$267,269	\$16,058	6.4%
Associated Program Cost	\$42,311	\$43,378	\$1,067	2.5%
Total Endowment Utilization	\$293,522	\$310,647	\$17,125	5.8%
Housing Contractual Revenue	\$55,293	\$56,667	\$1,374	2.5%
Dining Contractual Revenue	\$43,201	\$44,638	\$1,437	3.3%
Student Health Insurance	\$27,482	\$30,260	\$2,778	10.1%
Student Health Services Fees	\$12,978	\$13,608	\$630	4.9%
All Other Auxiliary Revenue	\$38,245	\$36,978	(\$1,268)	-3.3%
Total Auxiliary Revenue	\$177,199	\$182,150	\$4,951	2.8%
Current Fund Investment Income	\$16,028	\$18,198	\$2,170	13.5%
Affiliated Hospital Revenue	\$5,400	\$6,000	\$600	11.1%
Working Capital Interest Income	\$23,000	\$23,046	\$46	0.2%
All Other Income	\$19,241	\$21,021	\$1,780	9.3%
Total Other Income	\$63,669	\$68,265	\$4,596	7.2%
TOTAL REVENUES	\$1,332,532	\$1,372,915	\$40,383	3.0%

Expense Detail

(\$ in 000s)	FY26 Rev. Budget	FY27 Budget	\$ Change	% Change
EXPENSES				
Faculty Salaries & Wages	\$148,478	\$152,126	\$3,648	2.5%
Staff Salaries & Wages	\$268,346	\$270,801	\$2,455	0.9%
Student Wages	\$15,695	\$15,251	(\$444)	-2.8%
Total Salaries & Wages	\$432,520	\$438,179	\$5,659	1.3%
Faculty Benefits	\$42,794	\$46,118	\$3,324	7.8%
Staff Benefits	\$79,771	\$84,621	\$4,849	6.1%
Student Benefits	\$0	\$400	\$400	-
Total Benefits	\$122,565	\$131,140	\$8,574	7.0%
Undergraduate Student Aid and Support	\$229,948	\$236,485	\$6,538	2.8%
Graduate Student Aid and Support	\$154,304	\$152,797	(\$1,506)	-1.0%
All Other Student Aid and Support	\$15,006	\$15,210	\$204	1.4%
Total Student Aid and Support	\$399,257	\$404,493	\$5,235	1.3%
Supplies & General	\$130,603	\$137,940	\$7,337	5.6%
Purchased Services	\$78,559	\$79,396	\$837	1.1%
Business & Travel	\$20,558	\$23,185	\$2,627	12.8%
Other Operating Expenses	\$0	\$7	\$7	-
Subcontracts	\$7,508	\$6,522	(\$986)	-13.1%
Total General Operating Expenses & Subcontracts	\$237,229	\$247,051	\$9,822	4.1%
Property Costs	\$30,831	\$42,640	\$11,809	38.3%
Debt Service	\$72,138	\$71,293	(\$845)	-1.2%
Capital & Plant Expenses	\$11,813	\$10,941	(\$872)	-7.4%
Total Property Costs, Debt Service and Capital Expenses	\$114,781	\$124,874	\$10,092	8.8%
Total Internal Services, Transfers, and All Other Expenses	(\$3,072)	\$23,989	\$27,061	880.9%
TOTAL EXPENSES	\$1,303,280	\$1,369,725	\$66,445	5.1%
Net Contributions	\$73,199	\$77,055	\$3,856	5.3%
Operating Margin (\$)	(\$43,947)	(\$73,865)	(\$29,918)	

Charge of the University Resources Committee

- Review, analyze, and offer recommendations to the President on budgetary plans, proposals, and priorities affecting the University
- Maintain awareness of budgetary matters throughout the University to encourage informed opinions and discussion of issues
- Offer recommendations regarding University resource allocations for the coming fiscal year and for long-range plans developed by the administration
- Release annual report that summarizes URC recommendations and budgetary information to the Brown community
- Responsibilities include voting to recommend to the President and Corporation:
 - Tuition and salary pools (December)
 - University budget (May)

UNIVERSITY RESOURCES COMMITTEE (URC) MEMBERS AY 2025-2026

Administrators

V - Francis Doyle III, Provost, Chair
 V - Sarah Latham, Executive VP for Finance & Administration Admin.
 V - Russell Carey, Executive VP for Planning and Policy
 V - Leah VanWey, Dean of the Faculty
 V - Michael White, VP Finance, CFO
 Kimberly Galligan, Executive Dean for Admin & Finance
 Tejal Desai, Dean, School of Engineering
 Sara Walsh, Executive Dean for Admin & Finance
 Janet Blume, Deputy Provost
 Tim Fater, Associate VP for Financial Strategy & Planning
 Charlene Sweeney, Associate VP and University Controller
 Robert Eaton, Director, Budget, Planning & Analysis Planning

Department

Office of the Provost
 Executive VP of Finance &
 Office of the President
 Dean of the Faculty
 Finance & Admin. Services Division
 Division of Biology and Medicine
 School of Engineering
 School of Public Health
 Office of the Provost
 Office of Fin. Strategy & Planning
 Controller's Office
 Office of Fin. Strategy &

Faculty

V - **Kim Cobb, Professor, Earth, Environmental and Planetary Sciences
 V - Laura Snyder, Senior Lecturer in Education
 V - *Jim Egan, Professor of English
 2026
 V - Larry Larson, Professor of Engineering
 V - Brandon Marshall, Professor of Epidemiology
 V - *Christina Cuomo, Prof. of Molecular Microbiology & Immunology
 V - *Josh Pacewicz, Associate Prof. of Sociology &
 Associate Prof. of Urban Studies

Department Term Expires

EEPS	2026
Education	2026
English	
Engineering	2027
Epidemiology	2027
Neuroscience	2028
Sociology	2028

Students

V - Charlotte Calkins, Undergraduate Student
 V - *Elettra Solignani, Graduate Student
 V - Saira Moazzam, Medical Student
 V - *Simon Aron, Undergraduate Student
 V - *Hailey Kim, Undergraduate Student
 V - *Tiffany Brekher, Undergraduate Student
 2027
 V - *Dominique Barnes, Graduate Student

Term Expires

2026
 2026
 2026
 2027
 2027
 2027
 2027

Staff

V - Georgina Manok
 V - *Kathryn Boots

Department Term Expires

Swearer Center	2026
Carney Institute	2027

Committee Staffed By:

Katherine Montilla, Administrative and Project Specialist

Department

Finance & Admin. Services Division

V - Voting Member

** - New Members*

*** - Vice Chair*

URC MASTER SCHEDULE AY 2025-2026

DATE	TOPICS	SPEAKER
Monday, September 29, 2025 3:30 - 5pm	<ul style="list-style-type: none"> ● Welcome, new members, charge review ● Topics of Focus <ul style="list-style-type: none"> ○ Endowment ○ Sponsored Research (Division of Research) 	<ul style="list-style-type: none"> ● Pete Levine ● Greg Hirth and Marty Scholtz
Monday, October 27, 2-3:30 pm	<ul style="list-style-type: none"> ● Brown Finance Overview ● FY25 Results, FY26 Revised Budget ● Multi-Year Financial Plan (MYFP) ● Topic of Focus <ul style="list-style-type: none"> ○ School of Professional Studies 	<ul style="list-style-type: none"> ● Mike White, Tim Fater, Rob Eaton ● Sandra Smith
Monday November 3 3:30 - 5pm	<ul style="list-style-type: none"> ● Topics of Focus <ul style="list-style-type: none"> ○ Financial Aid and Admissions/Enrollment ○ Advancement ○ Facilities & Capital Plan 	<ul style="list-style-type: none"> ● Logan Powell & Sean Ferns ● Sergio Gonzalez & Jeanne Pecha ● Mike Guglielmo
Monday, November 24, 2025 3:30 - 5pm (in-person/hybrid)	<ul style="list-style-type: none"> ● Tuition & Salary Pool Data Review ● Discussion 	<ul style="list-style-type: none"> ● Dean Leah VanWey ● Dean Mukesh Jain ● Dean Tejal Desai ● Sara Walsh ● Marie Williams ● Mike White
Wednesday, December 3, 2025 3:30 - 5pm (in-person/hybrid)	<ul style="list-style-type: none"> ● Tuition - vote ● Salary Pools - preliminary vote 	<ul style="list-style-type: none"> ● No speakers
Wednesday, December 10, 2025 1 - 2pm	<ul style="list-style-type: none"> ● Salary Pools - vote 	<ul style="list-style-type: none"> ● No speakers
Wednesday, February 18, 2026 4 - 5pm	<ul style="list-style-type: none"> ● URC Public Forum 	<ul style="list-style-type: none"> ● No speakers
Wednesday, April 15, 2026 3:30 - 5pm	<ul style="list-style-type: none"> ● FY27 Budget Initial Consolidation Review 	<ul style="list-style-type: none"> ● No speakers
Monday, May 11, 2026 3:30 - 5pm (in-person/hybrid)	<ul style="list-style-type: none"> ● FY27 Budget <ul style="list-style-type: none"> ○ Discussion ○ Recommendation and vote 	<ul style="list-style-type: none"> ● No speakers