



OFFICE OF THE PRESIDENT  
BROWN UNIVERSITY

# Brown University Annual Financial Report

## Fiscal Year 2024

# Brown University Summary

*Fiscal years ended June 30*

## FINANCIAL *(dollars in millions)*

### Principal Revenue Sources

Tuition and fees (net)	<b>\$412</b>	\$391
Grants and contracts	<b>\$299</b>	\$285
Endowment return appropriated	<b>\$281</b>	\$241
Contributions	<b>\$361</b>	\$387
Total investment return	<b>\$693</b>	\$147

### Principal Purpose of Expenditures

Instruction and departmental research	<b>\$483</b>	\$430
Academic and student support	<b>\$355</b>	\$320

### Financial Balance Sheet

Total assets	<b>\$10,065</b>	\$9,426
Total liabilities	<b>\$1,729</b>	\$1,732
Net assets	<b>\$8,336</b>	\$7,694

### Fundraising

New gifts and pledges	<b>\$503</b>	\$424
Cash	<b>\$313</b>	\$335

## STUDENTS

### Enrollment

Undergraduate students	<b>7,741</b>	7,639
Graduate students	<b>3,173</b>	2,955
Medical students	<b>602</b>	595

### Degrees Conferred

Bachelor's degrees	<b>1,944</b>	1,682
Master's degrees	<b>1,024</b>	986
Doctor of Philosophy	<b>251</b>	246
Doctor of Medicine	<b>134</b>	135

### Annual Tuition and Required Fees

Undergraduate	<b>\$68,130</b>	\$65,046
Graduate	<b>\$66,906</b>	\$63,273
Medical	<b>\$70,526</b>	\$68,444

## EMPLOYEES

Campus-based faculty (all ranks)*	<b>866</b>	848
Medical school faculty	<b>588</b>	614
Non-faculty regular staff**	<b>3,805</b>	3,537

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

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

# President's Letter

I am pleased to present the Brown University Annual Financial Report for Fiscal Year 2024. The report reflects a sustained focus on the responsible stewardship of the University's resources, which is the foundation for maintaining Brown's academic and operational excellence for generations to come. The report provides an overview of Brown's financial statements, success in fundraising, investment performance and research growth.

As outlined in the Finance and Budgeting Report, the University closed FY24 in a stronger financial position than the previous year. Net assets grew by 8.3% to \$8.3 billion, despite a modest decline in the operating margin. Total debt at the end of FY24 stood at \$1.28 billion, down from \$1.30 billion in FY23. The University benefitted from exceptional endowment returns of 11.3%, resulting in a \$281 million contribution to the operating budget. The sustained strong performance of the endowment continues to be noteworthy, particularly considering the ongoing volatility arising from financial market and geopolitical challenges, stubborn inflation, and government and policy activity affecting higher education. Amid these headwinds in the economic environment, the University remains focused on carefully preserving and growing the endowment to ensure its sustainability as a resource to fund Brown's education and research now and into the future.

Philanthropy also continues to play a critical role in supporting the University's mission. Despite a challenging fundraising year globally, FY24 marked the most successful fundraising year in Brown's history. More than 32,700 generous members of the Brown community contributed \$503.4 million in new gifts and pledges, bringing the BrownTogether campaign to \$4.3 billion at the close of the fiscal year. The Brown Annual Fund, which provides immediate use funding for University priorities, also saw a record-breaking year with \$51.1 million raised.



As you will read in the Report on Fundraising, members of the Brown community came together in support of priorities that will advance academic excellence, increase access to a Brown education and fund research expansion and campus growth. Nearly \$41 million was raised for undergraduate financial aid, including \$29.9 million in endowed funding for international financial aid. As of the close of the fiscal year, the campaign had supported 139 endowed professorships, an ongoing priority, as it allows Brown to recruit and retain distinguished faculty across a variety of fields. I am grateful to the remarkable Brown alumni, parents and friends whose support ensures that the University continues to advance ambitious plans for academic and operational excellence.



As noted in the Research Report, FY24 was another outstanding year in sponsored funding for research at Brown. Research expenditures grew to \$293.1 million, and new award dollars totaled \$295.4 million. The University has experienced near-steady growth of sponsored expenditures and new award dollars over the past six years. In keeping with the *Operational Plan for Investing in Research*, Brown continues to advance innovation, discovery and exploration across all fields of study.



Brown also continues to promote research partnerships beyond the University, supporting faculty in securing joint awards with researchers from other institutions to make a broader and lasting impact. Areas of particular focus for new research collaborations funded by federal agencies, foundations and the private sector include biomedical innovation, climate resilience and the life sciences. In addition, a generous gift will name Brown's new planned facility for integrated life sciences research the William A. and Ami Kuan Danoff Life Sciences Laboratories, which will become the largest academic laboratory building in Rhode Island, convening scientists across multiple fields of study to solve complex interconnected health and medical challenges.

Despite the strong performance in investments, fundraising, sponsored research and careful fiscal management, the University again posted a modest operating loss of 3%, resulting in a deficit of \$41.9 million according to generally accepted accounting principles. Without intervention, this structural deficit is expected to grow significantly in the near term. This comes as Brown continues its transition from an undergraduate tuition-dependent financial model more reminiscent of colleges to that of a leading research university. In order to achieve our aspirations, it will be critical that Brown make strategic changes to operations that significantly slow expense growth, explore innovative growth opportunities in education and research that are aligned with our mission, and develop new revenue streams. In the coming year, Brown will focus on developing achievable targets to bring the budget into balance, while also continuing to make the strategic investments required to elevate Brown's impact as a leading research institution.

Overall, Brown's finances remain strong. The report reflects that the University must continue to make well informed decisions that support and strengthen the world-class academic and research programs Brown offers. Through a commitment to Brown's mission, shared governance and thoughtful financial planning, we will responsibly steward Brown's resources to ensure the University's long-term financial stability while fortifying Brown's position as a leading institution for education and research.



Sincerely,

A handwritten signature in black ink, appearing to read 'CHP', written over a light blue line.

Christina H. Paxson  
President

# Finance and Budgeting Report

## Brown University Finance Division

Brown University's mission is to maximize impact on society and the world by educating students and advancing research, knowledge and discovery. Brown's community of faculty, staff and students makes it possible to achieve this mission, and the University's commitment to its community directs all aspects of financial decision making. In any given year, Brown's decisions regarding how to allocate a limited pool of financial resources are made with an eye toward ensuring that community members thrive and succeed, as the University advances its mission.

Through this Annual Financial Report, Brown aims to develop and share an understanding of its resources and priorities among all members of the extended Brown community, which includes alumni, parents and others with an interest in the University. This shared understanding is important to both the success of the academic enterprise and the culture of the campus community.

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

- **Brown's Financial Model:** This section provides a high-level overview of the factors driving Brown's financial decision making.
- **Review of Fiscal Year 2024 Financial Statements:** This section reviews the FY24 financial performance of the University, based on Brown's audited financial statements.

### BROWN'S FINANCIAL MODEL

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

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

### Brown's Financial Health

While Brown University closed FY24 in a stronger financial position than the previous year, the University again posted a modest operating loss of 3% (similar to FY23), resulting in a deficit of \$41.9 million as calculated according to generally accepted accounting principles (GAAP<sup>1</sup>). The University's endowment and other managed assets generated a return of 11.3% in FY24, up from the 2.7% for the prior fiscal year. This strengthening financial position comes despite significant disruption across the globe from financial market and geopolitical challenges, stubborn inflation and government and policy activity affecting the higher education sector. These continued uncertainties reinforce the need to be thoughtful stewards with the use of the endowment to protect it for future generations.

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

At the end of FY24, Brown's net assets grew to \$8.3 billion, increasing by \$642.2 million, or 8.3% from FY23. Total debt at the end of FY24 stood at \$1.28 billion, down from \$1.30 billion in FY23. The current portfolio of debt has an average maturity of 18.7 years and carries a 2.62% blended cost of capital, which remains one of the lowest in higher education. Brown's credit rating remains at AA+/Aa1 with S&P and Moody's respectively, reflecting the financial health of the University. The critical importance of philanthropy in supporting the University's mission cannot be overstated, and in FY24 Brown experienced another exceptional year for contributions, fundraising a new record of \$503.4 million in new gifts and pledges.

While all of these elements speak to financial strength funding Brown's dynamic growth, the University is operating in a financial climate in which multiple factors create considerable financial pressure. Among those are little projected growth in undergraduate tuition, with no plans at Brown for further expansion of the undergraduate student body. In addition, endowment forecasts are anticipating more modest investment returns than in recent record-setting years, which means the growth in the endowment's annual contribution to the operating budget will be slower than in recent years. And the University remains focused on keeping pace on wage growth for employees, given the impact of inflation on living costs, as well as planning for increases in the cost of new debt and inflation that may remain higher than the low inflation that persisted for much of the last decade.

As FY24 drew to a close, the report of the URC that recommended the budget for FY25 noted that "these factors, combined, indicate that careful financial management will be essential..." particularly in avoiding sustained annual budget deficits. The University is focused on developing achievable targets to bring its budget into balance while also continuing to make the strategic investments required to elevate Brown's impact as a leading research institution. This work began at the end of FY24 and continued in earnest into FY25 in consultation with the URC and other campus partners.

## FY24 Categories of Funding Sources/Revenues

- 1. Net Tuition and Fees.** Accounting for 30.4% of total University funding in FY24, net tuition and fees is the single largest source of revenue supporting academic and administrative operations. In accordance with GAAP, student tuition and fees is presented net of certain undergraduate scholarships and financial support for graduate students.

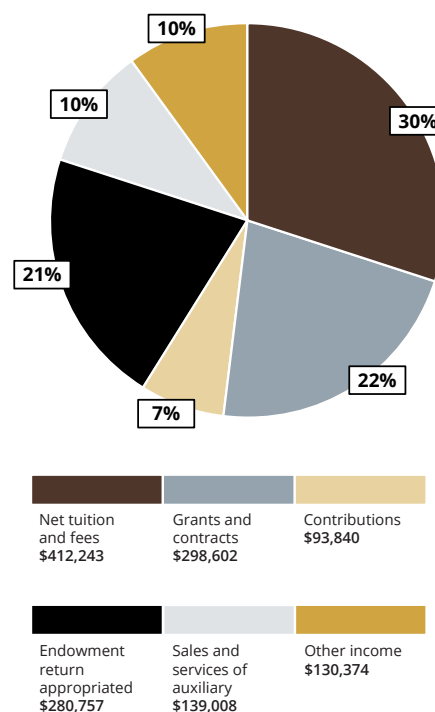
This calculation begins with gross tuition and fees, which is the total revenue from Brown's undergraduate, graduate and medical programs. In FY24, gross tuition was equal to \$730 million. For the 2023-24 academic year, each undergraduate student was charged tuition of \$65,656 per year, not including room and board (the revenue from which is included in "sales and services of auxiliary enterprises"). Tuition for most doctoral and on-campus master's degree programs was \$8,207 per course (approximately a dozen master's programs have tuition rates that vary from the standard), and medical school tuition was \$69,286.

Net tuition is defined as gross tuition minus financial aid provided to Brown students. Undergraduate scholarships and financial support for graduate students accounted for \$318 million in FY24, with \$205 million for undergraduate financial aid (provided as University scholarships) and \$113 million for graduate and medical student fellowships. For the 2023-24 academic year, nearly half of all undergraduates (47%) received University scholarship, and the average University scholarship award was \$59,043.

Similarly, while gross tuition for doctoral students was \$109 million in FY24, Ph.D. tuition revenue was largely offset by \$97.6 million in graduate student aid provided by Brown. Full-tuition scholarships to Ph.D. and MFA students totaled \$65,656.

Over the past decade, the University has made the expansion of financial aid a major priority to ensure a Brown education is accessible to students from the full range of socioeconomic backgrounds, regardless of financial need. Undergraduate financial aid has long been among the fastest-growing elements of the annual budget, more than doubling in the past decade. The University follows a need-blind admissions policy for all domestic students (transfer students are need aware), and all student veterans, meaning that admission decisions are made independent of a student's ability to pay. In addition, Brown meets the full assessed financial need (100%) of all

**Figure 1: Components of Revenue**  
Total Revenue \$1,354,824  
dollars in thousands



undergraduate students who matriculate, including transfer students and international students. Brown eliminated loans from its financial aid packages for all undergraduates, starting in the 2018-19 academic year, and further enhancements were announced in Fall 2021. Brown eliminated the home equity provision for incoming students for Fall 2022, with the resulting increased scholarships covering full tuition for families earning \$125,000 or less a year with typical assets. The University also announced it will adopt need-blind admissions for international students starting with the Class of 2029 (after becoming need-blind for domestic students in 2003).

### Principles Guiding Tuition Setting

Each year, the faculty, students and administrators who make up the URC recommend tuition increases for the coming year. A 4.75% tuition increase was recommended for FY24. The URC deliberates extensively on how to keep tuition increases as reasonable as possible, while ensuring Brown will have the necessary revenues to sustain investment in research, teaching, student support, financial aid and other top priorities. Net tuition and fees have to provide the revenue required for Brown to attract and support the most talented students, faculty and staff, and to sustain the environment needed to advance Brown's mission of knowledge, discovery and community impact.

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

- 2. Sponsored Research Funding.** High-impact research is core to the mission of the University. The major source of funding for research is grants and contracts from federal agencies, foundations and corporations. Sponsored research is the second-largest source of revenue for Brown, at 22.1% in FY24. Sponsored research revenue supports both direct costs of research, such as the salaries of researchers, equipment, supplies and travel costs associated with the funded research project, and also indirect costs of research, such as support for libraries, research administration and utilities and maintenance for laboratory buildings. Approximately 77% of sponsored research awards from the federal government and foundations goes to supporting direct costs.

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

- 3. Endowment Payout.** Brown's endowment contributed \$281 million to the University in FY24, or 20.7% of total revenue, representing the third largest revenue source. The fraction of the investment return of the endowment paid to support the University budget (the payout rate) is set annually by the Corporation of Brown University and ranges from 4.5% to 5.5%, based on principles of ensuring that the endowment can weather changes in financial conditions and sustainably support the University's priorities in perpetuity. Maintaining this payout rate allows the endowment to grow more quickly than if it were higher, which provides greater levels of support for University priorities in future years. However, the Corporation may decide to increase the payout for strategic purposes. The payout rate, currently set at 4.8%, uses endowment funds in support of vital priorities such as financial aid for students, salaries for faculty who hold endowed professorships, academic programs, research, libraries, lectures, athletics and other aspects of student life, and other designated purposes.

Most endowed funds are restricted by law to the specific use designated by individual donors. Brown's endowment is not a single fund, but is instead a collection of more than 3,800 funds donated to the University over hundreds of years. A small portion of the endowment (currently 14%) is classified as "unrestricted," meaning that the funds have been allocated — without the restriction of a donor's designation — to support purposes identified by the University. These unrestricted funds are invested for the long term in the endowment pool, such that the payout is available to support priorities like financial aid and other operating costs and expenses across campus. To learn more, see the section on "Understanding How the Endowment Contributes to Revenues."

- 4. Auxiliary Revenue.** Sales and services of auxiliary enterprises is the fourth largest source of revenue at the University, at 10.3% for FY24. This category primarily includes revenue from student housing and dining services ("room and board"), student health insurance and the Brown Bookstore. As with tuition and fees, many students have financial aid awards that cover all or part of the costs of room and board and health insurance. In addition, low-income undergraduates qualify for free textbooks from the Brown Bookstore.

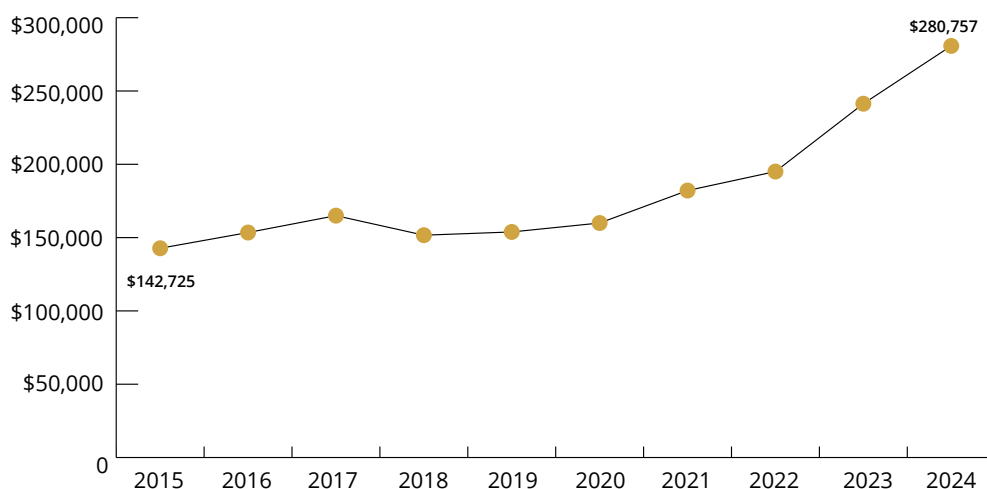


5. **Other income.** Brown receives “other income” from sources such as rental income on property owned by Brown, interest on working capital and revenue from affiliation agreements with Rhode Island’s two largest health systems that support medical education and research. This contributed \$130.4 million, or 9.6% of total revenue.
6. **Contributions.** In FY24, contributions made up 6.9% of total operating revenue, the sixth largest source of funding. Made up of charitable gifts (pledges and cash) from donors, which are often called “current-use gifts,” contributions are not invested with the endowment and are typically spent within a year of receipt. One source of current-use gifts is the Brown Annual Fund, which is used to enrich all aspects of life at Brown, most especially financial aid. The Brown Annual Fund also provides flexibility to respond to unexpected financial challenges and allows the University to take advantage of emerging opportunities, such as developing a new academic program to align with trends in scholarship, research or learning. Donors give other current-use gifts to support specific priorities including student programs, research projects, diversity initiatives, athletic teams and sustainability.

## Understanding How the Endowment Contributes to Revenues

As a nonprofit charitable institution, Brown has a legal responsibility to manage its endowment in a financially responsible way, and to use it in support of the University’s mission. Since 1769, alumni, parents, students and friends of Brown have made generous donations to support a specific University purpose (i.e., a student scholarship, a specific professorship, faculty research, etc.), and these funds are “restricted” by law for their designated use. The endowment — now totaling more than 3,800 distinct funds — is invested in a diverse portfolio of assets with the goal of growing the original gifts to provide an ongoing income stream to support the specific endowed purpose.

**Figure 2: Endowment Return Contributed to Operating Revenues 2015-2024**  
*dollars in thousands*



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

To support this dual mandate of both preserving and enhancing the endowment, the Brown Corporation votes annually on the amount that will be distributed from the endowment to the University. The Corporation limits the endowment’s annual distributions to the University to between 4.5% and 5.5% of the average market value of the endowment. The market value is calculated by taking the average over the prior 12 quarters to smooth distributions relative to market conditions. This translates to 16% to 21% of the University’s annual operating budget supported by the endowment in any given year over the past decade.



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

SETTING BUDGET PRIORITIES / RESOURCE ALLOCATION

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

Categories of Operating Expenses

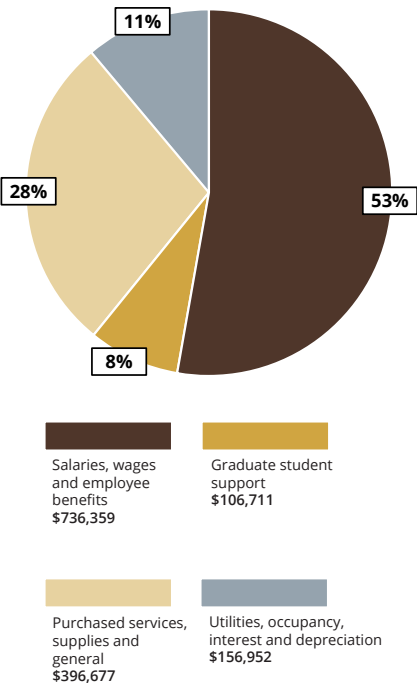
- 1. **Salaries, Wages and Employee Benefits.** Spending for faculty and staff compensation and benefits is the largest expense category, totaling \$736 million in FY24, or 53% of total expenditures. Of this total amount, 39% is for Brown’s faculty and 58% for University staff, with 3% for student employees. For FY24, the URC recommended faculty and staff salary pools of 4.0%. Although tuition and salary pools are not intrinsically linked, the committee discusses the parity between increases in tuition — Brown’s largest source of revenue — and the ability to fund salary pool investments for faculty and staff. The URC determined that the proposed increase would enable the University to fund the majority of investments that are necessary to adequately support Brown’s faculty and staff.

Principles Guiding Salary Pool Levels

The faculty, administrators, students and staff who are members of the URC determine salary pools in keeping with the committee’s charge to ensure that resources are aligned with the institution’s highest strategic priorities and commitment to supporting all members of the community. The University strives to be a place where faculty and staff can build fulfilling careers while benefiting from competitive salaries, wages and benefits. Brown takes a holistic approach to determining the benefits it offers, including generous health care, retirement, tuition assistance, child care stipends and paid time off, as well as other benefits that make Brown an attractive place to work.

In making its FY24 recommendation, the URC reviewed substantial analysis on faculty salary levels and hiring and retention rates across all faculty ranks and disciplines. To determine staff compensation pools, University Human Resources provided market data and hiring and retention trends at Brown in all staff employment categories. The URC assessed labor markets and such factors as changing modalities of work (including opportunities for remote and hybrid work that have made recruitment and retention more challenging) to ensure that Brown as an employer remains competitive.

Figure 3: FY24 Operating Expenses  
Total Expenses \$1,396,699  
dollars in thousands



2. **Purchased Services, Supplies and General Operating Costs.** The next category of expenses includes the myriad list of products and services needed to operate the University: food, library materials, supplies for research projects, cleaning and maintenance for facilities and grounds and much more. A University priority is to ensure that the goods and services are purchased economically, and from a diverse range of suppliers who respect the University's commitments to sustainability and ethical labor practices. The University places priority on buying locally sourced products.
3. **Utilities, Occupancy, Interest and Depreciation.** This next major category of expenses includes the costs to support the University's property plant and equipment and occupancy costs such as electricity, water, gas and heat. Interest expense is the result of the University issuing debt to pay for capital expenses, such as constructing new buildings; renovating residence halls, office buildings, classrooms and laboratories; and paying for information technology infrastructure. Depreciation represents the value of the University's property plant and equipment that has been used during the year. Importantly, this helps inform the University's capital plan and allocation of resources to the ongoing maintenance and renewal of the campus infrastructure.
4. **Graduate Student Support.** This final category of expenses includes the payments and support to graduate students, including research assistance and teaching assistant stipends and health insurance support. The collective bargaining agreement between the University and the Graduate Labor Organization included a 7.75% base stipend increase for FY24. Note that financial aid for undergraduates appears in the "FY24 Categories of Funding Sources/Revenues" section, as an offset of gross revenue from tuition and fees (to arrive at net tuition and fees).

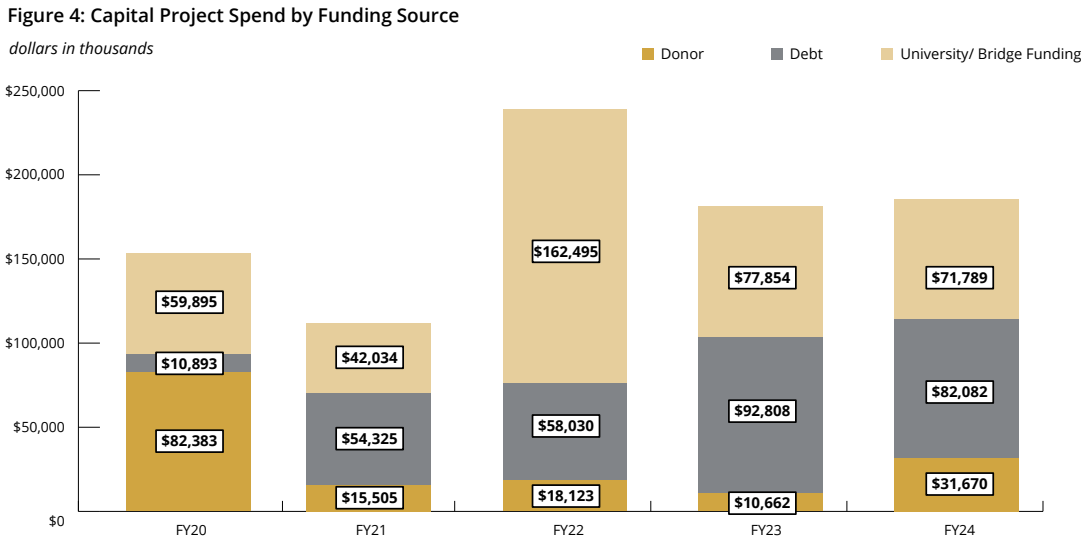
### Capital Expenses

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

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

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

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



Fundraising is especially important to Brown's ability to construct new buildings. At the beginning of each building project, the University sets a fundraising goal, depending on a number of factors: the objectives of the project in the context of the University's mission; the likely interest the project will generate among donors; and how the building will impact the University's finances. For example, because residence halls generate auxiliary revenue (through room fees charged to students), the fundraising goal may be less than the full cost of construction. Conversely, for new research facilities, fundraising is even more critical. Even though a new research building will enable more funded research, which will attract external sponsored research funding, research requires an additional 30% to 40% of investment over every research dollar received. As noted previously, sponsored research awards from federal agencies and foundations do not cover all the direct and indirect costs of research. This makes fundraising crucial to Brown's ability to expand its research enterprise.

Brown has established a priority that all athletics facilities be fully funded by gifts, while renovations of academic buildings and residence halls are often all or partially debt-funded. As previously noted, a University priority is to grow its operating margin, so that renovations of academic buildings and residence halls can be completed without incurring additional debt. In FY24 Brown spent \$186 million in new capital expenses, including support for The Lindemann Performing Arts Center, the planned William A. and Ami Kuan Danoff Life Sciences Laboratories and the purchase of the University's portion of South Street Landing. These projects and purchases were supported by a combination of generous philanthropy from members of the Brown community and University working capital.

## REVIEW OF FISCAL YEAR 2024 FINANCIAL STATEMENTS

The following materials outline the FY24 financial performance of Brown University. The University's financial statements were prepared in accordance with GAAP and audited by Brown's independent outside auditors from the firm KPMG LLP. The GAAP financials have been summarized for presentation purposes in the charts and tables presented in this section of the Annual Financial Report.

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

<b>Balance Sheet</b>	2024	2023	% Change
<b>Assets</b>	<b>\$10,065,283</b>	<b>\$9,426,363</b>	<b>7%</b>
Liabilities	\$1,728,851	\$1,732,163	0%
Net assets	\$8,336,432	\$7,694,200	8%
<b>Total liabilities and net assets</b>	<b>\$10,065,283</b>	<b>\$9,426,363</b>	<b>7%</b>
<b>Statement of Activities</b>	2024	2023	% Change
Operating revenues	\$1,354,824	\$1,246,193	9%
Operating expenses	\$1,396,699	\$1,283,395	9%
<b>Net operating activities</b>	<b>-\$41,875</b>	<b>-\$37,202</b>	<b>13%</b>
Nonoperating activities	\$684,107	\$199,436	243%
<b>Change in net assets</b>	<b>\$642,232</b>	<b>\$162,234</b>	<b>296%</b>
Net assets, beginning of year	\$7,694,200	\$7,531,966	2%
<b>Net assets, end of year</b>	<b>\$8,336,432</b>	<b>\$7,694,200</b>	<b>8%</b>
<b>Cash Flow</b>	2024	2023	% Change
<b>Change in net assets</b>	<b>\$642,232</b>	<b>\$162,234</b>	<b>296%</b>
Adjustments	-\$882,649	-\$410,810	115%
<b>Net cash used in operating activities</b>	<b>-\$240,417</b>	<b>-\$248,576</b>	<b>-3%</b>
Cash flows from investing activities			
Additions to land, buildings and equipment	-\$185,541	-\$181,324	2%
Net investments	\$150,726	\$93,389	61%
Other	\$33,151	-\$37,723	-188%
<b>Net cash used in investing activities</b>	<b>-\$1,664</b>	<b>-\$125,658</b>	<b>-99%</b>
Cash flows from financing activities			
Gift-related activities	\$220,866	\$249,144	-11%
Proceeds and payments on debt instruments	-\$10,593	\$30,503	-135%
<b>Net cash used from financing activities</b>	<b>\$210,273</b>	<b>\$279,647</b>	<b>-25%</b>
<b>Change in cash</b>	<b>-\$31,808</b>	<b>-\$94,587</b>	<b>-66%</b>
Beginning cash balance	\$356,255	\$450,842	-21%
<b>Ending cash balance</b>	<b>\$324,447</b>	<b>\$356,255</b>	<b>-9%</b>

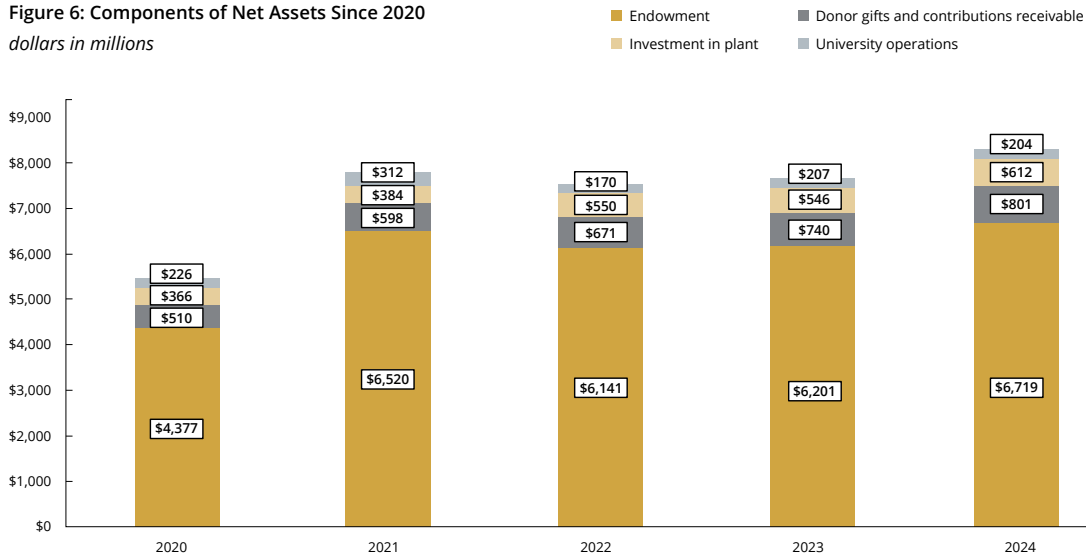
*GAAP financials summarized for presentation purposes*



## Net Assets

The University ended FY24 with net assets of \$8.3 billion, an increase of \$600 million (8.3%), despite recording an operating loss of \$41.9 million. The increase of net assets was driven by \$267 million in gifts to the endowment and capital projects combined with investment performance of 11.3%, offset by the endowment return appropriated. The cumulative change in net assets for the last five years totals a \$2.9 billion increase.

**Figure 6: Components of Net Assets Since 2020**  
dollars in millions

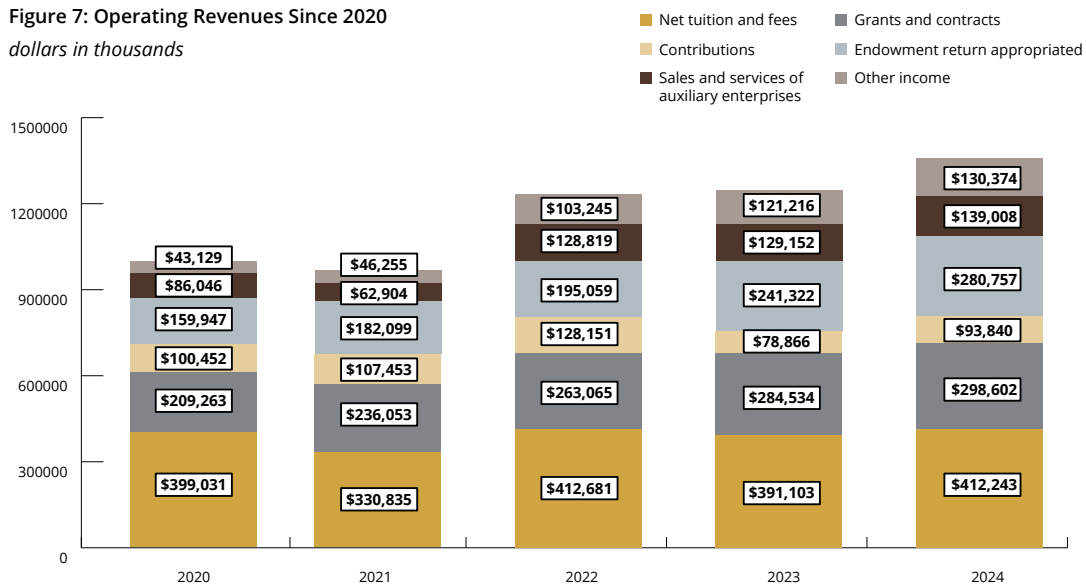


## Operating Revenue

The University's total operating revenues increased \$108.6 million, or 8.7%, from \$1.25 billion in FY23 to \$1.35 billion in FY24. The increase in total revenue was supported across all revenue areas.

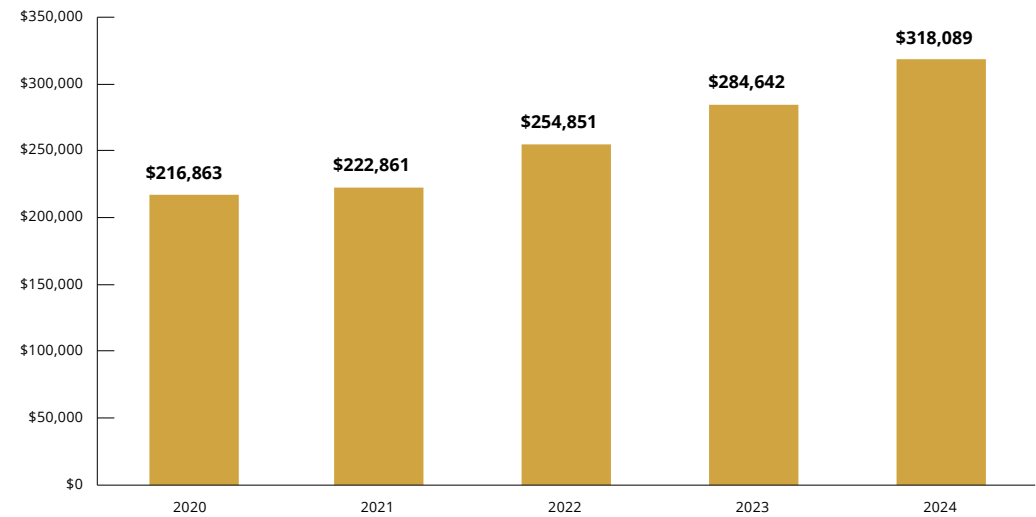
Gross tuition increased by 8.1% or \$54.6 million, from \$675.7 million in FY23 to \$730.3 million in FY24. The increase reflects a 4.75%

**Figure 7: Operating Revenues Since 2020**  
dollars in thousands



tuition rate increase for undergraduate and nonvariable graduate programs. In addition, there was growth in the University’s study away, summer/winter sessions and professional studies programs from FY23 to FY24, accounting for \$7.0 million of the increase.

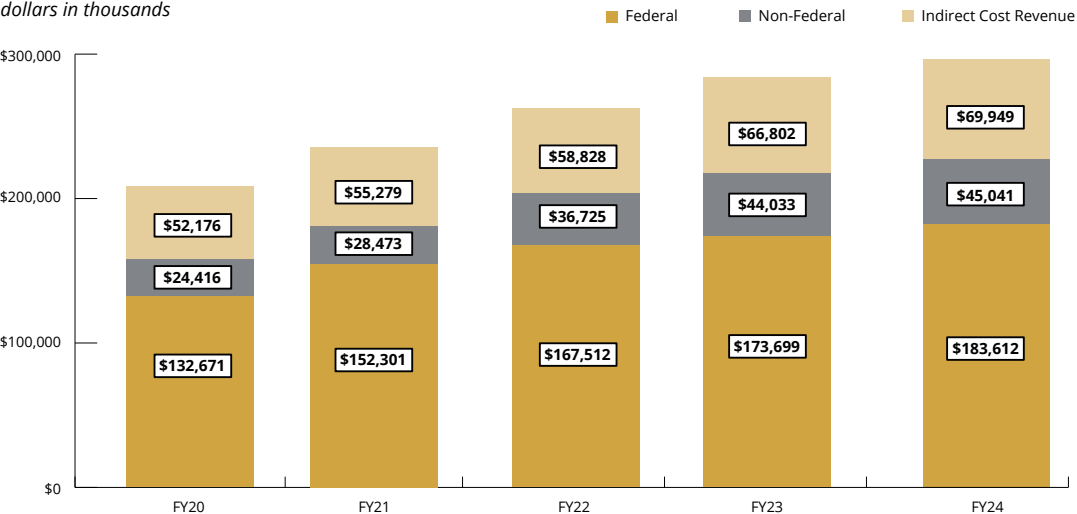
**Figure 8: University Scholarships Paid**  
*dollars in thousands*



Scholarships grew at a strong pace of 11.8%, or \$33.4 million, from \$284.6 million in FY23 to \$318.1 million in FY24. This reflects the University’s continued commitment to access and affordability for its students and the University’s commitment of removing the consideration of home equity in a student’s financial aid package. This greater investment in financial aid resulted in an increase in the discount of the gross tuition from 42% in FY23 to 44% in FY24. In aggregate, net tuition and fees increased by 5.4% year over year to \$412.2 million in FY24.

Grants and contracts revenue from government and private sources increased \$14.1 million to \$298.6 million, a 4.9% increase over FY23. Of the increase, \$13.1 million was from federally funded grants and contracts. The U.S. Department of Health and Human Services was the most significant sponsor, contributing 60% to the direct revenue in FY24. The University’s effective indirect cost reimbursement rate remained constant at 31% for FY24 and FY23. Indirect cost reimbursement, which allows the University to recover certain overhead expenses related to grants, is a critical component of the operating budget, as it broadly supports research at Brown. The University’s private grant revenue remained relatively flat at \$44.2 million, which represents 15% of the revenue in FY24, or \$600 thousand of the grant and contract revenue increase. Over the past five years, revenue in the category of grants and contracts has increased by more than \$89 million.

**Figure 9: Grants and Contract Revenue Composition 2020-2024**  
*dollars in thousands*



Operating revenue for current-use gifts increased by \$15.0 million to \$93.8 million in FY24, reflecting an increase in new operating pledges and gifts. Donors continue to give generously, as evidenced by the Brown Annual Fund contributing 37% to this revenue line in FY24.

The Corporation of Brown University approved an endowment appropriation distribution of 4.8% for FY24, consistent with the approved distribution in FY23. This payout rate is applied to the average market value of the Brown endowment over the most recent three-year period. Despite a flat approved endowment distribution percentage, the appropriated endowment income increased \$39.4 million as a result of the investment growth in calendar year 2021 and donor contributions. This FY24 appropriation of \$280.8 million from the endowment represents 20.7% of the University’s operating revenue.

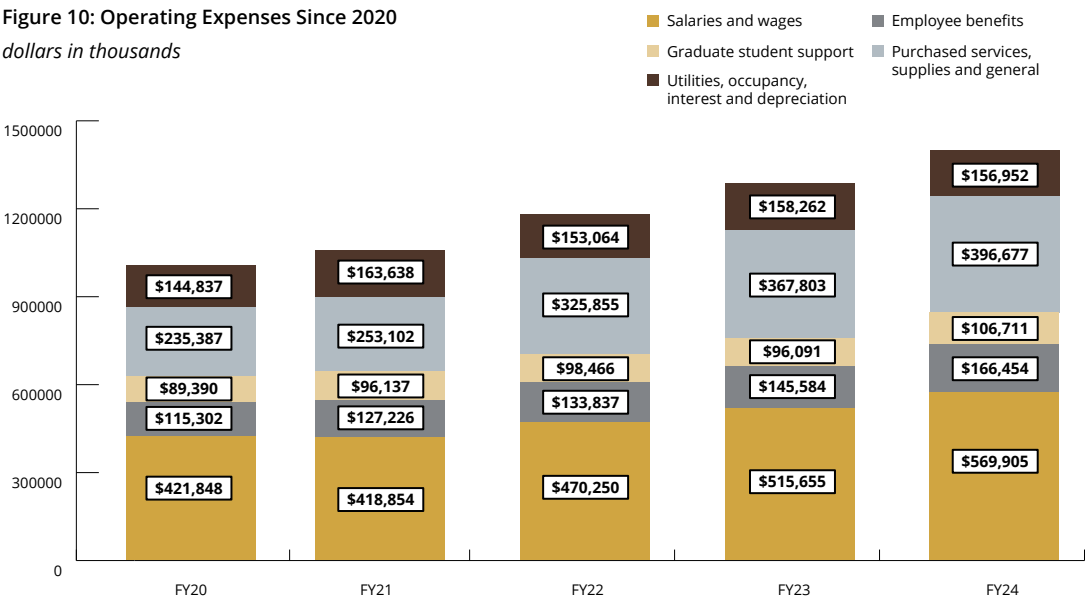
Auxiliary revenue increased \$9.9 million, or 7.6%, from \$129.2 million in FY23 to \$139.0 million in FY24. Housing, dining and student health fees constitute 81% of these revenues. The URC approved an increase of 3.01% for the room rates and a 7.35% increase in the dining rates from FY23 to FY24.

Operating Expenses

Total operating expenses for the University increased 8.8% to \$1.40 billion in FY24, from \$1.28 billion in FY23.

Salaries, wages and benefits expenses, which represent 53% of the operating expenses of the University, grew by 11.4%, to \$736.4 million in FY24. Total salaries and wages increased by 10.5% to \$569.9 million. The growth was a result of increases in both faculty and staff positions, recent wage pressures and an approved salary pool of 4.0% for faculty and staff. Employee benefits increased 20.9 million or 14.3% to \$166.5 million in FY24. Health insurance costs increased \$9.3 million from the prior year, which was driven by increased headcount and the cost of care. The remaining component of the increase can be attributable to increased employer contribution to faculty and staff retirement plans.

Graduate student support, including scholarships and stipends, increased by 11.1%, to \$106.7 million. During FY24, the Graduate Labor Organization negotiated an amended contract with the University resulting in an increase in expenses. Noncompensation expenses across the operating expenses increased by 5.2%, to \$553.6 million. This change is primarily attributable to increases in travel-related expenses, insurance costs and noncapitalizable facilities-related expenses to support and maintain the University’s campus of over 200 buildings.



## Balance Sheet

Fiscal Year 2024 ended with increases to both assets and net assets when compared to Fiscal Year 2023.

**Figure 11: Balance Sheet Summary**

(dollars in thousands)

	FY2024	FY2023	% Change
<b>Assets</b>			
Cash and cash equivalents	\$324,447	\$356,255	-9%
Accounts receivable and other assets	\$106,471	\$94,769	12%
Contributions receivable, net	\$498,901	\$428,516	16%
Funds held in trust by others	\$43,774	\$75,276	-42%
Rights-of-use assets, operating	\$69,061	\$84,405	-18%
Investments	\$7,383,910	\$6,831,006	8%
Land, buildings and equipment, net	\$1,638,719	\$1,556,136	5%
	<b>\$10,065,283</b>	<b>\$9,426,363</b>	<b>7%</b>
<b>Liabilities</b>			
Accounts payable and accrued liabilities	\$146,319	\$140,240	4%
Student deposits and grant advances	\$80,594	\$95,096	-15%
Funds held for others	\$49,942	\$0	100%
Operating lease obligations	\$70,812	\$85,655	-17%
Other long-term obligations	\$45,025	\$50,324	-11%
Retirement obligations	\$54,051	\$57,436	-6%
Bonds, loans and notes payable	\$1,282,108	\$1,303,412	-2%
	<b>\$1,728,851</b>	<b>\$1,732,163</b>	<b>0%</b>
<b>Net assets</b>			
Without donor restrictions	\$1,683,536	\$1,578,411	7%
With donor restrictions	\$6,652,896	\$6,115,789	9%
	<b>\$8,336,432</b>	<b>\$7,694,200</b>	<b>8%</b>
<b>Total liabilities and net assets</b>	<b>\$10,065,283</b>	<b>\$9,426,363</b>	<b>7%</b>

GAAP statements summarized for presentation purposes



## Cash and Cash Equivalents

Cash and cash equivalents declined by \$31.8 million to \$324.4 million in FY24. The University's \$41.9 million operating loss is the primary factor in the decline of cash.

## Contributions Receivable, Net

The category of "Contributions receivable, net" represents unconditional promises to give from donors, net of an allowance for uncollectible accounts, and a discount for the time value of future receipts. The increase of \$70.4 million is due to \$201.7 million in new pledges offset by cash collected of \$114.1 million, and the net change in the allowance and discount. Additional information on donor gifts and pledges can be found later in this report, in the section prepared by Brown's Division of Advancement.

## Investments

Brown investments increased 8.1% to \$7.4 billion as of the balance sheet date. The endowment and other managed assets generated an 11.3% return in FY24. Additional information on the endowment can be found later in this report, in the section prepared by the Brown University Investment Office.

## Funds Held for Others

Funds held for others is a new liability in FY24. In June 2024 the University signed an expanded affiliation agreement with Lifespan Corporation, which operates the largest health system in Rhode Island and hosts the principal teaching hospital of Brown's Warren Alpert Medical School. As part of the agreement, the University will manage approximately \$600 million to \$800 million of Lifespan's investment portfolio, creating the capacity for increased returns to support Lifespan's mission. The transfer of funds will be phased in on a schedule expected to be approximately \$200 million per year over four years, but may vary depending on availability of funds. Lifespan transferred \$50 million to the University's investment pool in 2024. The fair market value of the investment is \$49.9 million as of fiscal year-end, June 30, 2024, and is included in the investments and also recorded as funds held on behalf of others on the balance sheet.

## Debt

Total bonds, loans and notes payable decreased by \$21.3 million to \$1.28 billion in FY24. During the fiscal year, the University issued tax-exempt bonds that generated proceeds of \$111.0 million. The proceeds were used to refund the Series 2013 debt. In total \$118.5 million of debt was paid down in FY24.

## Capital Expenditures

Brown invested \$185.5 million in capital projects, buildings and equipment in FY24. The University continued to contribute to a number of significant projects, including the construction efforts at The Lindemann Performing Arts Center, which opened in Fall 2023. Other capital projects include the future Danoff Laboratories, for which construction enabling work began; the purchase of the University's portion of South Street Landing; the Andrews House renovation for the home of the Cogut Institute for the Humanities; and continual capital support for the University's commitment to greenhouse gas reduction and decarbonization.

## SUMMARY

In FY24, Brown University continued to strengthen its financial position by increasing net assets by 8.3%, despite a modest decline in the operating margin. One priority for the University in the coming years will be to limit annual deficits, even while continuing to invest in important academic priorities. Brown has experienced tremendous growth in its education and research over the last decade, fueled by previous years of high investment returns, successful fundraising, additional students and access to credit at low interest rates in a low-inflation environment. That fiscal environment enabled the University to invest in priorities spanning research, teaching, financial aid initiatives and graduate student support, campus development, additional faculty hires, expanded partnerships beyond the Brown campus and more.

Through a commitment to Brown's mission, shared governance and thoughtful financial planning, the University will continue to make well informed decisions that support and strengthen the world-class academic and research programs Brown offers. These financial statements reflect a sustained focus on the responsible stewardship of the institution's resources, which is the foundation for maintaining Brown's academic and operational excellence for generations to come.

# Endowment Report

## Brown University Investment Office

### INTRODUCTION

During the fiscal year that ended on June 30, 2024 (FY24), Brown University's endowment and other managed assets grew by \$607 million to \$7.2 billion, an investment return of 11.3%. The change is the result of \$203 million of deposits into the endowment, \$281 million of contributions from the endowment to the University's operating budget, and gains on investments of \$728 million.

Brown's endowment exists as a financial resource for the University's mission of scholarship and research. It is the collection of gifts — each with a designated purpose — that donors have shared with Brown to both shape the University's character and ensure its permanence. These gifts are prudently invested in a portfolio of financial assets aimed at preserving the resource for future generations of scholars.

Up until the beginning of the 2000s, Brown's endowment was invested in a relatively straightforward mix of stocks and bonds and managed by a small group of University trustees who volunteered their spare time and expertise. Over the past few decades, the financial markets have significantly increased in complexity and, as the value of the endowment has grown, Brown has adapted. The Investment Office was established in 2001, and today a team of professional investors pursues a diverse set of investment strategies that require high levels of expertise and investment acumen.

To execute this approach, Brown hires competitively advantaged managers to make investments on its behalf. Brown's diverse set of strategies includes biotechnology investors that employ biology Ph.D.s, energy-transition specialists that employ electrical engineers, and several country-specific strategies in places like Korea, India, Spain and others that require local knowledge and relationships. In each of these cases, Brown's Investment Office does extensive due diligence on the manager and the strategy, and then ultimately gives that manager discretion on what investments to make. The Investment Office prioritizes identifying managers who invest with ethics and integrity, and each investment strategy is monitored for compliance with the stated investment mandate throughout its life.

Because of Brown's mission of scholarship and research, and because of the advantage conferred by the University's long investment horizon, Brown is privileged to have access to many of the best specialist investment managers in the world. Several of these have now managed capital for Brown for multiple decades and created enormous value for the endowment, every dollar of which ultimately contributes to Brown's mission of education and research.

### SUPPORTING THE UNIVERSITY

As the endowment grows, so does the annual contribution to the University's operating budget. This year's contribution of \$281 million is another new high and equivalent to 21% of total revenue. For FY24, the contribution represents 4.8% of the endowment. While the contribution is determined annually, it is always between 4.5% and 5.5%. This payout rate is expressed as a percentage of the 12-quarter trailing average of the endowment's size. Using a 12-quarter average serves to insulate the beneficiaries of the endowment's contributions from the volatility inherent in the financial assets in which the endowment invests. Through the designated purpose for each endowed gift that makes up the endowment, the annual contribution supports financial aid, professorships, research centers, lectures, libraries and anything else to which a benefactor has designated a gift.

# PERFORMANCE

The endowment’s investment program is designed to create optimal outcomes over longer time frames than a single year. Nonetheless, an annual review of the investment performance is suitable to evaluate the ongoing success of the program in exceeding appropriate hurdles: spending adjusted for inflation, market benchmarks and the results of peer institutions.

## Spending

As of the end of FY24, the endowment was made up of almost 4,000 endowed funds and other managed assets. These endowed gifts are intended to make their contribution to the University in perpetuity. In order to do so, the remaining funds must be invested in assets that can appreciate at a rate equal to or greater than the annual payout of 4.5% to 5.5%. An investment return that equaled the payout rate, however, would still suffer the effects of inflation over time, thereby maintaining the principal of the gift but not protecting its purchasing power. As a result, the minimum acceptable investment performance — measured over appropriate timeframes — must be the payout rate plus inflation.

The most relevant measure of inflation is the Higher Education Price Index (HEPI), maintained by Commonfund. HEPI has been averaging 2.9% over the past 20 years, thereby combining with the annual payout to create an effective hurdle of 7.5% to 8.5%. Brown’s FY24 investment return of 11.3% clears this hurdle, as do the five-, 10- and 20-year returns. The result is that Brown has been able to not just maintain the purchasing power of the endowment over those time frames but also grow it substantially, thereby amplifying the impact on the University’s mission.

Figure 12: Endowment Income by Gift Purpose

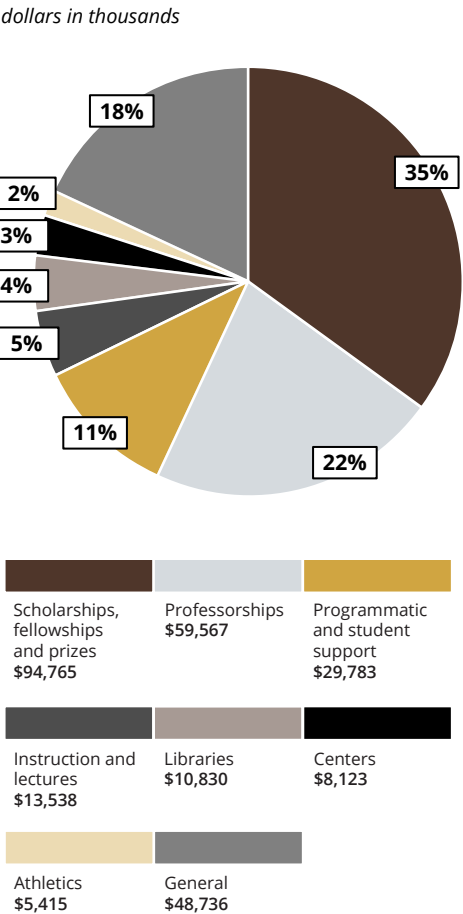
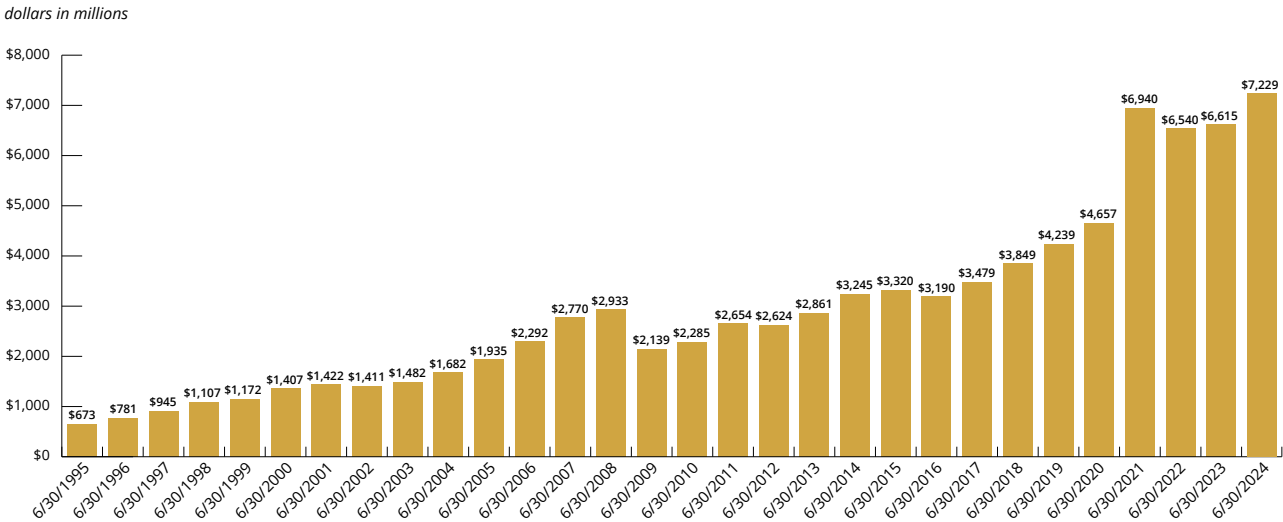


Figure 13: Market Value by Fiscal Year End



## Benchmark Comparison

In measuring the investment performance of the endowment, the Investment Office makes comparisons to market benchmarks, peers and internal measures of value creation. In each of these comparisons — and throughout this report — Brown's returns are presented net of all fees and expenses.

The first comparison offered here assesses Brown's performance relative to market benchmarks. Because Brown employs an active model that incurs fees and expenses, it makes sense to compare the endowment's results with passive strategies that have lower associated expenses in order to determine if Brown is utilizing the right approach. The most relevant benchmark for comparison is a blend of global stock and bond indexes in a 70/30 mix. We consider a combination of assets: 70% stocks from the MSCI All Country World Index, and 30% bonds from the Bloomberg Global Aggregate Index. If Brown had taken this passive approach, it would have resulted in higher returns for FY24 (13.6% vs. Brown's 11.3%). However, over longer time frames, Brown's active approach has created enormous value for the University. Over 10 years, Brown's 10.8% return is nearly double the 5.9% annualized return of a global 70/30 portfolio, reflecting superior outcomes compared to a passive model.

**Figure 14: Fiscal Year Annualized Returns**

*annualized returns as of June 30, 2024*

	<b>FY24</b>	<b>3-Year</b>	<b>5-Year</b>	<b>10-Year</b>	<b>20-Year</b>
<b>Brown Endowment*</b>	<b>11.3%</b>	2.9%	13.1%	10.8%	9.5%
Aggregate Benchmark	<b>6.6%</b>	2.0%	9.8%	7.7%	7.3%
70-30 MSCI ACWI/Bloomberg Global Aggregate	<b>13.6%</b>	2.2%	7.0%	5.9%	6.4%
70-30 S&P 500/Bloomberg US Aggregate	<b>17.7%</b>	6.1%	10.5%	9.5%	8.3%
MSCI All-Country World (ACWI)	<b>19.4%</b>	5.4%	10.8%	8.4%	7.9%
MSCI All-Country World (ACWI) ex-US	<b>11.6%</b>	0.5%	5.5%	3.8%	5.8%
S&P 500 Index	<b>24.6%</b>	10.0%	15.0%	12.9%	10.3%

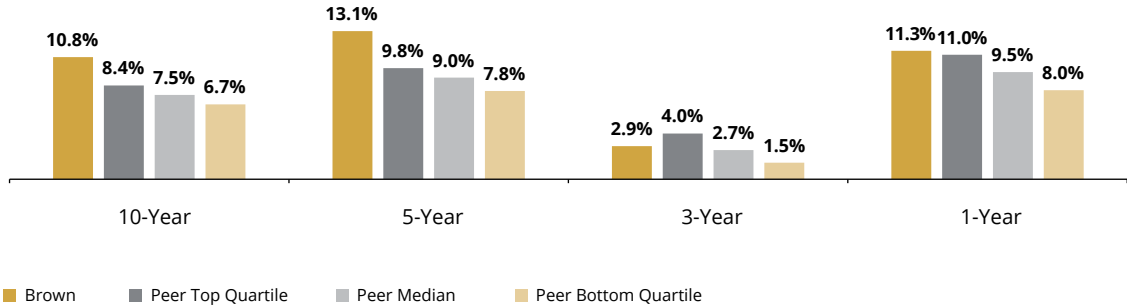
*\* FY24 final performance includes 98.7% of private 6/30/2024 valuations.*



### Peer Comparison and Internal Benchmark

The next comparison assesses the endowment in terms of peers. The Investment Office examines how Brown has fared against other institutions that also employ an active model. Data compiled by consultant Cambridge Associates indicates that Brown’s FY24 result falls within the first quartile of endowment and foundation peers. Once again, longer-term results suggest that Brown’s outcomes are exceptional. Over five- and 10-year terms, Brown’s investment results fall within the top 5% of peer results, in each case by a comfortable margin.

**Figure 15: Brown Performance vs. Peers Through FY24**  
*annualized, as reported by Cambridge Associates\**



*\*Peer quartiles based on Cambridge Associates preliminary data as of 11/1/2024.*

Finally, Brown also utilizes an internal benchmark — dubbed the Aggregate Benchmark — which serves to indicate whether the investment performance is driven primarily by Brown’s asset allocation or by its selection of managers within those asset class strategies. The Aggregate Benchmark is a hypothetical portfolio with an identical asset allocation to Brown’s portfolio, but with index-level returns from each asset class. So, when the Aggregate Benchmark outperforms a global 70/30 blend of stocks and bonds, that indicates that Brown’s asset allocation has created value. Further, when Brown’s actual endowment returns exceed the Aggregate Benchmark, that indicates that Brown’s investment managers are adding incremental value over and above the asset allocation. Happily, both can be said to be true. The Aggregate Benchmark trailed a global 70/30 portfolio in FY24 but has exceeded it over three-, five-, 10- and 20-year terms, and Brown’s endowment results have exceeded the Aggregate Benchmark in every time period measured.

### ASSET ALLOCATION

Investing in a diversified portfolio of assets is a foundational risk management technique for Brown’s endowment. Diversification across different asset classes, as well as strategies within those broadly defined asset classes, reduces the likelihood of a single event or market dynamic having excessive influence over the endowment’s investment performance. Asset classes can contain diverse strategies and approaches within them but nonetheless are useful organizational frameworks due to broad characteristics that describe the underlying securities in which the strategies invest.

Asset allocation does not have primacy, however, in how investments are selected at Brown. Investment strategies — run by specialized investment managers — are selected on the basis of a combination of skilled investors applying a competitive advantage to an inefficient market. Filters for the integrity of the manager and a comprehension of the potential externalities of the underlying business activities are applied rigorously. To this end, Brown has supported and encouraged the adoption of ESG principles (Environmental, Social and Governance considerations in business practices) precisely because they provide an increasingly robust vocabulary for discussing these externalities.

As a result, Brown’s asset allocation does not reveal a preference for particular asset classes. To take “private equity” as one example, Brown’s approach recognizes that there are high-risk and low-risk strategies within private equity, and there are high-integrity participants and low-integrity participants. Through rigorous due diligence, Brown makes its best effort to partner with ethical, talented investors with a

likelihood of generating attractive investment outcomes after accounting for risk. If a preponderance of those investment opportunities and partners are found within a particular asset class, then Brown will likely have a growing allocation there.

Diversification is most effective in terms of its role in risk mitigation when some asset classes produce strong results and others do not. This was not the case in FY24. The endowment benefitted from balanced growth across strategies, with meaningful contributions from every asset class.

## Public Equity

Fiscal Year 2024 was a second consecutive superb year for public equity markets. Like FY23, a small handful of enormous, U.S.-based technology companies dominated the indexes with surging stock prices. The strong outperformance of these few companies made keeping up with the benchmarks — always a challenging task — particularly difficult.

Brown's allocation to public equity strategies is \$971 million, or 13% of the portfolio. These investments generated returns of 13.5% for the fiscal year, trailing the 19.4% return of global stock markets, as reflected by the MSCI All Country World Index. This shortfall leaves obvious room for improvement, but is within the expected range of tracking error for Brown's portfolio. Brown's longer-term record in public equities demonstrates that outperforming global benchmarks is achievable. In Public Equities, more than in the other asset classes, low-cost index exposure frequently offers a compelling alternative to active management. Brown makes every effort to distinguish between less efficient markets where outperformance by active strategies is achievable, and more efficient markets where passive exposure has a high likelihood of producing the best results over time, due to the lower costs of passive investing.

## Absolute Return

Absolute Return strategies are investment partnerships that can buy and sell a broad array of securities in pursuit of returns, frequently employing some form of arbitrage to achieve desired investment results with a reduced-risk profile. By far the most common of these underlying securities is stocks, but they may also include commodities futures, currencies and other derivative instruments such as equity options.

The Absolute Return asset class has been the site of significant reorganization since a difficult period in 2022 revealed higher correlations and therefore higher implied risk than Brown's portfolio can comfortably tolerate. The industry itself is also undergoing substantial change, with the emergence of behemoth funds taking large market share and arguably impacting the behavior of stocks with the scale of their purchases and sales. For Brown, recent results are excellent. The \$1.5 billion portfolio generated \$200 million in profits, a return of 15.1%, substantially exceeding industry benchmarks. Today this asset class comprises 21% of the endowment.

## Private Equity

Private Equity encompasses strategies that invest in private or unlisted companies. In Venture Capital, this takes the form of investing in new companies in emerging industries or sectors that have the potential to generate a high return on invested capital. In Buyouts, the investment targets are typically mature companies seeking capital to catalyze faster, more efficient growth in earnings. Combined, these strategies make up 42% of the endowment's portfolio, split almost evenly.

The Private Equity industry has experienced decades of largely uninterrupted growth as institutional investors have steadily increased allocations. But that growth has stalled recently, marred by the most acute liquidity shortfall since 2008. The combination of a lack of an accommodating public market for new listings and the increase in the cost of debt that funds leveraged buyouts has reduced the timely distribution of profits sufficiently to inhibit new fundraising for the industry. After all, investors that are not receiving the proceeds of earlier investments can hardly be expected to allocate new capital.

**Figure 16: Endowment Asset Allocation as of June 30, 2024**  
*dollars in millions*

Asset Class	Market Value	% of Endowment
Public Equity	\$971	13%
Absolute Return	1,496	21%
Private Equity	3,044	42%
Real Assets	893	12%
<b>Asset Class</b>	<b>\$6,403</b>	<b>89%</b>
Fixed Income	\$486	7%
Hedges	0	0%
Cash and Receivables	340	5%
<b>Total Endowment</b>	<b>\$7,229</b>	<b>100%</b>

Brown has been investing in these strategies for multiple decades with excellent cumulative results. The portfolio is not immune to the liquidity dynamic impacting the industry, but in part due to lessons learned in prior cycles, Brown's Private Equity portfolio returned to generating profits this year in both Buyouts and Venture without excessive liquidity challenges. Brown's Private Equity asset class generated \$207 million of profits, a 7.6% return.

## Real Assets

Brown's Real Assets portfolio contains holdings in real estate and commodities, which amount to \$893 million. Real Estate has also been impacted by the rise in interest rates and endured the second year of a difficult cycle. Fortunately, Brown has avoided, for the most part, the most challenged parts of the real estate market. Further, Brown has opted to operate predominantly as a lender in its real estate investments, insulating it from the worst damage of changes in valuations. The commodities positions in Real Assets amount to hedges on two potential macro risks to the portfolio: significant potential shortages in industrial metals, and a potential crisis of confidence in the credibility of fiat currency. Combined, the Real Assets investments generated a 13.5% return for the fiscal year.

## Credit

Perhaps the most significant impact of the recent rise in interest rates for Brown's portfolio is the return of attractive investment opportunities in the credit arena. Considering that the endowment's contribution to the University is effectively fixed between 4.5% and 5.5%, the rise of interest rates to nearly that level created a considerable number of attractive investment opportunities in the lending space that generate ample returns and critically do so with lower levels of risk. The endowment will always have meaningful exposure to equity strategies due to their compounding nature, but the chance to invest in attractive debt instruments that aid the portfolio's liquidity through immediate and regular coupon payments was a positive development. As a result, Brown's Credit strategies now total \$486 million and generated profits of \$74 million during the year, a 16.5% return that substantially exceeds the relevant benchmarks due to skilled management by Brown's investment partners.

## IN CLOSING

Over the past 10 years, the endowment has generated \$4.9 billion in investment gains. It has also been the recipient of \$1.1 billion in deposits — predominantly gifts from generous donors — and contributed \$2 billion to the University operating budget. As a result, the endowment has grown from \$3.2 billion in 2014 to \$7.2 billion as of the end of FY24.

A significant portion of that growth came in FY21, an anomalous year that generated investment returns of \$2.4 billion. This was a welcome windfall for Brown's educational ambitions, but it created significant distortions in the portfolio's asset allocation and liquidity. A challenging two-year period ensued where the focus became the preservation of those gains and the re-ordering of a disordered portfolio construction. At the close of FY24, three years later, it is a privilege to report once again that Brown's endowment stands at a new all-time high, as does the level of support for the University's mission.

# Report on Fundraising

## Brown University Division of Advancement

Fiscal Year 2024 was the most successful fundraising year in Brown's history; for the first time, the University raised more than \$500 million. More than 32,700 donors contributed \$503.4 million in new gifts and commitments, an increase of \$27.3 million over the previous record established in FY22. The *BrownTogether* campaign totaled \$4.3 billion at the close of the fiscal year, with gifts from more than 74,000 members of the Brown community. In addition, the Brown Annual Fund crossed the \$50 million threshold for the third straight year, with a record-breaking \$51.1 million for immediate use.

Brown alumni led the way, contributing more than \$251 million of the total new gifts and pledges. Non-alumni parent giving surpassed \$100 million for the fourth straight year, contributing a record-breaking \$154.4 million in FY24, which included \$9.2 million directed to the Brown Annual Fund. Corporations and foundations fundraising totaled \$82.1 million in grants, awards and gifts to the University. New gifts and pledges to Brown Athletics and Recreation totaled \$17.5 million. New endowed funds for Brown Athletics were established for a Coaches Leadership Fund, the Ever True Men's Crew Coaching Position, the Dave Amato Wrestling Fund, and the Ever True Wrestling Coaching Position.

Figure 17: FY24 New Gifts and Pledges by Constituency

dollars in thousands

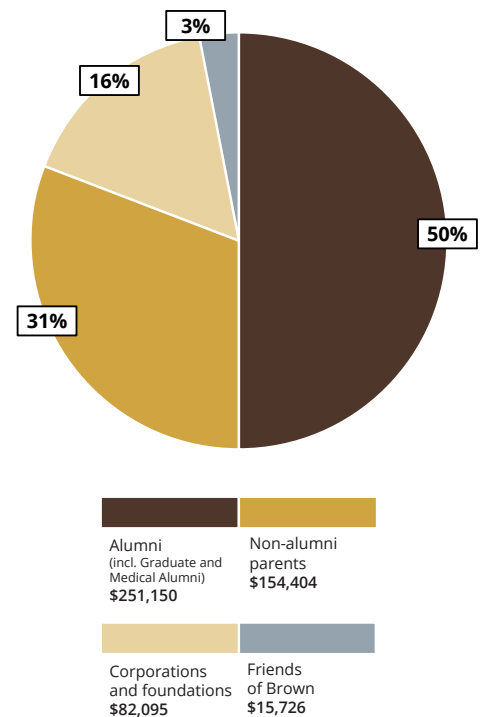
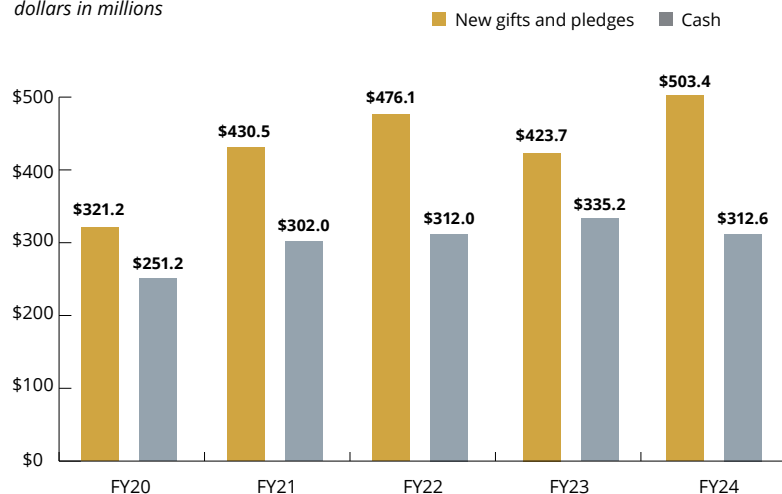


Figure 18: Fiscal Year 2024 Fundraising Results Comparison

dollars in millions



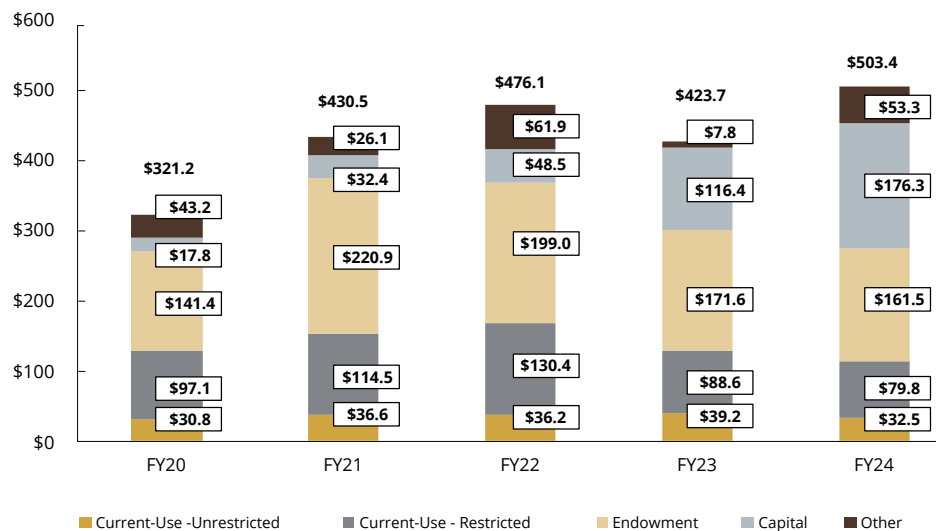


This remarkable level of support is inspired by the Brown community’s strong commitment to the way the University fulfills its mission of education and scholarly research. The philanthropic growth sustained each year and throughout the *BrownTogether* campaign has raised the sights for what is possible for Brown and the world-class faculty, accomplished students and dedicated staff members who support the full range of University academic and business operations. Despite a challenging fundraising year globally, giving at Brown kept pace with the University’s institutional aspirations and delivered a record-breaking level of new commitments.

Transformational gifts supported the integrated life sciences and enhancements to engineering labs and makerspaces. Donor support also drove major progress and initiatives across campus that include a new indoor turf facility, now under construction; a new model for career preparation and mentoring through the Brown Center for Career Exploration; and investments in academic excellence for the Robert J. and Nancy D. Carney Institute for Brain Science, the Institute at Brown for Environment and Society and the Center for Philosophy, Politics, and Economics.

The following sections provide notes of progress in key campaign extension priority areas during FY24. After reaching the initial *BrownTogether* fundraising goal of \$3 billion more than a year ahead of schedule, President Christina H. Paxson announced that the University would extend the campaign through December 2024, with the goal of raising an additional \$1 billion. The campaign, which was launched publicly in October 2015, supports the priorities outlined in the University’s strategic plan, *Building on Distinction: A New Plan for Brown*. Through the generosity of Brown’s alumni, parents, friends and community partners, the extension goal of \$4 billion was attained in February 2024.

**Figure 19: Gifts and Commitments by Purpose Fiscal Year Comparison**  
dollars in millions



## FINANCIAL AID

The University is committed to ensuring that financial concerns are not a barrier as the most promising students consider choosing Brown for their educational journey. Donors contributed more than \$41 million to undergraduate financial aid in FY24, including \$29.9 million for international student aid. During the *BrownTogether* campaign, more than \$550 million has been given in support of financial aid, which was the fastest growing area of the University’s operating budget over the last 10 years.

The support for financial aid made it possible to reach and surpass fundraising goals for three key financial aid programs. This includes the Brown Promise, which allowed the University to remove loans from all financial aid packages, for both domestic and international students; the International Financial Aid Endowment (Phase 1), which will allow the University to become one of only eight U.S. colleges that is need-blind for international undergraduates (meaning a student’s financial need is not considered when determining whether to admit them), beginning with the Class of 2029; and surpassing an ambitious \$25 million fundraising goal to permanently fund full scholarships for current and future generations of undergraduate student veterans as part of the Veterans Financial Aid Initiative.

## FACULTY

Although the University surpassed its campaign goal to raise funding for 123 endowed professorships in FY23, ongoing fundraising for endowed faculty positions remains a priority, as they allow Brown to recruit and retain both distinguished scholars and rising stars in a variety of academic fields. The total number of endowed faculty positions created during the *BrownTogether* campaign stood at 139 at the close of the fiscal year. In addition to a gift of \$5 million from an alumnus to endow the new associate provost for artificial intelligence, donors in FY24 created new endowments to support faculty in computer science, religious studies and economics, as well as two deanships.

## RESEARCH AND INNOVATION

Building a state-of-the art research facility for the life sciences is one of the key priorities outlined in the University’s *Operational Plan for Investing in Research*. Thanks to the generosity of donors, the William A. and Ami Kuan Danoff Life Sciences Laboratories will bring together biomedical investigators, engineers, physicians, computer scientists, applied mathematicians and entrepreneurs in new ways to discover cures and treatments for diseases and improve human health, in partnership with Brown’s affiliated health systems. To be located on Richmond Street in Providence’s Jewelry District — within close walking distance to Brown’s Warren Alpert Medical School, its labs at 225 Dyer St., the Laboratories for Molecular Medicine and Brown’s School of Professional Studies — the seven-story, 300,000-square-foot Danoff Laboratories will be the largest academic laboratory building in Rhode Island. The facility will become Brown’s first laboratory building powered by 100% renewable electricity and one of the first all-electric laboratory buildings in the region. The University is targeting a 2027 completion date for the project.

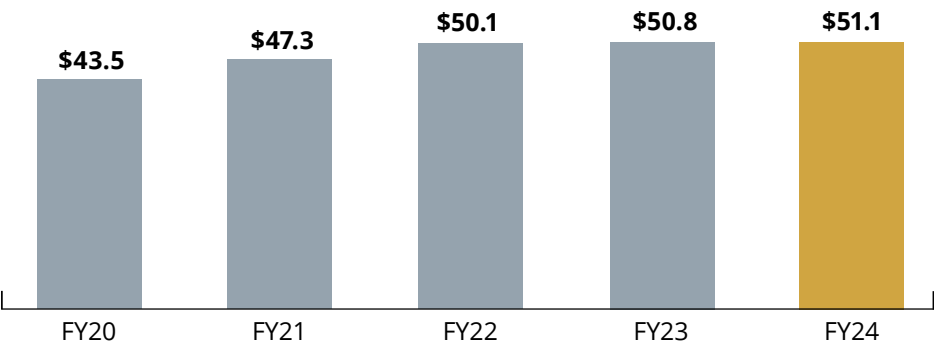
Donors also contributed to Brown’s plans to expand its research enterprise over the next five to seven years in other ways. A gift of \$5 million established an endowment for a biomedical collaborative research awards fund. Current-use leadership gifts directed seven-figure support to research and policy development on efforts to lower commercial pricing, a director’s fund for the Watson Institute for International and Public Affairs, the President’s Discretionary Fund and a new medical research fund.

Brown moved closer to the fundraising goal for reimagining the School of Engineering’s Prince Laboratory with two \$5 million gifts in FY24. The vision for the project is to create a space for Brown makers, engineers, entrepreneurs and artists from a range of concentrations to work collaboratively to advance their learning in a hands-on environment. Design and architect selection commenced in FY24 for the project to renovate Prince Lab. Brown’s Master of Arts in Design Engineering, a joint program with the Rhode Island School of Design, and the Master of Innovation Management and Entrepreneurship program will benefit greatly from this collaborative learning space.

## BROWN ANNUAL FUND

The Brown Annual Fund family of funds — which in FY24 included The Brown Fund, three professional school funds, the Athletics Annual Fund and four targeted impact funds — crossed the \$50 million threshold for the third straight year. By the end of fiscal year, 29,815 donors had contributed \$51.1 million. This total included \$34.9 million in unrestricted, immediate-use funding through The Brown Fund, as well as record-breaking totals for the Brown Medical Annual Fund, the School of Public Health and the Inman Page Black Alumni Council Brown Annual Fund Scholarship (IPC BAF scholarship).

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



The Athletics Annual Fund achieved new highs in dollars and donors of \$7.6 million from 8,642 donors, with Bruno Gives Back Day, a 24-hour giving event for Athletics held in October 2023, contributing a record-breaking \$3.5 million to these results.

Both the Brown Medical Annual Fund and the School of Engineering Annual Fund topped the \$1 million mark for the third straight year, raising \$1.4 million and \$1.1 million respectively. Gifts to the School of Public Health totaled \$890,000, an increase of 80% over the previous high for the school in FY22. The BrownConnect Fund received more than \$906,000 in gifts to provide stipends and summer earnings waivers to undergraduates receiving financial aid who pursue low- or no-pay internships and research opportunities.

The Pathways to Diversity and Inclusion Fund raised more than \$970,000. This provides financial resources to support a broad range of priorities, including emergency funds for low-income undergraduate students, the centers that provide resources and mentorship for students from diverse communities, and other programs that build and sustain a diverse and inclusive community at Brown. The IPC BAF Scholarship, which provides financial aid with a preference for Black and African American undergraduates, raised \$1.05 million, with a 52.3% increase in donors. Created to commemorate the 50th anniversary of the Black Student Walkout of 1968, the IPC BAF Scholarship is a key part of the University's focused efforts to cultivate a fully diverse and inclusive Brown.

Robust participation in special giving days also contributed to the Brown Annual Fund's extraordinary results. The second annual I Heart Brown Day, held on November 14, 2023, raised more than \$2.6 million from 2,966 donors, and Brunonians Pay It Forward Day in April 2024 once again surpassed \$2.5 million in giving. Giving days help to bring focus to Brown's strong case for support while energizing the community to unite around shared institutional values and pride in the University's important academic mission.

As the *BrownTogether* campaign approaches the finish line, the culture of philanthropy at Brown continues to grow. The University community continues to demonstrate its generosity every year through gifts at all levels. The excellence of Brown's academic programs, the innovation and collaboration inherent in its far-reaching research enterprise, and the accessibility of a Brown education for the most accomplished students from around the world are made possible through loyal annual support. The tremendous success of *BrownTogether* has provided the University with significant new resources and signals continued momentum for the University's future.

# Research Report

## Brown University Division of Research

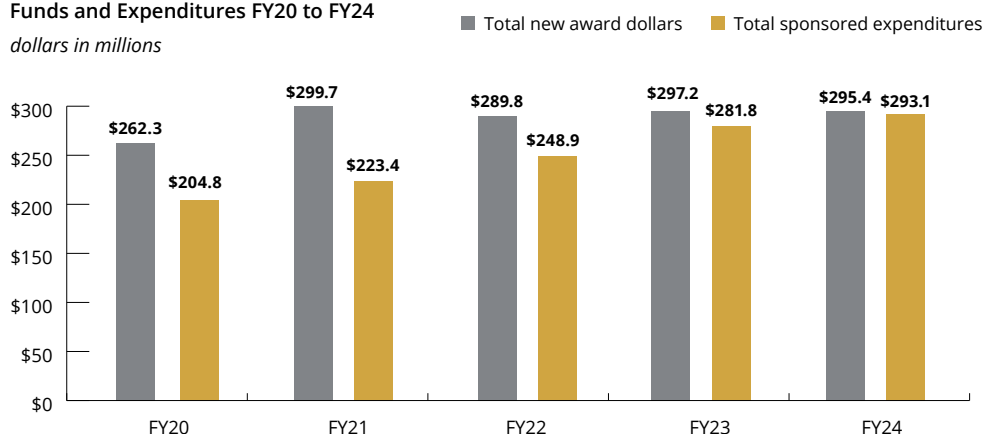
Fiscal Year 2024 was another outstanding year in research growth for Brown. Research expenditures grew to \$293.1 million, up from \$281.8 million in the previous fiscal year. In addition, researchers and scholars received 1,314 research awards, and new award dollars totaled \$295.4 million. A later section of this report offers highlights of these awards.

Brown has experienced near-steady growth of new award dollars and sponsored expenditures, trending upward over a period of five years in both categories from FY20 to FY24, as shown in Figure 21. The total award category remains sensitive to large major awards coming into the University every year, which occurs on an inconsistent basis and contributes to ups and downs over time.

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

**Figure 21: Total University Research Award Funds and Expenditures FY20 to FY24**

*dollars in millions*



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

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

In line with the *Operational Plan for Investing in Research*, released by the University in October 2022, Brown is charting new paths to propel research across all fields of study to new levels of excellence. This report identifies areas of increasing investment as Brown continues to expand its research enterprise.

The first part of the report focuses on areas of new collaboration as the University continues to build its infrastructure for securing and allocating financial resources that allow researchers to scale the impact of their efforts in partnership with other scientists and scholars. A defining hallmark of research at Brown is collaboration that transcends traditional boundaries, confronting complex scientific and societal challenges with a diverse range of perspectives, insights and expertise. Throughout FY24, this collaborative culture was evident in efforts to partner with other institutions, industry and local communities.

The last section of this report offers highlights of research grants spanning a range of disciplines and fields of study across the University. Brown is building on the existing strengths of its research enterprise to positively impact individuals and populations locally, regionally and around the world.

## FUNDING BIOMEDICAL INNOVATION THROUGH A NEW CATALYST HUB

In the middle of FY24, Brown announced that the University joined a federally supported investor catalyst group that aims to turn biomedical ideas into solutions. Brown was selected as one of the inaugural “spokes,” or members, of the Investor Catalyst Hub of ARPANET-H. This is the national health innovation network for the Advanced Research Projects Agency for Health (ARPA-H), the U.S. government’s biomedical research agency.

The goal of the Boston-based regional collaboration of investors, entrepreneurs and researchers is to speed the transition of innovative ideas into practical, accessible health solutions to benefit people and patients across the country. Spoke organizations gain access to potential funding and flexible contracting for faster award execution than traditional government contracts. The national Consolidated Appropriations Act of 2023 allocated \$1.5 billion to ARPA-H through the Department of Health and Human Services. Alongside Brown, the Investor Catalyst Hub comprises leading academic institutions, companies, investors and government groups. It is managed by VentureWell, a nonprofit organization based in Cambridge, Massachusetts, that funds and trains STEM innovators and entrepreneurs.

Membership in the Investor Catalyst Hub furthers Brown’s goals to invest in high-impact research. As part of the roadmap for strengthening life sciences research, the University has committed to invest in innovation. That includes helping Brown faculty take their discoveries from the lab to clinical impact, and supporting them with resources and mentorship to translate their resulting discoveries into solutions.

Brown’s role as a partner in the Investor Catalyst Hub offers access to funding from the federal government as well as the private sector. It also provides faculty researchers access to advance information on potential new ARPA-H programs where funding may be available, in addition to opportunities to engage with thought leaders and innovators in biotechnology and biopharmaceutical venture capitalists. These stakeholders can then facilitate the development of faculty members’ technologies.

## ADDRESSING CLIMATE RESILIENCE THROUGH AN NSF-FUNDED COLLABORATIVE

Supported by a federal grant awarded in FY24 by the National Science Foundation (NSF), a Brown-led team will create a set of tools and convene experts to address climate change-related challenges faced by low-lying communities along the New England coast. The NSF grant is expected to total approximately \$6 million over five years.

The team will include eight faculty members from Brown as well as 21 researchers from University of Rhode Island, Rhode Island College, University of New Hampshire, Gulf of Maine Research Institute and the Northeastern Regional Association of Coastal Ocean Observing Systems. The group will be led by Brown researchers in the Institute at Brown for Environment and Society and the Department of Earth, Environmental and Planetary Sciences.

The team plans to initially work with four coastal communities in New England — one industrial port and one commercial fishing port in both Rhode Island and Maine — but eventually they hope to bring solutions from these pilot communities to the entire New England coast and beyond. The goal is to create a set of systems and establish a network of experts that members of these communities can turn to for help developing strategies to become more resilient to climate change, including tools for data collection and predicting rising water levels.

The project will be known as 3CRS — Community-driven Coastal Climate Research and Solutions. The work will be part of the NSF’s Established Program to Stimulate Competitive Research (EPSCoR) program, which aims to strengthen states’ research competitiveness and fund workforce development initiatives.

The hub seeks to depart from fragmented approaches to coastal resilience. Historically, coastal communities — sometimes in connection with their research institutions — work in isolation to find strategies for climate resilience. The concept for the hub is to help communities share data, tools and human infrastructure to essentially accelerate the development of strategies and solutions. It brings together varied expertise, particularly in smaller communities that might lack that expertise.

The pilot communities the researchers will work with are the Port of Providence and the Port of Galilee in Narragansett, Rhode Island, as well as ports in Rockland and Bath, Maine. Each is part of a larger municipality and includes people and groups whose livelihood, property or business connect them with the coast.

## BUILDING INVESTMENT IN A LIFE SCIENCES ECOSYSTEM

Three initiatives in FY24 strengthened Brown’s investment in research in the life sciences. Brown 1) enhanced its affiliation agreement with Lifespan, Rhode Island’s largest health system; 2) continued work to align research operations with Brown’s Warren Alpert Medical School, Lifespan and Care New England, the state’s second largest health system; and 3) secured additional investment to move forward with design and architect selection for constructing the largest academic laboratory building in the state.

First, through a set of expanded affiliation agreements with Lifespan, the two organizations seek to strengthen top-quality patient care, medical education and biomedical research in Rhode Island. As part of the agreements announced in June 2024, Lifespan changed its name to Brown University Health in October, enhancing its ability to recruit and retain world-class physicians and reflecting a deeper alignment between Lifespan's clinical care and Brown's academic and research focus.

The agreements include reciprocal financial investments between Lifespan and Brown, which continue as separate, independent organizations. A \$15 million to \$25 million annual investment from Brown to Lifespan, totaling \$150 million over seven years, will be devoted to strengthening Lifespan's financial capacity to sustain and advance the shared academic mission of the two organizations. Following that period, Lifespan will invest \$15 million annually to support the Warren Alpert Medical School's education and research efforts.

Separately, the University continued its work this year to align the research operations of Brown's Division of Biology and Medicine, which includes the medical school, with Rhode Island's two largest health systems. This will help the medical school, Lifespan and Care New England compete for larger funding opportunities by combining strengths in state-of-the-art research infrastructure, core facilities and specialized equipment.

Brown and the health systems in 2022 signed an aligned research agreement to create what is now called the Brown Innovation and Research Collaborative for Health, or BIRCH. In January 2024, Brown's Vice President for Research became a voting member of BIRCH's Joint Executive Council. Strengthening the unified operation is intended to spur research programs that have high potential to translate into patient therapies and interventions. BIRCH aims to do this by strengthening connections between the basic sciences and clinical research.

Financially, Brown, Lifespan and Care New England each continue to support their own research enterprise at funding levels predating the aligned research agreement, and Brown committed to investing an additional \$20 million to \$25 million once the aligned research agreement is fully operationalized. Work will continue to operationalize BIRCH's bold aspirations to create a unified enterprise that leverages the strengths of each institution in the coming year.

Finally, Brown announced that a generous gift will name its planned state-of-the-art facility for integrated life sciences research the William A. and Ami Kuan Danoff Life Sciences Laboratories. Upon completion, the seven-story, 300,000-square-foot building — to be referred to commonly as Danoff Laboratories — will become the largest academic laboratory building in Rhode Island.

It will convene scientists across multiple fields of study to solve complex, interconnected health and medical challenges, expand Brown's slate of research facilities and serve as a catalyst for economic growth in Providence's Jewelry District. With a new state-of-the-art research facility, Brown will work to develop new therapeutics, interventions and diagnostic tools in areas where the University has established a strong foundation for progress — including aging, oncology, brain science and infectious disease. This investment in Brown's life sciences is also noted in the Fundraising Report section of this FY24 Financial Report.

Through a range of investments in life sciences initiatives in FY24, biomedical experimentalists, engineers, physicians, computer scientists, applied mathematicians and entrepreneurs worked closely together to create stronger partnerships between Brown and the biotech sector, accelerate the timeline to clinical impact, and forge greater alignment between Brown and major health systems to improve the health of patients and communities.

## FISCAL YEAR 2024 RESEARCH GRANT HIGHLIGHTS

In FY24 researchers and scholars received five grants greater than \$5 million, totaling \$32.7 million; 26 grants between \$3 million and \$5 million, totaling \$110 million; and 83 grants between \$1 million and \$3 million, totaling \$212.9 million. The list below represents a sampling of significant and high-impact research grants across the life sciences, physical sciences, arts, humanities and social sciences.

The funding includes significant grants spanning federal and nonfederal sources for academic and administrative research and programs.

- \$7.5 million to Earth, Environmental and Planetary Sciences from the National Aeronautics and Space Administration (NASA) for collaborative research into lunar structure, composition and processes for exploration (LunaSCOPE)
- \$6 million to the Carney Institute for Brain Science from the National Institute of General Medical Sciences for a five-year renewal of the Centers of Biomedical Research Excellence (COBRE) Center for Central Nervous System Function Phase 3
- \$6 million to the Institute at Brown for Environment and Society from the National Science Foundation for research into community-driven coastal climate research and solutions for the resilience of New England coastal populations
- \$5 million to Psychiatry and Human Behavior from the National Institute of Mental Health for research into social media use, sleep, and suicidality in adolescents



- \$4 million to Molecular Microbiology and Immunology from the National Heart, Lung and Blood Institute to research the central role of Caspase-8 in control of host tolerance and resistance mechanisms in pulmonary macrophage populations during severe respiratory infections
- \$4 million to Neuroscience from the National Institute of Neurological Disorders and Stroke to research dissemination of the Human Neocortical Neurosolver (HNN) software for circuit level interpretation of human MEG/EEG
- \$3.8 million to the Center for Alcohol and Addiction Studies from the National Institute on Alcohol Abuse and Alcoholism for research on the effect of cannabis use on alcohol craving and consumption among those in alcohol treatment
- \$3.7 million to the Center for Epidemiologic Research from the National Institute of Environmental Health Science for research into perfluoroalkyl substances and the risk of kidney cancer in U.S. men and women
- \$3.4 million to the School of Engineering from the Army Research Office to research a cryogenic magnetic camera for real-time trapped flux vortex dynamics in superconducting electronics
- \$3.2 million to the Mindfulness Research Center from the National Center for Complementary and Integrative Health for research into advancing resources for systemic reviews and meta-analyses of mindfulness-based interventions
- \$3.1 million to the Center for Gerontology and Health Care Research from the National Institute on Aging for research into whether memory care in assisted living improves quality outcomes
- \$3.1 million to Molecular Biology, Cell Biology and Biochemistry from the National Institute of Neurological Disorders and Stroke for research into genetic and functional mechanisms in citrate transporter disorder associated with SLC13A5
- \$3 million to Neuroscience from the National Institute of Neurological Disorders and Stroke for research into chemigenetic voltage indicators for far-red and two-photon imaging in vivo
- \$2.8 million to the School of Engineering from the Office of Naval Research for collaborative research into undersea vehicle science and technologies, specifically multifunctional structural batteries, materials for extreme environments and multi-metal additive manufacturing
- \$2.7 million to Molecular Biology, Cell Biology and Biochemistry from the National Institute on Aging for research into METTL3 in regulation of the aging process
- \$2.6 million to Molecular Biology, Cell Biology and Biochemistry from the National Heart, Lung and Blood Institute for research into post-transcriptional regulation of cardiac hypertrophy
- \$2.5 million to Cognitive and Psychological Sciences from the Office of Naval Research for research into brain-inspired deep learning models of visual reasoning
- \$2.2 million to Molecular Biology, Cell Biology and Biochemistry from the National Institute of General Medical Sciences for research into the coregulation of genes by pioneer transcription factors and noncoding RNAs
- \$1.7 million to Computer Science from the Office of Naval Research for robotics research into long-term underwater autonomy
- \$1.1 million to the Annenberg Institute from the Bill and Melinda Gates Foundation for the Evidence Exchange Planning Grant
- \$1 million to the School of Engineering from the Office of Naval Research for research into revealing the decadal and seasonal evolution of ocean eddies under arctic sea ice
- \$850,000 to the Watson Institute for International and Public Affairs from the Carnegie Corporation of New York for the Costs of War Project
- \$750,000 to the Annenberg Institute from Ascendium for research into innovations in proactive communication and support for STEM success, specifically implementation and impact of a course-specific text message chatbot in introductory undergraduate chemistry
- \$300,000 to Education from the Barr Foundation to develop a pilot program to strengthen retention and training for recent Brown master of arts in teaching (MAT) graduates teaching in Providence, Central Falls and Pawtucket

Figure 22: Total Research Awards FY20 to FY24

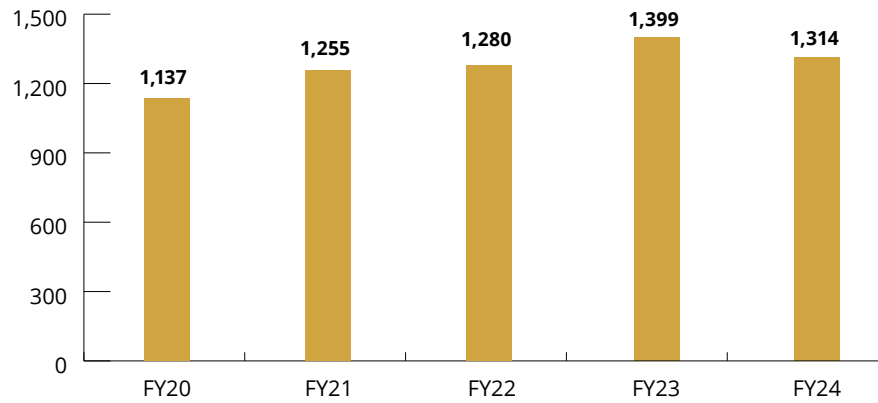


Figure 22 shows that the number of grants and awards Brown researchers received grew from 1,137 awards in FY20 to 1,314 in FY24. For the past three years, grant revenue has continued to be the University’s second largest source of revenue behind student tuition and fees. Brown remains committed to supporting faculty and students in all aspects of their research activities — from the conception of new ideas through the dissemination of the knowledge they create.

The University continues to prioritize improvements to tools and resources, systems, and operations to make conducting research at Brown easier for faculty, and for the staff who support research. This includes processes for applying for and securing grant funds and providing more support for developing major grant proposals.

**Editing and Design**  
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**President's Letter**  
Office of the President

**Finance and Budgeting Report**  
Finance Division

**Endowment Report**  
Investment Office

**Fundraising Report**  
Division of Advancement

**Research Report**  
Division of Research



## ABOUT THE COVER

The front cover is a detail of the three-story solar system mural inside the Lincoln Field Building, home of the Department of Earth, Environmental and Planetary Sciences. The mural was designed by Kennedy and Violich Architecture. (Photo Credit: Nick Dentamaro)

## **Brown University Annual Financial Report Fiscal Year 2024**

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