STATEMENT OF ACTIVITY & CASH FLOWS*

FOR THE	FISCAL	YEAR	ENDED	JUNE	30,
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MBA Tuition & Fees \$ 127 \$ 120 Executive Education Tuition 176 168 Publishing 217 203 Endowment Distribution 138 127 Unrestricted, Current Use Gifts 40 36 Restricted, Current Use Gifts 32 27 HBX 10 5 Housing, Rents, Interest Income, & Other 21 21 Total Revenues \$ 761 \$ 707 Expenses \$ 309 \$ 294 Publishing & Printing 70 65 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34	2014	2015	2016	Revenues (in millions)	
Publishing 217 203 Endowment Distribution 138 127 Unrestricted, Current Use Gifts 40 36 Restricted, Current Use Gifts 32 27 HBX 10 5 Housing, Rents, Interest Income, & Other 21 21 Total Revenues \$761 \$707 Expenses \$761 \$707 Expenses \$761 \$707 Expenses \$761 \$707 Expenses \$284 \$294 Publishing & Printing 70 65 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Dept reciation 38 34 Other Expenses \$704 \$660 Cash from Operations \$57 \$47 Depreciation <	\$ 113	\$ 120	\$ 127	MBA Tuition & Fees	
Endowment Distribution 138 127 Unrestricted, Current Use Gifts 40 36 Restricted, Current Use Gifts 32 27 HBX 10 5 Housing, Rents, Interest Income, & Other 21 21 Total Revenues \$ 761 \$ 707 Expenses \$ 761 \$ 707 Expenses \$ 761 \$ 707 Expenses \$ 700 65 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — — — Cash Available for Capital Activities \$ 95 \$ 81	163	168	176	Executive Education Tuition	
Unrestricted, Current Use Gifts 40 36 Restricted, Current Use Gifts 32 27 HBX 10 5 Housing, Rents, Interest Income, & Other 21 21 Total Revenues \$ 761 \$ 707 Expenses Expenses Salaries & Benefits \$ 309 \$ 294 Publishing & Printing 70 65 Space & Occupancy 62 68 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81	194	203	217	Publishing	
Restricted, Current Use Gifts 32 27 HBX 10 5 Housing, Rents, Interest Income, & Other 21 21 Total Revenues \$ 761 \$ 707 Expenses \$ 761 \$ 707 Expenses \$ 309 \$ 294 Publishing & Printing 70 65 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9)	123	127	138	Endowment Distribution	
HBX	28	36	40	Unrestricted, Current Use Gifts	
Housing, Rents, Interest Income, & Other 21 21 21 Total Revenues \$ 761 \$ 707 \$	37	27	32	Restricted, Current Use Gifts	
Total Revenues \$ 761 \$ 707 Expenses \$ 309 \$ 294 Publishing & Printing 70 65 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7	_	5	10	HBX	
Salaries & Benefits \$309 \$294	18	21	21	Housing, Rents, Interest Income, & Other	
Salaries & Benefits \$ 309 \$ 294 Publishing & Printing 70 65 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) <	\$ 676	\$ 707	\$ 761	Total Revenues	
Publishing & Printing 70 65 Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Capital Expenses \$ (113) \$ (81) Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3				Expenses	
Space & Occupancy 62 68 Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments	\$ 276	\$ 294	\$ 309	Salaries & Benefits	
Supplies & Equipment 14 7 Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Capital Expenses \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7)	66	65	70	Publishing & Printing	
Professional Services 65 52 Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	66	68	62	Space & Occupancy	
Fellowships 47 44 University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Other Non-Reserve Activity (7) 2	4	7	14	Supplies & Equipment	
University Assessments 22 20 Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	57	52	65	Professional Services	
Debt Service 4 5 Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	43	44	47	Fellowships	
Depreciation 38 34 Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	19	20	22	University Assessments	
Other Expenses 73 71 Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	5	5	4	Debt Service	
Total Expenses \$ 704 \$ 660 Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	33	34	38	Depreciation	
Cash from Operations \$ 57 \$ 47 Depreciation 38 34 Non-Cash Items — — Cash Available for Capital Activities \$ 95 \$ 81 Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	76	71	73	Other Expenses	
Depreciation3834Non-Cash Items——Cash Available for Capital Activities\$ 95\$ 81Capital Expenses\$ (113)\$ (81)Change in Capital Project Pre-Funding(12)(9)Use of Gifts for Capital Projects2038Net Capital Expenses\$ (105)\$ (52)New Borrowings\$ 0\$ 0Debt Principal Payments(7)(7)Capitalization of Endowment Income(3)(3)Decapitalization of Endowments55Other Non-Reserve Activity(7)2	\$ 645	\$ 660	\$ 704	Total Expenses	
Depreciation3834Non-Cash Items——Cash Available for Capital Activities\$ 95\$ 81Capital Expenses\$ (113)\$ (81)Change in Capital Project Pre-Funding(12)(9)Use of Gifts for Capital Projects2038Net Capital Expenses\$ (105)\$ (52)New Borrowings\$ 0\$ 0Debt Principal Payments(7)(7)Capitalization of Endowment Income(3)(3)Decapitalization of Endowments55Other Non-Reserve Activity(7)2	\$ 31	\$ 47	\$ 57	Cash from Operations	
Non-Cash Items——Cash Available for Capital Activities\$ 95\$ 81Capital Expenses\$ (113)\$ (81)Change in Capital Project Pre-Funding(12)(9)Use of Gifts for Capital Projects2038Net Capital Expenses\$ (105)\$ (52)New Borrowings\$ 0\$ 0Debt Principal Payments(7)(7)Capitalization of Endowment Income(3)(3)Decapitalization of Endowments55Other Non-Reserve Activity(7)2	33	•			
Capital Expenses \$ (113) \$ (81) Change in Capital Project Pre-Funding (12) (9) Use of Gifts for Capital Projects 20 38 Net Capital Expenses \$ (105) \$ (52) New Borrowings \$ 0 \$ 0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	9	_	_		
Change in Capital Project Pre-Funding Use of Gifts for Capital Projects(12)(9)Net Capital Expenses\$ (105)\$ (52)New Borrowings Debt Principal Payments Capitalization of Endowment Income Decapitalization of Endowments(7)(7)Capitalization of Endowments Other Non-Reserve Activity55	\$ 73	\$ 81	\$ 95	Cash Available for Capital Activities	
Change in Capital Project Pre-Funding Use of Gifts for Capital Projects(12)(9)Net Capital Expenses\$ (105)\$ (52)New Borrowings Debt Principal Payments Capitalization of Endowment Income Decapitalization of Endowments(7)(7)Capitalization of Endowments Other Non-Reserve Activity55	\$ (92)	\$ (81)	\$ (113)	Canital Expenses	
Use of Gifts for Capital Projects2038Net Capital Expenses\$ (105)\$ (52)New Borrowings\$ 0\$ 0Debt Principal Payments(7)(7)Capitalization of Endowment Income(3)(3)Decapitalization of Endowments55Other Non-Reserve Activity(7)2	16				
New Borrowings \$0 \$0 Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	17				
Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	\$ (59)	\$ (52)	\$ (105)	Net Capital Expenses	
Debt Principal Payments (7) (7) Capitalization of Endowment Income (3) (3) Decapitalization of Endowments 5 5 Other Non-Reserve Activity (7) 2	\$ 0	\$ O	\$ 0	New Borrowings	
Capitalization of Endowment Income Capitalization of Endowments Solver Non-Reserve Activity (7) 2	(6)				
Decapitalization of Endowments 5 Other Non-Reserve Activity (7) 2	(5)				
Other Non-Reserve Activity (7) 2	21				
Changes in Debt & Other \$ (12) \$ (3)	(8)	2	(7)		
	\$ 2	\$ (3)	\$ (12)	Changes in Debt & Other	
Increase (Decrease) in Reserves \$ (22) \$ 26	\$ 16	\$ 26	\$ (22)	Increase (Decrease) in Reserves	
Beginning Reserves Balance \$ 125 \$ 99	\$ 83				
Ending Reserves Balance \$ 103 \$ 125	\$ 99				

CONSOLIDATED BALANCE SHEET

FOR THE FISCAL YEAR ENDED JUNE 30,

Assets (in millions)	2016	2015	2014
Cash	\$ 61	\$ 62	\$ 44
Reserves	103	125	99
Receivables, Loans, & Other Assets	475	463	475
Invested Funds:			
Endowment Investments	2,928	3,076	2,970
Current Fund Investments	107	93	96
Interest in Trusts Held by Others	146	154	158
Facilities, Net	688	614	567
Total Assets	\$ 4,508	\$ 4,587	\$ 4,409
Liabilities			
Deposits, Advances, & Other	\$ 76	\$ 64	\$ 60
Deferred Revenue	126	110	88
Other Debt Owed to University	24	26	27
Building Debt	71	78	85
Total Liabilities	\$ 297	\$ 278	\$ 260
Net Assets			
Reserves	\$ 103	\$ 125	\$ 99
Undistributed Income & Other	11	13	16
Pledge Balances	288	301	317
Student Loan Funds	11	11	11
Investment in Facilities	617	536	482
Endowment & Current Use Funds	3,181	3,323	3,224
Total Net Assets	\$ 4,211	\$ 4,309	\$ 4,149
Total Liabilities + Net Assets	\$ 4,508	\$ 4,587	\$ 4,409

^{*} In pursuit of greater comparability across the Harvard schools, the University has asked all the schools to report their net results in accordance with generally accepted accounting principles (GAAP) in the United States. In addition to results for fiscal 2016, the School's results for fiscal years 2014 and 2015 are presented in accordance with GAAP within the Statement of Activity and Cash Flows on page 24.