

# STATEMENT OF ACTIVITY & CASH FLOWS\*

FOR THE FISCAL YEAR ENDED JUNE 30,

Revenues (in millions)	2019	2018	2017
MBA Tuition & Fees	\$ 140	\$ 138	\$ 133
Executive Education Tuition	222	207	191
Publishing	262	240	221
Endowment Distribution	162	150	146
Unrestricted, Current Use Gifts	40	44	42
Restricted, Current Use Gifts	28	35	32
HBS Online	43	19	12
Housing, Rents, Interest Income, & Other	28	23	23
<b>Total Revenues</b>	<b>\$ 925</b>	<b>\$ 856</b>	<b>\$ 800</b>
<b>Expenses</b>			
Salaries & Benefits	\$ 359	\$ 340	\$ 327
Publishing & Printing	77	74	70
Space & Occupancy	72	71	68
Supplies & Equipment	13	12	12
Professional Services	72	68	63
Fellowships	51	50	48
University Assessments	26	24	24
Debt Service	3	3	4
Depreciation	46	42	40
Other Expenses	102	82	75
<b>Total Expenses</b>	<b>\$ 821</b>	<b>\$ 766</b>	<b>\$ 731</b>
Cash from Operations	\$ 104	\$ 90	\$ 69
Depreciation	46	42	40
Non-Cash Items	—	—	1
<b>Cash Available for Capital Activities</b>	<b>\$ 150</b>	<b>\$ 132</b>	<b>\$ 110</b>
Capital Expenses	\$ (38)	\$ (92)	\$ (78)
Change in Capital Project Pre-Funding	(3)	10	19
Use of Gifts for Capital Projects	6	3	51
<b>Net Capital Expenses</b>	<b>\$ (35)</b>	<b>\$ (79)</b>	<b>\$ (8)</b>
New Borrowings	\$ 0	\$ 0	\$ 0
Debt Principal Payments	(9)	(8)	(8)
Capitalization of Endowment Income	(2)	(2)	(4)
Decapitalization of Endowments	2	3	3
Other Non-Reserve Activity	(95)	(73)	(51)
<b>Changes in Debt &amp; Other</b>	<b>\$ (104)</b>	<b>\$ (80)</b>	<b>\$ (60)</b>
<b>Increase (Decrease) in Reserves</b>	<b>\$ 11</b>	<b>\$ (27)</b>	<b>\$ 42</b>
<b>Beginning Reserves Balance</b>	<b>\$ 118</b>	<b>\$ 145</b>	<b>\$ 103</b>
<b>Ending Reserves Balance</b>	<b>\$ 129</b>	<b>\$ 118</b>	<b>\$ 145</b>

# CONSOLIDATED BALANCE SHEET

FOR THE FISCAL YEAR ENDED JUNE 30,

<b>Assets</b> (in millions)	<b>2019</b>	<b>2018</b>	<b>2017</b>
Cash	\$ 105	\$ 89	\$ 80
Current Use Reserves	129	118	145
Receivables, Loans, & Other Assets	215	214	177
Invested Funds:			
Endowment	3,675	3,453	3,140
Endowment Interest in Trusts Held by Others	169	164	157
Endowment Pledges	138	166	168
Undistributed General Investment Income	3	4	7
Current Use Investments	75	75	72
Current Use Pledges	145	151	151
Facilities, Net	766	774	724
<b>Total Assets</b>	<b>\$ 5,420</b>	<b>\$ 5,208</b>	<b>\$ 4,821</b>
<b>Liabilities</b>			
Deposits, Advances, & Other	\$ 95	\$ 82	\$ 69
Deferred Revenue	183	181	150
Other Debt Owed to University	31	27	26
Building Debt	46	55	64
<b>Total Liabilities</b>	<b>\$ 355</b>	<b>\$ 345</b>	<b>\$ 309</b>
<b>Net Assets</b>			
Current Use Reserves	\$ 129	\$ 118	\$ 145
Endowment Funds	3,985	3,787	3,472
Current Use Funds	220	226	223
Unexpended Endowment Income	1	1	1
Student Loan Funds	10	12	11
Investment in Facilities	720	719	660
<b>Total Net Assets</b>	<b>\$ 5,065</b>	<b>\$ 4,863</b>	<b>\$ 4,512</b>
<b>Total Liabilities + Net Assets</b>	<b>\$ 5,420</b>	<b>\$ 5,208</b>	<b>\$ 4,821</b>

\* 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 2019, the School's results for fiscal years 2017 and 2018 are presented in accordance with GAAP within the Statement of Activity and Cash Flows on the opposite page.