

STATEMENT OF ACTIVITY & CASH FLOWS*

FOR THE FISCAL YEAR ENDED JUNE 30,

Revenues (in millions)	2017	2016	2015
MBA Tuition & Fees	\$ 133	\$ 127	\$ 120
Executive Education Tuition	191	176	168
Publishing	221	217	203
Endowment Distribution	146	138	127
Unrestricted, Current Use Gifts	42	40	36
Restricted, Current Use Gifts	32	32	27
HBX	12	10	5
Housing, Rents, Interest Income, & Other	23	21	21
Total Revenues	\$ 800	\$ 761	\$ 707
Expenses			
Salaries & Benefits	\$ 327	\$ 309	\$ 294
Publishing & Printing	70	70	65
Space & Occupancy	68	62	68
Supplies & Equipment	12	14	7
Professional Services	63	65	52
Fellowships	48	47	44
University Assessments	24	22	20
Debt Service	4	4	5
Depreciation	40	38	34
Other Expenses	75	73	71
Total Expenses	\$ 731	\$ 704	\$ 660
Cash from Operations	\$ 69	\$ 57	\$ 47
Depreciation	40	38	34
Non-Cash Items	1	—	—
Cash Available for Capital Activities	\$ 110	\$ 95	\$ 81
Capital Expenses	\$ (78)	\$ (113)	\$ (81)
Change in Capital Project Pre-Funding	19	(12)	(9)
Use of Gifts for Capital Projects	51	20	38
Net Capital Expenses	\$ (8)	\$ (105)	\$ (52)
New Borrowings	\$ 0	\$ 0	\$ 0
Debt Principal Payments	(8)	(7)	(7)
Capitalization of Endowment Income	(4)	(3)	(3)
Decapitalization of Endowments	3	5	5
Other Non-Reserve Activity	(51)	(7)	2
Changes in Debt & Other	\$ (60)	\$ (12)	\$ (3)
Increase (Decrease) in Reserves	\$ 42	\$ (22)	\$ 26
Beginning Reserves Balance	\$ 103	\$ 125	\$ 99
Ending Reserves Balance	\$ 145	\$ 103	\$ 125

CONSOLIDATED BALANCE SHEET

FOR THE FISCAL YEAR ENDED JUNE 30,

Assets (in millions)	2017	2016	2015
Cash	\$ 80	\$ 61	\$ 62
Current Use Reserves	145	103	125
Receivables, Loans, & Other Assets	177	178	150
Invested Funds:			
Endowment	3,140	2,927	3,076
Endowment Interest in Trusts Held by Others	157	144	150
Endowment Pledges	168	127	66
Undistributed General Investment Income	7	11	17
Current Use Investments	72	107	93
Current Use Pledges	151	162	234
Facilities, Net	724	688	614
Total Assets	\$ 4,821	\$ 4,508	\$ 4,587
Liabilities			
Deposits, Advances, & Other	\$ 69	\$ 76	\$ 64
Deferred Revenue	150	126	110
Other Debt Owed to University	26	24	26
Building Debt	64	71	78
Total Liabilities	\$ 309	\$ 297	\$ 278
Net Assets			
Current Use Reserves	\$ 145	\$ 103	\$ 125
Endowment Funds	3,472	3,209	3,309
Current Use Funds	223	269	327
Unexpended Endowment Income	1	2	1
Student Loan Funds	11	11	11
Investment in Facilities	660	617	536
Total Net Assets	\$ 4,512	\$ 4,211	\$ 4,309
Total Liabilities + Net Assets	\$ 4,821	\$ 4,508	\$ 4,587

* 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 2017, the School's results for fiscal years 2015 and 2016 are presented in accordance with GAAP within the Statement of Activity and Cash Flows on page 22.