

# STATEMENT OF ACTIVITY & CASH FLOWS\*

FOR THE FISCAL YEAR ENDED JUNE 30,

<b>Revenues</b> (in millions)	<b>2020</b>	<b>2019</b>	<b>2018</b>
MBA Tuition & Fees	\$ 136	\$ 140	\$ 138
Executive Education Tuition	146	222	207
Publishing	262	262	240
Endowment Distribution	173	162	150
Unrestricted, Current Use Gifts	37	40	44
Restricted, Current Use Gifts	23	28	35
HBS Online	58	43	19
Housing, Rents, Interest Income, & Other	26	28	23
<b>Total Revenues</b>	<b>\$ 861</b>	<b>\$ 925</b>	<b>\$ 856</b>
<b>Expenses</b>			
Salaries & Benefits	\$ 375	\$ 359	\$ 340
Publishing & Printing	81	77	74
Space & Occupancy	71	72	71
Supplies & Equipment	12	13	12
Professional Services	59	72	68
Fellowships	57	51	50
University Assessments	26	26	24
Debt Service	3	3	3
Depreciation	45	46	42
Other Expenses	102	102	82
<b>Total Expenses</b>	<b>\$ 831</b>	<b>\$ 821</b>	<b>\$ 766</b>
Cash from Operations	\$ 30	\$ 104	\$ 90
Depreciation	45	46	42
Non-Cash Items	1	—	—
<b>Cash Available for Capital Activities</b>	<b>\$ 76</b>	<b>\$ 150</b>	<b>\$ 132</b>
Capital Expenses	\$ (43)	\$ (38)	\$ (92)
Change in Capital Project Pre-Funding	8	(3)	10
Use of Gifts for Capital Projects	5	6	3
<b>Net Capital Expenses</b>	<b>\$ (30)</b>	<b>\$ (35)</b>	<b>\$ (79)</b>
New Borrowings	\$ 0	\$ 0	\$ 0
Debt Principal Payments	(7)	(9)	(8)
Capitalization of Endowment Income	(3)	(2)	(2)
Decapitalization of Endowments	2	2	3
Other Non-Reserve Activity	7	(95)	(73)
<b>Changes in Debt &amp; Other</b>	<b>\$ (1)</b>	<b>\$ (104)</b>	<b>\$ (80)</b>
<b>Increase (Decrease) in Reserves</b>	<b>\$ 45</b>	<b>\$ 11</b>	<b>\$ (27)</b>
<b>Beginning Reserves Balance</b>	<b>\$ 129</b>	<b>\$ 118</b>	<b>\$ 145</b>
<b>Ending Reserves Balance</b>	<b>\$ 174</b>	<b>\$ 129</b>	<b>\$ 118</b>

# CONSOLIDATED BALANCE SHEET

FOR THE FISCAL YEAR ENDED JUNE 30,

<b>Assets</b> (in millions)	<b>2020</b>	<b>2019</b>	<b>2018</b>
Cash	\$ 124	\$ 105	\$ 89
Current Use Reserves	174	129	118
Receivables, Loans, & Other Assets	221	215	214
Invested Funds:			
Endowment	3,799	3,675	3,453
Endowment Interest in Trusts Held by Others	167	169	164
Endowment Pledges	119	138	166
Undistributed General Investment Income	7	3	4
Current Use Investments	63	75	75
Current Use Pledges	122	145	151
Facilities, Net	762	766	774
<b>Total Assets</b>	<b>\$ 5,558</b>	<b>\$ 5,420</b>	<b>\$ 5,208</b>
<b>Liabilities</b>			
Deposits, Advances, & Other	\$ 62	\$ 95	\$ 82
Deferred Revenue	191	183	181
Other Debt Owed to University	81	31	27
Building Debt	40	46	55
<b>Total Liabilities</b>	<b>\$ 374</b>	<b>\$ 355</b>	<b>\$ 345</b>
<b>Net Assets</b>			
Current Use Reserves	\$ 174	\$ 129	\$ 118
Endowment Funds	4,092	3,985	3,787
Current Use Funds	185	220	226
Unexpended Endowment Income	—	1	1
Student Loan Funds	11	10	12
Investment in Facilities	722	720	719
<b>Total Net Assets</b>	<b>\$ 5,184</b>	<b>\$ 5,065</b>	<b>\$ 4,863</b>
<b>Total Liabilities + Net Assets</b>	<b>\$ 5,558</b>	<b>\$ 5,420</b>	<b>\$ 5,208</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 2020, the School's results for fiscal years 2018 and 2019 are presented in accordance with GAAP within the Statement of Activity and Cash Flows on the preceding page.