

University Resources Committee

Proposed 2025-2026 Operating Budget



BROWN

May 16, 2025

Dear President Paxson,

I am writing to share the University Resources Committee (URC) report summarizing the proposed Fiscal Year 2026 operating budget (FY26 Budget) for Brown University. The URC recommends an operating budget that includes \$1.87 billion in revenues and \$1.9 billion in expenditures for an operating deficit of \$29 million, or 2% of total revenues. Excluding the University's time limited strategic investments in Brown University Health and the Brown Innovation and Research Collaborative for Health (BIRCH) this represents a \$12 million deficit. As detailed below, the projected deficit is significantly less than in recent years and marks an important step toward addressing what has been a persistent structural deficit.

This year's budget process upheld Brown's strong tradition of shared governance. Throughout the year, the committee — comprising faculty, staff and students — engaged with a wide range of budgetary information related to University operations, which was provided in an open and transparent manner. After careful review and thoughtful discussion, the committee made recommendations on key issues, including University-wide employee salary pools as well as tuition and fees. As always, our decisions were grounded in the priorities of the Brown community.

FY26 Budget Planning Amid Financial Uncertainty

In October 2024, Executive Vice President for Finance and Administration Sarah Latham and I shared details with the University community on the launch of Brown's Financial Health Initiative, a comprehensive effort to address the University's structural budget deficit—a persistent gap between revenues and expenses that, if left unaddressed, will continue to widen over time. Since that initial announcement, our work to ensure the University's financial health has become more urgent in the face of growing financial uncertainty fueled by recent developments at the federal level, including risks to federal research funding and other changes in higher education policy.

Recent federal actions have jeopardized key aspects of universities' academic missions, with Brown among the top research institutions facing major threats to present and future federal research funding. While no large-scale funding cuts to Brown have been formally conveyed to the University, a growing list of Brown's grants and contracts have been terminated and, at the time of writing this letter, reimbursements for active National Institutes of Health grants — representing 70% of Brown's federal research portfolio — have stopped without formal explanation. Additional threats include a possible increase in the tax on gains in the University's endowment and investments, potential efforts to revoke the tax-exempt status of leading universities, and immigration policies that may affect Brown's ability to recruit and retain international students and scholars. The research funding cuts that Brown has already suffered are causing immediate harm, forcing us to reconfigure our operations and budget to address funding shortfalls. As noted in previous messages to our community, any long-term cuts of significant magnitude would imperil, or possibly end, several areas of high-impact research at Brown. This would be devastating to our research community, including the students at every level who benefit from a Brown education and the local and global communities that benefit from the results of our research.

While wide-ranging scenario planning is underway, the proposed FY26 Budget does not yet include any direct, large-scale federal impacts, since such impacts are currently impractical to reasonably predict. As we continue to monitor these external risks, it remains essential that we prepare in a proactive manner to withstand potential impacts by preserving financial flexibility. Brown has already taken meaningful steps toward building the financial resilience necessary to absorb potential federal impacts. In mid-March 2025, Brown implemented cost-saving measures that included a staff hiring freeze, a halt on non-essential travel and slowdown of discretionary spending, as well as a salary freeze for members of the President's Cabinet and a voluntary freeze for other highly compensated administrators for the upcoming year. We also announced our intent to proceed with faculty and staff compensation increases for FY26, as planned, which is now reflected in the FY26 Budget — an approach consistent with our commitment to investing in our existing community while we focus on moderating new headcount growth and work to align revenues and expenses. These steps were in addition to additional actions outlined earlier in March, which included the cancellation of several faculty searches and the reduction of Ph.D. admissions targets across several of Brown's graduate programs.

These actions reinforced October 2024 guidance provided to departments across the University to keep budgets flat for FY26 (with an allowance for FY26 salary pools), along with a “downside” request that asked departments to absorb those salary pools. Units were expected to absorb existing contractual and inflationary increases, as well as new spending requests, into existing resources. Once it became clear that the University needed to proactively adapt to the evolving and uncertain federal funding environment, Brown's financial leaders initiated an additional financial planning exercise to strengthen budget resilience. Departments were asked to deliver by the end of March an additional downside scenario that incorporated strategies to further reduce expenditures by 1.5% beyond their current budget plans. These exercises were not just about cost-cutting — they were designed to encourage thoughtful, strategic prioritization across all areas to ensure the University can respond swiftly and effectively should federal disruptions materialize. The goals are to maintain flexibility, protect core academic functions, and minimize long-term impacts to teaching, research and community support.

While we shared with the campus in December 2024 that the University's goal was to limit the FY26 operating deficit to \$60 million (excluding health system investments), the new imperative to plan for the uncertainty of the federal funding threats prompted us to further reduce expenses to limit the deficit to \$25 million (excluding health care system investments). With the input and support of the University community through additional downside options submitted through the budget process, we were able to close the budget with a final deficit of \$12 million (excluding health care system investments), and \$29 million total deficit (including health care system investments). This should build greater resilience into the budget amid the uncertainty about federal policy implications on University finances.

While additional work remains to address the operating deficit in the years to come, especially amid the financial uncertainties noted above, this marks a significant step forward. We understand the budget actions were challenging for academic and administrative units to develop in a short period of time, especially operating in an environment with so many unknowns. We are deeply grateful to our colleagues across the University who continue to contribute thoughtful partnership and leadership as we work together to position Brown to weather the potential financial storms ahead.

Strategic Progress: FY26 Budget and Outlook

The FY26 Budget reflects for the first time in at least six years — excluding the one-time post-COVID recovery — that revenue growth is expected to outpace expense growth. This is a notable achievement. Revenue growth of 4.6% exceeds expense growth of 3.6%, which is significantly lower than the 9% year-over-year increases in expenses seen in each of the previous two fiscal years. This reflects a more disciplined and sustainable approach to spending, made possible by proactive planning and targeted efficiency efforts.

Revenue growth is largely driven by the University's strategic focus on expanding master's programs. Plans to reach ambitious yet achievable enrollment targets are well underway. It is important to note that while these programs are expected to become an increasingly important source of revenue, they require up-front investments and will take multiple fiscal years to fully realize their impact.

More broadly, the FY26 budget represents an important step toward evolving beyond Brown's historic undergraduate tuition-dependent funding model toward a more diversified set of academic offerings and accompanying revenue sources aligned with other research university peers. Brown has experienced tremendous growth over recent years, fueled in large part by the growth of the endowment, the success of the *BrownTogether* campaign, the expansion of the undergraduate student body, and access to credit at extraordinarily low interest rates in a low-inflation environment. We are now operating in a different financial climate with greater fundamental risks than we have experienced over the last decade.

In the development of the budget, the URC recommended other measures that are key contributors to keeping the operating deficit as low as possible. One important recommendation is maintaining the Brown endowment's payout rate at the high rate of 5.5% for FY26. The payout — the amount distributed from the endowment to support the designated purposes of the more than 3,800 unique endowed funds that support financial aid, faculty salaries, academic programs, research and much more — must be between 4.5% and 5.5% of the endowment value's 12-quarter trailing average. At 5.5%, the endowment payout is the highest rate allowed per University policy and in alignment with the Uniform Prudent Management of Institutional Funds Act, to which Brown's and all endowments are legally subject. Funding from the endowment continues to play a vital role in supporting priorities across the University every year.

As we work collectively across campus to navigate this challenging period, we remain unwavering in our mission: to educate exceptional students, to enable and support world-class research, and to build a campus community where every individual can thrive in their work and learning. The steps we are taking now are grounded in the belief that through collective action and shared responsibility, we can weather current and potential financial pressures while preserving the core strengths and priorities of Brown University. Together, we will continue to shape a future defined by academic excellence, innovation and inclusion, even in the face of uncertainty.

I am grateful to all of the participants in this year's process — the faculty, staff and students serving on the URC, the members of our community who spent months developing their funding requests, and the academic and administrative leaders who supported the process. Our community was broadly engaged throughout the course of the URC's efforts and provided significant input that guided our recommendations. The community's dedication to Brown was key to enabling the URC's important work of shaping the University's financial future.

Respectfully,

Francis J. Doyle III

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Professor of Engineering
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Brown University

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Executive Summary

Brown University's annual budget process is the primary mechanism through which we as a university ensure that resources are aligned with the institution's highest strategic priorities and commitment to supporting all members of the community. The proposed budget of the University Resources Committee (URC) reflects the University's institutional values and our unwavering commitment to academic excellence, a diverse and inclusive community, and a financially sustainable operating model.

This executive summary outlines key strategic recommendations by the URC that shaped the proposed Fiscal Year 2026 operating budget and are reflected within the operating budget recommendation:

- Undergraduate tuition and fees
- Faculty and staff salary pools
- Endowment payout rate to support strategic priorities
- Recommendation for total operating revenues and expenditures

Undergraduate tuition and fees increase by 4.85%, which includes a 4.5% undergraduate tuition rate increase and other mandatory fee increases.

The URC is recommending a 4.85% increase in total undergraduate tuition and fees, which includes a 4.5% undergraduate tuition rate increase and other mandatory fee increases, effective July 1, 2025.

Committee discussions and analysis of tuition and fees included a review of historical trends, peer benchmarking, and the impact of the significant financial aid initiatives that were implemented over the past few years. The recommended 4.85% increase in total undergraduate tuition and fees, including a 4.5% tuition rate increase for undergraduate and non-variable graduate programs, was recommended based on several discussions after the review of significant data and analysis.

The committee reviewed and acknowledged the changed macroeconomic environment, particularly as it relates to inflation that is more comparable with pre-pandemic levels and is expected by economists to remain in that range for the foreseeable future. Following two years (FY 2022 and FY 2023) of tuition and fee increases that were considerably lower versus a peer group of twenty institutions, the past two years (FY 2024 and FY 2025) increases of 4.75% were in line with the peers. The most recent Higher Education Price Index (HEPI) data indicated a 3.4% inflation rate in FY 2024, a decrease from 4.0% in FY 2023 and 5.2% in FY 2022, though still higher than the 2.7% rate in FY 2021. It is anticipated that the peer group will have on average a 4% to 5% tuition increase based on the current economic climate.

Secondly, the proposed tuition and fee increases will be coupled with continued investments in financial aid. Brown meets 100% of each student's demonstrated financial need. The Brown Promise, along with our newest financial aid initiatives, have been established to make Brown increasingly affordable to students and families from all backgrounds. The University's newest initiatives include the elimination of loans from financial aid packages, eliminating the consideration of home equity for a family's primary residence in financial aid packages, reducing the summer earnings expectation for our highest-need students, and becoming need-blind for all undergraduate international students starting with the Class of 2029, which will arrive on campus in Fall 2025. These efforts will further strengthen the University's ability to attract the most promising students from all geographic and socioeconomic groups and will reduce financial obstacles for moderate-income families. With a 4.5% undergraduate tuition increase, the undergraduate financial aid budget is preliminarily projected to increase by approximately \$15 million, reflective of the University's expanded initiatives and the rate increase.

The committee discussed the parity between tuition increases and the ability to fund salary pool investments for faculty and staff. While tuition and fees and salary pools are not intrinsically linked and are driven by separate market pressures and other complex variables (including investments in financial aid), the committee recognized the mismatch between the new net revenue produced by the proposed 4.85% increase (\$3.5 million net unrestricted revenues) and the costs associated with the committee's decision on salary pools necessary to adequately support Brown's faculty and staff (\$16 million unrestricted expenses). These factors were considered within the context of the necessary evolution of Brown's academic and financial model to align with our community's aspirations for continued growth as a leading research university. A key contributor to Brown's structural deficit is nearly flat net revenue from undergraduate tuition growth due to a steady size of the undergraduate student body, downward pressure on tuition increases, and increased financial aid.

Finally, the committee reviewed and discussed proposed rate increases within the context of the impact on total student charges, including mandatory fees. The committee reviewed rationale from campus partners for rate changes specific to their institutional objectives. Brown Dining Services, for example, proposed increasing the undergraduate board charge 8% to \$8,104. This increase was considered by reviewing a number of important data, including peer benchmarks that indicated Brown's board charges are among the lowest in our peer group, #15 of out 20 in FY 2025. Similarly, the Division of Athletics and Recreation proposed modestly increasing the student recreation fee in order to eliminate direct charges for group fitness and intramural sports participation. This change is in support of the division's strategic plan and the University's emphasis on health and well-being. The Undergraduate Finance Board (UFB), in consultation with the Division of Campus Life, proposed an increase in the undergraduate student activities fee in a continued effort to promote participation in several large events that are now offered to students free of charge (e.g., gala, spring weekend, and senior week). See Appendix 1 for more details.

The proposed 4.85% increase in total undergraduate tuition and fees is projected to provide approximately \$3.5 million of additional net unrestricted revenue to the University. This net contribution is considerably lower than previous years, primarily driven by the fact that the undergraduate student body is projected to remain constant after a decade of steady growth.

Faculty and staff salary pools of 3.5%

The URC further recommends creating a faculty and staff salary pool of 3.5%, which includes 1% base, 1.75% merit, and 0.75% promotions, equity, and retention components, effective July 1, 2025.

The URC carefully considered salary pools, recommending 3.5% pools for both faculty and staff in FY 2026. Annual increases for faculty and staff may not reflect the total 3.5% salary pool due to the different components of the pools. With this in mind, efforts were made during this URC cycle to improve transparency. This year's committee review and analysis was shaped by President Paxson's Response to the Faculty Compensation Task Force. Last spring, Brown's Task Force on Faculty Compensation submitted its recommendations following an examination of the level and competitiveness of compensation for Brown faculty. The task force was charged with assessing faculty compensation in the context of university finances, including gathering faculty input, benchmarking with peer institutions, and evaluation of data across fields and disciplines. The task force's report resulted from this extensive, faculty-informed and data-driven analysis.

The President's response instructed the URC to divide the total salary pool into three components: (1) a "base" component that is responsive to changes in the cost of living, which everyone receives; (2) a "merit" component that reflects performance; and (3) a component for promotion, retentions and equity adjustments (PRE). As the task force suggested, the base component should be less than the merit component.

Separately, the committee's analysis included a presentation by the Dean of the Faculty, the Provost's Office, and leadership from the Division of Biology and Medicine, the School of Public Health, and the School of Engineering on faculty hiring and retention across all faculty ranks and disciplines. University Human Resources (UHR) provided an overview of the University's compensation philosophy, along with significant market data and hiring and retention trends at Brown in all staff employment categories.

Comparative data on faculty salaries reviewed by the committee indicated that Brown is competitive with peers at most ranks and across most disciplinary areas. The committee did note and discuss limitations to the analysis due to the fact that a number of AAU private universities are increasingly reluctant to share information due to concerns about antitrust provisions.

For staff, the committee discussed the recruitment and retention landscape during and post-pandemic. During the pandemic, voluntary turnover increased significantly as increased flexibility via remote work resulted in increased competition for talent and pressured compensation. There was an urgent need to focus on attracting and retaining talent and to be externally competitive and to address dwindling applicant pools. During this time, Brown experienced a significant increase in retention offers, equity increases and promotions as a result of the competitive and tight labor market.

As a result, the University pursued a number of important compensation initiatives, including targeted and proactive salary reviews to ensure external competitiveness and internal equity. Brown has been strategically investing in staff salaries to ensure competitiveness, while also steadily increasing the equity component of the total salary pool. University Human Resources increased emphasis on career progression to address retention and employee expectations. The committee was pleased to see data from UHR that showed a meaningful decrease in voluntary staff turnover that is approaching pre-pandemic levels. The URC also reviewed and discussed data that shows while staff salaries for certain job families lag market medians, this positioning changes from year-to-year driven by market pressures and informs the UHR's annual pay equity reviews.

The committee's FY 2026 recommendation also considers recent investments in faculty and staff salaries outside of the annually budgeted salary pools. Largely driven by the tight labor market and post-pandemic job mobility, the committee reviewed actual equity, promotion, and retention data that reflected significant, targeted investments in staff and faculty salaries. Importantly, industry market data provided by UHR indicated that projected salary budgets across all industries for 2024 are projected to increase between 3.5% and 4.0%.

The URC's faculty and staff salary pool recommendation of 3.5% is expected to impact the University's operating budget by approximately \$16 million in additional unrestricted support (with another \$6 million of the increase anticipated to be supported by restricted funding sources including endowments and sponsored funding).

Maintaining the endowment payout rate at 5.5%

To support the operating budget's critical investments in FY 2026, the University will use a wide array of actions and levers. One key action proposed is to maintain the endowment payout rate to 5.5%, which was the same payout rate as FY 2025.

The University determines the annual endowment distribution by using a payout formula intended to provide a steady stream of income to support current needs, while preserving the endowment's future purchasing power. If too much is spent in the short term, inflation will erode the endowment's value in real-dollar terms and could shortchange future generations.

Total operating revenues of \$1.87 billion in revenues and \$1.9 billion in expenditures

In support of the strategic priorities outlined for FY 2026, the URC recommends an operating budget of \$1.87 billion in revenues and \$1.9 billion in expenditures for an operating deficit of \$29 million or 2% of total revenues. Excluding the university's investments in Brown University Health and the Brown Innovation and Research Collaborative for Health (BIRCH), this is a \$12 million deficit.

FY26 Budget Process

Shared governance is at the heart of the budget process at Brown. The URC, composed of faculty, staff and students, is committed to transparency throughout the budget process.

FY26 budget guidance issued to offices and departments across the University in October 2024 placed particular emphasis on the significant financial headwinds expected for the next several years. Guidance indicated FY26 unrestricted (FD100) budget requests should not exceed FY25 unrestricted approved budgets. Units were expected to absorb existing contractual and inflationary increases, as well as new spending requests, into existing resources. Notably, there was an allowance for FY26 estimated salary pools (i.e., given the Corporation did not approve the FY26 salary pool percentage until February 2025).

Importantly, the University continued its budget scenario planning exercise that was implemented in last year's budget process. This is best practice in financial planning and will continue as a regularized part of the annual budget process going forward. This scenario asked departments to contemplate a more constrained fiscal target by absorbing the projected FY26 salary pools.

Once it became clear that the University needed to proactively adapt to the evolving and uncertain federal funding environment, leadership initiated an additional financial planning exercise in March 2025 to strengthen budget resilience. Departments were asked to engage in a targeted additional downside scenario analysis, identifying strategies to reduce expenditures by an additional 1.5% beyond their current budget plans. This exercise was not just about cost-cutting—it was about encouraging thoughtful, strategic prioritization across all areas of the University to ensure the university can respond swiftly and effectively should federal disruptions materialize. The goal is to maintain flexibility, protect core academic functions, and minimize long-term impacts to teaching, research, and community support.

As is the case in any strategic planning process, many department and unit budget requests had to be deferred in order to prioritize requests that best support the University's strategic goals. There was a concerted effort to proactively shift costs from unrestricted to restricted funds to more fully utilize gifts and endowments. Internal commitments were carefully reviewed and adjusted, where and when appropriate.

The University has been focused on enhancing its financial planning and management in recent years by way of improved budgeting and forecasting, management reporting, systems, and organizational structures. We have also made significant progress toward developing robust and complementary multi-year financial planning tools. Increasingly integrating these multi-year tools will be an area of focus in the coming year to carefully map the University's resources to its highest strategic goals and priorities.

BROWN UNIVERSITY CONSOLIDATED OPERATING BUDGET

Financial Overview

For FY26, the URC recommends a total consolidated revenue budget of \$1.87 billion, an increase of \$83.1 million and 4.6% over the prior year budget. The consolidated expense budget is \$1.9 billion, an increase of \$65.4 million and 3.6% higher than FY25. The consolidated operating margin reflects a deficit of \$28.7 million vs. the FY25 budgeted deficit of \$46.4 million.

Table 1: Consolidated Operating Budget Summary

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
Revenues	\$1,791,886	\$1,874,965	\$83,079	4.6%
Expenses	\$1,838,326	\$1,903,709	\$65,384	3.6%
Operating Margin (\$)	(\$46,440)	(\$28,744)	\$17,696	

The budget encompasses six operating units, Educational and General (E&G) which includes all academic departments that are not in schools as well as auxiliary operations such as dining services, residential life, health services, student health insurance and the bookstore. The other five units include the School of Professional Studies (Professional Studies), Pre-College and Undergraduate Programs (Pre-College), the School of Engineering (Engineering), Biology and Medicine (BioMed) and the School of Public Health (Public Health).

Table 2: FY26 Consolidated Operating Budget by Business Unit

(\$ in 000s)	E&G & Auxiliaries	Professional Studies	Pre-College	Engineering	BioMed	Public Health	Total
Revenue	\$1,343,397	\$19,307	\$45,591	\$57,454	\$249,120	\$160,096	\$1,874,965
Expenses	\$1,318,154	\$17,206	\$33,495	\$80,411	\$271,829	\$182,614	\$1,903,709
Net Contributions	\$74,246	\$0	\$0	(\$25,689)	(\$25,775)	(\$22,782)	\$0
Operating Margin (\$)	(\$49,004)	\$2,101	\$12,097	\$2,732	\$3,067	\$263	(\$28,744)

For FY26, E&G and Auxiliaries have a planned \$49.0 million deficit, including net contributions to/from the auxiliaries and other business units. Professional Studies and Pre-College are planning for surpluses that will be contributed to E&G of \$2.1 million and \$12.1 million, respectively. Engineering, BioMed and Public Health receive University Contributions from E&G totaling \$74.2 million. Engineering is budgeting for a surplus of \$2.7 million, BioMed a surplus of \$3.1 million (which includes the Carney Institute for Brain Science for purposes of this consolidated report, but is not part of BioMed), and Public Health a surplus of \$0.3 million. Based on memorandum of understanding (MOU) agreements, these three schools are able to transfer surplus funds at year-end to their own respective reserves.

Table 3: FY26 Consolidated Operating Budget

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Tuition & Fees	\$753,493	\$796,482	\$42,989	5.71%
Sponsored and F&A Revenue	\$300,918	\$324,247	\$23,329	7.75%
Annual Contributions	\$112,830	\$101,751	(\$11,079)	-9.82%
Endowment Utilization	\$337,340	\$350,198	\$12,858	3.81%
Auxiliary Revenue	\$166,635	\$177,380	\$10,745	6.45%
Other Income	\$120,670	\$124,907	\$4,237	3.51%
TOTAL REVENUES	\$1,791,886	\$1,874,965	\$83,079	4.64%
EXPENSES				
Salaries & Wages	\$623,512	\$637,280	\$13,768	2.21%
Benefits	\$174,527	\$180,551	\$6,024	3.45%
Student Aid and Support	\$477,020	\$503,161	\$26,141	5.48%
General Operating Expenses & Subcontracts	\$382,087	\$374,627	(\$7,460)	-1.95%
Property Costs, Debt Service and Capital Expenses	\$116,063	\$136,900	\$20,837	17.95%
Internal Services, Transfers, and All Other Expenses	\$65,116	\$71,190	\$6,075	9.33%
TOTAL EXPENSES	\$1,838,326	\$1,903,709	\$65,384	3.56%
Net Contributions	\$0	(\$0)	(\$0)	-100.00%
Operating Margin (\$)	(\$46,440)	(\$28,744)	\$17,696	

Revenue Highlights

In FY26, tuition and fees continue to comprise the largest source of revenue, accounting for 42% of total University revenues. Tuition and fees revenues are expected to increase by 5.7% over the FY25 budget, from \$753.5 million to \$796.5 million in FY26. The increase is driven by a 4.5% tuition increase for undergraduate students and tuition increases for non-variable master's and PhD, plus master's enrollment increases as part of the strategic initiative to grow new and existing programs.

Sponsored research and indirect cost recovery revenues are budgeted to increase by \$23.3 million and 7.8% to \$324.2 million. See below the breakdown of sponsored research and indirect cost recovery revenues by business unit. It should be noted that the FY26 Budget does not include any potential significant federal impacts as a result of the new administration's policies, as discussed in the Executive Summary and Provost Doyle's letter to President Paxson.

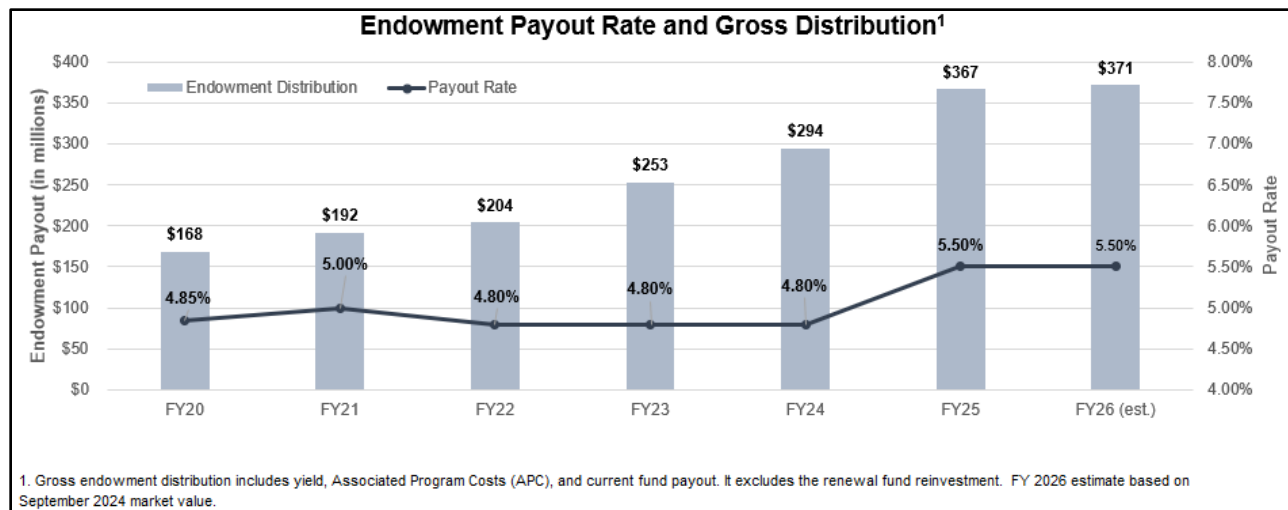
Table 4: FY26 Sponsored and F&A Revenue

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
Direct Sponsored Activities				
E&G	\$57,573	\$62,319	\$4,746	8.2%
Engineering	\$18,435	\$20,333	\$1,898	10.3%
BioMed	\$76,835	\$75,524	(\$1,311)	-1.7%
Public Health	\$74,887	\$91,915	\$17,028	22.7%
Total Direct Sponsored Activities	\$227,729	\$250,091	\$22,362	9.8%
Indirect Sponsored Activities				
E&G ¹	\$24,239	\$18,145	(\$6,094)	-25.1%
Engineering ¹	\$0	\$6,821	\$6,821	--
BioMed	\$25,950	\$25,500	(\$450)	-1.7%
Public Health	\$23,000	\$23,690	\$690	3.0%
Total Indirect Sponsored Activities	\$73,189	\$74,156	\$967	1.3%
Total Sponsored Activities	\$300,918	\$324,247	\$23,329	7.8%
¹ Effective FY26, Engineering will receive Indirect Sponsored revenue as part of new MOU.				

Endowment utilization is the next largest revenue source at 19% of total revenues. For FY26, endowment is budgeted to increase \$12.9 million and 3.81% to \$350.2 million. It is important to note that Brown's budget is constructed on a largely cash-basis as revenue from the endowment is recognized when spent (utilized) rather than when received (distributed). Therefore, the budget reflects the amount of the current year's endowment distribution and any accumulated balances from previous years that will be spent in FY26.

The \$12.9 million increase in endowment utilization is based on a 5.5% payout rate, which is the maximum rate per Corporation policy and the same as FY25 Budget. The increase in endowment utilization is driven by new gifts with undergraduate financial aid, utilization of endowment balances to fund existing unrestricted expenses, and the incorporation of Brown University Health (formerly Lifespan) into the Associated Program Cost (APC) calculation.

Figure 1: Endowment Distribution and Payout Rate

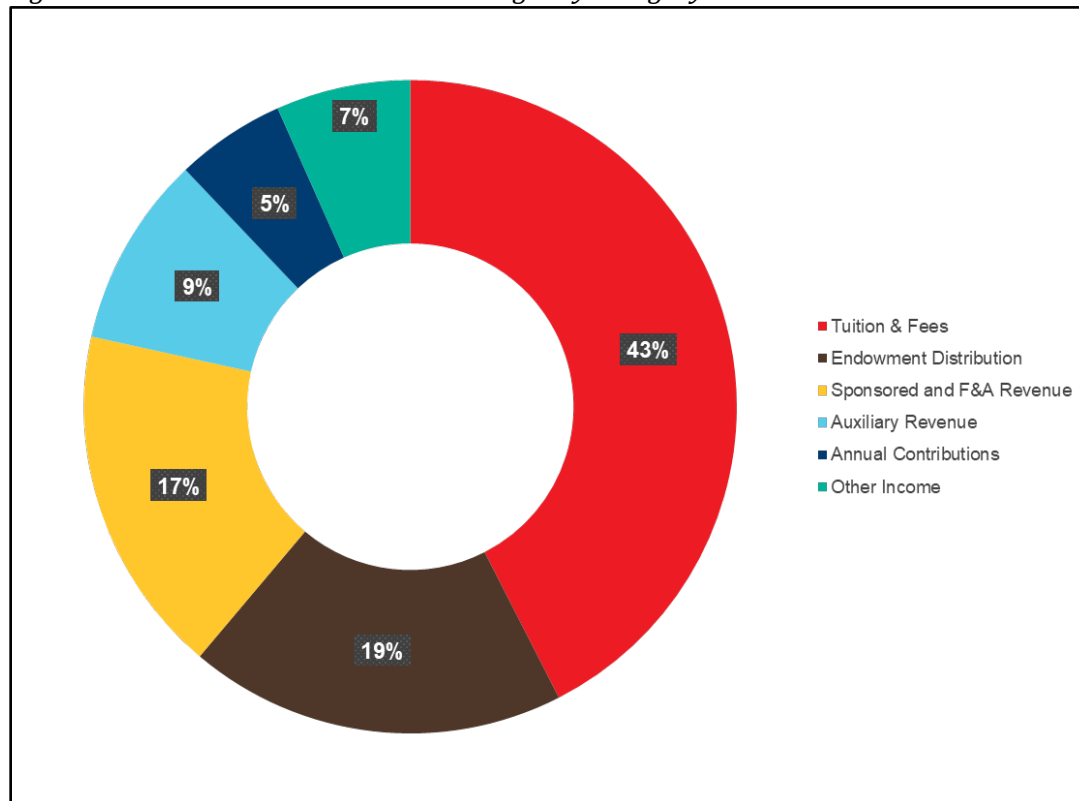


Auxiliary revenue comprises 9% of total revenue and is expected to increase by \$10.7 million and 6.5% to \$177.4 million. This increase is primarily driven by dining, housing and student health insurance.

Annual contribution utilization is expected to decrease by \$11.1 million and 9.8% versus the FY25 budget to \$101.8 million, primarily driven by \$3.6 million less in spendable gift utilization to support financial aid and \$7.0 million less in BioMed for purchase of lab equipment and supplies.

Other Income is expected to increase by \$4.3 million and 3.5% to \$124.9 million. This is primarily driven by an increase in working capital interest income of \$12.0 million offset by reductions in Brown Innovation and Research Collaborative for Health (BIRCH).

Figure 2: FY26 Consolidated Revenue Budget by Category



Expense Highlights

In FY26, salaries and benefits comprise 43% of total University expenses and are the largest expense categories with a total consolidated budget of \$817.8 million. Total compensation expenses increased by \$19.8 million and 2.48% over the FY25 budget. However, on an unrestricted fund basis, FY26 salaries and benefits decreased \$1.9M and 0.3%. This was a result of efforts to reduce the structural deficit in preparation for potential federal impacts. As part of the scenario plan and additional downside scenario requests, the FY26 budget includes the elimination of 86.5 staff positions (76.5 unfilled) and the slow/suspension of several faculty searches. The FY26 budget includes 3.5% faculty and non-union staff salary pools, contractual obligations for union wage and step, and investments in new faculty and staff positions critical to the University's masters' growth plans. The FY26 budget includes a salary freeze for executive leadership and a 10% salary reduction for President, Provost, and EVP for Finance & Admin, as announced in March 2025.

Student aid and support make up the next largest expense category with a total FY26 budget of \$503.2 million and 26% of total expenses. The budget for FY26 increased by \$26.1 million and 5.48%. This increase is driven by the University's commitment to significantly increase scholarships and move toward need-blind admissions for international students. Importantly, the incremental financial support will be made possible, in part, by the performance of the University's endowment and the success of the *BrownTogether* fundraising campaign.

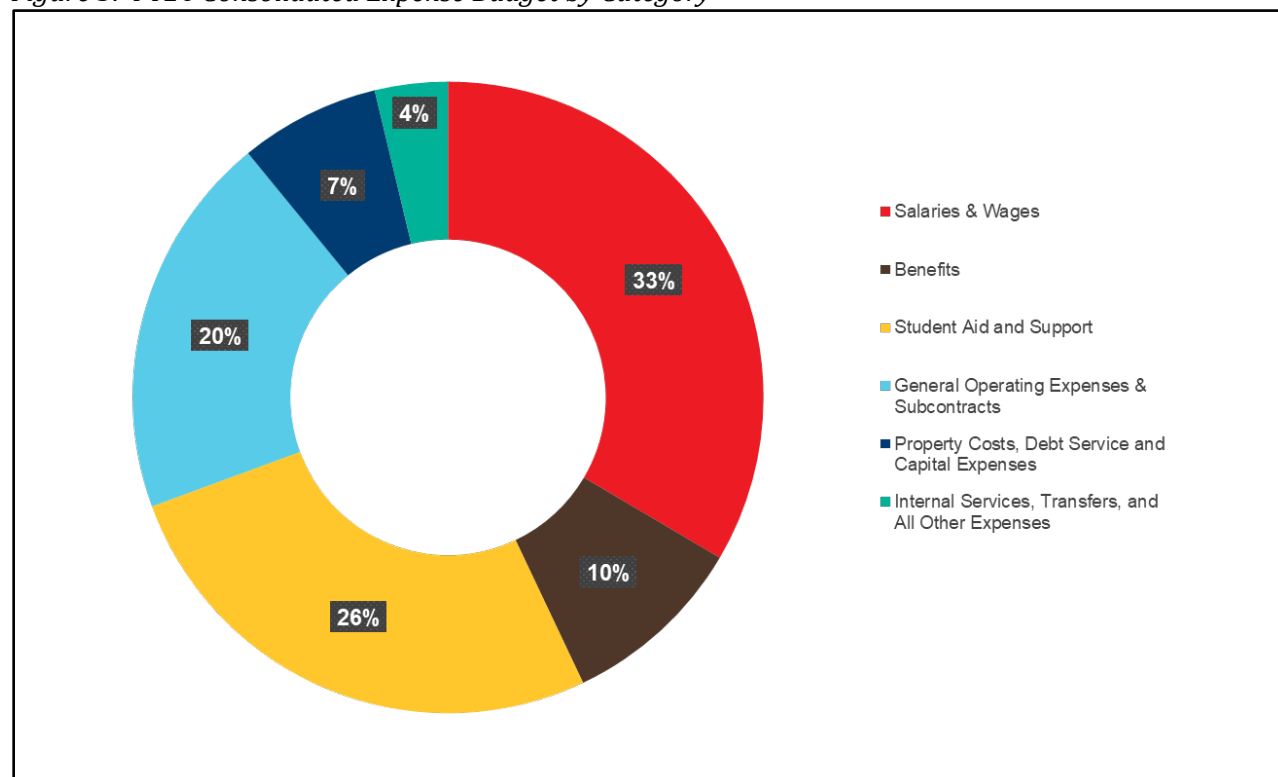
General operating expenses and subcontracts represent \$374.6 million and 20% of total expenses. The budget for FY26 decreased by \$7.5 million and 1.95%, primarily driven by decreases with department discretionary and operational costs, service-level contract

agreements, programming costs, research-related requests, business & travel, and dean start-up commitments driven by downside scenario proposals that were largely accepted.

Property, debt, and capital represent \$139.9 million and 7% of total expenses. The increases are primarily driven by a new debt service for South Street Landing (SSL), a new tax-exempt commercial paper program, and a new \$300 million term loan to support potential federal impact liquidity needs.

Internal services, transfers and other expenses of \$71.2 million make up the remaining 4% of total University expenses. The increases are driven by restoration of contributions to the decarbonization program and solar savings, and also \$5.4M for Brown University Health agreement (\$15.4M total). These increases are offset by renewal reserve contributions paused via new methodology (\$12.6M).

Figure 3: FY26 Consolidated Expense Budget by Category



EDUCATIONAL AND GENERAL (INCLUDING AUXILIARIES)

Financial Overview

For FY26, the Educational and General and Auxiliaries have proposed a total revenue budget of \$1.34 billion, which is an increase of \$40.3 million and 3.1%, over the prior year budget. Expenses total \$1.32 billion, an increase of \$6.0 million and 0.5% over the prior year budget. E&G provides and receives internal contributions to other business units to support mission-critical needs. Collectively in FY26, E&G expects to make a net contribution to other University operating units of \$74.3 million. After accounting for internal contributions, E&G & Auxiliary budgeted for an operating deficit of \$49.0 million.

Table 5: FY26 Educational & General and Auxiliaries

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Tuition & Fees	\$630,103	\$651,498	\$21,395	3.4%
Sponsored and F&A Revenue	\$81,812	\$80,464	(\$1,348)	-1.6%
Annual Contributions	\$82,248	\$76,711	(\$5,537)	-6.7%
Endowment Utilization	\$284,951	\$293,650	\$8,699	3.1%
Auxiliary Revenue	\$166,635	\$177,380	\$10,745	6.4%
Other Income	\$57,371	\$63,694	\$6,323	11.0%
TOTAL REVENUES	\$1,303,120	\$1,343,397	\$40,277	3.1%
EXPENSES				
Salaries & Wages	\$438,772	\$437,492	(\$1,279)	-0.3%
Benefits	\$123,290	\$124,089	\$799	0.6%
Student Aid and Support	\$387,000	\$399,426	\$12,426	3.2%
General Operating Expenses & Subcontracts	\$248,858	\$241,975	(\$6,883)	-2.8%
Property Costs, Debt Service and Capital Expenses	\$96,629	\$116,760	\$20,131	20.8%
Internal Services, Transfers, and All Other Expenses	\$17,565	(\$1,589)	(\$19,154)	-109.0%
TOTAL EXPENSES	\$1,312,113	\$1,318,154	\$6,041	0.5%
Contributions to E&G	\$150	(\$1,230)	(\$1,380)	-920.3%
Contributions from E&G	\$55,819	\$75,477	\$19,657	35.2%
Net Contributions	\$55,969	\$74,246	\$18,277	32.7%
Operating Margin (\$)	(\$64,963)	(\$49,004)	\$15,959	

Revenue Highlights

Tuition and Fees

FY26 tuition and fees total \$651.5 million and represent the largest E&G revenue source. Undergraduate tuition at \$507.9 million is the largest single component, representing 78% of total tuition and fees. Total tuition and fees, which also include study abroad, master's, and PhD tuition reflect an increase of \$21.4 million and 3.4%, driven primarily by the 4.85% tuition and fee rate increase for undergraduate students and 4.5% tuition increase for non-variable master's programs and PhD programs.

Undergraduate Tuition and Fees: Undergraduate tuition and fees increased 4.85%, which includes a 4.5% undergraduate tuition rate increase. University Resource Committee discussions and analysis of tuition and fees included a review of historical trends, peer benchmarking, and the impact of the significant financial aid initiatives that were implemented over the past few years. The recommended 4.85% increase in total undergraduate tuition and fees, including a 4.5% tuition rate increase for undergraduate and non-variable graduate programs, was recommended based on several discussions after the review of significant data and analysis.

The proposed 4.85% increase in total undergraduate tuition and fees is projected to provide approximately \$3.5 million of additional net unrestricted revenue to the University to support strategic priorities, while maintaining Brown's commitment to attracting and supporting students from a diverse range of socioeconomic backgrounds.

Table 6: FY26 Undergraduate Tuition and Fees

	FY25 Budget	FY26 Budget	\$ Change	% Change
Tuition	\$68,612	\$71,700	\$3,088	4.50%
Room Rate	\$9,940	\$10,410	\$470	4.73%
Board Rate	\$7,504	\$8,104	\$600	8.00%
Health Fee	\$1,166	\$1,236	\$70	6.00%
Undergraduate Student Resource Fee	\$1,044	\$1,086	\$42	4.02%
Student Activities Fee	\$400	\$428	\$28	7.00%
Student Recreation Fee	\$90	\$100	\$10	11.11%
Total	\$88,756	\$93,064	\$4,308	4.85%

Graduate Tuition: The tuition rate increase for non-variable programs is 4.5%, consistent with that of undergraduate tuition. See table below for full list of proposed tuition and fee increases for FY26.

Table 7: Proposed Tuition Increases for FY26

Proposed Tuition Increases for FY26				Proposed Fee Increases for FY26			
	FY25	FY26	% Change		FY25	FY26	% Change
Undergraduate				Room and Board			
Undergraduate Tuition	\$68,612	\$71,700	4.50%	Room charges	\$9,940	\$10,410	4.73%
Master's (per course)				Room daily rate (Winter & Summer)	\$45	\$45	0.00%
Non-variable Programs	\$8,576	\$8,962	4.50%	Board charges	\$7,504	\$8,104	8.00%
Biostatistics	\$8,284	\$8,533	3.00%	Board weekly rate (Winter & Summer)	\$243	\$262	7.82%
Biostatistics (Online) ²	\$7,500	\$7,500	0.00%	Health Services Fees			
Biomedical Engineering	\$8,576	\$8,962	4.50%	Health service fee	\$1,166	\$1,236	6.00%
Clinical and Translational Research	\$7,903	\$8,259	4.50%	Health service fee (Reduced/Online Student) ¹	\$112	\$118	5.36%
Computer Science	\$10,149	\$10,606	4.50%	Student Activities Fees			
Cybersecurity ³	\$9,168	\$9,168	0.00%	Undergraduate student activities fee	\$400	\$428	7.00%
Data Science ⁴	\$9,851	\$9,851	0.00%	Graduate student activities fee	\$80	\$90	12.50%
Data-Enabled Comp. Eng. and Science	\$9,132	\$9,543	4.50%	Medical student activities fee	\$70	\$84	20.00%
Design Engineering (MADE)	\$7,584	\$7,887	4.00%	Other			
Engineering	\$9,452	\$9,877	4.50%	Undergraduate student resources fee	\$1,044	\$1,086	4.02%
Health Informatics and Artificial Intelligence	\$0	\$8,962	N/A	Student recreation fee	\$90	\$100	11.11%
Management (Online) ⁶	\$0	\$7,500	N/A	Academic records fee	\$100	\$100	0.00%
Organizational Leadership (Online) ⁶	\$0	\$5,625	N/A				
PRIME	\$8,807	\$9,203	4.50%				
Physics	\$9,472	\$9,898	4.50%				
Policy, Governance & Society (Online)	\$0	\$7,500	N/A				
Public Affairs	\$8,081	\$8,445	4.50%				
Public Health	\$7,903	\$8,259	4.50%				
Public Health (Online)	\$5,200	\$5,434	4.50%				
Public Health Accelerated	\$6,656	\$6,956	4.50%				
Sustainable Energy ⁵	\$0	\$9,543	N/A				
Mid-Career Master's (per credit)⁶							
Healthcare Leadership	\$8,647	\$8,647	0.00%				
Technology Leadership	\$9,375	\$9,375	0.00%				
Mid-Career Master's (program rates)⁶							
Business Administration	\$147,100	\$147,100	0.00%				
Doctoral							
PhD Tuition (annual rate)	\$68,612	\$71,700	4.50%				
Medical							
Medical Tuition (annual rate)	\$71,192	\$73,150	2.75%				
Gateways (per course)	\$7,533	\$7,740	2.75%				
Medical Academic Scholars Program	\$1,780	\$1,829	2.75%				
General Notes							
- Annualized tuition and fees must be evenly divisible between fall and spring semesters, resulting in varied % changes. - Part-time undergraduate and masters students charged a proportional tuition rate. - In October 2024, the Corporation approved making both the summer and winter session course fees equal to 1/8 of the annual undergraduate tuition rate. In addition, they approved eliminating the summer session enrollment fee.							
Program Specific Notes							
* Pending Academic Priorities Committee (APF) and faculty approval ¹ Health Service Fee (Reduced/Online Student) (charged per semester) is an administrative support fee which also provides access to supplementary remote telemental services to all active students regardless of their location of study ² Biostatistics (Online) is recommending no increase as it still within the first year of the program, program launches in the Spring of 2025. ³ Cybersecurity is recommending no increase as it is currently above median and is a field where students may opt to complete specific lower priced certificates instead of a degree. ⁴ Data Science is recommending no increase as it is the second most expensive tuition among competitors. ⁵ Mid-Career Master's are recommending no increases due to competitive pressures across all markets and increased financial aid needed to reach enrollment targets.							

PhD tuition revenue in E&G is decreasing by \$4.2 million and -4.8% over the FY25 budget. This decline is primarily due to the new Memorandum of Understanding (MOU) with the School of Engineering (SOE), under which engineering-related PhD tuition revenue will be redirected to SOE rather than E&G. On a consolidated basis, total PhD tuition revenue is budgeted at \$121.1 million, an increase of \$6.5 million and 5.7% over FY25, which is primarily driven by the approved 4.5% tuition rate increase. It is important to note that PhD tuition revenue is largely offset by graduate student aid provided by Brown.

Master's tuition revenue for E&G increased \$7.3 million over the FY25 budget, based on allocations of that revenue to specific schools. Overall, master's tuition revenue increased \$16.7 million University-wide. This is driven by the 4.50% tuition increase for non-variable rate programs and enrollment growth due to the University's initiative to grow and expand master's programs.

Sponsored and F&A Revenue

For E&G and Auxiliary units, sponsored funding and indirect cost recovery revenue is projected at \$80.5 million—\$1.3 million below the FY25 budget of \$81.8 million. This includes an estimated \$18.1 million in indirect costs (IDC), representing a 1.6% decrease from the FY25 budget, primarily due to IDC allocations shifting to Engineering under the new Memorandum of Understanding (MOU).

Annual Contributions

The budget for annual contributions features two major components. The first component relates to unrestricted giving through the Brown Annual Fund. For FY26, the Brown Annual Fund expects to raise \$34 million, in-line with FY25. BioMed receives a 5% allocation of the Brown Annual Fund based on a pre-existing agreement, with the remaining \$32.3 million retained at E&G.

The second component of the budget for annual contributions relates to spendable gift utilization. For FY26, E&G expects to recognize \$44.4 million, a decrease of \$5.5 million from the prior year. Brown's operating budget recognizes the revenue for spendable gifts as the expense is incurred in accordance with donor stipulations.

Endowment Utilization

The endowment supports approximately 22% of the E&G and Auxiliaries budget and helps to finance vital activities, including undergraduate scholarships, professorships, graduate student fellowships, library acquisitions, more than 70 academic programs and varsity sports. The utilization increased to \$250.3 million in FY26, an increase of 2.8% over FY25 budget. The Associated Program Cost (APC) is budgeted at \$43.4 million, an increase of 4.7% over FY25 budget.

Auxiliary Revenue

Auxiliary revenue includes income generated by units that are self-supported entities and include student housing, dining services, student health insurance, health services and the bookstore. The FY26 proposed auxiliary revenue budget is \$177.4 million, and 6.4% increase over the FY25 budget. The increase is primarily driven by the rate increase for housing, dining, and health services.

Other Income

For E&G and Auxiliaries, the FY26 total budget for other income is \$63.7 million, an 11.0% increase over the FY25 budget. This increase is primarily driven by investment income from working capital.

Expense Highlights

The FY26 total proposed expense budget is \$1.32 billion, a \$6.0 million and 0.5% increase over the FY25 budget. The largest expenses are compensation and student aid and support. The proposed budget includes anticipated spending from endowment utilization, spendable gifts and grants, which are offset fully by restricted revenue.

Salaries and Benefits

For FY26, the E&G and Auxiliaries budget for faculty, staff, and student salaries and wages is \$437.5 million, a 0.3% decrease over the prior year. This decrease is driven primarily by the elimination of staff positions, slowed/suspended faculty searches, and a variety of other additional downside scenario options included in the budget. These decreases are offset by investments in faculty and staff, including a 3.5% faculty and non-union staff salary pools recommended by the URC. The FY26 total benefits budget is \$124.1 million, a 0.6% increase over the prior year budget. This is primarily a result of FY26 fringe rates increasing to 30.0% for full-time positions (from 29.5% in FY25) and 7.4% for part-time positions (from 6.9% in FY25).

Student Aid and Support

E&G's FY26 budget for total student aid and support is \$399.4 million, an increase of \$12.4 million and 3.2% over the prior year.

Undergraduate student aid and support represents over half of the total aid amount. The undergraduate scholarship budget for FY26 is based on guidance from the Office of Financial Aid and reflects the funding requirements to meet the full need of undergraduate students. Undergraduate aid is budgeted at \$229.9 million, an increase of \$15.1 million and 7.0% from the FY25 budget of \$214.8 million. The total undergraduate aid budget on a University-wide basis is \$231.3 million including \$1.3M for Pre-college Winter session aid.

For FY26, E&G and Auxiliaries has budgeted \$154.4 million for graduate student aid and support, a \$384 thousand increase over the prior year.

General Operating Expenses and Subcontracts

The FY26 general operating budget of \$242.0 million comprises approximately 18% of total expenses. The decrease of \$6.9 million and 2.8% primarily driven by reductions in Supplies & General, Purchases Services and Business & Travel as a result of FY26 Budget guidance to absorb inflationary increases and downside scenarios being accepted.

Property Costs, Debt Service and Capital Expenses

Property, debt and capital expenses represent \$116.8 million and 9% of total E&G expenses, an increase of \$20 million and 20.8% over the FY25 budget. The increases are primarily driven by new debt service, namely with the new \$300 million term loan

Internal Services, Transfer and All Other Expenses

Internal services, transfers, and other expenses decreased by \$19.2 million compared to the \$17.6 million in FY25. Approximately \$14.8 million of this reduction is due to cost allocation changes associated with the new Engineering MOU, which takes effect in FY26. The remaining decrease is primarily driven by year-over-year increases in central university fees.

SCHOOL OF PROFESSIONAL STUDIES

Financial Overview

The School of Professional Studies supports the administration and delivery of academic programs for professional learners. This includes Professional, Residential and Online master's degrees for students at various career stages, as well as non-degree executive education.

Table 8: School of Professional Studies

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$3,097	\$3,711	\$614	19.8%
Professional Studies Tuition	\$9,222	\$9,009	(\$213)	-2.3%
Student Fees	\$350	\$450	\$100	28.6%
Total Tuition & Fees	\$12,669	\$13,170	\$501	4.0%
All Other Income	\$6,236	\$6,137	(\$99)	-1.6%
Total Other Income	\$6,236	\$6,137	(\$99)	-1.6%
TOTAL REVENUES	\$18,905	\$19,307	\$402	2.1%
EXPENSES				
Faculty Salaries & Wages	\$1,603	\$1,715	\$111	6.9%
Staff Salaries & Wages	\$5,017	\$5,846	\$829	16.5%
Student Wages	\$62	\$59	(\$3)	-5.1%
Total Salaries & Wages	\$6,683	\$7,620	\$937	14.0%
Faculty Benefits	\$334	\$421	\$87	26.0%
Staff Benefits	\$1,371	\$1,606	\$235	17.2%
Total Benefits	\$1,705	\$2,027	\$322	18.9%
All Other Student Aid and Support	\$1,221	\$1,230	\$9	0.8%
Total Student Aid and Support	\$1,221	\$1,230	\$9	0.8%
Supplies & General	\$3,306	\$3,982	\$676	20.4%
Purchased Services	\$1,456	\$1,873	\$416	28.6%
Business & Travel	\$391	\$349	(\$41)	-10.5%
Total General Operating Expenses & Subcontracts	\$5,153	\$6,204	\$1,051	20.4%
Property Costs	\$757	\$790	\$33	4.4%
Total Property Costs, Debt Service and Capital Expenses	\$757	\$790	\$33	4.4%
Total Internal Services, Transfers, and All Other Expenses	(\$203)	(\$665)	(\$463)	-228.3%
TOTAL EXPENSES	\$15,316	\$17,206	\$1,891	12.3%
Net of Internal Contributions	\$0	\$0	\$0	--
Operating Margin (\$)	\$3,590	\$2,101	(\$1,489)	-41.5%

Revenue Highlights

FY26 total revenue is projected to increase \$402 thousand and a 2.1% increase compared to the FY25 budget.

Tuition and Fees

Tuition and fees are expected to increase \$500 thousand and 4% driven by higher master's program support fees that are allocated as a percentage of revenue share from significant master's growth that are realized in other areas (i.e. E&G)

Other Income

Other income has decreased \$100 thousand and -1.6% due to the reduction of a few non-degree programs that were managed by Global Alumni, an external Online Program Management (OPM) vendor.

Expense Highlights

Expenses have increased \$1.9 million and 12.3% compared to the FY25 budget.

Salaries and Benefits

Salaries and benefits have increased \$1.3 million and 15% from the FY25 budget due to increased staff to support the growing Master's student population, staff support to fill critical gaps within the marketing and recruitment teams, and to launch the new online Master's programs.

Student Aid and Support

Student aid and support have increased by \$9 thousand and 0.8% from the FY25 budget.

General Operating Expenses and Subcontracts

General operating expenses have increased \$1.1 million and 20.4% from the FY25 budget due to increased marketing and publicity for the new online Master's programs, funds to build additional classroom space for master's growth, and transition of commencement and orientation expenses from the Graduate School to SPS for the master's population.

Property Costs, Debt Service and Capital Expenses

Property costs have increased \$33 thousand and 4.4% from the FY25 budget.

Contributions to E&G

Professional Studies has budgeted for their net margin of \$2.1M to be fully contributed centrally to E&G in FY26.

PRE-COLLEGE and Undergraduate Programs

Financial Overview

Pre-College and Undergraduate Programs offer a wide range of residential, location-based, and online academic offerings for undergraduate and pre-college students.

Table 9: Pre-College and Undergraduate Programs

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Student Fees	\$7,871	\$8,662	\$791	10.0%
Total Tuition & Fees	\$7,871	\$8,662	\$791	10.0%
Pre-College	\$36,871	\$36,313	(\$558)	-1.5%
All Other Income	\$460	\$617	\$157	34.2%
Total Other Income	\$37,330	\$36,930	(\$401)	-1.1%
TOTAL REVENUES	\$45,201	\$45,591	\$390	0.9%
EXPENSES				
Faculty Salaries & Wages	\$1,324	\$1,578	\$255	19.2%
Staff Salaries & Wages	\$7,373	\$7,567	\$194	2.6%
Student Wages	\$1,245	\$1,476	\$232	18.6%
Total Salaries & Wages	\$9,942	\$10,622	\$681	6.8%
Faculty Benefits	\$101	\$117	\$16	15.7%
Staff Benefits	\$1,583	\$1,667	\$84	5.3%
Total Benefits	\$1,684	\$1,784	\$100	5.9%
Undergraduate Student Aid and Support	\$1,930	\$1,315	(\$615)	-31.9%
All Other Student Aid and Support	\$7,060	\$7,682	\$622	8.8%
Total Student Aid and Support	\$8,989	\$8,996	\$7	0.1%
Supplies & General	\$1,759	\$1,960	\$202	11.5%
Purchased Services	\$2,560	\$1,802	(\$759)	-29.6%
Business & Travel	\$192	\$134	(\$59)	-30.5%
Total General Operating Expenses & Subcontracts	\$4,511	\$3,896	(\$616)	-13.6%
Property Costs	\$757	\$814	\$57	7.6%
Total Property Costs, Debt Service and Capital Expenses	\$757	\$814	\$57	7.6%
Total Internal Services, Transfers, and All Other Expenses	\$6,860	\$7,382	\$523	7.6%
TOTAL EXPENSES	\$32,743	\$33,495	\$752	2.3%
Operating Margin (\$)	\$12,458	\$12,097	(\$361)	-2.9%

Revenue Highlights

FY26 total revenue is projected to increase \$390 thousand, a 0.9% increase compared to FY25 budget.

Tuition and Fees

Revenue is expected to grow due to an increase in the undergraduate tuition rate, aligning it with the corporation-set undergraduate tuition rate in FY26. The revenue increase is partially offset by a decrease in enrollment projections across all offerings.

Expense Highlights

Expenses have increased \$752 thousand and 2.3% compared to the FY25 budget.

Salaries and Benefits

Salaries and benefits have increased \$681 thousand and 6.8% from the FY25 budget due to additional summer session course offerings, with higher compensated faculty members, as well as wage adjustments for teaching assistants in FY26.

Student Aid and Support

Student aid and support have increased \$7 thousand and 0.1% from the FY25 budget due to the tuition increase in the Undergraduate programs, which is offset with lower enrollment targets this year. The tuition rates for Summer Session is a new University approach; the FY26 budget is an estimation. We will learn what the new behavior is for FY27.

General Operating Expenses and Subcontracts

General operating expenses have decreased \$616 thousand and 13.6% from the FY25 budget. The largest driver is the decrease in bank fees, they are now paid directly by the enrollee.

Property Costs, Debt Service and Capital Expenses

Property costs have increased \$57 thousand and 7.6% from the FY25 budget.

Internal Services, Transfers, and All Other Expenses

Internal Services, Transfers, and All Other Expenses have increased \$523 thousand and 7.6% from the FY25 budget. The increase is spread across various campus partner allocations, including residential life, health services, athletics, dining, facilities, and the central administration fee.

Contributions to E&G

Pre-College has budgeted for their net margin of \$12.1 million to be fully contributed centrally to E&G in FY26.

SCHOOL OF ENGINEERING

Financial Overview

In FY26, the School of Engineering has proposed a total revenue budget of \$57.5 million which represents a favorable increase of \$26.8 million and 87.5% over the FY25 revenue budget. Total expenses are estimated at \$80.4 million, an unfavorable increase of \$34.1 million and 73.7% over FY25 expenses. Additionally, the school will receive \$25.7 million as a contribution from E&G. Notably, the FY26 budget implements a new financial model for the school as outlined in the new Memorandum of Understanding (MOU).

Table 10: School of Engineering

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$7,416	\$13,812	\$6,396	86.2%
Ph.D. Tuition	\$0	\$9,966	\$9,966	--
Total Tuition & Fees	\$7,416	\$23,778	\$16,362	220.6%
Sponsored Revenue	\$18,435	\$20,333	\$1,898	10.3%
F&A Revenue (Indirect Cost Recovery)	\$0	\$6,821	\$6,821	--
Total Sponsored and F&A Revenue	\$18,435	\$27,155	\$8,720	47.3%
All Other Spendable Gifts	\$1,675	\$2,362	\$687	41.0%
Total Annual Contributions	\$1,675	\$2,362	\$687	41.0%
Endowment Utilization	\$3,110	\$4,160	\$1,050	33.8%
Total Endowment Utilization	\$3,110	\$4,160	\$1,050	33.8%
TOTAL REVENUES	\$30,635	\$57,454	\$26,819	87.5%
EXPENSES				
Faculty Salaries & Wages	\$16,709	\$17,499	\$789	4.7%
Staff Salaries & Wages	\$6,781	\$6,824	\$43	0.6%
Student Wages	\$879	\$1,016	\$138	15.7%
Total Salaries & Wages	\$24,369	\$25,339	\$970	4.0%
Faculty Benefits	\$4,929	\$5,269	\$340	6.9%
Staff Benefits	\$2,020	\$2,047	\$28	1.4%
Total Benefits	\$6,949	\$7,316	\$367	5.3%
Graduate Student Aid and Support	\$8,332	\$19,075	\$10,742	128.9%
All Other Student Aid and Support	\$535	\$283	(\$253)	-47.2%
Total Student Aid and Support	\$8,868	\$19,357	\$10,490	118.3%
Supplies & General	\$3,112	\$2,911	(\$201)	-6.5%
Purchased Services	\$366	\$1,068	\$702	192.0%
Business & Travel	\$400	\$1,228	\$828	207.1%
Subcontracts	\$1,900	\$2,300	\$400	21.1%
Total General Operating Expenses & Subcontracts	\$5,778	\$7,507	\$1,729	29.9%
Property Costs	\$0	\$1,395	\$1,395	--
Capital & Plant Expenses	\$1,901	\$4,320	\$2,419	127.2%
Total Property Costs, Debt Service and Capital Expenses	\$1,901	\$5,715	\$3,814	200.6%
Total Internal Services, Transfers, and All Other Expenses	(\$1,560)	\$15,176	\$16,736	1073.0%
TOTAL EXPENSES	\$46,306	\$80,411	\$34,105	73.7%
Net of Internal Contributions	(\$17,642)	(\$25,689)	(\$8,047)	45.6%
Operating Margin (\$)	\$1,971	\$2,732	\$761	38.6%

Revenue Highlights

Tuition and Fees

The FY26 Master's revenue is \$6.4 million higher than FY25, driven by modest enrollment growth in existing programs and addition of the Sustainable Energy program. Beginning in

FY26 Engineering will receive 100% of Master's tuition revenue for most programs, in accordance with the school's new MOU. The FY26 PhD revenue is \$10M higher than FY25 due to it being shifted from the Graduate School to the School of Engineering per the new financial model.

Sponsored and F&A Revenue

Sponsored revenue budget of \$20.3 million is projected to be up \$1.9 million compared to FY25. Additionally, beginning in FY26 Engineering will retain its \$6.8M F&A per new model.

Annual Contributions

Budgeted use of spendable gifts assumes an increase of \$0.7 million driven by increased student support and TA expenses.

Endowment Utilization

Endowment utilization increased \$1.1 million, driven by professorships, student support, and addition of seven endowments designated for financial aid that were moved from the Graduate School to Engineering per new financial model.

Expense Highlights

Salaries and Benefits

Salary and fringe increase of \$1.3 million is driven by salary pools and the addition of four faculty positions as part of the Dean's strategic funding and Master's growth.

Student Aid and Support

Student aid and support increase of \$10.5 million is due to a shift of support from the Graduate School to Engineering per new financial model, as well as Graduate Fellowship Scholarships, and need for RA positions that are not supported by Graduate School slots.

General Operating Expenses & Subcontracts

General operating and subcontract expense increase of \$1.7 million is driven by Master's growth, Dean's start-up, and sponsored activity.

Property Costs, Debt Service and Capital Expenses

Property costs, debt service, and capital expense increase of \$3.8 million is driven by Deans' strategic funded space renovations and grant funded scientific equipment.

Internal Services, Transfers, and All Other Expenses

Internal Services, transfers, and all other expenses increase of \$16.7 million is driven by inclusion of central building maintenance and administration fees and School of Professional Studies marketing fee per new financial model.

BIOLOGY AND MEDICINE

Financial Overview

Biology and Medicine – composed of the Program in Biology and The Warren Alpert Medical School – is home to numerous centers of excellence in education, biomedical research, and clinical care. Biology and Medicine is large and diverse; currently there are 151 biology/basic science faculty, 615 medical academic faculty (employed by an affiliated hospital or practice plan), 1,885 clinical faculty (community-based physicians), four basic science, 14 clinical departments, and two hybrid basic science/clinical departments. Biology and Medicine is affiliated with eight diverse teaching hospitals in and around Providence, as well as HopeHealth and Brown Physicians, Inc. Staff in the Division total over 500 (including those contracted through hospital partners), which exceeds 700 when including all affiliate appointments.

Biology and Medicine is committed to excellence in teaching and research. Our mission is, “To advance knowledge and improve the health and well-being of people and the planet.” We are a community of over 2,000 trainees that span from undergraduate trainees to senior trainees on the verge of their first faculty position. The Division awards over 400 degrees annually. We have 302 PhD students, 228 master’s students, and 564 medical students. The Warren Alpert Medical School is one of the most selective and diverse in the country. External funding for research has grown 129% since 2013, and research focus areas include aging and aging-related disease; immunology and infectious disease; RNA biology; and brain health.

Overview (Carney Institute for Brain Science is included for reporting purposes only, but is a separate unit)

As of March 15, 2025, Biology and Medicine is projecting a \$3.07 million operating surplus for FY26. Biology and Medicine’s total FY26 revenue budget of \$249 million across all funds represents a 2.3% decrease over the \$255 million budget in FY25. Biology and Medicine’s total FY26 expense budget of \$271.8 million across all funds represents a 0.6% decrease over the \$273.4 million total expense budget in FY25. Expense coverage from Contributions from E&G has increased by \$6.7 million for a total of \$25.8 million in FY26 in comparison to \$19.1 million in FY25.

Table 11: Biology and Medicine (Carney Institute for Brain Science is included for reporting purposes only, but is a separate unit)

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$6,600	\$7,794	\$1,194	18.1%
Professional Studies Tuition	\$565	\$486	(\$79)	-14.0%
Ph.D. Tuition	\$20,789	\$21,116	\$326	1.6%
Medical Tuition	\$40,361	\$41,362	\$1,001	2.5%
Student Fees	\$670	\$733	\$63	9.3%
Total Tuition & Fees	\$68,985	\$71,490	\$2,505	3.6%
Sponsored Revenue	\$76,835	\$75,524	(\$1,311)	-1.7%
F&A Revenue (Indirect Cost Recovery)	\$25,950	\$25,500	(\$450)	-1.7%
Total Sponsored and F&A Revenue	\$102,785	\$101,024	(\$1,761)	-1.7%
Brown Annual Fund	\$1,700	\$1,700	\$0	0.0%
All Other Spendable Gifts	\$18,936	\$11,213	(\$7,723)	-40.8%
Total Annual Contributions	\$20,636	\$12,913	(\$7,723)	-37.4%
Endowment Utilization	\$35,463	\$37,786	\$2,323	6.5%
Associated Program Cost	\$7,476	\$7,762	\$285	3.8%
Total Endowment Utilization	\$42,940	\$45,548	\$2,608	6.1%
Affiliated Hospital Revenue	\$3,994	\$4,082	\$88	2.2%
All Other Income	\$15,738	\$14,064	(\$1,674)	-10.6%
Total Other Income	\$19,732	\$18,146	(\$1,586)	-8.0%
TOTAL REVENUES	\$255,078	\$249,120	(\$5,957)	-2.3%
EXPENSES				
Faculty Salaries & Wages	\$43,004	\$49,199	\$6,195	14.4%
Staff Salaries & Wages	\$40,386	\$41,709	\$1,323	3.3%
Student Wages	\$814	\$1,005	\$190	23.4%
Total Salaries & Wages	\$84,204	\$91,913	\$7,709	9.2%
Faculty Benefits	\$12,123	\$14,264	\$2,142	17.7%
Staff Benefits	\$11,717	\$12,368	\$651	5.6%
Total Benefits	\$23,840	\$26,632	\$2,792	11.7%
Graduate Student Aid and Support	\$48,895	\$50,988	\$2,093	4.3%
All Other Student Aid and Support	\$430	\$440	\$10	2.2%
Total Student Aid and Support	\$49,325	\$51,428	\$2,103	4.3%
Supplies & General	\$27,062	\$21,913	(\$5,149)	-19.0%
Purchased Services	\$22,375	\$21,054	(\$1,321)	-5.9%
Business & Travel	\$3,386	\$2,741	(\$645)	-19.1%
Subcontracts	\$20,443	\$15,569	(\$4,874)	-23.8%
Total General Operating Expenses & Subcontracts	\$73,266	\$61,278	(\$11,988)	-16.4%
Property Costs	\$3,103	\$3,873	\$769	24.8%
Capital & Plant Expenses	\$12,916	\$8,889	(\$4,026)	-31.2%
Total Property Costs, Debt Service and Capital Expenses	\$16,019	\$12,762	(\$3,257)	-20.3%
Total Internal Services, Transfers, and All Other Expenses	\$26,743	\$27,816	\$1,073	4.0%
TOTAL EXPENSES	\$273,397	\$271,829	(\$1,568)	-0.6%
Net of Internal Contributions	(\$19,082)	(\$25,775)	(\$6,693)	35.1%
Operating Margin (\$)	\$763	\$3,067	\$2,304	302.1%

Revenue Highlights

For FY26, BioMed budgeted total revenues of \$249 million, a 2.3% decrease from the FY25 budget of \$255 million as of March 15, 2025. While the Division is experiencing an increase in combined tuition, fees, and endowment utilization of over \$5 million, an aggregated decline of over \$11 million is anticipated within annual gifts, sponsored research, and other income as discussed below.

Tuition and Fees

Proposed revenue from tuition and fees for FY26 is \$71.5 million, a 3.6% increase from the FY25 revenue of \$69.0 million. Of the \$2.5 million tuition and fee growth over FY25, \$1.2 million is derived from master's programs, most notably within the Biotechnology program. The Warren Alpert Medical School student tuition increase is 2.75% while non-variable programs saw a 4.5% tuition increase.

Sponsored and F&A Revenue

As of March 15, 2025, sponsored research revenue is budgeted at \$101 million for FY26 with indirect cost recovery estimated at \$25.5 million.

Annual Contributions

FY26 budgeted annual contributions of \$12.9 million equates to a \$7.7 million dollar decrease from the FY25 budget of \$20.6 million due to deployment of one-time gift funds.

Endowment Utilization

For FY26, BioMed is projecting an endowment utilization of \$37.8 million, a 6.5% increase from the FY25 utilization of \$35.5 million. The proposed FY26 Associated Program Cost (APC) of \$7.8 million is a \$0.29 million increase from the FY25 budget, a 3.8% increase.

Other Income

Other revenue for FY26 is estimated at \$18.1 million, representing a \$1.6 million reduction in comparison to \$19.7 million in FY25. This decline was driven by the Carney Institute for Brain Science which reduced their Fluid Biomarkers Laboratory revenue by approximately \$2.5 million. When excluding the Carney Institute for Brain Science, BioMed's Other Income category saw nearly a \$1 million increase (5.5%) from new and growing programs and initiatives made possible by our hospital affiliates and other foundations.

Expense Highlights

Salaries and Benefits

The proposed salaries and benefits expenses for FY26 is \$119 million, a 9.7% increase from FY25 in aggregate. This increase is 78% funded by sponsored research and donor funding (gifts and endowments) totaling \$6.5 million and \$1.2 million, respectively. The increase funded by operations is primarily related to the faculty and staff salary pools (merit and base increases, plus University-wide Faculty Market Adjustment Fund) of \$1.9 million and the increased fringe benefit rate impact of \$0.3 million.

Student Aid and Support

As a result of the increased FY26 tuition within the Division, the student aid and support budget increased by \$2.1 million for a total of \$51 million in FY26.

General Operating Expenses & Subcontracts

General operating expenses and subcontracts have been reduced to \$61 million in the FY26 budget in comparison to \$73 million in the FY25 budget. This decrease is 95%, attributed to sponsored research and donor funding (gifts and endowments) totaling \$8.7 million and \$2.7 million, respectively. When evaluating operating budgets, a permanent reduction to travel expenses of \$0.7 million was implemented.

Property Costs, Debt Service and Capital Expenses

Property costs and capital expenses decreased by \$3.3 million, bringing the FY26 budget to \$13 million. A significant reduction in new capital expenditures funded by gifts, grants, and endowments is being implemented to help fund other essential operational aspects.

Contributions from E&G

BioMed has budgeted internal contributions from E&G of \$25.8 million in FY26.

The University's budgeted allocation for FY26 includes commitments from the President, Provost, and Dean of the Faculty to fund faculty startup and other initiatives. BioMed receives contributions from the University that includes \$12.1 million to support undergraduate teaching, \$10.9 million for key faculty research and center support, and \$2.8 million of lab and space support.

SCHOOL OF PUBLIC HEALTH

Financial Overview

The FY26 budget reflects the School of Public Health's continued investment in emerging leaders in public health, which now includes investments in Climate Change and Health, Data Science in Health, and Biosecurity. The school has continued success with its online Master's in Public Health, now entering its fourth year of operations; its newly launched online Biostatistics master's program is budgeted to self-fund for FY26.

The School of Public Health proposes an operating budget for FY26 that reflects total revenues of \$160 million and total expenditures of \$182 million, which, after accounting for internal contributions of \$22.7 million to the school, results in an operating surplus of \$263 thousand.

Public Health's operating surplus is a combination of increased revenue from master's programs offset by investments in several new tenured faculty lines to advance its strategic mission.

Table 12: School of Public Health

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Masters Tuition	\$18,372	\$19,530	\$1,157	6.3%
Professional Studies Tuition	\$430	\$325	(\$105)	-24.4%
Ph.D. Tuition	\$7,648	\$8,030	\$383	5.0%
Student Fees	\$0	\$0	(\$0)	-50.0%
Total Tuition & Fees	\$26,450	\$27,885	\$1,435	5.4%
Sponsored Revenue	\$74,887	\$91,915	\$17,028	22.7%
F&A Revenue (Indirect Cost Recovery)	\$23,000	\$23,690	\$690	3.0%
Total Sponsored and F&A Revenue	\$97,887	\$115,605	\$17,718	18.1%
All Other Spendable Gifts	\$8,271	\$9,765	\$1,493	18.1%
Total Annual Contributions	\$8,271	\$9,765	\$1,493	18.1%
Endowment Utilization	\$4,981	\$5,492	\$511	10.2%
Associated Program Cost	\$1,358	\$1,349	(\$9)	-0.7%
Total Endowment Utilization	\$6,339	\$6,841	\$501	7.9%
TOTAL REVENUES	\$138,947	\$160,096	\$21,148	15.2%
EXPENSES				
Faculty Salaries & Wages	\$33,975	\$34,036	\$61	0.2%
Staff Salaries & Wages	\$24,744	\$29,090	\$4,345	17.6%
Student Wages	\$823	\$1,167	\$344	41.8%
Total Salaries & Wages	\$59,542	\$64,293	\$4,751	8.0%
Faculty Benefits	\$9,759	\$9,982	\$223	2.3%
Staff Benefits	\$7,300	\$8,720	\$1,421	19.5%
Total Benefits	\$17,059	\$18,703	\$1,644	9.6%
Graduate Student Aid and Support	\$21,595	\$22,721	\$1,126	5.2%
All Other Student Aid and Support	\$23	\$3	(\$20)	-87.0%
Total Student Aid and Support	\$21,618	\$22,724	\$1,106	5.1%
Supplies & General	\$17,786	\$17,961	\$175	1.0%
Purchased Services	\$2,426	\$1,659	(\$767)	-31.6%
Business & Travel	\$1,079	\$1,450	\$371	34.4%
Subcontracts	\$23,230	\$32,697	\$9,467	40.8%
Total General Operating Expenses & Subcontracts	\$44,521	\$53,767	\$9,246	20.8%
Property Costs	\$0	\$8	\$8	--
Capital & Plant Expenses	\$0	\$50	\$50	--
Total Property Costs, Debt Service and Capital Expenses	\$0	\$58	\$58	--
Total Internal Services, Transfers, and All Other Expenses	\$15,711	\$23,070	\$7,359	46.8%
TOTAL EXPENSES	\$158,451	\$182,614	\$24,163	15.2%
Net of Internal Contributions	(\$19,245)	(\$22,782)	(\$3,537)	18.4%
Operating Margin (\$)	(\$258)	\$263	\$522	202.0%

Revenue Highlights

The School of Public Health relies heavily on indirect cost recovery from sponsored funding, its primary source of unrestricted revenue. Master's tuition is the second largest source of revenue; these two revenue elements provide the greatest flexibility in terms of budgetary support.

Public Health is making significant efforts to diversify its revenue and mitigate its dependency on sponsored funding as its primary revenue source. These include a focus on fundraising for professorships, as well as programmatic funds such as the Health Equity Scholars Program, capital projects and a naming opportunity. The School continues to expand its master's enrollment for existing programs and in non-degree programs, the latter in conjunction with the School of Professional Studies. It also launched an online Master's of Public Health program this past fall, which will provide a steady revenue stream within the next few years.

Tuition and Fees

Master's tuition is the second largest revenue source for Public Health, with expected revenue of \$19.5 million in FY26. PhD tuition of \$8.0 million compares to a FY25 budget of \$7.6 million. This income is largely offset by PhD tuition scholarship and is not the main revenue driver of the school.

Sponsored and F&A Revenue

Sponsored revenue is the largest revenue source for Public Health and it expects to generate total revenue of \$91.9 million in FY26. The School of Public Health's associated FY26 budgeted indirect cost recovery on sponsored activity is \$23.7 million, compared to \$23 million for FY25, reflecting a flat outlook driven by the current regulatory environment. This budget reflects known revenue impacts of \$2.5 million from terminated grants as of May 2, 2025.

Annual Contributions

Contributions make up 6% of Public Health total revenue. For FY26, utilization of annual contributions is expected to be \$9.7 million, which is a slight increase over the FY25 budget.

Endowment Utilization

Endowment utilization makes up 4% of Public Health total revenue. For FY26, the School expects to utilize \$5.3 million from the payout of endowed gifts.

Expense Highlights

Public Health expenses for FY26 have grown 15% over FY25 budget, mainly driven by investments in new faculty and central fees.

Salaries and Benefits

The salaries and benefits budget for FY26 is \$82.9 million and generally on par with the FY25 budget. The faculty hires, mainly funded on operating funds for FY26, will receive future funding in the form of new endowed chairs as well as sponsored support.

Student Aid and Support

The School of Public Health's student aid and support budget for FY26 is \$22.7 million, a modest increase over FY25 budget of \$21.6 million. This increase is driven by increased enrollment in the Master's and PhD programs.

Other Operating Expenses

FY26 general operating expenses, property costs, internal services and all other expenses of \$76.8 million increased \$16 million over FY25 budget, driven largely by investments into dean start-up requests and operational planning

Net Internal Contributions

FY26 internal contributions from E&G are \$22.7 million, compared to \$19.2 million for the FY25 budget. Increased contribution represents the leveraging of University funds for the School's strategic goals until new revenue sources and fundraising efforts are realized.

SUPPLEMENTARY INFORMATION

This section features various tables of student and financial data that is intended to provide contextual information related to the development of the proposed budget.

Table 13: Undergraduate Applications

Brown University: Undergraduate Applications					
Academic Year	Applied	Admitted	% Admitted	Enrolled	% Enrolled
AY2013-2014	28,919	2,654	9.2%	1,543	58.1%
AY2014-2015	30,431	2,661	8.7%	1,561	58.7%
AY2015-2016	30,396	2,875	9.5%	1,615	56.2%
AY2016-2017	32,390	3,014	9.3%	1,681	55.8%
AY2017-2018	32,723	2,799	8.6%	1,639	58.6%
AY2018-2019	35,437	2,718	7.7%	1,652	60.8%
AY2019-2020	38,674	2,733	7.1%	1,662	60.8%
AY2020-2021	36,793	2,822	7.7%	1,662	58.9%
AY2021-2022	46,568	2,568	5.5%	1,751	68.2%
AY2022-2023	50,649	2,562	5.1%	1,717	67.0%
AY2023-2024	51,316	2,686	5.2%	1,695	63.1%
AY2024-2025	48,904	2,638	5.4%	1,719	65.2%
CAGR	4.89%	-0.05%	-4.72%	0.99%	1.04%
Source: Common Data Set; Office of Institutional Research					
Note: Numbers reflect degree-seeking, first-time, first-year students;					
"CAGR" denotes compounded annual growth rate					

Table 14: Student FTE Enrollments

Brown University: Student FTE Enrollments														
Category	Student Type	Fall 2013	Fall 2014	Fall 2015	Fall 2016	Fall 2017	Fall 2018	Fall 2019	Fall 2020	Fall 2021	Fall 2022	Fall 2023	Fall 2024	CAGR
Undergraduate	Degree-Seeking	6,165	6,253	6,311	6,568	6,662	6,739	6,822	6,616	7,101	7,194	7,273	7,226	1.45%
	Special	147	149	174	178	165	150	171	83	115	220	468	684	15.00%
	Total	6,312	6,402	6,485	6,746	6,827	6,889	6,993	6,699	7,216	7,414	7,741	7,910	2.07%
Medical	Degree-Seeking	461	490	523	545	566	585	597	595	611	595	602	599	2.41%
	Total	461	490	522	545	564	585	597	595	611	595	602	599	2.41%
Graduate	Degree-Seeking	1,935	2,051	2,140	2,170	2,380	2,456	2,430	2,457	2,626	2,861	3,130	3,407	5.28%
	Special	28	27	29	28	23	23	18	30	24	18	43	40	3.30%
	Total	1,963	2,078	2,169	2,198	2,403	2,479	2,448	2,487	2,650	2,879	3,173	3,447	5.25%
Total	Total Degree-Seeking	8,560	8,793	8,974	9,283	9,608	9,780	9,849	9,668	10,338	10,650	11,005	11,232	2.50%
	Total Special	175	176	203	206	188	173	189	113	139	238	511	724	13.78%
	Total	8,735	8,969	9,177	9,489	9,796	9,953	10,038	9,781	10,477	10,888	11,516	11,956	2.89%
Source: Office of Institutional Research; data is based on official census date of October 15 for each year														
Note: Brown/RISD dual-degree students counted as 1.0 FTE; "CAGR" denotes compounded annual growth rate; degree-seeking includes graduate-level certificate programs														

APPENDIX

FY26 Consolidated Operating Budget

Revenue Detail

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Undergraduate Tuition	\$487,354	\$507,884	\$20,530	4.21%
Study Abroad Tuition & Fees	\$18,697	\$16,187	(\$2,509)	-13.42%
Masters Tuition	\$69,419	\$86,119	\$16,700	24.06%
Professional Studies Tuition	\$10,217	\$9,820	(\$397)	-3.88%
Ph.D. Tuition	\$114,540	\$121,062	\$6,521	5.69%
Medical Tuition	\$40,361	\$41,362	\$1,001	2.48%
Student Fees	\$12,906	\$14,048	\$1,143	8.85%
Total Tuition & Fees	\$753,493	\$796,482	\$42,989	5.71%
Sponsored Revenue	\$227,729	\$250,091	\$22,362	9.82%
F&A Revenue (Indirect Cost Recovery)	\$73,189	\$74,156	\$967	1.32%
Total Sponsored and F&A Revenue	\$300,918	\$324,247	\$23,329	7.75%
Brown Annual Fund	\$34,000	\$34,000	\$0	0.00%
All Other Spendable Gifts	\$78,830	\$67,751	(\$11,079)	-14.05%
Total Annual Contributions	\$112,830	\$101,751	(\$11,079)	-9.82%
Endowment Utilization	\$287,082	\$297,729	\$10,647	3.71%
Associated Program Cost	\$50,258	\$52,469	\$2,212	4.40%
Total Endowment Utilization	\$337,340	\$350,198	\$12,858	3.81%
Housing Contractual Revenue	\$52,796	\$55,293	\$2,496	4.73%
Dining Contractual Revenue	\$39,859	\$43,201	\$3,343	8.39%
Student Health Insurance	\$25,215	\$27,482	\$2,267	8.99%
Student Health Services Fees	\$11,981	\$12,978	\$997	8.32%
All Other Auxiliary Revenue	\$36,785	\$38,426	\$1,641	4.46%
Total Auxiliary Revenue	\$166,635	\$177,380	\$10,745	6.45%
Current Fund Investment Income	\$15,839	\$16,028	\$189	1.20%
Affiliated Hospital Revenue	\$9,244	\$9,482	\$238	2.57%
Investment Income	\$9,000	\$23,000	\$14,000	155.56%
Pre-College	\$36,871	\$36,313	(\$558)	-1.51%
All Other Income	\$49,717	\$40,084	(\$9,632)	-19.37%
Total Other Income	\$120,670	\$124,907	\$4,237	3.51%
TOTAL REVENUES	\$1,791,886	\$1,874,965	\$83,079	4.64%

Expense Detail

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
EXPENSES				
Faculty Salaries & Wages	\$243,700	\$252,868	\$9,168	3.76%
Staff Salaries & Wages	\$361,455	\$363,952	\$2,497	0.69%
Student Wages	\$18,357	\$20,460	\$2,103	11.45%
Total Salaries & Wages	\$623,512	\$637,280	\$13,768	2.21%
Faculty Benefits	\$68,853	\$72,956	\$4,104	5.96%
Staff Benefits	\$105,674	\$107,594	\$1,920	1.82%
Student Benefits	\$0	\$0	\$0	0.00%
Total Benefits	\$174,527	\$180,551	\$6,024	3.45%
Undergraduate Student Aid and Support	\$216,745	\$231,262	\$14,517	6.70%
Graduate Student Aid and Support	\$232,876	\$247,222	\$14,346	6.16%
All Other Student Aid and Support	\$27,399	\$24,677	(\$2,722)	-9.93%
Total Student Aid and Support	\$477,020	\$503,161	\$26,141	5.48%
Supplies & General	\$191,203	\$182,118	(\$9,085)	-4.75%
Purchased Services	\$110,973	\$107,838	(\$3,135)	-2.82%
Business & Travel	\$27,703	\$26,596	(\$1,107)	-4.00%
Other Operating Expenses	\$0	\$0	\$0	—
Subcontracts	\$52,208	\$58,075	\$5,867	11.24%
Total General Operating Expenses & Subcontracts	\$382,087	\$374,627	(\$7,460)	-1.95%
Property Costs	\$37,660	\$37,896	\$236	0.63%
Debt Service	\$52,716	\$72,138	\$19,422	36.84%
Capital & Plant Expenses	\$25,687	\$26,866	\$1,178	4.59%
Total Property Costs, Debt Service and Capital Expenses	\$116,063	\$136,900	\$20,837	17.95%
Total Internal Services, Transfers, and All Other Expenses	\$65,116	\$71,190	\$6,075	9.33%
TOTAL EXPENSES	\$1,838,326	\$1,903,709	\$65,384	3.56%
Net Contributions	\$0	(\$0)	(\$0)	0.00%
Operating Margin (\$)	(\$46,440)	(\$28,744)	\$17,696	

FY26 Educational & General and Auxiliaries Budget

Revenue Detail

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
REVENUES				
Undergraduate Tuition	\$487,354	\$507,884	\$20,530	4.2%
Study Abroad Tuition & Fees	\$18,697	\$16,187	(\$2,509)	-13.4%
Masters Tuition	\$33,934	\$41,273	\$7,339	21.6%
Ph.D. Tuition	\$86,103	\$81,950	(\$4,154)	-4.8%
Student Fees	\$4,015	\$4,204	\$189	4.7%
Total Tuition & Fees	\$630,103	\$651,498	\$21,395	3.4%
Sponsored Revenue	\$57,573	\$62,319	\$4,746	8.2%
F&A Revenue (Indirect Cost Recovery)	\$24,239	\$18,145	(\$6,094)	-25.1%
Total Sponsored and F&A Revenue	\$81,812	\$80,464	(\$1,348)	-1.6%
Brown Annual Fund	\$32,300	\$32,300	\$0	0.0%
All Other Spendable Gifts	\$49,948	\$44,411	(\$5,537)	-11.1%
Total Annual Contributions	\$82,248	\$76,711	(\$5,537)	-6.7%
Endowment Utilization	\$243,528	\$250,291	\$6,763	2.8%
Associated Program Cost	\$41,423	\$43,359	\$1,936	4.7%
Total Endowment Utilization	\$284,951	\$293,650	\$8,699	3.1%
Housing Contractual Revenue	\$52,796	\$55,293	\$2,496	4.7%
Dining Contractual Revenue	\$39,859	\$43,201	\$3,343	8.4%
Student Health Insurance	\$25,215	\$27,482	\$2,267	9.0%
Student Health Services Fees	\$11,981	\$12,978	\$997	8.3%
All Other Auxiliary Revenue	\$36,785	\$38,426	\$1,641	4.5%
Total Auxiliary Revenue	\$166,635	\$177,380	\$10,745	6.4%
Current Fund Investment Income	\$15,839	\$16,028	\$189	1.2%
Affiliated Hospital Revenue	\$5,250	\$5,400	\$150	2.9%
Investment Income	\$9,000	\$23,000	\$14,000	155.6%
Pre-College	\$0	\$0	\$0	--
All Other Income	\$27,282	\$19,266	(\$8,016)	-29.4%
Total Other Income	\$57,371	\$63,694	\$6,323	11.0%
TOTAL REVENUES	\$1,303,120	\$1,343,397	\$40,277	3.1%

Expense Detail

(\$ in 000s)	FY25 Budget	FY26 Budget	\$ Change	% Change
EXPENSES				
Faculty Salaries & Wages	\$147,085	\$148,841	\$1,755	1.2%
Staff Salaries & Wages	\$277,152	\$272,916	(\$4,237)	-1.5%
Student Wages	\$14,534	\$15,736	\$1,202	8.3%
Total Salaries & Wages	\$438,772	\$437,492	(\$1,279)	-0.3%
Faculty Benefits	\$41,606	\$42,903	\$1,297	3.1%
Staff Benefits	\$81,683	\$81,186	(\$497)	-0.6%
Student Benefits	\$0	\$0	\$0	0.0%
Total Benefits	\$123,290	\$124,089	\$799	0.6%
Undergraduate Student Aid and Support	\$214,816	\$229,948	\$15,132	7.0%
Graduate Student Aid and Support	\$154,054	\$154,438	\$384	0.2%
All Other Student Aid and Support	\$18,130	\$15,040	(\$3,090)	-17.0%
Total Student Aid and Support	\$387,000	\$399,426	\$12,426	3.2%
Supplies & General	\$138,178	\$133,390	(\$4,788)	-3.5%
Purchased Services	\$81,790	\$80,382	(\$1,408)	-1.7%
Business & Travel	\$22,256	\$20,695	(\$1,561)	-7.0%
Subcontracts	\$6,635	\$7,508	\$874	13.2%
Total General Operating Expenses & Subcontracts	\$248,858	\$241,975	(\$6,883)	-2.8%
Property Costs	\$33,043	\$31,016	(\$2,027)	-6.1%
Debt Service	\$52,716	\$72,138	\$19,422	36.8%
Capital & Plant Expenses	\$10,870	\$13,607	\$2,737	25.2%
Total Property Costs, Debt Service and Capital Expenses	\$96,629	\$116,760	\$20,131	20.8%
Total Internal Services, Transfers, and All Other Expenses	\$17,565	(\$1,589)	(\$19,154)	-109.0%
TOTAL EXPENSES	\$1,312,113	\$1,318,154	\$6,041	0.5%
Net Contributions	\$55,969	\$74,246	\$18,277	32.7%
Operating Margin (\$)	(\$64,963)	(\$49,004)	\$15,959	

Charge of the University Resources Committee

- Review, analyze, and offer recommendations to the President on all budgetary plans, proposals, and priorities affecting the University
- Maintain awareness of budgetary matters throughout the University to encourage informed opinions and discussion of issues
- Make recommendations regarding University resource allocations for the coming fiscal year and for long-range plans developed by the administration
- Release a written report every year that summarizes URC recommendations and budget information.

URC MEMBERS AY 2024-2025

Administrators

Francis Doyle III, Provost, Chair
 Russell Carey, Executive VP for Planning and Policy
 Sarah Latham, Executive VP for Finance & Administration
 Kimberly Galligan, Executive Dean for Admin & Finance
 Tejal Desai, Dean, School of Engineering
 Tim Fater, Associate VP for Financial Strategy & Planning
 Leah VanWey, Dean of the Faculty
 Sara Walsh, Executive Dean for Admin & Finance
 Michael White, VP Finance, CFO
 Rashid Zia, Dean of the College
 Robert Eaton, Director, Budget, Planning & Analysis
 Charlene Sweeney, Associate Vice President and University Controller
 Janet Blume, Deputy Provost

Department

Office of the Provost
 Office of the President
 Executive VP of Finance & Administration
 Division of Biology and Medicine
 School of Engineering
 Office of Budget, Planning & Analysis
 Dean of the Faculty
 School of Public Health
 Office of the Provost
 Dean of the College
 Office of Budget, Planning & Analysis
 Controller's Office
 Office of the Provost

Faculty

Brian Knight, Professor of Economics
 *Larry Larson, Professor of Engineering
 *Laura Snyder, Senior Lecturer in Education
 *Brandon Marshall, Professor of Epidemiology
 Alexander Jaworski, Assoc Professor of Neuroscience
 Kim Cobb, Professor, Earth, Environmental and Planetary Sciences
 Nancy Khalek, Associate Professor of Religious Studies and History

Economics	2025
Engineering	2027
Education	2026
Epidemiology	2027
Neuroscience	2025
EEPS	2026
Religious Studies	2026

Students

Hamid Torabzadeh, Undergraduate Student	2025
*Daniel Newgarden, Undergraduate Student	2025
*Cecilia Bartin, Undergraduate Student	2026
*Charlotte Calkins, Undergraduate Student	2026
*Sebastian Novoa, Graduate Student	2025
*Charis Haynes, Graduate Student	2026
*Saira Moazzam, Medical Student	2025

Staff Representative

*Shannon Covill	Procurement & Contracts	2026
*Georgina Manok	Swearer Center	2026

Staffed By:

Katherine Montilla, Administrative and Project Specialist

* *New Members* ***Vice Chair*

URC MASTER SCHEDULE AY 2024-2025

DATE	TOPICS	SPEAKER
Monday, October 7, 2024 3:30 - 5 pm	● Kick-Off ● Topics of Focus ○ Endowment ● Enrollment, Financial Aid, and Admissions	Jane Dietze Sean Ferns Logan Powell
Monday, October 21, 2024 3:30 - 5 pm	● Recap of FY25, FY25 Budget, and FY26 Outlook ● Multi-Year Financial Plan	Mike White Tim Fater Rob Eaton
Wednesday, October 30, 2024 3:30 - 5 pm	● Topics of Focus ○ Facilities and Capital Plan ○ Advancement ● School of Professional Studies	Mike Guglielmo Sergio Gonzalez Shankar Prasad
Monday, November 25, 2024 3:30 - 5 pm	● Tuition ● Salary Pools ● Discussion	<u>Faculty</u> Leah VanWey (DOF) Mukesh Jain (BioMed) Sara Walsh (SPH) Tejal Desai (Engineering) <u>Staff</u> Marie Williams (HR) <u>Tuition</u> – Mike White
Monday, December 2, 2024 3 - 4 pm	● Tuition - vote	No speakers
Monday, December 16, 2024 3 - 430 pm	● Salary pools - vote	No speakers
Wednesday, February 19, 2025 4-5 pm	● URC Public Forum	No speakers
Wednesday, April 16, 2025 3:30 - 5 pm	● FY26 Initial Consolidation Review ○ Review Priorities & Investments ○ Provide Feedback/Any Blind spots	No speakers
Monday, May 12, 2025 3:30 - 5 pm	● FY26 Budget ○ Discussion ● Recommendation and vote	No speakers