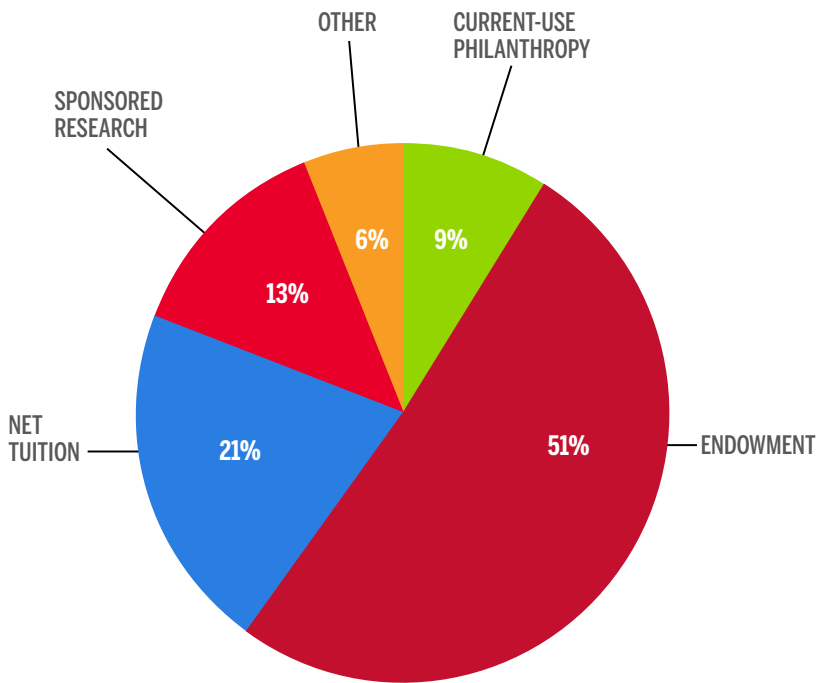


The Harvard Endowment 101

Harvard's endowment, the University's largest financial asset, is a perpetual source of support for the University and its mission of teaching and research. The endowment is both **highly restricted** and designed to support the University **forever**.

- The endowment has been thoughtfully **built over nearly 400 years** through the generosity of alumni, parents, and friends. The current value of the University's endowment is approximately \$50.7 billion.
- The endowment supports all 12 Harvard Schools at different levels and is comprised of **more than 14,000 individual funds, about 80% of which are restricted** to highly specific purposes at the direction of the donor.
- We are stewards of these funds in perpetuity, ensuring they are used for their designated purpose and that they sustain Harvard today and in the future. Harvard has an obligation to **preserve the long-term purchasing power** of the endowment.
- The typical annual University draw is about 5% (\$2.2 billion in the last fiscal year). This provides the total University operating budget with a stable and predictable annual distribution.
- The two largest uses of endowment income are **faculty support** and **financial aid**. Throughout 2022–23, Harvard provided **\$851 million** in financial aid to students across the University. This includes **\$246 million** in need-based aid for undergraduates. Last year, the College further expanded financial aid by raising the family income threshold. Now **families with incomes of \$85,000 or less pay nothing** toward the cost of their student's education, benefiting roughly one in four undergraduates.
- While it has one of the largest university endowments in the world, Harvard has had historically **fewer endowment dollars per student** when compared to some peer institutions, including Princeton, Yale, and Stanford.





FAS REVENUE 2022–23

75% of the FAS endowment is restricted

FACULTY OF ARTS AND SCIENCES ENDOWMENT FACTS

- Current value: **\$20B** (40% of the University endowment)
- FY23 distribution: **\$898.7M**
- Annual expenses for the FAS are approximately **\$1.5B**. More than half of these dollars are distributed from the endowment and the vast majority of this distribution is restricted to specific programs and purposes.
- The **FAS budget is highly endowment reliant** when compared to the budgets of other Schools, such as Harvard Business School (20% annual revenue from the endowment), Harvard Kennedy School (27%), and the Harvard T.H. Chan School of Public Health (20%). Their operating revenues are bolstered by a greater proportion of tuition dollars, executive education programs, sponsored support, and other sources of income.
- Flexible, current-use support is particularly important for the FAS because its overall revenue is **more restricted** than at other Harvard Schools.

FLEXIBLE, CURRENT-USE DOLLARS AND THE ENDOWMENT

While current-use philanthropy appears to be a relatively small portion of the FAS budget at 9 percent, these dollars are a powerful piece of the FAS financial picture. Current-use support—especially *flexible*, current-use support—is one of the few sources of FAS revenue that has the potential to grow over time through increased donor generosity.

Flexible, current-use dollars raised through the Harvard College Fund and Graduate School Fund are **unrestricted** and designed to support the FAS **immediately**, where support is needed most. They fund the fundamental needs of the FAS mission, allow leaders to respond to unforeseen circumstances, provide seed funding for new initiatives, and bring the most talented students and faculty to campus through financial aid and fellowships. These dollars support the FAS in critical ways that endowment dollars cannot.

ADDITIONAL RESOURCES

- [Supporting Our Mission: The Endowment](#)
- [Harvard Management Company: Endowment at Work](#)
- [Financial Overview: Harvard's Endowment](#)
- [2023 FAS Dean's Annual Report](#)
- [2023 Harvard University Annual Financial Report](#)
- [A Path Forward with Flexible, Current-Use Support](#)
- [M.U.S.T.: The Impact of Flexible, Current-Use Giving](#)