



BROWN UNIVERSITY

Independent Auditors' Reports as Required by Uniform Guidance,
Government Auditing Standards and Related Information

Year Ended June 30, 2023

(With Independent Auditors' Report Thereon)

BROWN UNIVERSITY

Independent Auditors' Reports as Required by Uniform Guidance,
Government Auditing Standards and Related Information

Year ended June 30, 2023

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Independent Auditors' Report

The President and Corporation
Brown University:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Brown University (the University), which comprise the balance sheets as of June 30, 2023 and 2022, and the related statements of activities, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2023 and 2022, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for one year after the date the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.



In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 23, 2023 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

KPMG LLP

Providence, Rhode Island
October 23, 2023

BROWN UNIVERSITY

Balance Sheets

June 30, 2023 and 2022

(Dollars in thousands)

Assets	2023	2022
Cash and cash equivalents	\$ 356,255	450,842
Accounts receivable and other assets	94,769	81,836
Contributions receivable, net	428,516	362,957
Funds held in trust by others	75,276	36,219
Right-of-use assets-operating	84,405	91,604
Investments	6,831,006	6,782,034
Land, buildings and equipment, net	1,556,136	1,460,903
Total assets	<u>\$ 9,426,363</u>	<u>9,266,395</u>
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued liabilities	\$ 140,240	142,906
Student deposits and grant advances	95,096	104,671
Operating lease obligations	85,655	92,599
Other long-term obligations	50,324	61,348
Retirement obligations	57,436	57,979
Bonds, loans and notes payable	1,303,412	1,274,926
Total liabilities	<u>1,732,163</u>	<u>1,734,429</u>
Net assets:		
Without donor restrictions	1,578,411	1,495,437
With donor restrictions	6,115,789	6,036,529
Total net assets	<u>7,694,200</u>	<u>7,531,966</u>
Total liabilities and net assets	<u>\$ 9,426,363</u>	<u>9,266,395</u>

See accompanying notes to financial statements.

BROWN UNIVERSITY

Statement of Activities

Year ended June 30, 2023

(Dollars in thousands)

	Without donor restrictions	With donor restrictions	Total
Operating revenues:			
Net tuition and fees	\$ 391,103	—	391,103
Grants and contracts	284,534	—	284,534
Contributions	67,538	11,328	78,866
Endowment return appropriated	232,671	8,651	241,322
Sales and services of auxiliary enterprises	129,152	—	129,152
Other income	121,216	—	121,216
Net assets released from restrictions	40,498	(40,498)	—
Total operating revenues	<u>1,266,712</u>	<u>(20,519)</u>	<u>1,246,193</u>
Operating expenses:			
Salaries and wages	515,655	—	515,655
Employee benefits	145,584	—	145,584
Graduate student support	96,091	—	96,091
Purchased services	156,463	—	156,463
Supplies and general	211,340	—	211,340
Utilities and occupancy	36,798	—	36,798
Interest	35,126	—	35,126
Depreciation	86,338	—	86,338
Operating expenses	<u>1,283,395</u>	<u>—</u>	<u>1,283,395</u>
Change in net assets from operating activities	<u>(16,683)</u>	<u>(20,519)</u>	<u>(37,202)</u>
Nonoperating activities:			
Contributions	14,276	293,672	307,948
Net investment return	27,386	119,167	146,553
Endowment return appropriated	(37,349)	(203,973)	(241,322)
Other changes, net	(17,011)	3,268	(13,743)
Net assets released from restrictions	112,355	(112,355)	—
Change in net assets from nonoperating activities	<u>99,657</u>	<u>99,779</u>	<u>199,436</u>
Change in net assets	82,974	79,260	162,234
Net assets, beginning of year	<u>1,495,437</u>	<u>6,036,529</u>	<u>7,531,966</u>
Net assets, end of year	<u>\$ 1,578,411</u>	<u>6,115,789</u>	<u>7,694,200</u>

See accompanying notes to financial statements.

BROWN UNIVERSITY

Statement of Activities

Year ended June 30, 2022

(Dollars in thousands)

	Without donor restrictions	With donor restrictions	Total
Operating revenues:			
Net tuition and fees	\$ 412,681	—	412,681
Grants and contracts	263,065	—	263,065
Contributions	68,847	59,304	128,151
Endowment return appropriated	183,921	11,138	195,059
Sales and services of auxiliary enterprises	128,819	—	128,819
Other income	103,245	—	103,245
Net assets released from restrictions	25,273	(25,273)	—
Total operating revenues	<u>1,185,851</u>	<u>45,169</u>	<u>1,231,020</u>
Operating expenses:			
Salaries and wages	470,250	—	470,250
Employee benefits	133,837	—	133,837
Graduate student support	98,466	—	98,466
Purchased services	144,679	—	144,679
Supplies and general	181,176	—	181,176
Utilities and occupancy	41,217	—	41,217
Interest	25,212	—	25,212
Depreciation	86,635	—	86,635
Operating expenses	<u>1,181,472</u>	<u>—</u>	<u>1,181,472</u>
Change in net assets from operating activities	<u>4,379</u>	<u>45,169</u>	<u>49,548</u>
Nonoperating activities:			
Contributions	15,892	199,911	215,803
Net investment return	(75,846)	(278,355)	(354,201)
Endowment return appropriated	(30,570)	(164,489)	(195,059)
Other changes, net	1,977	(233)	1,744
Net assets released from restrictions	12,545	(12,545)	—
Change in net assets from nonoperating activities	<u>(76,002)</u>	<u>(255,711)</u>	<u>(331,713)</u>
Change in net assets	<u>(71,623)</u>	<u>(210,542)</u>	<u>(282,165)</u>
Net assets, beginning of year	<u>1,567,060</u>	<u>6,247,071</u>	<u>7,814,131</u>
Net assets, end of year	<u>\$ 1,495,437</u>	<u>6,036,529</u>	<u>7,531,966</u>

See accompanying notes to financial statements.

BROWN UNIVERSITY

Statements of Cash Flows

Years ended June 30, 2023 and 2022

(Dollars in thousands)

	<u>2023</u>	<u>2022</u>
Cash flows from operating activities:		
Change in net assets	\$ 162,234	(282,165)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Net realized and unrealized (gains) losses on investments	(183,505)	321,228
Depreciation	86,338	86,635
Amortization of bond premium	(5,068)	(12,115)
Net loss from disposals of land, building and equipment	536	563
Change in funded status of pension obligation	(7,619)	(13,346)
Change in fair value of interest rate swap liabilities	(8,380)	(26,224)
Change in asset retirement obligation	1,408	974
Change in estimate of split-interest obligations	1,371	1,655
Contributions restricted for plant and endowment	(211,478)	(173,224)
Change in accounts receivable and other assets	(14,267)	8,988
Change in accounts payable and accrued liabilities	29	11,385
Change in contributions receivable, net	(65,559)	(56,400)
Change in other operating liabilities, net	(4,616)	1,766
Net cash used in operating activities	<u>(248,576)</u>	<u>(130,280)</u>
Cash flows from investing activities:		
Additions to land, buildings and equipment	(181,324)	(249,558)
Purchases of investments	(2,144,056)	(2,028,270)
Sales and redemptions of investments	2,237,445	2,090,321
Notes repaid by students and others, net	1,334	1,151
Change in funds held in trust by others, excluding swap collateral	(39,057)	6,195
Net cash used in investing activities	<u>(125,658)</u>	<u>(180,161)</u>
Cash flows from financing activities:		
Contributions restricted for plant and endowment	211,478	173,224
Proceeds from sale of restricted gifts of securities	37,666	26,141
Payments under split-interest obligations	(3,051)	(2,898)
Payments on long-term debt	(67,185)	(167,760)
Proceeds from issuance of debt, including premium	100,739	—
Cash collateral posted under swap agreements	—	(3,100)
Cash collateral returned under swap agreements	—	10,800
Advance from line of credit	150,000	50,000
Payment of advance from line of credit	(150,000)	(50,000)
Net cash provided by financing activities	<u>279,647</u>	<u>36,407</u>
Change in cash and cash equivalents	(94,587)	(274,034)
Cash and cash equivalents, beginning of year	<u>450,842</u>	<u>724,876</u>
Cash and cash equivalents, end of year	\$ <u>356,255</u>	<u>450,842</u>

See accompanying notes to financial statements.

BROWN UNIVERSITY
Financial Statements
June 30, 2023 and 2022

(1) Summary of Significant Accounting Policies

(a) Organization

Brown University (the University or Corporation) is a private, not-for-profit, nonsectarian, co-educational institution of higher education with approximately 7,200 undergraduate students and 3,500 graduate and medical students. Established in 1764, Brown University offers educational programs for undergraduates in liberal arts and engineering, professional training for students pursuing a career in medicine, and graduate education and training in the arts and sciences, engineering and medicine.

(b) Basis of Presentation and Tax Status

The accompanying financial statements are presented on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP) and present balances and transactions according to the existence or absence of donor-imposed restrictions.

The John Nicholas Brown Center for the Study of American Civilization and certain entities established by the University's investment office that holds certain investment funds, are all separate legal entities that are consolidated in the financial statements. Brown University and these consolidated entities are collectively referred to herein as the University. All significant inter-entity transactions and balances have been eliminated.

(c) Tax Status

The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code, as amended, and is generally exempt from income taxes. The University assesses uncertain tax positions and determined that there are no such positions that have a material effect on the financial statements.

For fiscal year 2023 and 2022, the University was subject to the federal excise tax of 1.4% on net investment income imposed on colleges and universities meeting certain criteria under the Tax Cuts and Jobs Act signed into law on December 22, 2017. Net investment income includes interest, dividends, and net realized gains on the sale of investments and other assets subject to the tax. Additionally, the University has made provisions for a deferred tax liability. The deferred tax liability represents future excise tax payable on unrealized gains in excess of the tax basis of investments. The current and deferred liabilities are included within accounts payable and accrued expenses on the balance sheet and in net investment return and other changes on the statement of activities.

(d) Classification of Net Assets

Net assets, revenues, and gains and losses are classified based on the existence or absence of donor-imposed restrictions into two classes of net assets. Accordingly, net assets of the University are classified and reported as follows:

- *Without donor restrictions* – Net assets that are not subject to donor-imposed stipulations.
- *With donor restrictions* – Net assets subject to donor-imposed stipulations that are more specific than broad limits resulting from a not-for-profit's nature, environment in which it operates and incorporating documents. Some donors impose restrictions that are temporary in nature for example, stipulating that resources be used only after a specific date, for particular programs or

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June 30, 2023 and 2022

services, or to acquire buildings and equipment. Other donors impose restrictions that are perpetual in nature, for example, donor-restricted endowment funds stipulating that resources be maintained in perpetuity.

Revenues are reported as increases in net assets without donor restrictions unless their use is limited by donor-imposed restrictions. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulations or by law. The University is incorporated in and subject to the laws of Rhode Island, which contain the provisions outlined in the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Under UPMIFA, the net assets of a donor-restricted endowment fund may be appropriated for expenditure by the Corporation of the University in accordance with the standard of prudence prescribed by UPMIFA.

(e) Fair Value Measurements

Investments, funds held in trust by others, and interest rate swaps are reported at fair value in the University's financial statements. Fair value represents the price that would be received upon the sale of an asset or paid upon the transfer of a liability in an orderly transaction between market participants as of the measurement date. The University uses a three-tiered hierarchy to categorize those assets and liabilities based on the valuation methodologies employed. The hierarchy is defined as follows:

- Level 1 – Valuation based on quoted prices (unadjusted) in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2 – Valuations based on inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
- Level 3 – Valuation based on unobservable inputs used in situations in which little or no observable market data is available.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The University utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. Transfers between categories occur when there is an event that changes the inputs used to measure the fair value of an asset or liability. Transfers between fair value categories are recognized at the end of the reporting period.

Investments measured at net asset value as a practical expedient to estimate fair value are not categorized in the fair value hierarchy.

(f) Statements of Activities

The statements of activities separately report changes in net assets from operating and nonoperating activities. Operating activities consist principally of revenues and expenses related to ongoing educational and research programs, including endowment return appropriated by the Corporation to support those programs. Nonoperating activities consist of net investment return, an offset for endowment return appropriated for operating activities, changes in fair values of interest rate swaps, change in pension plan and other long-term obligations, contributions for long-term purposes, net assets released from donor restrictions for property placed in service, and other activities not in direct support of annual operations.

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Financial Statements
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Revenue from contracts with customers is recognized when control of the promised goods or services is transferred in an amount that reflects the consideration to which we expect to be entitled in exchange for those goods or services (i.e., the transaction price). Revenues are derived from various sources, as follows:

- Revenue from student education, residence, and dining services is determined based on published rates and is billed and reflected net of reductions from institutional student aid, which may be funded by endowment funds or other institutional resources. Such revenue is recognized as the services are provided over the academic year, which generally aligns with the University's fiscal year. Aid in excess of a student's tuition and fees is reflected as a reduction of residence and dining charges. Disbursements made directly to students for living costs or other purposes are reported as an expense. Payments for student services are generally received prior to the commencement of each academic term and are reported as student deposits (contract liabilities) to the extent services will be rendered in the following fiscal year. The student deposits (contract liabilities) are included in deferred revenue on the balance sheets and was \$45,322 and \$48,605 at June 30, 2023 and 2022, respectively.

The composition of student tuition and fee revenue was as follows for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Undergraduate	\$ 480,319	481,870
Graduate and masters programs	<u>195,426</u>	<u>185,662</u>
Tuition and fees	675,745	667,532
Less university scholarships	<u>(284,642)</u>	<u>(254,851)</u>
Net tuition and fees	<u>\$ 391,103</u>	<u>412,681</u>

Sales and services of auxiliary enterprises revenues are recognized when goods or services are provided to students and customers. Auxiliary enterprises revenues consisted of the following for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Residence, dining and health services	\$ 102,514	103,186
Bookstore, rental and other auxiliary income	<u>26,638</u>	<u>25,633</u>
Total	<u>\$ 129,152</u>	<u>128,819</u>

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Contributions, including unconditional promises from donors reported as contributions receivable, are recognized at fair value in the period received and are classified based upon the existence or absence of donor-imposed restrictions. Expirations of donor-imposed restrictions are reported as net assets released from restrictions. Contributions which impose donor restrictions that are met in the same fiscal year they are received are reported as increases in net assets without donor restrictions. Bequest intentions and conditional promises are not recorded in the University's financial statements.

- Grants and contracts awarded by federal and other sponsors, which generally are considered nonexchange transactions restricted by sponsors for certain purposes, are recognized as revenue when qualifying expenditures are incurred and conditions under the agreements are met. The University has elected the simultaneous release policy available under ASU 2018-08, which allows a not-for-profit organization to recognize a restricted contribution directly in net assets without donor restrictions if the restriction is met in the same period that the revenue is recognized. Total revenue from grants and contracts recognized in net assets without donor restrictions was \$284,534 and \$263,065 for the years ended June 30, 2023 and 2022, respectively. Payments received from sponsors in advance of conditions being met are reported as grant advances, which totaled \$43,513 and \$49,045 as of June 30, 2023 and 2022, respectively. Conditional awards from federal sponsors outstanding as of June 30, 2023 were \$451,576.
- Dividends, interest and realized and unrealized gains (losses) on investments are reported as increases (decreases) in (1) net assets with donor restrictions if the terms of the contributions require them to be added to principal or if the terms of the related contributions impose restrictions on their availability or use; or (2) net assets without donor restrictions in all other cases. Investment return attributable to donor-restricted endowment funds is reported as net assets with donor restrictions to the extent not appropriated and spent.

Expenses are reported as decreases in net assets without donor restrictions.

(g) Cash Equivalents

For purposes of the statements of cash flows, cash equivalents, except for those held by investment managers and those held as collateral for debt or interest rate swaps, consist of money market funds and investments with original maturities of three months or less and are carried at cost, which approximates fair value.

(h) Accounts and Notes Receivable and Other Assets

Accounts receivable and other assets include amounts due from students, reimbursements due from sponsors of externally funded research, accrued income on investments, inventory and prepaid expenses. Notes and accounts receivable are presented net of an allowance for uncollectible amounts.

(i) Land, Buildings and Equipment

Land, buildings and equipment are stated at cost of acquisition or construction (including capitalized interest) or, to the extent received as a gift, at estimated fair value at the time of receipt, and are presented net of accumulated depreciation. All other expenditures for maintenance and repairs are charged to operating activities as incurred.

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June 30, 2023 and 2022

Depreciation is calculated using the straight-line method with estimated useful lives of 30-to-40 years for buildings, 20-to-30 years for building improvements, and 3-to-15 years for equipment, depending upon asset class. Depreciation on buildings that support research efforts are componentized and depreciated over useful lives ranging from 15–40 years.

(j) Fund Held in Trust by Others

Funds held in trust by others represent funds that are held and administered by outside trustees, including perpetual trusts established by donors of \$36,576 and \$34,546 at June 30, 2023 and 2022, respectively. The University receives all or a specified portion of the return on the underlying assets of most of the trusts, which is primarily restricted for scholarships. Most of these trust interests are classified in Level 3 in the fair value hierarchy. Other trustee funds of \$38,700 and \$1,673 at June 30, 2023 and 2022, respectively, represent debt proceeds to be utilized for construction projects or otherwise required to be held as collateral or in reserve in accordance with debt or interest rate swap agreements. These are classified in Level 1 in the fair value hierarchy because the underlying securities held by the trustee are based on quoted market prices.

(k) Collections

The University's collections include works of art, historical treasures, and artifacts that are maintained in the University's libraries and museums. These collections are protected and preserved for education and research purposes. The collections are not recognized as assets in the financial statements of the University.

(l) Derivatives

The University uses derivatives for both debt and investment-related purposes. Interest-rate swaps, as described in note 7 (c), are initially used to manage interest-rate risk by fixing the rate on associated variable-rate debt issuances. In addition, certain of the University's investment strategies utilize various derivative financial instruments for a number of investment purposes, including hedging or altering exposure to certain asset classes and cost-effectively adding exposures to portions of the portfolio. Positions are expected to create gains or losses which, when combined with the applicable portion of the total investment portfolio, provide an expected result. Among the derivative instruments that may be entered from time to time include total return swaps to manage exposures in equity markets, foreign currency forward contracts to manage currency exposures in the portfolio. The University has established policies and procedures to monitor and manage risks related to these instruments. In connection with its investment derivative activities, the University generally maintains master netting agreements and collateral agreements with its counterparties. The agreements provide the University the right, in the event of default by the counterparty, to net a counterparty's rights and obligations under the agreement and to liquidate and offset collateral against any net amount owed by the counterparty.

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Financial Statements
June 30, 2023 and 2022

(m) Other Long-Term Obligations

Other long-term obligations consisted of the following for the years ended June 30, 2023 and 2022:

	<u>2023</u>	<u>2022</u>
Federal student loan advances	\$ 5,421	7,793
Split interest obligations	11,003	12,683
Asset retirement obligations	20,149	18,741
Interest-rate swap liabilities	<u>13,751</u>	<u>22,131</u>
Total	<u>\$ 50,324</u>	<u>61,348</u>

(n) Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. Significant estimates made by management include the valuation of certain investments and the actuarially determined pension benefits.

(o) Leasing

The University determines if an arrangement is a lease at inception. The University has leases for which it is a lessee. Operating leases are included in right of use assets, and the related lease obligations in the balance sheet.

Lease right-of-use assets represent the University's right to use an underlying asset for the lease term. Lease obligations represent the University's liability to make lease payments arising from the lease. Operating lease right-of-use assets and related obligations are recognized at commencement date based on the present value of lease payments over the lease term discounted using an appropriate incremental borrowing rate. The incremental borrowing rate is based on the information available at commencement date in determining the present value of lease payments. The value of an option to extend or terminate a lease is reflected to the extent it is reasonably certain management will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term. The cash paid for amounts included in the measurement of these liabilities, under ASC 842, for operating leases for the year ended June 30, 2023 was \$9,129.

Rental income arising from operating leases as a lessor is included in operating revenues in other income in the statement of activities.

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Financial Statements
June 30, 2023 and 2022

(2) Liquidity and Availability

Financial assets available for general expenditures within one year of June 30 are as follows:

	2023	2022
Financial assets:		
Cash and cash equivalents	\$ 356,255	450,842
Accounts receivable, net	55,944	48,898
Pledge receivables available for operations	19,706	33,095
Working capital investments	418,579	400,662
Approved endowment income appropriated for upcoming fiscal year	280,757	241,322
Total financial assets available within one year	1,131,241	1,174,819
Liquidity resources:		
Taxable commercial paper	125,000	125,000
Bank line of credit	150,000	150,000
Total financial assets and liquidity resources available within one year	\$ 1,406,241	1,449,819

The University manages its financial assets to be available as its operating expenditures, liabilities and other obligations come due. In addition, the University invests cash in excess of daily requirement in short-term investments or fixed income securities. To supplement working capital, the University has a \$150,000 line of credit and a \$125,000 taxable commercial paper program at June 30, 2023.

Additionally, the University has Corporation-designated endowments of \$872,954 and \$886,825 as of June 30, 2023 and 2022, respectively. Although the University does not intend to spend from its Corporation-designated endowment funds, other than amounts appropriated for general expenditure, as part of its annual budget approval and appropriation process, amounts from its Corporation-designated endowment funds could be made available if necessary. However, both the Corporation-designated funds and donor-restricted endowment funds contain investments with liquidity constraints, of which \$2,547,066 can be liquidated on a daily to quarterly basis at June 30, 2023 (refer to note 4 for disclosures about investments).

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Financial Statements

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(3) Contributions Receivable

The University's contributions receivable are recognized net of discounts at rates commensurate with the risks involved and after allowances for uncollectible accounts are reported at net realizable value, which approximates fair value. Contributions receivable were as follows at June 30:

	<u>2023</u>	<u>2022</u>
Contributions expected to be received in:		
Less than one year	\$ 111,473	96,902
Between one and five years	300,046	206,932
More than five years	96,597	138,889
Gross contributions receivable	508,116	442,723
Unamortized discount (at rates ranging from 0.3% to 4.8%) and allowance for uncollectibles	(79,600)	(79,766)
Contributions receivable, net	\$ <u>428,516</u>	<u>362,957</u>

At June 30, 2023, the University had conditional promises to give of \$218,277. These conditional promises to give are not recognized as assets or revenue in the financial statements.

(4) Investments

Investment Strategy

In addition to traditional stocks and fixed-income securities, the University may also hold shares or units in institutional funds as well as in alternative investment funds involving absolute return, private equity and real asset strategies. Absolute return strategies involve funds whose managers have the authority to invest in various asset classes at their discretion, including the ability to invest long and short. Funds with absolute return strategies generally hold securities or other financial instruments for which a ready market exists and may include stocks, bonds, put or call options, swaps, currency hedges and other instruments, and are valued accordingly. Private equity funds employ buyout and venture capital strategies and may focus on investments in turn-around situations. Real asset funds generally hold interests in public real estate investment trusts (REITs), commercial properties, commodities, or oil and gas, generally through commingled funds. Private equity and real asset strategies therefore often require the estimation of fair values by fund managers in the absence of readily determinable market values.

Direct investments are primarily valued using a combination of independent appraisals and /or one or more industry standard valuation techniques (e.g., income approach, market approach, or cost approach). The income approach is primarily based on the investment's anticipated future income using one of two principal methods: the discounted cash flow method or the capitalization method. Inputs and estimates developed and utilized with these techniques may be subjective, unobservable, and require judgment regarding significant matters such as estimating the amount of timing of future cash flows, forward pricing assumptions and the selection of discount and capitalization rates that appropriately reflect market and credit risks. The market approach derives investment value through comparison to recent and relevant market transactions with similar investment characteristics. The cost approach is utilized when the cost of

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the investment is determined to be the best representation of fair value. This method is typically used for newly purchased or undeveloped assets. When applicable, the University examines market data and collaborates closely with independent appraisers and investment managers to arrive at the best estimation of fair value for each respective asset. The University makes determinations on significant matters impacting valuation that may arise from time to time.

Investments also include assets related to donor annuities, pooled income funds, and charitable remainder trusts. Certain of these funds are held in trust by the University for one or more beneficiaries who are generally paid lifetime income, after which the principal is made available to the University in accordance with donor restrictions, if any. The assets are reported at fair value and related liabilities, which are reported as split-interest obligations, represent the present value of estimated future payments to beneficiaries.

Basis of Reporting

Investments are reported at estimated fair value. If an investment is held directly by the University and an active market where quoted prices exists, the market price of an identical security is used to report fair value. Fair values for shares in registered mutual funds are based on published share prices. The University's interests in alternative investment funds are generally reported at the net asset value (NAV) reported by the fund managers and assessed as reasonable by the University, which is used as a practical expedient to estimate the fair value of the University's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. At June 30, 2023 and 2022 the University had no plans or intentions to sell investments at amounts different from NAV.

Because of the inherent uncertainties of valuation, these estimated fair values may differ significantly from values that would have been used had a ready market existed, and the differences could be material. Such valuations are determined by fund managers and generally consider variables such as operating results, comparable earnings multiples, projected cash flows, recent sales prices, and other pertinent information, and may reflect discounts for the illiquid nature of certain investments held.

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The following tables summarize the University's investments by strategy type as of June 30, 2023 and 2022:

	2023				
	Investments measured at NAV	Investments classified in the fair value hierarchy			Total
		Level 1	Level 2	Level 3	
Investments:					
Equities:					
Domestic	\$ 252,719	236,225	589	3,350	492,883
Global	464,672	46,701	—	—	511,373
Fixed income:					
Domestic	139,602	99,216	6,949	3,697	249,464
Global	189,697	1,578	45,380	50	236,705
Absolute return:					
General arbitrage	529,636	—	—	—	529,636
Distressed	167	—	—	—	167
Global	725,088	235,915	—	—	961,003
Private equity:					
Buy-out	1,276,102	—	—	57,575	1,333,677
Venture	1,494,091	—	—	31,977	1,526,068
Real assets:					
Real estate	394,911	7,636	—	68,618	471,165
Commodities, oil and gas	49,546	—	40,759	9,932	100,237
Cash and cash equivalents	—	418,628	—	—	418,628
Total	<u>\$ 5,516,231</u>	<u>1,045,899</u>	<u>93,677</u>	<u>175,199</u>	<u>6,831,006</u>

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	2022				
	Investments measured at NAV	Investments classified in the fair value hierarchy			Total
		Level 1	Level 2	Level 3	
Investments:					
Equities:					
Domestic	\$ 179,698	313,212	1,582	3,297	497,789
Global	411,358	115,550	—	—	526,908
Fixed income:					
Domestic	143,407	81,488	4,072	3,211	232,178
Global	145,226	—	41,172	50	186,448
Absolute return:					
General arbitrage	503,999	—	—	—	503,999
Distressed	207	—	—	—	207
Global	753,895	254,016	—	—	1,007,911
Private equity:					
Buy-out	1,138,383	—	—	50,941	1,189,324
Venture	1,825,073	—	—	27,872	1,852,945
Real assets:					
Real estate	234,530	2,088	—	79,349	315,967
Commodities, oil and gas	47,781	14,815	40,862	20,596	124,054
Cash and cash equivalents	—	344,304	—	—	344,304
Total	\$ <u>5,383,557</u>	<u>1,125,473</u>	<u>87,688</u>	<u>185,316</u>	<u>6,782,034</u>

Registered mutual funds and directly held equity securities are classified in Level 1 of the fair value hierarchy. Investments classified in Level 2 and 3 consist of directly held investments that have valuations based on inputs other than quoted prices.

Certain funds contain “rolling” lock-up provisions. Under such provisions, tranches of the investment are available for redemption once every two to five years, if the University makes a redemption request prior to the next available withdrawal date in accordance with the notification terms of the agreement. Private equity and real assets are held in funds that have initial terms of ten to twelve years with extensions of one to three years, and have an average remaining life of approximately five to eight years.

The following tables present activities for the years ended June 30, 2023 and 2022 for the University’s investments classified in Level 3:

Level 3 roll forward	2023				
	Equities	Fixed income	Private equity	Real assets	Total
Fair value at June 30, 2022	\$ 3,297	3,261	78,813	99,945	185,316
Acquisitions	—	—	218	—	218
Dispositions	(1)	(2)	(56)	(5,876)	(5,935)
Net realized and unrealized gains (losses)	54	488	10,577	(15,519)	(4,400)
Fair value at June 30, 2023	\$ <u>3,350</u>	<u>3,747</u>	<u>89,552</u>	<u>78,550</u>	<u>175,199</u>

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Level 3 roll forward	2022				
	Equities	Fixed income	Private equity	Real assets	Total
Fair value as of June 30, 2021	\$ 41,370	3,216	55,715	56,453	156,754
Acquisitions	1,096	—	3,178	25,000	29,274
Dispositions	(38,765)	(26)	(140)	(5,242)	(44,173)
Net realized and unrealized gains (losses)	(404)	71	20,060	23,734	43,461
Fair value at June 30, 2022	\$ 3,297	3,261	78,813	99,945	185,316

There were no transfers between Levels 1 and 2 and no transfers between Levels 2 and 3 in 2023 and 2022, respectively.

Total investment return is included in the statements of activities as follows for the years ended June 30:

	2023	2022
Operating:		
Endowment return appropriated	\$ 241,322	195,059
Included in other income	38,150	14,527
Nonoperating activities:		
Net investment return	146,553	(354,201)
Endowment return appropriated	(241,322)	(195,059)
Total return	\$ 184,703	(339,674)

Total investment management and advisory expenses, including internal costs, were \$19,482 and \$19,921 for the years ended June 30, 2023 and 2022, respectively, and have been netted against the total return.

(a) Liquidity

Investment liquidity as of June 30, 2023 and 2022 is aggregated below based on redemption or sale ability:

	2023					
	Daily	Monthly	Quarterly	Subject to rolling lock-ups	Illiquid	Total
Equities	\$ 275,720	67,947	459,247	118,433	82,909	1,004,256
Fixed income	156,785	—	149,986	51,934	127,464	486,169
Absolute return	—	122,549	791,703	557,256	19,298	1,490,806
Private equity	—	—	26,190	226,130	2,607,425	2,859,745
Real assets	78,311	—	—	—	493,091	571,402
Cash and cash equivalents	418,628	—	—	—	—	418,628
Total	\$ 929,444	190,496	1,427,126	953,753	3,330,187	6,831,006

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	2022					
	Daily	Monthly	Quarterly	Subject to rolling lock-ups	Illiquid	Total
Equities	\$ 414,811	57,044	378,045	99,694	75,103	1,024,697
Fixed income	129,909	—	131,278	51,356	106,083	418,626
Absolute return	—	169,850	772,017	546,897	23,353	1,512,117
Private equity	—	—	—	180,668	2,861,601	3,042,269
Real assets	67,187	—	—	—	372,834	440,021
Cash and cash equivalents	344,304	—	—	—	—	344,304
Total	\$ 956,211	226,894	1,281,340	878,615	3,438,974	6,782,034

Investments with daily liquidity generally do not require advance notice prior to withdrawal. Investments with monthly, quarterly, semi-annual, and annual redemption frequency typically require notice periods, ranging from 5 to 180 days, at June 30, 2023 and 2022.

(b) Commitments

Private equity and real asset investments are generally made through limited partnerships. Under the terms of these agreements, the University is obligated to remit additional funding periodically as capital or liquidity calls are exercised by the manager. These partnerships have a limited existence, generally ten years, and such agreements may provide for annual extensions for the purpose of disposing portfolio positions and returning capital to investors. However, depending on market conditions, the inability to execute the fund's strategy, and other factors, a manager may extend the terms of a fund beyond its originally anticipated existence or may wind the fund down prematurely. As a result, the timing and amount of future capital or liquidity calls expected to be exercised in any particular future year is uncertain. The aggregate amount of unfunded commitments associated with private equity, real assets and private credit as of June 30, 2023 and 2022 was \$1,494,833 and \$1,416,121, respectively.

(c) Investment Derivatives

The University's investment-related derivative positions, categorized by primary underlying risk, are as follows as of June 30, 2023 and 2022:

	2023		
	Long notional	Short notional	Unrealized gain (loss)
Instrument type:			
Total return swaps	\$ 18,581	—	217
Futures and options	116,620	(133,770)	(2,745)

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	2022		
	Long notional	Short notional	Unrealized gain (loss)
Instrument type:			
Total return swaps	\$ 72,773	—	(3,923)

Contracts in a net asset position are included in investments on the balance sheets, and contracts in a net liability position are included in liabilities associated with investments on the balance sheets and are as follows as of June 30, 2023 and 2022:

	2023	2022
Instrument type included in investments:		
Total return swaps	\$ 614	87
Futures and options	382	—
Instrument type included in liabilities associated with investments:		
Total return swaps	\$ 397	4,010
Futures and options	123	—

(5) Endowment

The University's endowment consists of approximately 3,400 individual funds established for a variety of purposes, including both donor-restricted endowment funds and funds designated by the Corporation to function as endowments. Net assets associated with the endowment are classified and reported based upon the existence or absence of donor-imposed restrictions.

Endowment net assets consist of the following at June 30, 2023:

	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds:			
Historical gift value	\$ —	2,101,187	2,101,187
Appreciation	—	3,164,542	3,164,542
Corporation-designated endowment funds	872,954	62,751	935,705
Total endowment net assets	\$ 872,954	5,328,480	6,201,434

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Endowment net assets consist of the following at June 30, 2022:

	Without donor restrictions	With donor restrictions	Total
Donor-restricted endowment funds:			
Historical gift value	\$ —	1,929,573	1,929,573
Appreciation	—	3,262,095	3,262,095
Corporation-designated endowment funds	886,825	62,750	949,575
Total endowment net assets	<u>\$ 886,825</u>	<u>5,254,418</u>	<u>6,141,243</u>

Changes in endowment net assets for the year ended June 30, 2023 are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2022	\$ 886,825	5,254,418	6,141,243
Investment return, net	20,333	112,183	132,516
Endowment return appropriated	(37,349)	(203,973)	(241,322)
Contributions	3,091	154,523	157,614
Reclassifications and other changes	54	11,329	11,383
Endowment net assets, June 30, 2023	<u>\$ 872,954</u>	<u>5,328,480</u>	<u>6,201,434</u>

Changes in endowment net assets for the year ended June 30, 2022 are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2021	\$ 960,328	5,559,847	6,520,175
Investment return, net	(47,877)	(264,199)	(312,076)
Endowment return appropriated	(30,570)	(164,489)	(195,059)
Contributions	39	135,794	135,833
Reclassifications and other changes	4,905	(12,535)	(7,630)
Endowment net assets, June 30, 2022	<u>\$ 886,825</u>	<u>5,254,418</u>	<u>6,141,243</u>

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(a) Interpretation of Relevant Laws

In accordance with UPMIFA, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- The duration and preservation of the fund
- The purposes of the University and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the University
- The investment policies of the University

(b) Funds with Deficiencies

From time to time, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the fund's historic dollar value. Deficiencies of this nature are reported in net assets with donor restrictions. As of June 30, 2023 and 2022, funds with original gift value of \$134,385 and \$87,277 were underwater by \$7,792 and \$6,390, respectively.

(c) Return Objectives and Risk Parameters

The University has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain the purchasing power of the endowment assets, including both donor-restricted and designated funds. The long-term investment return objective is formulated to maintain purchasing power after accounting for both inflation and spending. The Corporation has set a long-term return goal at 5.5% above the higher education price index. Actual returns in any given year or period of years may vary from this amount.

(d) Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets a diversified asset allocation to achieve its long-term return objectives within prudent risk constraints.

(e) Spending Policy and How the Investment Objectives Relate to Spending Policy

The University invests its endowment funds and allocates the related return for expenditure in accordance with the total return concept. The endowment utilization is determined in accordance with the policy adopted by the Corporation. This policy fixes the spending range between 4.5% and 5.5% of the average fair value of applicable endowments over the prior twelve quarters, with the objective being to hold the spending rate to no more than a 5% average over time. Applicable endowments include Corporation-designated and donor-restricted endowment funds.

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(6) Land, Buildings and Equipment

Land, buildings and equipment include the following at June 30:

	2023	2022
Land	\$ 109,660	104,995
Buildings	1,104,953	882,528
Improvements	1,384,158	1,349,054
Equipment	268,267	249,827
Construction in progress	135,780	237,222
	3,002,818	2,823,626
Accumulated depreciation	(1,446,682)	(1,362,723)
Land, buildings and equipment, net	\$ 1,556,136	1,460,903

Outstanding commitments on uncompleted construction contracts total \$68,838 at June 30, 2023.

(7) Bonds, Loans and Notes Payable

The University has entered into various agreements primarily for the purpose of financing the acquisition, renovation, and improvement of its facilities. The bonds, loans and notes payable outstanding for these purposes are as follows:

Name of issue	Interest rate(s)	Type of rate	Final maturity	Balance at June 30	
				2023	2022
Rhode Island Health and Education Building Corporation (RIHEBC) Facilities Revenue Bonds:					
Series 2003B	4.20%	Variable	2044	\$ 37,910	38,505
Series 2005A	4.10%	Variable	2035	85,500	85,500
Series 2012	5.00%	Fixed	2023	—	60,600
Series 2013	4.00%–5.00%	Fixed	2044	114,180	117,645
Series 2015	4.60%	Variable	2046	36,220	37,645
Series 2017A	4.00%–5.00%	Fixed	2048	140,125	141,125
Series 2019	5.00%	Fixed	2030	54,560	54,560
Series 2022	5.00%	Fixed	2034	87,220	—
Brown University Taxable Bonds:					
Series 2020A	1.91%–2.92%	Fixed	2051	665,000	665,000
Promissory note	noninterest bearing	N/A	2030	2,700	2,800
				2,700	2,800
Total bonds, loans and notes payable before premium				1,223,415	1,203,380
Unamortized premium				79,997	71,546
Total bonds, loans and notes payable				\$ 1,303,412	1,274,926

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(a) Tax Exempt Bonds

The University's tax-exempt debt, primarily Facilities Revenue Bonds, is issued through RIHEBC, a state agency serving as a conduit issuer of tax exempt debt. The University is required under certain of its financing agreements with RIHEBC to appropriate funds from operating and other net assets for payment of principal and interest and for maintenance of the related properties. The Revenue Bonds currently outstanding were issued primarily to finance new and ongoing capital projects, student housing, academic, research and administrative buildings, and infrastructure.

In July 2022, the University issued through RIHEBC tax exempt bonds with a par value of \$87,220 at an interest rate of 5%, maturing in 2034. The bonds were sold at a premium of \$13,519, resulting in an effective yield of 3.11%. The proceeds will be used to fund construction projects.

In September 2022, the University paid the final bullet payment in the amount of \$60,600 on the Series 2012 bonds, effectively retiring the series.

In September 2021, the University paid down Series 2011 tax-exempt bonds in the amount of \$33,780 and the commercial bank term loan in the amount of \$71,000. In addition, in September 2021, the University made a bullet payment of \$57,640 on Series 2012 tax-exempt bond.

(b) Other Debt

The University has a \$125,000 Taxable Commercial Paper Program that allows for the issuance of Standard Commercial Paper Notes, Series A. These unsecured, taxable promissory notes can be issued in various amounts with maturities no greater than 270 days. At June 30, 2023 and 2022, there were no outstanding notes.

Principal payments of bonds, notes and loans payable as of June 30, 2023 for each of the succeeding five fiscal years ending June 30 and thereafter are as follows:

Fiscal year:	
2024	\$ 7,985
2025	10,145
2026	10,620
2027	9,485
2028	9,955
Thereafter	<u>1,175,225</u>
Total	<u>\$ 1,223,415</u>

At June 30, 2023 and 2022, the University had a \$150,000 committed line of credit. The \$150,000 line of credit matures in May 2024 and is available at a rate of Bloomberg short-term bank yield index rate plus 40 basis points. As of June 30, 2023 and 2022, there were no amounts drawn or outstanding.

The University has two stand-by bond purchase agreements with financial institutions totaling \$124,789 in the event that the Series 2003B and Series 2005A bonds cannot be remarketed. The \$86,456 agreement matures in December 2027. The \$38,333 agreement matures November 2025. There were

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no amounts outstanding at June 30, 2023 and 2022, under these agreements, nor has either agreement ever been called upon.

The University provided self-liquidity for its taxable commercial paper program at June 30, 2023 and 2022.

(c) Interest Rate Swaps

At June 30, 2023 and 2022, the University had two interest-rate swap agreements in place to effectively convert a portion of its variable-rate debt to fixed rates until maturity of the associated bonds. The notional amounts for the JPMorgan swap and the \$85,500 Goldman Sachs swap match the par amounts of the bonds and amortize at the same rate as the associated debt.

As of June 30, the following interest-rate swap agreements were outstanding:

Counterparty	Associated debt	Expiration date	June 30, 2023 remaining notional value	Swap fixed rate	Fair value of liability at June 30	
					2023	2022
JP Morgan	Series 2003B	9/1/2043	\$ 37,910	3.732 %	\$ (5,815)	(8,842)
Goldman Sachs	Series 2005A	5/1/2035	85,500	3.979	(7,576)	(12,463)
Goldman Sachs	None	9/1/2032	10,410	3.891	(360)	(826)
					\$ (13,751)	(22,131)

The variable rate on the two Goldman Sachs swaps is based on the USD-BMA Municipal Swap Index. Under the original terms of the JPMorgan swap, the variable rate was based on 67% of one-month LIBOR-BBA. In advance of the June 30, 2023 USD LIBOR cessation date, during 2023, the University adhered to the ISDA 2020 IBOR Fallbacks Protocol in order to transition future floating rate payments from being LIBOR-based to being SOFR-based. The Goldman Sachs swaps require posting of collateral by either party at thresholds based on their respective credit ratings. Cash collateral must be posted by the University if the aggregate mark-to-market liability payable by the University exceeds \$25,000. The JPMorgan swap stipulates that if the University meets a minimum credit rating there are no collateral posting requirements. There was no collateral posting requirement at June 30, 2023.

Interest rate volatility, remaining outstanding notional value and time to maturity will affect each swap's fair value at subsequent reporting dates. To the extent the University holds a swap through its expiration date, the swap's fair value will reach zero. Because the swap fair values are based predominantly on observable inputs corroborated by market data, they are classified in Level 2 in the GAAP fair value hierarchy.

(8) Retirement Benefits

The University participates in two contributory retirement plans. The expense to the University, representing its contributions to the accounts of faculty and staff, was \$36,384 and \$32,418 for the years ended June 30, 2023 and 2022, respectively.

The University also has a non-qualified deferred compensation plan under IRC 457(b) that is offered to a select group of employees. Assets are held by a custodian on behalf of the University and are restricted for

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payments to participants and beneficiaries. At June 30, 2023 and 2022, total assets held by the University were \$44,387 and \$37,311, respectively, and included in investments on the balance sheet. A corresponding liability is included in retirement obligations.

The Brown University Food Services and Plant Operations Employees' Pension Plan is a qualified, noncontributory defined benefit plan which provides pensions for certain full-time weekly paid employees. The policy of the University is to fund pension costs in accordance with the Employee Retirement Income Security Act of 1974, as amended.

Information regarding the defined benefit pension plan for the years ended June 30 is as follows:

	<u>2023</u>	<u>2022</u>
Change in projected benefit obligation:		
Projected benefit obligation at beginning of year	\$ 115,268	143,481
Service cost	4,210	5,810
Interest cost	5,184	3,860
Benefits paid	(4,296)	(4,077)
Actuarial gain	(4,867)	(33,806)
Projected benefit obligation at end of year	<u>\$ 115,499</u>	<u>115,268</u>

The actuarial gain in 2023 primarily relates to the increase in the discount rate from 4.42% at June 30, 2022 to 4.90% at June 30, 2023. The actuarial gain in 2022 primarily relates to the increase in the discount rate from 2.72% at June 30, 2021 to 4.42% at June 30, 2022.

The projected benefit obligation was determined using the following assumptions as of June 30:

	<u>2023</u>	<u>2022</u>
Discount rate	4.90 %	4.42 %
Rate of compensation increase	3.00	3.00

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The following is a summary of activity under the plan for the years ended June 30:

	2023	2022
Change in plan assets:		
Fair value of plan assets at beginning of year	\$ 94,600	109,467
Actual return on plan assets	8,646	(13,790)
Contributions	3,500	3,000
Benefits paid	(4,296)	(4,077)
Fair value of plan assets at end of year	102,450	94,600
Projected benefit obligation at end of year	(115,499)	(115,268)
Funded status included in retirement obligations	\$ (13,049)	(20,668)
	2023	2022
Net periodic pension cost:		
Service cost	\$ 4,210	5,810
Interest cost	5,184	3,860
Expected return on assets	(4,714)	(5,120)
Amortization of unrecognized loss and prior service cost	148	429
Net periodic pension cost	\$ 4,828	4,979

Net periodic pension cost was determined using the following assumptions for the years ended June 30:

	2023	2022
Discount rate	4.42 %	2.72 %
Rate of compensation increase	3.00	3.00
Expected long-term rate of return	5.00	4.70

The expected rate of return on plan assets was derived based upon assumptions of inflation, real returns, anticipated value added by the investment manager and expected asset class allocations.

Net periodic pension cost is reflected in operating activities on the statements of activities. As of June 30, 2023 and 2022, items not yet recognized as components of net periodic pension cost are unrecognized prior service cost of \$902 and \$691, respectively, and a net unrecognized actuarial gain (loss) of \$6,431 and (\$2,728), respectively. These changes affecting the funded status of the plan are included in other changes, net in nonoperating activities in the statements of activities.

The plan assets at June 30, 2023 and 2022 consist of variable annuity investments with various equity and fixed income focuses, which are classified as Level 1 in the GAAP fair value hierarchy.

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The investment strategy for the Plan takes into account several factors consistent with the characteristics of an employee pension plan. As such, the strategy recognizes a long-term time horizon where a substantial allocation to equities is appropriate and will help to maximize returns; broad diversification in order to increase return and reduce risk; and investment in institutional retirement annuities that serves to reduce administrative costs.

The actual asset allocation for the pension plan as of June 30, 2023 and 2022, and the weighted average asset targeted allocation are as follows:

	Target	Actual	
		2023	2022
Equity funds	75 %	78 %	75 %
Fixed income funds	25	22	25
Total	100 %	100 %	100 %

The University's estimated contribution for 2024 is \$4,000.

Estimated future benefit payments as of June 30, 2023 are as follows:

Fiscal year:		
2024	\$	4,918
2025		5,115
2026		5,442
2027		5,788
2028		6,142
2029–2033		35,686

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(9) Net Assets

The University's net assets as of June 30 are as follows:

	2023	2022
Without donor restrictions:		
Corporation-designated endowment funds	\$ 872,954	886,825
Investment in plant, net	498,495	439,117
University operations	206,962	169,495
Total without donor restrictions	1,578,411	1,495,437
With donor restrictions:		
Donor-restricted endowment funds:		
Scholarships and student support	1,695,686	1,660,848
Professorships	1,402,542	1,416,489
Departmental and programmatic support	1,220,794	1,159,057
General use	382,323	387,250
Instruction and lectureships	329,337	333,628
Fellowships	297,798	297,146
	5,328,480	5,254,418
Contributions receivable	428,516	362,957
Donor restricted for programs	243,765	243,852
Split-interest net assets	67,175	64,565
Investment in plant, net	47,853	110,737
Total with donor restrictions	6,115,789	6,036,529
	\$ 7,694,200	7,531,966

(10) Functional Classification of Expenses

The statements of activities present expenses by natural classification. The University also summarizes its operating expenses by functional classification. Functional categories are reported after allocating, on a square footage basis, expenses for operation and maintenance of plant, interest on indebtedness, and depreciation.

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Operating expenses by nature and function are summarized as follows for the fiscal year ended June 30, 2023:

2023							
		Instruction and departmental research	Sponsored programs	Academic and student support	Auxiliary services	Institutional support	Total
Salaries and wages	\$	225,659	77,972	98,423	38,397	75,204	515,655
Employee benefits		62,864	22,947	27,005	10,616	22,152	145,584
Graduate student support		20,758	19,292	56,041	—	—	96,091
Purchased services		39,804	61,022	16,478	14,111	25,048	156,463
Supplies and general		33,690	23,725	88,877	32,676	32,372	211,340
Utilities and occupancy		9,771	2,791	8,249	12,903	3,084	36,798
Interest		10,966	3,622	7,197	11,665	1,676	35,126
Depreciation		26,955	8,901	17,691	28,673	4,118	86,338
	\$	430,467	220,272	319,961	149,041	163,654	1,283,395

Operating expenses by nature and function are summarized as follows for the fiscal year ended June 30, 2022:

2022							
		Instruction and departmental research	Sponsored programs	Academic and student support	Auxiliary services	Institutional support	Total
Salaries and wages	\$	207,212	69,611	86,627	33,511	73,289	470,250
Employee benefits		55,163	19,791	23,804	9,181	25,898	133,837
Graduate student support		11,250	19,140	68,076	—	—	98,466
Purchased services		34,358	54,937	20,758	13,185	21,441	144,679
Supplies and general		27,116	17,545	77,321	27,087	32,107	181,176
Utilities and occupancy		11,425	2,942	7,037	15,958	3,855	41,217
Interest		7,871	2,599	5,166	8,373	1,203	25,212
Depreciation		27,047	8,932	17,752	28,772	4,132	86,635
	\$	381,442	195,497	306,541	136,067	161,925	1,181,472

(11) Commitments and Contingencies

All funds expended in conjunction with government grants and contracts are subject to audit by governmental agencies. In the opinion of management, any potential liability resulting from these audits will not have a material effect on the University's financial position.

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The University is a defendant in various legal actions arising in the normal course of its operations. Although the final outcome of such actions cannot currently be determined, the University believes that the ultimate unrecognized liability, if any, will not have a material effect on the University's financial position.

(12) Related-Party Transactions

Members of the Corporation and senior management may, from time to time, be associated either directly or indirectly with companies doing business with the University. The University has a written conflict of interest policy that requires annual reporting by each Corporation member and University senior management. When such relationships exist, measures are taken to mitigate any actual or perceived conflict, including requiring that such transactions be conducted at arms' length, based on terms that are fair and reasonable to and in the best interest of the University.

Effective July 1, 2017, the University, along with The Neurology Foundation, Inc.; University Emergency Medicine Foundation; University Medicine Foundation; University Surgical Associates, Inc.; Brown Urology, Inc.; and Brown Dermatology, Inc. (collectively the Foundations), joined to create the nonprofit Brown Physicians, Inc. (BPI). BPI is an affiliated clinical practice that will enhance the partnership between the Foundations and the Warren Alpert Medical School. Under the formation and support agreement, the University is obligated to pay BPI \$25,000 over a 10-year period. In 2023, the University paid \$2,500 to BPI, with the remaining \$7,500 included in accounts payable and accrued liabilities at June 30, 2023. In addition, the University authorized a line of credit agreement with BPI, up to \$30,000. There was no amount outstanding under the line of credit at June 30, 2023.

(13) Supplemental Disclosure of Cash Flow Information

Following is information intended to supplement the statements of cash flows for the years ended June 30:

	<u>2023</u>	<u>2022</u>
Cash paid for interest, including recurring swap settlements, net of capitalized interest of \$3,932 and \$5,159	\$ 39,390	38,922
Increase in accounts payable for land, buildings and equipment	783	3,361
Decrease in payables for purchases of investments	(3,478)	(34,316)

(14) Subsequent Events

In July 2023, the University issued through RIHEBC tax exempt bonds with a par value of \$96,535 at an interest rate of 5%, maturing in 2044. The bonds were sold at a premium of \$14,480, resulting in an effective yield of 2.88%. The proceeds were used to refund the Series 2013 in September 2023.

The University considers events or transactions that occur after the balance sheet date, but before the financial statements are issued, to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. These financial statements were issued October 23, 2023, and subsequent events have been evaluated through that date.

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Research and Development Cluster:				
Department of Agriculture:				
Agriculture and Food Research Initiative (AFRI)	10.310	Direct	\$ —	96,775
Wake Forest University	10.310	20-013	—	59,631
Subtotal			—	156,406
COVID-19 – GusNIP Food Insecurity Nutrition Incentive (AFRI)	10.331	01_BROWNU_06163	—	39,183
Department of Agriculture total			—	195,589
Department of Commerce:				
Southeast Coastal Ocean Observing Regional Association	11.012	IOOS.21(097)BU.ED.MOD.SUPP.2	—	94,979
Climate and Atmospheric Research	11.431	Direct	—	17,822
Congressionally Identified Awards and Projects	11.469	AWD-004074-G2	—	2,431
Science, Technology, Business and/or Education Outreach	11.620	Direct	—	473,444
Department of Commerce total			—	588,676
Department of Defense:				
Department of Defense – Other research	12.000	Direct	997,805	2,892,240
Auburn University	12.000	21-CIVENG-202667-BROWN	—	50,814
Charles River Analytics, Inc.	12.000	SC1935902	—	39,882
Charles Stark Draper Laboratory, Inc.	12.000	PO001-0001066652	—	9,047
Defense Threat Reduction Agency	12.000	HDTRA222P0001	—	63,803
Eaton Corporation	12.000	0011-45381	—	175,081
Massachusetts Institute of Technology	12.000	S5618	—	153,679
Massachusetts Institute of Technology	12.000	S5719	—	148,870
Paragon Professional Services, LLC	12.000	PPS-2210020-BU	—	45,383
Paragon Professional Services, LLC	12.000	PPS-4010032-BU	—	(800)
Traverse, Inc.	12.000	00036670	—	14,486
Tufts University	12.000	AR0002	—	51,052
University of Minnesota	12.000	P008101902	—	32,750
University of Rhode Island	12.000	0007844/010421	—	7,755
Subtotal			997,805	3,684,042
Basic and Applied Scientific Research				
Boston University	12.300	Direct	1,045,596	8,878,690
Colorado School of Mines	12.300	4500002205	—	15,453
Cornell University	12.300	402170-5801	—	109,976
Dartmouth College	12.300	81825-10893	—	90,184
Office of Naval Research	12.300	R1682	—	10,575
Office of Naval Research	12.300	0000001725	—	153,065
Office of Naval Research	12.300	0000001555	—	231,313
Office of Naval Research	12.300	0000001087	—	829,264
ReliaCoat Technologies, LLC	12.300	RCT1023S	—	154,540
Stevens Institute of Technology	12.300	2102747-01	—	13,065
Tufts University	12.300	ONR278	—	(27)
University of California, Riverside	12.300	S-001604	—	40,453
University of Central Florida	12.300	65016A22	—	164,011
University of Pennsylvania	12.300	579262	—	31,276
University of Southern California	12.300	SCON-00003657	—	70,280
Subtotal			1,045,596	10,792,118

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Scientific Research – Combating Weapons of Mass Destruction	12.351	Direct	\$ 156,000	398,624
Military Medical Research and Development	12.420	Direct	208,692	715,247
Rhode Island Hospital	12.420	7137575	—	4,895
University of California, Davis	12.420	A23-2045-S002	—	18,313
Subtotal			<u>208,692</u>	<u>738,455</u>
Basic Scientific Research	12.431	Direct	53,970	835,955
Oklahoma State University	12.431	1-500751-BU	—	104,839
Subtotal			<u>53,970</u>	<u>940,794</u>
Advanced Regenerative Manufacturing Institute	12.630	T0159-B	—	13,217
U.S. Department of Defense	12.750	3802	—	28,987
Air Force Defense Research Sciences Program	12.800	Direct	438,091	1,553,770
Air Force Defense Research Sciences Program	12.800	E2056131	—	82,599
Imaging Systems Technology	12.800	IST-8453 rev B	—	(498)
University of Dayton Research Center	12.800	K75262-4363-7809 / PO# P1500565	—	141
Subtotal			<u>438,091</u>	<u>1,636,012</u>
Research and Technology Development	12.910	Direct	365,037	1,299,894
University of California, San Diego	12.910	104628989	—	12,648
University of Pennsylvania	12.910	574468	—	(4,749)
Subtotal			<u>365,037</u>	<u>1,307,793</u>
Department of Defense total			<u>3,265,191</u>	<u>19,540,042</u>
Central Intelligence Agency:				
Central Intelligence Agency	13.000	Direct	672,098	1,886,657
Central Intelligence Agency total			<u>672,098</u>	<u>1,886,657</u>
Department of Education:				
Fulbright Hays Doctoral Dissertation Research Abroad	84.022A	Direct	—	92,917
University of California, Riverside	84.305A	S-001448	—	19,533
University of Pennsylvania	84.305	R305D210014	—	45,609
Partnerships and Collaborations Focused on Problems of Practice or Policy	84.305H	Direct	199,146	1,072,232
University of New Mexico	84.305R	3RNF1	—	2,385
Education Research, Development and Dissemination	84.305U	Direct	—	81,181
Institute of Education Sciences	84.305U	R305U210003	—	140,328
Subtotal			<u>—</u>	<u>221,509</u>
State of Rhode Island Department of Education	84.372A	PO 3706188	—	29,450
City of Providence Public School District	84.374	Providence School District	18,009	219,355
Department of Education total			<u>217,155</u>	<u>1,702,990</u>
Department of Energy:				
Fermi National Accelerator Laboratory	81.000	656186	—	148,545
Fermi National Accelerator Laboratory	81.000	658618	—	14,715
Fermi National Accelerator Laboratory	81.000	664117	—	684,714
Fermi National Accelerator Laboratory	81.000	670272	—	19,020
Fermi National Accelerator Laboratory	81.000	684497	—	47,457
Fermi National Accelerator Laboratory	81.000	685208	—	40,409

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Fermi National Accelerator Laboratory	81.000	685300	\$ —	16,861
Fermi National Accelerator Laboratory	81.000	695959	—	14,891
Fermi National Accelerator Laboratory	81.000	690,647	—	9,569
Lawrence Livermore National Laboratory	81.000	B653357	—	27,540
Lawrence Livermore National Laboratory	81.000	B656118	—	66,879
Lawrence Livermore National Laboratory	81.000	B656211	—	29,845
Lawrence Livermore National Laboratory	81.000	B656377	—	1,482
Oak Ridge National Laboratory	81.000	4000126928	—	67,277
Oak Ridge National Laboratory	81.000	4000175015	—	59,768
Pacific Northwest National Laboratory	81.000	433306	—	178,029
Pacific Northwest National Laboratory	81.000	456824	—	67,405
Sandia National Laboratories	81.000	1926728	—	228,503
Sandia National Laboratories	81.000	2178181	—	67,688
Sandia National Laboratories	81.000	2364764	—	49,050
Sandia National Laboratories	81.000	2342121	—	77,468
The Regents of the University of California	81.000	7388270	—	10,891
Subtotal			—	1,928,006
Clemson University	81.049	2481-219-2025738	188,031	48,755
Office of Science Financial Assistance Program	81.049	Direct	—	3,675,051
Oak Ridge National Laboratory	81.049	4000183969	—	135,810
Oregon State University	81.049	U1497A-A	—	17,320
University of Nebraska-Lincoln	81.049	25-0521-0226-005	—	721,201
Subtotal			188,031	4,598,137
National Energy Technology Laboratory	81.057	DE-FE0008933	—	(731)
General Motors Corporation	81.086	4301051656	—	122,775
Western Michigan University	81.086	10566-Brown	—	254,755
State University of New York, Stony Brook	81.086	1171564/2/92707	—	136,463
Subtotal			—	513,993
Pacific Northwest National Laboratory	81.087	671259	—	26,269
Renewable Energy Research and Development	81.087	Direct	—	278,097
University of California, San Diego	81.087	703616	—	67,930
Subtotal			—	372,296
Texas A & M University – College Station	81.135	M2102099	—	40,367
University of Maryland – College Park	81.135	113238-Z7152202	—	82,141
Subtotal			—	122,508
Department of Energy total			188,031	7,534,209
Department of Health and Human Services:				
Department of Health and Human Services – Other research	93.000	Direct	2,485,064	4,557,912
Bradley Hospital	93.000	712-1001	—	85,792
Dartmouth College	93.000	R997	—	10,323
Emmes Company LLC	93.000	#2348964v.1 – Prime IDIQ#HHSN2752018000061 – TO#75N94023F00001	—	91,165
McLean Hospital	93.000	401766	—	3,450
Research Triangle Institute	93.000	1-312-0216664-65752L/Master Agreement 888-19-27-21	—	173,589
University of Mississippi Medical Center	93.000	SP14543-SB07	—	2,269
Subtotal			2,485,064	4,924,500

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Research Triangle Institute	93.070	1-312-0217189-6547L	\$ —	15,943
State of Michigan Procurement	93.070	MA20000000860 – DO Doc ID: 210000005535	—	33,754
Subtotal			—	49,697
Boston University	93.077	4500004547	—	20,203
Family Smoking Prevention and Tobacco Control Act Regulatory Research	93.077	Direct	—	43,755
National Institute on Drug Abuse	93.077	GR16839	—	35,375
University of Oklahoma	93.077	RS20200039-01	—	27,396
University of Vermont	93.077	32359SUB52490	—	417,845
Wake Forest University Health Sciences	93.077	848-45117-100000337931	—	2,667
Wake Forest University	93.077	WFUHS 119438	—	28,284
Wake Forest University	93.077	WFUHS119379	—	211,456
Wake Forest University	93.077	273-100500-119421	—	142,679
Subtotal			—	929,660
Model State-Supported Area Health Education Centers	93.107	Direct	116,885	203,976
Amelia Technologies	93.113	N/A	288,938	67,680
Biological Response to Environmental Health Hazards	93.113	Direct	—	3,311,351
Cincinnati Childrens Hospital Medical Center	93.113	314404	—	33,465
Florida Gulf Coast University	93.113	17056-NIH-Brown-01	—	44,892
Johns Hopkins University	93.113	2005355774	—	1,708
Johns Hopkins University	93.113	2004166016	—	28,644
Michigan State University	93.113	RC112064A	—	16,490
Pennsylvania State University	93.113	S000446-NIH	—	10,222
Pennsylvania State University	93.113	S002690-DHHS	—	19,813
President and Fellows of Harvard College – SPH	93.113	112190-5104406	—	27,746
University of Nevada, Las Vegas	93.113	GR16778	—	22,187
University of Louisville	93.113	ULRF_20-1190-01	—	(3,481)
University of Louisville	93.113	ULRF_20-1190A-01	—	46,909
University of Massachusetts, Amherst	93.113	22-016854 A 00	—	13,612
University of Pennsylvania	93.113	582722	—	31,921
University of Pennsylvania	93.113	54533	—	43,357
Subtotal			288,938	3,716,516
Oral Diseases and Disorders Research	93.121	Direct	—	43,499
Injury Prevention and Control research and State and Community Based Programs	93.136	Direct	358,893	781,004
Rhode Island Hospital	93.136	7017137520	—	174,121
State of Rhode Island Department of Health	93.136	3723334 – GNU17CE924967	—	158,966
State of Rhode Island Department of Health	93.136	2018-2020 Agreement – PO3573706	—	34,552
Subtotal			358,893	1,148,643
NIEHS Superfund Hazardous Substances Basic Research and Education	93.143	Direct	—	(3,055)
Human Genome Research	93.172	Direct	—	495,642
Northeastern University	93.172	500777-78050	—	115,434
President and Fellows of Harvard College	93.172	150562.5116721.0002	—	225,383
Subtotal			—	836,459

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Massachusetts General Hospital	93.173	221242	\$ 457,587	(1,140)
Research Related to Deafness and Communication Disorders	93.173	Direct	—	2,496,756
Stanford University	93.173	62532441-116469	—	36,409
Stanford University	93.173	62894329-193336	—	67,645
University of Massachusetts Medical School	93.173	OSP32755-00	—	25,069
Subtotal			457,587	2,624,739
Research and Training in Complementary and Integrative Health	93.213	Direct	240,208	1,283,503
Massachusetts General Hospital	93.213	236636	—	20,088
Miriam Hospital	93.213	7147232	—	7,504
University of Rochester	93.213	SUB00000450 / UR FAO GR533012	—	60,700
Subtotal			240,208	1,371,795
National Research Service Awards Health Services Research Training	93.225	Direct	—	344,726
Research on Healthcare Costs, Quality and Outcomes	93.226	Direct	213,216	322,533
COVID-19 – Research on Healthcare Costs, Quality and Outcomes	93.226	Direct	—	231,047
University of Massachusetts Medical Center	93.226	OSP27392-02 – PO # WA00826359	—	8,766
Beth Israel Deaconess Medical Center	93.226	01061109	—	13,294
Subtotal			213,216	575,640
Rhode Island Hospital	93.233	7137688	—	8,607
Mental Health Research Grants	93.242	Direct	3,427,068	11,636,536
COVID-19 – Mental Health Research Grants	93.242	Direct	—	417,777
AINGEAL	93.242	2019001	—	291
Baylor College of Medicine	93.242	7000001191	—	15,833
Baylor College of Medicine	93.242	7000001617	—	25,371
Binghamton University	93.242	94804-1176155_Brown Univ	—	21,621
Boston College	93.242	5107901-3	—	125,686
Boston Medica Center	93.242	4141-Brown-05AG-01	—	35,051
Boston University	93.242	4500003428	—	21,312
Bradley Hospital	93.242	712-7477	—	33
Bradley Hospital	93.242	712-7678	—	8,995
Butler Hospital	93.242	5001871BROWN	—	87,874
Butler Hospital	93.242	5001571-RCTBROWN	—	16,313
Butler Hospital	93.242	5001621	—	4,123
Butler Hospital	93.242	5001701BROWN	—	70,478
Butler Hospital	93.242	5001751BROWN	—	23,877
Butler Hospital	93.242	5001931-Brown	—	18,402
Dartmouth Medical School	93.242	R1441	—	385,956
Emory University	93.242	A175688	—	24,174
Emory University	93.242	A202614	—	24,977
Hunter College	93.242	CM00001185-01	—	52,178
Massachusetts General Hospital	93.242	236496	—	72,152
Massachusetts General Hospital	93.242	236910	—	57,301
Massachusetts General Hospital	93.242	236969	—	80,243
Massachusetts General Hospital	93.242	239518	—	29,299
McLean Hospital	93.242	401665	—	226,404
McLean Hospital	93.242	401755	—	16,782
Michigan State University	93.242	RC105383-Brown	—	1,007

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Michigan State University	93.242	RC114239Brown	\$ —	301,354
Michigan State University	93.242	RC114240Brown	—	63,044
Michigan State University	93.242	RC110477BROWN	—	5,309
Miriam Hospital	93.242	7147068AN	—	84,818
New York Genome Center	93.242	2021-0050-BROWN-01	—	349,659
Ocean State Research Institute	93.242	512204	—	40,595
Regents of the University of Michigan	93.242	SUBK00008747	—	(2,679)
Rhode Island Hospital	93.242	7137602	—	77,113
Rhode Island Hospital	93.242	7137670	—	14,539
Rhode Island Hospital	93.242	7137763	—	29,782
Rhode Island Hospital	93.242	7137805	—	18,781
University of California, Los Angeles	93.242	1935 G YA101	—	47,728
University of Chicago	93.242	AWD102252 (SUB00000578)	—	11,672
University of Georgia	93.242	SUB00002270	—	(499)
University of Maryland – College Park	93.242	2003802	—	149,060
University of Missouri – Columbia	93.242	C00078940-1	—	28,208
University of New Hampshire	93.242	L0180	—	10,759
University of Rochester	93.242	SUB00000362 / UR FAO GR532179	—	231,152
University of South Carolina	93.242	22-4818	—	174,853
Wellesley College	93.242	NIH MOST	—	33,658
Subtotal			3,427,068	15,168,952
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	Direct	315,850	845,021
University of Missouri – Kansas City	93.243	00118057/00079829	—	278,901
Subtotal			315,850	1,123,922
Geriatric Academic Career Awards Department of Health and Human Services	93.250	Direct	12,411	12,411
Health Systems Strengthening and HIV/AIDS Prevention, Care and Treatment Under the President's Emergency Plan for AIDS Relief	93.266	Direct	516,777	1,422,412
Adult Viral Hepatitis Prevention and Control	93.270	Direct	—	182,209
Alcohol Research Programs	93.273	Direct	1,015,108	9,040,503
COVID-19 – Center for Innovative Public Health Research	93.273	CIPHR 20215223912	—	5,917
Boston University	93.273	4500003456	—	122,087
Burnham Institute	93.273	60871-13184-Brown	—	85,521
Butler Hospital	93.273	501681Brown	—	3,917
Rhode Island Hospital	93.273	7017137290-1	—	17,196
Rhode Island Hospital	93.273	7137820	—	8,607
Rhode Island Hospital	93.273	7137830	—	35,097
Rutgers	93.273	2012 – PO 25063909	—	14,704
Trustees of Boston University	93.273	4500003904	—	100,789
University of California, Los Angeles	93.273	0875 G ZA737	—	17,003
University of Illinois, Urbana-Champaign	93.273	106344-18715	—	38,850
University of Missouri, Columbia	93.273	C00071288-1	—	64,459
University of Southern California	93.273	103132179	—	34,809
Subtotal			1,015,108	9,589,459
Drug-Free Communities Support Program Grants	93.276	Direct	—	7,553

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Drug Abuse and Addiction Research Programs	93.279	Direct	\$ 2,815,112	8,042,587
COVID-19 – Drug Abuse and Addiction Research Programs	93.279	Direct	—	694,406
Boston Children's Hospital	93.279	GENFD0001711879	—	40,501
Boston Medical Center	93.279	7334	—	24,774
Butler Hospital	93.279	5001821-1	—	34,796
Butler Hospital	93.279	5001721-2BROWN	—	8,625
Butler Hospital	93.279	5001821-2	—	—
Emory University	93.279	T856876	—	14,187
Emory University	93.279	T994721	—	11,034
Giner, Inc.	93.279	407582	—	100,000
Hennepin Healthcare Research Institute	93.279	15212-2	—	27,065
Massachusetts General Hospital	93.279	237496	—	70,558
Massachusetts General Hospital	93.279	241225	—	17,920
Massachusetts Institute of Technology	93.279	S5861 PO#836061	—	52,403
Miriam Hospital	93.279	710-7147067	—	(2,123)
Miriam Hospital	93.279	710-7147113	—	43,243
Miriam Hospital	93.279	7147185ASN	—	52,304
Mount Sinai School of Medicine	93.279	0255-H181-4609	—	38,514
Northeastern University	93.279	60062765 BU	—	29,159
Northeastern University	93.279	60062766 Brown	—	53,130
Partnership to End Addiction	93.279	R24DA051946	—	(28,473)
Partnership to End Addiction	93.279	#3305 FIRST Network	—	28,477
Public Health Institute	93.279	00414	—	4,031
Rhode Island Hospital	93.279	7017137679	—	54,125
Rhode Island Hospital	93.279	7137757	—	15,923
Simon Fraser University	93.279	GRT26399	—	42,001
Stanford University	93.279	63019051-257650	—	17,049
Tufts University	93.279	102314-00001/NIH025_Spirito	—	8,037
University of California, Los Angeles	93.279	1935 G YA572	—	(5,738)
University of California, Los Angeles	93.279	1935 G ZA667	—	25,660
University of California, San Francisco	93.279	13704sc	—	188,632
University of Florida	93.279	SUB00002792	—	38,095
University of Kansas Medical Center Research Institute Inc.	93.279	ZAN00050	—	28,082
University of Massachusetts Medical School	93.279	SUB00000167	—	7,900
Weill Cornell Medical College	93.279	201851-3	—	145,583
Weill Cornell Medical College	93.279	222892-4	—	20,408
Women and Infants Hospital	93.279	5001631-2	—	7,280
Subtotal			<u>2,815,112</u>	<u>9,950,155</u>
University of New Hampshire	93.286	PZL0214	—	42,315
State of Rhode Island Department of Health	93.296	2018-2019 Agreement – PO3423017	—	(5,843)
Minority Health and Health Disparities Research	93.307	Direct	221,198	1,564,604
COVID-19 – Minority Health and Health Disparities Research	93.307	Direct	—	—
Bradley Hospital	93.307	712-7573	—	16,124
Brigham and Women's Hospital	93.307	127174	—	23,706
Rhode Island Hospital	93.307	7137328	—	6,109
University of California, Riverside	93.307	S-001543	—	167,444
University of Kansas	93.307	GR500773	—	38,765
Subtotal			<u>221,198</u>	<u>1,816,752</u>

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Trans-NIH Research Support	93.310	Direct	\$ 392,315	470,746
COVID-19 – Trans-NIH Research Support	93.310	Direct	—	848,822
COVID-19 – Carnegie Mellon University	93.310	1090746 – 437999	—	243,175
Carnegie Mellon University	93.310	1090661-437999	—	41,670
New York University	93.310	F1977-02	—	30,209
Rhode Island Hospital	93.310	7137538	—	173,027
University of California, San Diego	93.310	KR 704365	—	(2,032)
University of Southern California	93.310	139505811	—	31,697
COVID-19 – Yale University	93.310	GR111817(CON-8002845)	—	239,041
Subtotal			392,315	2,076,355
California State University – Northridge	93.311	A15-0012-S030	—	45,199
University of Minnesota	93.311	P009879301	—	6,571
Subtotal			—	51,770
Miriam Hospital	93.349	710-7147144	—	17,195
Dana-Farber Cancer Institute	93.353	1204001	—	46,462
Nursing Research	93.361	Direct	263,899	638,171
Center for Innovative Public Health Research	93.361	CiPHR – R01NR020309	—	807
Mount Sinai School of Medicine	93.361	0255-F561-409	—	20,752
University of California, San Diego	93.361	123245755	—	39,259
Subtotal			263,899	698,989
Brigham and Women's Hospital	93.393	127445	—	62,218
Cancer Cause and Prevention Research	93.393	Direct	367,697	1,516,121
Columbia University	93.393	1(GG017675-01)	—	24,538
Dana Farber Cancer Institute	93.393	1322201	—	51,680
Fox Chase Cancer Center	93.393	FCCC # 15152-01	—	29,657
Fox Chase Cancer Center	93.393	1513700YR5	—	33,629
Massachusetts General Hospital	93.393	232008	—	13,565
San Diego Biomedical Research	93.393	23430-215-415	—	31,980
University of California, Irvine	93.393	2022-1739	—	116,671
University of California, Irvine	93.393	2023-1893	—	95,057
University of California, San Francisco	93.393	10234sc	—	125,874
University of Kansas Medical School	93.393	AWD-0002659	—	21,154
University of Texas MD Anderson	93.393	3001528852	—	87,363
Subtotal			367,697	2,209,507
Cancer Detection and Diagnosis Research	93.394	Direct	439,748	2,293,387
ECOG-ACRIN Medical Research Foundation, Inc	93.394	UWSC12941	—	80,545
University of Washington	93.394	UWSC13957	—	90,117
Subtotal			439,748	2,464,049
Cancer Treatment Research	93.395	Direct	306,243	1,177,379
Dana-Farber Cancer Institute	93.395	1227206	—	258,756
Dana-Farber Cancer Institute	93.395	1800007	—	1,240,940
Dana-Farber Cancer Institute	93.395	1227205	—	2,527
ECOG-ACRIN Medical Research Foundation, Inc	93.395	1UG1CA189828-01-BRWN2	—	31

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ECOG-ACRIN Medical Research Foundation, Inc	93.395	UG1CA189828-08-BRWN-ADRD	\$ —	6,603
Regents of the University of Michigan	93.395	SUBK00014075	—	223,063
Subtotal			306,243	2,909,299
Cancer Biology Research	93.396	Direct	400,461	1,068,657
Duke University	93.396	A032495	—	48,673
University of Massachusetts, Worcester	93.396	OSP32272-BROWN	—	155,098
Subtotal			400,461	1,272,428
Indiana University – Indianapolis	93.397	8671	—	48,893
Cancer Research Manpower	93.398	Direct	—	99,138
ECOG-ACRIN Medical Research Foundation, Inc	93.399	UG1CA189828-06-BRWN2	—	224,436
ECOG-ACRIN Medical Research Foundation, Inc	93.399	2UG1CA189828-06-BRWN3	—	763,276
ECOG-ACRIN Medical Research Foundation, Inc	93.399	UG1CA189828-06-BRWN1	—	239,047
ECOG-ACRIN Medical Research Foundation, Inc	93.399	2UG1CA189828-06-BRWN-EA2185-PRO	—	3,385
ECOG-ACRIN Medical Research Foundation, Inc	93.399	UG1CA189828-06-BRWN-EA2185-CEA	—	1,982
ECOG-ACRIN Medical Research Foundation, Inc	93.399	2UG1CA189828-06-BRWN-EA2185-PCyst	—	5,515
ECOG-ACRIN Medical Research Foundation, Inc	93.399	UG1CA189828-07-BRWN-COVID	—	7,980
ECOG-ACRIN Medical Research Foundation, Inc	93.399	UG1CA189828-07-BRWN-AYA	—	208,782
Subtotal			—	1,454,403
Stanford University	93.421	62877981-250198	—	67,099
Council of State Territorial Epidemiologists, Inc.	93.421	PO No. 8062	—	2,253
Subtotal			—	69,352
Rhode Island Quality Institute	93.498	N/A	—	20,272
Yale University	93.498	CON-80004337	—	11,905
Subtotal			—	32,177
PPHF National Public Health Improvement Initiative	93.507	Direct	—	11,871
Trans-NIH Recovery Act Research Support	93.701	Direct	—	10,489
University of Missouri – Kansas City	93.788	0010328500070912	—	222,175
University of Missouri – Kansas City	93.788	0099144/00070013	—	(798)
Subtotal			—	221,377
Cell Biology and Biophysics Research	93.821	Direct	—	211
University of Rhode Island	93.829	0009105/01082021	—	18,303
University of Rhode Island	93.829	9645/050922	—	36,068
Subtotal			—	54,371
Hennepin Healthcare Research Institute	93.830	15019-5	—	7,101
California Polytechnic State University	93.837	2022-31-45195	—	41,486
Cardiovascular Diseases Research	93.837	Direct	486,609	1,171,531
George Washington University	93.837	21-M119	—	43,286
Kent Hospital	93.837	5001731-12-BROWN	—	57,904
Lundquist Institute	93.837	031690-01-Brown/PO# 20006410	—	35,925

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Miriam Hospital	93.837	710-7147188	\$ —	5,998
Miriam Hospital	93.837	7147247	—	39,934
Mount Sinai School of Medicine	93.837	0255-8174-4609	—	10
Ocean State Research Institute	93.837	462504 NIH P AM AGED	—	42,016
Rhode Island Hospital	93.837	7017137449	—	42,712
Rhode Island Hospital	93.837	7137489	—	4,653
Rutgers University	93.837	2356	—	37,061
University of Connecticut	93.837	133693	—	1
University of Florida	93.837	SUB00003696	—	10,487
University of Miami	93.837	OS00001212	—	6,562
University of Pennsylvania	93.837	577870	—	7,634
University of Pittsburgh	93.837	0054665 (129258-2)	—	33,594
Yale University	93.837	GR104259 (CON-80001412)	—	237,002
Subtotal			486,609	1,817,796
Lung Diseases Research	93.838	Direct	28,266	1,531,744
Emory University	93.838	A713997	—	123,858
Ocean State Research Institute	93.838	122208	—	14,157
Rhode Island Hospital	93.838	7137797	—	54,943
Rhode Island Hospital	93.838	701-7137305	—	39,288
Rhode Island Hospital	93.838	7137832	—	43,742
Weill Cornell Medical College	93.838	204296-1	—	310,910
Subtotal			28,266	2,118,642
Blood Diseases and Resources Research	93.839	Direct	296,494	575,257
Massachusetts General Hospital	93.840	234862	—	31,471
Arthritis, Musculoskeletal and Skin Diseases Research	93.846	Direct	120,124	358,960
Children's Hospital of Philadelphia	93.846	GRT-00000242 / PO# 20190018	—	154,179
State University of New York, Stony Brook	93.846	1171294/2/92721	—	22,290
Subtotal			120,124	535,429
Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Direct	842,251	3,142,535
COVID-19 – Diabetes, Digestive, and Kidney Diseases Extramural Research	93.847	Direct	—	101,537
Clemson University	93.847	2535-209-2016078	—	920
Miriam Hospital	93.847	710-7147150	—	13,180
Miriam Hospital	93.847	710-7147122	—	14,928
Miriam Hospital	93.847	7147169	—	8,876
Miriam Hospital	93.847	7147265	—	2,959
Miriam Hospital	93.847	7147284	—	64,180
Rhode Island Hospital	93.847	7017137407	—	105,354
University of Pittsburgh	93.847	AWD00004528 (136771-1)	—	49,020
Women and Infants Hospital	93.847	5001581-02	—	36,261
Subtotal			842,251	3,539,750

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Extramural Research Programs in the Neurosciences and Neurological Disorders	93.853	Direct	\$ 935,810	7,783,152
Baylor College of Medicine	93.853	7000000370	—	(8,060)
Baylor College of Medicine	93.853	7000001745	—	18,828
Baylor College of Medicine	93.853	7000000765	—	2,474
Baylor College of Medicine	93.853	7000001773	—	76,448
Beth Israel Deaconess Medical Center	93.853	01063645	—	6,588
Central Michigan University	93.853	F64485	—	412,364
Cleveland Clinic	93.853	1483-SUB	—	7,507
Cleveland Clinic	93.853	CCF21246753	—	82,966
Cleveland Clinic	93.853	CCF21246811	—	640
Connecticut College	93.853	141584	—	67,839
Massachusetts General Hospital	93.853	230484	—	62,833
New York University	93.853	19-A0-00-1002081/113033	—	160,620
New York University	93.853	19-A0-001002081/113030	—	178,666
Rhode Island Hospital	93.853	701-7137201	—	545
Stanford University	93.853	62754161-205480	—	280,455
University of California, San Francisco	93.853	12322sc	—	79,308
University of New England	93.853	23101-H2	—	37,806
Subtotal			935,810	9,250,979
Allergy and Infectious Diseases Research	93.855	Direct	1,296,022	6,636,333
Emory University	93.855	A555850	—	12,104
HIV Prevention Trials Network	93.855	PO22002120	—	55,598
Johns Hopkins University	93.855	2004103391	—	68,274
Loyola University of Chicago	93.855	213646-3	—	10,575
Miriam Hospital	93.855	7147085JH	—	105,281
Miriam Hospital	93.855	7147103JH	—	134,971
Miriam Hospital	93.855	7147105CK	—	89,253
Miriam Hospital	93.855	7147101W	—	34,556
Miriam Hospital	93.855	7147102DO	—	14,337
Miriam Hospital	93.855	7147154JH	—	116,100
Miriam Hospital	93.855	7147205ASN	—	44,248
Miriam Hospital	93.855	7147205JAS	—	7,520
Miriam Hospital	93.855	7147101ASK	—	3,182
Miriam Hospital	93.855	7147100JAK	—	11,847
Miriam Hospital	93.855	7147101ABC	—	8,896
Miriam Hospital	93.855	7147101TTZ	—	12,973
Miriam Hospital	93.855	7147101DJM	—	10,498
Miriam Hospital	93.855	7147248JWH	—	15,905
Miriam Hospital	93.855	7147291ASN	—	52,205
Miriam Hospital	93.855	7147292JAK	—	9,973
Rhode Island Hospital	93.855	7137596	—	55,081
Rhode Island Hospital	93.855	7137771	—	45,416
University of California, San Francisco	93.855	9507sc	—	(73)
University of California, San Francisco	93.855	10968sc	—	54,657
University of California, San Francisco	93.855	12313sc	—	75,361
University of California, San Francisco	93.855	12421sc	—	44,334
University of California, San Francisco	93.855	13772sc	—	116,096
University of Chicago	93.855	AWD066835 (SUB00000425)	—	16,958

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Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
University of Massachusetts Medical School	93.855	SUB00000136	\$ —	52,091
University of North Carolina, Chapel Hill	93.855	5112615	—	174,877
University of North Carolina, Chapel Hill	93.855	5113719	—	101,016
University of North Carolina, Chapel Hill	93.855	5121972	—	13,587
University of Rhode Island	93.855	0006818-08162018 – PO#000141488	—	94,381
University of Rhode Island	93.855	0006818-08162018	—	44,600
Subtotal			1,296,022	8,343,011
Butler Hospital	93.856	5001511-9	—	168,861
Biomedical Research and Research Training	93.859	Direct	2,763,470	19,052,824
Bradley Hospital	93.859	712-1001	—	26,898
Bradley Hospital	93.859	712-1000 Kimberly	—	7,558
Butler Hospital	93.859	5001511	—	7,992
Butler Hospital	93.859	5001511-2	—	12,505
Butler Hospital	93.859	5001511-4	—	52,698
Butler Hospital	93.859	5001511-5	—	34,076
Butler Hospital	93.859	5001511-15	—	15,813
Butler Hospital	93.859	5001511-10BROWN	—	79,961
Emory University	93.859	A579640	—	95,289
Massachusetts Institute of Technology	93.859	S5275	—	127,582
Miriam Hospital	93.859	7139196DO	—	6,291
Miriam Hospital	93.859	7147123	—	158,470
Miriam Hospital	93.859	7147251	—	89,593
Ocean State Research Institute	93.859	312240	—	16,775
Ocean State Research Institute	93.859	312208 (243112)	—	(64)
Ocean State Research Institute	93.859	312240-6500	—	171,921
Ocean State Research Institute	93.859	312240-6510	—	35,077
Ocean State Research Institute	93.859	312240-6501	—	200,133
Ocean State Research Institute	93.859	312240-COBRE2-TMCOB	—	9,230
Ocean State Research Institute	93.859	312240-SMCOBB-Pilot	—	31,250
Rhode Island Hospital	93.859	7137385BM	—	240,251
Rhode Island Hospital	93.859	7017137296	—	2,244
Rhode Island Hospital	93.859	701-7137296	—	30,443
Rhode Island Hospital	93.859	7017137300	—	11,322
Rhode Island Hospital	93.859	7017137301	—	(51,224)
Rhode Island Hospital	93.859	7017137313	—	17,179
Rhode Island Hospital	93.859	7017137506	—	(33)
Rhode Island Hospital	93.859	701-7137506	—	15,285
Rhode Island Hospital	93.859	7137296	—	30,083
Rhode Island Hospital	93.859	7137384FLB	—	16,553
Rhode Island Hospital	93.859	7137384JWH	—	17,471
Rhode Island Hospital	93.859	7137387AC	—	30,157
Rhode Island Hospital	93.859	7137786CE	—	28,166
University of Chicago	93.859	AWD065769(SUB00000441)	—	7,403
University of Rhode Island	93.859	0009701/07152022A	—	166,935
University of Rhode Island	93.859	0007887/08232019B	—	249
University of Rhode Island	93.859	0009701/09232022	—	200,000
University of Rhode Island	93.859	0010076/06092023	—	12,565
Yale University	93.859	GR111848 (CON-80002879)	—	105,365
Subtotal			2,763,470	21,112,286

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Child Health and Human Development Extramural Research	93.865	Direct	\$ 1,884,704	4,891,655
COVID-19 – Center for Innovative Public Health Research	93.865	CiPHR – R01HD106635	—	6,724
Bradley Hospital	93.865	7127549	—	41,567
Butler Hospital	93.865	9221-8328	—	885
Center for Innovative Public Health Research	93.865	CiPHR	—	65,132
Children’s Hospital of Philadelphia	93.865	3201770721	—	2,239
Emory University	93.865	A704132	—	15,611
Florida State University	93.865	R000003168	—	19,969
Medosome Biotech, LLC	93.865	SBIR or STTR Program	—	20,518
Northeastern University	93.865	500649-78052	—	56,799
Research Triangle Institute	93.865	2-312-0215374-65459L	—	21,851
Rhode Island Hospital	93.865	7017137362-1	—	17,580
Rhode Island Hospital	93.865	7017137362-2	—	7,152
Rhode Island Hospital	93.865	7017137362-4	—	54,502
University of Massachusetts Medical School	93.865	SUB00000242	—	17,419
University of North Carolina, Chapel Hill	93.865	5117443	—	25,115
University of Wisconsin, Madison	93.865	000000682	—	3,618
University of Wisconsin, Madison	93.865	0000002519	—	12,670
Wayne State University	93.865	WSU20064	—	21,593
Subtotal			<u>1,884,704</u>	<u>5,302,599</u>
Aging Research	93.866	Direct	12,526,108	35,010,285
COVID-19 – Aging Research	93.866	Direct	—	1,373
Albert Einstein College of Medicine	93.866	311214	—	(1,586)
Bolden Therapeutics	93.866	2021-01	—	213,573
Butler Hospital	93.866	6799521-2	—	11,766
California Pacific Medical Center Research Institute	93.866	2803227-S191	—	1,406
Hebrew SeniorLife	93.866	90113	—	57,715
Hebrew SeniorLife	93.866	Hebrew Rehab Center – 90088	—	470,993
Hebrew SeniorLife	93.866	92335	—	70,952
Hebrew SeniorLife	93.866	92375	—	76,387
Hebrew SeniorLife	93.866	90104	—	45,338
Hebrew SeniorLife	93.866	90108	—	110,822
Hebrew SeniorLife	93.866	90068	—	14
Hebrew SeniorLife	93.866	92334	—	(5,076)
Hebrew SeniorLife	93.866	92374	—	(4,041)
Indiana University	93.866	7870_BRWN	—	118,885
Indiana University – Bloomington	93.866	IN4683237BRWN	—	309,996
Johns Hopkins University	93.866	2004313048	—	73,319
Massachusetts General Hospital	93.866	232815	—	58,289
Massachusetts General Hospital	93.866	235379	—	38,439
Miriam Hospital	93.866	7147286	—	13,449
Mount Sinai School of Medicine	93.866	0254-4608-4609	—	18,646
Regents of the University of Michigan	93.866	3004822522	—	64,101
Regents of the University of Michigan	93.866	3004832691	—	65,012
Regents of the University of Michigan	93.866	SUBK00012781	—	18,721
Regents of the University of Michigan	93.866	SUBK00018424	—	15,944
Regents of the University of Michigan	93.866	SUBK00018695	—	17,968
Regents of the University of Minnesota	93.866	P008441953	—	79,822
Rhode Island Hospital	93.866	701-7137465	—	32,940

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Rockefeller University	93.866	SUB00000288	\$ —	46,077
Syracuse University	93.866	30917-05467-S22	—	8,904
University of California, Irvine	93.866	2022-1765	—	45,140
University of California, San Diego	93.866	703934	—	(4,331)
University of Colorado, Denver	93.866	FY22.930.003	—	20,414
University of Minnesota	93.866	P009273455	—	17,169
University of Nebraska-Lincoln	93.866	34-5430-2006-001	—	27,474
University of Pittsburgh	93.866	AWD00004643	—	109,450
University of Rhode Island	93.866	0009115/111221	—	43,123
University of Rhode Island	93.866	0009847/00117232	—	71,242
University of Rhode Island	93.866	0009847/762023	—	73,182
University of South Florida – Tampa	93.866	1229-1107-00-A	—	64,146
University of Southern California	93.866	SCON-00004046	—	10,238
COVID-19 – University of South Florida – Tampa	93.866	1229-1107-79-A	—	4,140
University of Texas Health Science Center	93.866	172344/168699	—	10,935
Subtotal			<u>12,526,108</u>	<u>37,532,755</u>
Vision Research	93.867	Direct	68,010	2,605,226
University of Colorado, Boulder	93.867	2-5-N0574	—	31,657
Subtotal			<u>68,010</u>	<u>2,636,883</u>
Medical Library Assistance	93.879	Direct	—	46,238
Northeastern University	93.879	500663-78051	—	79,002
President and Fellows of Harvard College	93.879	117362-5119919	—	32,576
Subtotal			<u>—</u>	<u>157,816</u>
State of Rhode Island Department of Health	93.898	2018-2020 Agreement – PO3573706	—	(43,622)
University of Rhode Island	93.958	9626/051722		34,883
Emory University	93.989	A764414	306,301	8,344
International Research and Research Training	93.989	Direct	—	1,135,317
Rhode Island Hospital	93.989	7137781AS	—	16,176
Rhode Island Hospital	93.989	7137784LB	—	43,981
University of Cape Town	93.989	UCT00029094	—	67,429
Subtotal			<u>306,301</u>	<u>1,271,247</u>
State of Rhode Island Department of Health	93.910	2018-2019 Agreement – PO3423017	—	(9,530)
Maternal and Child Health Services Block Grant to the States	93.994	Direct	2,559	—
Rhode Island Department of Administration	93.994	2018-2021 Agreement – PO 3573706-8	—	1,465
State of Rhode Island Department of Health	93.994	2018-2019 Agreement – PO3423017	—	(12,305)
State of Rhode Island Department of Health	93.994	2018-2020 Agreement – PO3573706	—	30,573
State of Rhode Island Department of Health	93.994	2018-2022 Agreement – PO3573706-8	—	1,545,515
COVID-19 – State of Rhode Island Department of Health	93.994	2018-2022 Agreement – PO3573706-8	—	(177,022)
Subtotal			<u>2,559</u>	<u>1,388,226</u>
Department of Health and Human Services total			<u>36,211,406</u>	<u>165,605,875</u>

BROWN UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

June 30, 2023

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
United States Agency for International Development	98.000	Direct	\$ —	141,476
Department of the Interior:				
Natural Resource Stewardship	15.944	Direct	—	30,395
New Mexico Institute of Mining and Technology	15.944	P0022130	—	11,796
Subtotal			—	42,191
Cooperative Research and Training Programs – Resources of the National Park System	15.945	Direct	—	12,900
Cultural Resources Management	15.946	Direct	—	22,824
Department of the Interior total			—	77,915
Department of Labor:				
Rhode Island Department of Labor and Training	17.225	RESA-PO3744963-1	—	109,206
Department of Labor total			—	109,206
Department of State:				
American University	19.345	31719-A230045-S02	—	10,328
Overseas Refugee Assistance Programs for Strategic Global Priorities	19.522	Direct	—	2,614
Department of State total			—	12,942
Department of Transportation:				
Giner, Inc.	20.000	405686	—	6,917
Pipeline Safety Research Competitive Academic Agreement Program (CAAP)	20.724	Direct	—	77,034
Department of Transportation total			—	83,951
Department of the Treasury:				
Office of the State Superintendent of Education for the District of Columbia	21.027	OSSE – High-Impact Tutoring	—	125,387
Department of the Treasury total			—	125,387
Department of Veterans Affairs:				
Department of Veterans Affairs – Other Research	64.000	Direct	—	77,432
Department of Veterans Affairs – Other Research	64.000	36C24122P0883	—	41,687
Philadelphia VA Medical Center	64.000	36C24120D0027 / 36C24122N0777 – 650D22016	—	30,520
Providence VA Medical Center	64.000	650D15059	—	3,014
Providence VA Medical Center	64.000	36C24120D0027 / 650D22011	—	54,720
Providence VA Medical Center	64.000	0	—	75,276
Providence VA Medical Center	64.000	36C24120D0027 / 650D22018	—	15,654
Providence VA Medical Center	64.000	36C24120D0027 / 650D14008	—	16,162
Providence VA Medical Center	64.000	36C24120D0027 / 650D32003	—	17,310
Providence VA Medical Center	64.000	VA241-15-D-0097 / PO 650D94009	—	(54)
Providence VA Medical Center	64.000	36C24122N0635 – 650D24003 – Master 36C24120D0027	—	21,113
Providence VA Medical Center	64.000	650D15015	—	1,872
Providence VA Medical Center	64.000	36C24E19D0002 / 650D24005	—	329
Providence VA Medical Center	64.000	Clark IIPA – Resnik	—	3,062
Providence VA Medical Center	64.000	650D05040	—	2,988
Providence VA Medical Center	64.000	36C24E19D0002 / PO 650D04004	—	(182)
Providence VA Medical Center	64.000	650D22015	—	40,459
Providence VA Medical Center	64.000	650D24004	—	49,734
Providence VA Medical Center	64.000	650D25047	—	27,710
Providence VA Medical Center	64.000	650D25048	—	48,045
Providence VA Medical Center	64.000	650D83054	—	644
Providence VA Medical Center	64.000	650D35015	—	51,367

BROWN UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

June 30, 2023

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Providence VA Medical Center	64.000	650D35019	\$ —	7,344
Providence VA Medical Center	64.000	650D35020	—	21,189
Providence VA Medical Center	64.000	650D25030	—	31,026
Providence VA Medical Center	64.000	36C24E19D0002 / 650D22004	—	9,058
Providence VA Medical Center	64.000	650D25020	—	40,210
Providence VA Medical Center	64.000	650D35022	—	46,080
Providence VA Medical Center	64.000	650D35025	—	15,756
Providence VA Medical Center	64.000	650D35005	—	4,033
Providence VA Medical Center	64.000	36C24E19D0002 / 650D14018	—	(739)
Providence VA Medical Center	64.000	36C24E19D0002 / 650D14017	—	(12,817)
Providence VA Medical Center	64.000	36C24120D0027 / 36C24123N0595 – 650D32002 – T.O.#16	—	3,675
Providence VA Medical Center	64.000	36C24E19D0002 / 650D34002	—	113
Providence VA Medical Center	64.000	36C24120D0027 / 650D32009	—	6,155
Providence VA Medical Center	64.000	650D15033	—	37,010
Rutgers University	64.000	SUB00002469	—	47,026
VA Bedford Healthcare Administration	64.000	518-C34022 VA IPA	—	49,415
Department of Veterans Affairs total			—	883,396
Environmental Protection Agency:				
P3 Award: National Student Design Competition for Sustainability	66.516	Direct	—	18,923
Purdue University	66.511	16200038-031	—	164,060
Environmental Protection Agency total			—	182,983
National Aeronautics and Space Administration:				
Other Research	43.000	Direct	—	180,810
California Institute of Technology	43.000	S465370	—	4,396
Jet Propulsion Laboratory	43.000	1549766	—	3,242
Smithsonian Astrophysical Observatory	43.000	SV1-21009	—	32,391
University of Arizona	43.000	546247	—	39,874
University of Arizona	43.000	570406	—	203,791
University of Maryland – College Park	43.000	23913-Z6927002	—	21,208
Subtotal			—	485,712
Science	43.001	Direct	368,376	3,513,652
Jet Propulsion Laboratory	43.001	1668996	—	22,595
Jet Propulsion Laboratory	43.001	1672951	—	118,541
Smithsonian Astrophysical Observatory	43.001	SV1-21003	—	2,562
University of California, Riverside	43.001	S-001475	—	68,209
University of Hawaii – Manoa	43.001	MA1681	—	54,515
University of Washington	43.001	UWSC11750	—	100,839
Subtotal	43.001		368,376	3,880,913
Aeronautics	43.002	Direct	95,048	194,388
Office of Stem Engagement (OSTEM)	43.008	Direct	529,233	1,186,147
National Aeronautics and Space Administration total			992,657	5,747,160

BROWN UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

June 30, 2023

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
National Endowment for the Arts & Humanities:				
Promotion of the Humanities Division of Preservation and Access	45.149	Direct	\$ —	(4,813)
Promotion of the Humanities Research	45.161	Direct	20,497	87,669
University of Wisconsin, Madison	45.161	213405499	—	7,473
Subtotal			<u>20,497</u>	<u>95,142</u>
National Endowments for the Arts & Humanities total			<u>20,497</u>	<u>90,329</u>
National Science Foundation:				
Other Research	47.000	Direct	—	341,467
Subtotal			<u>—</u>	<u>341,467</u>
Engineering Grants	47.041	Direct	49,135	2,329,759
COVID-19 – Engineering Grants	47.041	Direct	—	34,876
Boston University	47.041	4500004161	—	111,160
Theromics, Inc.	47.041	843766427003	—	(6,459)
University of Pennsylvania	47.041	575402	—	4,273
University of Rhode Island	47.041	0008544/04012023	—	16,151
Yale University	47.041	GR105152 (CON-80001605)	—	179,685
Subtotal			<u>49,135</u>	<u>2,669,445</u>
Mathematical and Physical Sciences	47.049	Direct	44,539	11,831,946
American Physical Society	47.049	CWC-052	—	12,100
Brandeis University	47.049	402430	—	(563)
Brandeis University	47.049	GR404040	—	135,613
University of Notre Dame	47.049	QuarkNet Program – PHY1806631	—	3,060
University of Pennsylvania	47.049	583087	—	80,735
University of Utah	47.049	10055084-S1	—	195,576
Subtotal			<u>44,539</u>	<u>12,258,467</u>
Geosciences	47.050	Direct	193,992	3,104,770
COVID-19 – Geosciences	47.050	Direct	—	(20)
Columbia University	47.050	86D(GG009393-04)	—	106,061
Columbia University	47.050	86E(GG009393-04)	—	15,378
Oregon State University	47.050	S2306F-C	—	21,247
University of Southern California	47.050	90703474	—	35,653
Subtotal			<u>193,992</u>	<u>3,283,089</u>
Computer and Information Science and Engineering	47.070	Direct	23,318	3,720,957
Computing Research Association	47.070	CIF2020-BU-04	—	92,876
Computing Research Association	47.070	CIF2020-BU-24	—	65,559
Computing Research Association	47.070	2021CIF-Brown-70	—	65,559
Computing Research Association	47.070	CIF2020Year3-BU-24	—	65,655
Massachusetts Institute of Technology	47.070	s5698, PO #771749	—	58,391
Subtotal			<u>23,318</u>	<u>4,068,997</u>

BROWN UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

June 30, 2023

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Biological Sciences	47.074	Direct	\$ 1,171,695	4,083,239
Florida Gulf Coast University	47.074	17056-BROWN-01	—	151,615
University of Alabama, Birmingham	47.074	000527304-SC001	—	19,523
University of Alabama, Birmingham	47.074	000535058-SC002	—	154,572
University of Colorado, Boulder	47.074	1555726	—	206
Subtotal			<u>1,171,695</u>	<u>4,409,155</u>
Social, Behavioral, and Economic Sciences	47.075	Direct	21,915	1,985,414
COVID-19 – Social, Behavioral, and Economic Sciences	47.075	Direct	—	72,158
American Sociological Association	47.075	2023 ASA DDRI	—	1,182
Brandeis University	47.075	GR403848	—	419
President and Fellows of Harvard College	47.075	100888-5124784	—	8,961
University of Pennsylvania	47.075	585353	—	26,620
Subtotal			<u>21,915</u>	<u>2,094,754</u>
Education and Human Resources	47.076	Direct	155,959	3,143,766
President and Fellows of Harvard College	47.076	108162-5112184	—	27,174
Subtotal			<u>155,959</u>	<u>3,170,940</u>
Polar Programs	47.078	Direct	—	63,003
Office of International Science and Engineering (OISE)	47.079	Direct	28,496	63,229
University of Rhode Island	47.081	0005916-101617 – PO# 0000128824	—	103,422
Trans-NSF Recovery Act Research Support	47.082	Direct	—	(5,620)
Office of Integrative Activities	47.083	Direct	595,121	1,539,103
University of Rhode Island	47.083	0005916-101617 – PO# 0000128824	—	(250)
University of Rochester	47.083	416751-G	—	85,713
Subtotal			<u>595,121</u>	<u>1,624,566</u>
National Science Foundation total			<u>2,284,170</u>	<u>34,144,914</u>
Research and Development Cluster total			<u>43,851,205</u>	<u>238,653,697</u>
Student Financial Assistance Cluster:				
Department of Education:				
Federal Supplemental Educational Opportunity Grants	84.007	Direct	—	1,387,187
Federal Work-Study Program	84.033	Direct	—	853,927
Federal Perkins Loan Program (note 3)	84.038	Direct	—	7,728,145
Federal Pell Grant Program	84.063	Direct	—	5,625,757
Federal Direct Student Loans (note 3)	84.268	Direct	—	40,844,838
Department of Education total			<u>—</u>	<u>56,439,854</u>
Department of Health and Human Services:				
Health Professions Student Loans, Including Primary Care-Loans/Loans for Disadvantaged Students (note 3)	93.342	Direct	—	193,888
Department of Health and Human Services total			<u>—</u>	<u>193,888</u>
Student Financial Assistance Cluster total			<u>—</u>	<u>56,633,742</u>

BROWN UNIVERSITY

Supplementary Schedule of Expenditures of Federal Awards

June 30, 2023

Federal grantor/pass-through grantor/program or cluster title	Assistance listing number	Direct award or pass-through entity identifying number	Passed through to subrecipients	Total federal expenditures
Other Federal Awards:				
Department of Energy	81.049	Direct	\$ —	198,718
Department of Energy total			—	198,718
Department of Interior:				
Preservation of Japanese American Confinement Sites	15.933	Direct	—	26,006
Cultural Resources Management	15.946	Direct	—	101,337
Department of Interior total			—	127,343
National Endowment for the Arts & Humanities:				
Promotion of the Humanities Professional Development	45.163	Direct	—	35,613
Promotion of the Humanities Office of Digital Humanities	45.169	Direct	—	144,207
Laura Bush 21st Century Librarian Program	45.313	Direct	—	40,437
Museums for America	45.301	Direct	—	25,673
National Endowment for the Arts & Humanities total			—	245,930
Department of Education:				
One Neighborhood Builders	84.287C	2019-1	—	(10,405)
One Neighborhood Builders	84.287C	2023-1	—	74,291
Department of Education total			—	63,886
National Archives and Records Administration:				
National Historical Publications and Records Grants	89.003	Direct	—	225,003
National Historical Publications and Records Grants total			—	225,003
Corporation for National and Community Service:				
Rhode Island Commission for National Community	94.013	17VSARI002	—	18,186
Corporation for National and Community Service total			—	18,186
Other Programs total			—	879,066
United States Department of Homeland Security:				
COVID-19 – Rhode Island Emergency Management Agency	97.036	4505DR-RI	—	10,430,717
United States Department of Homeland Security total			—	10,430,717
Total Expenditures of Federal Awards			\$ 43,851,205	306,597,222

See accompanying notes to supplementary schedule of expenditures of federal awards.

BROWN UNIVERSITY

Notes to Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2023

(1) Basis of Presentation

The accompanying supplementary schedule of expenditures of federal awards (the Schedule) summarizes the expenditures of Brown University (the University) under programs funded by the federal government for the year ended June 30, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net assets or cash flows of the University.

For purposes of the Schedule, federal awards include all grants, contracts and similar agreements entered into directly between the University and agencies and departments of the federal government and all subawards to the University by nonfederal organizations pursuant to federal grants, contracts and similar agreements. The Schedule also denotes awards passed through from the University to other nonfederal subrecipient organizations.

(2) Significant Accounting Policies

For purposes of the Schedule, expenditures for federal award programs are recognized as incurred using the accrual method of accounting and the cost accounting principles. Under these cost principles, certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Expenditures under the research and development cluster include facilities and administrative (F&A) cost recoveries, relating primarily to facilities operation and maintenance; facilities and equipment depreciation; and general, divisional, and departmental administration services, which are charged to applicable federal grants under negotiated rates agreed to with DHHS, the University's federal cognizant agency. The University has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

(3) Federal Student Financial Assistance

Student Loan Programs

The Federal Perkins Loan and Health Professional Student Loan programs are administered directly by the University and balances and transactions relating to these programs are included in the University's financial statements. Loan activities and balances consist of the following:

	Federal CFDA number	Balance as of June 30, 2022	Loans issued	Payments received and other adjustments	Balance as of June 30, 2023
Perkins Loan Program	84.038	\$ 7,728,145	—	(1,969,403)	5,758,742
Health Professions Student Loans (HPSL)	93.342	178,888	15,000	(14,302)	179,586
Totals		\$ 7,907,033	15,000	(1,983,705)	5,938,328

BROWN UNIVERSITY

Notes to Supplementary Schedule of Expenditures of Federal Awards
Year ended June 30, 2023

Congress did not renew the Federal Perkins Loan Program after September 2017 and the transition period permitting disbursements ended June 30, 2018. Therefore, no new loans have been awarded after September 2017 and the University will continue to service outstanding loans throughout the repayment period. For the year ended June 30, 2023, the University did not recover an administrative cost allowance under the Federal Perkins Loan Program.

Federal Direct Loans

Federally guaranteed loans awarded to students of the University during the year ended June 30, 2023 are summarized as follows:

Subsidized Stafford Loan Program	\$	1,702,673
Unsubsidized Stafford Loan Program		23,126,207
PLUS Loan Program		<u>16,015,958</u>
Total	\$	<u>40,844,838</u>

The University is responsible only for the performance of certain administrative duties relating to Federal Direct Loans and, accordingly, these loans are not included in the University's financial statements. It is not practical to determine the balances of loans outstanding to students of the University under this program as of June 30, 2023.



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Providence, RI 02903

**Independent Auditors' Report on Internal Control Over Financial Reporting and on
Compliance and Other Matters Based on an Audit of Financial Statements Performed in
Accordance With *Government Auditing Standards***

The President and Corporation
Brown University:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Brown University, (the University), which comprise the University's balance sheet as of June 30, 2023, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated October 23, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the University's financial statements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.



Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

KPMG LLP

Providence, Rhode Island
October 23, 2023



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Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The President and Corporation
Brown University:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Brown University's (the University) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2023. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the University's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS,



Government Auditing Standards, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the University as of and for the year ended June 30, 2023, and have issued our report thereon dated October 23, 2023, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards for the year ended June 30, 2023 is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the 2023 financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2023 financial statements. The information has been subjected to the auditing procedures applied in the audit of the 2023 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2023 financial statements or to the 2023 financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the 2023 financial statements as a whole.

KPMG LLP

Providence, Rhode Island
February 15, 2024

BROWN UNIVERSITY
Schedule of Findings and Questioned Costs
Year ended June 30, 2023

(1) Summary of Auditors' Results

Financial Statements

Type of auditors' report issued on whether financial statements were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(s) identified? _____ Yes X None reported

Noncompliance material to the financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal program:

- Material weakness(es) identified? _____ Yes X No
- Significant deficiency(s) identified? _____ Yes X None reported

Type of auditors' report issued on compliance for major federal program: Unmodified

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of Major Programs

<u>Name of federal program/cluster</u>	<u>ALN numbers</u>
Student Financial Assistance Cluster	Various
COVID-19 - Rhode Island Emergency Management Agency	97.036

Dollar threshold used to distinguish between type A and type B programs: \$3,000,000

Auditee qualified as low risk auditee? X Yes _____ No

(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards*

None.

(3) Findings and Questioned Costs Relating to Federal Awards

None.