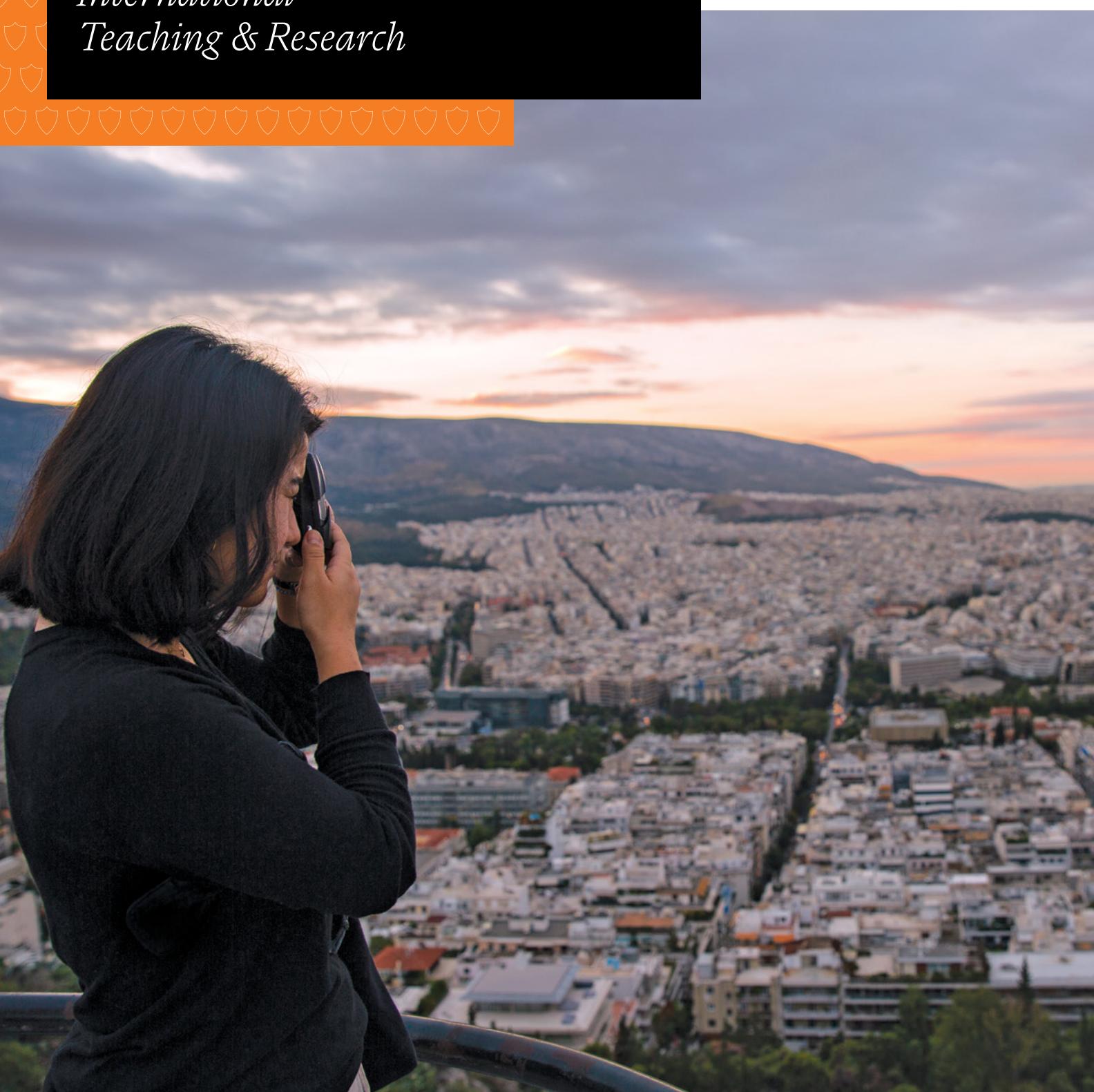


# Broadening Our Borders:

*International  
Teaching & Research*



# Princeton University Highlights

*Fiscal years ending June 30*

## **Financial**

(dollars in thousands)

<b>Principal sources of revenues</b>		
Tuition and fees (net)	\$ 136,643	\$ 154,514
Government grants and contracts	455,777	406,180
Private gifts, grants, and contracts	166,362	183,271
Investment earnings, including unrealized gains or losses	1,373,625	(564,904)
<hr/>		
<b>Principal purposes of expenditures</b>		
Academic and research	1,456,743	1,343,906
Student services and support	429,007	390,632
General administration and operations	367,507	332,291
<hr/>		
<b>Summary of financial position</b>		
Assets	43,043,918	41,745,360
Liabilities	6,719,933	5,326,167
Net assets	36,323,985	36,419,193
<hr/>		
<b>Net assets</b>		
Without donor restrictions	16,444,619	16,352,682
With donor restrictions	19,707,012	19,848,598
Noncontrolling interests	172,354	217,913
<b>Total</b>	<b>\$ 36,323,985</b>	<b>\$ 36,419,193</b>

## **Students**

<b>Enrollment</b>		
Undergraduate students	<b>5,598</b>	5,540
Graduate students	<b>3,251</b>	3,238
<hr/>		
<b>Degrees conferred</b>		
Bachelor's degrees	<b>1,324</b>	1,284
Advanced and all other degrees	<b>1,058</b>	1,106
<hr/>		
<b>Annual tuition rate</b>		
Undergraduate	\$ 59,710	\$ 57,410
Graduate	<b>59,710</b>	57,410

Faculty

## **Faculty**

Full-time equivalent

# In the Nation's Service and the Service of Humanity.

2023-2024

## Table of Contents

Letter from the Treasurer	5
An Education that Inspires Global Citizenship	8
Financial Statement Overview	26
Audited Financial Statements	35
Trustees of the University	66
Officers of the University	66

“

*Studying abroad taught me so much and deepened my appreciation for everything I have at Princeton. The most important thing to remember is that no matter where you go, Princeton will always be there for you when you return.”*

— Melissa Ruiz '25



# A Community of Global Citizens



“

Universities exist to advance knowledge and understanding global connections is key to our core mission. One of the best things we can do for students is help them to understand how interconnections work, and experiential learning, such as what we do on Global Seminars, is an up-close, immediate way to do that. It exposes them to the importance of local or regional factors:

*What are local solutions to problems?*

*How were they arrived at?*

*How are they influenced by the history and culture of the place?*

*How does the structure of the state influence outcomes in ways that might be very different than what they're used to?*

That well-known dictum of anthropology, 'making the strange familiar and the familiar strange,' is a key part of learning.”

— **Trisha Craig**, Executive Director,  
Princeton Institute for International and Regional Studies (PIIRS)  
2024 Princeton Int'l Magazine



## Letter from the Treasurer

Princeton is, and has always been, committed to advancing the common good. In all that we do, we maintain a clear focus on the evolving needs of a fast-changing world, continually seeking to leverage Princeton's teaching and research as an engine for service. A central tenet of our work, both in the classroom and in the field, is to inspire global citizenship.

Every year, an astounding range of programs with an international element are on offer, both on campus and around the world. From coursework in classrooms spanning Europe, Asia, and beyond to research opportunities across every field and continent, the average Princetonian's day can take place just about anywhere on earth.

This is by design. Support for international education and research is central to Princeton's mission. This empowers students and faculty to take an inspired approach to their work, pursuing their passions while considering how their efforts can benefit others. Anyone familiar with Princeton knows that we view higher education as transformative, because it's about making deep connections intellectually, professionally, and personally. Meaningful engagement across communities changes not only the texture of one's experience; it fosters collaborations that change what is possible when it comes to teaching and research. This is why it's not uncommon for students to launch global programs and projects before they even graduate.

Every individual at Princeton is encouraged to think of their work as being in service to the world. That begins with seeking out the best and brightest talent, no matter where they are from or what they have experienced. Engagement across identities and perspectives, both near and far, leads to the boldest ideas and realizations. This is what makes Princeton such a unique and dynamic place to learn, work, and research. Our everyday efforts serve a higher purpose.

When I have the opportunity to reflect on the engagement that happens every day, all over the world, it is clear that we are truly a community of global citizens.

A handwritten signature in black ink that reads "James S. Matteo". The signature is fluid and cursive, with "James S." on the first line and "Matteo" on the second line.

**James S. Matteo**

Vice President for Finance and Treasurer

# A Deeper Perspective, on Campus and in the World

A beacon for scholars driven to make a mark on their fields, and on the most pressing issues of their day, Princeton is international in its vision. This applies as much to the work that brings our faculty and scholars around the world as it does to the constellation of activities that make our campus a vibrant, mission-driven place, equally devoted to impact-oriented teaching and research and meaningful civic engagement. This speaks directly to our collective values. At Princeton, we orient ourselves toward service to the nation and humanity, as evoked in our informal motto. We hold deep respect for academic freedom, and encourage dialogue that transcends boundaries. The result is a dynamic, engaged community uniquely poised to contribute our talents to an ever-changing world, whether far afield or in our own backyard.

**40%**

of 2024 seniors traveled abroad during their time at Princeton.

**90%**

of students who traveled internationally agreed that their experiences helped them develop skills to more effectively engage across cultures.

*"American universities are engines of creativity, and their contributions have been essential to our nation's prosperity, security, culture, and growth. They have for generations attracted talented people from around the globe."*

— President Christopher L. Eisgruber,  
Annual State of the University Letter, 2024



# An Education that Inspires Global Citizenship

Class of  
2024 students  
engaged in  
international  
experiences  
in 82 countries.



# Novogratz Bridge Year: Immersing New Students in Service

For some undergraduate students, the opportunity to engage abroad arises before they even begin their studies. Since 2009, hundreds of students have launched their Princeton experience with a nine-month service-learning project, hosted in countries around the world. The Novogratz Bridge Year program seeks to inspire an orientation to service, while expanding student perspectives, developing global competence, and creating a meaningful setting in which students can reflect and focus on their interests prior to beginning classes. Fully funded, the program also cultivates a first-hand understanding of how students can foster social change.

## Jessica Poon '27

Bridge Year Location: India

*"Bridge Year is a unique opportunity to immerse yourself in a new culture, confront challenges head-on, and expand your horizons in ways that traditional academic pursuits cannot replicate. Embracing the Bridge Year experience will not only shape your time at Princeton but also transform your perspective, inspiring a lifelong commitment to global engagement, personal growth, empathy, and a hope for learning more about yourself, others, and the world we live in."*



## Oscar Platt '24

Bridge Year Location: Indonesia

*"The personal growth that I underwent shaped who I am today in countless ways. Bridge Year taught me many skills and lessons, but above all, it helped me develop more self-confidence. I know it sounds cliché, but I gained so much confidence in myself and my abilities. Continuously getting pushed outside of my comfort zone forced me to grow in ways that I still struggle to verbalize."*



## Current Bridge Year Locations

Tiquipaya, Bolivia

Battambang, Cambodia

San Isidro de El General, Costa Rica

Udaipur, India

Yogyakarta, Indonesia

Dakar, Senegal



# Coursework Brings the World into Focus

In 2024, students participated in 84 course-related trips abroad.

**The theoretical becomes tangible when courses extend beyond the classroom.**

## Making the Viking Age

### **Instructor: Matthew Delvaux,**

2021-2024 postdoctoral fellow  
in the Society of Fellows and a  
Lecturer in the Humanities and History

With support from the David A. Gardner '69 Magic Project, this innovative humanities course brought students to Denmark for a spring break trip. Their mission: to explore the lives of Scandinavians and Northern Europeans in the Viking Age at sites where history was forged. Back on campus, they tried their hand at everything from metalworking, ceramics, and woodworking to felting. This culminated in an online exhibit hosted in partnership with the McGraw Center for Teaching and Learning that merged material and textual evidence.

Read the full story: [www.princeton.edu/news/2023/08/25/making-viking-age](http://www.princeton.edu/news/2023/08/25/making-viking-age)

*“The class taught us to engage not just with texts, but with things. It was a totally different way of thinking about the world, a different method with which to approach the questions that we will be faced with in the future.”*

— Daniel Viorica '25



## Planet Amazonia

### **Instructor: Miqueias Mugge,**

associate research scholar and lecturer,  
Princeton Institute for International  
and Regional Studies

Firestone Library's Rare Books and Special Collections Department is home to archival materials from the Amazon rainforest. For students in "Planet Amazonia," they illuminated the interplay of Indigenous knowledge and the environment. Having engaged the texts, they traveled to see "El Dorado: Myths of Gold" at the Americas Society/Council of the Americas in NY. The goal: to understand how Indigenous and non-Indigenous artists respond to colonization and cultural myths.



*“Delving into historical archives and contemporary artworks is crucial to better understand how Indigenous peoples creatively respond to and resist colonization projects and actively contribute to the production of scientific knowledge, both past and present.”*

— Miqueias Mugge

# Study Abroad Spans Countries and Disciplines

## Insight at the Intersection of STEM & the Arts

Many view STEM and the arts as crossing a left-brain/right-brain divide. In reality, the disciplines have much in common — and engaging across borders offers great rewards. Echoing Princeton's commitment to the liberal arts, the Study Abroad Program encourages interdisciplinarity, with an emphasis on skill-building beyond one's major during a semester-long experience. As many STEM students discover, the skills gained are highly transferable.

Read the full story: [oip.princeton.edu/news/2023/liberal-arts-take-center-stage-stem-majors-explore-their-artistic-practice-while-studying](http://oip.princeton.edu/news/2023/liberal-arts-take-center-stage-stem-majors-explore-their-artistic-practice-while-studying)



**Aneekah Uddin '24**  
Major: Computer Science  
Program: Acting, London  
Academy of Music and Dramatic Arts (LAMDA)

*“That’s the ethos of a liberal arts education; it’s about expanding your mindset to make it more interdisciplinary and gain tools to solve a problem, learn to approach a problem differently, and get to an answer that someone might not have been able to see if they had a very strict engineering mindset. And that’s how innovation happens.”*



**Albert Zhou '24**  
Major: Molecular Biology  
Program: Music,  
Royal College of Music (RCM) in London

*“A less structured approach helped me to better structure my time, which is something that has been transferable to my STEM coursework. Conducting laboratory research efficiently requires a lot of long-range planning to ensure that there is enough time to run each experiment, and to slot tasks or other procedures into the waiting periods in my ‘main’ experiment for the day.”*



## A FLI Student Takes Flight in Copenhagen

**Melissa Ruiz '25**

Major: Psychology  
Program: DIS - Study Abroad  
Scandinavia (Copenhagen)

Melissa Ruiz '25, a first-generation, lower-income (FLI) student, knew study abroad was a priority from her first year. After learning about this semester-long program in Copenhagen through the Scholars Institute Fellows Program (SIFP), Ruiz met with a Study Abroad Program adviser in the Office of International Programs to establish her plan, including for financial support.

Read the full story: [admission.princeton.edu/blogs/fli-abroad-inside-my-latina-first-generation-low-income-study-abroad-experience](https://admission.princeton.edu/blogs/fli-abroad-inside-my-latina-first-generation-low-income-study-abroad-experience)

“

*Studying abroad taught me so much and deepened my appreciation for everything I have at Princeton. The most important thing to remember is that no matter where you go, Princeton will always be there for you when you return.”*

## Experiencing Classics at the Source

**John Freeman '24**

Major: Classics  
Program: College Year in Athens  
& Intercollegiate Center for  
Classical Studies in Rome

John Freeman '24 was a Study Abroad Global Ambassador, and it's no wonder. His passion for Classics led to two semesters immersed in Greco-Roman antiquity, leaving him well positioned to assist students interested in global study. His experiences infused his junior paper and senior thesis, and left him with a clear vision of the Greco-Roman world.

Read the full story: [oip.princeton.edu/news/2024/experiential-learning-how-study-abroad-deepened-my-understanding-classics](https://oip.princeton.edu/news/2024/experiential-learning-how-study-abroad-deepened-my-understanding-classics)

“ Having spent countless hours translating and analyzing ancient Greek and Latin texts, I imagined that being in this part of the world might contextualize the understanding I cultivated from academic articles, books, and lectures in Princeton classrooms. Never did I imagine that my experience would completely revolutionize my perception of Classics.”



# Experiences Emphasize Impact

## Reconciling Across Perspectives with the Rose Castle Foundation

One of the great questions of our time is how to get people to engage across their differences. During fall break 2023, 16 Princeton students joined now-retired dean of religious life Alison Boden to define their answers during a trip to an English castle. Hosted by the Rose Castle Foundation (RCF), their quest was to learn what it takes to create spaces of tolerance, with an emphasis on reconciliation and a focus on tools they can employ back at home.

This was the third time Princeton students have attended the workshop since 2019. This year's group focused on abortion, Israeli-Palestinian relations, and free speech. These experiences have been so transformative that the 2019 attendees created the Princeton Rose Castle Society (PRCS), which disseminates reconciliation skills with other students on campus.



“

*The goal is not to get to agreement on anything. The goal is to create a relationship. That's it.... We want to do basic training about how to be agents of reconciliation.”*

— Alison Boden, former dean of religious life and the Chapel at Princeton



“*Being at Rose Castle with people who I disagree with has taught me to slow down, breathe, recenter myself and go into it with the curiosity of wanting to learn instead of wanting to shut them out.”*

— Emmie Pickerill '25



## Addressing Health Inequities in Kenya

In January 2024, the Center for Health and Wellbeing (CHW), with support from the School of Public and International Affairs (SPIA), brought 19 Global Health and Health Policy students to Kenya. Their purpose was to examine global health challenges firsthand. Highlights included tours of UNICEF and other United Nations agencies in Kenya. Students also met with clinicians, U.S. Ambassador Meg Whitman '77, students at Daraja Academy to empower and educate Kenyan girls, and officials from U.S.-funded health programs. Back home, the trip inspired everything from research to philanthropy, and many participants are searching for long-range opportunities to improve health equity and outcomes in the developing world. "Our primary goal was to increase the students' awareness of health inequities and systems in the Global South," said CHW Executive Director Gilbert Collins.

Read the full story: [chw.princeton.edu/news/kenya-trip-inspires-global-health-projects](http://chw.princeton.edu/news/kenya-trip-inspires-global-health-projects)

## Examining Social Policy in Malaysia

In summer 2023, SPIA major Laura Zhang '26 gained a close-up view of the economic and social dynamics of Malaysia at the Institute of Democracy and Economic Affairs (IDEAS) in Kuala Lumpur. "When I started my internship, I was excited at the sheer breadth of research opportunities I was presented with," Zhang said. Over eight weeks working with the nonprofit, she collected data and produced a paper focused on youth unemployment in Southeast Asia. Zhang also visited Malaysia's Ministry of Health and traveled to Gua Musang to conduct a workshop on Orang Asli education. The trip was part of Princeton's International Internship Program, which aligns experiences with students' academic, pre-professional, and personal goals.

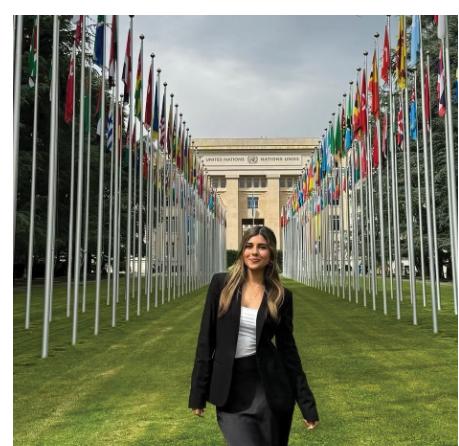
Read the full story: [oip.princeton.edu/news/2024/iip-reflection-my-summer-internship-kuala-lumpur-malaysia](http://oip.princeton.edu/news/2024/iip-reflection-my-summer-internship-kuala-lumpur-malaysia)

## Advocating for Human Rights in Geneva

For a student majoring in Public and International Affairs, the opportunity to work directly in the field of human rights can illuminate future possibilities. Over three months in 2024, Bita Jalalian '25 experienced just that as a Streicker International Fellow. "As a student...aspiring to work with an international organization in the future, my time with the International Service for Human Rights (ISHR) was truly transformative," Jalalian says. Throughout her time with ISHR—which offers advocacy and legal advice to global human rights defenders—Jalalian worked as an operations intern, which put her in direct contact with professionals at the United Nations, Human Rights Council, and beyond. From conducting research to exploring donors, the experience highlighted the many ways in which one's education can make an impact. "I had the privilege of connecting with and learning from numerous human rights defenders across the globe, developing lasting relationships with inspiring individuals. I am excited to carry their advice and my newfound experience and knowledge with me as I navigate a career path that continues to advance human rights."

Read the full story: [oip.princeton.edu/people/bita-jalalian-25-0](http://oip.princeton.edu/people/bita-jalalian-25-0)

Princeton students traveled to 51 countries across 221 internships in 2024.



# Prizes Support Civic Engagement among Graduating Seniors

## Henry Richardson Labouisse 1926 Prize

The Labouisse Prize enables four seniors to pursue a yearlong civic engagement project upon graduation, with \$35,000 in support. Their projects are as far-reaching as their disciplines.



**Akhila Bandlora '24**

Major:  
Psychology  
  
Project Focus:  
Facilitators and barriers of gender-affirming care  
  
Partner Organization:  
Centre for Social Research in Health at University of New South Wales (UNSW)



**Khiara Berkowitz-Sklar '24**

Major:  
Molecular Biology  
  
Project Focus:  
Mechanisms by which malaria parasites establish silent infections in humans  
  
Partner Organization: Max Planck Institute for Infection Biology in Berlin & Malaria Research and Training Center in Bamako, Mali



**Max Diallo Jakobsen '24**

Major:  
Computer Science  
  
Project Focus:  
Indigo dyeing practices  
  
Partner Organization:  
Guinea's National Office for the Promotion of Arts and Craftsmanship



**Ananya Grover '24**

Major:  
Computer Science  
  
Project Focus:  
A mobile app for support & self-expression for those affected by premenstrual dysphoric disorder  
  
Partner Organization:  
Rotary Clubs in Delhi & The Pad Project in California

*“The Labouisse provides me the opportunity to research and discover what it means to repair injustice and generate a vision of our world without white supremacy, colonialism, and borders.”*

*“I have learned from lived experience that the study and protection of human life and the natural world are inherently linked.”*

*“This is the type of comprehensive research that could only be conducted through a once-in-a-lifetime opportunity like the Labouisse prize and it is the type of research that is long overdue for my community, country, and continent.”*

*“Through this project, I aim to synthesize my technical skills with a humanistic approach, creating a platform that not only addresses the struggles faced by individuals with PMDD but also fosters self-expression, support, and awareness.”*



## Projects for Peace Prize

In 2023, Carlos Cortez '24, a neuroscience major, was the recipient of the Projects for Peace Prize. An initiative of the Pace Center for Civic Engagement, it offers \$10,000 to implement a service project anywhere in the world. For Cortez, who hails from Zináparo, Mexico and was raised in California, the funding enabled him to bridge Mexico and Princeton in a unique way. He started a youth music and soccer summer camp. Over two-and-a-half months, nearly 100 students ages 4-17 participated in twice-weekly classes in soccer, choir, guitar, and violin/bass via "Zináparo Scores: A Composition for Peace."



*"My dream was to become a doctor and open a pediatric clinic in Zináparo. But, I realized that it would be many years before I could accomplish this. I didn't want to wait that long. I wanted a chance to do something now."*

— Carlos Cortez '24

# Fellowships with Global Themes Deepen Ph.D. Research

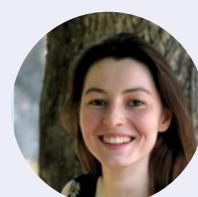
**GradFUTURES** experiential opportunities help graduate students gain vital experience while exploring professional paths within the academic, government, nonprofit, and private sectors. Through highly customized fellowships, internships, and special projects, participants apply discipline-specific skills, build interdisciplinary team experience, and receive one-on-one mentoring.



**Adhitya Dhanapal \*24,**  
**History:** University  
Administrative  
Fellowship, Princeton  
University Library's  
South Asian Ephemera  
Collection (SAE)

*"The University Administrative Fellowship shaped my research and transformed the way I think about the academic ecosystem as a whole. I used the opportunity to reach out to important leaders in the field of South Asian librarianship and get a better sense of the challenges and opportunities of collection development for the history, culture, and political economy of South Asia."*

*"I feel incredibly lucky to have been a Social Impact Fellow and to have been supported by Princeton in pursuing my professional development off campus. I learned much more than I imagined I would about translation and the French/American book industry. Moreover, I was able to collaborate with other departments at the Villa Albertine, and I now feel excited about pursuing a wider range of opportunities in cultural diplomacy."*



**Sophia Millman, French  
and Italian:** Social Impact  
Fellowship, Villa Albertine,  
the French Ministry for  
Europe and Foreign Affairs'  
U.S. institution for arts  
and ideas in NY



**Daniel Persia, Spanish  
and Portuguese:** University  
Administrative Fellowship,  
Office of the Vice Provost  
for International Affairs  
and Operations at Mpala  
Research Centre

*"I've gotten a behind-the-scenes look at how Princeton builds and sustains relationships with partnering institutions across the globe. These relationships are complex and continually evolving, and there is no doubt a place for the Humanities in continuing to re-envision them. Traveling to the Mpala Research Centre in Kenya and meeting the local team was a life-changing experience that has shaped both my research and professional goals."*



## Graduate Student Exhibits at the Venice Biennale

At the 60th Annual Venice Biennale in 2024, the pavilion representing Bulgaria included the work of one visionary Princetonian. Julian Chehirian, a graduate student in the history of science and the Interdisciplinary Doctoral Program in the Humanities, created the multimedia installation "Neighbours: Forms of Trauma (1945-1989)."

The child of artists who fled Bulgaria's political repression at the end of the 1980s, Chehirian's installation examines forced labor and political violence in the Bulgarian gulag under Communist rule. An immersive experience, it takes visitors through three rooms of artifacts, videos, and audio. Produced with Lilia Topouzova and Krasimira Butseva, and supported by GradFUTURES University Administrative Fellow Chandler Allen, it was named a top-10 pavilion by *The Guardian*, and a must-see by the *Financial Times*.

**“A combination of meticulous academic research and artistic imagination, the work is harrowing but at the same time gives voice to the victims and bears witness to an all-but-forgotten past.” — **Financial Times****

Funding from the Department of History helped the team complete the project which went on to become a 2024 Heritage Toronto People's Choice Award-winner. The sensitivity and texture of the exhibition ultimately led to an invite for the artists to meet with Pope Francis at the Vatican. As the Biennale reached its end, more than 56,000 visitors had engaged Chehirian's work.

“

*In a moment where authoritarian politics are ascendant globally, we hope that our approach to working with silenced archives and testimonies can encourage compassion and tolerance towards difference, ambiguity, complexity, and contradiction.”*

— Julian Chehirian

# Academic Collaborations

## Bring the World to Princeton and Princeton to the World

### 2023-24 Fung Global Fellows Focus on Sustainable Futures

In fall 2023, Princeton welcomed five global scholars to campus for a year-long engagement focused on Sustainable Futures. Part of the Fung Global Fellows Program—which brings exceptional international scholars to Princeton for a shared year of research, writing, and collaboration—the cohort included two visiting research scholars and three postdoctoral research associates. Reflecting its importance, this was the third time the topic was a focus. The program is funded by a portion of a \$10 million gift from William Fung '70 of Hong Kong.



“

*These five fellows bring their disciplinary perspective and their geographic breadth to address timely topics, such as the United Nations Framework Convention on Climate Change, disaster management in the face of climate change, migration and religious identities, transnational litigation of human rights violations, and governing the gig economy in the Global South.”*

— 2023-24 faculty director **Elke Weber**, the Gerhard R. Andlinger Professor in Energy and the Environment and professor of psychology and public affairs

#### Visiting research scholars



**Muyiwa Adigun**, senior lecturer,  
Faculty of Law at University of Ibadan



**Angela Ke Li**, assistant professor,  
Department of Communications and  
New Media at National University of Singapore

#### Postdoctoral research associates



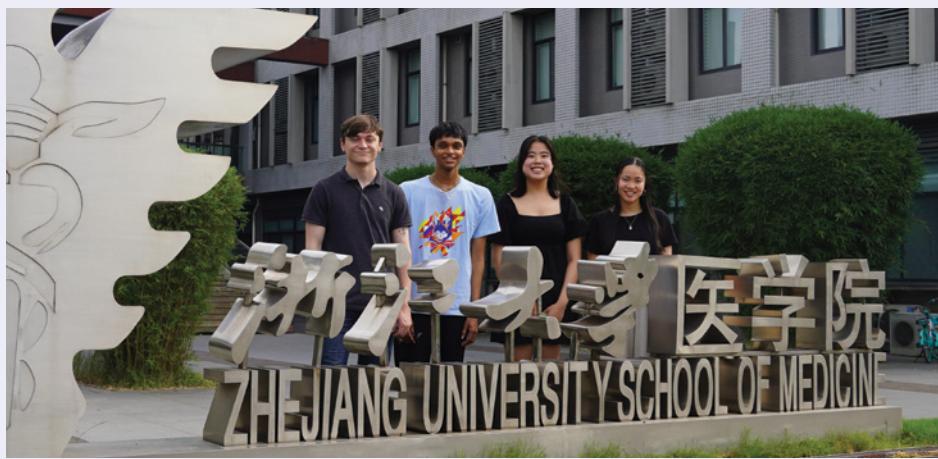
**Ady Chinchay Tuesta**, Ph.D. in sociology,  
Pontifical Catholic University of Peru



**Laila Omar**, Ph.D. in sociology,  
University of Toronto



**Yelena Yermakova**, Ph.D. in philosophy,  
University of Oslo



## Exchange Program Connects Princeton and Zhejiang University

For eight Princeton and Zhejiang University students, the summer of 2024 offered an opportunity to engage global health far afield. The Global Health Exchange Program, hosted by the Center for Health and Wellbeing, contextualizes diversity as a catalyst for innovation, while supporting promising young global health scholars. Zhejiang students studied topics spanning cancer, HPV, and maternal health via Princeton's Summer Undergraduate Research Program, co-hosted by Princeton's Department of Molecular Biology and the Lewis-Sigler Institute for Integrative Genomics. In turn, Princeton students hosted by Zhejiang University's School of Medicine researched cancer, medical devices, and chronic disease.



*“Princeton students have the opportunity to travel to China, fully immerse in a new culture, and engage in global health studies at one of the country’s top universities.*

*Zhejiang students get a taste of what it’s like to work in a research laboratory at Princeton and live in the United States; for many of them, it’s their first experience at an American university.”*

— **Yibin Kang**, CHW affiliate and Warner-Lambert/Parke-Davis Professor of Molecular Biology



## Center for Global India Hosts Inaugural “Global India Frontiers Conference”

In April 2024, Princeton's M.S. Chadha Center for Global India (CGI) hosted more than 250 attendees for the inaugural “Global India Frontiers Conference.” University President Christopher L. Eisgruber and Sumir Chadha '93, former Princeton trustee and co-founder and managing director of WestBridge Capital, offered opening remarks for the event, which emphasized cross-disciplinary discourse on Global India.

The conference was chaired by Professor Anu Ramaswami, Sanjay Swani '87 Professor of India Studies and Director, M.S. Chadha Center for Contemporary Global India; and professor of civil and environmental engineering (center) with Professor Tarun Khanna, Jorge Paulo Lemann Professor at the Harvard Business School and Director, Lakshmi Mittal and Family South Asia Institute (left) and Mr. R Rangaswami, founder of Indiaspora (right).

CGI, PIIRS, and the High Meadows Environmental Institute cosponsored the conference in collaboration with Harvard University's Lakshmi Mittal and Family South Asia Institute and Indiaspora.

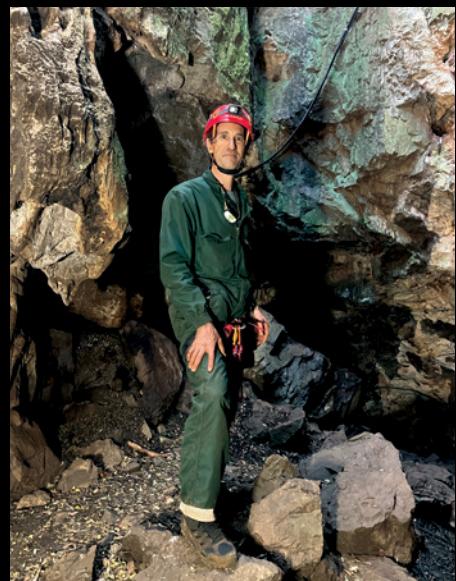
# Faculty Research Inspires Possibilities Across Fields

## Princeton Anthropologist Part of Discovery that may Change Our Understanding of Evolution

A team of researchers including Professor of Anthropology Agustín Fuentes has found, deep in a cave system in South Africa, that an extinct, small-brained species of ancient human relatives buried their dead and used symbols. The discovery could alter our understanding of human evolution.

The *Homo naledi* internments predate the earliest known burial of modern humans (*Homo sapiens*) by at least 100,000 years. Further, the team found lines and shapes engraved on cave walls, including cross-hatchings and other geometric shapes that appear to have been etched with repeated scrapes with a pointed or sharp tool. The symbols are similar to those made by larger-brained Neanderthals and early *Homo sapiens* and were considered a major cognitive development in human evolution.

The National Geographic Society funded the research. Fuentes plans to involve graduate and undergraduate students in the research in the future. “To be inside the caves—inside the world of *Homo naledi*—is not only a life-changing adventure, but what we’ve uncovered forces us to rethink a whole set of assumptions about hominins and human evolution,” Fuentes said. “Burial, meaning-making, even ‘art’ could have a much more complicated, dynamic, non-human history than we previously thought.”



## Cutting-Edge Digital Technologies Reveal the Archaeological Past

Alongside pickaxes, trowels, and brushes—the standard tools of the archaeological trade—Princeton researchers are using drone imaging, laser rangefinders, and magnetometry to shed new light on the ancient archaeology of Northern Greece’s Aegean coast. Using remote-sensing technologies above and below ground, Nathan Arrington, professor of archaeology, and his team recently unearthed an ancient temple. When such research arrives in the classroom, VR enables students to experience sites in 3D detail. Then, they are able to learn to use these next-generation tools themselves as hands-on participants during digs.

Read the full story: [www.princeton.edu/news/2024/04/09/princeton-archaeologists-are-using-cutting-edge-digital-technologies-help-reveal](http://www.princeton.edu/news/2024/04/09/princeton-archaeologists-are-using-cutting-edge-digital-technologies-help-reveal)



Photo by Kirstin Ohrt ©Ephorate of Antiquities of Rhodope



Photo by Debra Kellner

## NSF Funding Supports Major Observatory Upgrade

The National Science Foundation has awarded a \$52.66 million grant to fund a major upgrade to the Simons Observatory in Chile, which will be renamed the Advanced Simons Observatory (ASO). Principal Investigator Mark Devlin of the University of Pennsylvania was a 1994-95 Princeton postdoctoral scholar. Co-investigators include Princeton-affiliated researchers Jo Dunkley, professor of physics and astrophysical sciences; Suzanne Staggs, professor of physics; and Jeffrey J. McMahon, a 2006 Ph.D. graduate now at the University of Chicago. Upgrades will enable an unprecedented view into the processes at the heart of the universe at 8x the processing speed, courtesy of Princeton supercomputing. “ASO will give us a new look at everything—the CMB, dark matter, galaxy evolution—throughout the whole universe,” Dunkley said.

## Ice Reveals New Dimensions of Climate Change

The ice at the far reaches of the planet contains much more than frozen water. In the eyes of Princeton researchers, ice serves as a time capsule, holding air that can be millions of years old. “Ice is time, crystallized,” said Anne McClintock, the A. Barton Hepburn Professor of Gender and Sexuality Studies and the High Meadows Environmental Institute. “Ice is the custodian of deep time, sealing the past in its frozen crypts.” For several Princeton researchers, those time capsules are illuminating the potential for glacial melt, sea-level rise and community displacement, from the Arctic to southern Louisiana.

Read the full story: [research.princeton.edu/news/princeton-ice-documenting-climate-change-ends-earth](https://research.princeton.edu/news/princeton-ice-documenting-climate-change-ends-earth)



Photo by Anne McClintock

# The SPIA MPA Program: *75 Years of Serving the Nation and Humanity*



At Princeton, all that we do is in service to the nation and humanity. In a rapidly changing world, higher education plays a unique, central role in fostering solutions to pressing global issues and leveraging emerging opportunities—and it has long been that way. In the wake of World War II, Donald Wallace, a member of President Truman's Council of Economic Advisors, noted the need for a new kind of education designed to shepherd both the public and private sectors as the world order changed. He was invited to Princeton by the School of Public and International Affairs, and SPIA's inaugural graduate program was born.

In 2025, we will celebrate 75 years of Princeton's Master of Public Affairs program. In that time, the program has become a critical pipeline to federal, state, and local governments; multilateral organizations; and nonprofits and NGOs around the world. SPIA graduates are ambassadors and federal officials in departments ranging from the Treasury to Defense. They lead nonprofits, run public affairs programs, and fill critical roles in public office.

Read the full story: [spia.princeton.edu/graduate-programs/master-public-affairs-75th-year-anniversary](http://spia.princeton.edu/graduate-programs/master-public-affairs-75th-year-anniversary)

## SPIA Internships Span the Nation and Globe

In 2023, nearly 70 SPIA students completed internships with federal, local, and state agencies; non-profits; and private sector entities across fields. This reflects a conviction that the best way to understand both public and domestic policy and international relations is to be there.



**Sara Clark Streeter MPA '24**  
Internship: The White House

*I had a fantastic experience interning at the White House Domestic Policy Council, where I worked on the education team. One of my favorite parts about working at the White House was supporting events that brought together folks from across the country to work together and share ideas on the most pressing issues in education."*



## SPIA's Policy Task Force Brings Students to Botswana

Nothing replaces the impact of fieldwork when it comes to learning about global policy. For four SPIA majors, a trip to Botswana in the spring of 2024 illuminated the tensions that can emerge when social policies intersect. In this case, they observed how a government program promoting eco-tourism led to elephants damaging a local farm. Such issues are complicated, which is part of the learning. The purpose of the immersion is for students to actively engage with government officials and others with local expertise while addressing questions of public policy. Based on their interactions, they produced a brief with recommendations informed by first-hand interactions with the people most affected.

Read the full story: [spia.princeton.edu/news/fieldwork-botswana-shapes-students-global-policy-perspectives](https://spia.princeton.edu/news/fieldwork-botswana-shapes-students-global-policy-perspectives)

**“**One of the school's priorities is tapping into our global networks and relationships by sending students into communities around the world to learn about local needs directly from individuals with on-the-ground regional expertise via their own lived experience.”

— **Paul Lipton**, SPIA's senior associate dean for academic administration



*Who knows a place better than the people there? I'll be asking myself that question no matter where I am or what region I'm working in because expertise comes from the people who have lived in these specific systems. I know I'm quite young still, but I'm keeping the stories we heard close to my heart because I'm hoping I can pay it forward one day.”*

— **Cassie Eng '25**



### Brontë Forsgren MPA '24

Internship: Innovations for Poverty Action

**“**I interned for the Right-Fit Evidence Team in their Kampala, Uganda, office. While with IPA, I assisted on two main projects. The first was completing process evaluations for a group of seven partners seeking to improve education services in refugee camps in Northern Uganda. For another project, I worked with three organizations seeking to expand early childhood education in Uganda, Rwanda, and Zambia.”



### Maya Woser MPA '24

Internship: United Nations Economic and Social Commission for Asia and the Pacific

**“**My team analyzed progress on sustainable development goals using the “Leaving No One Behind” tool to track how various circumstances interact to create large differences in access to basic opportunities. This type of disaggregated analysis enriches the conversation around development by moving towards an intersectional lens in which we acknowledge and address that access to basic opportunities continues to be defined by individual and household characteristics. This is a first step towards designing more dynamic and inclusive policies.”



# Financial Statement Overview



# Financial Statement Overview

## LETTER FROM THE CONTROLLER

Princeton University's net assets of \$36.3 billion at June 30, 2024 ended the year roughly where it started, as the return on the investment portfolio of 3.9 percent roughly offset the amounts paid out for operating and capital needs. The endowment payout of \$1.7 billion, which is set at the beginning of the year, increased 4 percent in fiscal year 2024 under the University's spending policy, yielding a spending rate of 5.04 percent. Endowment net assets of \$33.4 billion at June 30, 2024 also ended the year where it started. Over the past 10 years, the University's total net assets grew 5.4 percent annually and endowment net assets grew 5 percent annually, both in line with long-term growth levels. An operating surplus in fiscal year 2024 of \$142 million, or 5.4 percent of total operating revenues, was lower than the double-digit levels seen in recent years, as operating expense growth of 9.1 percent exceeded revenue growth of 4.8 percent. As envisioned in the University's 2016 strategic framework, operating expenses were impacted by the ongoing expansion of the physical campus and related academic programs and research activities, including the expansion of undergraduate enrollment by 500, spread over four years and ending in fiscal year 2026. The University stepped up the endowment spending rate in fiscal years 2017 and 2018 in anticipation of funding these strategic initiatives. The operating margin in fiscal year 2024 is now more in line with historical norms, as strategic expenditures, which were further delayed during the pandemic, have caught up with the higher operating revenues. With \$1.0 billion in capital expenditures in fiscal year 2024, the University continued its ambitious capital construction plans, with various academic, research, residential and sustainability projects, all in furtherance of the strategic framework.

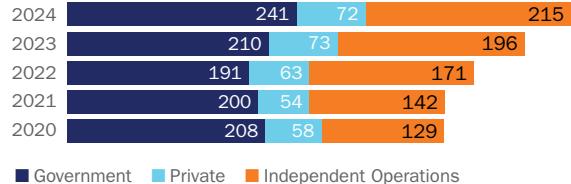
Total operating revenues of \$2.610 billion in fiscal year 2024 increased 4.8 percent from the prior year.

Revenues of \$137 million from tuition and fees, net of scholarships and fellowships, decreased 12 percent in fiscal year 2024 due to major enhancements to the undergraduate financial aid program, offset by a tuition increase of 4 percent and the expansion of undergraduate enrollment by 125 students. Revenues of \$83 million from auxiliary sales and services, which include student room and board charges, net of financial aid, decreased 3 percent in fiscal year 2024 similarly due to enhancements to undergraduate financial aid offset by overall rate increases and expanded enrollment.

Revenues of \$456 million from government grants and contracts, including the Princeton Plasma Physics Lab (an independent operation), increased 12 percent, growing commensurate with increased grant proposal, award, and spending activities. Revenues of \$72 million from private sponsors remained flat in fiscal year 2024. The components of sponsored research revenues can be seen in Figure 1.

**Figure 1**

**COMPONENTS OF SPONSORED RESEARCH REVENUES**  
(\$ in millions)



■ Government   ■ Private   ■ Independent Operations

Revenues from long-term gifts and pledges of \$165 million were down 4 percent from the prior year, as the Venture Forward campaign enters its final phase. Unrestricted Annual Giving and spendable restricted gifts, which are vital to the University's annual operations and financial aid capacity, raised \$95 million, thanks to the unwavering generosity of loyal alumni.

Total operating expenses of \$2.468 billion in fiscal year 2024 increased by 9.1 percent. Salaries, wages, and benefits increased by 11 percent due to campus expansion and hiring, growing research and technical staff, and

persistent salary inflation. Supplies, services, and other increased 15 percent, with substantial increases in travel, office, specialty, and technology supplies/services. Space and occupancy, depreciation, and interest costs remained relatively flat. Other student aid grew 6 percent due to increases in graduate stipends.

The University successfully pursued its regular practice of using debt for capital expenditure and property renewal purposes. Princeton's bonds and notes continue to receive strong interest from investors. In connection with a \$1.309 billion issuance of new money tax-exempt bonds and a \$159 million issuance of tax-exempt refunding bonds, Princeton again received the highest attainable credit and liquidity ratings from both Moody's Investors Service and Standard & Poor's agencies, affirming the University's strong credit standing.

## **ACCOUNTING PRINCIPLES**

Princeton University's financial statements, which follow herein, are presented in accordance with generally accepted accounting principles set forth by the Financial Accounting Standards Board (FASB) as supplemented by the American Institute of Certified Public Accountants (AICPA) audit and accounting guide for not-for-profit entities. In addition to general accounting guidance, the statements reflect the impact of specific reporting requirements of not-for-profit organizations prescribed by FASB Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*. Compliance with AICPA guidance includes consolidating wholly owned subsidiaries and significant trusts in which the University is a beneficiary, as well as reporting tuition discounts, primarily fellowships and scholarships, as reductions of tuition and fee revenue. The financial statements are fully comparable, including prior-year data on the Consolidated Statements of Activities.

## **FINANCIAL REPORTS**

The principal objectives of the accounting standards are to provide consistency among the financial statements of not-for-profit organizations and to make them comparable to those of the for-profit sector. The standards require not-for-profit organizations to provide, for their external financial reports, a statement of financial position, a statement of activities, and a statement of cash flows.

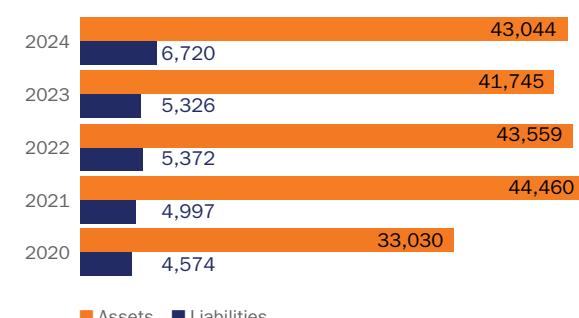
The organization's resources are classified between two categories of net assets, that is, gross assets less liabilities, based solely on the existence or absence of donor-imposed restrictions. Amounts for each of the two classes of net assets — net assets with donor restrictions and net assets without donor restrictions — are displayed in a statement of financial position, and the changes in each category are displayed in a statement of activities.

Net assets with donor restrictions consist of resources that may not be spent, mainly true Endowment funds. They generally are the result of gifts and bequests with donor stipulations that they be invested to provide a permanent source of income. They may also include gifts-in-kind, such as works of art or real property. Net assets with donor restrictions also include those that, again by donor stipulation, must be invested only for a certain period of time or that may be used in a future period for a specified purpose. Net assets with donor restrictions also include the accumulated income and gains on Endowment funds, absent explicit donor stipulations to the contrary, until appropriated for expenditure. Net assets without donor restrictions may be expended for any purpose and result from gifts, grants, other institutional resources, and income and gains on those funds.

## **Statement of Financial Position**

The Consolidated Statement of Financial Position is a snapshot of the University's resources and obligations at the close of the fiscal year and is comparable to the document commonly referred to as the balance sheet. Assets, which totaled \$43 billion as of June 30, 2024 (see Figure 2), are presented on the statement in decreasing order of liquidity, from cash to property, the least liquid asset.

**Figure 2**  
**ASSETS AND LIABILITIES**  
(\$ in millions)



# Financial Statement Overview

## LETTER FROM THE CONTROLLER

(Continued)

As of June 30, 2024, managed and other investments totaling \$35.2 billion accounted for 82 percent of total assets and remained flat in fiscal year 2024 primarily due to market performance and the endowment payout (see Figure 3). Property (net of accumulated depreciation) totaling \$6.5 billion accounted for an additional 15 percent of total assets. Other significant assets were educational and mortgage loans receivable, which totaled \$488 million, and contributions receivable, which totaled \$365 million.

**Figure 3**  
**MANAGED AND OTHER INVESTMENTS**

(\$ in millions)

	Managed Investments	Other Investments
2024	33,722	1,506
2023	33,750	968
2022	35,503	1,850
2021	37,365	1,336
2020	26,251	1,260

■ Managed Investments ■ Other Investments

Liabilities, which totaled \$6.7 billion as of June 30, 2024 (see Figure 2), are presented in order of anticipated time of liquidation. Indebtedness to third parties totaling \$5.4 billion, which primarily includes loans to finance the construction, renovation, and maintenance of University facilities and bonds issued for working capital and general corporate purposes, accounted for 81 percent of total liabilities as of June 30, 2024. Also included are the liabilities under unitrust agreements totaling \$85 million, which represent the estimated amounts payable to donors under the University's planned giving programs. The accounting rules require donees to record a liability for the present value of the expected lifetime payments to donors, and to recognize the net amount received as a contribution in the year of receipt.

Net assets, which totaled \$36.3 billion as of June 30, 2024, are calculated as total assets less total liabilities and are classified into two categories — net assets with donor restrictions and net assets without donor restrictions (see Figure 4). Net assets without donor restrictions, which totaled \$16.4 billion as of June 30, 2024, include gifts and other institutional resources that are not subject to explicit donor-imposed restrictions. In accordance with the accounting rules, certain net assets without donor restrictions have been partially earmarked, or designated, according to their intended use by the University. Net assets with donor restrictions, which totaled \$19.7 billion,

include: promises to give that are receivable in future years as well as donor-restricted contributions whose purpose has not yet been fulfilled, the accumulated income and gains on true Endowment assets that have been reinvested, Endowment gifts that cannot be spent, and funds held in perpetual trust by others. Non-controlling interests of \$0.2 billion pertain to the share of controlled and consolidated investment funds that are not owned by the University.

**Figure 4**  
**NET ASSETS**

(\$ in millions)

	With Donor Restrictions	Without Donor Restrictions	Noncontrolling Interests
2024	16,445	19,707	172
2023	16,353	19,848	218
2022	16,931	21,045	212
2021	17,356	21,896	211
2020	12,402	15,866	188

■ Noncontrolling Interests ■ With Donor Restrictions  
■ Without Donor Restrictions

The composition of the change in net assets attributable to operating and nonoperating activities can be seen in Figure 5:

**Figure 5**  
**CHANGE IN NET ASSETS**

(\$ in millions)

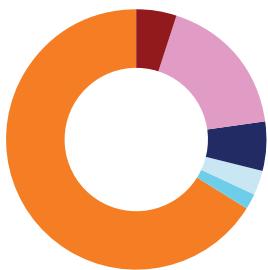
	Results of Operations	Change in Noncontrolling Interests	Nonoperating Activities
2024	142	-191	-46
2023	226	6	-2,001
2022	358	1	-1,634
2021	377	8	10,661
2020	323	23	-8

■ Nonoperating Activities ■ Results of Operations  
■ Change in Noncontrolling Interests

## Statement of Activities

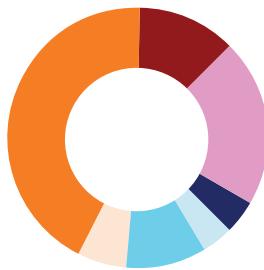
The Consolidated Statement of Activities is a summary of the income and expenses for the year, classified according to the existence or absence of the restrictions described above. Sources such as tuition, most sponsored research, and auxiliary activities normally are shown as income without donor restrictions, whereas income from certain gifts or sponsored agreements may be includable in either of the two classes of income, depending upon the donor's specifications. Gifts to Endowment, for example, are designated as with donor restrictions. Income from donor-restricted sources is reclassified to income without donor restrictions when

**Figure 6**  
**OPERATING REVENUES**  
Fiscal Year 2024



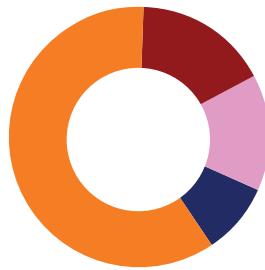
- Support from Investments (66%)
- Net Tuition and Fees (5%)
- Government Grants and Contracts (18%)
- Private Gifts, Grants and Contracts (6%)
- Net Auxiliary Sales and Services (3%)
- Other Sources (2%)

**Figure 7**  
**OPERATING EXPENSES BY NATURAL CLASSIFICATION**  
Fiscal Year 2024



- Salaries and Wages (43%)
- Employee Benefits (13%)
- Supplies, Services & Other (22%)
- Space and Occupancy (4%)
- Student Stipends & Prizes (4%)
- Depreciation (10%)
- Interest (6%)

**Figure 8**  
**OPERATING EXPENSES BY FUNCTIONAL CATEGORY**  
Fiscal Year 2024



- Academic & Research (59%)
- Student Services & Support (17%)
- General Administration and Institutional Support (15%)
- Independent Operations (9%)

the circumstances of the restriction have been fulfilled. All expenditures are made from net assets without donor restrictions, since funds cannot be spent until all restrictions on their use have been released.

The Consolidated Statement of Activities is presented in two sections, operating and nonoperating, which reflect the principles of the University's operating budget. Items of income reported in the operating section, which totaled \$2.610 billion for the year ended June 30, 2024, include all receipts without donor restrictions, as well as the Endowment earnings made available for spending under the spending rule. The major components of operating revenues and their relative proportions are shown in Figure 6.

Virtually all expenses, which totaled \$2.468 billion, are associated with operating activity and are reported on the Consolidated Statement of Activities by natural classification. The major components of operating expenses by natural category and their relative proportions are shown in Figure 7.

Operating expenses by functional classification are reported in the footnotes to the financial statements. The major components of operating expenses by functional classification and their relative proportions are shown in Figure 8.

For the year ended June 30, 2024, the University produced a surplus from operating activities in the amount of \$142 million, calculated as total operating revenues less total operating expenses, as illustrated in Figure 9.

**Figure 9**  
**OPERATING ACTIVITIES**  
(\$ in millions)



Major items of income that are considered nonoperating, which amounted to a net loss of \$191 million for the year ended June 30, 2024, include unrealized appreciation on investments and Endowment income earned in the current year to be used in the current and succeeding years, in accordance with operating budget policy. The distribution of investment income for spending under the University's spending policy is shown as a transfer from nonoperating activities to operating revenue. Unrestricted gift income from Annual Giving and expendable gifts restricted for departmental use are shown as operating income, whereas income from promises to give (pledges) is considered a nonoperating source of income.

The Consolidated Statement of Activities concludes

# Financial Statement Overview

## LETTER FROM THE CONTROLLER

(Continued)

with a reconciliation of the change in each class of net assets for the year to the balance of net assets shown on the Consolidated Statement of Financial Position. The total change in net assets for the year ended June 30, 2024, for all classes of net assets was a decrease of \$95 million.

### Statement of Cash Flows

The Consolidated Statement of Cash Flows is intended to be the bridge from the change in net assets for the year to the change in the cash balance from one year-end to the next. The cash balance on the Consolidated Statement of Cash Flows includes true cash and restricted cash included in the cash, managed investments, and other investments lines on the Consolidated Statement of Financial Position. Several items shown as expenses in the Consolidated Statement of Activities, such as depreciation, do not require an outlay of cash, whereas the purchase of capital assets, which does require an outlay of cash, is added directly to assets on the Consolidated Statement of Financial Position and is reflected on the Consolidated Statement of Activities only in the form of depreciation expense. Other items that affect cash balances but are not required to be included in the Consolidated Statement of Activities include the purchase and sale of investments, proceeds from borrowing and the repayment of loan principal, and the net change in accounts receivable and payable.

The reconciling items on the Consolidated Statement of Cash Flows are grouped into three categories. Operating activities, which used \$1.229 billion in net cash for the year ended June 30, 2024, are those items of income and expense that occur during the normal course of providing services as an educational institution. Cash flows from operating activities also include investment earnings distributions of interest and dividends. Investing activities, which provided \$531 million in net cash, include the acquisition and disposal of capital assets such as buildings and equipment and the purchase and sale of investments. Financing activities, which provided \$1.671 billion in net cash, include the proceeds from long-term borrowing to finance capital additions, renewal, and replacement, and the repayment of principal on such indebtedness, as well as the disbursement of funds for new educational and mortgage loans and the collection of principal payments on such loans. Also included are

contributions restricted for long-term purposes, such as endowments, transactions on planned giving agreements, and proceeds from noncontrolling interests.

### CONTRIBUTIONS

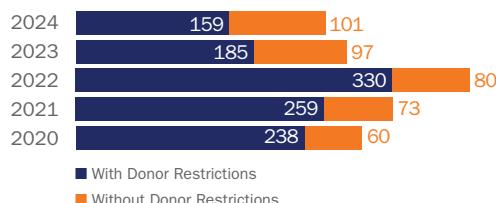
In accordance with FASB ASC 958-310, *Not-for-Profit Entities — Receivables*, donors' unconditional promises to give are required to be recorded by donees as revenue and as amounts receivable in the year received. Where collection is not expected within one year, the amount recorded is determined on a present-value basis. Conditional promises to give are recognized when they become unconditional, that is, when the conditions imposed by the donor have been substantially met.

Contributions must be classified among those with donor restrictions or without donor restrictions, as dictated solely by the donor. For the year ended June 30, 2024, contributions classified as with donor restrictions totaled \$159 million, and those classified as without donor restrictions totaled \$101 million, as shown in Figure 10. The classification of contributions is essential for the proper presentation of revenue in the Consolidated Statement of Activities and of net assets in the Consolidated Statement of Financial Position, as previously discussed.

**Figure 10**

#### PRIVATE GIFTS

(\$ in millions)



### ENDOWMENT MANAGEMENT

The Endowment provides steady support for the University's current and future operating needs while preserving real value for future generations. This mission requires an expected long-term return that exceeds the sum of the annual rate of spending and University inflation. As of June 30, 2024, Princeton's Endowment stood at \$34.1 billion, a decrease of approximately \$6 million from the previous year.<sup>1</sup> The vast majority of the Endowment, \$33.5 billion, is managed by the Princeton University Investment Company ("PRINCO").<sup>2</sup>

<sup>1</sup> Excluded from Princeton's traditional definition of "Endowment" are working capital, planned giving investments, and proceeds from debt.

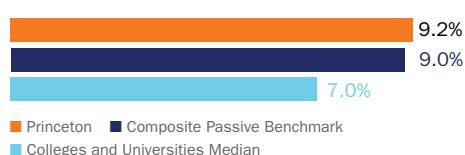
<sup>2</sup> The pool managed by PRINCO excludes University mortgages, loans, and other assets held primarily for strategic University purposes. "Endowment net assets," as reported in the notes to the Consolidated Financial Statements in the amount of \$33.4 billion as of June 30, 2024, further exclude agency funds in custody for others.

## Investment Performance

The portion of the Endowment managed by PRINCO generated a fiscal year 2024 investment gain of 3.9 percent. The Endowment's annualized return over the past 10 years is 9.2 percent, which equates to a real return of 6.1 percent when adjusted for the Higher Education Price Index (HEPI), a measure of university inflation. The 10-year annualized nominal gain is modestly ahead of its composite passive benchmark, which had annualized returns of 9.0 percent. The median 10-year annualized return among a broad set of colleges and universities was 7.0 percent (see Figure 11).

**Figure 11**  
**10-YEAR ANNUALIZED PERFORMANCE**

Ending June 30, 2024



## Spending

Each year, the Trustees decide upon an amount to be spent from the Endowment for the following fiscal year.<sup>3</sup> In their deliberations, the Trustees use a spending framework that is designed to enable sizable amounts to be spent in a reasonably stable fashion, while allowing for reinvestment sufficient to preserve purchasing power in perpetuity. Since fiscal year 2016, the framework has targeted annual spending between 4.0 percent and 6.25 percent. Given expectations about the Endowment's long-term investment performance, it is likely that prolonged spending at rates above the range would threaten preservation of the purchasing power available to future generations. Conversely, extended periods of spending at rates below the range would likely be overly cautious, penalizing current stakeholders.

In fiscal year 2024, the Endowment spending distribution, in aggregate, equaled \$1.7 billion, an increase of approximately \$75 million from the prior year. Spending per Endowment unit equated to 5.04 percent of market value at the start of fiscal year 2024.

<sup>3</sup> Excluded from these decisions are funds devoted to certain strategic purposes, such as subsidizing faculty and staff housing.

## Asset Allocation

Asset allocation is a meaningful determinant of investment performance. PRINCO's asset allocation aligns with the University's goals rather than shorter term "market-timing," a process in which temporary shifts are made in asset allocation in an attempt to capture fleeting trends.

PRINCO maintains a bias toward equities or equity-like assets—94 percent of the portfolio is allocated toward these investments, which provide greater potential for long-term compounding and protection against inflation than do fixed income securities. The bulk of the Endowment is invested in domestic and international stocks, as well as alternative asset classes. The alternatives categories include Independent Return vehicles that seek high absolute returns independent of broad market trends, Private Equity strategies that invest in private companies and venture capital opportunities, and Real Assets strategies that pursue investments in real estate and natural resources. These areas can offer attractive opportunities for skilled, patient investors.

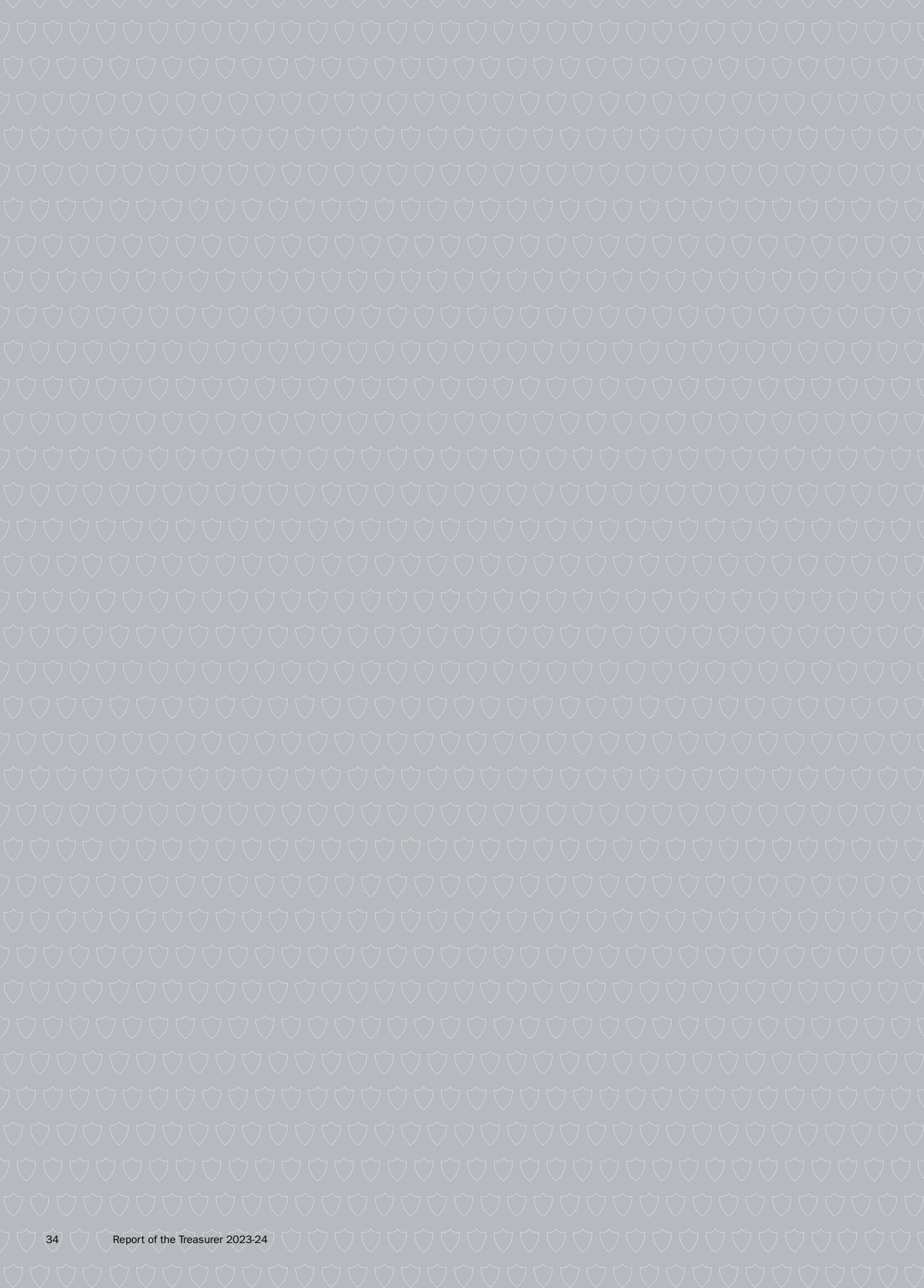
## Other Invested Funds

The University also maintains a group of separately invested funds. Included therein are funds established from gifts of investments restricted from sale by donors, funds held in trust by others, and the University's investments in strategic real estate.

## CONCLUSION

Princeton hopes that readers of these financial statements find the presentations and explanations helpful in understanding the University's financial state. Blessed with extraordinary financial resources, Princeton is responsible for protecting and preserving them over a very long-term horizon. This perspective allows Princeton to place any near-term economic, financial, or operational challenges in context, reminding us that one year's performance is quite short in the context of Princeton's 278-year history. The University is committed to using its financial resources thoughtfully, prudently, and consistently to support its current educational and research programs, while preserving their value for future generations.

Kenneth Molinaro  
Associate Vice President and Controller





## Report of Independent Auditors

To the Trustees of Princeton University:

### ***Opinion***

We have audited the accompanying consolidated financial statements of Princeton University and its subsidiaries (the "University", which as described in Note 2 is legally known as The Trustees of Princeton University), which comprise the consolidated statements of financial position as of June 30, 2024 and 2023, and the related consolidated statements of activities and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements").

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Basis for Opinion***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (US GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated 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 audit. 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 Consolidated Financial Statements***

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

In preparing the consolidated 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 consolidated financial statements are issued.

### ***Auditors' Responsibilities for the Audit of the Consolidated Financial Statements***

Our objectives are to obtain reasonable assurance about whether the consolidated 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 US GAAS 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 consolidated financial statements.

In performing an audit in accordance with US GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated 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 consolidated 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 consolidated 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.

*PricewaterhouseCoopers LLP*

New York, New York  
November 25, 2024

# Consolidated Statements of Financial Position

Princeton University

June 30, 2024 and 2023

<i>(dollars in thousands)</i>	<b>2024</b>	<b>2023</b>
<b>Assets</b>		
Cash	\$ 32,291	\$ 42,404
Accounts receivable	177,714	183,065
Receivables associated with investments	2,918	35,178
Educational and mortgage loans receivable	488,009	472,631
Contributions receivable	365,022	381,179
Managed investments at fair value	33,722,131	33,750,097
Funds held in trust by others	142,469	133,718
Other investments	1,506,032	968,430
Property, net of accumulated depreciation	6,523,466	5,692,647
Other assets	83,866	86,011
<b>Total assets</b>	<b>\$ 43,043,918</b>	<b>\$ 41,745,360</b>
<b>Liabilities</b>		
Accounts payable	\$ 160,129	\$ 145,574
Liabilities associated with investments	17,727	41,654
Deposits, advance receipts, and accrued liabilities	334,052	336,101
Deposits held in custody for others	147,973	179,348
Liability under planned giving agreements	85,138	83,409
Indebtedness to third parties	5,422,393	4,027,724
Accrued postretirement benefits	552,521	512,357
<b>Total liabilities</b>	<b>\$ 6,719,933</b>	<b>\$ 5,326,167</b>
<b>Net assets</b>		
Without donor restrictions controlled by the University	\$ 16,444,619	\$ 16,352,682
Without donor restrictions attributable to noncontrolling interests	172,354	217,913
<b>Total net assets without donor restrictions</b>	<b>16,616,973</b>	<b>16,570,595</b>
<b>Total net assets with donor restrictions</b>	<b>19,707,012</b>	<b>19,848,598</b>
<b>Total net assets</b>	<b>\$ 36,323,985</b>	<b>\$ 36,419,193</b>
<b>Total liabilities and net assets</b>	<b>\$ 43,043,918</b>	<b>\$ 41,745,360</b>

See notes to consolidated financial statements.

# Consolidated Statements of Activities

Princeton University

Year ended June 30, 2024

<i>(dollars in thousands)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2024 Total</b>
<b>Revenues and other sources</b>			
Tuition and fees, net of financial aid	\$ 136,643	-	\$ 136,643
Government grants and contracts	455,777	-	455,777
Private gifts, grants, and contracts	85,946	\$ 80,416	166,362
Auxiliary sales and services, net of financial aid	83,029	-	83,029
Other operating revenues	52,957	-	52,957
Investment earnings distributed	784,812	930,128	1,714,940
<b>Total operating revenues</b>	<b>1,599,164</b>	<b>1,010,544</b>	<b>2,609,708</b>
Net assets released from restrictions	1,050,246	(1,050,246)	-
<b>Total revenues and other sources</b>	<b>2,649,410</b>	<b>(39,702)</b>	<b>2,609,708</b>
<b>Operating expenses</b>			
Salaries and wages	1,070,545	-	1,070,545
Employee benefits	306,068	-	306,068
Supplies, services, and other	545,642	-	545,642
Space and occupancy	97,335	-	97,335
Student stipends and prizes	104,743	-	104,743
Depreciation	210,883	-	210,883
Interest on indebtedness	132,856	-	132,856
<b>Total operating expenses</b>	<b>2,468,072</b>	-	<b>2,468,072</b>
<b>Results of operations</b>	<b>181,338</b>	<b>(39,702)</b>	<b>141,636</b>
<b>Nonoperating activities</b>			
Adjustments to planned giving agreements	-	10,404	10,404
Increase in value of assets held in trust by others	-	12,607	12,607
Private gifts, noncurrent	48,210	116,985	165,195
Net realized and unrealized appreciation on investments	685,391	688,234	1,373,625
Distribution of investment earnings	(784,812)	(930,128)	(1,714,940)
Net periodic benefit cost other than service cost	(8,445)	-	(8,445)
Other postretirement benefit changes	8,113	-	8,113
Reclassifications, transfers, and other nonoperating	(37,858)	14	(37,844)
<b>Decrease from nonoperating activities</b>	<b>(89,401)</b>	<b>(101,884)</b>	<b>(191,285)</b>
<b>Increase (decrease) in net assets - University</b>	<b>91,937</b>	<b>(141,586)</b>	<b>(49,649)</b>
Change in noncontrolling interests	(45,559)	-	(45,559)
<b>Total increase (decrease) in net assets</b>	<b>46,378</b>	<b>(141,586)</b>	<b>(95,208)</b>
Net assets at the beginning of the year	16,570,595	19,848,598	36,419,193
<b>Net assets at the end of the year</b>	<b>\$ 16,616,973</b>	<b>\$ 19,707,012</b>	<b>\$ 36,323,985</b>

See notes to consolidated financial statements.

# Consolidated Statements of Activities

Princeton University

Year ended June 30, 2023

<i>(dollars in thousands)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>2023 Total</b>
<b>Revenues and other sources</b>			
Tuition and fees, net of financial aid	\$ 154,514	-	\$ 154,514
Government grants and contracts	406,180	-	406,180
Private gifts, grants, and contracts	96,395	\$ 86,876	183,271
Auxiliary sales and services, net of financial aid	85,335	-	85,335
Other operating revenues	31,693	-	31,693
Investment earnings distributed	748,561	880,080	1,628,641
<b>Total operating revenues</b>	<b>1,522,678</b>	<b>966,956</b>	<b>2,489,634</b>
Net assets released from restrictions	1,039,284	(1,039,284)	-
<b>Total revenues and other sources</b>	<b>2,561,962</b>	<b>(72,328)</b>	<b>2,489,634</b>
<b>Operating expenses</b>			
Salaries and wages	969,089	-	969,089
Employee benefits	274,041	-	274,041
Supplies, services, and other	472,515	-	472,515
Space and occupancy	99,656	-	99,656
Student stipends and prizes	98,796	-	98,796
Depreciation	216,182	-	216,182
Interest on indebtedness	132,980	-	132,980
<b>Total operating expenses</b>	<b>2,263,259</b>	-	<b>2,263,259</b>
<b>Results of operations</b>	<b>298,703</b>	<b>(72,328)</b>	<b>226,375</b>
<b>Nonoperating activities</b>			
Adjustments to planned giving agreements	-	3,354	3,354
Increase in value of assets held in trust by others	-	10,027	10,027
Private gifts, noncurrent	37,421	134,269	171,690
Net realized and unrealized loss on investments	(190,940)	(373,964)	(564,904)
Distribution of investment earnings	(748,561)	(880,080)	(1,628,641)
Net periodic benefit cost other than service cost	(5,806)	-	(5,806)
Other postretirement benefit changes	13,486	-	13,486
Reclassifications, transfers, and other nonoperating	17,438	(17,438)	-
<b>Decrease from nonoperating activities</b>	<b>(876,962)</b>	<b>(1,123,832)</b>	<b>(2,000,794)</b>
<b>Decrease in net assets - University</b>	<b>(578,259)</b>	<b>(1,196,160)</b>	<b>(1,774,419)</b>
Change in noncontrolling interests	6,368	-	6,368
<b>Total decrease in net assets</b>	<b>(571,891)</b>	<b>(1,196,160)</b>	<b>(1,768,051)</b>
Net assets at the beginning of the year	17,142,486	21,044,758	38,187,244
<b>Net assets at the end of the year</b>	<b>\$ 16,570,595</b>	<b>\$ 19,848,598</b>	<b>\$ 36,419,193</b>

See notes to consolidated financial statements.

# Consolidated Statements of Cash Flows

Princeton University

Years ended June 30, 2024 and 2023

(dollars in thousands)	<b>2024</b>	<b>2023</b>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ (95,208)	\$ (1,768,051)
Adjustments to reconcile change in net assets to net cash used in operating activities:		
Depreciation expense	210,883	216,182
Amortization of bond issuance costs and premiums	(18,480)	(19,465)
Property gifts-in-kind	(1,115)	(1,826)
Adjustments to planned giving agreements	(10,404)	(3,354)
Net realized and unrealized (gains) losses on investments	(1,109,424)	788,936
(Gains) loss on disposal of fixed assets	189	(13,849)
Increase in value of assets held in trust by others	(8,751)	(10,027)
Contributions received for long-term investment	(169,221)	(242,391)
Net realized and unrealized gains on noncontrolling interests	(30,441)	(6,368)
Changes in operating assets and liabilities:		
Receivables	6,131	(64,888)
Other assets	2,145	(17,257)
Accounts payable	(12,017)	58,724
Deposits, advance receipts, and accrued liabilities	(2,049)	(60,853)
Deposits held in custody for others	(31,376)	(2,346)
Accrued postretirement benefits	40,164	28,132
<b>Net cash and restricted cash used in operating activities</b>	<b>(1,228,974)</b>	<b>(1,118,701)</b>
<b>Cash flows from investing activities</b>		
Purchases of property, plant, and equipment	(1,018,648)	(924,300)
Proceeds from disposal of property, plant, and equipment	4,444	6,112
Purchases of investments	(22,547,819)	(30,693,312)
Proceeds from maturities/sales of investments	24,092,888	32,500,661
<b>Net cash and restricted cash provided by investing activities</b>	<b>530,865</b>	<b>889,161</b>
<b>Cash flows from financing activities</b>		
Issuance of indebtedness to third parties	2,495,408	238,500
Payment of debt principal	(1,082,259)	(293,035)
Contributions received for long-term investment	169,221	242,391
Transactions on planned giving agreements	12,133	5,565
Proceeds from noncontrolling interests	76,000	-
<b>Net cash and restricted cash provided by financing activities</b>	<b>1,670,503</b>	<b>193,421</b>
<b>Net increase (decrease) in cash and restricted cash</b>	<b>972,394</b>	<b>(36,119)</b>
<b>Cash and restricted cash at the beginning of the year</b>	<b>351,298</b>	<b>387,417</b>
<b>Cash and restricted cash at the end of the year</b>	<b>\$ 1,323,692</b>	<b>\$ 351,298</b>
<b>Supplemental disclosures</b>		
Interest paid	\$ 166,293	\$ 159,105
<b>Supplemental information on cash and restricted cash</b>		
Cash as shown in the Consolidated Statements of Financial Position	\$ 32,291	\$ 42,404
Cash and restricted cash included in Managed Investments	1,287,518	279,471
Cash included in Other Investments	3,883	29,423
<b>Total cash and restricted cash as shown on the Consolidated Statements of Cash Flows</b>	<b>\$ 1,323,692</b>	<b>\$ 351,298</b>

See notes to consolidated financial statements.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

---

## 1. NATURE OF OPERATIONS

Princeton University (the “University”) is a private, not-for-profit, nonsectarian institution of higher learning. When originally chartered in 1746 as the College of New Jersey, it became the fourth college in British North America. It was renamed Princeton University in 1896. First located in Elizabeth, and briefly in Newark, the school moved to Princeton in 1756.

The student body numbers 5,598 undergraduates and 3,251 graduate students in more than 90 departments and programs. The University offers instruction in the liberal arts and sciences and in professional programs of the School of Architecture, the School of Engineering and Applied Science, and the Princeton School of Public and International Affairs. The faculty numbers approximately 1,315, including visitors and part-time appointments.

---

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of Princeton University (legally known as “The Trustees of Princeton University”) are prepared on the accrual basis and include the accounts of its wholly owned subsidiaries, foundation, and investments controlled by the University. Financial information conforms to the statements of accounting principles of the Financial Accounting Standards Board (FASB) and to the American Institute of Certified Public Accountants *Audit and Accounting Guide for Not-for-Profit Entities*. Relevant pronouncements include FASB Accounting Standards Codification (ASC) Topic 958, *Not-for-Profit Entities*.

External consolidated financial statements of not-for-profit organizations require the preparation of a consolidated statement of financial position, a consolidated statement of activities, and a consolidated statement of cash flows. The classification of the organization’s net assets and its revenues and expenses into two categories according to the existence or absence of donor-imposed restrictions — net assets with donor restrictions and net assets without donor restrictions — is also required. Changes, including reclassification and transfers, in each category are reflected in the Consolidated Statements of Activities, certain of which are further categorized as nonoperating. Such nonoperating activities primarily reflect transactions of a long-term investment or capital nature, contributions receivable in future periods, contributions subject to donor-imposed restrictions, gains and losses on investments in excess of the University’s spending rule, postretirement benefit changes, and other nonrecurring activities.

Cash and cash equivalents are recorded at fair value and include several depository accounts, checking accounts, institutional money market funds, and similar temporary investments with maturities of three months or less at the date of purchase. The University classifies cash equivalents that are part of the University’s investments as short-term investments.

Unconditional promises to give are recognized as revenues in the year made, not in the year in which the cash is received. The amounts are discounted based on timing of expected collections. Amounts received from donors to planned giving programs consist primarily of charitable trusts and charitable gift annuities. The assets related to these agreements are included in Other investments at fair value and the liability for the present value of annuity payments to the donor in Liability under planned giving agreements in the Consolidated Statements of Financial Position.

Other significant accounting policies are described elsewhere in these notes.

The preparation of the University’s consolidated financial statements in conformity with generally accepted accounting principles in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the Consolidated

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

Statements of Financial Position, and the reported amounts of revenues and expenses included in the Consolidated Statements of Activities. Actual results could differ from such estimates.

Certain prior-year balances have been reclassified to conform to the current-year presentation.

## Revenue from Tuition, Fees, and Auxiliary Services

Revenue from tuition, fees, and auxiliary services, which consist primarily of student room and board, are presented at transaction prices, which typically are determined based on standard published rates for the services provided, less any institutional financial aid awarded by the University to qualifying students. For the years ended June 30, 2024 and 2023, revenue from tuition, fees, and auxiliary services was as follows:

2024 (dollars in thousands)	At published		Institutional	
	rates		aid	Total net
Tuition and fees	\$ 512,654		\$ (376,011)	\$ 136,643
Room, board, and other	121,343		(38,314)	83,029
<b>Total</b>	<b>\$ 633,997</b>		<b>\$ (414,325)</b>	<b>\$ 219,672</b>

2023 (dollars in thousands)	At published		Institutional	
	rates		aid	Total net
Tuition and fees	\$ 485,857		\$ (331,343)	\$ 154,514
Room, board, and other	110,840		(25,505)	85,335
<b>Total</b>	<b>\$ 596,697</b>		<b>\$ (356,848)</b>	<b>\$ 239,849</b>

Of the \$220 million in net total tuition, fees, and auxiliary revenue recognized in fiscal year 2024, \$177 million was from undergraduate students, \$28 million was from graduate students, and \$15 million was from other sources. Of the \$240 million in net total tuition, fees, and auxiliary revenue recognized in fiscal year 2023, \$203 million was from undergraduate students, \$25 million was from graduate students, and \$12 million was from other sources.

Tuition, fees, and auxiliary revenues are recognized and associated performance obligations are satisfied over time during the course of the fiscal year in which the student services are provided.

## Revenue from Sponsored Grants and Contracts

The University receives sponsored program funding in the form of grants and contracts from governments, foundations, industry, and other private sources generally for research activities. The funding may represent a reciprocal transaction in exchange for an equivalent benefit in return, or it may be a nonreciprocal transaction in which the resources provided are for the benefit of the University, the funding organization's mission, or the public at large.

Grants and contracts that are reciprocal in nature include certain private grants and the contract with the U.S. Department of Energy to operate the Princeton Plasma Physics Laboratory. Revenue from exchange agreements generally is recognized over time as performance obligations are satisfied, which in most cases occur as related costs are incurred.

Revenue from nonexchange transactions (contributions/gifts and certain grants) may be subject to conditions in the form of both a barrier to entitlement and a refund of amounts paid (or a release from obligation to make future payments). Revenue from conditional nonexchange transactions is recognized when the barrier is satisfied, which is generally as costs are incurred

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

or certain milestones are achieved. Conditions on grants, such as Federal government grants, typically include limitations on how research activities must be conducted, such as compliance with OMB cost principles. In addition, the University has elected the simultaneous release option for conditional contributions that are subject to purpose restrictions. Under this option, net assets without donor restrictions include the donor-restricted contributions for which the purpose restrictions are met in the same reporting period as the revenue is recognized. Revenue from nonexchange agreements that are considered unconditional, such as most foundation grants, generally is recognized as revenue with donor restrictions when the grant funds are awarded, and is released into net assets without donor restrictions when the purpose has been met.

As of June 30, 2024, the University has unrecorded conditional grant agreements of \$480 million from government sponsors and \$119 million from nongovernment sponsors. As of June 30, 2023, the University had unrecorded conditional grant agreements of \$403 million from government sponsors and \$121 million from nongovernment sponsors. Indirect costs recovered on federally sponsored programs generally are based on predetermined reimbursement rates, which are stated as a percentage and distributed based on the modified total direct costs incurred. The University negotiates its federal indirect rate with its cognizant federal agency. Indirect costs recovered on all other grants and contracts are based on rates negotiated with the respective sponsors.

## Accounting Pronouncements

In June 2016, the FASB issued Accounting Standards Update ("ASU") 2016-13, *Financial Instruments—Credit Losses (Topic 326), Measurement of Credit Losses on Financial Instruments*. The ASU improves financial reporting by requiring timelier recording of credit losses on loans and other financial instruments held by financial institutions and other organizations. This ASU is effective for fiscal years beginning after December 15, 2022. The University adopted ASU 2016-13 for the fiscal year ended June 30, 2024 with no material impact on the consolidated financial statements.

On December 13, 2023, the FASB issued ASU 2023-08, *Intangibles-Goodwill and Other-Crypto Assets (Subtopic 350-60): Accounting for and Disclosure of Crypto Assets*, which addresses the accounting and disclosure requirements for certain crypto assets. The new guidance requires entities to subsequently measure certain crypto assets, that meet the definition of intangible assets, at fair value, with changes in fair value recorded in net income in each reporting period. In addition, entities are required to provide additional disclosures about the holdings of certain crypto assets. This ASU is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The University is evaluating the impact of the new standard on the University's consolidated financial statements.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

## 3. INVESTMENTS

### Managed Investments

All managed investments are reported at fair value. The fair value of marketable equity, debt, and certain derivative securities (which include both domestic and foreign issues) generally is based upon a combination of published current market prices and exchange rates. The fair value of restricted securities and other investments for which published market prices are not available is based on estimated values using discounted cash flow analysis and other industry standard methodologies. Where applicable, independent appraisers and engineers assist in the valuation. The fair value of limited partnerships and similar investment vehicles is based on the net asset value of such investments and generally is estimated by external investment managers, including general partners or valuation committees. These valuations necessarily involve assumptions and methods that are reviewed, evaluated, and adjusted, if necessary, by the University. Changes in assumptions could have a significant effect on the fair values of these investments. Actual results could differ from these estimates and could have a material impact on the consolidated financial statements. These investments generally are less liquid than other investments, and the values reported may differ from the values that would have been reported had a ready market for these securities existed. Securities transactions are reported on a trade-date basis. Realized gains and losses are calculated using the specific identification cost method.

A summary of managed investments by asset category at fair value at June 30, 2024 and 2023 is presented below. The managed investment categories are presented on a “manager-mandate” basis, that is, all of the assets and market value of the underlying funds and accounts are included in the asset class that is the primary focus of the fund or account (many funds and accounts have contractual flexibility to invest across more than one asset class).

(dollars in millions)	2024	2023
Managed investments:		
Developed markets	\$ 3,468.2	\$ 3,773.6
Emerging markets	2,607.4	2,751.0
Independent return	8,709.1	8,535.0
Private equity	14,042.7	14,075.5
Real assets	3,568.2	3,793.2
Fixed income	66.9	498.6
Cash and other	1,259.6	323.2
<b>Gross managed investments<sup>1</sup></b>	<b>\$ 33,722.1</b>	<b>\$ 33,750.1</b>
Receivables (liabilities) associated with investments – net	(14.8)	(6.5)
Noncontrolling interests	(172.3)	(217.9)
<b>Net managed investments</b>	<b>\$ 33,535.0</b>	<b>\$ 33,525.7</b>

<sup>1</sup>Includes derivative financial instruments at fair value

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

The Princeton University Investment Company (PRINCO) manages investments for a foundation that the University controls, the Stanley J. Seeger Hellenic Fund, and deposits held in custody for others. The investment balances managed by PRINCO for these entities as of June 30, included in the University's consolidated financial statements, are as follows:

(dollars in millions)	2024	2023
Princeton University	\$ 33,343.9	\$ 33,319.8
Stanley J. Seeger Hellenic Fund	62.4	63.3
Deposits held in custody for others	128.7	142.6
<b>Net managed investments</b>	<b>\$ 33,535.0</b>	<b>\$ 33,525.7</b>

The composition of net investment return from managed and other investments for the years ended June 30 is as follows:

(dollars in millions)	2024	2023
Net realized and unrealized gains (losses)	\$ 1,109.4	\$ (788.9)
Interest, dividends, and other income	264.2	224.0
<b>Total</b>	<b>\$ 1,373.6</b>	<b>\$ (564.9)</b>

Princeton University investments, together with the Stanley J. Seeger Hellenic Fund and deposits held in custody for others, are invested in a single unitized pool. The market value of each unit was \$14,888.42 and \$15,097.06 at June 30, 2024 and 2023, respectively. The average value of a unit during the years ending June 30, 2024 and 2023 was \$14,945.54 and \$15,642.12, respectively.

The average invested market balance in the unitized pool during the years ending June 30, 2024 and 2023 was \$33.292 billion and \$34.625 billion, respectively.

The University follows a spending rule for its unitized investments, including funds functioning as endowment, that provides for regular increases in spending while preserving the long-term purchasing power of the endowment. Earnings distributed and available for spending are shown in operating revenue, and the balance is shown as nonoperating revenue. Amounts distributed per unit under that rule were \$760.88 and \$731.62 for fiscal years 2024 and 2023, respectively.

The University invests in various investment instruments. Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the consolidated financial statements.

## Derivative Financial Instruments

As part of its investment strategy, the University enters into transactions utilizing a variety of financial instruments and strategies, including futures, swaps, options, short sales, and forward foreign currency contracts. These financial instruments and strategies allow the University to fine-tune the asset allocation of the investment portfolio. In the case of forward currency exchange contracts, options, and swap contracts, these instruments are traded through securities and commodities exchanges. These financial instruments are executed with creditworthy banks and brokerage firms, are subject to an enforceable master netting arrangement or similar agreement, and are presented at fair value on a net basis on the Consolidated Statements of Financial Position.

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

Investment-related derivative exposures at June 30 are as follows:

2024 (dollars in millions)		Net Derivative Assets (Liabilities)			Gains (Losses) <sup>2</sup>
	Long Notional <sup>1</sup>	Short Notional <sup>1</sup>			
Index futures	-	\$ (74.8)	\$ (0.1)		\$ (59.2)
Equity swaps	\$ 1,138.3	(1,497.5)	17.3		(68.5)
Options contracts	-	(66.1)	3.4		(156.4)
Total	\$ 1,138.3	\$ (1,638.4)	\$ 20.6		\$ (284.1)

2023 (dollars in millions)		Net Derivative Assets (Liabilities)			Gains (Losses) <sup>2</sup>
	Long Notional <sup>1</sup>	Short Notional <sup>1</sup>			
Index futures	\$ 498.9	\$ (228.3)	\$ 5.2		\$ 81.6
Equity swaps	845.7	(1,419.1)	(9.6)		(153.5)
Options contracts	44.4	(808.8)	60.7		(277.0)
Total	\$ 1,389.0	\$ (2,456.2)	\$ 56.3		\$ (348.9)

<sup>1</sup> Notional amounts are representative of the volume and activity of each derivative type during the years ended June 30, 2024 and 2023

<sup>2</sup> Gains and losses on derivatives are recorded under “Net realized and unrealized appreciation on investments” in the Consolidated Statements of Activities

Investment-related derivative assets, liabilities, and collateral by counterparty at June 30 are as follows:

		Fair Value			
2024 (dollars in millions)		Gross Derivative Assets	Gross Derivative Liabilities	Collateral (Held)	Net
	# of Contracts			Pledged	
Counterparty A	1	-	\$ (0.1)	\$ 4.6	\$ 4.5
Counterparty B	10	\$ 36.8	(7.4)	(1.6)	27.8
Counterparty C	5	17.4	(29.8)	-	(12.4)
Counterparty D	4	3.8	(0.1)	(3.7)	-
Total	20	\$ 58.0	\$ (37.4)	\$ (0.7)	\$ 19.9

		Fair Value			
2023 (dollars in millions)		Gross Derivative Assets	Gross Derivative Liabilities	Collateral (Held)	Net
	# of Contracts			Pledged	
Counterparty A	7	\$ 6.3	\$ (19.7)	\$ 27.6	\$ 14.2
Counterparty B	7	21.3	(11.6)	-	9.7
Counterparty C	10	71.2	(11.2)	(63.5)	(3.5)
Total	24	\$ 98.8	\$ (42.5)	\$ (35.9)	\$ 20.4

## Funds Held in Trust by Others

The University is the income beneficiary of various trusts that are held and controlled by independent trustees. In addition, the University is the income beneficiary of entities that qualify as supporting organizations under Section 509(a)(3) of the U.S. Internal Revenue Code. Funds held in trust by others are recognized at the estimated fair value of the assets or the present value of the future cash flows when the irrevocable trust is established or the University is notified of its existence. Funds held in trust by others, stated at fair value, amounted to \$142.5 million in 2024 and \$133.7 million in 2023 in the Consolidated Statements of Financial Position.

## Other Investments

Other investments include working capital (consisting primarily of U.S. Treasury bonds), a small number of funds that must be separately invested due to donor or legal restrictions, planned giving investments, proceeds from debt, and local real estate holdings expected to be liquidated strategically over several years.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

A summary of other investments at fair value at June 30, 2024 and 2023 is as follows:

(dollars in millions)	2024	2023
Working capital	\$ 364.1	\$ 507.3
Planned giving investments	158.5	155.9
Proceeds from debt	850.4	152.7
Strategic real estate investments	16.0	48.0
Other	117.0	104.5
Total	\$ 1,506.0	\$ 968.4

## 4. FAIR VALUE MEASUREMENTS

ASC 820, *Fair Value Measurements and Disclosures*, defines fair value, establishes a framework for measuring fair value in GAAP, and expands disclosure about fair value measurements. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date. Fair value should be based on assumptions that market participants would use when pricing an asset or liability, including assumptions about risk and the risks inherent in valuation techniques and the inputs to valuations. Fair value measurements assume that the transaction occurs in the principal market for the asset or liability (the market with the most volume and activity for the asset or liability from the perspective of the reporting entity), or in the absence of a principal market, the most advantageous market for the asset or liability (the market in which the reporting entity would be able to maximize the amount received or minimize the amount paid). The University applies fair value measurements to certain assets and liabilities, including the University's managed investments, other investments, and funds held in trust by others, in accordance with the requirements described above.

The University maximizes the use of observable inputs and minimizes the use of unobservable inputs when measuring fair value. Fair value is based on actively quoted market prices, if available. In the absence of actively quoted market prices, price information from external sources, including broker quotes and industry publications, is used. If pricing information from external sources is not available, or if observable pricing is not indicative of fair value, then judgment is required to develop the estimates of fair value using discounted cash flow and other income valuation approaches.

The University utilizes the following fair value hierarchy, which prioritizes, into three broad levels, the inputs to valuation techniques used to measure fair value:

**Level 1:** Quoted prices (unadjusted) in active markets for identical assets and liabilities that the University has the ability to access at the measurement date. Instruments categorized in Level 1 primarily consist of a broadly traded range of equity and debt securities.

**Level 2:** Inputs other than quoted prices included within Level 1 that are either directly or indirectly observable for the asset or liability, including quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived from observable market data by correlation or other means.

**Level 3:** Unobservable inputs for the asset or liability, including situations where there is little, if any, market activity for the asset or liability. Instruments categorized in Level 3 primarily consist of limited partnership interests and other similar investment vehicles.

The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The lowest level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

the asset or liability. Fair value measurements are categorized as Level 3 when a significant proportion of price or other inputs that are considered to be unobservable are used in their valuations.

Investments in investee funds that are valued using the net asset value (NAV) of the underlying investee fund as a practical expedient have been excluded from the fair value hierarchy and are shown as a separate column in the fair value leveling table. Where the University has the ability to redeem its investment with the investee at net asset value per share (or its equivalent) using the practical expedient, such investments have been excluded from the fair value hierarchy. Certain of these investments may be subject to modest holdback provisions to cover audit and other potential expenses or adjustments in the event of a complete withdrawal.

The University has various processes and controls in place to ensure that investment fair value is reasonable and performs due diligence procedures on its investments, including an assessment of applicable accounting policies, a review of the valuation procedures employed, and consideration of redemption features and price transparency. The University holds direct real estate investments categorized as Level 3. Valuation for material directly held real estate investments is determined from periodic valuations prepared by independent appraisers or broker opinions.

The following tables present the University's assets that are measured at fair value for each hierarchy level, at June 30, 2024 and 2023:

2024 (dollars in millions)	Fair Value Measurements at Reporting Date Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as Practical Expedient
<b>Assets at fair value</b>					
Managed investments (gross):					
Developed markets	\$ 3,468.2	\$ 20.3	\$ (0.6)	\$ 0.5	\$ 3,448.0
Emerging markets	2,607.4	0.2	16.6	-	2,590.6
Independent return	8,709.1	6.6	(0.3)	-	8,702.8
Private equity	14,042.7	-	-	-	14,042.7
Real assets	3,568.2	124.6	13.6	10.8	3,419.2
Fixed income	66.9	66.9	-	-	-
Cash and other	1,259.6	1,287.5	(27.9)	-	-
<b>Total managed investments (gross)</b>	<b>33,722.1</b>	<b>1,506.1</b>	<b>1.4</b>	<b>11.3</b>	<b>32,203.3</b>
Funds held in trust by others	142.5	-	-	142.5	-
Other investments	1,506.0	1,333.7	-	172.3	-
<b>Total</b>	<b>\$ 35,370.6</b>	<b>\$ 2,839.8</b>	<b>\$ 1.4</b>	<b>\$ 326.1</b>	<b>\$ 32,203.3</b>
2023 (dollars in millions)	Fair Value Measurements at Reporting Date Using				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	NAV as Practical Expedient
<b>Assets at fair value</b>					
Managed investments (gross):					
Developed markets	\$ 3,773.6	\$ 15.5	\$ (0.6)	\$ 0.5	\$ 3,758.2
Emerging markets	2,751.0	0.2	(7.3)	-	2,758.1
Independent return	8,535.0	6.9	(1.2)	-	8,529.3
Private equity	14,075.5	-	7.8	-	14,067.7
Real assets	3,793.2	439.1	13.8	-	3,340.3
Fixed income	498.6	498.6	-	-	-
Cash and other	323.2	351.0	(27.8)	-	-
<b>Total managed investments (gross)</b>	<b>33,750.1</b>	<b>1,311.3</b>	<b>(15.3)</b>	<b>0.5</b>	<b>32,453.6</b>
Funds held in trust by others	133.7	-	-	133.7	-
Other investments	968.4	764.0	-	204.4	-
<b>Total</b>	<b>\$ 34,852.2</b>	<b>\$ 2,075.3</b>	<b>\$ (15.3)</b>	<b>\$ 338.6</b>	<b>\$ 32,453.6</b>

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

Assets and liabilities of a majority-owned and -controlled investment fund have been consolidated for reporting purposes at June 30, 2024 and 2023. Gross managed investments include consolidated investment fund assets of \$995.0 million and \$1,135.6 million at June 30, 2024 and 2023, respectively, and liabilities associated with investments include consolidated investment fund liabilities of \$14.9 million and \$8.1 million at June 30, 2024 and 2023, respectively. The portion of consolidated net assets not owned by the University is reported as a noncontrolling interest.

The following tables present the net change in the assets measured at fair value on a recurring basis and included in the Level 3 fair value category for the years ended June 30, 2024 and 2023:

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)							
(dollars in millions)	June 30, 2023	Total gains or losses included in changes in net assets	Purchases	Sales and settlements	Transfers into Level 3	Transfers out of Level 3	June 30, 2024
<b>Assets at fair value</b>							
Managed investments (gross):							
Developed markets	\$ 0.5	-	-	-	-	-	\$ 0.5
Emerging markets	-	-	-	-	-	-	-
Independent return	-	-	-	-	-	-	-
Private equity	-	-	-	-	-	-	-
Real assets	-	\$ (3.5)	\$ 0.4	\$ (1.0)	\$ 14.9	-	10.8
<b>Total managed investments (gross)</b>	<b>0.5</b>	<b>(3.5)</b>	<b>0.4</b>	<b>(1.0)</b>	<b>14.9</b>	-	<b>11.3</b>
Funds held in trust by others	133.7	14.7	-	(5.9)	-	-	142.5
Other investments	204.4	47.2	5.4	(84.7)	-	-	172.3
<b>Total Level 3 investments</b>	<b>\$ 338.6</b>	<b>\$ 58.4</b>	<b>\$ 5.8</b>	<b>\$ (91.6)</b>	<b>\$ 14.9</b>	-	<b>\$ 326.1</b>

Fair Value Measurements Using Significant Unobservable Inputs (Level 3)							
(dollars in millions)	June 30, 2022	Total gains or losses included in changes in net assets	Purchases	Sales and settlements	Transfers into Level 3	Transfers out of Level 3	June 30, 2023
<b>Assets at fair value</b>							
Managed investments (gross):							
Developed markets	\$ 0.4	\$ 0.1	-	-	-	-	\$ 0.5
Emerging markets	-	-	-	-	-	-	-
Independent return	-	-	-	-	-	-	-
Private equity	2.9	(2.9)	-	-	-	-	-
Real assets	21.8	10.1	-	\$ (12.5)	-	\$ (19.4)	-
<b>Total managed investments (gross)</b>	<b>25.1</b>	<b>7.3</b>	<b>-</b>	<b>(12.5)</b>	<b>-</b>	<b>(19.4)</b>	<b>0.5</b>
Funds held in trust by others	123.7	6.6	\$ 3.5	(0.1)	-	-	133.7
Other investments	195.4	8.9	4.2	(4.1)	-	-	204.4
<b>Total Level 3 investments</b>	<b>\$ 344.2</b>	<b>\$ 22.8</b>	<b>\$ 7.7</b>	<b>\$ (16.7)</b>	<b>-</b>	<b>\$ (19.4)</b>	<b>\$ 338.6</b>

The University assesses the valuation hierarchy for each asset or liability measured on an annual basis. From time to time, assets or liabilities will be transferred within hierarchy levels as a result of changes in valuation methodologies, liquidity, and/or redemption terms. One transfer from NAV into Level 3 assets occurred in the year ended June 30, 2024. The University's policy is to recognize transfers at the beginning of the reporting period.

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

Realized gains of \$51.0 million and \$8.9 million related to Level 3 investments and unrealized losses of \$7.3 million and unrealized gains of \$7.3 million related to Level 3 investments are included in net realized and unrealized loss on investments in the Consolidated Statements of Activities for the years ended June 30, 2024 and 2023, respectively.

The following tables and disclosures set forth the significant terms of the agreements with investment managers or funds by major category at June 30, 2024 and 2023. The information is presented on a “manager-mandate” basis.

<b>2024</b> <i>(dollars in millions)</i>	June 30 Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
<b>Managed investments (gross)</b>				
Developed markets (a)	\$ 3,468.2	\$ 114.5	monthly—annually	10-180 days
Emerging markets (b)	2,607.4	151.2	daily—annually	7-90 days
Independent return (c)	8,709.1	589.6	monthly—annually	3-90 days
Fixed income, cash & other (d)	1,326.5	-	daily	1 day
<b>Marketable asset classes</b>	<b>\$ 16,111.2</b>	<b>\$ 855.3</b>		
Private equity (e)	14,042.7	3,786.9		
Real assets (f)	3,568.2	2,674.0		
<b>Nonmarketable asset classes</b>	<b>\$ 17,610.9</b>	<b>\$ 6,460.9</b>		
<b>Total gross managed investments</b>	<b>\$ 33,722.1</b>	<b>\$ 7,316.2</b>		
 <b>2023</b> <i>(dollars in millions)</i>				
<b>Managed investments (gross)</b>	June 30 Fair Value	Unfunded Commitments	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Developed markets (a)	\$ 3,773.6	\$ 68.2	monthly—annually	10-180 days
Emerging markets (b)	2,751.0	75.1	daily—annually	7-90 days
Independent return (c)	8,535.0	540.1	monthly—annually	3-90 days
Fixed income, cash & other (d)	821.8	-	daily	1 day
<b>Marketable asset classes</b>	<b>\$ 15,881.4</b>	<b>\$ 683.4</b>		
Private equity (e)	14,075.5	3,820.6		
Real assets (f)	3,793.2	2,735.2		
<b>Nonmarketable asset classes</b>	<b>\$ 17,868.7</b>	<b>\$ 6,555.8</b>		
<b>Total gross managed investments</b>	<b>\$ 33,750.1</b>	<b>\$ 7,239.2</b>		

**(a) Developed Markets:** This asset class includes funds and accounts primarily invested in equities traded on domestic exchanges, over-the-counter markets, or equity and debt securities traded on exchanges in countries with developed economies. The fair values of the investments in this asset class have been estimated using the net asset value per share of the investee funds. Investments representing approximately 3 percent of the market value of this asset class are in nonredeemable assets.

**(b) Emerging Markets:** This asset class includes funds primarily invested in public equity and debt securities traded in countries with emerging economies. The fair values of the investments in this asset class have been

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

estimated using the net asset value per share of the investee funds or, in the case of custodied accounts, the fair value of the securities held, at prevailing exchange rates. Investments representing approximately 34 percent of the market value of this asset class are invested in nonredeemable assets.

**(c) Independent Return:** This asset class includes funds invested in equity and debt securities and financial instruments such as options, swaps, futures, and other derivatives. Funds in this asset class may hold both long and short positions in any of these instruments and pursue a variety of investment strategies such as long/short equity investments and event-driven/arbitrage based upon the fund's investment mandate and the current opportunity set. Investments representing approximately 27 percent of the market value of this asset class are invested in nonredeemable assets.

**(d) Fixed Income, Cash, and Other:** On a combined basis, these asset classes primarily include U.S. government and U.S. government–guaranteed securities held in separate accounts at the custodial bank. The majority of the investments in these asset classes can be liquidated on a daily basis.

**(e) Private Equity:** This asset class includes funds primarily invested in buyouts or venture capital. The fair values of the investments in this asset class generally have been estimated using partners' capital statements issued by the funds, which reflect the University's ownership interest. Generally, investments in this asset class are not redeemable. Distributions from investee funds in the portfolio are received as the underlying investments of the funds are liquidated.

**(f) Real Assets:** This asset class includes funds primarily invested in real estate and natural resources. The fair values of the investments in this asset class have been estimated using partners' capital statements issued by the funds, which reflect the University's ownership interest. Generally, investments in this asset class are not redeemable. However, \$132.2 million at June 30, 2024 and \$565.3 million at June 30, 2023 was invested in redeemable funds. More broadly, distributions from investee funds are received as the underlying investments of the funds are liquidated.

Investments in the marketable asset classes generally are redeemable, made in entities that allow the University to request withdrawals in specified circumstances. However, approximately \$3.3 billion at June 30, 2024 and approximately \$3.0 billion at June 30, 2023 of the marketable asset classes are invested in "nonredeemable assets," which are not eligible for redemption by the University. Nonredeemable assets are specific investments within a fund designated by the fund manager as ineligible for withdrawal. Due to the illiquid nature of nonredeemable assets, it is impossible for the University to predict when these assets will liquidate and the proceeds be distributed to investors.

In addition to nonredeemable assets, the University may be limited in its ability to effect a withdrawal if a fund manager invokes a "gate" provision restricting redemptions from its fund. Gates generally are triggered when aggregate fund withdrawal requests exceed a contractually predetermined threshold. No withdrawal requests were impacted by a gate in the years ended June 30, 2024 and 2023.

The University is obligated under certain agreements to fund capital calls periodically up to specified commitment amounts. Such commitments generally are called over periods of up to 10 years and contain fixed expiration dates or other termination clauses.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

---

## 5. ENDOWMENT

The University's endowment consists of approximately 4,900 individual funds established for a variety of purposes. The endowment includes both donor-restricted endowment funds and funds designated by the University to function as endowments. As required by GAAP, net assets associated with endowment funds, including funds designated by the University to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

ASC 958, *Not-for-Profit Entities*, provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Uniform Prudent Management of Institutional Funds Act of 2006 (UPMIFA), which was enacted in the state of New Jersey in June 2009.

**Interpretation of relevant law** – The University interprets the UPMIFA as requiring the preservation of the fair value at the original gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the University classifies as net assets with donor restrictions: (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. Also classified as net assets with donor restrictions is accumulated appreciation on donor-restricted endowment funds until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by UPMIFA. The University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

- (1) The duration and preservation of the fund
- (2) The purposes of the University and the donor-restricted endowment fund
- (3) General economic conditions
- (4) The possible effect of inflation and deflation
- (5) The expected total return from income and the appreciation of investments
- (6) Other resources of the University
- (7) The investment policies of the University

Endowment net asset composition by type of fund as of June 30, 2024 and 2023 was:

<b>2024</b> <i>(dollars in thousands)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Donor-restricted endowment funds:			
Restricted in perpetuity	-	\$ 2,550,912	\$ 2,550,912
Appreciation	-	15,974,290	15,974,290
Board-designated endowment funds	\$ 14,876,663	-	14,876,663
<b>Total</b>	<b>\$ 14,876,663</b>	<b>\$ 18,525,202</b>	<b>\$ 33,401,865</b>
<b>2023</b> <i>(dollars in thousands)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Donor-restricted endowment funds:			
Restricted in perpetuity	-	\$ 2,447,004	\$ 2,447,004
Appreciation	-	16,242,056	16,242,056
Board-designated endowment funds	\$ 14,691,803	-	14,691,803
<b>Total</b>	<b>\$ 14,691,803</b>	<b>\$ 18,689,060</b>	<b>\$ 33,380,863</b>

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

Changes in endowment net assets for the years ended June 30, 2024 and 2023 were:

<b>2024</b> <i>(dollars in thousands)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of the year	\$ 14,691,803	\$ 18,689,060	\$ 33,380,863
Net investment return	559,100	663,178	1,222,278
Contributions	4,063	90,919	94,982
Appropriation of endowment assets for expenditure	(774,820)	(913,420)	(1,688,240)
Reclassifications, transfers, and board designations	396,517	(4,535)	391,982
<b>Endowment net assets, end of year</b>	<b>\$ 14,876,663</b>	<b>\$ 18,525,202</b>	<b>\$ 33,401,865</b>

<b>2023</b> <i>(dollars in thousands)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>
Endowment net assets, beginning of the year	\$ 15,286,936	\$ 19,839,281	\$ 35,126,217
Net investment return	(318,185)	(371,534)	(689,719)
Contributions	1,722	77,241	78,963
Appropriation of endowment assets for expenditure	(739,218)	(873,338)	(1,612,556)
Reclassifications, transfers, and board designations	460,548	17,410	477,958
<b>Endowment net assets, end of year</b>	<b>\$ 14,691,803</b>	<b>\$ 18,689,060</b>	<b>\$ 33,380,863</b>

**Funds with deficiencies** – From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the University to retain as a fund of perpetual duration. Deficiencies of this nature that are reported in restricted net assets were \$9.9 million at June 30, 2024. The aggregate fair value of these funds was \$196.9 million, and the aggregate of the original gift amounts was \$206.8 million. At June 30, 2023, deficiencies in restricted net assets were \$7.8 million. The aggregate fair value of these funds was \$117.7 million, and the aggregate of the original gift amounts was \$125.5 million. Deficiencies can result from unfavorable market fluctuations that occur shortly after the investment of new permanently restricted contributions while continued appropriations are deemed prudent by the Board of Trustees.

Under the requirements of UPMIFA, the University is permitted to reduce the balance of restricted endowments below the original amount of the gift. Subsequent investment gains then are used to restore the balance up to the fair market value of the original amount of the gift. Both fund deficiencies and subsequent gains above that amount are recorded in net assets with donor restrictions.

**Return objectives and risk parameters** – The University has adopted investment and spending policies for endowment assets that attempt to support the University's current and future operating needs while preserving intergenerational equity. Endowment assets include those assets of donor-restricted funds that the University must hold in perpetuity or for donor-specified periods, as well as University-designated funds. Under these policies, the endowment assets are invested in a manner intended to produce returns that exceed both the annual rate of spending and University inflation.

**Strategies employed for achieving objectives** – The vast majority of the endowment assets are actively managed by PRINCO, which is structured as a University office but maintains its own Board of Directors, and operates under the final authority of the University's Board of Trustees (the "Trustees").

In pursuit of the investment return objectives, PRINCO maintains an equity-biased portfolio and seeks to partner with best-in-class investment management firms across diverse asset categories.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

**Spending policy and how the investment objectives relate to spending policy** – Each year, the Trustees decide upon an amount to be spent from the endowment for the following fiscal year. In their deliberations, the Trustees use a spending framework designed to enable sizable amounts to be spent in a reasonably stable fashion, while allowing for reinvestment sufficient to preserve purchasing power in perpetuity. The framework targets annual spending rates of between 4.0 percent and 6.25 percent.

The endowment must seek investment returns sufficient to meet spending policy targets, as well as to maintain future purchasing power without deterioration of corpus resulting from University inflation.

---

## 6. LIQUIDITY AND AVAILABILITY OF RESOURCES

The University's financial assets and resources available to meet cash needs for general expenditures within one year of the date of the Consolidated Statements of Financial Position were as follows:

(dollars in thousands)	2024	2023
<b>Financial assets:</b>		
Cash	\$ 32,291	\$ 42,404
Accounts receivable	132,190	138,570
Educational and mortgage receivable	16,009	15,770
Contributions receivable	8,884	8,595
Working capital	364,074	507,315
Investments: appropriated for spending in the following year	1,779,700	1,684,000
<b>Total financial assets available within one year</b>	<b>\$ 2,333,148</b>	<b>\$ 2,396,654</b>
 <b>Liquidity resources:</b>		
Taxable debt and commercial paper (unexpended)	717,194	455,548
Bank lines of credit (undrawn)	959,860	729,289
<b>Total financial assets and resources available within one year</b>	<b>\$ 4,010,202</b>	<b>\$ 3,581,491</b>

As part of the University's liquidity management strategy, the University structures its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the University invests cash in excess of daily requirements in short-term working capital investments. Cash withdrawals from the managed investment pool normally coincide with the endowment spending distribution but may be adjusted higher or lower based on the timing of gift receipts, capital calls, income and capital distributions, operating expenses, and other factors affecting available cash. Endowment funds appropriated for spending are distributed to University department and program budgets for spending, subject to donor restrictions where applicable; however, cash withdrawals from the investment pool are available for general liquidity purposes. To help manage unanticipated liquidity needs, the University has committed bank lines of credit in the amount of \$978.5 million, upon which it could draw, and a taxable commercial paper program authorized to a maximum level of \$700 million.

Additionally, the University has board-designated endowment funds of \$14.9 billion and \$14.7 billion as of June 30, 2024 and 2023, respectively. Although the University does not

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

intend to spend from its board-designated endowment funds other than amounts appropriated for expenditure as part of its annual budget approval process, amounts from its board-designated endowment could be made available if necessary. However, both the board-designated and donor-restricted endowments contain investments with lock-up provisions that reduce the total investments that could be made available (see Note 4 for disclosures about investments).

---

## 7. EDUCATIONAL AND MORTGAGE LOANS

Educational loans include donor-restricted and federally sponsored educational loans that bear mandated interest rates and repayment terms and are subject to significant restrictions on their transfer and disposition. These loans totaled \$39.3 million and \$41.5 million at June 30, 2024 and 2023, respectively.

Through a program designed to attract and retain excellent faculty and senior staff, the University provides home acquisition and financing assistance on residential properties in the area surrounding the University. Notes receivable from faculty and staff and co-ownership interests in the properties are included in mortgage loans and are collateralized by mortgages on those properties. These loans and interests totaled \$448.7 million and \$431.1 million at June 30, 2024 and 2023, respectively.

### **Allowance for Doubtful Loans**

Management assesses the adequacy of the allowance for doubtful loans by performing evaluations of the loan portfolio, including such factors as the differing economic risks associated with each loan category, the financial condition of borrowers, the economic environment, the level of delinquent loans, and the value of any collateral associated with the loans. In addition to general economic conditions and other factors described above, a detailed review of the aging of loans receivable is considered in management's assessment. The level of the allowance is adjusted according to the results of management's analysis.

Loans less than 120 days delinquent are deemed to have a minimal delay in payment and generally are not written off. Loans delinquent by 120 days or more are subject to standard collection practices, including litigation. Only loans that are deemed uncollectible are written off, and this occurs only after several unsuccessful collection attempts, including placement at an external collection agency. Considering the other factors discussed herein, management considers the allowance for doubtful loans at June 30, 2024 and 2023 to be prudent and reasonable.

Educational and mortgage loans receivable at June 30, 2024 and 2023 are reported net of allowances for doubtful loans of \$1.3 million and \$1.1 million, respectively in the Consolidated Statements of Financial Position.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

---

## 8. CONTRIBUTIONS RECEIVABLE

At June 30, 2024 and 2023, the University had received from donors unconditional pledges receivable in the following periods:

(dollars in thousands)	2024	2023
Less than one year	\$ 133,691	\$ 142,027
One to five years	240,877	253,210
More than five years	37,108	37,495
<b>Total</b>	<b>\$ 411,676</b>	<b>\$ 432,732</b>
Less unamortized discount	38,195	42,756
Less allowance for doubtful pledges	8,459	8,797
<b>Total</b>	<b>\$ 365,022</b>	<b>\$ 381,179</b>

The amounts pledged have been recorded after discounting the future cash flows to the present value (discount rates ranged from 0.72 percent to 6.18 percent). Current-year pledges are included in revenue as additions to net assets with donor restrictions and are included in contributions receivable at fair value based on observable ASC 820 Level 2 inputs.

In addition, at June 30, 2024 and 2023, the University had received from donors pledges totaling \$40.2 million and \$53.2 million, respectively, conditioned upon the raising of matching gifts from other sources and other criteria. These amounts will be recognized as income in the periods in which the conditions have been fulfilled.

---

## 9. PROPERTY

Land additions are reported at estimated market value at the date of gift or on a cost basis. Buildings and improvements are stated at cost. Expenditures for operation and maintenance of physical plant are expensed as incurred.

Items classified as property at June 30, 2024 and 2023 consisted of the following:

(dollars in thousands)	2024	2023
Land	\$ 129,989	\$ 123,025
Buildings and improvements	6,412,877	6,086,690
Construction in progress	1,308,471	764,864
Equipment and systems	610,897	565,564
Rare books	170,559	163,844
Library books, periodicals, and bindings	370,582	359,287
Fine art objects	182,024	173,843
<b>Total property</b>	<b>\$ 9,185,399</b>	<b>\$ 8,237,117</b>
Accumulated depreciation	(2,661,933)	(2,544,470)
<b>Total</b>	<b>\$ 6,523,466</b>	<b>\$ 5,692,647</b>

Equipment, library books, periodicals, and bindings are stated at cost, net of accumulated depreciation. Equipment includes items purchased with federal government funds; an indeterminate portion of those items are expected to be transferred to the University at the termination of the respective grant or contract.

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

In addition to making purchases with University funds, the University, since its inception, has received a substantial number of fine art objects and rare books from individual gifts and bequests. Art objects and rare books acquired through June 30, 1973 are carried at insurable values at that date because it is not practicable to determine the historical cost or market value at the date of gift. Art objects and rare books acquired subsequent to June 30, 1973 are recorded at cost or fair value at the date of gift. Works of art, literary works, historical treasures, and artifacts that are part of a collection are protected, preserved, and held for public exhibition, education, and research in furtherance of public service. Collections are not capitalized, and contributed collection items are not recognized as revenues in the University's consolidated financial statements. Should items of the collection be sold, proceeds from the sale will be used for the acquisition of new collection items, the direct care (which includes conservation care, cataloging, documenting, and proper access and use) of existing collections, or both.

Annual depreciation is calculated on the straight-line method over useful lives ranging from 30 to 40 years for buildings and improvements, 30 years for library books, and 5 to 25 years for equipment and systems. Art objects and rare books having cultural, aesthetic, or historical value are not depreciated.

---

## 10. LEASES

The University's leases are primarily real estate operating leases. Under the lease accounting standard, a lease conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases result in the recognition on the consolidated statements of financial position of right-of-use (ROU) assets, representing the right to use the underlying assets for the lease term, and lease liabilities, representing the obligation to make lease payments arising from the lease based on the present value of lease payments over the lease term. The University determines if an arrangement is a lease or contains a lease at inception of a contract.

The University accounts for nonlease components and the lease components to which they relate as a single lease component for all leases. Certain real estate leases have renewal options, and the lease term includes options to extend the lease when it is reasonably certain that the University will exercise that option. Real estate lease agreements typically have initial terms of 5 to 15 years. The University does not include short-term leases within the consolidated statements of financial position since it has elected the practical expedient to exclude leases with an initial term of 12 months or less from operating ROU assets and lease liabilities.

At lease inception, operating lease assets and liabilities are recognized based on the present value of lease payments over the lease term. The University has elected to utilize a portfolio approach to the implementation of existing operating leases and applied a single discount rate to all leases in each portfolio. For the initial and subsequent measurement of all lease liabilities, the discount rate is based on the rate implied within the lease, or, if not readily determinable, the University applies a risk-free rate, using the applicable treasury yield as of implementation date.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

Lease expense is recognized on a straight-line basis over the term of the lease.

Operating lease expense was \$19 million and \$17 million (including amortization related to ROU assets and lease liabilities) for the years ended June 30, 2024 and 2023, respectively.

ROU assets recorded in Other assets were \$43.2 million and \$44.4 million at June 30, 2024 and 2023, respectively. Lease liabilities recorded in Deposits, advance receipts, and accrued liabilities were \$42.5 million and \$43.7 million at June 30, 2024 and 2023, respectively.

The weighted average remaining lease term was 4.9 years and 5.1 years for leases at June 30, 2024 and 2023, respectively. The weighted average discount rate was 2.01 percent and 1.87 percent for operating leases at June 30, 2024 and 2023, respectively.

Future maturities of lease liabilities at June 30, 2024 are as follows:

(dollars in thousands)	
2025	\$ 10,277
2026	9,807
2027	9,450
2028	6,628
2029	6,057
<u>Thereafter</u>	<u>2,257</u>
Total minimum lease payments	44,476
Imputed interest	(2,025)
<b>Total lease liabilities</b>	<b>\$ 42,451</b>

---

## 11. INCOME AND EXCISE TAXES

The University is a not-for-profit organization as described in Section 501(c)(3) of the Internal Revenue Code and is exempt from income taxes on related income. The University files U.S. federal and various state and local tax returns. The statute of limitations on the University's U.S. federal tax returns remains open for the years ended June 30, 2021 through the present.

On December 22, 2017, the Tax Cuts and Jobs Act (TCJA) was enacted. TCJA impacts the University in several ways, including imposing excise taxes on certain excess compensation and net investment income, establishing new rules for calculating unrelated business taxable income. The University has reflected the tax assets, liabilities, and payables in the consolidated financial statements based on reasonable estimates under the regulatory guidance on the TCJA.

ASC 740, *Income Taxes*, prescribes the minimum recognition threshold that a tax position must meet in connection with accounting for uncertainties in income tax positions taken, or expected to be taken, by an entity before being measured and recognized in the consolidated financial statements. The University continues to evaluate its tax positions pursuant to the principles of ASC 740, and has determined that there is no material impact on the University's consolidated financial statements.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

## 12. INDEBTEDNESS TO THIRD PARTIES

At June 30, 2024 and 2023, the University's debt consisted of taxable bonds, taxable notes, tax-exempt bonds issued through the New Jersey Educational Facilities Authority (NJEFA), commercial paper, and various parent loans as follows:

(dollars in thousands)	2024	2023
<b>Taxable Revenue Bonds</b>		
2009 Series A, 5.70%, due March 2039, net of unamortized discount of \$824 and \$879	\$ 499,176	\$ 499,121
2016 Series A, 2.61%, 3.63%, due July 2026, July 2046	75,000	75,000
2017 Series A, 3.84%, due July 2048	150,000	150,000
2020 Series A, 2.52% due July 2050	500,000	500,000
2022 Series, 4.21% due March 2052	300,000	300,000
<b>Taxable Notes</b>		
2012, 3.37%, due July 2042	170,000	170,000
2013, 4.73%, due July 2044	75,000	75,000
<b>NJEFA Revenue Bonds</b>		
2014 Series A, 3.77%, due July 2044, including unamortized premium of \$0 and \$13,478	-	189,678
2015 Series A, 2.32% due July 2035, including unamortized premium of \$16,661 and \$18,176	71,161	81,311
2015 Series D, 3.40% due July 2045, including unamortized premium of \$13,855 and \$14,515	141,660	145,975
2016 Series A, 2.53% due July 2035, including unamortized premium of \$12,821 and \$13,986	89,131	101,986
2016 Series B, 1.77% due July 2027, including unamortized premium of \$7,865 and \$10,486	63,235	79,786
2017 Series B, 2.91% due July 2036, including unamortized premium of \$33,903 and \$36,728	234,628	249,748
2017 Series C, 3.50% due July 2047, including unamortized premium of \$16,376 and \$17,089	143,127	146,994
2017 Series I, 2.97% due July 2040, including unamortized premium of \$48,504 and \$51,535	343,029	358,645
2021 Series B, 2.34% due March 2051, including unamortized premium of \$45,291 and \$46,969	278,116	285,444
2021 Series C, 1.66% due March 2041, including unamortized premium of \$21,541 and \$22,808	182,666	190,078
2022 Series A, 2.96% due March 2032, including unamortized premium of \$31,823 and \$35,801	331,823	335,801
2024 Series A, 3.29% due March 2043, including unamortized premium of \$147,802 and \$0	956,987	-
2024 Series B, 4.34% due March 2054, including unamortized premium of \$45,430 and \$0	545,430	-
2024 Series C, 3.49% due March 2044, including unamortized premium of \$15,892 and \$0	174,532	-
<b>NJFA Capital Improvement Fund Bonds</b>		
2014 Series B, 3.67%, due September 2033, including unamortized premium of \$111 and \$122	2,022	2,179
<b>Commercial Paper</b>		
Taxable, 5.49% and 5.23% with maturities up to one year	11,000	66,600
Tax Exempt, 3.45% and 0% with maturities up to one year	64,800	-
<b>Parent Loans</b> , 1.74% to 6.38% with maturities up to six years	32,516	34,212
<b>Total Borrowings</b>	<b>\$ 5,435,039</b>	<b>\$ 4,037,558</b>
Unamortized debt issuance costs	(12,646)	(9,834)
<b>Total Borrowings Net of Unamortized Issuance Costs</b>	<b>\$ 5,422,393</b>	<b>\$ 4,027,724</b>

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

The University is authorized by the Trustees to issue new debt of up to \$2.55 billion for the calendar year 2024, and up to \$650 million for each subsequent calendar year.

The full faith and credit of the University is pledged in all loan agreements with the NJEFA. In fiscal year 1999, the University entered into a loan facility (subsequently converted to two separate parent loan facilities) with a national bank to fund its parent loan program, which is currently authorized by the Trustees up to \$100 million. Fixed or variable rates may be selected on a pass-through basis to the borrowers; terms may be as long as 14 years. The University modified these loan facilities to provide that they may be drawn for educational and other corporate purposes of the University, including but not limited to the University's internal educational loan programs.

In fiscal year 1998, a commercial paper program was authorized as an initial step of financing to provide construction funds for approved capital projects. The commercial paper proceeds are primarily used to finance construction expenditures until permanent financing from gifts or other sources is made available. The University maintains a taxable and tax-exempt program, which is currently authorized to a maximum level of \$1 billion.

Principal payments for each of the next five years and thereafter on debt outstanding at June 30, 2024, excluding commercial paper, are as follows:

(dollars in thousands)	Principal Payments
2025	\$ 99,976
2026	115,078
2027	260,927
2028	111,802
2029	113,099
Thereafter	4,201,306
<b>Subtotal</b>	<b>4,902,188</b>
Unamortized premium	457,052
<b>Net long-term debt</b>	<b>\$ 5,359,240</b>

In addition to the facilities mentioned above, the University has committed bank lines of credit totaling \$948.5 million at June 30, 2024, under which the University may borrow on an unsecured basis at agreed-upon rates. There were \$9.0 million and \$11.4 million in letters of credit outstanding under these credit facilities at June 30, 2024 and 2023, respectively.

## 13. EMPLOYEE BENEFIT PLANS

All faculty and staff who meet specific employment requirements participate in a defined contribution plan, which invests in the Teachers Insurance and Annuity Association and College Retirement Equities Fund, Vanguard Fiduciary Trust Funds, and other funds. The University's contributions were \$88.1 million and \$77.8 million for the years ended June 30, 2024 and 2023, respectively. The University also provides deferred compensation arrangements for certain officers, faculty, and staff. Accrued benefits of \$552.5 million and \$512.4 million for the years ended June 30, 2024 and 2023, respectively, include the Accumulated postretirement benefit obligation and deferred compensation in the Consolidated Statements of Financial Position.

### Postretirement Benefits Other Than Pensions

ASC 715, *Compensation — Retirement Benefits*, requires the recognition of a defined benefit postretirement plan's funded status as either an asset or a liability on the Consolidated Statements of Financial Position. Actuarial gains or losses and prior service costs or credits that arise during

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

the period must be recognized as a component of net assets without donor restrictions. The University calculates its Accumulated Postretirement Benefit Obligation (APBO) in accordance with ASC 715, which initially was elected in 1993 and amortized over 20 years. The University continues to recognize the cost of providing postretirement benefits for employees over the service period until their full retirement eligibility under the plan.

The University provides single-coverage health insurance to its retirees who meet certain eligibility requirements. Participants may purchase additional dependent or premium coverage. The accounting for the plan anticipates future cost-sharing changes to the written plan that are consistent with the University's expressed intent to increase retiree contributions in line with medical costs.

The benefit costs for the years ended June 30, 2024 and 2023 consisted of the following:

(dollars in thousands)	2024	2023
Service cost	\$ 19,853	\$ 21,280
Interest cost	20,658	18,020
Gain amortization	(12,213)	(12,214)
<b>Total</b>	<b>\$ 28,298</b>	<b>\$ 27,086</b>

The APBO at June 30, 2024 and 2023 consisted of actuarially determined obligations to the following categories of employees:

(dollars in thousands)	2024	2023
Retirees	\$ 174,787	\$ 164,503
Active employees eligible to retire	106,891	104,937
Other active participants	157,902	149,953
<b>Total</b>	<b>\$ 439,580</b>	<b>\$ 419,393</b>

The increase in the postretirement benefit obligation was primarily driven by the normal increase in employees' age and service years. As of June 30, 2024 and 2023, the APBO was unfunded.

A reconciliation of unrecognized net (gain) or loss recognized in Net assets without donor restrictions is presented below:

(dollars in thousands)	2024	2023
Amount at the beginning of the year	\$ (193,270)	\$ (192,697)
Gain during year	(7,040)	(12,787)
Amortization during year	12,213	12,214
<b>Total</b>	<b>\$ (188,097)</b>	<b>\$ (193,270)</b>

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

The assumptions used to calculate the APBO at June 30, 2024 and 2023 were as follows:

	<b>2024</b>	<b>2023</b>
Discount rate	5.25%	5.00%
Healthcare cost trend rate	5.80%	6.00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.00%	5.00%
Year the rate reaches the ultimate trend rate	2029	2029
Prescription drug cost trend rate	7.00%	7.00%
Rate to which the cost trend rate is assumed to decline (the ultimate trend rate)	5.00%	5.00%
Year the rate reaches the ultimate trend rate	2030	2029

The table below reflects expected postretirement plan benefit payments over the next 10 years. These amounts reflect the total benefits expected to be paid from the plan, net of the participants' share of the cost and federal subsidies. Expected benefit payments are based on the same assumptions used to measure the benefit obligations and include estimated future employee benefit service.

<i>(dollars in thousands)</i>	
2025	\$ 13,902
2026	14,724
2027	15,793
2028	16,356
2029	17,613
2030 – 2034	105,901

The University provides Medicare retiree drug coverage through an employer group waiver plan (EGWP). Under EGWP, the cost of drug coverage is offset through direct federal subsidies, brand-name drug discounts, and reinsurance reimbursements. The net effect of these subsidies has been recognized in the calculation of the University's postretirement benefit obligation as of June 30, 2024 and 2023.

---

## 14. NET ASSETS

Net assets are categorized as without donor restrictions and with donor restrictions. Net assets without donor restrictions are derived from gifts and other institutional resources that are not subject to explicit donor-imposed restrictions. This category also includes income and gains on these funds. Included in the total is the net investment in plant and equipment. Certain net assets classified as without donor restrictions for external reporting purposes are board-designated for specific purposes or uses under the internal operating budget practices of the University. Net assets with donor restrictions generally are established by donors in support of schools or departments of the University, often for specific purposes such as professorships, research, faculty support, scholarships and fellowships, athletics, the library, the art museum, building construction, and other specific purposes. This category includes gifts, pledges, trusts and remainder interests, and income and gains that can be expended but for which restrictions have not yet been met. Such restrictions include purpose restrictions and time restrictions imposed by donors or implied by the nature of the gift, or by the interpretations of law. Donor restrictions normally are released upon the passage of time or the incurrence of expenditures that fulfill the donor-specified purpose. Certain donor restrictions are perpetual in nature and may include gifts, pledges, trusts and remainder interests, and

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

income and gains that are required to be permanently retained.

The composition of net assets by restriction and purpose at June 30, 2024 and 2023 was as follows:

<b>2024</b> <b>Net Assets</b> <i>(dollars in millions)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Net Assets</b>
<b>Endowment:</b>			
Teaching and research			
	\$ 1,584	\$ 6,892	\$ 8,476
Student financial aid	743	5,055	5,798
Department programs and support	3,275	4,536	7,811
Designated for operations	9,273	2,042	11,315
<b>Other:</b>			
Pledges	-	365	365
Capital, unallocated gifts, and grants	-	600	600
Annuities and trusts	-	217	217
Net investment in plant	2,923	-	2,923
Operating	(1,353)	-	(1,353)
Noncontrolling interests	172	-	172
<b>Total</b>	<b>\$ 16,617</b>	<b>\$ 19,707</b>	<b>\$ 36,324</b>
<b>2023</b> <b>Net Assets</b> <i>(dollars in millions)</i>	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total Net Assets</b>
<b>Endowment:</b>			
Teaching and research	\$ 1,608	\$ 6,954	\$ 8,562
Student financial aid	760	5,115	5,875
Department programs and support	3,316	4,552	7,868
Designated for operations	9,007	2,069	11,076
<b>Other:</b>			
Pledges	-	381	381
Capital, unallocated gifts, and grants	-	566	566
Annuities and trusts	-	212	212
Net investment in plant	2,551	-	2,551
Operating	(890)	-	(890)
Noncontrolling interests	218	-	218
<b>Total</b>	<b>\$ 16,570</b>	<b>\$ 19,849</b>	<b>\$ 36,419</b>

## 15. EXPENSES BY FUNCTIONAL AND NATURAL CLASSIFICATION

Expenses are presented by functional classification in alignment with the overall mission of the University. The University's primary service mission is academic instruction and research, which includes direct supporting functions such as the University's library system and art museum. Student services and support include various student-supporting functions such as admission, health, career, and athletics, as well as auxiliary enterprises and related student aid. The Princeton Plasma Physics Laboratory, which is operated by the University on behalf of the U.S. Department of Energy, is classified as an independent operation.

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

Natural expenses attributable to more than one functional expense category are allocated using reasonable cost allocation techniques. Plant operations and maintenance expenses are allocated on a square footage basis. Interest expense on indebtedness is allocated to the functional categories that have benefited from the associated debt. Depreciation is allocated based on functional usage of property, plant, and equipment.

Expenses by functional and natural classification for the years ended June 30, 2024 and 2023 were as follows:

## 2024

Natural Classification (dollars in thousands)	Academic & Research	Student Services & Support	General Admin & Operations	Independent Operations	Total
Salaries and wages	\$ 645,233	\$ 88,788	\$ 243,795	\$ 92,729	\$ 1,070,545
Employee benefits	216,470	27,841	31,072	30,685	306,068
Supplies, services, and other	265,247	99,358	93,491	87,546	545,642
Space and occupancy	7,877	4,562	81,140	3,756	97,335
Student stipends and prizes	-	104,738	-	5	104,743
Allocations:					
Depreciation	133,632	54,709	22,448	94	210,883
Interest	69,378	9,869	53,609	-	132,856
Operations and maintenance	118,906	39,142	(158,048)	-	-
<b>Total operating expenses</b>	<b>1,456,743</b>	<b>429,007</b>	<b>367,507</b>	<b>214,815</b>	<b>2,468,072</b>
Net periodic benefit cost other than service cost	5,337	766	1,530	812	8,445
Other nonoperating	-	37,844	-	-	37,844
<b>Total expenses and other nonoperating</b>	<b>\$ 1,462,080</b>	<b>\$ 467,617</b>	<b>\$ 369,037</b>	<b>\$ 215,627</b>	<b>\$ 2,514,361</b>

## 2023

Natural Classification (dollars in thousands)	Academic & Research	Student Services & Support	General Admin & Operations	Independent Operations	Total
Salaries and wages	\$ 580,319	\$ 82,216	\$ 223,055	\$ 83,499	\$ 969,089
Employee benefits	188,305	25,031	32,998	27,707	274,041
Supplies, services, and other	233,821	86,256	71,634	80,804	472,515
Space and occupancy	6,531	3,927	84,908	4,290	99,656
Student stipends and prizes	-	98,758	-	38	98,796
Allocations:					
Depreciation	147,631	46,381	22,078	92	216,182
Interest	75,154	10,691	47,135	-	132,980
Operations and maintenance	112,145	37,372	(149,517)	-	-
<b>Total operating expenses</b>	<b>1,343,906</b>	<b>390,632</b>	<b>332,291</b>	<b>196,430</b>	<b>2,263,259</b>
Net periodic benefit cost other than service cost	3,702	540	1,031	533	5,806
Other nonoperating	-	-	-	-	-
<b>Total expenses and other nonoperating</b>	<b>\$ 1,347,608</b>	<b>\$ 391,172</b>	<b>\$ 333,322</b>	<b>\$ 196,963</b>	<b>\$ 2,269,065</b>

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

## **Student Financial Aid**

The University provides financial aid to undergraduate students in the form of scholarship grants designed to meet 100 percent of demonstrated financial need. All Ph.D. and many Master's degree candidates in the Graduate School receive financial support for the duration of their degree program in the form of fellowships, assistantships in research or teaching, and non-University awards. Graduate student support covers the full cost of tuition and fees and a stipend that supports estimated living expenses. Students also may be awarded grants that support various academic or research activities. Undergraduate scholarships and graduate fellowships and assistantships are reported as discounts to tuition and fee revenues in the Consolidated Statements of Activities. Student stipends, awards, and prizes are reported as operating expenses. Student financial aid costs are funded by the University's endowment, Annual Giving, and other University resources.

Total student financial aid costs for the years ended June 30, 2024 and 2023 were as follows:

<b>Student Financial Aid</b> <i>(dollars in thousands)</i>	<b>2024</b>	<b>2023</b>
Scholarships and fellowships	\$ 414,325	\$ 356,848
Stipends and prizes	104,743	98,796
<b>Total</b>	<b>\$ 519,068</b>	<b>\$ 455,644</b>

---

## **16. COMMITMENTS AND CONTINGENCIES**

At June 30, 2024, the University had authorized major renovation and capital construction projects for more than \$5,471.0 million. Of the total, approximately \$1,468.5 million had not yet been expended.

The University has entered into certain agreements to guarantee the debt of others. Under these agreements, if the principal obligor defaults on the debt, then the University may be required to satisfy all or part of the remaining obligation. The total amount of these guarantees was \$15.2 million at June 30, 2024.

The University is subject to certain legal claims that have arisen in the normal course of operations. In the opinion of management, the ultimate outcome of these actions will not have a material effect on the University's consolidated financial position, consolidated statements of activities, or cash flows.

---

## **17. SUBSEQUENT EVENTS**

The University has evaluated subsequent events through November 25, 2024, which is the date the consolidated financial statements were issued, and determined that there were no subsequent events requiring adjustment or disclosure in the consolidated financial statements.

# Notes to Consolidated Financial Statements

Princeton University

Years ended June 30, 2024 and 2023

## 18. CONSOLIDATING STATEMENTS OF FINANCIAL POSITION

The following tables present the consolidating statements of financial position of all legal entities of the Trustees of Princeton University as of June 30, 2024 and 2023:

<b>As of June 30, 2024</b> <i>(dollars in thousands)</i>	<b>Princeton University</b>	<b>Affiliates</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Assets</b>				
Cash	\$ 32,291	-	-	\$ 32,291
Accounts receivable	177,714	-	-	177,714
Receivables associated with investments	2,918	-	-	2,918
Educational and mortgage loans receivable	488,009	-	-	488,009
Contributions receivable	365,022	-	-	365,022
Managed investments at fair value	33,659,716	\$ 62,415	-	33,722,131
Funds held in trust by others	142,469	-	-	142,469
Other investments	1,506,032	-	-	1,506,032
Property, net of accumulated depreciation	6,523,466	-	-	6,523,466
Other assets	83,866	-	-	83,866
<b>Total assets</b>	<b>\$ 42,981,503</b>	<b>\$ 62,415</b>	<b>-</b>	<b>\$ 43,043,918</b>
<b>Liabilities</b>				
Accounts payable	\$ 160,129	-	-	\$ 160,129
Liabilities associated with investments	17,727	-	-	17,727
Deposits, advance receipts, and accrued liabilities	334,052	-	-	334,052
Deposits held in custody for others	147,973	-	-	147,973
Liability under planned giving agreements	66,092	-	-	66,092
Liability for annuity contracts	19,046	-	-	19,046
Indebtedness to third parties	5,422,393	-	-	5,422,393
Accrued postretirement benefits	552,521	-	-	552,521
<b>Total liabilities</b>	<b>\$ 6,719,933</b>	<b>-</b>	<b>-</b>	<b>\$ 6,719,933</b>
<b>Net assets</b>				
Total net assets without donor restrictions	\$ 16,616,973	-	-	\$ 16,616,973
Total net assets with donor restrictions	19,644,597	\$ 62,415	-	19,707,012
<b>Total net assets</b>	<b>36,261,570</b>	<b>62,415</b>	<b>-</b>	<b>36,323,985</b>
<b>Total liabilities and net assets</b>	<b>\$ 42,981,503</b>	<b>\$ 62,415</b>	<b>-</b>	<b>\$ 43,043,918</b>

# Notes to Consolidated Financial Statements

Princeton University

*Years ended June 30, 2024 and 2023*

As of June 30, 2023 (dollars in thousands)	Princeton University	Affiliates	Eliminations	Consolidated
<b>Assets</b>				
Cash	\$ 42,404	-	-	\$ 42,404
Accounts receivable	183,065	-	-	183,065
Receivables associated with investments	35,178	-	-	35,178
Educational and mortgage loans receivable	472,631	-	-	472,631
Contributions receivable	381,179	-	-	381,179
Managed investments at fair value	33,686,807	\$ 63,290	-	33,750,097
Funds held in trust by others	133,718	-	-	133,718
Other investments	968,430	-	-	968,430
Property, net of accumulated depreciation	5,692,647	-	-	5,692,647
Other assets	86,011	-	-	86,011
<b>Total assets</b>	<b>\$ 41,682,070</b>	<b>\$ 63,290</b>	-	<b>\$ 41,745,360</b>
<b>Liabilities</b>				
Accounts payable	\$ 145,574	-	-	\$ 145,574
Liabilities associated with investments	41,654	-	-	41,654
Deposits, advance receipts, and accrued liabilities	336,101	-	-	336,101
Deposits held in custody for others	179,348	-	-	179,348
Liability under planned giving agreements	65,830	-	-	65,830
Liability for annuity contracts	17,579	-	-	17,579
Indebtedness to third parties	4,027,724	-	-	4,027,724
Accrued postretirement benefits	512,357	-	-	512,357
<b>Total liabilities</b>	<b>\$ 5,326,167</b>	-	-	<b>\$ 5,326,167</b>
<b>Net assets</b>				
Total net assets without donor restrictions	\$ 16,570,595	-	-	\$ 16,570,595
Total net assets with donor restrictions	19,785,308	\$ 63,290	-	19,848,598
<b>Total net assets</b>	<b>36,355,903</b>	<b>63,290</b>	-	<b>36,419,193</b>
<b>Total liabilities and net assets</b>	<b>\$ 41,682,070</b>	<b>\$ 63,290</b>	-	<b>\$ 41,745,360</b>

# Trustees of the University

## EX OFFICIO

President Christopher L. Eisgruber '83  
Governor Philip D. Murphy

## TRUSTEES

Kamil Ali-Jackson '81  
José B. Alvarez '85  
Jackson A. Artis '20  
Joshua B. Bolten '76  
Pete Briger '86  
Beth F. Cobert '80  
Marisa J. Demeo '88  
Janeria A. Easley '16  
Blair W. Effron '84  
Henri R. Ford '80  
Lori D. Fouché '91  
Heather K. Gerken '91  
Philip U. Hammarskjold '87  
Naomi I. Hess '22  
Robert J. Hugin '76  
Yan Huo \*94  
Kimberly H. Johnson '95  
Kathy F. Kiely '77  
Timothy M. Kingston '87  
Anthony H.P. Lee '79  
Nandi O. Leslie \*05  
Paul A. Maeder '75  
Mutemwa R. Masheke '23  
Elizabeth Prus Myers '92  
Carol Quillen \*91  
Gordon P. Ritter '86  
Kathryn Roth-Douquet \*91  
Louise S. Sams '79  
Bradford L. Smith '81  
Morgan A. Smith '21  
Sarah E. Stein '97  
Yolanda Gomez Toya '88  
Carla B. Vernón '92  
Melissa H. Wu '99  
Jackie Y. Ying \*91

# Officers of the University

## PRESIDENT

Christopher L. Eisgruber '83

## ACADEMIC OFFICERS

**Provost**  
Jennifer Rexford '91  
**Dean of the Faculty**  
Gene A. Jarrett '97  
**Dean of the Graduate School**  
Rodney Priestley  
**Dean of the College**  
Jill S. Dolan  
**Dean for Research**  
Peter Schiffer  
**Dean of the School of Engineering and Applied Science**  
Andrea Goldsmith  
**Dean of the Princeton School of Public and International Affairs**  
Amaney A. Jamal  
**Dean of the School of Architecture**  
Monica Ponce de Leon  
**Dean of Admission and Financial Aid**  
Karen Richardson '93  
**Dean of Libraries and University Librarian**  
Anne E. Jarvis  
**Vice President for Princeton Plasma Physics Lab**  
David J. McComas

## OFFICERS OF THE CORPORATION

**Provost**  
Jennifer Rexford '91  
**Executive Vice President**  
Katie Callow-Wright  
**Vice President and Secretary**  
Hilary A. Parker '01  
**Vice President for Finance and Treasurer**  
James S. Matteo  
**Vice President for Campus Life**  
W. Rochelle Calhoun  
**Vice President for Communications and Government Affairs**  
Gadi Dechter  
**Vice President for Advancement**  
Kevin J. Heaney  
**Vice President for Facilities**  
KyuJung Whang  
**Vice President for Information Technology and Chief Information Officer**  
Jay Dominick\*  
Daren Hubbard  
\*until January 2024  
**Vice President for Human Resources**  
Romy E. Riddick  
**Vice President for University Services**  
Chad L. Klaus  
**Vice President and General Counsel**  
Ramona E. Romero  
**Vice President and Chief Audit and Compliance Officer**  
Nilufer K. Shroff  
**President of the Princeton University Investment Company**  
Andrew K. Golden\*  
Vincent J. Tuohey  
\*until May 2024

Additional copies of this report may be requested from:

**Office of the Controller**

Princeton University

701 Carnegie Center, Princeton, NJ 08540

Published by the **Office of the Vice President for Finance and Treasurer**

Production Director **Maureen Killeen**

Design by **Smith + Manning Design, Princeton, NJ**

Writer and Editor **Jenn Hall**

International travel statistics drawn from the International Experiences Survey  
(Class of 2024), prepared by the Office of Institutional Research.

Contributing Writers: **Emily Aronson, Aimee Bronfeld, Lou Chen,  
Mary Cate Connors, Daniel Day, Adhitya Dhanapal '24, Tom Durso,  
John Freeman '24, Liz Fuller-Wright, Adam Grybowski, Bita Jalalian '25,  
Pooja Makhijani, Sophia Millman GS, Kirstin Ohrt, David Pavlak,  
Daniel Persia GS, Oscar Platt '24, Jessica Poon '27, Melissa Ruiz '25,  
Jamie Saxon, Michelle Tong, Denise Valenti, Laura Zhang '26**

Photographs by (courtesy of) **Denise Applewhite (Office of Communications),  
Danielle Bejerano '26, Lilia Burtonpatel, Krasimira Butseva, Lou Chen,  
Julian Chihirian, Gilbert Collins, Mary Cate Connors, Carlos Cortez '24,  
Mark Czajkowski (Office of Communications), John Freeman '24,  
Bita Jalalian '25, Debra Kellner, Sameer A. Khan (Fotobuddy),  
Anne McClintock, Ryan Moores '28, Kirstin Ohrt, Emmie Pickerill '25,  
Daniel Persia GS, Oscar Platt '24, Jessica Poon '27, Tori Repp (Fotobuddy),  
Melissa Ruiz '25, Adena Stevens, Owen Travis '24, Laura Zhang '26,  
Albert Zhou '24**

Printed by Princeton University Print & Lettershop Services

Copyright 2025 by The Trustees of Princeton University

*In the Nation's Service and the Service of Humanity*



Printed on recycled paper.

**OFFICE OF FINANCE AND TREASURY**  
Princeton University  
701 Carnegie Center / Princeton, NJ 08540  
<http://finance.princeton.edu>