

Message from the President

I write to report on Harvard University's financial results for fiscal 2014.

The close of our fiscal year marked the anniversary of the public launch of The Harvard Campaign, which has energized and engaged Harvard alumni around the world, with more than 100,000 people participating to date. It has also demonstrated the vision and generosity of our alumni and donors, who see in Harvard's remarkable students, faculty, and staff the potential to open new frontiers of knowledge and understanding, and to tackle some of the world's most intractable problems.

A transformative gift from Kenneth Griffin primarily in support of Harvard's financial aid program for undergraduates highlights this generosity and will ensure that Harvard College remains affordable for the most talented students, regardless of their economic circumstances, now and for generations to come. More recently, an extraordinary gift from the Morningside Foundation, in memory of the late T.H. Chan, to the School of Public Health will propel efforts to address the most critical global health challenges and to translate rigorous research into action and policy worldwide.

In the past year, Harvard scientists and engineers made meaningful advances in developing renewable sources of energy and groundbreaking discoveries in areas such as Alzheimer's, cancer treatment and diabetes. At the same time, we continue to integrate arts practice and performance into the undergraduate curriculum. To that end, we watched as the new home of the Harvard Art Museums facility neared completion and look forward to its opening. The museums will increase access to Harvard's vast collections for pedagogy and research, while serving as a cornerstone of our collective and ongoing commitment to the study of the humanities. That commitment was highlighted again this year with the launch of three new introductory undergraduate courses in the arts and humanities: "The Art of Looking," "The Art of Listening," and "The Art of Reading."

Demand for knowledge is ever increasing. The number of applicants to Harvard College approached record highs, and our online learning platform, HarvardX, continued to thrive, supporting more than 80 faculty

from 10 Harvard Schools and more than 40 online learning opportunities. Harvard Business School also launched its online learning portal, HBX, and HarvardX for Alumni was created to serve our unique community of continuing learners around the globe. We also continued to build a deeper understanding of how students learn and how we can better integrate new forms of teaching into the classroom experience.

Significant progress has been made in House renewal with the completion of Leverett House's McKinlock Hall and the start of construction on Dunster House, the first full House to undergo renewal. The Harvard Kennedy School has received approval for ambitious construction and reconfiguration plans which will begin to be realized this spring. And across the river, our vision for a dynamic future in Allston has begun to take root with the approval of the University's ten year institutional master plan, and with academic and space planning for the move of the School of Engineering and Applied Sciences to Allston well underway. Looking ahead, plans for the Richard A. and Susan F. Smith Campus Center are beginning to take shape, with the goal of creating a welcoming common space for the Harvard community.

All of these things happen against a backdrop of transformation in American higher education. The financial headwinds facing Harvard – among them pressures on federal research funding – continue to challenge all of us to prioritize and adapt, and to act creatively, thoughtfully and decisively as a community.

With the support of alumni and donors, and the remarkable work of our faculty, students and staff, we have made great progress together toward the formation of a financially sustainable model that will better support our shared aspirations for Harvard's future.

Sincerely,



Drew Gilpin Faust
PRESIDENT

November 7, 2014