



## **Financial Statement Summary Fiscal Year 2023**

### **Introduction**

In accordance with Massachusetts General Law Chapter 69, Section 31B(f), "An Act to Support Improved Financial Stability in Higher Education," the College is providing an overview of the financial statements for the years ended June 30, 2023 and 2022 to aid the reader in understanding the financial position of the College. This summary has not been audited and is not considered an integral part of the audited financial statements.

### **Summary**

The fiscal year that ended on June 30, 2023 marked a strong year for Mount Holyoke College. Despite a high inflationary environment, continued strong enrollment post pandemic and tight controls around expenses led to a modest surplus. The Trustees of Mount Holyoke College approved an eight-year geothermal project which kicked off in May 2023, financed in part by a new debt issuance. The College's financial position continues to be strong, buoyed by strong investment returns.

### **Statement of Financial Position (Balance Sheet)**

The College ended the year with an overall 3.75% increase to total net assets. This was driven by strong investment returns, fundraising and stewardship of the College's endowment.

Total assets increased by over \$100 million, reflecting an increase of \$42 million to the College's investments after the annual endowment distribution, along with the proceeds of the 2023 debt issuance of \$65 million and a modest increase in the College's land, buildings and equipment.

Total liabilities increased by over \$60 million, due primarily to new debt issuance.

### **Statement of Activities (Income Statement)**

#### *Operating Activities*

The College ended the year with an operating surplus of just over \$1.2 million. The operating surplus was down from \$8.3 million the previous year, largely reflecting increased expenses which were partially offset by revenue growth.

Enrollment levels remained steady from the prior year, with 2,200 and 2,193 undergraduate students in 2022 and 2023 respectively. Despite slightly lower enrollment, revenue from tuition, food, housing and fees was up slightly. Other sources of revenue, including fundraising and grants, were stable compared to the prior year. The College saw a modest increase of just under \$2.9 million to its annual endowment distribution which supports operations. Auxiliary income, which represents revenue from conferences, events and summer programming, increased significantly as pandemic restrictions continued to recede. Overall, total operating revenue increased 1.2% or just over \$2 million.

Expenses increased significantly from the prior year as a result of both increased wages and benefits following the pandemic, as well as inflationary pressures on supplies and materials. Overall, expenses were up 5.6% or \$8.6 million.

### *Nonoperating Activities*

The College's results from nonoperating activities primarily includes investment returns and the annual endowment

distribution. Overall net assets from nonoperating activities increased by \$40 million. This was largely driven by a 6.6% return on long-term investments, net of expenses, in fiscal year 2023.

### **Statement of Cash Flows**

The College ended the fiscal year with \$112 million in cash and cash equivalents, up from nearly \$48 million in the prior year. This was largely driven by the new debt issuance at the end of the fiscal year, which is supporting the geothermal project and other capital projects in the coming years.

### **On The Horizon**

In the coming years, Mount Holyoke College is investing in key areas including accessibility, human capital, technology and sustainability. During this time, the College remains committed to continued balanced budgets and modest operating surpluses, driven by resource stewardship, enrollment strategies, and a new strategic plan to be launched in the coming year. All of these efforts will continue to strengthen the College's position as a leading gender diverse women's college.