



Financial Statement Summary Fiscal Year 2024

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, 2024 and 2023 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, 2024 marked another strong year for Mount Holyoke College. At the end of the fiscal year, the College was in the middle of Phase 2 of the geothermal project to convert the campus' heating and cooling system from steam to low temp hot water. The College was also in the middle of the Summit technology project, which is a multi-year project to replace the College's systems of record for students, finance, and payroll. These projects continue to drive innovation and bring an increase in expenses at the College. Coupled with growth in employee compensation and fewer vacant positions, the College saw an 8% growth in expenses, supported by a 6.6% growth in revenue. 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 6% 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 \$73 million, reflecting an increase of over \$65 million to the College's investments after the annual endowment distribution of \$45.6 million, with the remaining change due to investments in land, buildings, equipment and collections resulting from the geothermal and Summit projects.

Total liabilities increased by approximately \$4 million, with no new debt taken since the prior year.

Statement of Activities (Income Statement)

Operating Activities

The College ended the year with a small operating deficit of \$452,000. This is compared to a surplus of \$1.7 million the previous year, largely reflecting increased compensation and reduced vacancies, in addition to added expenses from the Summit project.

Enrollment levels remained steady from the prior year, with 2,193 and 2,209 undergraduate students in 2023 and 2024 respectively. With slightly higher enrollment, revenue from tuition, food, housing and fees was up by \$3.2 million. Other sources of revenue, including fundraising and grants, were stable, up approximately \$3 million over the prior year. The College saw an increase of just under \$5 million to its annual endowment distribution which supports operations. Auxiliary income, which represents revenue from conferences, events and summer programming, increased significantly by \$1.5 million. Overall, total operating revenue increased 6.6% or just under \$11 million.

Expenses increased significantly from the prior year as a result of both increased wages and benefits following the College's compensation study and a reduction in vacant positions, as well as inflationary pressures on supplies and materials. Expenses related to interest on debt rose by \$2.1 million, and depreciation of buildings and fixed assets increased by \$550,000. Overall, expenses were up 8% or \$13 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 just over \$70 million. This was largely driven by a 9.1% return on long term investments, net of expenses, in fiscal year 2024.

Statement of Cash Flows

The College ended the fiscal year with \$95 million in cash and cash equivalents, down slightly from just under \$108 million in the prior year. This was largely driven by the utilization of loan proceeds on the geothermal and Summit projects.

On The Horizon

In the coming years, Mount Holyoke College continues to invest in key areas including accessibility, human capital, technology, sustainability, and campus renewal. During this time, the College remains committed to continued balanced budgets and modest operating surpluses, driven by resource stewardship, enrollment strategies, and the College's new strategic plan, MHC Forward, which was launched in May of 2024. The College is looking to a period of invested renewal of the college campus as it strengthens its position as a leading gender diverse women's college.