

Endicott College FY 2022 Financial Narrative

Endicott College completed the annual financial reporting for the year ended June 30, 2022. The financial reporting contains the opinion of the College's independent auditors and the financial statements with related footnotes. In order to provide additional context to these results, the College has provided a narrative of financial performance over the last fiscal year.

While the ongoing COVID-19 pandemic presented challenges across the campus community in prior years, Endicott College ended Fiscal Year 2022 in a strong financial position as it fully re-opened all operations including some of our auxiliary services.

Statement of Financial Position

The fiscal year ended on June 30, 2022 with total assets of \$468.5 million, \$35.8 million or 8.3% higher than the end of the previous fiscal year. This increase was primarily driven by an increase in cash and short-term investments as a result of new debt incurred during the fiscal year as well as an increase in buildings with the construction of a new School of Nursing and Health Sciences. Total liabilities amounted to \$137.5 million, \$23.2 million or 20.3% higher than the previous fiscal year. This change was driven primarily by a new \$30m borrowing by the College to help fund construction and the implementation of a new computer system. The total net assets which is the difference between the College's assets and its liabilities, and the equivalent of its net worth, totaled \$331.0 million as of June 30, 2022, an increase of \$12.6 million or 4.0%

Operating Results – Statement of Activities

The College ended the year with a strong operating margin of \$20.3 million which is the difference between operating revenues and operating expenses and is a measure of how effectively the college is managing its routine operations.

Total net student fees of \$117.7 million increased from last year by \$4.1 million or 3.6%. Conference and educational services revenue at Endicott increased \$8.2 million from the previous year as a direct result of services being fully operational. The Wylie Inn and Conference Center and Misselwood, the College's venues for weddings, corporate events and social gatherings saw a return to normal operations and were highly successful.

Through the federal HEERF (Higher Education Emergency Relief Fund) program the institution received approximately \$5.8 million in funding of which \$3.0 million was distributed directly to students while the remainder of the funds, approximately \$2.8 million, was used to offset lost revenues as a result of the COVID-19 pandemic.

Overall, total revenues for the fiscal year ended at \$140.6 million, a \$16.3 million increase or 13.1%

Total expenses for the year were \$119.2 million, an increase of \$8.7 million or 7.8%. This increase is mainly due to the return of normal operations for the entire institution including athletics and campus travel, full residence halls and auxiliary services.