



Endicott College FY 2019 Financial Narrative

Endicott College completed the annual financial reporting for the year ended June 30, 2019. The financial package 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.

Statement of Financial Position

The fiscal year ended on June 30, 2019 with total assets of \$391.1 million, \$18.2 million or 4.9% higher than the end of the previous fiscal year. This increase was primarily driven by an increase in endowment investments as well as construction work done on a new academic center. Total liabilities amounted to \$120.9 million, \$647K or 0.5% lower than the previous fiscal year. The total net assets which is the difference between the College's assets and its liabilities, and the equivalent of its net worth, totaled \$270.1 million as of June 30, 2019, an increase of \$18.9 million or 7.5%

Operating Results – Statement of Activities

The College was able to maintain a strong operating margin in FY2019 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 \$111.4 million increased from the prior year by \$2.5 million or 2.3% mainly due to a rate increase in tuition, room and board as well as better enrollments. Conference and education services totaled \$8.3 million for the year which represented a 7.3% increase from the prior year mainly due to a full slate of events run during the year as well as additional weddings sold at both properties on campus. Overall, total revenues for the fiscal year ended at \$127.2 million, a \$2.5 million or 2.0% increase from the previous fiscal year.

Departmental expenses finished the fiscal year right on budget and were approximately \$5.0 million higher than the previous fiscal year. This increase was mainly due to salary increases provided to staff, increases in utilities as a new building came on line and an increase in depreciation expense as fixed assets increased.

Overall, Endicott recorded \$109.9 million of operating expenses for the fiscal year ending June 30, 2019. This contributed to an increase in net assets from operations of \$17.2 million while non-operating activity such as investment gains and a change in the value of interest rate swaps contributed to the overall increase in net assets for FY2019 of \$18.9 million.