

STONEHILL COLLEGE
FY 2024
OVERVIEW OF THE FINANCIAL STATEMENTS

I. Overall Results

For the fiscal year ending June 30, 2024, Stonehill College saw an overall increase in its financial net asset position of \$16.8 million. Contributing factors resulting in the overall change in net assets are based on a favorable operating surplus of \$1.6 million, new endowed/restricted/capital gifts and grant contributions of \$2.1 million, and a \$27.5 million favorable investment return. These increases were offset by the annual endowment distribution spending of \$11.8 million and spending associated with fundraising activities of \$2.3 million.

In summary:

Total net assets have increased from \$399.3 million to \$416.1 million, representing an increase of \$16.8 million, or 4.2% for the year.

Total operating revenues and expenses were \$108.6 million and \$107.0 million, respectively, resulting in a \$1.6 million increase in net assets from operations.

Total contributions from gift payments, grants and pledges were \$3.7 million, comprised of \$1.6 million for operations and \$2.1 million for restricted/endowment/capital and grants.

Total investments increased to \$307.4 million, representing a net increase of 5.6% or \$16.5 million for the year. New endowed gifts of \$1.0 million were augmented by an endowment return of \$27.5 million and offset the College's annual authorized endowment distribution of \$11.8 million.

II. Statement of Financial Position

Cash and cash equivalents increased by \$1.8 million to \$21.7 million. This increase was driven mainly by a \$3.4M net cash inflow from the College's new dining vendor contract.

Total student receivables balance decreased by \$50 thousand, which includes an allowance for uncollectible accounts of \$252 thousand. Student accounts receivable balances are actively managed by Student Accounts and decrease significantly by the College's fall enrollment deadlines.

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II. Statement of Financial Position (continued)

Contributions and grants receivables decreased by a net of \$0.6 million, from \$8.3 million in FY23 to \$7.7 as the result of pledge payments, in addition to an increase in federal grants receivables.

Property, plant, equipment, and construction in progress decreased by \$3.8 million, net of depreciation. Capital asset additions of \$6.6 million were primarily due to the purchase of Moreau Hall, resident hall upgrades, and investments in classroom technology upgrades. These investments were offset by depreciation costs for FY24 totaling \$9.4 million.

Investments increased by \$16.5 million, mainly due to a positive endowment return of \$27.5 million and new endowment gifts of \$1.0 million, offset by the annual endowment draw for operations of \$11.8 million.

Loans and bonds payable decreased by \$5.0 million, as a result, of annual debt re-payments.

The College's interest rate swap valuation decreased by \$0.6 million due to the increases in market interest rates.

Of the total net assets, \$304.5 million, or 73%, are classified as "without donor restrictions" and \$111.6 million, or 27% as "with donor restrictions". Of the \$111.6 million with donor restrictions, \$101.1 million consists of endowment funds and gains (realized and unrealized) and the remaining \$9.5 million corresponds primarily to pledges, donor restricted gifts, annuity funds and perpetual trusts.

III. Statement of Activities

Current operations resulted in total revenues of \$108.6 million and total expenses of \$107.0 million, producing an increase in net assets from operations of \$1.6 million.

Revenues from net tuition and fees and room and board increased by \$2.0 million over FY 2023, due to increased enrollments. Other revenue sources also increased by \$2.6 million over FY 2023, mainly the result of \$0.5 million in gains from a land lease, \$0.5 million from vendor contracts, and an increase in Athletics and Conference & Events revenues. Contributions and grants (private and public) also grew by a combined \$0.6 million. These increases were offset by a decrease in prior year net assets used in operations.

Corresponding operating expenses increased by \$4.8 million, mainly the result of inflation related cost increase related to dining operations, utilities and interest expense and additional travel and equipment costs related to the College's transition to division 1 athletics.

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Non-operating activity resulted in an increase in net assets of \$15.3 million. This was primarily the result of \$27.5 million in investment return and new gifts and grants of \$2.1 million, offset by endowment spending of \$11.8 million, prior year gifts used in operations of \$1.0 million and non-operating expenses of \$2.3 million.

IV. Statement of Cash Flows

Cash and cash equivalents totaled \$21.7 million, representing an increase of \$1.8 million from the prior year. Net cash used by operating activities was \$1.4 million, net cash provided by investing activities was \$5.3 million, and net cash used in financing activities was \$2.0 million.