



BOSTON COLLEGE

OFFICE OF THE CONTROLLER

Boston College Financial Statement Summary 2021-2022

The Fiscal 2022 Boston College (“the University”) financial statements illustrate a year of continued balance sheet strength and strong financial management, despite market volatility. The return to normal operations across campus in combination with strong undergraduate and graduate demand led to another successful year for the University. Growth in contribution revenue as well as the final year of government support through the CARES Act, which is used for student aid and University support to off-set COVID-19 related expenses and lost revenue, also contributed positively to the current year. Eyeing the future, the University undertook a \$300.0 million debt issuance to fund current and future capital projects.

Fiscal 2022 was a notable year for major construction projects as 245 Beacon Street, home of the newly opened Schiller Institute for Integrated Science and Society, was completed and placed into service. The Hoag Basketball Pavilion is well under way and expected to open in the summer of 2023.

The following discussion and analysis provide additional commentary and data related to the financial performance of Boston College for the fiscal year ended May 31, 2022.

Statement of Financial position (Total Assets, Liabilities, and Net Assets)

The University’s total assets at May 31, 2022 were \$6.7 billion, which was \$230.1 million or 3.6% higher than at the end of the previous fiscal year. The increase was largely attributable to growth in the investments due to unspent proceeds from the University’s \$300.0 million debt issuance, coupled with the generosity of our donors who provided \$80.0 million in contributions to the endowment. This was offset by a decrease in the fair value of investments due to market volatility.

Also contributing to the University’s increase in assets in Fiscal 2022 was growth in property, plant and equipment. The increase was largely driven by significant construction projects on campus, including 245 Beacon, offset by the annual

increase to accumulated depreciation.

Total liabilities amounted to \$1.8 billion at May 31, 2022, an increase of \$245.1 million. This was primarily a result of the University's \$300 million issuance of tax-exempt Series V and taxable Series 2021 bonds. This was offset by annual debt service payments of \$31.5 million and a \$25.7 million decrease to the University post-retirement healthcare liability due to a 150-basis point increase in the interest rate used to discount expected future cash payments to plan participants.

The resulting total net assets, the equivalent of the University's net worth, totaled \$4.8 billion as of May 31, 2022, a decrease of \$15.0 million or 0.3% during the fiscal year.

Statement of Activities

Operating Results

The University's total operating revenues grew \$66.8 million or 7.5% over Fiscal 2021. This overall growth is in large part attributable to the strength of the University's enrollments contributing \$34.6 million or 6.8% growth in the tuition and fees revenue line. Also, contributing to the University's increase in operating revenue was growth in auxiliary revenue of \$31.8 million or 2.1% due to the full reopening of campus and return of normal athletics, dining, and catering operations.

The University's total operating expenses grew \$66.8 million or 7.5% over Fiscal 2021. Directly contributing to the increase was the return to normal operations for student programming, on-campus trainings and events, as well as auxiliary enterprises including athletics, dining, and catering.

The University's increase in net assets from operating activities, (operating revenues in excess of operating expenses), of \$164 thousand shows consistency with our previous fiscal year and reflects solid operating results.

Non-Operating Results

The University's net assets decreased \$15.2 million from non-operating activities in Fiscal 2022, primarily driven by the University's investment return. This was offset by \$227.7 million in contribution revenue, an increase of \$76.1 million in philanthropic support compared to Fiscal 2021. The use of \$119.7 million in non-

operating assets to support University operations results in the net overall decrease from non-operating activities in Fiscal 2022.

Looking ahead

As detailed above, Boston College enters the Fiscal 2023 from a position of strength. A history of consistent, positive operating results combined with a strong liquidity profile, comprehensive planning, and diligent stewardship of resources, have enabled the University to continue to thrive.

The University continues to focus on operating efficiencies, sustainability, resource conservation, and expense management to help ensure that resources are devoted to the highest strategic priorities.