

Boston College
Financial Statement Summary
2022-2023

The Fiscal 2023 Boston College (“the University”) financial statements illustrate another year of strong financial management, despite market volatility and inflationary pressures. Increased on campus programming and conferences in combination with strong undergraduate demand led to another successful year for the University. Government support through FEMA funding, which was utilized to off-set COVID-19 related expenses, also contributed positively to the current year.

Fiscal 2023 was an active year for major construction projects as the Hoag Basketball Pavilion is nearing completion with an expected opening in the Fall of 2023. The University continues to expand its academic space through building conversion and renewals with a specific focus on the renovation of the Brookline Campus in preparation for the opening of Messina College in Fall of 2024.

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, 2023.

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

The University’s total assets at May 31, 2023 were \$6.5 billion, which was 2.4% lower than at the end of the previous fiscal year. The decrease was largely attributable to a decrease in the fair value of investments due to market volatility as well as a reduction in unspent bond proceeds due to ongoing construction projects. This was partially offset by the generosity of our donors who provided contributions to the endowment.

Further offsetting the University’s decrease in assets in Fiscal 2023 was growth in property, plant and equipment. The increase was largely related to significant construction projects on campus, including the Hoag Basketball Pavilion, offset by the annual increase to accumulated depreciation.

Total liabilities amounted to \$1.8 billion at May 31, 2023, a decrease of \$30.1 million compared to Fiscal 2022. This was primarily a result of annual debt service payments.

The resulting total net assets, the equivalent of the University's net worth, totaled \$4.7 billion as of May 31, 2023, a decrease of 2.6% during the fiscal year.

Statement of Activities

Operating Results

The University's total operating revenues grew 6.7% over Fiscal 2022. This overall growth is in large part attributable to the strength of the University's enrollment contributing 2.8% growth in the tuition and fees revenue line. Also, contributing to the University's increase in operating revenue was growth in auxiliary revenue of 6.2% attributable to an increase in room and board rates and an increase in dining and catering operations as the result of increased campus events.

The University's total operating expenses grew 6.7% over Fiscal 2022. Directly contributing to this change was growth in salaries and benefit costs as well as operating costs resulting from an increase in on campus activities for student programming and on campus trainings and events. Also contributing to the expense growth was 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 \$170 thousand shows consistency with our previous fiscal year and reflects solid operating results.

Non-Operating Results

The University's net assets decreased \$128.2 million from non-operating activities in Fiscal 2023, primarily driven by the University's investment return. This was offset by \$125.9 million in contribution revenue. The use of \$160.4 million in non-operating assets to support University operations results in the net overall decrease from non-operating activities in Fiscal 2023.

Looking ahead

As detailed above, Boston College enters the Fiscal 2024 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, employee retention,

sustainability, resource conservation, and expense management to help ensure that resources are devoted to the highest strategic priorities.