



Review of Financial Results As of and For the Fiscal Year Ended June 30, 2024

Pursuant to the requirements of An Act to Support Improved Financial Stability in Higher Education (Chapter 113 of the Acts of 2019), College of the Holy Cross (the College or Holy Cross) is pleased to report on its financial performance as of and for the fiscal year that ended on June 30, 2024. The College achieved strong financial results, reflecting prudent fiscal management, and a commitment to long-term sustainability. This summary is not designed to replace the detailed data provided in the College's annual audited financial statements and accompanying notes.

- The College's balance sheet is strong, with total assets of approximately \$1.7 billion and net assets of \$1.4 billion, representing year-over-year increases of 3.6% and 5.8%, respectively.
- Long-term investments grew by 6.3%, reaching \$1.1 billion, driven by strong endowment performance of 9.2% net of fees (~\$100 million), surpassing the policy benchmark of 8.3%. The endowment contributed \$43 million in spending distributions during the fiscal year, supporting roughly 17% of College operations.
- Liabilities decreased by nearly \$20 million attributable to debt principal payments, and reductions in accounts payable due to the completion of major capital construction projects (City View Townhouses and new Jesuit residence) that were in process during the last fiscal year end.
- The defined benefit pension plan achieved a funded status of 113%, continuing its record strength, due to strong investment returns and increasing discount rates.
- Operating margin was \$11.6 million, or 4.6%, with revenue growth of 4.5% outpacing expense growth of 4%, which underscores the capacity to manage costs while still driving meaningful revenue growth.
- Revenue growth was driven by strong student fee realization, increased endowment support through our spending policy, interest income from cash accounts, and additional auxiliary income from athletics and hospitality services. Operating margin provides a key source of funding for the capital budget.
- Expense growth is driven by compensation, utilities, additional depreciation on new residential facilities, and general inflationary increases on various

supplies and services including travel. This growth was offset by savings from no longer leasing off-campus student housing, as well as effective management of other recurring expenses.

- The College recognized new donor contributions across all sources of nearly \$27 million, including from the annual fund, endowment, capital projects, and the Crusader Athletic Fund.
- The College continues to maintain solid credit ratings from both Moody's (Aa3) and S&P (AA-), with their most recent updates viewing Holy Cross as having a "very strong" capacity to meet its financial commitments.
- The College underwent an annual audit by KPMG, receiving an unmodified opinion on its financial statements as of and for the fiscal year ended June 30, 2024.

Fiscal year 2024 demonstrated financial growth and a steadfast dedication to our mission. We hold firmly to the Jesuit belief that education should be accessible and transformational, supporting each young person to pursue a life of meaning and service to others. We are proud to uphold our commitment to meet 100% of demonstrated need at the time of admission. In fiscal year 2024, we provided nearly \$76.5 million of financial assistance and scholarship to students.

Academic excellence is the core of our identity. We know that faculty, students, and staff are drawn to Holy Cross because of our commitment to pursuing high academic standards and fostering an intellectual and moral community that advances the common good and human flourishing.

The Aspire strategic plan invites us to deepen and accelerate our investments in academic excellence so that Holy Cross may "offer a liberal arts education that is among the finest in the world and be recognized broadly for doing so." This bold vision for the future of the College builds on existing strong academic foundations and reminds us of our core commitments as the nation's only exclusively undergraduate Jesuit, Catholic liberal arts college.

Holy Cross enters fiscal year 2025 from a position of strength. A history of consistent, positive operating results combined with comprehensive financial and capital planning, and responsible stewardship of resources, has enabled the College to continue to thrive. The continued focus on operating efficiencies, sustainability, and digital modernization will help ensure that resources are devoted to the highest strategic priorities as outlined in Aspire.