



Emmanuel College's financial statements, independent auditor's unqualified opinion, and footnotes for the years ending June 30, 2025 (FY25) and June 30, 2024 (FY24) are presented in the following pages. To present some highlights and an outlook related to the College's financial operations, the College's management prepared the following discussion and analysis.

In FY25, the positive financial results in the Statement of Activities were driven by non-operating results. While the College's operations have been affected by the competitive industry landscape, incremental improvements are materializing, and the College's operating deficit did improve year-over-year (YoY). Additionally, despite the competitive industry environment, the combination of contributions and positive investment returns generated by the College's investment portfolio resulted in a \$6.2 million increase in net assets.

The following summary explains recent accomplishments achieved, challenges encountered, and trends experienced by the College:

- In FY25, total revenue increased by \$2.0 million YoY. The increase is primarily driven by the combination of a \$1.7 million YoY increase in net student service revenue, a \$0.7 million increase in other income, and a \$0.25 million YoY increase in contributions. Net student service revenue and contributions revenue increases exemplify that the Emmanuel College mission continues to resonate with current students, prospective students, and alumni.
- In FY25, total expenses increased by \$0.6 million YoY. The increase is primarily driven by the combination of higher salaries and benefits and higher utilities expenses. Emmanuel College continues to invest in the College's most critical assets, its faculty and staff. In FY25, the College benefitted from a \$0.6 million YoY decrease in depreciation expenses.
- In FY25, total non-operating activities were \$11.7 million. \$1.3 million in contributions was complimented by \$10.3 million in investment earnings. In FY24, total non-operating activities were \$12.4 million.
- The outstanding principal on the College's 2016 Massachusetts Development Finance Agency (MDFA) bond was \$165 million as of June 30, 2025 and \$169 million as of June 30, 2024. During both FY25 and FY24, annual debt service was \$12 million. The College fully finances its debt service via the housing, dining, and lease revenue generated by its 18 story Saint Julie Residence Hall.
- During FY25, the College's undergraduate nursing program experienced its sixth successful year, and the nursing program's fifth cohort began its clinical work. Following the completion of the College's new nursing lab in FY21, the College's vision to provide on-campus experiential learning opportunities for nursing students is now a reality and one with significant momentum, strong demand, and increasing enrollment.

- The College's facilities have been well-maintained, regularly renovated, and tremendously enhanced over the past few decades. As a result, there is very little deferred maintenance on the College's campus buildings. The market value of the College's real estate and physical assets is materially higher than the stated values on the College's balance sheet.
- The College has a \$176 million endowment as of June 30, 2025, which is a \$2.9 million increase YoY due primarily to market gains. Although the College does not intend to spend from its board-designated endowment funds other than the amounts approved by the Board of Trustees for operations, additional resources are available to the College if necessary. The College's donor restricted endowment funds are primarily used to fund scholarships and financial aid.
- Looking ahead to FY26, the College is optimistic about its future. The College has strong leadership, steady enrollment, and robust demand for on-campus housing. For FY26, undergraduate enrollment is budgeted for 1,785+ and residency for the fall semester is 1,415+ students.
- In the New England Commission of Higher Education (NECHE)'s recent reaccreditation, it noted that "Emmanuel College is well positioned to continue to educate students in a dynamic learning community rooted in the liberal arts and sciences' well into the future." The College's leadership affirms this assessment and believes that the future is bright for the institution.

The College is located next to the Longwood Medical Area and is a central part of the City of Boston's Fenway neighborhood. Its location provides it with access to resources that are unavailable to suburban and rural institutions. The College is a major draw for students desiring a small campus experience in the heart of Boston.

Dr. Beth Ross, a 25-year employee of the College, with three decades of higher education experience in the Boston area, was appointed as the College's President nearly two years ago. Dr. Ross is thriving as President and the College is experiencing momentum on several fronts. Under the leadership of Dr. Ross, the College will continue its mission to provide a Catholic education reflecting the charism of the Sisters of Notre Dame de Namur to students in the heart of Boston for many years to come.

Patricia Tower
 Emmanuel College
 Vice President of Finance & Administration/CFO