



## **Review of Financial Results As of and For the Fiscal Year Ended June 30, 2023**

The College of the Holy Cross is pleased to share its Fiscal Year 2023 financial highlights. Financial performance was strong, defined by positive operating results and progress toward our strategic goals. This year was marked by examples of our dedication to inclusive excellence, our commitment to our students, and our pursuit of innovation. In January 2023, we launched Aspire, our strategic plan that sets forth a bold vision for the future of Holy Cross. [Our dedicated website](#) provides more information on the plan.

In fall 2022, we welcomed over 900 members of the class of 2026 to campus, the largest in our 179-year history, as a result of record-breaking yield and selectivity levels. In support of our institutional goals, we invested in the physical and technological infrastructure across campus. We also completed two major projects focused on transforming our student residential experience: the City View Townhouses and the conversion of Ciampi Hall into a Wellbeing Living Learning Community.

The City View Townhouse project is a 148-bed residence hall with 20 modern townhouse-style units that include a living room, full kitchen, laundry, and bathrooms. The Ciampi Hall Wellbeing Living Learning Community reimagined the College's former Jesuit Residence as a 65-bed community responding to student needs for housing focused on both mental and physical wellbeing. Both welcomed student residents for the fall 2023 semester.

Despite economic pressures such as inflation, rising interest rates, and increased competition for talent, the College had a strong year financially:

- Our balance sheet remains strong, with total assets of approximately \$1.6 billion and net assets of \$1.3 billion, both increasing slightly compared to June 30, 2022.
- Endowment assets were approximately \$1.0 billion, a net increase of \$51 million year-over-year. Growth was a result of \$18 million in contributions and \$73 million in investment gains, while a \$40 million spending distribution supported approximately 17% of college operations.
- Our defined benefit pension plan achieved a funded status of 107%, the strongest in a decade, due to strong investment returns and increasing discount rates.
- Our operating margin was approximately \$10 million or 4.2%. This reflects approximately \$2.5 million of non-recurring federal reimbursements for prior year COVID-related expenses, strong growth in student fees due to the large entering class of 2026, revenue rebounds in areas that had been adversely impacted by COVID, as well as salary savings due to partial year vacancies in many staff positions.
- We recognized new donor contributions across all sources of approximately \$32 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 and S&P. After an update to its credit analysis in fall 2022, Moody's retained the College's Aa3 rating, while S&P maintained the College's AA- rating after its summer 2023 review. Both view 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, 2023.

We have aligned on the key drivers to realizing the College's strategic priorities: achieving financial goals, generating positive operating margins and strengthening our philanthropic approach. Fiscal year 2023 was marked by financial growth and commitment to our institution's mission. The College's strategic focus, strong student demand, excellent teaching faculty, dedicated staff, and data-informed choices have collectively led to long-term financial success and will strengthen our collective efforts for a hope-filled future.