

# Babson College FY24 Audited Financial Summary

Our external auditors have completed their audit of the College's financial statements, and consistent with prior years, the College received an unqualified or 'clean' opinion. This means that the financial statements are presented fairly in all material respects and are free from material misstatement.

The College's financial statements portray another successful year of financial strength and growth. The continued resiliency, creativity, and commitment to excellence of community members, along with a strong emphasis on continuing to make progress on key strategic initiatives, has ensured the College continues to thrive and succeed in delivering on its mission: to prepare and empower entrepreneurial leaders who create, grow and steward sustainable economic and social value – everywhere.

A few key performance highlights for the fiscal year included:

- The College's balance sheet remains strong – total assets grew to \$1.2 billion (from \$1.1 billion in fiscal year 2023) and net assets increased to \$999.6M (from \$921.1M in fiscal year 2023).
- Fiscal year 2024 was an active year for on-campus construction projects. The first phase of the Herring Family Entrepreneurial Leadership Village (HELV) came online in April 2024 – this is a one-of-a-kind facility where Babson students, faculty, staff, alumni and other stakeholders can collaborate and come together as they learn. The Village includes classrooms, collaborative spaces, and a café.
- The College's endowment value, after the impact of new gifts received and spending distributions applied, amounted to \$741M. Investment returns in the current year amounted to approx. 10% compared with 4.1% in the prior fiscal year. The College's annual endowment distribution helps fund professorships, athletics, scholarships, educational programs, plant operations and maintenance, and general operations of the College.
- The College's operating activities generated a surplus of \$17.6M due to strong student enrollments, programmatic and auxiliary revenues and philanthropic activity (including endowment distributions and current use gifts) and revenue associated with investment returns on operating funds. Expenses also increased as a result of increased on-campus activities post pandemic as well as investment in faculty and staff.
- The continued generosity of Babson College's donors and friends continue to support our mission-raising an annual recording of \$54.8M in gifts and pledges, including federal & foundation grants during the year. Donations from alumni and supporters of the College provides funding to help the College achieve its strategic initiatives and other key priorities including to remain among the best colleges in the United States.

## Babson College Financial Facts

- The College's endowment value as of June 30, 2024 was \$741.0M vs. \$685.8M at June 30, 2023.
- The total net investment return on the endowment for the fiscal year ended June 30, 2024 was 10.0% as compared with 4.1% for June 30, 2023.
- Contribution and grant revenues for the fiscal year ended June 30, 2024 were \$54.8M, as compared to \$48.8M at June 30, 2023.
- Bonds outstanding (both taxable and tax-exempt) as of June 30, 2024 and June 30, 2023, amounted to \$138.1M and \$146.2M, respectively.
- Total net assets as of June 30, 2024 and June 30, 2023 were \$999.6M and \$921.1M, respectively.