

Financial Statement Summary Fiscal Year 2025

The Smith College (the "College") fiscal year 2025 (June 30, 2025 year end) consolidated financial statements demonstrate a year of strong endowment performance and continued investment in campus infrastructure. The College continues to see steady enrollment and, despite persistent inflation and expense pressures, closed the fiscal year with a positive operating result.

Fiscal 2025 included continued progress on major capital projects, reflecting the College's commitment to modernizing its physical assets and work towards its commitment for carbon neutrality by 2030. Investment continued in the multi-year geothermal energy project, with Phases 2 and 3 continuing as planned. The College also saw continued work on McCartney Hall, the future hub for career development and leadership training. These investments are reflected in the growth of net property, plant and equipment.

Statement of Financial Position

The College's total assets as of June 30, 2025, were \$3.92 billion, which was 4.3% higher than the previous fiscal year's total of \$3.76 billion. This growth was largely due to increases in long-term investments and net property, plant and equipment, reflecting the positive non-operating return and continued capital infrastructure projects.

Total liabilities as of June 30, 2025 were \$639 million, which remained relatively flat over the prior fiscal year.

The resulting total net assets, which is the equivalent of the College's net worth, totaled \$3.3 billion as of June 30, 2025, an increase of 5.3% during the fiscal year.

Statement of Activities - Operating Results

The College ended fiscal year 2025 with an operating surplus of \$4.1 million.

Operating revenues increased by \$11 million (3.5%) from the prior fiscal year. This growth was driven primarily by a \$7.6 million (6.3%) increase in net tuition due to an increase in comprehensive fees and increased enrollment as well as a \$6.7 million (23.7%) increase in gifts and grants, related to unrestricted bequests.

Operating expenses increased by \$14 million (4.7%) from the prior fiscal year. This increase was primarily driven by increases in salaries & wages (up 3.8%) and higher depreciation, the latter reflecting capital investments, such as the geothermal project, being partially placed in service.

Statement of Activities - Non-Operating Results

The College's change in net assets from non-operating activities increased by \$59 million (36.7%) during fiscal year 2025. Non-operating growth was largely driven by a strong market performance resulting in a significantly positive return on long-term investments, net of the annual endowment draw.

Looking to the Future

The College enters fiscal year 2026 in a stable financial position, underpinned by its substantial endowment and successful fundraising efforts. The College continues to prioritize robust fundraising, driving operating efficiencies, and making strategic investments to ensure the long-term sustainability of its mission.