Financial Statement Summary
Fiscal Year 2022

Fiscal year 2022 marked another strong year for Smith College despite ongoing pandemic disruption, rising inflation and investment market challenges. The fiscal year ended June 30, 2022, resulted in a modest operating surplus, and a 3% decrease in net assets due primarily to investment market turbulence. After partially remote activities in fiscal year 2021, students fully returned to on-campus, in-person learning in fall 2021, resulting in a return to pre-pandemic level enrollment. This higher enrollment level drove both increased net student income and increased operating expenses over the prior year. Despite the highest inflation levels in 40 years, the college was diligent in its stewardship of resources and closed the fiscal year with an operating surplus. The following analysis includes commentary on the college's financial performance for fiscal year 2022.

Statement of Financial Position

The college’s net total assets as of June 30, 2022, fell by $92 million (3%) from the prior year to $3.0 billion.

Total assets of $3.6 billion were flat over the prior year. An $88 million drop in long-term investment, primarily attributed to the -0.6% investment returns and annual endowment draw, was largely offset by $100 million in new debt proceeds, which are largely in cash and short-term investments as of June 30, 2022.

Total liabilities as of June 30, 2022 were $580 million, an increase of $90 million over the prior year, primarily attributed to the 2022 debt issuance totaling $150 million, of which $100 million was drawn as of June 30, 2022 to fund future strategic capital projects. This increase is offset by an $11.7 million reduction in the interest rate swap liability due to rising interest rates.

Statement of Activities

Operating Results

The college reported a $10 million operating margin in fiscal year 2022, with revenues totaling $270 million and expenses totaling $260 million.

The college’s total operating revenues increased by $69 million (34%) in fiscal year 2022. This growth is primarily attributed to a $42 million (56%) increase in net student income. This included a 22% increase in gross tuition & fees and a 292% increase in gross room & board, as the college returned to full enrollment and on-campus housing for the entire academic year.

Operating expenses increased by $48 million (23%) from the prior fiscal year, as expenses returned to pre-pandemic levels, reflecting increased activity on campus, rising inflation and the resumption of travel and study abroad programs.
Non-Operating Results

The college’s net assets from nonoperating activities decreased by $102.3 million during fiscal year 2022. Non-operating activities are primarily being driven by the -0.6% return on long-term investments. Additionally contributing to these results are non-operating gifts and pledges, which decreased $45.5 million (59.7%) from the prior fiscal year, due to a record-setting non-recurring pledge in fiscal year 2021.

Looking to the Future

Smith College enters fiscal year 2023 in a strong financial position. The college continues to maintain a consistent history of positive unrestricted operating margins. Ongoing fiscal and strategic planning, resource management and favorable liquidity position the college for another successful fiscal year. Smith will continue to focus on investing in key strategic priorities in the coming fiscal year, including student access, career services and sustainability initiatives.