



FY2022 Financial Narrative

Statement of Activities

Operating Results

Bay Path University ended Fiscal Year 2022 with an operating margin of \$2.9 million. The University realized a decrease in total operating revenue by 5% compared to the prior year. Operating expenses also decreased by 3.9% compared to the prior year.

The University recognized \$5.1 million in federal funding allocated as a result of the COVID-19 pandemic. Of that amount, \$2.7 million was awarded directly to students in the form of emergency aid and \$2.4 million for institutional support. This compares to the \$2.9 million received for the fiscal year ended June 30, 2021, of which \$715,583 was allocated for the purpose of student aid, and \$2.2 million for institutional support.

Non-Operating Results

The University's net assets decreased from non-operating activities by \$13.1 million in FY2022, of which \$12.4 million is the negative net return on long term investments, and \$719,974 on net loss on disposition of capital assets due to the closing of the Concord campus.

Statement of Financial Position

The University ended the fiscal year with a healthy balance sheet including strong cash and working capital balances and a solid investment balance despite recent market performance. After a historic gain in FY2021 of \$17.6 million, Bay Path's investments declined by \$9.8 million in FY2022. These FY2021 and FY2022 gains and losses are largely due to fluctuations in global economic markets. Even with the impact of this fiscal year's investment losses, the University's endowment assets have grown by \$16.1 million since 2018. Total net assets decreased from \$108.9 million at the end of FY2021, to \$98.8 million at the end of FY2022.

In summary, the University enters FY2023 with a solid financial foundation resulting from a history of robust operating margins, sound financial management and diversification of revenue streams.