

**Johnson & Wales University**  
**Summary of Fiscal Year 2023**

*This summary has been prepared by management and should be read in conjunction with the university's audited financial statements and accompanying footnotes for the respective fiscal year.*

**Statement of Financial Position**

The university's cash position, which provides liquidity to meet its day-to-day operating expenses, totaled \$31.9 million at June 30, 2023. Excess cash of \$17.9 million was invested in highly liquid short-term investments to maximize earnings on cash balances. Investments, which totaled \$348 million at year-end, were over 87.7% unrestricted. The statement of financial position reflects leased assets of \$3.3 million, offset by a \$3.8 million lease liability. Net property and equipment classified as assets held for sale was reduced to zero from June 30, 2022 as the university sold several of the properties and then reintegrated two of the properties back into operations during fiscal 2023. A portion of the proceeds from the sales (\$15 million) were designated by the Board for investment into the endowment. The remaining proceeds will be used to support operations. Due to regular principal payments and the defeasance of the 2013 NCCFFA tax-exempt bonds, the university's long-term debt fell by \$13.9 million to \$41.4 million at June 30, 2023.

The strength of the university's financial position is demonstrated in the value of cash and investments of \$398 million, which is over nine times the long-term debt balance of \$41.4 million. As of June 30, 2023, total assets of \$800.6 million is nine times total liabilities of \$86 million.

**Statement of Activities**

The university ended fiscal 2023 with an increase in net assets from operations of \$8.2 million and an overall increase in net assets of \$18.4 million.

Tuition and fee revenue, net of financial aid and scholarships, totaled \$128 million. Residence and dining revenue, which totaled \$42 million, decreased \$2.6 million due to a decrease in occupancy rates. Investment returns appropriated for operations of \$13.4 million represents the policy withdrawal of 5% of the average endowment value over the prior twelve quarters. The sale of two underutilized dormitories during fiscal 2023 combined with the sale of few other properties located outside the contiguous footprint of Providence Campus elicited a gain from the disposal of property and equipment of \$32.6 million.

Operating expenses of \$234.7 million are comprised of the following functional categories: instructional at 37%, student services at 27.6%, auxiliary enterprises at 16%, academic support at 9%, institutional support at 10.2%, public services at 0.01%, and research and development at 0.2%.

Total operating revenue, gains and other support of \$238.1 million, offset by operating expenses of \$229.9 million, resulted in an increase in net assets from operations of \$8.2 million. Non-operating long-term investment earnings of \$23.8 million less \$13.4 million in investment returns appropriated for operations account for a majority of the \$10.2 million increase in net assets from nonoperating activities.