

Summary of Fiscal Year 2026 Audited Financial Statements

The College remains financially stable despite continued operating challenges related to enrollment pressures and expense management. The College continues to maintain a strong asset base and significant endowment, providing financial flexibility while management remains focused on improving operating performance and preserving long-term financial sustainability. Dean College's financial statements are audited by CBIZ CPAs. The independent auditors' report indicates that the financial statements present fairly, in all material respects, the financial position of the College in accordance with generally accepted accounting principles.

Statement of Financial Position (Balance Sheet)

The College had total assets of \$118.5 million at May 31, 2026, an increase of approximately \$1.2 million from the prior fiscal year. Investments increased by approximately \$4.1 million to \$68.1 million, reflecting strong investment performance. Land, buildings and equipment decreased approximately \$2.0 million to \$39.5 million as capital expenditures of approximately \$2.5 million were more than offset by depreciation of approximately \$4.3 million. Cash increased approximately \$0.3 million to \$1.3 million.

Total liabilities were \$46.4 million at year end, a decrease of approximately \$2.0 million compared with fiscal 2025. Debt remained relatively stable at \$39.3 million, and the liability associated with the College's interest rate swap agreements decreased. Total net assets increased approximately \$3.2 million to \$72.1 million. Net assets without donor restrictions were \$49.5 million, including \$48.4 million in board-designated funds, while net assets with donor restrictions increased to \$22.6 million.

The College's endowment increased to approximately \$69.5 million from \$66.2 million at the end of fiscal 2025. Investment return was approximately \$10.2 million, partially offset by the normal endowment spending appropriation of approximately \$3.2 million and a Board-approved special endowment distribution of \$3.85 million to support operations.

Statement of Activities

Total operating revenues were approximately \$45.0 million compared with \$44.2 million in fiscal 2025. Net tuition and fee revenue decreased approximately \$0.9 million, and auxiliary enterprise revenue decreased approximately \$0.3 million. Government grant revenue also declined. These decreases were offset by increases in private gifts and grants, other income, investment return appropriated for operations, and the Board-approved special endowment distribution.

Operating expenses increased approximately \$1.6 million to \$45.8 million. Program expenses increased in instruction, academic support, student services, and auxiliary enterprises, partially offset by a decrease in management, general and fundraising expenses. The College reported a negative change in net assets from operations of approximately \$0.8 million compared with a near break-even result in fiscal 2025. The operating result reflects continued pressure on net student revenues combined with increased operating expenses.

Nonoperating activities generated a positive change in net assets of approximately \$4.0 million, primarily due to strong investment performance. Investment return, net of amounts appropriated for operations, totaled approximately \$7.1 million. The College also recognized a \$0.4 million gain related to its interest rate swap agreements compared with a \$1.7 million loss in fiscal 2025. Overall, the College generated a positive change in net assets of approximately \$3.2 million.

Statement of Cash Flows

Cash increased approximately \$0.3 million during fiscal 2026. Operating activities used approximately \$2.8 million of cash, while investing activities provided approximately \$2.8 million. Financing activities provided approximately \$0.3 million. The College ended fiscal 2026 with approximately \$1.3 million in cash and cash equivalents. The College continues to maintain additional liquidity through its investment portfolio and board-designated resources that may be made available for operations with approval of the Board of Trustees.

Please refer to the financial statements and accompanying notes for additional financial information.