Babson College FY26 Audited Financial Summary

Our external auditors have completed their audit of the College's financial statements and, consistent with prior years, issued an unqualified, or "clean," opinion. This opinion confirms that the financial statements are fairly presented in all material respects and are free of material misstatements.

The College's financial statements reflect another year of strong financial performance and institutional growth. Through continued resilience, innovation, and a steadfast commitment to excellence, the College has advanced its mission of preparing and empowering entrepreneurial leaders who create, grow, and steward sustainable economic and social value around the world.

Key financial and operational highlights for fiscal year 2026 include:

Strong Balance Sheet
The College's financial position remains exceptionally strong. Total assets increased to $1.44 billion, up from $1.29 billion in fiscal year 2025, while net assets grew to $1.24 billion, compared with $1.08 billion in the prior year.

Endowment Performance
After accounting for new gifts and annual spending distributions, the College's endowment reached $930.3 million. Investment performance remained robust, generating an approximate 16% return during fiscal year 2026, compared with approximately 10% in fiscal year 2025. Endowment distributions continue to provide critical support for professorships, scholarships, athletics, educational programs, facilities operations, and other strategic College priorities.

Campus Development
Fiscal year 2026 marked another significant year of campus investment. Notable progress was made on the Executive Lodge and Conference Center, while the College continued to make substantial investments in infrastructure improvements and enhancements across campus.

Operating Results
The College generated an operating surplus of $10.9 million, driven by strong student enrollment, growth in programmatic and auxiliary revenues, philanthropic support, and investment returns on operating funds. Operating expenses increased as a result of expanded campus activity and continued investments in faculty and staff in support of the College's pursuit of academic and operational excellence.

Philanthropic Support
The extraordinary generosity of Babson College's donors and friends continues to strengthen and advance the College's mission. During fiscal year 2026, the College recorded $55.5 million in gifts, pledges, and grant support, including contributions from federal agencies and private foundations. This philanthropic support plays a critical role in advancing strategic initiatives, enhancing the student experience, and sustaining the College's position among the nation's leading institutions.

Babson College Financial Facts

- The College's endowment value as of June 30, 2026 was $930.3M vs. $813.3M at June 30, 2025.
- The total net investment return on the endowment for the fiscal year ended June 30, 2026 was 15.5% as compared with 9.9% for June 30, 2025.

- Contribution and grant revenues for the fiscal year ended June 30, 2025 were $55.5M, as compared to $47.6M at June 30, 2025.
- Bonds outstanding (both taxable and tax-exempt) as of June 30, 2026 and June 30, 2025, amounted to $120.9M and $129.6M, respectively.
- Total net assets as of June 30, 2026 and June 30, 2025 were $1.2B and $1.1B, respectively.