



Letter from the Senior Vice President for Finance and Treasurer – Fiscal Year 2025

Founded in Boston in 1898, Northeastern's embrace of global experience and partnership has been a force for shaping learning and solving problems. Its renowned experiential learning model, signature co-op program, and high-impact research, and emphasis on industry partnership have attracted record demand and investment over the past two decades. Undergraduate applications reached 105,092 for fall 2025, including a 660% increase in Early Decision applications since 2015. Graduate applications exceeded 72,000, reflecting 208% growth over the past decade. Strategic recruitment of more than 1,000 tenured and tenure-track faculty, and development of two dozen interdisciplinary research institutes and centers fueled a 450% increase in annual external research funding over 20 years (\$284.9 million for FY25).

Northeastern continues to invest strategically in infrastructure that supports excellence in all areas of experiential learning, research, and partnership. It also made an important investment in the university's global vision through the June 2025 merger with Marymount Manhattan College ("MMC") to establish Northeastern's New York City campus. With that context, I am pleased to present the university's audited financial statements for fiscal year 2025.

For the year ending June 30, 2025, Northeastern demonstrated sound financial performance and remains in a solid financial position at year-end. The university's total assets increased \$792.6 million, or 12%, over fiscal year 2024 to \$7.2 billion from growth in investments, new and renewed leases, and property, plant and equipment additions. Northeastern continues to report healthy cash flows from operations with a strong current operating liquid cash position of \$123.5 million as of June 30, 2025.

Total liabilities increased \$337.4 million, or 15%, during this period to \$2.6 billion. Changes in liabilities were driven by issuing debt to fund construction projects, changes in accounts payable and accruals due to the timing of payments and new and renewed leases offset by principal payments on long term debt.

Overall, total net assets increased by 11%, or \$455.2 million, during fiscal 2025 with an ending balance of \$4.6 billion on June 30. The increase in the university's net assets from operations totaled \$98.9 million and \$356.2 million from non-operating activity. Operating revenues and other support increased 7% to \$2.5 billion for fiscal year 2025 driven primarily by continued growth in net student related revenues. The increase in operating revenues and other support was offset by a 7% increase in operating expenses due primarily to increases in salaries and benefits and other operating expenses.

Non-operating activity also contributed to overall net asset increases. Favorable market conditions resulted in positive market returns on the university's investments totaling \$244.8 million including realized and unrealized gains and losses, and investment income. Continued strong donor support meant contributions were \$87.5 million. The MMC acquisition added \$202.7 million to net assets.

Overall, we continue to see strong demand for Northeastern's distinctive educational model. Through prudent fiscal management, the university manages costs amidst economic uncertainty and continues to optimize its ability to respond as conditions evolve and opportunities emerge.

Sincerely,

Thomas Nedell
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