

**Attachment H**  
**University Executive Summary 2020**

**Fitchburg State University**  
**Executive Summary**  
**Report on Audits of Financial Statements and Supplemental Information**  
**Years Ended June 30, 2020 and 2019**

- The University received an unqualified report from its auditors and there were no issues or findings that arose during the audit.
- The Management's Discussion and Analysis, beginning on page 5, provides a broad overview of the financial position and fiscal activities of the University and includes ratio analysis in key areas.

**Statements of Net Position (pages 21-23):**

- Total assets and deferred outflows decreased by \$5.5 million to \$247.8 million in fiscal year 20. This decrease was mainly due to \$4.2 million decrease in cash and cash equivalents. Total liabilities and deferred inflows increased to \$125.9 million, which is a net decrease of \$2.1 million. This net decrease was because of a \$4 million decrease in bond payable and an increase of \$2.2 million state capital asset revenue received in advance (for McKay building renovation).
- As at June 30, 2020, current unrestricted cash was \$20.1, a reduction of \$4.6 million. Current restricted cash \$6.8 million and noncurrent restricted cash of \$8.4 million.
- Capital assets decreased by \$1.3 million to \$181.5 million net of current period depreciation of \$11.0 million.
- Total debt from bond issues is \$58.3 million. The bonds were issued for various construction projects. See Note 12, beginning on page 58. No new debt was issued in fiscal year 20.
- Investment in capital assets; net of related debt increased by \$3.3 million and unrestricted net position decreased by \$6 million.

**Statement of Revenues, Expenses and Changes in Net Position (pages 24-25):**

- Total revenue for the year was \$115.7 million.
- Tuition and fee revenue decreased by 2.1%. Scholarships and scholarship allowances was \$10 million.
- Grants and Contract increased by \$4.6 million - \$4 million of that increase was COVID related.
- Auxiliary dorm revenue, which represents operation of the residence halls, totaled \$7.5 million. The decrease of \$3 million from prior year was due mainly to refund of \$2.4 million for COVID refund to students.
- Dining hall revenue decreased by \$1.25 million and \$1.0 million of that decrease was due to COVID refund to students.
- State appropriations increased a little more than 0.7%, over the prior period due mainly to increase payroll payments. Capital appropriations received totaled \$1.3 million – of which \$1 million was for the energy/water projects.
- Total expenditures, exclusive of depreciation, increased by 2.2% to \$109.7 million. This is partly due to one-time payment of \$2.3 million for COVID related expenditure to students.
- Instructional expenditures represent 40% of total operating expenditures, exclusive of depreciation and scholarships. 68.4% of Instructional expenditures relate to payroll and benefit costs.
- Institutional support consist of the day to day operational support of the institution, excluding plant operations and represents 6.3 % of total operating expenses exclusive of depreciation and scholarships.
- Operations and maintenance of plant expenditures totaled \$11.6 million an increase of \$.2 million.
- There was an overall decrease in net position of \$3.5 million for the fiscal year.

**Statement of Cash Flows (pages 26-28):**

- Total cash at June 30, 2020 decreased from \$39.6 million to \$35.5 million.
- Cash received from operations (before appropriations) was \$70.6 million. Cash expended for operations was \$93.8 million, resulting in an operating loss of \$23.2 million, which was offset by appropriations of \$32.5 million net of tuition amounts reverted to the state.
- Acquisitions of property and equipment totaled \$11 million.

**Notes to the Financials Statements (pages 29 - 99):**

Most of the notes are standard disclosures. Note 1, which outlines the University's significant accounting policies, spans pages 29 through 37.

- Note 5, beginning on page 50, details the property and equipment held by the University.
- Details relating to University debt (capital leases and bond issues) are in Note 12, beginning on page 58.