

Attachment I
Executive Summary FDN Audit June 2020

Fitchburg State University Foundation, Inc.
Executive Summary
Report on Audit of Consolidated Financial Statements
Years Ended June 30, 2020 and 2019

The Foundation received an *unqualified report* from its auditors and there were no issues or findings that arose during the audit.

Consolidated Statement of Financial Position (page 4):

- Total assets were \$30.9 million at June 30, 2020.
- Property & equipment totaled \$6.7 million.
- Total debt outstanding at June 30, 2020 was \$4 million.
- Total net assets increased in FY20 by \$3 million.

Consolidated Statement of Activities/Functional Expenses (page 5 - 6):

- Total gifts and donations were \$1.9 million of which approximately \$0.1 million was unrestricted and \$1.8 million of the balance is restricted in its expenditure, mostly endowed funds. (See Note 17 – page 44).
- Received \$0.28 million in State matching donation.
- Rental income, license fees and residence hall fees totaled \$1.1 million and are made up of rents and fees paid by the University for the use of various properties and fees paid by students for the North Street residence hall.
- Interest and dividends totaled \$0.3 million. Investment gains totaled \$1.2 million.
- Total income increased by \$1.5 million over the prior year. \$1.3 million of this increase was due to gift and donations, and the balance to rental income and fees increase.
- Program expenses were \$1.5 million in 2020. Management and general expenses were \$0.4 million and Fundraising expenses were \$100,000. Total expenses were \$2.1 million, a decrease of approximately \$100,000 over the prior year. The decrease was mainly because of the decrease in award and grant expenditure.

Consolidated Statement of Cash Flows (pages 7 - 8):

- There was an overall net increase in cash of approximately \$631,000 primarily due to operating activities. Total cash at June 30, 2020 was \$1.87 million.
- Proceeds from the sale of investments totaled \$2.7 million. Acquisition of investments totaled \$2.7 million.
- Cash paid for interest was \$171,000 (see note 18, page 43).

Notes to the Financials Statements (pages 9 - 46):

- Most of the notes are standard disclosures.
- Financial assets available for general expenditure within one year is disclosed in Note 3, page 15.
- Detail on investments is disclosed in Note 4 beginning on page 16, as well as, Note 5 beginning on page 17.
- Detail on property and equipment and its related debt is disclosed in Note 8 beginning on page 24 and Notes 12 and 13 beginning on page 27. Detail on lease and license agreements is disclosed in Note 14 beginning on page 40.
- Related party transactions are disclosed in Note 16 on page 42.
- COVID effects in Note 19 – page 43.