

Attachment H
FSU Executive Summary 2021

Fitchburg State University
Executive Summary
Report on Audits of Financial Statements and Supplemental Information
Years Ended June 30, 2021 and 2020

- 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 20-22):

- Total assets and deferred outflows increased by \$25.4 million to \$273.1 million in fiscal year 21. This increase was due to \$9.7 million increase in accounts receivable, \$4.9 million increase in deferred outflows of resources, \$4.1 increase in capital asset, and \$3.4 million increases in investments and cash and cash equivalents. Total liabilities and deferred inflows increased to \$137.9 million, which is a net increase of \$11.9 million. This net increase is a combination of a \$7 million increase in net pension liability; \$4.4 million increase in revenue received in advance, and \$2.1 million increase is due to deferred inflow of resources- debt refunding.
- At June 30, 2021, current unrestricted and restricted cash was \$28.4, an increase of \$1.4 million over FY20.
- Accounts receivable increased by \$9.7 million was mainly due to HEERF Grant (COVID)
- Capital assets increased by \$4.1 million to \$185.5 million net of current period depreciation of \$11.4 million.
- Total debt from bond issues is \$55.2 million. The bonds were issued for various construction projects. See Note 12, beginning on page 60. MSCBA debt of \$47 million was restructured in FY21, and had \$0.00 principal payment due.
- Investment in capital assets, net of related debt increased by \$4.1 million and unrestricted net position increased by \$10 million.

Statement of Revenues, Expenses and Changes in Net Position (pages 23-24):

- Total revenue for the year was \$129.8 million.
- Tuition and fee revenue was the same as FY20 while scholarships and scholarship allowances decreased by \$1.5 million.
- Grants and Contract increased by \$2.6 million – of that amount COVID related grants increased by \$3.6 million to \$7.6 million.
- Dining hall revenue decreased by \$1.06 million and \$0.27 million of that decrease was due to COVID refund to students.
- State appropriations increased by about 0.4%, over the prior period due mainly to increase payroll payments. Capital appropriations from the State increased by \$9 million to \$10.3 million - \$8 million for Electricity Infrastructure upgrade.
- Total expenditures, exclusive of depreciation, decreased by 13% to \$104.9 million. This decrease is mainly due to a decrease in Auxiliary expenses of \$6 million.
- Instructional expenditures represent 38% of total operating expenditures, exclusive of depreciation and scholarships. 64.5% of Instructional expenditures relate to payroll costs.
- Institutional support consist of the day-to-day operational support of the institution, excluding plant operations increased by \$2.5 million, \$2 million increase due to GASB 68 & 75. \$1.3 million increase relates to COVID expenses.
- Operations and maintenance of plant expenditures totaled \$11.8 million, an increase of \$.2 million.
- There was an overall increase in net position of \$13.4 million for the fiscal year.

Statement of Cash Flows (pages 25-27):

- Total cash at June 30, 2021 increased from \$35.5 million to \$38.9 million.
- Cash received from operations (before appropriations) was \$65.6 million vs FY20 of \$70.7million. Cash expended for operations was \$87.05 million vs FY \$93.8 million, resulting in an operating loss of \$21.9 million vs \$23.2 million in FY20. This was offset by appropriations of \$33.4 million net of tuition amounts reverted to the state.
- Acquisitions of property and equipment totaled \$11 million.

Notes to the Financials Statements (pages 28 - 115):

Most of the notes are standard disclosures. Note 1, which outlines the University's significant accounting policies, spans pages 28 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 60.