

Attachment I

Executive Summary Foundation Audit June 2021

Fitchburg State University Foundation, Inc.
Executive Summary
Report on Audit of Consolidated Financial Statements
Years Ended June 30, 2021 and 2020

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 are \$37.5 million at June 30, 2021.
- Property & equipment totaled \$7.2 million.
- Total debt outstanding at June 30, 2021 is \$4.4 million.
- Total net assets increased in FY21 by \$5.8 million.

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

- Total gifts and donations were \$0.9 million of which approximately \$0.8 million was restricted in its donation; most of these funds are endowed. (See Note 17 – page 44).
- Residence hall fees decreased in FY21 because of the overall decrease in student housing occupancy and the removal of North Street property from student housing.
- Interest and dividends totaled \$0.3 million. Investment gains totaled \$5.9 million- \$4.4 million of this is for restricted donations.
- Total income increased by \$3.8 million over the prior year. Investments increased by \$4.9 million, In-kind contribution increased by \$0.7 million and gift and donations had an overall decrease of 1.3 million.
- Program expenses were \$1.9 million in 2021. Management and general expenses were \$0.3 million and Fundraising expenses were \$104,000. Total expenses including loss on transfers and sale of land to the Commonwealth were \$2.9 million, an increase of approximately \$1 million over the prior year. The increase was mainly because of the increases in environmental costs of \$0.5 million and \$0.6 million in losses on the transfer and sale of land.

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

- There was an overall net increase in cash of approximately \$633,000 primarily due to financing activities. Total cash at June 30, 2021 was \$2.5 million.
- Proceeds from the sale of investments totaled \$7.5 million; up from \$2.7 million in FY20. Acquisition of investments totaled \$7.3 million.
- Cash paid for interest expense was \$177,000 (see note 18, page 44).

Notes to the Financials Statements (pages 9 - 47):

- Most of the notes are standard disclosures.
- Financial assets available for general expenditure within one year is disclosed in Note 3, page 16.
- 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 41.
- Related party transactions are disclosed in Note 16 on page 44
- COVID effects in Note 19 – page 45.