

FITCHBURG STATE UNIVERSITY

Board of Trustees

NOTIFICATIONS

TO: Board of Trustees	DATE: February 15, 2022
FROM: The President	NOTIFICATION NUMBER: N07-21/22
SUBJECT: Financial Report	

FITCHBURG STATE UNIVERSITY
FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED
DECEMBER 31, 2021, 2020 AND 2019

**FITCHBURG STATE UNIVERSITY
STATEMENTS OF NET ASSETS
December 31, 2021, 2020 and 2019**

ASSETS

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Current Assets			
Cash and cash equivalents	\$ 38,435,396	\$ 28,294,478	\$ 30,122,730
Cash and cash equivalents-restricted	8,774,310	5,092,806	6,649,549
Accounts receivable, net	2,317,130	2,677,787	4,938,143
Loans receivable, net	451	1,237	1,305
Other assets	<u>160,710</u>	<u>106,409</u>	<u>132,789</u>
Total Current Assets	<u>49,687,997</u>	<u>36,172,717</u>	<u>41,844,516</u>
Noncurrent Assets			
Restricted cash and cash equivalents	12,713,398	12,630,294	7,911,938
Investments	21,075,234	19,474,599	17,663,455
Endowment investments	1,151,779	1,025,676	957,833
Loans receivable, net	958,580	1,173,535	1,390,104
Prepaid expenses	103,948	1,988	69,814
Due from other funds	-	271,169	-
Capital assets, net	<u>182,427,974</u>	<u>179,482,187</u>	<u>181,222,300</u>
Total Noncurrent Assets	<u>218,430,913</u>	<u>214,059,448</u>	<u>209,215,444</u>
Total Assets	268,118,910	250,232,165	251,059,960
Deferred Outflows of Resources			
Deferred outflows	<u>13,188,133</u>	<u>8,276,468</u>	<u>8,886,437</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 281,307,043</u>	<u>\$ 258,508,633</u>	<u>\$ 259,946,397</u>

For those charged with governance and internal management use only

FITCHBURG STATE UNIVERSITY
STATEMENTS OF NET ASSETS
December 31, 2021, 2020 and 2019

LIABILITIES AND STOCKHOLDERS' EQUITY

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Current Liabilities			
Bonds payable-current portion	\$ 2,526,545	\$ 830,592	\$ 3,935,543
Accounts payable and accrued liabilities	2,618,558	4,701,146	3,830,148
Accounts payable-construction	392,197	418,204	46,943
Salaries and benefits payable	1,855,474	1,669,561	1,557,041
Accrued workers compensation-current portio	131,181	104,231	128,796
Compensated absences-current portion	3,218,381	2,373,284	2,243,334
Accrued faculty payroll	2,535,460	2,625,826	2,807,932
Deferred revenue-current portion	17,328,975	10,583,158	11,506,226
Capital lease-current portion	-	261,412	256,744
Other liabilities	467,029	890,950	518,417
Total Current Liabilities	<u>31,073,800</u>	<u>24,458,364</u>	<u>26,831,124</u>
Noncurrent Liabilities			
Bonds payable	51,995,463	56,672,793	57,487,699
Accrued workers compensation	957,244	373,893	462,010
Compensated Balances	2,057,653	3,872,201	3,508,804
Capital lease	-	-	261,412
Due to federal loan programs-Perkins	995,004	1,121,155	1,495,463
Due to federal loan programs-Nursing	136,300	250,160	389,184
Deferred revenue	126,459	432,946	274,467
Net OPEB Liability	25,852,605	24,061,207	21,928,435
Unfunded pension liability	20,091,153	12,763,415	12,484,412
Total Noncurrent Liabilities	<u>102,211,881</u>	<u>99,547,770</u>	<u>98,291,886</u>
Total Liabilities	<u>133,285,681</u>	<u>124,006,134</u>	<u>125,123,010</u>
Deferred Inflows of Resources			
Deferred inflow - debt refunding	2,051,768	-	-
Deferred inflow - concessions	505,836	885,213	1,011,672
Deferred inflow - OPEB	6,269,569	6,233,735	6,838,918
Deferred inflow - pensions	779,813	1,171,344	855,293
Total Deferred Inflows of Resources	<u>9,606,986</u>	<u>8,290,292</u>	<u>8,705,883</u>
Net Assets			
Invested in capital assets, net of related debt	127,831,749	122,473,083	122,108,807
Restricted for:			
Non-expendable			
Scholarships & fellowships	578,873	528,193	545,692
Expendable			
Scholarships & fellowships	448,311	374,291	430,709
Loans	169,949	195,482	263,435
Other	163,253	153,483	103,667
Capital projects	84,072	39,450	456,922
Debt service	14,692,445	11,740,654	11,010,938
Unrestricted	(5,554,276)	(9,292,429)	(8,802,666)
Total Net Assets	<u>138,414,376</u>	<u>126,212,207</u>	<u>126,117,504</u>
Total Liabilities, Deferred Inflows and Net Assets	<u>\$ 281,307,043</u>	<u>\$ 258,508,633</u>	<u>\$ 259,946,397</u>

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FITCHBURG STATE UNIVERSITY
STATEMENT OF REVENUE, EXPENSES & CHANGES IN NET ASSETS
For the Six Months Ended DECEMBER 31, 2021, 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Operating Revenues			
Student tuition and fees	\$ 24,734,188	\$ 25,453,422	\$ 25,300,025
Waivers and exemptions	<u>(336,464)</u>	<u>(380,611)</u>	<u>(455,364)</u>
Net student tuition and fees	24,397,724	25,072,811	24,844,661
Federal grants and contracts	9,617,248	4,094,856	4,304,268
State and local grants and contracts	482,390	665,787	515,085
Nongovernmental grants and contracts	271,075	250,098	479,423
Sales and services of educational departments	781,942	266,824	672,940
Auxiliary enterprises:			
Residential life (net of scholarship allowances)	4,563,797	3,385,585	5,240,868
Residential life- dining hall revenue	1,544,131	1,190,995	2,298,352
Administrative overhead	49,363	38,687	56,031
Fundraising	32,229	6,188	85,804
Commissions	171,255	398,022	375,875
Miscellaneous	38,878	27,797	5,320
Nursing and Perkins	<u>2,524</u>	<u>2,689</u>	<u>15,948</u>
Total Operating Revenues	<u>41,952,556</u>	<u>35,400,339</u>	<u>38,894,575</u>
Operating Expenses			
Salaries:			
Faculty	10,375,036	10,503,303	11,231,727
Exempt wages	2,043,069	2,236,526	2,335,475
Non-exempt wages	9,844,144	10,168,233	10,771,739
Benefits	7,569,594	7,784,994	7,781,649
Other Operating Expenses:			
Employee related travel	53,929	62,011	185,380
Administrative expense	1,392,885	1,220,557	1,269,051
Facility operational supplies	768,720	737,564	826,967
Utilities	1,587,952	1,343,572	1,484,517
Consultant services	1,081,083	794,851	650,707
Operational services	2,976,973	3,219,570	2,373,921
Equipment purchases	362,353	304,494	251,145
Equipment maintenance and repairs	302,590	216,561	397,545
Purchased client services-program	75,814	2,688	85,538
Construction and building improvement	697,311	808,666	674,871
Grants & Subsidies	33,900	33,750	50,213
Scholarships	7,447,553	4,804,605	5,386,694
Loans & special payments	1,131,379	62,684	368,368
IT expenditures	3,314,424	2,513,798	2,701,058
Depreciation	5,972,067	5,613,203	5,444,147
Bad debt expense	(17,792)	(21,928)	(8,589)
Auxiliary enterprises:			
Dining Hall Expenditure	1,546,519	1,022,377	2,172,375
Residential life	<u>4,082,924</u>	<u>2,646,158</u>	<u>5,143,450</u>
Total Operating Expenses	<u>62,642,427</u>	<u>56,078,237</u>	<u>61,577,948</u>
Operating profit/(loss)	<u>(20,689,871)</u>	<u>(20,677,898)</u>	<u>(22,683,373)</u>

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FITCHBURG STATE UNIVERSITY
STATEMENT OF REVENUE, EXPENSES & CHANGES IN NET ASSETS
For the Six Months Ended DECEMBER 31, 2021, 2020 and 2019

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Nonoperating Revenues(Expenses)			
State appropriations	22,850,749	22,487,193	22,453,607
Investment income (net of investment expenses)	698,603	508,544	476,490
Interest on capital debt	(406,070)	(801,168)	(982,607)
Unrealized gain/(loss)	(141,352)	1,694,162	518,028
	<u>23,001,930</u>	<u>23,888,731</u>	<u>22,465,518</u>
Net Nonoperating Revenues (Expenses)			
	<u>23,001,930</u>	<u>23,888,731</u>	<u>22,465,518</u>
Income (loss) before Capital and Endowment Additions	2,312,059	3,210,833	(217,855)
Capital appropriations	737,650	1,047,540	-
Capital grants and gifts	126,459	126,459	126,459
	<u>3,176,168</u>	<u>4,384,832</u>	<u>(91,396)</u>
Increase (decrease) in net assets			
	<u>3,176,168</u>	<u>4,384,832</u>	<u>(91,396)</u>
Net Assets - beginning of period	135,238,210	121,827,378	125,278,015
	<u>135,238,210</u>	<u>121,827,378</u>	<u>125,278,015</u>
Net Assets - end of period	<u>\$ 138,414,378</u>	<u>\$ 126,212,210</u>	<u>\$ 125,186,619</u>

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FITCHBURG STATE UNIVERSITY
STATEMENTS OF CASH FLOWS
For the Six Months Ended DECEMBER 31, 2021 AND 2020

	<u>2021</u>	<u>2020</u>	<u>2019</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Increase in net assets	\$ 3,176,168	\$ 4,384,832	\$ (91,398)
Adjustments to reconcile increase in net assets to cash provided by (used by) operating activities:			
(Gain)/Loss on marketable securities	141,352	(778,042)	(518,028)
Depreciation	5,972,067	5,613,203	5,444,147
 (Increase) decrease in assets:			
Accounts receivable	10,351,664	61,533	(2,473,347)
Loans receivable	82,004	99,772	91,764
Other assets	13,816	110,211	147,953
 Increase (decrease) in liabilities:			
Accounts payable and accrued liabilities	(1,155,064)	1,205,574	(1,680,893)
Accrued workers compensation	-	-	9,999,999
Compensated absences	(85,365)	503,742	246,788
Accrued faculty payroll	(1,340,868)	(1,605,485)	(1,185,868)
Deferred revenue	8,236,467	6,354,855	9,793,204
Other liabilities	(2,924)	448,546	181,281
 Net cash provided by operating activities	<u>25,389,317</u>	<u>16,398,741</u>	<u>9,955,603</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of investments	1,547,580	2,702,576	2,118,542
Purchase of investments	(2,377,170)	(4,424,189)	(2,690,422)
Acquisition of property, plant and equipment	(2,870,015)	(3,625,325)	(3,845,716)
 Net cash (used by) investing activities	<u>(3,699,605)</u>	<u>(5,346,938)</u>	<u>(4,417,596)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Federal loan program	(23,488)	16,944	12,681
Amortization of bond premium	(110,450)	(132,141)	(132,141)
Payments of capital debt	(390,003)	(255,611)	(255,611)
Payments of capital leases	(131,295)	(124,387)	(124,387)
 Net cash (used by) financing activities	<u>(655,236)</u>	<u>(495,195)</u>	<u>(499,458)</u>
 Net increase in cash	21,034,476	10,556,608	5,038,549
 Cash and cash equivalents - beginning of period	<u>38,888,628</u>	<u>35,460,968</u>	<u>39,645,667</u>
 Cash and cash equivalents - end of period	<u>\$ 59,923,104</u>	<u>\$ 46,017,576</u>	<u>\$ 44,684,216</u>
 Supplemental Disclosures:			
Cash paid for interest	<u>\$ 580,611</u>	<u>\$ 6,892</u>	<u>\$ 1,137,794</u>

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