

Attachment I
Executive Summary Foundation 2022

Fitchburg State University Foundation, Inc.
Executive Summary
Report on Audit of Consolidated Financial Statements
Years Ended June 30, 2022 and 2021

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 3):

- Total assets are \$33.1 million at June 30, 2022 down from \$37.5 million at June 30, 2021 and the reason for this reduction of approximately \$4 million was because of the downturn in the stock market in fiscal year 22.
- Property & equipment totaled \$7.2 million at June 30, 2022.
- Total debt outstanding at June 30, 2022 is \$4.3 million versus \$4.4 million at June 30, 2021.
- Mainly because of the stock market downturn in fiscal year 2022, total net assets decreased by \$4.0 million and because of the stock market upturn in fiscal year 2021, net assets increased by over \$6.0 million.

Consolidated Statement of Activities/Functional Expenses (page 4 - 5):

- Total gifts and donations were \$1.6 million, of which approximately \$1.5 million were restricted endowed donations (See Note 17 – page 40).
- We had no residence hall fees in FY22 because we removed the North Street property from student housing. The property was removed because of the decline in the number of students living in the dorms on campus.
- Interest and dividends totaled \$0.3 million. Investment loss totaled \$4.7 million, of which \$3.5 million of this loss related to restricted donations.
- Total program revenue increased by \$0.3 million in fiscal year 2022 to \$2.8 million. Gifts and donations accounted for more than 50 % of this revenue.
- Program expenses increased slightly in 2022 from \$1.93 million in 2021 to \$1.96 million. In FY22, we had a decrease in environmental costs of \$0.5 million and an increase in scholarship expenses of \$0.2 million. Management and general expenses were \$0.3 million and Fundraising expenses were \$0.1 million, largely unchanged from fiscal year 2021.

Consolidated Statement of Cash Flows (pages 6 - 7):

- There was an overall net increase in cash of approximately \$0.2 million primarily due to financing activities. Total cash at June 30, 2022 was \$2.7 million.
- Proceeds from the sale of investments totaled \$6.9 million; down from \$7.5 million in FY21. Acquisition of investments of \$7.3 million remained unchanged from FY21.
- Cash paid for interest expense was \$180,000 (see note 18, page 41).

Notes to the Financial Statements (pages 8 - 41):

- Most of the notes are standard disclosures.
- Financial assets available for general expenditure within one year is disclosed in Note 3, page 14.
- Detail on investments is disclosed in Note 4 beginning on page 14, as well as Note 5 beginning on page 15.
- Detail on property and equipment and its related debt is disclosed in Note 8 beginning on page 22 and Notes 12 and 13 beginning on page 25. Detail on lease and license agreements is disclosed in Note 14 beginning on page 38.
- Related party transactions are disclosed in Note 16 on page 39.
- COVID effects in Note 19 – page 41.