

**Attachment J**  
**Executive Summary**  
**Supporting Org. June 2022**

**FSU Foundation Supporting Organization, Inc.**  
**Executive Summary**  
**Report on Audit of Financial Statements**  
**Years Ended June 30, 2022 and 2021**

The Supporting Organization received an *unqualified report* from its auditors and there were no issues or findings that arose during the audit. The information contained in these financial statements is consolidated into the financial statements of the Fitchburg State University Foundation, Inc.

**Statements of Financial Position (page 3):**

- At June 30, 2022, total assets and liabilities basically remained unchanged. Total assets decreased to \$6.8 million from \$7.1 million and total liabilities decreased from \$4.7 million to \$4.4 million.
- Property and equipment, net of depreciation, increased by \$0.1 million in FY22 to \$6.7 million. The net decrease was due to depreciation expense of \$0.17 million netted against the purchase of a property in proximity to the campus out of which \$0.06 million land was capitalized.
- Total debt outstanding of \$4 million remained unchanged at June 30, 2022. Principal payment of \$0.2 million is netted against \$0.25 million, which was borrowed from the Foundation to pay for this property.
- Net asset without donor restrictions basically remained unchanged at \$2.4 million.
- The remediation cleanup project is ongoing, and approximately \$0.3 million was disbursed from the environmental liability account.
  
- **Statements of Activities/Statement of Functional Expenses (pages 4 - 6):**
- In FY22, total revenue was reduced by \$0.6 million to \$0.7 million. Program revenues totaled \$0.6 million which is a decrease of \$0.7 million from FY21. This variance relates to property worth \$0.7 million which was donated to the supporting organization in FY21.
- Interest expense relative to financing property acquisitions totaled \$0.2 million.
- The increase in program fees is due to a remediation expense recognized as an expense but not disbursed as cash.

**Statements of Cash Flows (page 7):**

- Cash and cash equivalent were reduced by \$0.1 million at June 30, 2022.
- In FY22, there were negative cash flows from operating activities of \$0.4 million, and environmental expense was the largest operating expense.

**Notes to the Financials Statements (pages 8 – 26):**

- Most of the notes are standard disclosures.
- Financial assets available for general expenditure within one year are disclosed in Note 3, page 11.
- Details on property and equipment are disclosed in Note 4 beginning on page 12.
- Mortgage and notes payable agreements are disclosed in Notes 6 and 7 beginning on page 14.
- Lease and license agreements between the Supporting Organization and the University are disclosed in Note 8 beginning on page 23
- Related party transactions are disclosed in Note 11 beginning on page 26.