

**Attachment L**  
**Executive Summary Foundation**  
**Supporting Org. June 2023**

**FSU Foundation Supporting Organization, Inc.**  
**Executive Summary**  
**Report on Audit of Financial Statements**  
**Years Ended June 30, 2023 and 2022**

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, 2023, total assets and liabilities basically remained unchanged. Total assets increased to \$7.8 million from \$6.8 million and total liabilities increased from \$4.4 million to \$5.25 million.
- Property and equipment, net of depreciation, increased by \$0.12 million in FY23 to \$6.8 million. The net increase was due to depreciation expense of \$0.17 million netted against the purchase of two properties in proximity to the campus. Only the land of one of the properties was capitalized.
- Total debt outstanding of \$4.4 million increased by \$0.2 million at June 30, 2023. A loan of \$0.3 million was secured to pay for one of the properties and a temporary loan of \$0.15 million was given from the Foundation.
- Net asset without donor restrictions was reduced to \$2.3 million.
- The remediation cleanup project is ongoing, and approximately \$0.37 million was disbursed from the environmental liability account.
  
- **Statements of Activities/Statement of Functional Expenses (pages 4 - 6):**
- In FY23, total revenue was increased by \$0.9 million to \$1.6 million. Program revenues totaled \$1.6 million, which is an increase of \$0.9 million from FY22. The increase in program revenue mainly relates to grant income of \$475,000. The purpose of this grant was to defray expenses of the Theater Storefront Renovations.
- Interest expense relative to financing property acquisitions totaled \$0.2 million.
- The increase in program fees was mainly due to the demolition of two properties and the grant expenditure.

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

- Cash and cash equivalent were reduced by \$0.12 million at June 30, 2023.
- In FY23, there were positive cash flows from operating activities of \$0.4 million and a net \$0.3 million increase in investment activities.

**Notes to the Financial 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.