

Attachment K
Executive Summary Foundation 2023

Fitchburg State University Foundation, Inc.
Executive Summary
Report on Audit of Consolidated Financial Statements
Years Ended June 30, 2023 and 2022

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 \$38.2 million at June 30, 2023, up from \$33.1 million at June 30, 2022, and the reason for this increase of approximately \$4.9 million was because of the rebound in the stock market and an increase in contributions receivable.
- Property & equipment totaled \$7.2 million at June 30, 2023.
- Total debt outstanding at June 30, 2023, is \$4.4 million versus \$4.3 million at June 30, 2022.
- Total net assets increased by \$4.4 million in FY23 and this was mainly due to increases in restricted donations of \$2.1 million and increase in investments.

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

- Total gifts and donations were \$3.8 million, of which approximately \$2.1 million were restricted endowed donations (See Note 17 – page 40).
- We had no residence hall fees in FY23 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 \$0.5 million. Investment gain totaled \$2.0 million.
- Total program revenue increased by \$2.6 million in fiscal year 2023 to \$5.4 million. Gifts and donations accounted for more than 50 percent of this revenue.
- Program expenses increased in 2023 from \$1.96 million in 2021 to \$3.0 million. In FY23, we had increases in maintenance and equipment costs of \$0.5 million and an increase in award and grants of \$0.5 million. Management and general expenses were \$0.3 million and Fundraising expenses were \$0.14 million, largely unchanged from fiscal year 2022.

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

- There was an overall net increase in cash of approximately \$0.7 million primarily due to financing activities. Total cash at June 30, 2023, was \$3.4 million.
- Proceeds from the sale of investments totaled \$4.3 million; down from \$6.9 million in FY22. Acquisition of investments of \$4.5 million decreased by \$2.8 million in FY22.
- Cash paid for interest expense was \$176,000.

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

- Most of the notes are standard disclosures.
- Financial assets available for general expenditure within one year are 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.