

**Attachment H**  
**University Executive Summary**

**Fitchburg State University**  
**Executive Summary**  
**Report on Audits of Financial Statements and Supplemental Information**  
**Years Ended June 30, 2018 and 2017**

- The University received an unqualified report from its auditors and there were no issues or findings that arose during the audit.
- The Management's Discussion and Analysis, beginning on page 5, provides a broad overview of the financial position and fiscal activities of the University and includes ratio analysis in key areas.

**Statements of Net Position (pages 20 -22):**

- Total assets and deferred outflows increased to \$244.5 million. Total liabilities increased to \$124.5 million, which is a net increase of \$30.7 million from last fiscal year. \$28.5 million of that increase was due to a new accounting standard implemented in FY18, retroactively to FY17: (GASB Statement 75-accounting and financial reporting for postemployment benefits other than pensions)
- Current unrestricted cash was \$23.5 at June 30, 2018. Current restricted cash was \$6.5 million and noncurrent restricted cash was \$6.1 million at June 30, 2018.
- Capital assets increased by \$8.00 million to \$181.4 million net of current period depreciation of \$9.99 million.
- Total debt from bond issues is \$62.8 million. The bonds were issued for various construction projects. See Note 12, beginning on page 57. Debt from capital lease issued in FY18 is \$0.89 million. Net pension liability was \$11.4 million and \$12.6 million and net OPEB liability \$25.7 million and \$25.1 million at June 30, 2018 and 2017, respectively.
- Invested in capital assets; net of related debt increased by \$2.2 million.

**Statement of Revenues, Expenses and Changes in Net Position (pages 23 -24):**

- Total revenue for the year was \$105.7 million.
- Tuition and fee revenue increased by 7.2%. Scholarships and scholarship allowances was \$10.4 million.
- Auxiliary revenue, which represents operation of the residence halls totaled \$10.6 and does not include fees charged for the student housing facility owned and operated by the FSU Supporting Organization, Inc.
- General appropriations increased a little more than 1%, over the prior period. Capital appropriations received totaled \$439,467
- Total expenditures, exclusive of depreciation, increased by 4.8% to \$93 million due primarily to increased payroll and benefits mandated by collective bargaining agreements, resident halls debt payments and commission for the online program
- Instructional expenditures represent 36.1% of total operating expenditures, exclusive of depreciation and scholarships. 85.0% of Instructional expenditures relate to payroll and benefit costs.
- Institutional support consist of the day to day operational support of the institution, excluding plant operations and represents 13.3% of total operating expenses exclusive of depreciation and scholarships.
- Operations and maintenance of plant expenditures totaled \$11.0 million.
- There was an overall increase in net position of \$2.7 million for the fiscal year.

**Statement of Cash Flows (pages 25 - 27):**

- Total cash at June 30, 2018 was \$36.8 million.
- Cash received from operations (before appropriations) was \$63.7 million. Cash expended for operations was \$77.4 million, resulting in an operating loss of \$13.7 million, which was offset by appropriations of \$28.8 million net of tuition amounts reverted to the state.
- Acquisitions of property and equipment totaled \$18.0 million.

**Notes to the Financials Statements (pages 28 - 108):**

Most of the notes are standard disclosures. Note 1, which outlines the University's significant accounting policies, spans pages 28 through 36.

- Note 5, beginning on page 49, details the property and equipment held by the University.
- Details relating to University debt (capital leases and bond issues) are in Note 12, beginning on page 57.