



ANNUAL COMPREHENSIVE **FINANCIAL REPORT**

UPDATE FOR THE YEARS ENDED
JUNE 30, 2021 AND 2020

Included in the
State University Fund, and
Enterprise Fund of the Commonwealth
of Massachusetts

**PREPARED BY THE OFFICE OF FISCAL AFFAIRS,
BRIDGEWATER STATE UNIVERSITY**

BRIDGEWATER STATE UNIVERSITY
BRIDGEWATER, MA



COMPREHENSIVE
ANNUAL FINANCIAL REPORT

FOR THE YEARS ENDED JUNE 30, 2021 AND 2020

INCLUDED IN THE STATE UNIVERSITY FUND,
AND ENTERPRISE FUND OF THE COMMONWEALTH OF MASSACHUSETTS

Prepared by the Office of Fiscal Affairs, Bridgewater State University



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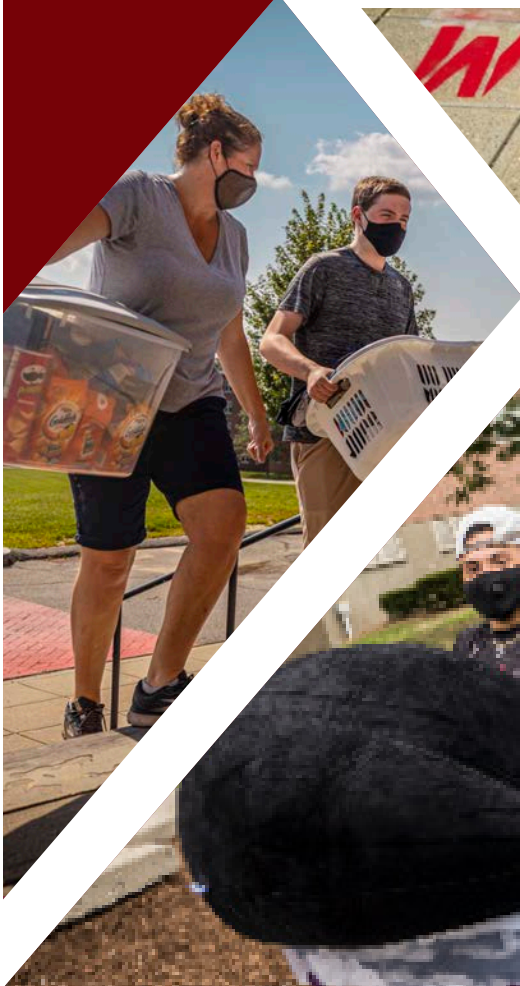
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MOVE-IN DAY

BRIDGEWATER STATE UNIVERSITY
WELCOMED BACK OUR RESIDENCE
HALL STUDENTS IN FALL 2020



INTRODUCTORY SECTION

ANNUAL COMPREHENSIVE
**FINANCIAL
REPORT**





December 21, 2021

Dear Friends,

We are pleased to present the Annual Comprehensive Financial Report for Bridgewater State University (BSU) for the fiscal year ended June 30, 2021. The audit report conveys an unmodified opinion of the university's financial statements.

FY20 saw BSU shift rapidly to a fully online educational delivery model and telecommuting. FY21 witnessed the transition to a more hybrid educational model with a limited residential population during the Fall 2020 and Spring 2021 semesters, and preparations for the return of students to pre-pandemic levels of in-person classes and residence hall occupancy and the reintegration of faculty and staff to campus in Fall 2021.

FY21 continued to present significant short-term financial and health challenges. However, as BSU managed through these complex issues, it also continued to focus on its strategic priorities and implement long-term strategies to position the university to compete successfully in a challenging higher education environment.

BSU depends upon student tuition and fees (including room and board) for 53% of its revenue in FY21 and 66% in FY20. The pandemic-induced reductions in enrollment (2% in Fall 2020 and 6% in Fall 2021) and residence hall occupancy (approximately minus-62% in Fall 2020 and minus-67% in Spring 2021, with a partial recovery to minus-17% in Fall 2021) generated a significant 5.5% reduction in billed credits and the loss of \$16.6 million in residence hall and dining revenues in FY21. Still, as a result of an infusion of \$39.6 million in federal assistance (of which \$17.6 million was directly allocated to students), increases in state appropriations, careful budget management and implementation of a hiring pause, BSU was able to avoid drawing from its reserves and ended the fiscal year ending June 30, 2021 in a net positive position with the university meeting or exceeding industry standards in its core financial ratios. The goal going forward is for BSU to regain the positive pre-pandemic enrollment momentum it had attained when it enrolled its largest class in Fall 2019.

Our most important priority in FY21 was keeping the campus safe in the face one of the deadliest viruses in human history. BSU implemented rigorous COVID-19 testing, contact tracing, masking, social distancing, cleaning and other public health protocols. For the 2020-2021 academic year, BSU administered more than 39,000 COVID-19 tests with only 372 positive cases - a less than 1% positivity rate, which was far lower than the positivity rate for Massachusetts and Plymouth County. In Fall 2021, BSU mandated that all students and employees be vaccinated; to date more than 96% of the campus community is fully vaccinated. BSU also made investments to cope with significant student mental health issues, which were intensified by the pandemic.

Throughout this time, BSU continued to advance critical strategic priorities, including:

1. Strategic enrollment management: The university made significant progress in developing a long-range, comprehensive strategic enrollment plan encompassing new student recruitment, retention, graduate and adult learners, and financial aid, and has already begun implementation of major enrollment initiatives. It is estimated that full implementation of the more than 20 action plans adopted through a campus-wide planning process will result in increases in headcount over baseline projections of nearly 2,000 students in Fall 2027.
2. Alignment with workforce needs: BSU has reoriented its academic program development to meet emerging workforce needs in critical economic sectors, such as healthcare, photonics and optical engineering, and digital media. BSU has secured millions of dollars in state support to build a campus cyber range and is in the process of launching new bachelors- and masters-level programs in cybersecurity. Through a series of initiatives known collectively as BSU Works, the university is also reimagining how it prepares students for the transition from college to work.
3. Investments in deferred maintenance/physical plant: During the pandemic, BSU was able to invest approximately \$25 million in capital projects, funded through state and private funds, to address serious risk management issues. These investments included: replacement of failing electrical switch gear infrastructure (\$11.2 million); installation of a fire suppression system in the RSU Auditorium (\$4 million); construction of a new athletic facility to address a lack of public restrooms and water infiltration problems (\$3.1 million); Photonics lab upgrade and equipment (\$1.4 million); ADA accessibility improvements (elevators, ramps, sidewalks, doors); and energy efficiency projects (window replacements, mechanical upgrades).

Further, BSU secured an additional \$25 million in state funding to help renovate Burnell Hall, home to its College of Education and Health Sciences. This \$39 million investment also aligns with emerging workforce needs both in the health care and education as a result of the retirement of Baby Boomer generation K-12 educators.

4. Racial Justice and Equity: In response to endemic and serious problems of systemic racism in the country and even on its own campus, in May 2020 BSU convened a 70-member Special Presidential Task Force on Racial Justice with the charge of analyzing elements of policy, practice, and culture that are impeding racial equity at BSU and making recommendations for corrective action. The Task Force published its report one year later, issuing more than 70 recommended changes, which are beginning to be implemented across the university. While acknowledging the need for BSU to change, the university also is a national leader in the area of racial equity. The university recently released a widely praised practitioner handbook on emerging best practices for advancing racial equity and is ranked 9th in the nation by the Chronicle of Higher Education for the highest graduation rates for Black students.

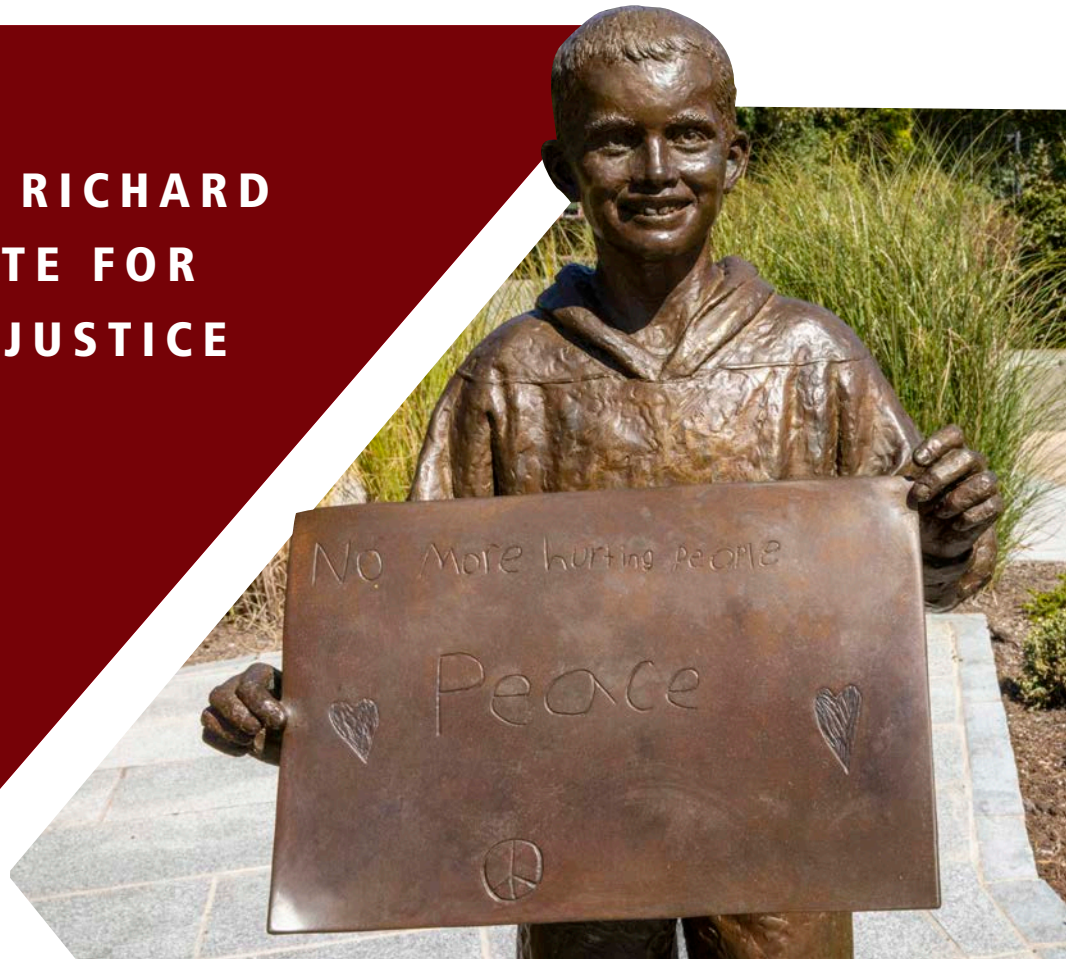
In the midst of managing through so many complex and intersecting issues and challenges, BSU took time out to celebrate the success of its students by holding a combined in-person graduation for the undergraduate and graduate classes of 2020 and 2021 at Gillette Stadium. That commencement symbolized the spirit and determination of Bridgewater State University to advance our mission of “Not to Minister Unto, But to Minister.”

Sincerely,



Frederick W. Clark Jr., Esq.
President

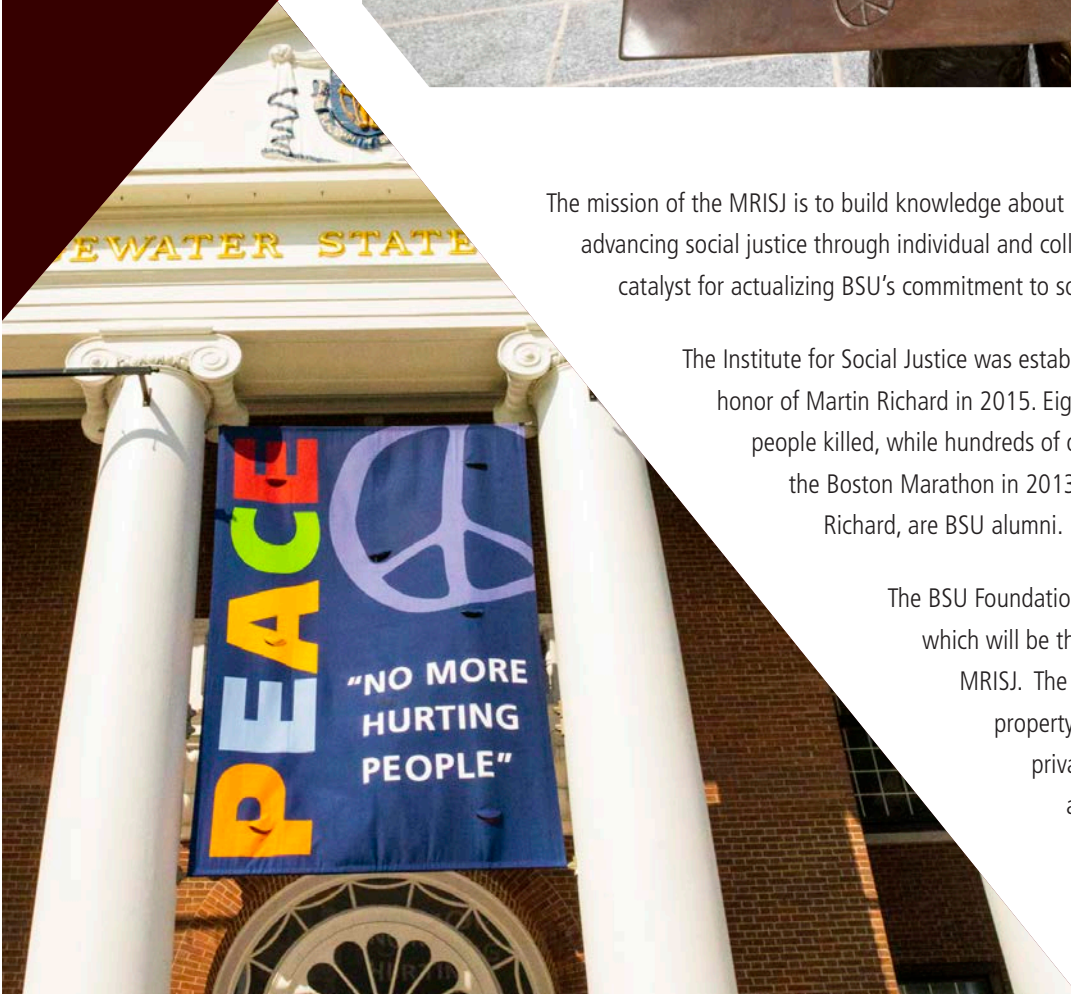
MARTIN RICHARD INSTITUTE FOR SOCIAL JUSTICE



The mission of the MRISJ is to build knowledge about social justice, to develop skills for advancing social justice through individual and collective action, and to serve as a catalyst for actualizing BSU's commitment to social justice.

The Institute for Social Justice was established in 2011 and renamed in honor of Martin Richard in 2015. Eight year old Martin was one of three people killed, while hundreds of others were injured, by bombs at the Boston Marathon in 2013. Martin's parents, Bill and Denise Richard, are BSU alumni.

The BSU Foundation recently purchased a property which will be the new, permanent home of the MRISJ. The purchase and renovation of the property is being paid for entirely through private donations to the Foundation and will create a focal point for the work of the Institute and further elevate its position on campus and in our community.



GABRIELLA RIVERA, '22

MAJOR ELEMENTARY EDUCATION AND SPANISH WITH A CONCENTRATION IN SPECIAL EDUCATION, SERVED AS AN IMPORTANT MEMBER OF THE RACIAL JUSTICE TASK FORCE. GABRIELLA IS ALSO A DIVERSITY AND SOCIAL JUSTICE FELLOW WITH THE HONORS PROGRAM AND PARTICIPANT IN MANY RACIAL JUSTICE-THEMED EVENTS ON CAMPUS INCLUDING THIS SUMMER'S AMPLIFY: BLACK AND BROWN STUDENTS FORUM.

RACIAL JUSTICE TASKFORCE



Words alone are not enough.

"...we have work to do and an opportunity to address the issues that perpetuate inequity and injustice within our own working, living, and learning environment."



coordinated leadership to implement recommendations

tools and supports	structures and processes	teaching, learning, and scholarship	focus on hiring and retention	campus climate
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Following the death of George Floyd, BSU formed a Special Presidential Task Force on Racial Justice. This task force conducted a comprehensive review aimed at identifying elements of policy, practice and culture that may serve to impede our efforts at fully realizing racial justice and equity at BSU.

The task force published their report in May 2021, the University Board of Trustees endorsed this report and created a Racial Justice and Equity Board Committee to oversee this important initiative.

If you can't fly,
then run.

If you can't run,
then walk.

If you can't walk,
then crawl.

But whatever you do,
**YOU HAVE TO
KEEP
MOVING
FORWARD.**

— DR. MARTIN LUTHER KING, JR. —

LETTER OF TRANSMITTAL

December 21, 2021

To President Frederick W. Clark Jr., Esq.
Members of the Board of Trustees and
Citizens of the Commonwealth of Massachusetts

We are pleased to present to you the Annual Comprehensive Financial Report for Bridgewater State University for the year ended June 30, 2021. The audit report appears in the Financial Section and conveys an unmodified opinion on the university's financial statements.

MANAGEMENT RESPONSIBILITY

This Annual Comprehensive Financial Report contains the financial statements for the fiscal year ending June 30, 2021, as well as other useful information for the university's constituents. Management assumes full responsibility for the completeness and reliability of the information contained within this report. We believe that to the best of our knowledge, the data contained herein is presented fairly and accurate in all material respects.

This report was based upon the established internal controls of the university. The university's internal controls ensure that the financial information of the university is reasonable and free of material misstatements. Internal control provides reasonable assurance against fraud and misappropriation. The cost of internal controls implemented should not exceed the anticipated benefits. The internal control plan identifies and summarizes department-wide risks and associated controls to mitigate those risks which can be broadly defined in four categories: student life, safety, capital assets/facilities and financial resources.

This letter of transmittal should be read in conjunction with the Management's Discussion and Analysis (pages 24-46), which focuses on current activities, accounting changes and currently known facts.

The university's financial statements reflect the reporting standard issued by the Governmental Accounting Standards Board. Further, this Annual Comprehensive Financial Report contains all disclosures necessary for a reader to gain an understanding of the university's financial operations for the fiscal year ending June 30, 2021.

PROFILE OF THE UNIVERSITY

Founded by American public education pioneer Horace Mann in 1840, Bridgewater State University has grown from its first home – a single room in the basement of Bridgewater Town Hall – to become the largest of the nine Massachusetts state universities and the third largest of the 29 public college and university campuses and the tenth largest overall, public or private – in the commonwealth. The 272-acre campus is home to 43 academic, administrative and residential buildings.

With an enrollment of approximately 10,650 students, Bridgewater State University provides opportunity to residents of the region and the commonwealth through a wide range of academic programs and innovative learning experiences inside and outside the classroom. The University's academic programs (36 undergraduate majors and 80 graduate programs) are housed and administered through its six colleges: the College of Education and Health Sciences; the College of Graduate Studies; the College of Humanities and Social Sciences; the Louis M. Ricciardi College of Business; the Bartlett College of Science and Mathematics; and the College of Continuing Studies. Despite the transformation of the campus over the past two decades and growth in student population, Bridgewater State University remains committed to small class sizes and extraordinary teaching and mentoring by a world-class faculty with full-time faculty numbers of 331, representing a net gain of 85 since Fall 2002. Bridgewater serves a student population of which 96 percent of undergraduate and 92 percent of graduate hail from Massachusetts. More than 50 percent of Bridgewater undergraduates represent the first generation of their families to attend college. Bridgewater

affords students of all ages and backgrounds access to a variety of opportunities for learning and personal growth such as undergraduate research (which is nationally ranked by the Council on Undergraduate Research), international study, service learning and participation in an array of social justice initiatives. Bridgewater's commitment to student success has earned national recognition (ranked 9th in the nation by The Education Trust for simultaneously closing achievement gaps while improving graduation and retention rates for all students) as the University enjoys a six-year graduation rate of 60 percent, well above the national average for its mission class, and a freshman-sophomore retention rate of 77 percent. These impressive numbers don't end there. Bridgewater graduate students historically have had among the highest first-time CPA exam pass rates of any university in Massachusetts. All the while, Bridgewater continues as one of the most prolific educators of new preK-12 teachers in the Commonwealth and readies more science and mathematics teachers annually than any institution in Massachusetts.

Alumni and friends have contributed a significant amount of support for faculty and student research, a myriad of undergraduate and graduate scholarships/internships, international study opportunities and award-winning publications. These private investments complement growing levels of public support for the institution. Donations, capital assets and re-invested earnings totaled \$65.1 million as of June 30, 2021.

Vital to the long-term success of the institution is its recognition throughout the state and nation as an educational leader in the use of technology to improve teaching and learning. The first step in that direction took place in 1992, when Bridgewater State University secured a \$10 million federal grant – at the time, the largest federal grant ever awarded to a state university in the United States – to build what has become the John Joseph Moakley Center for Technological Applications. For two consecutive years (2001 and 2002), with the last issue of the magazine in 2002, Yahoo! Internet Life named the university among the “100 Most-Wired Universities and Colleges in America.” The university earned the number six spot on Intel Corporation's “Most Unwired College Campuses Survey” in 2005.

Together, these developments have combined to strengthen the university's academic mission and expand its public service role. They were built on a series of initiatives that trace back to 1960, a watershed year in the life of the institution when a full-scale transition from an exclusively teacher-training institution to a comprehensive liberal arts university began.

Until that time, the university had been relatively small – approximately 500 students – but enjoyed a national and international reputation for excellence in teacher preparation. The preparation of the next generation of quality teachers remains a top priority for Bridgewater State University, as evidenced by the institution's 50-plus years of continuous accreditation by the National Council for Accreditation of Teacher Education.

While the university's earliest years were times of great challenge, efforts never faltered to continue strengthening the curriculum, and each succeeding generation left Bridgewater State University stronger than the generation that went before. The thriving and dynamic institution we see today is the best evidence of the success of that enduring commitment.

In fiscal year 2011, the start of the 171st academic year, marked the institution's official transition to Bridgewater State University. A renaming ceremony held on the steps of Boyden Hall capped the day, replete with 4,000 guests, a dais full of dignitaries, and a flyover by the university's own aircraft. A special guest was former Massachusetts Governor Deval Patrick, who had signed the bill into law on July 28, officially changing the institution's name to Bridgewater State University.

Bridgewater State University is considered to be a part of the State of Massachusetts' primary entity. The funds for Bridgewater State University are included in the Annual Comprehensive Financial Report of the State of Massachusetts. The University is a state-supported, coeducational institution of higher education and is governed by an 11-member board under the chairmanship of Eugene Durgin, it is a blend of veterans and future leaders forming a uniquely diversified, yet coherent mix dedicated to advancing the mission of public higher education.

July 1, 2015 marked the start of Frederick Clark, Jr., Esq.'s presidency and with the turning of the fiscal calendar came the opening of a new chapter in the history of Bridgewater State University. With a steadfast commitment to offering accessible public higher education and enhancing student success, Frederick Clark, Jr., Esq. officially became the 12th president in the 175 year history of Bridgewater State University. President Clark's inauguration was held on September 1, 2015, when he was sworn into office by Governor Charlie Baker. A lawyer by profession, and a 1986 graduate of Suffolk University School of Law, Mr. Clark had served for a decade as executive officer of the Massachusetts State Universities' Council of Presidents, where he represented the commonwealth's nine state universities in governmental, legislative and public policy issues. He has been on public higher education governing boards as well, most recently with the Massachusetts Board of Higher Education (2007-2008) and, prior to his career in public higher education, on the university's Board of Trustees and the Bridgewater State University Foundation, Inc.

September 9, 2015 marked the university's official 175th anniversary. Bridgewater State University's history began in 1840 as a pioneering institution of the American Normal School Movement, the Bridgewater Normal School. Since 1840 the university has grown from 28 students being served in a basement of town hall to what it is today. The university commemorated its 175 years of service as an agent of social justice and solidified its focus for a new era. The university remains to be the oldest permanent sited teacher preparation institution in the United States.

MAJOR INITIATIVES AND ACHIEVEMENTS

The university has embarked upon many strategic planning initiatives. Emphasis has been placed on fostering a rigorous and dynamic academic environment marked by intensive student-faculty engagement. We continue to strive at establishing regional leadership in preparing students for challenging and emerging careers and graduate study as well as enhancing campus participation in diverse and global society. We believe in strengthening institutional relationships with regional partners. We have a strong focus on developing sufficient resources for an attractive, well-staffed and technologically-updated campus. We hope to achieve this by our continued expansion and modernization of campus facilities to accommodate growth and specialized functions, investment in technology to support campus functions, providing high-level professional opportunities to staff and broadening the university's base of financial resources to support campus initiatives.

Under the leadership of President Fred Clark, Bridgewater State University has implemented a unique strategic planning process with a central focus on student success and achievement. This planning process is unique both in its design and in its time horizon. The design of the planning process is based on a nested planning model. The University model includes an institutional plan; a divisional level plan; and college, departmental, and program level plans. In addition, the model allows for formalization of policies and procedures that inform the decision-making process going forward.

The nested design model allows us to have increased inclusion that was absent prior to this particular plan. The institutional level plan was informed through the involvement of various stakeholders through the use of ninety listening tours, a student micro-climate survey, and an electronic strengths survey of our faculty, librarians, and staff.

The design is also unique in its time horizon. BSU has undertaken the initial planning process with the intent that it become continuous in nature. The plan will have a ten-year time horizon, with review cycles every three years. This means that BSU will always be working towards the goals and objectives set out at all levels of the strategic planning process. It also means that we, as an institution and community, will continue to evolve and grow based on the needs of our stakeholders and continued assessment of our internal and external environmental opportunities and challenges. This plan will be dynamic and inclusive rather than static and will be a "living" document rather than a placeholder.

Bridgewater State University's primary purpose is to advance student success. Using the Board of Higher Education's "Vision Project" and its guiding principles, we will work together to ensure we live up to and fulfill our purpose. For 175 years, BSU has remained steadfast in advancing higher education in Southeastern Massachusetts. Through the strategic planning process, we are prepared to move ahead with our mission, while evolving with the future of higher education. The Bridgewater State University Strategic Plan builds from our foundation and history while preparing us for continued growth and success.

As part of the student success strategy, the university has an active enrollment management and retention task force with an objective of setting enrollment targets, creating or modifying existing recruitment strategies which include "micro interventions" which target specific populations of students who may be at-risk of not successfully completing their degree. The university has expanded high impact practices, including undergraduate research, study abroad and internships, which are proven to contribute to student success, retention and graduation.

Enhancing the university's student-centered environment is among our highest priorities. At its core, this means that students have the resources and opportunity to achieve their full potential. The university aspires to be a national leader in removing barriers in academic achievement, providing the necessary support to help each and every student grow and succeed, and eliminating any and all achievement gaps among different populations of students.

Each year, more than 500 students participate in internships offered by the university in collaboration with the Bridgewater State University Foundation; the campus community provides nearly \$1 million in volunteer service to the region; and more than 750 students participate in the University's research symposium as well as many national and regional research conferences.

The university's growing number of innovative academic programs helps to ensure that Bridgewater State University students are prepared to think critically, communicate effectively and act responsibly within a context of personal and professional ethics. For example, the Academic Achievement Center, and particularly its first year advising program, is often cited as a model for other institutions to follow. At the same time, the Adrian Tinsley Program for Undergraduate Research represents an unparalleled opportunity for students to work closely with faculty mentors and to present research and creative work at regional and national conferences. The university seeks to build on its nationally ranked undergraduate research program to bolster experiential learning opportunities for students, including expanding the paid internship program, which affords students vital career opportunities, while helping build a talent pipeline for regional employers.

In Spring 2015 Bridgewater State University was named by the Council on Undergraduate Research (CUR) as one of 59 top programs in the nation "leading the way" in supporting student participation at the National Conference on Undergraduate Research. The university provides a significant number of students with an opportunity to present their work at the National Conference on Undergraduate Research, the leading national venue for the presentation of student research.

CUR awarded its 2019 Campus-Wide Award for Undergraduate Research Accomplishments (AURA) to Bridgewater State University on January 24, 2020 at the CUR Executive Board reception during the annual meeting of the Association of American Colleges and Universities in Washington, D.C. Now in its fifth year, the AURA award draws on CUR's Characteristics of Excellence in Undergraduate Research (COEUR) which outlines criteria for exceptional undergraduate research, scholarship, and creative activity programs.

Since 2009, the university has operated the Bridgewater State University flight training center at the 10,000 square-foot single story commercial building located adjacent to the New Bedford Airport. This flight training facility trains roughly 100 aviation students.

On July 1, 2012, the university signed an Asset Purchase and Sale Agreement to purchase eleven aircraft, ten of which were already being leased by the institution, demonstrating the university's ongoing commitment to the aviation program. The flight-training program in New Bedford also sponsors the Aviation Career Education (ACE) Summer Camp. This is a weeklong exploration of air travel featuring instruction from experienced pilots, behind-the-scenes airport tours and real and simulated flights. The ACE Camp is available for junior and senior high school students in Southeastern Massachusetts. The ACE Summer Camp is presented in partnership with the Aviation Science Department at Bridgewater State University and the Federal Aviation Administration (FAA). In February 2014, the university earned accreditation status from the Aviation Accreditation Board International (AABI.) The AABI accreditation advances quality aviation education worldwide through accreditation and leadership. The accreditation assures students and prospective employers that an educational degree program has met stringent industry standards of quality and that graduates can perform a broad range of professional responsibilities. In September 2014, the university formed a new venture with JetBlue and Cape Air giving students a more definitive path to the cockpit. The JetBlue University Gateway Program takes the best aviation students and helps with training and mentoring, eventually setting them squarely on the path to fly first for Cape Air and then JetBlue. The university is the seventh institution to be taken aboard. In June 2016, the university signed an agreement with Cape Air that established a post-graduate co-op program for the aviation students. The co-op students, if accepted, will train to become and serve as first officers on Cape Air flights. During 2016 the university unveiled a refurbished flight simulator which mimics a multi-engine plane that can fly into any airport and in any weather. The refurbished simulator is a necessary tool for aviation majors on the multi-engine track. In June 2020, the university acquired two additional aircrafts, a Cessna 172R and Cessna 172SP increasing BSU's total fleet to thirteen.

Through the extensive information technology and distance education resources available at the university, including the John Joseph Moakley Center for Technological Applications, the university made technology an integral component of teaching and learning on campus, and is a regional center for the enhancement of teaching through technology for PreK-12 teachers and university faculty. The university has been named an Apple College of Distinction. Five years ago, the university issued Apple iPads to all full-time faculty and more than 1,600 students in the College of Education and Allied Studies. The impact of technology in the classroom increases student motivation to learn and enriches classroom education. Apple recognized the university's iPad initiative as a distinguished program for demonstrating an innovative and compelling learning environment that engages students and provides tangible evidence of academic accomplishment. During 2018 Apple representatives were on campus to present the College of Education and Allied Studies with its second Distinguished School Award. The award is given to schools using Apple

technology in innovative ways. The College of Education and Allied Studies has retained its designation as an Apple Distinguished School. The honorific speaks to Bridgewater State University's commitment to staying ahead of the technological curve. The designation is reviewed every two years; BSU is one of only a handful of institutions in the United States admitted into the program.

In June 2015, the university created its 6th college, the College of Continuing Studies. The College of Continuing Studies provides students with the flexibility to mix evening and online courses in pursuit of degrees at the main campus and both satellite locations in Cape Cod and Attleboro. Creating this new college was an integral step to illustrate the university's commitment to continuing education.

On September 26, 2015, the university renamed our Institute for Social Justice after the youngest victim of the 2013 Boston Marathon bombings, Martin Richard. Martin's parents met at Bridgewater State University and graduated as members of the class of 1993. The renaming ceremony included unveiling the Martin Richard sculpture and was held at Bridgewater's University Park to commemorate Martin's life and his message of peace. Since then, the mission of the Martin Richard Institute for Social Justice has been to build knowledge about social justice, to develop skills for advancing social justice through individual and collective action, and to serve as a catalyst for actualizing Bridgewater State University's commitment to social justice. The Institute will soon have a new home on campus, the Bridgewater State University Foundation recently purchased a property on the west side of campus that will be the new permanent space for the Martin Richard Institute for Social Justice. This important purchase signifies the university's commitment to social justice and racial equity.

In June 2020, President Clark announced the formation of a Special Presidential Task Force on Racial Justice to act on many fronts against racial injustice and in support of equity and inclusion. The Task Force included three appointed chairs, each of whom has been deeply involved in matters of racial justice and equity, and included representation from students, staff, faculty and alumni as well. The university dedicated the entire 2020–2021 academic year to this critical issue, as there was no higher priority on our campus than building a more inclusive and equitable BSU. Through this important initiative, the university has re-committed ourselves to bold action that puts into practice our values of diversity, inclusion and equity for all. This Task Force was charged with conducting a comprehensive review aimed at identifying elements of policy, practice, and culture that may serve to impede our efforts at fully realizing racial justice and equity at BSU. The Task Force was instructed to listen deeply to what our students of color are saying, leave no stone unturned, honestly evaluate how we can do better, and thoughtfully develop actionable recommendations to make change. The Task Force members were able to conduct their work with complete autonomy and to go wherever the review led them. The results of their work have now been published and the complete Task Force report has been presented to our governing Board of Trustees, the President and campus community. It is important to recognize that the Task Force report builds on an exceptional body of work that the BSU community has undertaken over the past two decades to advance racial equity. There is still considerable work to be done, but as we implement the Task Force recommendations, we are building on a strong foundation. The Racial Justice Task Force report represents the next step in our development towards building a more just, equitable and inclusive BSU and making sure all of our students feel a strong sense of belonging.

In December 2015, the university was noted for closing the achievement gap in a report published by the Education Trust. The university's commitment to student success earned national attention with a ranking on The Education Trust Top-Gaining Four-Year Public Institutions list. The university achieved results in improving graduation rates for all undergraduate students while closing the achievement gap experienced by students from a range of under-represented groups utilizing a two-pronged approach that included implementing data-driven interventions focused on supporting the success of all students in addition to the use of high-impact practices including paid student internships, first- and second-year seminars and programs such as writing across the curriculum.

During 2015, the university completed its 212,000 square-foot Science and Mathematics Center, a \$98 million project with the help of funding from a state capital bond bill. The improvements consisted of two phases: a 171,000 square-foot addition and renovation of a 43,000 square-foot wing of the original Conant Science Building. The new building provides specialized laboratory space for faculty and undergraduate researchers, which support the university's science and outreach efforts and has doubled the space dedicated to the math and science programs, such as Biological Sciences, Chemical Sciences, Computer Sciences, Earth Sciences, Geography, Math and Physics. The Science and Mathematics Center also has a rooftop observatory, botanical garden and a greenhouse.

On April 21, 2016, the university's President announced the Commonwealth Commitment. The Commonwealth Commitment is an innovative college affordability and completion plan to help more students achieve the dream of a college degree. The plan commits every public campus to provide 10 percent rebates at the end of each successfully

completed semester to qualifying undergraduate students. A part of the Commonwealth Commitment's goal is to increase cost savings and predictability, tuition and mandatory fees will be frozen for program participants as of the day they enter the program. The Commonwealth Commitment helps students and prospective students complete their education and further enhances pathways between Bridgewater State University and the regional community colleges.

In Fall 2016 the special education program at Bridgewater State University earned a top-ten national ranking from Teacher.org. In its annual Best Colleges in Education Special Education rankings, Teacher.org used graduation rates, size of program, default rates and affordability as part of its criteria as it analyzed more than 400 colleges and universities across the nation that offer special education degrees. Through its College of Education and Health Sciences, the university offers special education degrees at both the bachelor's and master's degree levels and, in the Teacher.org ranking, was rated sixth in the nation. Bridgewater State University, the largest preparer of special education teachers in Massachusetts, public or private, was the only institution from Massachusetts to receive recognition from the 2016 Teacher.org's ranking for Best Colleges for Special Education.

The concept of the Commonwealth Commitment was expanded locally through two initiatives which started in Fall 2017 "MCC2BSU" and "BCC2BSU." These initiatives guarantee dual admission into targeted undergraduate programs at Bridgewater State University to both Massasoit Community College and Bristol Community College students. The initiatives admit students to both institutions simultaneously while securing an affordable pathway between the institutions. The model provides a clear path from community college to the university and bachelor's degree completion in a variety of majors. The students enrolled in these initiatives benefit by receiving collaborative and intensive academic advising with a Bridgewater State University advisor located on the community college campus' and an engagement of peer mentors, faculty members and administrators to ensure their success. The students who meet the guidelines of the Commonwealth Commitment program attend the university at frozen tuition and fees throughout the remaining two years of study.

Under President Clark's leadership in 2018 Bridgewater State University was named the "Fifth Safest Campus in the United States" and placed first in the Commonwealth of Massachusetts by the National Council for Home Safety and Security (NCHSS). Subsequently, according to a 2020 analysis of FBI and U.S. Department of Education data compiled by the organization YourLocalSecurity, Bridgewater State University was cited as the "Fourth Safest Higher Education Institution in the United States" and ranked first in New England. The organization praised Bridgewater State University for increasing the number of blue light emergency telephones and utilizing the Rave Guardian app. The university has taken several steps in the last few years to increase campus safety. During 2020, Bridgewater became the first higher education institution in Massachusetts, and second nationally to unify all emergency notification systems. This one-button approach alerts the campus community of an emergency more quickly.

Since the summer 2016, Bridgewater State University has hosted an elite group of Africa's brightest emerging public administrators through the Young African Leaders Initiative (YALI) established by President Obama. For the 2019-2020 program Bridgewater State University was the only Massachusetts university partner to host this program. The university was one of two institutions in New England and twenty-seven institutions nationwide to be selected to host the Mandela Washington Fellowship program for Young African Leaders. The flagship program was launched in 2010 to support Young African leaders as they spur growth and prosperity, strengthen democratic governance, and enhance peace and security across Africa. Due to the COVID Pandemic, YALI was put on hold in 2020. However, in June 2021 the university virtually engaged 25 of Africa's emerging Public Management leaders for a six-week Leadership Institute, sponsored by the U.S. Department of State. While remaining in their home countries, Fellows will participate in virtual Leadership Institutes, which will include leadership training, networking, mentoring, and professional development.

During the fiscal year ended June 30, 2019, the university implemented new and more effective recruitment strategies, including the shift to the Common Application, development of a new virtual tour, and an enhanced presence on Naviance (a high school college search platform), resulting in BSU achieving its largest incoming class in its history. Implementation of the Common Application resulted in a significant increase in freshman applications received during 2019 compared to prior years, as presented within the Freshman Applied, Accepted and Enrolled for the Last Ten Years within the Statistical Section on page 116 of this report.

Bridgewater State University benefits from CONNECT, its regional partnership with other public higher education institutions in the region – Massachusetts Maritime Academy, Massasoit Community College, Bristol Community College and Cape Cod Community College. The program's mission is to leverage the quality, strength, resources and excellence of the five public higher education institutions of Connect and to enhance educational effectiveness and efficiency while improving student success, increasing educational attainment, advancing economic health,

and strengthening cultural life throughout the region. CONNECT coordinates the academic, administrative and development activities of public higher education in Southeastern Massachusetts and introduces shared activities and programs among member institutions.

On November 21, 2019, CONNECT partnership held its first Legislative Gathering and Awards Dinner at Bridgewater State University. In recognition of their service to the region and advocacy for public higher education, Senator Michael Rodrigues and Representative David Vieira were named 2019 Distinguished Legislators. More than 60 local legislators, trustees, and guests from CONNECT campuses attended this inaugural event. In addition to the awards, a panel discussion entitled “Celebrating CONNECT Student Successes” featured students who transferred between CONNECT institutions. The students shared their stories, and each emphasized the necessity of affordability and access to higher education, the challenges they have faced along the way, and the value and opportunities they’ve experienced through public higher education in Southeastern Massachusetts.

After years of planning, this summer the Bear Paw Pavilion, located at the Edward C. Swenson Athletic Complex, officially opened. This \$3.1 million project is the home of Athletic locker rooms, a satellite athletic training space and mechanical/equipment room and new public restrooms, including a gender-neutral family bathroom is available, and in each locker room there is a dedicated space that is also gender neutral. This great new facility replaces a 45-year-old Swenson Field Blockhouse.

LONG-TERM FINANCIAL PLANNING

The university budgets annually an addition of \$1 million to the long-term reserve account to offset any economic down turns.

The university utilizes a resource planning process for each budget year. This systematic effort allows the institution to more fully align resource designs with strategic priorities; make integrated decisions with respect to a broad range of resource pools (i.e. operating budgets, human resources, space and equipment); offer department heads and chairs a regular opportunity to assess the challenges and opportunities they face and express that assessment to senior managers; and provide for greater transparency about how resource decisions are made.

As a result of the intense planning process, the university has identified and prioritized strategic goals:

GOAL 1 - Focus resources and decisions on the overarching priority of student success.

GOAL 2 - Provide a teaching and learning environment with exceptional educational opportunities for Intellectual, creative and professional growth.

GOAL 3 - Provide opportunities for personal and professional growth for faculty, librarians and staff in support of organizational progress.

GOAL 4 - Serve as a regional catalyst for economic, cultural and intellectual engagement.

GOAL 5 - Advance diversity and social justice with impact in the region and beyond.

Strategic decisions are made based on the universities above goals.

With the global outbreak of the novel corona virus (COVID-19), the past two fiscal years has been unlike any other. On March 21, 2020, BSU transitioned to remote learning and significantly reduced the resident hall operations. Over \$9.3 million were refunded to students for unused residence, dining and parking fees previously collected for the spring 2020 semester. The Coronavirus Aid, Relief and Economic Security Act (CARES Act) created a relief fund for institutes of higher education. The CARES Act provided grants to BSU of approximately \$8.8 million of which 50% could benefit the institution and 50% required to be provided as emergency grants directly to students. With the CARES Act grants and cost savings efforts, BSU was able to mitigate most of the lost revenue in the fiscal year ended June 30, 2020.

In fiscal 2021, the University focused on a safe return to campus. The University continued remote learning as the primary delivery for both Fall 2020 and Spring 2021 semesters and our residence hall occupancy was significantly down at 38% occupancy for the Fall and 33% occupancy for the spring. With the support of Higher Education Emergency Relief Funds (HEERF) from the Coronavirus Aid, Relief and Economic Security Act (CARES Act), Coronavirus Response Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan (ARPA) the university was able to help mitigate some of its lost revenues and continued to support student emergency grants through these federal funds.

Due to the global pandemic, multiple factors have emerged that may impact future periods. The University has continuously assessed and monitored the health issues resulting from COVID-19. In Fall 2021, the University began repopulating our campus and welcomed back our students, faculty and staff and campus community with in-person learning and increased residence hall occupancy. Enrollment continues to be a challenge for institutions of higher education. BSU's registered credits declined by 8.4% in the Fall 2021 semester compared to 3.7% decline in the Fall 2020 semester. BSU's enrollment (head-count) declined 6.0% in Fall 2021 compared to 2% enrollment (head-count) decline in the Fall 2020 semester.

The reduced residence hall occupancy and the resulting Resident Life Trust Fund and Dining Trust Fund revenue decline was partially mitigated by refinancing/refunding of existing debt held by the Massachusetts State College Building Authority (MSCBA). This action eliminated/reduced payments assessed to the University by MSCBA for this fiscal year 2021. These assessment savings, which will provide some additional relief in fiscal year 2022, will not continue into future years after fiscal year 2022. Accordingly, occupancy in the residence halls is an important factor impacting future periods. The university has typically experienced occupancies of 96% to 100%. The Fall, 2021 occupancy is approximately 83%. Returning to prior occupancy levels will be a significant focus of BSU post-pandemic.

FINANCIAL POLICIES AND ABSTRACTS OF FINANCIAL INFORMATION

The university's focus on programs supporting a student centered environment are best illustrated by observing that there have been significant increases in instruction, student services, academic support, scholarships and auxiliary services since 2015 while expenses for institutional support and the operation and maintenance of plant have either decreased or remained relatively stable for the same time period (excluding the impact of the government accounting standards board implementation standards for carrying the pension liability and the net other postemployment benefit obligations).

During 2017, the university filed its intent to liquidate its Federal Perkins Loan program and fully assigned the remaining population of the loans receivable to the U.S. Department of Education. The university provided final disbursement of the government advances refundable balances during fiscal year 2018 and reported a remaining Perkins loan receivable balance of \$0. In July of 2018, the university received the official Perkins Program closeout letter from the United States Department of Education.

A series of student billing practices were implemented and completed in 2018. The changes aligned the university's payment and collection processes with industry best practices, including a required student financial responsibility agreement and more timely collection procedures. Implementing the modifications to the student billing practices has resulted in a reduction of approximately \$1.3 million of the net receivable balances presented in the June 30, 2020 financial statements as compared to June 30, 2017.

At June 30, 2021 the university's deposits were fully insured and collateralized, with the exception of the amounts held by the Massachusetts Municipal Depository Trust.

The university's unrestricted net position has been adversely impacted by the implementation of GASB 68, Accounting and Financial Reporting for Pensions and GASB 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB). The impacts have been so significant that the university began including ratio analysis in its financial statements' Management's Discussion and Analysis presentation summarizing the impact on various ratios including and excluding the impact of the pension and net OPEB standards.

The university's unrestricted net position continued to be adversely impacted in the sixth year of implementation of GASB 68. GASB 68 requires all participating entities in a multiple employer cost-sharing defined benefit plan, such as the Commonwealth's State Employee Retirement System (SERS), to record their proportionate share of the plan's Net Pension Liability (NPL) along with related deferrals and pension expense. Bridgewater State University, as part of the department and enterprise funds of the Commonwealth, was required to record our allocated share of the pension plan's NPL, deferrals, pension expense and make certain footnote and required supplementary information disclosures in our financial statements.

The university's unrestricted net position continued to be adversely impacted in the third year of implementation of GASB 75. GASB 75 requires all participating entities in the Commonwealth's employer defined benefit OPEB plan, the State Retirees' Benefit Trust, to record their proportionate share of the plan's net OPEB liability along with related deferrals and OPEB expense. Bridgewater State University, as part of the department and enterprise funds of the Commonwealth of Massachusetts, was required to record our allocated share of the net OPEB liability, deferrals, pension expense and make certain footnote and required supplementary information disclosures in our financial statements.

This resulted in a reduction of the unrestricted net position by \$7.9 million during fiscal year ended June 30, 2021. During 2021, the net pension liability increased by \$872 thousand from \$60.9 million in to \$75.7 million. The impact to net position was offset by a decrease in deferred inflows of \$3.0 million and an increase in deferred outflows of \$4.7 million. Since the initial implementation in 2015 the pension liability has grown by \$50.7 million, from \$25.0 million in 2015 to \$75.7 million in 2021.

During 2021, the net OPEB liability decreased by \$17.4 million from \$114.8 million in to \$97.4 million. The impact to net position was offset by an increase in deferred inflows of \$17.9 million and a decrease in deferred outflows of \$.3 million. Since the initial implementation in 2018 the pension liability has decreased by \$8.6 million, from \$106.0 million in 2018 to \$97.4 million in 2021.

Page 25 of the Management's Discussion and Analysis summarizes the composition of the university's net position deficit and the impact from the implementation of GASB 75 and 68.

OTHER INFORMATION

INDEPENDENT AUDIT

The university is audited annually by O'Connor & Drew, P.C. to ensure proper internal controls and compliance with applicable laws and regulations. The audit is conducted in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States.

Prior to Fiscal 2012, Bridgewater State University, as a state agency, was included in the Statewide Single Audit of the Commonwealth of Massachusetts. Beginning in Fiscal 2012, the university and the other 23 State Universities and Community Colleges in Massachusetts were excluded from the Commonwealth's Statewide Single Audit and are now required to complete separate independent Single Audits. Bridgewater State University's Single Audit is conducted by O'Connor & Drew, P.C. The Single Audit report is prepared in accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards and Government Auditing Standards.

ACCREDITATIONS AND CERTIFICATION

Bridgewater State University is accredited by the New England Association of Schools and Colleges, Inc. (NEASC), through its commission on Institutions of Higher Education. The university completed a comprehensive self-study in preparation for a NEASC accreditation team visit and review of the institution, which occurred in November 2012. On June 28, 2013, the university was notified by the Commission on Institutions of Higher Education that Bridgewater State University would be continued in accreditation.

- Accreditation Board for Engineering and Technology
- American Chemical Society
- American Council on the Teaching of Foreign Languages
- Association for Childhood Education International
- American Speech-Language and Hearing Association
- Aviation Accreditation Board International
- Commission on Accreditation of Allied Health Education Programs
- Commission on Accreditation of Athletic Training Education
- Council for Exceptional Children
- Council on Social Work Education
- Council for Accreditation of Counseling and Related Educational Programs
- Educational Leadership Constituent Council
- Federal Aviation Administration
- International Reading Association
- International Society for Technology in Education
- Interstate Agreement for Educator Licensure
- Massachusetts Board of Public Accountancy, Option-One Status
- Masters in Psychology and Counseling Accreditation Council
- National Association for the Education of the Young Child
- National Association of Schools of Music
- National Association of Schools of Art and Design
- National Association of Schools of Public Affairs and Administration
- National Council for the Social Studies
- National Council of Teachers of English
- National Council of Teachers of Mathematics
- National Professional Science Masters Association
- Society for Health and Physical Educators
- United States Tennis Association

AWARDS AND ACKNOWLEDGEMENTS

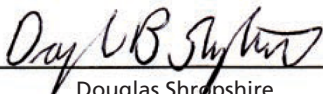
CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Bridgewater State University for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2020. This was the thirteenth consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

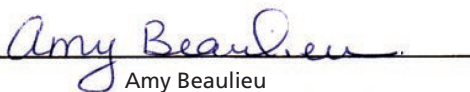
A Certificate of Achievement is valid for a period of one year only. We believe that our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

ACKNOWLEDGEMENTS

We wish to thank the President and Board of Trustees for their continued commitment to the fiscal management of the university. Likewise, we wish to thank the members of the university community whose cooperation made the annual fiscal close a success.



Douglas Shropshire
Vice President of Finance



Amy Beaulieu
Associate Vice President of Finance



Rachel Goodwin
Comptroller

THE GREG
AND FAY WYATT
SCULPTURE GARDEN,
LOCATED ON THE
EASTERN SIDE OF
MAXWELL LIBRARY,
IS NEARLY COMPLETE.



WYATT SCULPTURE GARDEN

A dozen new sculptures by Mr. Wyatt, an internationally renowned artist, have been added, courtesy of the Newington-Cropsey Foundation. They surround a large sculpture of ballet legend and actor Mikhail Baryshnikov (far right) created by Mr. Wyatt and installed in 2017. It was also donated to BSU by the foundation. Plans call for the installation of five more pieces by Mr. Wyatt in the coming years to complete the project.

Three species of trees, River Birch, Moonglow Magnolia and American Yellowwood, have been planted in the garden, each selected for its texture and, in some cases, close affiliation to what is depicted in Mr. Wyatt's sculptures. With its mix of art, literature and nature, the garden provides a thoughtful oasis at the heart of campus.



**BRIDGEWATER STATE UNIVERSITY
BOARD OF TRUSTEES**

AUGUST 2021

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Margaret A. Caulfield, Esq. '00, *Secretary*

Davede Alexander

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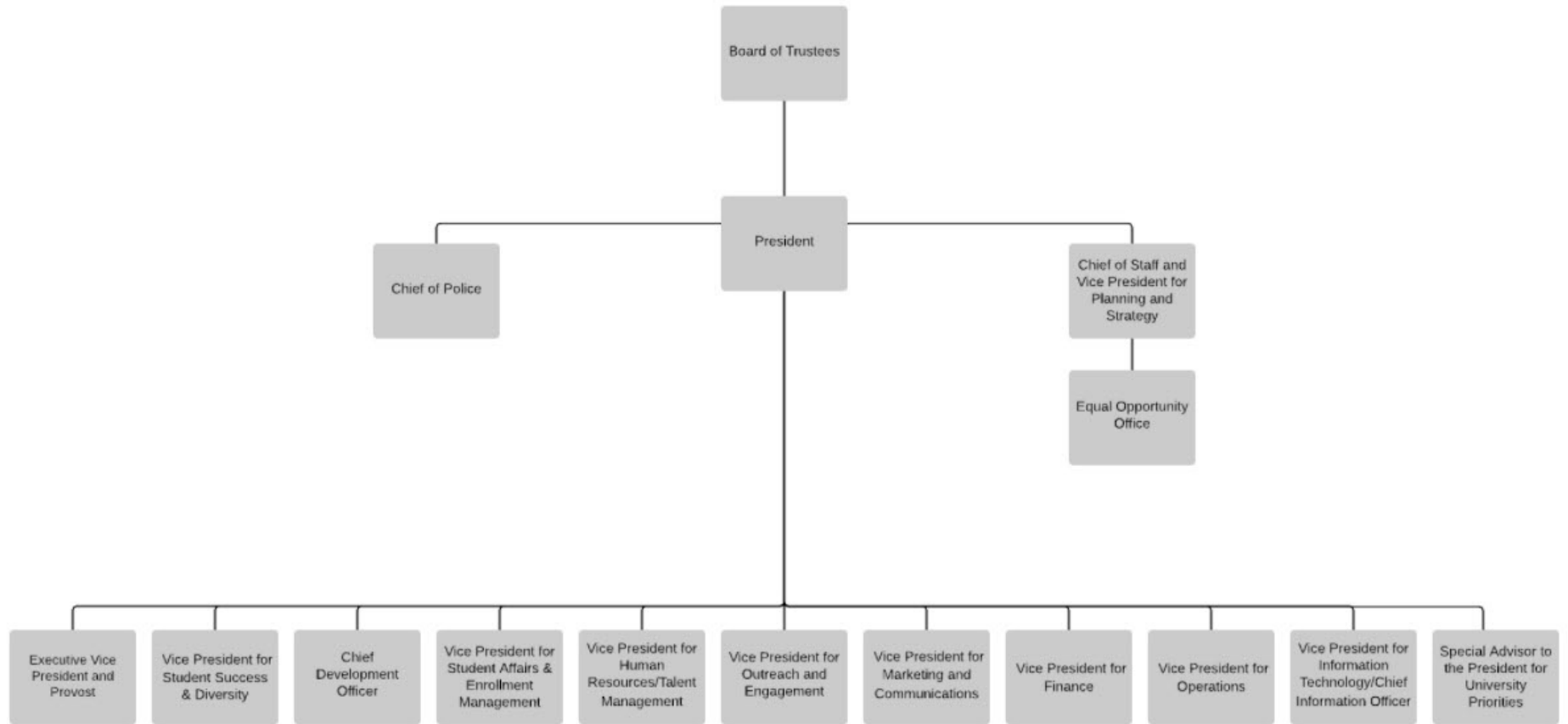
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President's Division – August 2021





Government Finance Officers Association

Certificate of
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Presented to

**Bridgewater State University
Massachusetts**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2020

Christopher P. Morill

Executive Director/CEO

This fiscal year the University was awarded \$39.5 million in Higher Education Emergency Relief Funds (HEERF) as part of both the Coronavirus Response Supplemental Appropriations Act (CRRSAA) and the American Rescue Plan Act (ARPA).

**THE STUDENT
EMERGENCY FUND
IS A BLESSING.**

– Anonymous BSU Student

**HIGHER
EDUCATION
EMERGENCY
RELIEF FUNDS
(HEERF)**

Approximately 50% is required to be directly disbursed to students affected by the COVID-19 crisis as emergency grants through an application process.



**HEERF
FUNDING**
Higher Education
Emergency Relief Fund

FINANCIAL SECTION

ANNUAL COMPREHENSIVE
**FINANCIAL
REPORT**





INDEPENDENT AUDITORS' REPORT

The Board of Trustees
Bridgewater State University
Bridgewater, Massachusetts

Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented major component units of Bridgewater State University (a component of the Commonwealth of Massachusetts) (the "university"), as of and for the years ended June 30, 2021 and 2020, and the related notes to the financial statements, which collectively comprise the university's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective net position of Bridgewater State University and its discretely presented major component units as of June 30, 2021 and 2020, and the respective changes in net position and, where applicable, cash flows, combining statements of net position of major component units and combining statements of revenues, expenses and changes in net position of major component units for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 24-46, the schedule of the university's proportionate share of net pension liability on page 95, the schedule of the university's contributions - Net pension on page 96, the notes to the required supplementary information - Net pension on pages 97-98, the schedule of the university's proportionate share of net OPEB liability on page 99, the schedule of the university's contributions - Net OPEB on page 100, and the notes to the required supplementary information - Net OPEB on pages 101-102 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplemental Schedules

Our audits were conducted for the purpose of forming opinions of the university's basic financial statements. The supplemental schedules listed in the accompanying table of contents, which are the responsibility of management, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audits of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 20, 2021, on our consideration of the university's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the university's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the university's internal control over financial reporting and compliance.

O'Connor and Duen, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

October 20, 2021

"I HADN'T THOUGHT OF RESEARCH AS BEING AN OPTION UNTIL I CAME HERE AND GOT THOSE (BSU) CONNECTIONS AND ONE-ON-ONE MENTORSHIPS. IT OPENED DOORS I PROBABLY WOULDN'T HAVE KNOWN WERE THERE."

ASHLYN GRACE KELLY, '23



GOLDWATER SCHOLAR

For Ashlyn Grace Kelly, '23, studying neurodegenerative diseases is personal. Her grandparents have battled Alzheimer's and Parkinson's diseases.

"Those experiences have definitely motivated me to want to contribute in some way to Alzheimer's disease research," Ashlyn said. "I feel so lucky I go to BSU and am part of such an amazing lab focused on this."

Her undergraduate research prowess helped Ashlyn earn a Goldwater Scholarship for the 2021-2022 academic year. The national award is given to only about 400 undergraduates each year. She also seized the opportunity to spend a summer at an Alzheimer's disease research laboratory at Massachusetts General Hospital.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

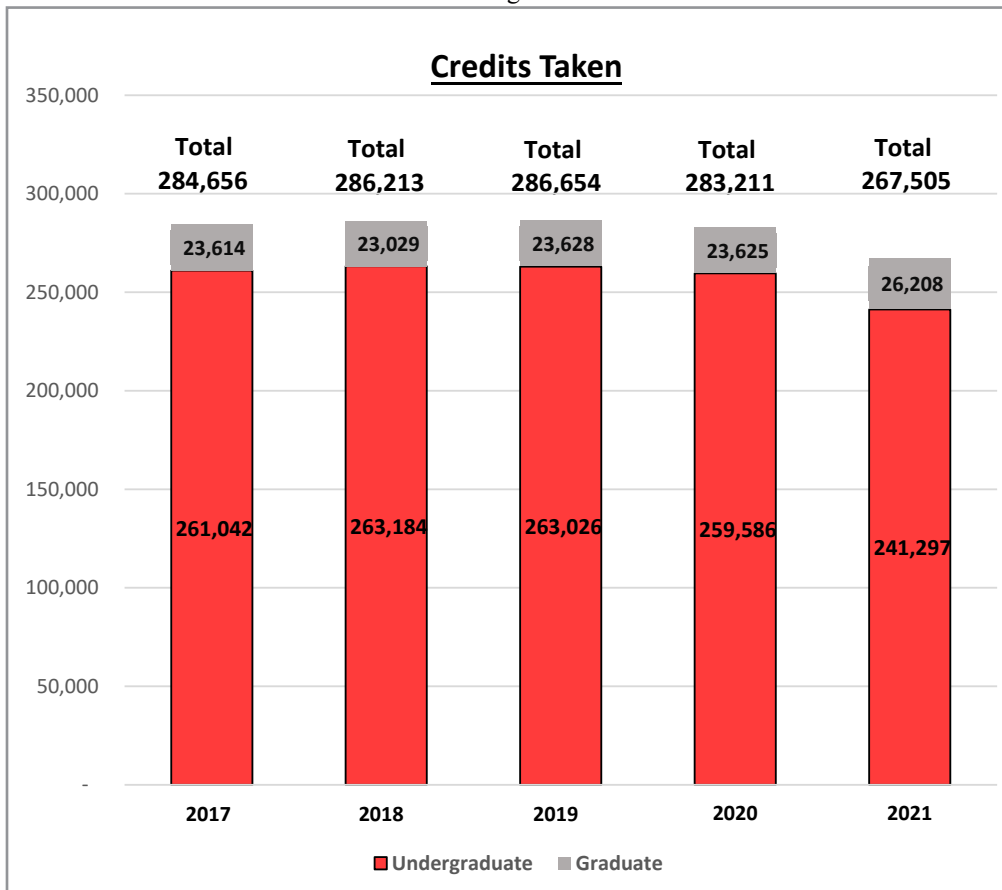
Management’s Discussion and Analysis

June 30, 2021 and 2020
(Unaudited)

The following discussion and analysis offers readers of Bridgewater State University’s (the “university” or "BSU") annual financial report a narrative overview of the financial position and activities of the university and its component units as of and during the fiscal year ended June 30, 2021. This discussion has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with the financial statements and footnotes. The financial statements, footnotes and this discussion are the responsibility of management.

The university is a comprehensive public four-year institution with approximately 10,650 undergraduate and graduate students. The university is the largest of the nine Massachusetts state universities and the fifth largest of the 29 public college and university campuses in the Commonwealth of Massachusetts (the “Commonwealth”). Founded in 1840 by Horace Mann, the university is home to the nation’s oldest permanently sited teacher-preparation program and is one of the most prolific generators of new teachers, training more science and math teachers than any institution in the Commonwealth. Today, the university offers a broad range of graduate and undergraduate degree programs through its six colleges (Louis M. Ricciardi College of Business, College of Education and Health Sciences, College of Humanities and Social Sciences, Bartlett College of Science and Mathematics, College of Continuing Studies and College of Graduate Studies). The university awarded 2,434 degrees last year, a 17% increase over the last ten years. The university has instructed over 267,000 credits, a 5.5% decrease over the previous year, due to pandemic impacts on enrollment and a large graduating cohort as demonstrated in the following chart.

wing chart.



BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis

June 30, 2021 and 2020
(Unaudited)

Financial Highlights

The university's financial position, at June 30, 2021 includes assets of \$245.3 million, deferred outflows of resources of \$48.8 million, liabilities of \$222.5 million and deferred inflows of resources of \$52.7 million. Net position, which represents the residual interest in the university's assets and deferred outflows of resources after liabilities and deferred inflows of resources are deducted and may serve over time as a useful indicator of the university's financial position, increased \$24.6 million to \$19.0 million at June 30, 2021.

The university's component units financial position remained positive at June 30, 2021 with assets of \$65.3 million and liabilities of \$155 thousand. The university's component units recognized a net asset increase of \$10.8 million to \$65.1 million, a 19.9% increase in total net assets. This increase is primarily due to investment growth and fundraising activities.

Accordingly, the combined financial position of the university and component units reflects assets of \$310.5 million, deferred outflows of resources of \$48.8 million, liabilities of \$222.6 million, deferred inflows of resources of \$52.7 million and combined net position of \$84.1 million at June 30, 2021.

The university's unrestricted net position is continuously impacted due to the accounting requirements of both GASB 68 and GASB 75. BSU has limited control over these net long-term obligations as the Commonwealth of Massachusetts controls these statewide plan offerings, funding requirements, investment decisions and actuarial determinations. The impact of the change in these obligations resulted in a decrease of BSU's net position of approximately \$7.9 million. Accordingly, the unrestricted net position of the university would have increased by \$26.6 million before the accounting for these net obligations instead of the \$18.7 million that it did increase this fiscal year.

The university's unrestricted net position is comprised of the following at June 30:

	2021	2020	2019 Restated
Beginning unrestricted net position	\$ (149,100,673)	\$ (132,393,718)	\$ (119,946,644)
Ending unrestricted net position	(130,396,939)	(149,100,673)	(132,393,718)
Change in unrestricted net position	<u>\$ 18,703,734</u>	<u>\$ (16,706,955)</u>	<u>\$ (12,447,074)</u>
Decrease in net position related to Pension - GASB 68	(7,140,325)	(6,127,656)	(5,812,634)
Decrease in net position related to net OPEB - GASB 75	(740,979)	(6,135,100)	(9,883,378)
	<u>(7,881,304)</u>	<u>(12,262,756)</u>	<u>(15,696,012)</u>
Increase (Decrease) in net position from all other sources	\$ 26,585,038	\$ (4,444,199)	\$ 3,248,938
Change in unrestricted net position	<u>\$ 18,703,734</u>	<u>\$ (16,706,955)</u>	<u>\$ (12,447,074)</u>

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Management's Discussion and Analysis

June 30, 2021 and 2020
(Unaudited)

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Bridgewater State University's basic financial statements. Bridgewater State University's basic financial statements comprise two components: 1) the financial statements and 2) the notes to the financial statements.

The Financial Statements. The financial statements are designed to provide readers with a broad overview of Bridgewater State University's finances in a manner similar to a private-sector institution. The university's financial report includes three financial statements: the Statement of Net Position, the Statement of Revenues, Expenses and Changes in Net Position and the Statement of Cash Flows.

These statements are prepared in accordance with Government Accounting Standards Board ("GASB") principles. These principles establish standards for external financial reporting for public colleges and universities and require that financial statements be presented on a consolidated basis to focus on the institution as a whole. A description of the financial statements follows.

The Bridgewater State University Foundation (the "Foundation") and the Bridgewater Alumni Association (the "Alumni Association"), component units of the university, were formed to render financial assistance and support to the educational programs and development of the university. Both organizations are legally separate from the university, and the university has no financial responsibility for either organization. The Foundation and the Alumni Association have been included within these financial statements because of the nature and significance of their relationship with the university. Complete financial statements for either organization can be obtained from their respective administrative offices in Bridgewater, Massachusetts. These discretely presented component units have been aggregated into a single combined column on the accompanying financial statements.

The *Statements of Net Position* presents information on all of Bridgewater State University's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Bridgewater State University is improving or deteriorating. The Statement of Net Position includes all assets and liabilities. It is prepared under the accrual basis of accounting, whereby revenues and assets are recognized when the service is provided and the expenses and liabilities are recognized when others provide the service, regardless of when cash is exchanged.

The *Statements of Revenues, Expenses and Changes in Net Position* presents information showing how the university's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. the accrual for compensated absences).

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Overview of the Financial Statements (Continued)

The *Statements of Cash Flows* is reported on the direct method. The direct method of cash flow reporting portrays net cash flows from operations as major classes of operating receipts (e.g. tuition and fees) and disbursements (e.g. cash paid to employees for services). GASB Statements 34 and 35 require this method to be used.

Bridgewater State University reports its activity as a business-type activity using the economic resources measurement focus and the accrual basis of accounting. The university is an Agency of the Commonwealth of Massachusetts. Therefore, the results of the university's operations, its net position and cash flows are also combined within the Commonwealth's Comprehensive Annual Financial Report in its government-wide financial statements.

Notes to the financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis of the University

With the global outbreak of the novel corona virus (COVID-19) in March 2020, this fiscal year and last has been unlike any other years. On March 21, 2020, BSU transitioned to remote learning and significantly reduced the resident hall operations providing over \$9.3 million in student account balance adjustments for unused residence, dining and parking fees previously collected for the spring 2020 semester. The University continued remote learning as the primary delivery for both the Fall 2020 and Spring 2021 semesters. Our residence halls occupancy for Fall 2020 semester was 38% and the occupancy for Spring 21 semester was 33%. This compared to our Fall 2019 occupancy of 98% and our Spring 2020 occupancy of 89% prior to the outbreak of pandemic.

The university was awarded Higher Education Emergency Relief Funds ("HEERF") from the Coronavirus Aid, Relief and Economic Security Act ("CARES Act"), the Coronavirus Response Supplemental Appropriations Act ("CRRSAA") and the American Rescue Plan Act ("ARPA") which created a relief fund for institutes of higher education. In fiscal year 2020, the CARES Act award to BSU was approximately \$8.8 million. Of this amount 50% could benefit the institution and 50% was required to be provided as emergency grants directly to students. In fiscal year 2021, the CRRSAA funds provided grants to BSU of approximately \$14.4 million of which \$4.4 was allocated for Student Emergency Grants to students and \$10 million was granted for institutional relief. Bridgewater State University decided to allocate a total of \$5 million for student emergency grants using approximately \$600 thousand from the institutional portion. In fiscal year 2021, the ARPA funds provided grants to BSU of approximately \$25.2 million of which 50% or \$12.6 was allocated to student emergency grants and 50% or \$12.6 million was allocated for institutional relief. In fiscal year 2021, the university utilized approximately \$700 thousand of the ARPA institutional portion to support lost revenue by clearing outstanding student balances. With the HEERF grants and cost savings efforts, BSU was able to mitigate most of the pandemic related lost revenue.

Bridgewater State University realized an increase of \$24.6 million to net position in fiscal year 2021. This increase was attributable to capital appropriations of \$15.8 primarily for an on campus state funded energy project, an increase of \$11.6 million attributed to net institutional HEERF funds primarily to support trust fund deficits, an increase of \$12.6 attributed to the MSCBA residence halls assessment reduction due to 20A bond refinancing and an increase of \$3.2 in state appropriation and related fringe benefit increase. These increases were offset by a decrease of \$7.7 million attributable to OPEB expense due to the continued application of GASB 75, *Postemployment Benefits Other Than Pensions*, a decrease of \$7.1 million due to the continued application of GASB 68, *Accounting and Financial Reporting for Pensions*, as well as a decrease of \$11.2 million due to depreciation expense.

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Financial Analysis of the University (Continued)

Bridgewater State University realized a decrease of \$12.8 million to net position in fiscal year 2020. This decrease was attributable to OPEB expense of \$6.1 million due to the continued application of GASB 75, *Postemployment Benefits Other Than Pensions*, \$6.1 million due to the continued application of GASB 68, *Accounting and Financial Reporting for Pensions*, as well as \$10.0 million of depreciation expense. These reductions were offset by capital asset additions, reduction of debt, capital appropriations, as well as effective budget management of operating costs.

The university realized a decrease of \$14.9 million to net position in fiscal year 2019. This decrease was attributable OPEB expense of \$9.9 million due to the continued application of GASB 75 and pension expense of \$5.8 million due to the continued application of GASB 68, as well as \$10.2 million of depreciation expense.

Over time, increases or decreases in net position is one indicator of the improvement or erosion of the university's financial health when considered with non-financial facts such as enrollment levels and the condition of the facilities. We have displayed several comparisons in our financial statements with and without the GASB 68 and GASB 75 impacts to demonstrate a clearer financial picture. A portion of Bridgewater State University's net position represents scholarships and grants that are subject to external restrictions on how they must be used.

Ratio analysis measures certain elements of an institution's overall financial health. The Massachusetts Department of Higher Education has instituted the use of certain core financial ratios as part of their performance measures for public universities and colleges in the Commonwealth. Analysis using some of these ratios, as well as other commonly accepted ratios, are incorporated throughout this document.

Primary Reserve Ratio

The primary reserve ratio measures the financial strength of the institution by comparing expendable net assets to total expenses. This ratio provides a snapshot of financial strength and flexibility by indicating how long the institution could function using its expendable reserves without relying on additional net assets generated by operations. The ratio recommended by the industry standard ranges between 15-40%. The table below illustrates the ratio computed for the primary government and our component units as well as the ratio calculated without the impact of the application of the GASB 68 pension and GASB 75 net OPEB standards.

<u>University and Component Units - Combined</u>			<u>University and Component Units – Combined (Without the Impact of Pension and Net OPEB)</u>		
2021	2020	2019 Restated	2021	2020	2019 Restated
(39.72%)	(49.33%)	(41.42%)	45.14%	22.59%	24.92%

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Financial Analysis of the University (Continued)

A summary of the Statement of Net Position is presented below at June 30:

	<i>2021</i>	<i>2020</i>	<i>2019</i> <i>Restated</i>
Current assets	\$ 85,554,757	\$ 64,853,645	\$ 59,515,214
Capital assets	159,599,621	157,846,728	156,043,332
Non-current assets	<u>118,131</u>	<u>348,226</u>	<u>382,406</u>
 Total assets	 <u>245,272,509</u>	 <u>223,048,599</u>	 <u>215,940,952</u>
 Deferred outflows of resources	 <u>48,814,483</u>	 <u>43,997,042</u>	 <u>51,851,099</u>
 Current liabilities	 30,443,264	 40,507,645	 30,914,309
Non-current liabilities	<u>192,013,591</u>	<u>194,619,325</u>	<u>211,990,741</u>
 Total liabilities	 <u>222,456,855</u>	 <u>235,126,970</u>	 <u>242,905,050</u>
 Deferred inflows of resources	 <u>52,655,478</u>	 <u>37,547,175</u>	 <u>17,730,665</u>
 Net position:			
Net investment in capital assets	144,414,985	141,884,186	138,307,417
Restricted	4,956,613	1,587,983	1,242,637
Unrestricted	<u>(130,396,939)</u>	<u>(149,100,673)</u>	<u>(132,393,718)</u>
 Total net position	 <u>\$ 18,974,659</u>	 <u>\$ (5,628,504)</u>	 <u>\$ 7,156,336</u>

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Financial Analysis of the University (Continued)

The change in the current asset category when comparing 2021 to 2020 is mainly due to an increase in cash and cash equivalents of \$17.3 million. This is primarily from funds received from Higher Education Emergency Relief Funds. Overall net accounts receivable decreased due to excellent collection practices on our student receivables and relief of \$702 thousand from ARPA grant to support clearing of student balances.

The increase in the current asset category when comparing 2020 to 2019 is mainly due to an increase in cash and cash equivalents of \$5.3 million. This is primarily from funds received from the CARES Act. Overall net accounts receivable increased slightly due to an increase in student account receivables from increased summer enrollment and an increase in grant receivables.

The increase in the current asset category when comparing 2019 to 2018 is mainly due to an increase in cash and cash equivalents from enhanced billing collection practices and increase in deposits held by state treasurer to fund accrued payroll including retroactive salary increases due to contract negotiations. Overall net accounts receivable increased primarily due to other receivables which included a receivable from the Commonwealth of Massachusetts of \$1.1 million for the state funded portion of retroactive salary increases and timing of grant receivables. Student accounts receivable decreased by \$111 thousand even though overall net tuition and fee revenue increased by \$2.4 million.

Current Ratio

An excess of current assets over current liabilities (the "current ratio") is a measure of liquidity and provides a buffer against future uncertainties. The current ratio is presented for the primary government and our component units. A ratio greater than 1 shows that the university could cover its current obligations with its most liquid assets. For 2021, combined current assets of \$87.5 million are sufficient to cover combined current liabilities of \$30.6 million, yielding a current ratio of 2.86. For 2020, combined current assets of \$66.3 million are sufficient to cover combined current liabilities of \$42.3 million, yielding a current ratio of 1.57. For 2019, the combined current assets of \$60.0 million were sufficient to cover combined current liabilities of \$31.2 million, which yielded a current ratio of 1.92.

Capital Assets

By far the largest portion of Bridgewater State University's net position reflects its investment in capital assets (e.g. land, buildings, machinery and equipment), less any related debt, including capital lease obligations, used to acquire those assets that are still outstanding. Bridgewater State University uses these capital assets to provide services to students, and support to faculty and administration; consequently, these assets are not available for future spending. Although Bridgewater State University's investment in its capital assets is reported net of related debt and accumulated depreciation, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities without legislative action. For more information relating to capital asset activity refer to Note 9 accompanying the basic financial statements.

Capital assets are comprised of land, buildings and building improvements, furnishings and equipment, library materials, artwork and construction in progress.

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Capital Assets (Continued)

As of June 30, 2021, 2020 and 2019, net capital assets were \$159.6 million, \$157.8 million and \$156.0 million, respectively. For the years ended June 30, 2021, 2020 and 2019, depreciation expense was \$11.2 million, \$10.0 million and \$10.2 million, respectively. Capital asset additions for the current fiscal year totaled \$12.9 million.

\$0.7 million of the \$12.9 million total capital asset additions during the year ended June 30, 2021, related to Construction in Progress for the following projects:

- Swenson Field Upgrades of \$252,503
- Rondileau Student Union Study, Design and Renovations of \$193,609
- Wyatt Garden of \$143,204
- Other Improvements and Renovations totaling \$107,358

The remaining \$12.2 million of the \$12.9 million total capital asset additions related to major purchases, renovations and projects that were considered completed.

The major items were comprised of the following:

- DCAMM Campus-wide Electrical Infrastructure Upgrade of \$4,020,398
- Rondileau Student Union Auditorium of \$2,954,796
- Swenson Athletic Complex – Bear Paw Pavilion of \$2,011,840
- Photonics Lab Renovations and Equipment Purchases of \$924,901
- Art Center Windows of \$376,361
- Artwork from Foundation of \$351,000
- Rondileau Student Union Windows of \$294,665
- Tridium Building Control Updates of \$226,385
- Other Improvements and Acquisitions totaling \$1,085,117

\$10.1 million represents projects that began in prior fiscal years that were completed in fiscal year 2021; this dollar amount was reclassified from Construction in Progress to capital assets subject to depreciation. The major items were comprised of the following:

- DCAMM Campus-wide Electrical Infrastructure Upgrade of \$7,175,786
- Swenson Athletic Complex – Bear Paw Pavilion of \$1,062,598
- Rondileau Student Union Windows of \$670,934
- Photonics Lab Renovations and Equipment Purchases of \$455,438
- Rondileau Student Union Auditorium of \$289,691
- Art Center Accessibility of \$285,966
- Other Improvements totaling \$142,626

In fiscal year 2020, capital asset additions totaled \$11.9 million. Major renovations and project fixed asset additions during fiscal year 2020, included DCAMM campus-wide electrical infrastructure upgrade of \$6,564,898, completion of the Swenson Athletic Complex, Bear Paw Pavilion of \$883,657, photonics equipment purchases of \$746,808 and Rondileau Student Union improvements of \$706,608.

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Capital Assets (Continued)

In fiscal year 2019, capital asset additions totaled \$6.2 million. Major renovations and projects completed during fiscal year 2019, included Rondileau Student Union improvements of \$1,286,328, Art building improvements of \$846,686, IT server upgrades of \$612,316, DCAMM campus-wide electrical infrastructure upgrade of \$610,888, Rondileau Student Union window replacement of \$484,786 and Boyden Hall renovations of \$314,677.

The university has an active program to address deferred maintenance needs on campus. Addressing deferred maintenance remains a priority within the university's plans.

For more information relating to capital asset activity refer to Note 9 accompanying the basic financial statements.

Long-Term Debt

The university has long-term debt obligations issued for various capital projects. The debt was issued through financing agreements with the Massachusetts Health and Educational Facilities Authority ("MHEFA"), now Mass Development, and the Massachusetts State College Building Authority ("MSCBA").

The university had \$7,850,000 of the Capital Asset Program issue, Series J-4 revenue bond issued by MHEFA/Mass Development to construct the Tinsley Center, with a maturity date of January 15, 2023. The bond has a variable interest rate, which was 0.3% and 6.5% at June 30, 2021 and 2020, respectively. MHEFA/Mass Development requires that the university maintain a debt service reserve fund held by a Trustee. The debt service reserve was \$69,069 and \$118,586 at June 30, 2021 and 2020, respectively. At June 30, 2021 and 2020, the balance on the bond was \$1,111,405 and \$1,722,920, respectively.

During fiscal year 2006, the university entered into a financing agreement with the MSCBA to construct a new parking lot. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2012B and 2019C (previously 2006A)). In July 2020 the Series 2012B and 2019C bonds were partially refunded with Series 2020A bonds. Through its agreements with MSCBA, the university will repay this debt in semi-annual installments, starting May 1, 2007 and ending May 1, 2034, at an annual variable coupon averaging 2.32%. MSCBA requires that the university maintain a debt service reserve fund. At June 30, 2021 and 2020, the debt service reserve was \$18,552 and \$86,836. At June 30, 2021 and 2020, the balance on the bond was \$462,409 and \$528,207, respectively.

During fiscal year 2010, the university entered into a financing agreement with the MSCBA to renovate an athletic field. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2009B & 2009C). In July 2020 the Series 2009C bond was partially refunded with series 2020A bonds. Through its agreements with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting May 1, 2011 and ending May 1, 2034, at an annual variable coupon averaging 5.25%. At June 30, 2021 and 2020, the balance on the bond was \$2,831,026 and \$2,896,018, respectively.

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Long-Term Debt (Continued)

During fiscal year 2012, the university entered into a financing agreement with the MSCBA to redevelop an existing parking lot to construct green space to include pedestrian walkways. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2012A). In July 2020 the Series 2012A bond was partially refunded with series 2020A bonds. Through its agreement with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting October 1, 2012 and ending February 21, 2032, at an annual variable coupon averaging 3.65%. At June 30, 2021 and 2020, the balance on the bond was \$790,620 and \$685,559, respectively.

During fiscal year 2013, the university entered into a financing agreement with the MSCBA to renovate the main entrances to the Rondileau Student Union. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2012C, as modified). In July 2020 the series 2012C Bond was refinanced by bond series 20A. Through its agreements with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting November 1, 2013 and ending May 1, 2041, at an annual variable coupon averaging 2.84%. At June 30, 2021 and 2020, the debt service reserve was \$16,950 and \$79,335. At June 30, 2021 and 2020, the balance on the bond was \$3,781,509 and \$3,637,694, respectively.

During fiscal year 2015, the MSCBA authorized and issued a debt modification resulting in the transfer of \$3,680,000 of principal from the Rondileau Student Union project. The transfer of principal was to fund the construction of the Welcome Center building. The source of financing the project was based upon the issuance of debt modification by the MSCBA on behalf of the university (Series 2012C modification). In July 2020, the series 2012C was partially refunded with series 20A bonds. Through its agreements with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting May 1, 2015 and ending May 1, 2041, at annual variable coupon averaging 2.83%. At June 30, 2021 and 2020, the debt service reserve was \$13,560 and \$63,469. At June 30, 2021 and 2020, the balance on the bond was \$3,087,414 and \$2,910,044, respectively, including reserves and premiums.

Viability Ratio

The viability ratio measures one of the most basic determinants of clear financial health: the availability of expendable net assets to cover debt should the institution need to settle its obligations as of the balance sheet date. Expendable net position are those assets not required to be retained in perpetuity and are those assets available for operations. A ratio greater than 1.25 is recommended and would indicate, as of the balance sheet date, an institution has sufficient expendable net position to satisfy debt obligations.

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Long-Term Debt (Continued)

The table below shows the ratio computed for the primary government and our component units as well as the ratio calculated without the impact of the application of the GASB 68 pension and GASB 75 net OPEB standards.

<u>University and Component Units - Combined</u>			<u>University and Component Units - Combined (Without the Impact of Pension and Net OPEB)</u>		
<u>2021</u>	<u>2020</u>	<u>2019 Restated</u>	<u>2021</u>	<u>2020</u>	<u>2019 Restated</u>
(6.21)	(8.05)	(6.07)	6.80	3.50	3.42

Debt Burden Ratio

The debt burden ratio measures an institution's dependence on borrowed funds by comparing the level of debt service to total expenditures. In order to effectively manage resources, including debt, industry standards set the upper threshold for institutional debt burden at 7%. The debt burden ratio is presented for the primary government and our component units. As of June 30, 2021, 2020 and 2019, the debt burden is 0.7%, 1.0%, and 1.0%, respectively.

For more information relating to long-term debt activity refer to Note 12 accompanying the basic financial statements.

Operating and Capital Lease Obligations

During fiscal year 2009, the university partnered with Bristol Community College in Attleboro to provide students with a pathway from a two-year associate's degree to a four-year bachelor's degree. The site acts as a degree completion center, where students who have earned college credits can continue to further their education. The university entered into a 20-year operating lease for exclusive right to use and occupy a portion of the property at 11 Field Road, Attleboro, Massachusetts. The payments cost the university approximately \$138,000 and \$158,000 for the fiscal years ended June 30, 2021, and 2020, respectively.

Also, in fiscal year 2009, the university established an FAA-certified Part 141 flight training program located at the New Bedford Regional Airport. The university's Part 141 Certificate provided the university full control of all flight and ground training operations. The result is a high-quality training program that provides our students with a comprehensive education in Aviation Science. The benefit of more tightly monitored, fast-tracked training is for piloting certificates and ratings that students will put to immediate use as professionals in aviation careers.

In conjunction with the establishment of the flight training program, in fiscal year 2009, the university entered into a lease agreement with the City of New Bedford for a 10,480 square foot building located in the New Bedford Airport

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Operating and Capital Lease Obligations (Continued)

to house to the university's flight school. The University has leased this facility since 2009. In fiscal year 2021, a new 3-year lease was drafted and is expected to be executed in October 2021. The payments cost the university approximately \$60,000 for the years ended June 30, 2021 and 2020.

During fiscal year 2018, the university entered into a 10-year operating lease agreement with Bridgewater State University Foundation for 5,389 usable square feet of space at 26 Summer Street, Bridgewater, Massachusetts. The premises are used for the university's Institutional Advancement administrative offices. The payments cost the university \$60,000 for the fiscal years ended June 30, 2021, and 2020. The Bridgewater State University Foundation paid off the mortgage on the property at 26 Summer Street and is no longer charging the University to lease the space.

The university leases various energy improvements that were implemented throughout the campus in 2006. The improvements were considered to be a capital lease because the energy improvements were a tax-exempt lease purchase. The payments cost the university \$629,878 in principal and interest for the fiscal years ended June 30, 2021 and 2020. Capital lease assets, net of accumulated depreciation totaled \$3,132,706 and \$3,654,824 for the years ended June 30, 2021 and 2020, respectively. Capital lease obligations totaled \$3,120,252 and \$3,582,100 for the years ended June 30, 2021 and 2020, respectively.

During 2018, the university leased machinery and equipment which were considered to have met capital lease criteria. The payments cost the university \$17,734 for principal and interest for fiscal years 2021 and 2020. The capital lease ends in 2028. Capital lease assets, net of accumulated depreciation, totaled \$28,840 and \$57,680 for the years ended June 30, 2021 and June 30, 2020, respectively.

For more detailed information relating to operating and capital lease activity refer to Note 12 accompanying the basic financial statements.

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Financial Analysis of the University

Bridgewater State University's changes in net position related to operations for the years ended June 30 are as follows:

	<i>2021</i>	<i>2020</i>	<i>2019</i> <i>Restated</i>
Operating revenues:			
Tuition and fees	\$ 110,514,093	\$ 116,055,084	\$ 114,269,850
Student financial aid (contra revenue)	(27,135,063)	(26,239,591)	(23,558,194)
Operating grants	25,010,749	24,848,570	23,029,402
Auxiliary enterprises	15,422,689	32,309,029	40,060,480
Other operating revenue	<u>60,517</u>	<u>320,740</u>	<u>665,907</u>
Total operating revenues	<u>123,872,985</u>	<u>147,293,832</u>	<u>154,467,445</u>
Operating expenses:			
Instruction	75,420,095	82,919,590	80,252,755
Public service	1,414,288	2,420,144	2,623,570
Academic support	24,622,970	26,115,706	27,901,251
Student services	22,198,270	23,978,138	25,408,170
Institutional support	23,576,576	25,253,381	24,026,458
Operation and maintenance of plant	14,678,632	16,514,963	19,597,190
Scholarships and fellowships	15,285,158	10,243,910	9,197,097
Depreciation and amortization	11,170,409	9,990,722	10,235,666
Auxiliary enterprises	<u>19,189,841</u>	<u>35,877,371</u>	<u>38,379,371</u>
Total operating expenses	<u>207,556,239</u>	<u>233,313,925</u>	<u>237,621,528</u>
Net operating loss	<u>\$ (83,683,254)</u>	<u>\$ (86,020,093)</u>	<u>\$ (83,154,083)</u>

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Financial Analysis of the University (Continued)

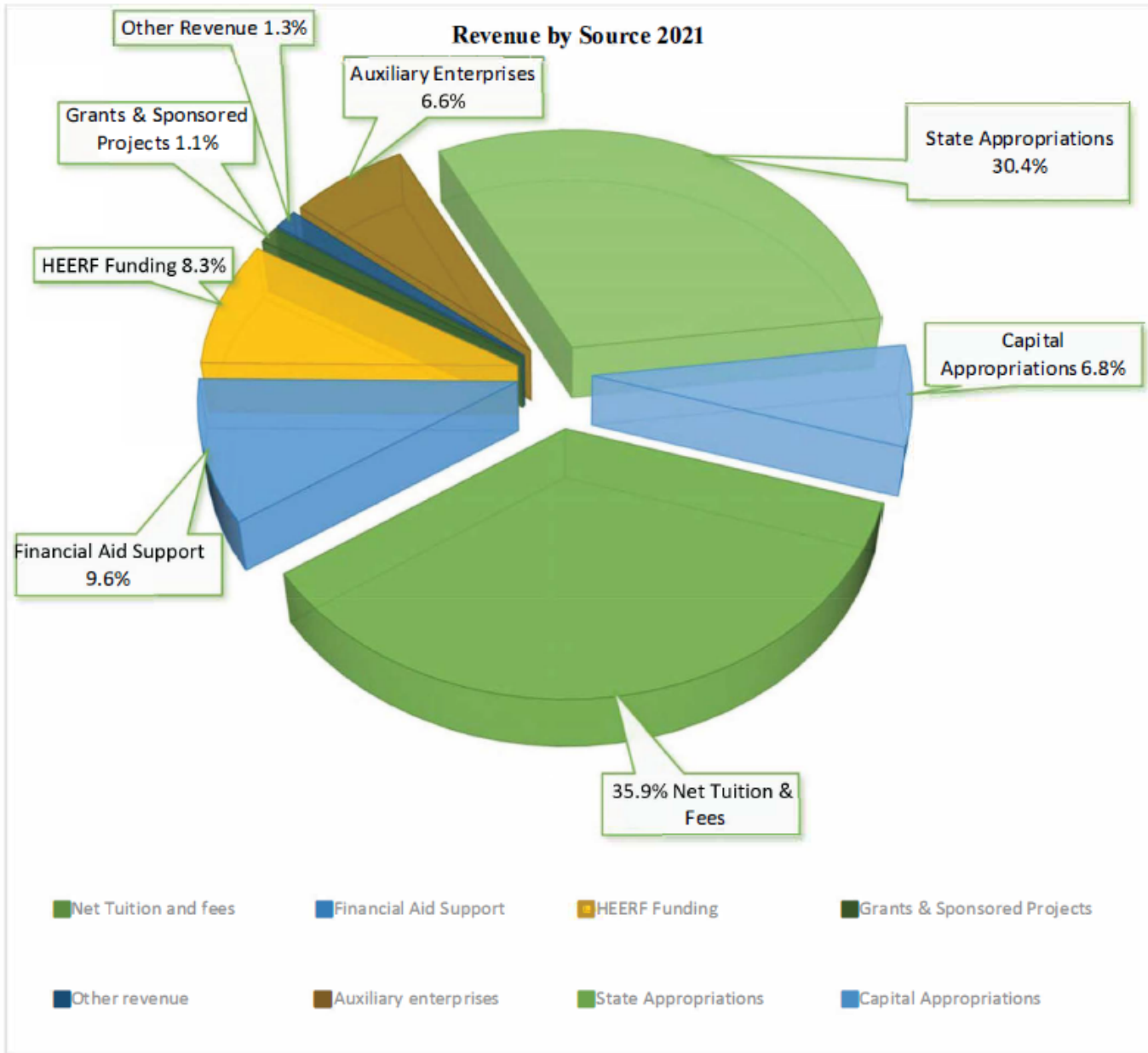
	<i>2021</i>	<i>2020</i>	<i>2019</i> <i>Restated</i>
Non-operating revenues (expenses):			
State appropriations, net	\$ 70,562,036	\$ 67,350,219	\$ 65,098,681
Gifts	2,116,858	1,902,763	1,279,525
HEERF funds	19,421,645	1,668,952	-
Investment income	17,923	236,611	216,454
Interest expense	(507,181)	(561,181)	(620,695)
Other non-operating revenues (expenses)	<u>903,728</u>	<u>1,419,741</u>	<u>1,596,671</u>
Net non-operating revenues (expenses)	<u>92,515,009</u>	<u>72,017,105</u>	<u>67,570,636</u>
Net income (loss) before capital appropriations	8,831,755	(14,002,988)	(15,583,447)
Capital appropriations	<u>15,771,408</u>	<u>1,218,148</u>	<u>644,614</u>
Total increase (decrease) in net position	24,603,163	(12,784,840)	(14,938,833)
Net position, beginning of year	<u>(5,628,504)</u>	<u>7,156,336</u>	<u>22,095,169</u>
Net position, end of year	<u>\$ 18,974,659</u>	<u>\$ (5,628,504)</u>	<u>\$ 7,156,336</u>

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Financial Analysis of the University (Continued)



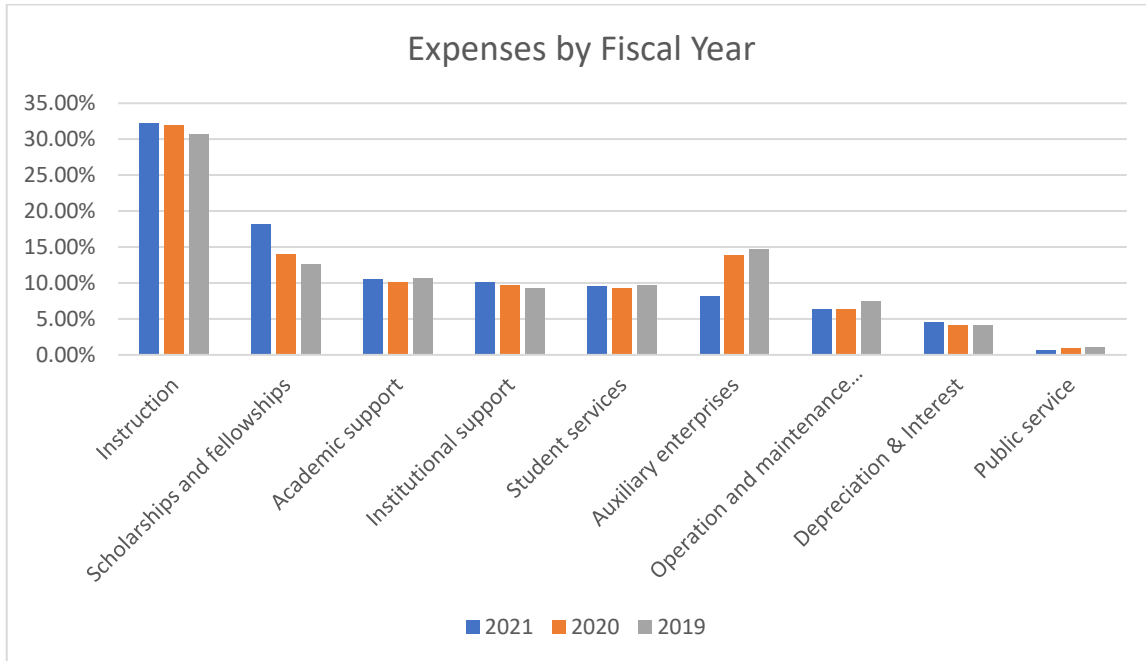
Approximately 35.9% of the revenues are derived from tuition and fees, 30.4% are from state appropriations, 9.6% of revenues are derived from financial aid student support, 8.3% of non-operating federal HEERF funding recognized, 6.8% are from capital appropriations, 6.6% are fees and other auxiliary revenues, 1.3% is other revenue which is comprised of gifts, investment income and other non-operating revenue and 1.1% is grants and sponsored projects. See Note 19 for further detail on state and capital appropriations.

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(Unaudited)

Financial Analysis of the University (Continued)



Expenses for student support continue to remain a focus of the university. The percentage of expenses supporting scholarships/fellowships have increased by 29.5% for student support when comparing 2019 to 2021. The graph demonstrates auxiliary expenses decreasing by 46.5% due to the savings of MSCBA assessment that the University was not charged for this fiscal year coupled with lower costs due residence hall enrollment decreases. Institutional support has remained relatively stable, excluding the impact of GASB 68 and 75 (which this chart shows the growing impact of those standards). The university's expense mix illustrates a focus on programs supporting student success.

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(Unaudited)

State Appropriations

Unless otherwise permitted by the Massachusetts Legislature, the university is required to remit tuition to the Commonwealth for courses taught by state supported faculty. Therefore, the university collects this student tuition on behalf of the Commonwealth and remits it to the Commonwealth's General Fund. There is no direct connection between the amount of tuition revenues collected by the university and the amount of state funds appropriated in any given year. The following details the Commonwealth appropriations received by the university for fiscal years ending June 30:

	<i>2021</i>	<i>2020</i>	<i>2019</i>
Gross Commonwealth appropriations	\$ 52,106,936	\$ 50,175,136	\$ 48,624,086
Plus: Fringe benefits***	<u>18,464,155</u>	<u>17,232,591</u>	<u>16,536,120</u>
	70,571,091	67,407,727	65,160,206
Less: Tuition remitted	<u>(9,055)</u>	<u>(57,508)</u>	<u>(61,525)</u>
Net Commonwealth support	<u>\$ 70,562,036</u>	<u>\$ 67,350,219</u>	<u>\$ 65,098,681</u>

*** The Commonwealth pays the fringe benefit cost for university employees paid from Commonwealth appropriations. Therefore, such fringe benefit support is added to the "State Appropriations" financial statement line item as presented in the above table. The university pays the Commonwealth for the fringe benefit cost of the employees paid from funding sources other than Commonwealth appropriations.

Grant and Contract Revenue

The university received \$44,432,394, \$26,517,522 and \$23,029,402 in grant and contract revenues for the fiscal years ended June 30, 2021, 2020 and 2019, respectively. Below presents the primary grants and contracts received for the following fiscal years ended June 30:

	<i>2021</i>	<i>2020</i>	<i>2019</i>
Operating Grants:			
Federal			
Pell grant	\$ 14,322,014	\$ 15,379,861	\$ 15,619,878
Federal work study	234,172	316,985	441,938
Federal SEOG	389,374	360,084	327,590
Teach grant	48,229	69,284	58,830
State			
Mass grants	3,981,972	3,059,753	2,444,991
Tuition grants	1,996,042	1,937,558	1,903,880
Other	<u>4,038,946</u>	<u>3,725,045</u>	<u>2,232,295</u>
Total Operating Grants	25,010,749	24,848,570	23,029,402
Non-operating Federal Grants:			
HEERF Institutional Support	11,344,623	834,476	-
HEERF Student Emergency Funds	7,025,410	834,476	-
HEERF Strengthening Institutions Program	<u>1,051,612</u>	<u>-</u>	<u>-</u>
Total Non-operating Federal Grants	19,421,645	1,668,952	-
Total Grants	<u>\$ 44,432,394</u>	<u>\$ 26,517,522</u>	<u>\$ 23,029,402</u>

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Enrollment

Enrollment at the university has decreased this past academic year. The university's enrollment head-count for Fall 2020 was 10,651, which is a 3.1% decrease from Fall 2018 enrollment head-count of 10,990.

Tuition and Fees

The university strives to provide students with the opportunity to obtain a quality education. Tuition and fees have remained constant in fiscal year 2021 and 2020, respectively. Tuition and fee rates for three fiscal years ended June 30 are reflected in the schedule below:

	<i>Tuition Resident</i>	<i>Tuition Non- Resident</i>	<i>Fees</i>	<i>Total Resident Tuition & Fees</i>	<i>Average Room & Board</i>	<i>Total Resident Average Cost</i>
<u>2021</u>						
Undergraduate	\$ 910	\$ 7,050	\$ 9,822	\$ 10,732	\$ 13,464	\$ 24,196
Graduate	1,676	1,676	9,722	11,398	13,464	24,862
<u>2020</u>						
Undergraduate	\$ 910	\$ 7,050	\$ 9,822	\$ 10,732	\$ 13,363	\$ 24,095
Graduate	1,676	1,676	9,722	11,398	13,363	24,761
<u>2019</u>						
Undergraduate	\$ 910	\$ 7,050	\$ 9,458	\$ 10,368	\$ 13,003	\$ 23,371
Graduate	1,676	1,676	9,358	11,034	13,003	24,037

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Factors Impacting Future Periods

The university continues to assess the future impact of the COVID-19 pandemic. The university continues the interdivisional weekly COVID-19 safety meetings for reporting on and implementing safe protocols. The former Safe Return Task Force has been renamed to the Together Again Task Force to guide decision making for repopulating the campus in Fall 2021.

Bridgewater State University, in partnership with the other eight institutions in the Massachusetts State University system, is joining a growing number of colleges and universities across the country and state by requiring students to become fully inoculated with an approved COVID-19 vaccine before they attend in-person classes in the fall 2021 semester.

The presidents of the nine state institutions unanimously decided to require undergraduate and graduate students who are attending in-person classes, living in residence halls, conducting research on campus and/or participating in any on-campus activities to be fully vaccinated. This vaccination mandate is effective on or before the student's arrival on campus or the start of the fall 2021 academic semester.

Student safety and the safety of our community remains at the forefront of our planning as we prepare to return to in-person learning and a full campus life in the fall. Receiving a COVID-19 vaccine is the most important measure we can take to protect our students, faculty, librarians and staff as we gradually return to a pre-COVID-19 environment in which the majority of our teaching, learning, and student life experiences will occur in-person and on campus in the fall 2021.

All students are required to demonstrate their vaccination by completing an electronic attestation. Students who qualify for an exemption to the vaccination will be required to take a weekly COVID-19 test through the Wellness Center. We have again partnered with the world-renowned Broad Institute of Harvard University and the Massachusetts Institute of Technology to implement our testing system on campus. Voluntary testing is also made available to all students, faculty, librarians and staff. Test results are returned to BSU within 24 hours, which allows staff to immediately begin contact tracing and other safety protocols as necessary.

As part of our commitment to putting safety first, all employees are required to be fully vaccinated unless they have received a vaccine exemption. Faculty/Staff who qualify for an exemption to the vaccination will be required to take a weekly COVID-19 test through the Wellness Center.

The university has an indoor mask requirement for all students, faculty, staff and visitors of the campus with limited exceptions. We have reached agreements with all three unions on campus for both vaccine and mask mandates.

In preparing for the Fall 2021 semester, operations plans to distribute 20,000 masks across campus and 375 containers of disinfectant wipes to all general-purpose classrooms and labs, event spaces, residence halls and university departments, clean and disinfect more than 106,000 square feet of classrooms, more than 160,000 square feet of labs, and more than 220,000 square feet of study and office space. We have certified 50 fume hoods and 10 Bio-Safety cabinets ensuring that appropriate ventilation standards are met.

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Factors Impacting Future Periods (continued)

With the continuing global novel corona virus (COVID-19), multiple factors continue to impact future periods. The University will continuously assess and monitor the health issues resulting from COVID-19 and potential financial impacts.

Enrollment continues to be a challenge for institutions of higher education. BSU's registered credits declined by 8.4% in the Fall 2021 semester compared to 3.7% decline in the Fall 2020 semester. BSU's enrollment (head-count) declined by 6.0% in Fall 2021 compared to 2% enrollment (head-count) decline in the Fall 2020 semester. These declines mainly result from lower first-time freshman and lower transfer students, lower second year cohort and a large graduating class.

BSU achieved strong student retention in Fall 2021 and Fall 2020, which helped mitigate the decline in new students. Regional community colleges continue to experience enrollment challenges. The economic challenges resulting from the pandemic also appear to be impacting potential students' decision making to attend BSU. BSU will continue to focus efforts on both recruiting and retention to maintain a predictable student revenue stream. This focus includes development of a strategic enrollment plan, online degree programs including targeting adult learners (an underserved population in the Commonwealth of Massachusetts) and online Graduate Programs.

The Strategic Enrollment plan is nearing completion with some strategies already being implemented to impact Fall 2022. Resourcing these initiatives is critical. Strategies that are currently in process include improved/updated undergraduate recruiting materials, search engine optimization, data access and reporting, targeting recruiting of underrepresented student populations and targeted recruiting with funding for merit scholarships.

The university still continued to experience residence hall occupancy challenges and occupancy hasn't recovered to pre-pandemic levels, due to the continuing impacts of COVID-19. We are making efforts to restore occupancy to pre-pandemic levels. In the Fall 2021 semester, residence hall occupancy was 83% versus the 98% results from the pre-pandemic Fall 2019 semester. Accordingly, improving occupancy in the residence halls is an important factor impacting future periods.

To offset the financial impact of the decline in enrollment and the decline in residence hall occupancy:

- the university is advancing the release of debt service reserves on the residence hall building bonds through coordination with MSCBA
- strategic enrollment planning and investing in those strategies
- cost mitigation controls

BSU benefited from better-than-expected state appropriation based on higher-than-expected state revenues which translated into a higher appropriation for the university. Future state revenues will continue to have a significant impact on our appropriation. BSU will continue to advocate for an appropriation commensurate with our enrollment, unique program offerings and community educational impact.

The financial need of BSU students, as demonstrated through the Department of Education Free Application for Federal Student Aid (FAFSA), is also growing. BSU has grown our internally funded commitment in the form of financial aid and scholarships by over 41% in the last 5 years. The strategic plan goals include both advocacy at the

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Factors Impacting Future Periods (continued)

state level to fund more financial aid and a fundraising campaign to increase our endowment to \$100 million to continue to address this urgent need for financial access to BSU's quality education program. The organizational stage of the fundraising campaign will shortly be completed in collaboration with the Bridgewater State University Foundation, the Alumni Association and the University.

In June 2020, following the death of George Floyd who was murdered on May 25, 2020, President Fred Clark formed a Special Presidential Task Force on Racial Justice. With a mission of translating longstanding institutional values into an action agenda for positive and necessary change, this task force was charged with conducting a comprehensive review aimed at identifying elements of policy, practice, and culture that may serve to impede our efforts at fully realizing racial justice and equity at BSU. In the 16 months since, more than 70 volunteer members of the extended BSU family - representing students, faculty, employees, alumni, and community partners - worked tirelessly to heed the challenge. Dozens more contributed everything from illuminating personal insights to rich expertise in research and scholarship.

The task force published their report in May 2021, the University Board of Trustees endorsed this report and created a board of trustee committee entitled the Racial Justice and Equity Committee to oversee this important initiative.

Also, the Bridgewater State University Police are leading the way in adopting a ground-breaking racially just policing model. The initiative is a product of the department's partnership with the Massachusetts chapter of the American Civil Liberties Union. The initiative is geared to public higher education but broadly applicable to law enforcement in general. Recommendations include establishing a police-community advisory group and training officers to self-correct perceived or actual biases. Departments are called upon to increase transparency by reporting on their actions (including demographic data) and facilitating community reviews of policies. The model also recommends establishing a mental health and support services team to handle, whenever appropriate, mental and behavioral health or substance-use issues. If someone reports suspicious activity, officers and dispatchers will be expected to first gather more information in order to dispatch the appropriate kind of assistance. The model was developed on the heels of incidents across the country where people were falsely identified as suspicious largely because of their race. BSU stood out as a willing partner as the ACLU sought to help police eliminate biases and rethink their responses.

A grant-funded cybersecurity tool will provide hands-on training for BSU. Called a cyber range, it will allow students and professionals to experience simulations, including sophisticated ransomware and malware attacks. These mock cybercrime investigations will be based on real cases. The range, recently supported by a \$250,000 state Skills Capital Grant, can be accessed from the cloud. BSU plans to modify a room in the Dana Mohler-Faria Science and Mathematics Center into a state-of-the-art lab with computers and a wall of monitors. This will offer a realistic setting to experience the pressure and complexity of cyber-attacks. The range complements Bridgewater's growing offerings in the cyber-security field with an estimated 7,400 open job positions region wide. Across the country, the Bureau of Labor Statistics projects 31-percent growth in the number of information security analyst jobs between 2019 and 2029. The range will also serve regional organizations, as BSU will provide cybersecurity training to municipalities, schools, state agencies, law enforcement, the military and private businesses.

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Factors Impacting Future Periods (continued)

Additionally in late June, Massachusetts Governor Charlie Baker's administration chose BSU to be the location for the announcement of his FY22 capital budget plan. Joined by Lieutenant Governor Karyn Polito, Secretary of Education James Peyser, Secretary of Administration and Finance Michael Heffernan and State Senator Marc Pacheco, the Governor announced that the state is investing \$25 million in BSU for the renovation of Burnell Hall and in support of the College of Education and Health Sciences (CEHS). BSU has been actively pursuing state funding for the Burnell project for many years. The total project cost is \$39 million and will impact nearly 95,000 square feet of building space on campus, includes 80 new offices for faculty, and will benefit 4,000 students in 35 majors on campus. The project represents a truly transformative and impactful investment that will promote student success, support innovative program delivery, expand the advanced use of technology, and serve critical workforce needs in the Commonwealth.

BSU was one of three state agencies that were awarded state grants totaling \$800,000 for solar canopies. We received \$261,000 for a 367 KWh solar canopy in the Swenson Lot that is estimated to generate 400,000 KWh of clean electricity. The result will be \$850,000 in savings over 20 years through reduced electricity costs as part of a power purchase agreement with a third-party solar developer. BSU is also installing several rooftop solar arrays across campus along with a new dual-port EV charging station.

The university has pending three-year collective bargaining agreements which call for salary increases and retroactive payment adjustments. These financial parameters were recently offered by the Commonwealth of Massachusetts. Pending finalization, and then ratification of the MSCA day contract, APA contract and AFSCME contract, most unit employees on campus will receive a retroactive 2.5% pay increase for the last fiscal year (FY21) and a 3.5% increase (2% salary increase plus a one-time 1.5% COVID-19 bonus) for this fiscal year (FY22). The contracts also include a 2% increase for FY23. The Commissioner of the Massachusetts Department of Higher Education has approved these salary parameters for Non-Unit employees, as well.

As the COVID-19 pandemic has created a serious financial strain on students, the university did not increase student fees for the second year in a row. Accordingly, student fees remain the same as they were in the pre-pandemic academic year 2019-2020. This has greatly assisted students in continuing or starting their college careers. BSU also reduced the online course fee by 25%.

In February 2021, a minor increase in residence hall rates for the 2021-2022 academic year was approved by the Massachusetts Board of Higher Education as proposed by BSU and endorsed by the MSCBA. The average increase was .5% and targeted the newer, in demand residence halls.

In response to changing student expectations, the university continues to modify its meal plan options. Some of the meal plan improvements include increased flexibility, longer hours of operation, and more variety. The university did not increase meal plan rates in FY22.

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Factors Impacting Future Periods (continued)

The table below illustrates the FY22 meal plan options, and rates per semester:

	<i>Per Semester Rates</i>		
	<i>Base Meals</i>	<i>Dining Dollars</i>	<i>Proposed Cost</i>
Platinum	\$ 1,646	\$ 780	\$ 2,426
Gold	1,754	370	2,124
Silver	1,517	550	2,067
Bronze	29	200	229

Costs at residence halls for 2021-2022, which reflect the MSCBA value-pricing, increased an average of 0.5%, as follows:

Great Hill Apartments, \$9,800 from \$9,604; Miles-DiNardo Hall, \$8,920 from \$8,831; Pope and Scott Halls, \$8,554 from \$8,554; Shea-Durgin Hall, \$8,554 from \$8,554; Woodward Hall, \$8,100 from \$8,100; Stonehouse Hall, \$9,750 from \$9,560 for singles; \$8,780 from \$8,610 for doubles; Crimson, \$9,970 from \$9,770 for singles; \$8,860 from \$8,690 for doubles; Weygand, \$10,220 from \$10,024 for singles; \$9,130 from \$8,950 for doubles.

Requests for Information

This financial report is designed to provide a general overview of Bridgewater State University's finances for all those with an interest in the university's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: Associate Vice President, Finance, Fiscal Affairs, 131 Summer Street, Bridgewater, Massachusetts 02325.

BURNELL GRANT



The state is investing \$25 million, and BSU is adding \$14 million from new financing, to renovate Burnell Hall, after which it will become the home to the College of Education and Health Sciences.

Currently, the seven departments of the College of Education and Health Sciences are scattered across campus. The renovated Burnell Hall will finally bring them together in one building.

“The renovation of Burnell Hall represents one of the most significant building projects in the last 50 years,” President Clark said of the work, which is expected to be completed over the next four years.

Burnell Hall was built as an elementary school in 1979. The renovation will create new laboratories, classrooms, offices and collaborative spaces, and will expand the building’s capacity, allowing enrollment in the college to increase by nearly 10 percent.

“In the academic programs that will be housed in this updated facility, students will be able to work toward in-demand degrees and licenses in fields like occupational and physical therapy and public health,” the governor said when announcing the grant. “We’re excited to see this project come together and look forward to seeing the many benefits it will ... deliver for Bridgewater State University and the region.”

This past summer, Governor Charlie Baker visited campus to make the announcement.

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Statements of Net Position

June 30, 2021 and 2020

Assets and Deferred Outflows of Resources

	<u>Primary Government</u>		<u>Component Units</u>	
	2021 University	2020 University	2021 Combined	2020 Combined
Assets				
Current assets:				
Cash and equivalents	\$ 65,019,460	\$ 47,681,297	\$ 1,535,296	\$ 922,111
Deposits held by State Treasurer	7,558,659	7,024,949	-	-
Cash held by State Treasurer	1,558,824	497,921	-	-
Restricted cash and equivalents	1,591,360	1,058,467	-	-
Contributions receivable, net	-	-	415,836	447,086
Accounts receivable, net	8,830,491	7,752,703	16,712	30,100
Prepaid expenses and other assets	<u>995,963</u>	<u>838,308</u>	<u>25,085</u>	<u>12,789</u>
Total current assets	<u>85,554,757</u>	<u>64,853,645</u>	<u>1,992,929</u>	<u>1,412,086</u>
Non-current assets:				
Investments	-	-	60,167,438	45,369,743
Contributions receivable, net	-	-	323,724	61,140
Debt service reserve fund	118,131	348,226	-	-
Properties held for resale	-	-	1,100,000	5,390,000
Capital assets, net	<u>159,599,621</u>	<u>157,846,728</u>	<u>1,688,616</u>	<u>4,366,829</u>
Total non-current assets	<u>159,717,752</u>	<u>158,194,954</u>	<u>63,279,778</u>	<u>55,187,712</u>
Total assets	<u>245,272,509</u>	<u>223,048,599</u>	<u>65,272,707</u>	<u>56,599,798</u>
Deferred outflows of resources				
Deferred outflows of resources related to pension	20,287,945	15,641,930	-	-
Deferred outflows of resources related to OPEB	28,047,550	28,355,112	-	-
Deferred outflows of resources related to MSCBA bond refunding	<u>478,988</u>	-	-	-
Total deferred outflows of resources	<u>48,814,483</u>	<u>43,997,042</u>	<u>-</u>	<u>-</u>

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Statements of Net Position (Continued)

June 30, 2021 and 2020

Liabilities, Deferred Inflows of Resources and Net Position

	Primary Government		Component Units	
	2021 University	2020 University	2021 Combined	2020 Combined
Liabilities				
Current liabilities:				
Accounts payable and accrued expenses	4,333,914	3,237,698	155,264	1,693,332
Accrued payroll	9,048,832	9,971,506	-	-
Accrued worker's compensation	184,402	229,227	-	-
Accrued compensated absences	8,144,854	7,638,317	-	-
State funds payable	569,972	26,171	-	-
Unearned revenues	6,589,055	17,550,865	-	8,700
Other current liabilities	-	-	-	22,733
Current portion of capital lease obligations	487,946	461,849	-	-
Current portion of bonds and notes payable	<u>1,084,289</u>	<u>1,392,012</u>	<u>-</u>	<u>24,488</u>
Total current liabilities	<u>30,443,264</u>	<u>40,507,645</u>	<u>155,264</u>	<u>1,749,253</u>
Non-current liabilities:				
Accrued worker's compensation	1,330,197	1,009,836	-	-
Accrued compensated absences	4,011,644	3,762,156	-	-
Capital lease obligation	2,632,305	3,120,251	-	-
Bonds and notes payable	10,980,096	10,988,430	-	550,228
Net pension liability	75,678,655	60,911,032	-	-
Net OPEB liability	<u>97,380,694</u>	<u>114,827,620</u>	<u>-</u>	<u>-</u>
Total non-current liabilities	<u>192,013,591</u>	<u>194,619,325</u>	<u>-</u>	<u>550,228</u>
Total liabilities	<u>222,456,855</u>	<u>235,126,970</u>	<u>155,264</u>	<u>2,299,481</u>
Deferred inflows of resources				
Deferred inflows of resources related to MSCBA refunding	111,258	-	-	-
Service concession arrangement	97,984	-	-	-
Deferred inflows of resources related to pension	3,924,076	6,905,359	-	-
Deferred inflows of resources related to OPEB	<u>48,522,160</u>	<u>30,641,816</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>52,655,478</u>	<u>37,547,175</u>	<u>-</u>	<u>-</u>
Net position				
Net investment in capital assets	144,414,985	141,884,186	1,688,616	3,792,113
Restricted:				
Nonexpendable, scholarships and fellowships	23,000	23,000	22,558,740	20,994,125
Expendable, scholarships and grants	4,933,613	1,564,983	15,541,016	7,039,026
Unrestricted	<u>(130,396,939)</u>	<u>(149,100,673)</u>	<u>25,329,071</u>	<u>22,475,053</u>
Total net position	<u>\$ 18,974,659</u>	<u>\$ (5,628,504)</u>	<u>\$ 65,117,443</u>	<u>\$ 54,300,317</u>

See Independent Auditors' Report and accompanying notes to the financial statements.

BRIDGEWATER STATE UNIVERSITY
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Statements of Revenues, Expenses and Changes in Net Position

For the Years Ended June 30, 2021 and 2020

	<i>Primary Government</i>		<i>Component Units</i>	
	<i>2021 University</i>	<i>2020 University</i>	<i>2021 Combined</i>	<i>2020 Combined</i>
Operating revenues:				
Tuition and fees	\$ 110,514,093	\$ 116,055,084	\$ -	\$ -
Less: scholarships and fellowships	<u>(27,135,063)</u>	<u>(26,239,591)</u>	<u>-</u>	<u>-</u>
Net tuition and fees	83,379,030	89,815,493	-	-
Gifts and contributions	-	-	2,568,866	2,279,244
Federal, state and private grants and contracts	25,010,749	24,848,570	-	-
Auxiliary enterprises	15,422,689	32,309,029	-	-
Other operating revenues	<u>60,517</u>	<u>320,740</u>	<u>2,472,704</u>	<u>2,377,841</u>
Total operating revenues	<u>123,872,985</u>	<u>147,293,832</u>	<u>5,041,570</u>	<u>4,657,085</u>
Operating expenses:				
Educational and general:				
Instruction	75,420,095	82,919,590	-	-
Gifts and contributions	-	-	2,428,254	2,533,192
Public service	1,414,288	2,420,144	-	-
Academic support	24,622,970	26,115,706	-	-
Student services	22,198,270	23,978,138	-	-
Institutional support	23,576,576	25,253,381	2,430,115	2,736,961
Operation and maintenance of plant	14,678,632	16,514,963	-	-
Scholarships and fellowships	15,285,158	10,243,910	-	-
Depreciation and amortization	11,170,409	9,990,722	59,894	93,397
Auxiliary enterprises	<u>19,189,841</u>	<u>35,877,371</u>	<u>-</u>	<u>-</u>
Total operating expenses	<u>207,556,239</u>	<u>233,313,925</u>	<u>4,918,263</u>	<u>5,363,550</u>
Net operating income (loss)	<u>(83,683,254)</u>	<u>(86,020,093)</u>	<u>123,307</u>	<u>(706,465)</u>
Non-operating revenues (expenses):				
State appropriations, net	70,562,036	67,350,219	-	-
Gifts	2,116,858	1,902,763	-	-
HEERF Act funds	19,421,645	1,668,952	-	-
Investment income	17,923	236,611	14,277,358	265,873
Interest expense	(507,181)	(561,181)	-	-
Rental income	-	-	46,404	134,215
Impairment Loss	-	-	(2,260,000)	-
Other non-operating revenues (expenses)	<u>903,728</u>	<u>1,419,741</u>	<u>(1,369,943)</u>	<u>-</u>
Net non-operating revenues (expenses)	<u>92,515,009</u>	<u>72,017,105</u>	<u>10,693,819</u>	<u>400,088</u>
Increase (decrease) in net position before capital appropriations	8,831,755	(14,002,988)	10,817,126	(306,377)
Capital appropriations	<u>15,771,408</u>	<u>1,218,148</u>	<u>-</u>	<u>-</u>
Total increase (decrease) in net position	<u>\$ 24,603,163</u>	<u>\$ (12,784,840)</u>	<u>\$ 10,817,126</u>	<u>\$ (306,377)</u>
Net position, at beginning of year	<u>(5,628,504)</u>	<u>7,156,336</u>	<u>54,300,317</u>	<u>54,606,694</u>
Net position, at end of year	<u>\$ 18,974,659</u>	<u>\$ (5,628,504)</u>	<u>\$ 65,117,443</u>	<u>\$ 54,300,317</u>

See Independent Auditors' Report and accompanying notes to the financial statements.

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Statements of Cash Flows

For the Years Ended June 30, 2021 and 2020

	<i>Primary Government</i>	
	<i>2021</i>	<i>2020</i>
	<i>University</i>	<i>University</i>
Cash flows from operating activities:		
Tuition and fees	\$ 85,268,990	\$ 89,944,816
Grants and contracts	17,354,770	27,962,301
Payments to employees	(97,201,276)	(121,289,861)
Payments to suppliers and vendors	(37,317,347)	(27,389,415)
Payments to students	(15,285,158)	(10,243,910)
Auxiliary enterprises charges	(19,189,841)	(35,877,371)
Auxiliary enterprises	15,422,689	32,309,029
Other operating revenues	2,070,381	829,577
Other non-operating revenues	<u>903,728</u>	<u>1,419,741</u>
Net cash used in operating activities	<u>(47,973,064)</u>	<u>(42,335,093)</u>
Cash flows from non-capital financing activities:		
State appropriations	52,097,881	50,117,628
HEERF Act funds	19,421,645	1,668,952
Gifts	<u>1,634,193</u>	<u>1,551,088</u>
Net cash provided by non-capital financing activities	<u>73,153,719</u>	<u>53,337,668</u>
Cash flows from capital financing activities:		
Capital appropriation	10,083,039	7,945,455
Purchase of capital assets	(14,393,226)	(11,711,743)
Principal paid on capital leases	(461,849)	(437,151)
Payments of capital debt	(316,057)	(1,336,222)
Change in debt service reserve and bond refunding	(137,635)	34,180
Interest paid on capital debt and leases	<u>(507,181)</u>	<u>(561,181)</u>
Net cash used in capital financing activities	<u>(5,732,909)</u>	<u>(6,066,662)</u>
Cash flows from investing activity:		
Interest on investments	<u>17,923</u>	<u>236,611</u>
Net cash provided by investing activity	<u>17,923</u>	<u>236,611</u>
Net increase in cash and equivalents	19,465,669	5,172,524
Cash and equivalents, beginning of year	<u>56,262,634</u>	<u>51,090,110</u>
Cash and equivalents, end of year	\$ <u>75,728,303</u>	\$ <u>56,262,634</u>

See Independent Auditors' Report and accompanying notes to the financial statements.

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Statements of Cash Flows (Continued)

For the Years Ended June 30, 2021 and 2020

	<i>Primary Government</i>	
	<i>2021</i>	<i>2020</i>
	<i>University</i>	<i>University</i>
Reconciliation of net operating loss to net cash used in operating activities:		
Net operating loss	\$ (83,683,254)	\$ (86,020,093)
Adjustments to reconcile net operating loss to net cash used in operating activities:		
Depreciation and amortization	11,170,409	9,990,722
Bad debts (recovery)	(1,032,379)	50,224
Fringe benefits provided by Commonwealth	18,464,155	17,232,591
Other non-operating revenues	903,728	1,419,741
Deferred outflows for pension	(4,646,015)	4,239,696
Deferred inflows from pension	(2,981,283)	1,016,148
Deferred outflows for net other-post employment benefit obligation	307,562	3,614,361
Deferred inflows for net other-post employment benefit obligation	17,880,344	19,070,362
Changes in assets and liabilities:		
Accounts and loan receivable, net	(45,409)	(434,011)
Prepaid expenses and other assets	(158,355)	217,180
Accounts payable and accrued expenses	1,640,017	(1,614,671)
Accrued payroll and benefits	108,887	271,450
Unearned revenues	(3,222,168)	4,289,017
Net pension liability	14,767,623	871,812
Net OPEB liability	<u>(17,446,926)</u>	<u>(16,549,622)</u>
Net cash used in operating activities	<u>\$ (47,973,064)</u>	<u>\$ (42,335,093)</u>

Cash Flow Information

For purposes of the statement of cash flows, cash and equivalents are comprised of the following at June 30:

Cash and equivalents	\$ 65,019,460	\$ 47,681,297
Deposits held by State Treasurer	7,558,659	7,024,949
Cash held by State Treasurer	1,558,824	497,921
Restricted cash and equivalents	<u>1,591,360</u>	<u>1,058,467</u>
	<u>\$ 75,728,303</u>	<u>\$ 56,262,634</u>

The following summarizes the non-cash transactions for the years ended June 30:

Fringe benefits provided by the state	\$ 18,464,155	\$ 17,232,591
Acquisition of capital assets through capital appropriations	10,083,039	1,186,688
Acquisition of donated artwork	351,000	81,675
Capital grants - amortization of deferred inflows of resources - service concession arrangements	97,984	270,000
MSCBA refunding	(367,730)	-

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Combining Statements of Net Position of Major Component Units

June 30, 2021 and 2020

	<u>Assets and Deferred Outflows of Resources</u>					
	<u>2021</u>			<u>2020</u>		
	<i>Foundation</i>	<i>Alumni Association</i>	<i>Combined</i>	<i>Foundation</i>	<i>Alumni Association</i>	<i>Combined</i>
Assets						
Current assets:						
Cash and equivalents	\$ 1,431,896	\$ 103,400	\$ 1,535,296	\$ 818,256	\$ 103,855	\$ 922,111
Deposits held by State Treasurer	-	-	-	-	-	-
Cash held by State Treasurer	-	-	-	-	-	-
Deposits held by MSCBA	-	-	-	-	-	-
Restricted cash and equivalents	-	-	-	-	-	-
Contributions receivable, net	415,836	-	415,836	447,086	-	447,086
Accounts receivable, net	10,681	6,031	16,712	23,962	6,138	30,100
Prepaid expenses and other assets	25,085	-	25,085	119	12,670	12,789
Total current assets	<u>1,883,498</u>	<u>109,431</u>	<u>1,992,929</u>	<u>1,289,423</u>	<u>122,663</u>	<u>1,412,086</u>
Non-current assets:						
Investments	53,374,043	6,793,395	60,167,438	40,115,844	5,253,899	45,369,743
Contributions receivable, net	323,724	-	323,724	61,140	-	61,140
Debt service reserve fund	-	-	-	-	-	-
Cash surrender value of life insurance	-	-	-	-	-	-
Properties held for resale	1,100,000	-	1,100,000	5,390,000	-	5,390,000
Capital assets, net	1,688,616	-	1,688,616	4,366,829	-	4,366,829
Total non-current assets	<u>56,486,383</u>	<u>6,793,395</u>	<u>63,279,778</u>	<u>49,933,813</u>	<u>5,253,899</u>	<u>55,187,712</u>
Total assets	<u>58,369,881</u>	<u>6,902,826</u>	<u>65,272,707</u>	<u>51,223,236</u>	<u>5,376,562</u>	<u>56,599,798</u>
Deferred outflows of resources						
Deferred outflows of resources related to pension	-	-	-	-	-	-
Deferred outflows of resources related to OPEB	-	-	-	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See Independent Auditors' Report and accompanying notes to the financial statements.

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Combining Statements of Net Position of Major Component Units (Continued)

June 30, 2021 and 2020

	<u>Liabilities, Deferred Inflows of Resources and Net Position</u>					
	<u>2021</u>			<u>2020</u>		
	<i>Foundation</i>	<i>Alumni Association</i>	<i>Combined</i>	<i>Foundation</i>	<i>Alumni Association</i>	<i>Combined</i>
Liabilities						
Current liabilities:						
Accounts payable and accrued expenses	135,553	19,711	155,264	1,535,782	157,550	1,693,332
Accrued compensated absences	-	-	-	-	-	-
State funds payable	-	-	-	-	-	-
Unearned revenues	-	-	-	8,525	175	8,700
Other current liabilities	-	-	-	22,733	-	22,733
Current portion of capital lease obligations	-	-	-	-	-	-
Current portion of bonds and notes payable	-	-	-	24,488	-	24,488
	<u>135,553</u>	<u>19,711</u>	<u>155,264</u>	<u>1,591,528</u>	<u>157,725</u>	<u>1,749,253</u>
Total current liabilities						
Non-current liabilities:						
Accrued workers' compensation	-	-	-	-	-	-
Accrued compensated absences	-	-	-	-	-	-
Capital lease obligations	-	-	-	-	-	-
Unearned revenues	-	-	-	-	-	-
Bonds and notes payable	-	-	-	550,228	-	550,228
	<u>-</u>	<u>-</u>	<u>-</u>	<u>550,228</u>	<u>-</u>	<u>550,228</u>
Total non-current liabilities						
	<u>-</u>	<u>-</u>	<u>-</u>	<u>550,228</u>	<u>-</u>	<u>550,228</u>
Total liabilities	<u>135,553</u>	<u>19,711</u>	<u>155,264</u>	<u>2,141,756</u>	<u>157,725</u>	<u>2,299,481</u>
Deferred inflows of resources						
Service concession arrangement	-	-	-	-	-	-
Deferred outflows of resources related to pension	-	-	-	-	-	-
Deferred inflows of resources related to OPEB	-	-	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net position						
Net investment in capital assets	1,688,616	-	1,688,616	3,792,113	-	3,792,113
Restricted:						
Nonexpendable: scholarships and fellowships	21,284,145	1,274,595	22,558,740	19,734,988	1,259,137	20,994,125
Expendable: scholarships and grants	13,238,924	2,302,092	15,541,016	5,585,938	1,453,088	7,039,026
Unrestricted	<u>22,022,643</u>	<u>3,306,428</u>	<u>25,329,071</u>	<u>19,968,441</u>	<u>2,506,612</u>	<u>22,475,053</u>
Total net position	<u>\$ 58,234,328</u>	<u>\$ 6,883,115</u>	<u>\$ 65,117,443</u>	<u>\$ 49,081,480</u>	<u>\$ 5,218,837</u>	<u>\$ 54,300,317</u>

See Independent Auditors' Report and accompanying notes to the financial statements.

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Combining Statements of Revenues, Expenses and Changes in Net Position of Major Component Units

For the Years Ended June 30, 2021 and 2020

	<i>2021</i>			<i>2020</i>		
	<i>Foundation</i>	<i>Alumni Association</i>	<i>Combined</i>	<i>Foundation</i>	<i>Alumni Association</i>	<i>Combined</i>
Operating revenues:						
Tuition and fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Less: scholarships and fellowships	-	-	-	-	-	-
Net tuition and fees						
Gifts and contributions	2,465,471	103,395	2,568,866	2,159,480	119,764	2,279,244
Federal, state and private grants and contracts	-	-	-	-	-	-
Auxiliary enterprises	-	-	-	-	-	-
Other operating revenues	<u>1,607,740</u>	<u>864,964</u>	<u>2,472,704</u>	<u>1,508,757</u>	<u>869,084</u>	<u>2,377,841</u>
Total operating revenues	<u>4,073,211</u>	<u>968,359</u>	<u>5,041,570</u>	<u>3,668,237</u>	<u>988,848</u>	<u>4,657,085</u>
Operating expenses:						
Educational and general:						
Instruction	-	-	-	-	-	-
Gifts and contributions	2,372,636	55,618	2,428,254	2,390,162	143,030	2,533,192
Public service	-	-	-	-	-	-
Academic support	-	-	-	-	-	-
Student services	-	-	-	-	-	-
Institutional support	1,542,092	888,023	2,430,115	1,838,748	898,213	2,736,961
Operation and maintenance of plant	-	-	-	-	-	-
Other	-	-	-	-	-	-
Scholarships and fellowships	-	-	-	-	-	-
Depreciation and amortization	<u>59,894</u>	<u>-</u>	<u>59,894</u>	<u>93,397</u>	<u>-</u>	<u>93,397</u>
Total operating expenses	<u>3,974,622</u>	<u>943,641</u>	<u>4,918,263</u>	<u>4,322,307</u>	<u>1,041,243</u>	<u>5,363,550</u>
Net operating income	<u>98,589</u>	<u>24,718</u>	<u>123,307</u>	<u>(654,070)</u>	<u>(52,395)</u>	<u>(706,465)</u>
Non-operating revenues (expenses):						
State appropriations, net	-	-	-	-	-	-
Gifts	-	-	-	-	-	-
Investment income, net	12,637,798	1,639,560	14,277,358	234,782	31,091	265,873
Interest expense	-	-	-	-	-	-
Rental income	46,404	-	46,404	134,215	-	134,215
Impairment Loss	(2,260,000)	-	(2,260,000)	-	-	-
Other non-operating expenses	<u>(1,369,943)</u>	<u>-</u>	<u>(1,369,943)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net non-operating revenues (expenses)	<u>9,054,259</u>	<u>1,639,560</u>	<u>10,693,819</u>	<u>368,997</u>	<u>31,091</u>	<u>400,088</u>
Increase in net position before capital appropriations	<u>9,152,848</u>	<u>1,664,278</u>	<u>10,817,126</u>	<u>(285,073)</u>	<u>(21,304)</u>	<u>(306,377)</u>
Capital appropriations	-	-	-	-	-	-
Total increase (decrease) in net position	<u>\$ 9,152,848</u>	<u>\$ 1,664,278</u>	<u>\$ 10,817,126</u>	<u>\$ (285,073)</u>	<u>\$ (21,304)</u>	<u>\$ (306,377)</u>
Net position, at beginning of year	<u>49,081,480</u>	<u>5,218,837</u>	<u>54,300,317</u>	<u>49,366,553</u>	<u>5,240,141</u>	<u>54,606,694</u>
Net position, at end of year	<u>\$ 58,234,328</u>	<u>\$ 6,883,115</u>	<u>\$ 65,117,443</u>	<u>\$ 49,081,480</u>	<u>\$ 5,218,837</u>	<u>\$ 54,300,317</u>

See Independent Auditors' Report and accompanying notes to the financial statements.

ROBOTS



Sodexo, the university's food service vendor, teamed up with Starship Technologies to bring to campus the new delivery robots, that operate almost entirely autonomously. BSU is the first school in New England to roll out the robots.

The timing couldn't be better to offer this kind of "no-contact" food delivery service, as it provides another layer of safety during the coronavirus pandemic.

To use the service, students can download the Starship app, where they will find all the information needed to use the service. After users select their desired food items from the menu, Sodexo then prepares the order and places it into the robot. Once loaded and securely locked, off it goes!

Users then track their meal as it makes its way toward them. Upon collecting the food, the lid is then closed and with a swipe of the cell phone the robot trundles off to its next delivery.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies

Organization

Bridgewater State University (the “university”) is a public, state-supported, comprehensive university that offers a quality education leading to bachelors and master's degrees. The university also offers, through the College of Continuing Studies, credit and noncredit courses as well as a variety of summer workshop programs. It is governed by its Board of Trustees under the direction of the Massachusetts Department of Higher Education, and is accredited by the New England Commission of Higher Education. The university’s main campus is located in Bridgewater, Massachusetts.

The university is an Agency of the Commonwealth of Massachusetts (the “Commonwealth”) and, accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed if the university had been operated as an independent institution.

The Bridgewater State University Foundation (the “Foundation”) and the Bridgewater Alumni Association (the “Alumni Association”) were formed to render financial assistance and support to the educational programs and development of the university. Both organizations are legally separate from the university, and the university has no financial responsibility for either organization. These entities follow Financial Accounting Standards Board pronouncements which in some cases differ from the Governmental Accounting Standards Board (“GASB”) standards. Although the university does not control the timing or the amount of receipts from the Foundation or the Alumni Association, the majority of resources received or held by the Foundation and the Alumni Association are restricted to the activities of the university by donors. Because these resources can only be used by, or are for the benefit of the university, the Foundation and the Alumni Association are considered component units of the university and as such they have been combined and are discretely presented in the university’s financial statements. Complete financial statements for either organization can be obtained from their respective administrative offices in Bridgewater, Massachusetts.

Operations

On March 11, 2020, the World Health Organization declared the global outbreak of the novel coronavirus (COVID-19) as a pandemic. On March 23, 2020, the university transitioned students to a distance learning environment for the completion of the 2020 spring semester, and the 2020 summer semester was taught online. The university processed student adjustments totaling \$9,328,555 before June 30, 2020 to students for a pro-rata share of the housing, meal plan fees, and parking fees charged for the period from when the university transitioned students to a distance learning environment to the completion of the 2020 spring semester. The university remained fully online for the Fall 2020 and Spring 2021 semesters. During the year ended June 30, 2021, COVID-19 had a significant effect on the University’s operations in response to government requirements and observing safety measures. As a result, the University’s maximum housing’s capacity decreased by approximately 63% for the 2020-2021 academic year.

In response to the pandemic, the Federal government provided to the University the Higher Education Emergency Relief Funds (“HEERF”) and funds for the Strengthening Institution Program (“SIP”) under the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, Coronavirus Response and Relief Supplemental Appropriations Act (“CRRSAA”), and American Rescue Plan Act (“ARPA”). The HEERF consisted of the student aid award and the institutional award. Each Act requires a minimum amount to be spent on student aid.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Operations (Continued)

The student aid award is required to be distributed to students as emergency grants. The institutional award and the SIP can be used to cover any costs associated with several eligible categories such as reimbursement of lost revenue. Unless an extension is approved by the Department of Education, the student aid award and the institutional award must be spent by May 17, 2022, while the SIP funding must be spent by August 2, 2022.

The College has been awarded the following HEERF and SIP funds as of June 30, 2021:

	Student Aid Award	Institutional Award	Strengthening Institution Program	Total
CARES	\$ 4,416,831	\$ 4,416,831	\$ 438,097	\$ 9,271,759
CRRSAA	4,416,831	9,957,617	613,515	14,987,963
ARPA	12,647,966	12,526,847	-	25,174,813
Total	\$ 21,481,628	\$ 26,901,295	\$ 1,051,612	\$ 49,434,535

The University has recognized the following as non-operating Federal grants for the years ended June 30, 2021 and 2020.

For the Year Ended June 30, 2021					For the Year Ended June 30, 2020				
	Student Aid Award	Institutional Award	Strengthening Institutions Program	Total		Student Aid Award	Institutional Award	Strengthening Institutions Program	Total
CARES	\$ 3,582,355	\$ 3,582,355	\$ 438,097	\$ 7,602,807	CARES	\$ 834,476	\$ 834,476	\$ -	\$ 1,668,952
CRRSAA	3,443,055	7,762,268	613,515	11,818,838	CRRSAA	-	-	-	-
ARPA	-	-	-	-	ARPA	-	-	-	-
Total	\$ 7,025,410	\$ 11,344,623	\$ 1,051,612	\$ 19,421,645	Total	\$ 834,476	\$ 834,476	\$ -	\$ 1,668,952

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES" Act) became law. As part of the law, the CARES Act created the Higher Education Emergency Relief Fund ("HEERF"). The university was awarded \$8,833,662 of which 50% (or half) is required to be distributed to students affected by the COVID-19 crisis as emergency grants and the other half is required by the university to cover costs associated with changes in operations due to the COVID-19 crisis. According to the terms of HEERF, an institution can only utilize grant funds associated with changes in operations due to the COVID-19 crisis up to the amount provided to students as emergency grants.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Operations (Continued)

As of fiscal year 2021 the CARES Funds have been fully expended. The university expended \$3,582,370 and \$834,476 as of June 30, 2021 and 2020 respectively for emergency grants to students and recognized \$3,582,370 and \$834,476 as of June 30, 2021 and 2020 respectively in matching revenue, which was supported by reimbursement for provided student refunds for housing, meal plan and parking charges recorded in non-operating federal grants.

The university was also awarded HEERF Strengthening Institutions Program CARES funds in the amount of \$438,097. These funds have been fully expended as reimbursement for providing reimbursements to students for housing, meal plan and parking charges for the Spring 2020 semester.

The University was awarded \$14,374,448 of the Higher Education Emergency Relief Fund II (“HEERF II”), authorized by the Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (“CRRSAA”). The student emergency portion of this grant is \$4,416,831 and the institutional portion is \$9,957,617. The university proactively allocated \$583,169 of the institutional award to the student emergency portion bringing the total student emergency CRRSAA grant award to \$5,000,000. As of June 30, 2021 \$3,443,055 of the student emergency portion has been disbursed to students and \$7,762,268 of the institutional portion was recognized as revenue of which \$3,490,762 has been drawn down and the remaining \$4,600,212 remains a federal grant receivable as of June 30, 2021. The university is only allowed to recognize revenue in the institutional portion at the proportional rate the student emergency portion is disbursed. The revenue has been recorded in non-operating HEERF Funds.

The university was also awarded HEERF Strengthening Institutions Program CRRSAA funds in the amount of \$613,515. These funds have been fully expended. These funds were also fully expended as reimbursement for providing reimbursements to students for housing, meal plan and parking charges for the Spring 2020 semester.

The University was awarded \$25,174,813 of the Higher Education Emergency Relief Fund III (“HEERF III”), authorized by the American Rescue Plan Act (“ARPA”). The student emergency portion of this grant is \$12,647,966 and the institutional portion is \$12,526,847. As of June 30, 2021 zero of the student emergency portion has been disbursed to students and \$702,966 of the institutional portion has been drawn down to support lost revenue by clearing outstanding student account balances. The entire amount of the institutional portion disbursed of \$702,966 has been deferred to fiscal year 2022 as none of the student emergency portion has been disbursed.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Basis of Presentation and Accounting

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles as prescribed by GASB.

The university has determined that it functions as a business-type activity, as defined by GASB. The effect of interfund activity has been eliminated from these financial statements. The basic financial statements and required supplementary information for general-purpose governments consist of management's discussion and analysis, basic financial statements including the university's discretely presented component units, and required supplementary information. The university presents Statements of Net Position, Revenues, Expenses and Changes in Net Position, and Cash Flows on a combined university-wide basis.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. Direct expenses are those that are clearly identifiable within a specific function. The university's policies for defining operating activities in the Statements of Revenues, Expenses and Changes in Net Position are those that generally result from exchange transactions such as tuition and fees, grants and contracts, auxiliary enterprise revenues as well as expenses for salaries, wages, fringe benefits, utilities, supplies and services, depreciation and amortization.

Certain other transactions are reported as non-operating activities including the university's operating and capital appropriations from the Commonwealth, HEERF funding, net investment income and interest expense and non-capital gifts.

Classification of Assets and Liabilities

The university presents current and non-current assets and liabilities in the Statements of Net Position. Assets and liabilities are considered current if they mature in one year or less, or expect to be received, used, or paid within one year or less.

Net Position

Resources are classified for accounting purposes into the following four net position categories:

Net investment in capital assets: Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, repair or improvement of those assets, as well as deferred inflows of resources attributable to acquisition, construction, and improvement of those assets.

Restricted - nonexpendable: Net position subject to externally imposed conditions requiring the university to maintain them in perpetuity.

Restricted - expendable: Net position whose use is subject to externally imposed conditions that can be fulfilled by the actions of the university's Board of Trustees or by the passage of time.

Unrestricted: All other categories of net position. Unrestricted net position may be designated by actions of the university's Board of Trustees.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Position (Continued)

The university has adopted a policy of generally utilizing restricted - expendable funds, when available, prior to unrestricted funds.

Cash and Equivalents

The university's cash and equivalents are cash on hand, cash held with the Commonwealth's Treasurer and the Massachusetts State College Building Authority ("MSCBA"), and short-term, highly liquid investments with original maturities of three months or less from the date of purchase. Cash and equivalents held by MSCBA is for capital project-type items. Restricted cash and equivalents includes amounts held for capital appropriations and debt service.

Investments

Investments in marketable securities are stated at fair value. Dividends, interest, and net realized and unrealized gains or losses on investments are reported in the Statements of Revenues and Expenses. Gains and losses on the disposition of investments are determined based on specific identification of securities sold. Investment income is recognized when earned.

Fair Value Measurements

In accordance with Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*, the university has established a framework for measuring fair value which provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements.)

The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the university's component units have the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; and
- Inputs that are derived principally from, or corroborated by, observable market data by correlation or other means.

Level 3 If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Fair Value Measurements (Continued)

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The university's component units utilize the market approach which uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities or a group of assets and liabilities.

Allowances on Accounts Receivable

Accounts receivable are reported at the amount management expects to collect in the future on balances outstanding at year end. Management estimates allowances for losses based on the history of collections and the knowledge acquired about specific items. Adjustments to the allowance are charged to bad debt expense. Interest is not charged on accounts receivable. Uncollectible amounts are written off against the reserve when deemed uncollectible; recoveries are recorded when received. An amount is considered uncollectible when reasonable efforts to collect the account have been exhausted.

Capital Assets

Capital assets are generally controlled but not owned by the university. For assets purchased with state-appropriated funds, the university is not able to sell or otherwise pledge its assets unless authorized to do so by the Commonwealth of Massachusetts.

Real estate assets, including improvements, are generally stated at cost. Furnishings, equipment and collections items are stated at cost at date of acquisition. Capital assets received with service concession arrangements and donated collection items are measured at the acquisition date value, the price that would be paid to acquire an asset with equivalent service potential in a similar market transaction. In accordance with the Commonwealth's capitalization policy, non-collection items with a unit cost of \$50,000 or more are capitalized. Land and collection items are capitalized, regardless of cost. Interest costs on debt related to capital assets are capitalized during the construction period and then depreciated over the life of the project. University capital assets, with the exception of land and construction in progress, are depreciated on a straight-line basis over their estimated useful lives, which range from 3 to 40 years. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

All library materials are capitalized at historical cost for purchased materials. The cost of library materials and related accumulated depreciation is disposed for financial statement purposes after five years.

Bond Premiums

Bond premiums are amortized on a straight-line basis over the terms of the related debt agreements.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Pension Plan

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Massachusetts State Employees' Retirement System ("MSERS") and additions to/deductions from MSERS's fiduciary net position have been determined on the same basis as they are reported by MSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions ("OPEB")

For purposes of measuring the university's net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the State Retirees' Benefit Trust ("SRBT") and additions to/deductions from SRBT's fiduciary net position have been determined on the same basis as they are reported by SRBT. For this purpose, SRBT recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are reported at fair value, except for money market investments and participating interest-earning investment contracts that have a maturity at the time of purchase of one year or less, which are reported at cost.

Fringe Benefits

The university participates in the Commonwealth's fringe benefit programs, including health insurance, unemployment, and pension and workers' compensation benefits. Health insurance, unemployment and pension costs are billed through a fringe benefit rate charged to the university. Workers' compensation costs are assessed separately based on the university's actual experience.

Compensated Absences

Employees earn the right to be compensated during absences for vacation leave, sick leave and accrued compensatory time. Accrued vacation is the amount earned by all eligible employees through June 30, 2021 and 2020. The accrued sick leave balance represents 20% of amounts earned by those employees with ten or more years of state service at June 30, 2021 and 2020. Upon retirement, these employees are entitled to receive payment for this accrued balance.

Unearned Revenues

Student deposits and advance payments received for tuition and fees related to certain summer programs, and tuition received for the following academic year are recorded as revenues as earned. Grants, including HEERF institutional portion, and other advance payments are recognized as revenue in accordance with the underlying agreement.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

Student Fees

Student tuition, dining, residence and other fees are presented net of scholarships and fellowships applied to students' accounts. Certain other scholarship amounts that are paid directly to, or refunded to, the students are generally reflected as expenses.

Tax Status

The university is an Agency of the Commonwealth of Massachusetts and is therefore generally exempt from federal income taxes under Section 115 of the Internal Revenue Code, as well as state income taxes.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant management estimates included in the financial statements relate to the allowances for accounts, useful lives of capital assets and pension and OPEB liabilities.

New Government Accounting Pronouncements

GASB Statement 87, *Leases* is effective for periods beginning after June 15, 2021. Implementation of this Standard will require lessees to recognize on their statement of net position the rights and obligations resulting from leases categorized as operating leases as assets, liabilities, or deferred inflows/outflows of resources. It provides for an election on leases with terms of less than twelve months to be excluded from this Standard. The university is in the process of evaluating this Statement and expects an impact to the financial accounting and reporting framework.

GASB Statement 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* is effective for periods beginning after December 15, 2020. The objectives of this Statement are (1) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (2) to simplify accounting for interest cost incurred before the end of a construction period. The university is in the process of evaluating this Statement and does not currently expect a material impact.

GASB Statement 91, *Conduit Debt Obligations* is effective for reporting periods beginning after December 15, 2021. The objective of this Statement is to improve the consistency of reporting conduit debt. This Statement requires government entities that issue conduit debt, but are not the obligor, not to recognize the liability unless it is more likely than not that the government issuer will service the debt. The university is in the process of evaluating this Statement and does not currently expect a material impact.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 1 - Summary of Significant Accounting Policies (Continued)

New Government Accounting Pronouncements (Continued)

GASB Statement 92 – *Omnibus 2020* is effective for reporting periods beginning after June 15, 2021. The objective of this Statement is to improve comparability in financial reporting for leases, pensions, OPEB, and asset retirement obligations. Management has not completed its review of the requirements of this Standard and its applicability.

GASB Statement 94 – *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* is effective for reporting periods beginning after June 15, 2022. The objective of this Statement is to provide accounting and financial reporting guidance for arrangements in which the governmental entity (the transferor) contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset. Management has not completed its review of the requirements of this Standard and its applicability.

GASB Statement 96 – *Subscription-Based Information Technology Arrangements (SBITA)* is effective for reporting periods beginning after June 15, 2022. The objective of this Statement is to provide accounting and financial reporting guidance for transactions in which a governmental entity contracts with another party for the right to use their software. A right-to-use asset and a corresponding liability would be recognized for SBITAs. Management has not completed its review of the requirements of this Standard and its applicability.

GASB Statement 97 – *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457, Deferred Compensation Plans* is effective for reporting periods beginning after June 15, 2021. The objective of this Statement is to provide financial reporting consistency in which the potential component unit does not have a governing board and the primary government performs the duties that a governing board would perform. In the absence of a governing board of the potential component unit, the situation should be treated the same as the primary government appointing a majority of the potential component unit's governing board. Management has not completed its review of the requirements of this Standard and its applicability.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported change in net position for the year ended June 30, 2020.

Subsequent Event

For purposes of determining the effects on these financial statements, Management has evaluated events subsequent to June 30, 2021 and through October 20, 2021, the date which the financial statements were available to be issued and determined that, except as noted below, there were no additional unrecognized or undisclosed matters requiring recognition or disclosure to the accompanying financial statements.

In August 2021, the university was awarded HEERF Strengthening Institutions Program ARPA funds in the amount of \$1,119,506. These funds must be expended by August 2, 2022.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 2 - Cash and Equivalents

Custodial credit risk is risk associated with the failure of a depository financial institution. At June 30, 2021 and 2020, the university's deposits were either insured or fully collateralized, with the exception of amounts held by the Massachusetts Municipal Depository Trust ("MMDT"). At June 30, 2021 and 2020, the carrying amount of the university's deposits, net of deposits and disbursements in transit, was \$66,610,820 and \$48,739,764 respectively. Of the carrying amount, \$3,882 and \$3,875 were held by MMDT at June 30, 2021 and 2020, respectively. The university has kept the funds in the university bank accounts instead of MMDT as the interest rates remain around .10%.

The MMDT is an investment pool for political subdivisions in the Commonwealth that was designed as a legal means to safely invest temporarily available cash. Its primary purpose is to provide a safe, liquid, high-yield investment vehicle offering participation in a diversified portfolio of high-quality money market instruments. The MMDT, an instrumentality of the State Treasurer, is not a bank, savings institution, or financial institution, and is not subject to FDIC insurance. MMDT operates as a qualifying external investment pool and is valued by MMDT's management on an amortized cost where the net asset value is \$1 per share.

Note 3 - Cash Held by State Treasurer

Accounts payable, accrued salaries and outlays for future capital projects to be funded from state-appropriated funds totaled \$1,558,824 and \$497,921 at June 30, 2021 and 2020, respectively. The university has recorded a comparable dollar amount of cash held by State Treasurer for the benefit of the university, which will be subsequently utilized to pay for such liabilities. The cash is held in the State Treasurer's pooled cash account.

Note 4 - Restricted Cash and Equivalents

Restricted cash and equivalents are as follows:

	<i>2021</i>	<i>2020</i>
Construction	\$ 735,313	\$ 314,938
Debt service funds	831,165	718,653
Other	24,882	24,876
	\$ 1,591,360	\$ 1,058,467

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 5 - Investments - Component Units

Investments of the combined component units are stated at fair value and consist of the following at June 30:

	<i>2021</i>	<i>2020</i>
Equity mutual funds	\$ 43,643,365	\$ 33,115,604
Mutual funds	124,110	126,249
Corporate equity securities	82,927	-
Real asset mutual funds	1,534,116	1,152,929
Fixed income bond mutual funds	<u>14,782,920</u>	<u>10,974,961</u>
Total investments	<u>\$ 60,167,438</u>	<u>\$ 45,369,743</u>

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2021.

Equity Mutual Funds: Valued at the net asset value ("NAV") of the shares held at fiscal year-end. Mutual funds consist of open-ended mutual funds that "strike a NAV" at the close of every day that financial markets are open and are available to purchase by the general public through brokerage houses. Equities within the fund are valued at quoted market value of the shares held at fiscal year-end.

Mutual Funds and Corporate Equity Securities: Valued at the net asset value ("NAV") of the shares held at fiscal year-end. Mutual funds consist of open-ended mutual funds that "strike a NAV" at the close of every day that financial markets are open and are available to purchase by the general public through brokerage houses.

Real Asset Mutual Funds: Valued at the net asset value ("NAV") of the shares held at fiscal year end. Mutual funds consist of open-ended mutual funds that "strike a NAV" at the close of every day that financial markets are open and are available to purchase by the general public through brokerage houses. Real estate equities within the fund are valued at the closing price reported on the active market on which the individual securities are traded.

Fixed Income Bond Mutual Funds: Valued at the net asset value ("NAV") of the shares held at fiscal year-end. Mutual funds consist of open-ended mutual funds that "strike a NAV" at the close of every day that financial markets are open and are available to purchase by the general public through brokerage houses. Fixed income bonds within the fund are valued at the closing price reported on the active market on which the individual securities are traded.

Annuities Payable: Valued at the present value of future cash flows expected to be paid to the donor based upon the life expectancy of the respective donor. Annuities payable are recorded as accounts payable for presentation in the Statement of Net Position.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 5 - Investments - Component Units (Continued)

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Although the Foundation and Alumni Association believe its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Note 6 - Fair Value Measurements - Component Units

Within the fair value hierarchy, the component units' investment assets are all deemed to be level 1 investments at June 30, 2021 and 2020. Annuities payable for the component units are deemed to be level 3 investments at June 30, 2021 and 2020.

Further disclosures regarding the component units' investments can be found on their respective financial statements.

Note 7 - Accounts Receivable, Net

Accounts receivable is comprised of the following at June 30:

	<i>2021</i>	<i>2020</i>
Students	\$ 4,098,255	\$ 6,960,372
HEERF federal grants	4,600,212	-
Grants	1,576,224	1,433,821
Other	161,805	1,996,894
	<u>10,436,496</u>	<u>10,391,087</u>
Less: allowance for doubtful accounts	<u>(1,606,005)</u>	<u>(2,638,384)</u>
Net accounts receivable	<u><u>\$ 8,830,491</u></u>	<u><u>\$ 7,752,703</u></u>

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 8 - Contributions Receivable - Component Units

Contributions receivable consist of unconditional promises to give from individuals. Such promises are initially recorded at fair value considering possible losses and a risk adjusted time value of money factor.

Contributions receivable are as follows as of June 30:

	2021	2020
Amounts due in:		
Less than one year	\$ 415,836	\$ 447,086
One to five years	328,449	63,845
	744,285	510,931
Less: unamortized discounts	(3,025)	(1,005)
Less: allowance for uncollectible accounts	(1,700)	(1,700)
	739,560	508,226
Net contributions receivable		
	415,836	447,086
Less: current portion	415,836	447,086
	323,724	61,140
Non-current contributions receivable	\$ 323,724	\$ 61,140

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 9 - Capital Assets

Capital asset activity for the year ended June 30, 2021 is as follows:

	<i>Estimated Lives (in Years)</i>	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Reclassifications</i>	<i>Ending Balance</i>
Capital assets not depreciated:						
Land		\$ 2,971,396	\$ -	\$ -	\$ -	\$ 2,971,396
Artwork		889,265	463,875	-	116,775	1,469,915
Construction in progress		10,221,279	696,674	-	(10,199,814)	718,139
Total not depreciated		<u>14,081,940</u>	<u>1,160,549</u>	<u>-</u>	<u>(10,083,039)</u>	<u>5,159,450</u>
Capital assets depreciated:						
Buildings, including improvements (including assets held under capital lease)	11-40	262,595,318	10,221,794	-	9,851,983	282,669,095
Furnishings and equipment	3-10	18,596,464	1,515,869	(97,673)	231,056	20,245,716
Library materials	5	594,063	43,925	-	-	637,988
Total depreciated		<u>281,785,845</u>	<u>11,781,588</u>	<u>(97,673)</u>	<u>10,083,039</u>	<u>303,552,799</u>
Total capital assets		<u>295,867,785</u>	<u>12,942,137</u>	<u>(97,673)</u>	<u>-</u>	<u>308,712,249</u>
Less accumulated depreciation:						
Buildings, including improvements		125,468,122	8,995,360	-	-	134,463,482
Furnishings and equipment		12,324,662	2,110,549	(78,138)	-	14,357,073
Library materials		228,273	63,800	-	-	292,073
Total accumulated depreciation		<u>138,021,057</u>	<u>11,169,709</u>	<u>(78,138)</u>	<u>-</u>	<u>149,112,628</u>
Capital assets, net		\$ <u>157,846,728</u>	\$ <u>1,772,428</u>	\$ <u>(19,535)</u>	\$ <u>-</u>	\$ <u>159,599,621</u>

Capital asset activity for the year ended June 30, 2020 is as follows:

	<i>Estimated Lives (in Years)</i>	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Reclassifications</i>	<i>Ending Balance</i>
Capital assets not depreciated:						
Land		\$ 2,971,396	\$ -	\$ -	\$ -	\$ 2,971,396
Artwork		807,590	81,675	-	-	889,265
Construction in progress		2,843,135	9,289,328	(124,696)	(1,786,488)	10,221,279
Total not depreciated		<u>6,622,121</u>	<u>9,371,003</u>	<u>(124,696)</u>	<u>(1,786,488)</u>	<u>14,081,940</u>
Capital assets depreciated:						
Buildings, including improvements (including assets held under capital lease)	11-40	259,562,118	1,246,712	-	1,786,488	262,595,318
Furnishings and equipment	3-10	17,359,774	1,236,690	-	-	18,596,464
Library materials	5	530,354	63,709	-	-	594,063
Total depreciated		<u>277,452,246</u>	<u>2,547,111</u>	<u>-</u>	<u>1,786,488</u>	<u>281,785,845</u>
Total capital assets		<u>284,074,367</u>	<u>11,918,114</u>	<u>(124,696)</u>	<u>-</u>	<u>295,867,785</u>
Less accumulated depreciation:						
Buildings, including improvements		117,250,865	8,217,257	-	-	125,468,122
Furnishings and equipment		10,611,303	1,713,359	-	-	12,324,662
Library materials		168,867	59,406	-	-	228,273
Total accumulated depreciation		<u>128,031,035</u>	<u>9,990,022</u>	<u>-</u>	<u>-</u>	<u>138,021,057</u>
Capital assets, net		\$ <u>156,043,332</u>	\$ <u>1,928,092</u>	\$ <u>(124,696)</u>	\$ <u>-</u>	\$ <u>157,846,728</u>

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 9 - Capital Assets (Continued)

At June 30, 2021 and 2020, capital assets held under capital lease totaled \$10,586,555. Assets held under capital lease had a carrying value, net of accumulated depreciation, of \$3,161,546 and \$3,712,504 at June 30, 2021 and 2020, respectively.

For the years ended June 30, 2021 and 2020, the university recorded amortization expense of \$700 related to capitalized interest on assets held under capital lease.

Note 10 - Unearned Revenues

Unearned revenues include tuition received in advance from students for summer courses commencing after June 30, the subsequent fall semester, capital grants received in advance and unrecognized portion of HEERF funds.

Unearned revenues of the university are considered current liabilities and include the following at June 30:

	2021	2020
Tuition and fees	\$ 5,520,301	\$ 6,003,880
Unearned capital appropriations	50,466	7,790,108
HEERF federal grants	702,966	3,582,355
Grants	134,530	168,505
Other	180,792	6,017
Total unearned revenues	\$ 6,589,055	\$ 17,550,865

The unearned capital appropriations represent funding by the Commonwealth relative to ongoing construction of various projects. Unearned revenue from capital appropriations are recognized as revenue in the fiscal year in which the related project funds are expensed.

Note 11 - Deferred Inflows of Resources – Service Concession Arrangement

A component of deferred inflows of resources at June 30, 2021 is \$97,984. This consists of the unamortized balances of a food service agreement with an outside party. In fiscal year 2021, the university's food service vendor contributed a food truck. The cost of the food truck was \$183,720, of which the university paid the initial deposit of \$60,000 with the remaining amount contributed by the vendor of \$122,480. The contribution is being amortized at a rate of \$24,496 per year through fiscal year 2025. The university reports the carrying value of the capital asset related to the service concession arrangement at approximately \$146,976 for fiscal year end June 30, 2021.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 12 – Non-current Liabilities

Non-current liabilities of the university at June 30, 2021 consist of:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Total Balance</i>	<i>Less Current Portion</i>	<i>Ending Balance</i>
Capital leases and bonds payable:						
Bonds payable	\$ 12,380,442	\$ 792,358	\$ 1,108,415	\$ 12,064,385	\$ 1,084,289	\$ 10,980,096
Capital lease obligations	3,582,100	-	461,849	3,120,251	487,946	2,632,305
	<u>15,962,542</u>	<u>792,358</u>	<u>1,570,264</u>	<u>15,184,636</u>	<u>1,572,235</u>	<u>13,612,401</u>
Other non-current liabilities:						
Accrued worker's compensation	1,239,063	275,536	-	1,514,599	184,402	1,330,197
Accrued compensated absences	11,400,473	756,025	-	12,156,498	8,144,854	4,011,644
Net pension liability	60,911,032	14,767,623	-	75,678,655	-	75,678,655
Net OPEB liability	114,827,620	-	17,446,926	97,380,694	-	97,380,694
	<u>188,378,188</u>	<u>15,799,184</u>	<u>17,446,926</u>	<u>186,730,446</u>	<u>8,329,256</u>	<u>178,401,190</u>
Total other non-current liabilities	<u>188,378,188</u>	<u>15,799,184</u>	<u>17,446,926</u>	<u>186,730,446</u>	<u>8,329,256</u>	<u>178,401,190</u>
Total non-current liabilities	<u>\$ 204,340,730</u>	<u>\$ 16,591,542</u>	<u>\$ 19,017,190</u>	<u>\$ 201,915,082</u>	<u>\$ 9,901,491</u>	<u>\$ 192,013,591</u>

Non-current liabilities of the university at June 30, 2020 consist of:

	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Total Balance</i>	<i>Less Current Portion</i>	<i>Ending Balance</i>
Capital leases and bonds payable:						
Bonds payable	\$ 13,716,664	\$ -	\$ 1,336,222	\$ 12,380,442	\$ 1,392,012	\$ 10,988,430
Capital lease obligations	4,019,251	-	437,151	3,582,100	461,849	3,120,251
	<u>17,735,915</u>	<u>-</u>	<u>1,773,373</u>	<u>15,962,542</u>	<u>1,853,861</u>	<u>14,108,681</u>
Other non-current liabilities:						
Accrued worker's compensation	1,375,622		136,559	1,239,063	229,227	1,009,836
Accrued compensated absences	10,697,581	702,892		11,400,473	7,638,317	3,762,156
Net pension liability	60,039,220	871,812		60,911,032	-	60,911,032
Net OPEB liability	131,377,242		16,549,622	114,827,620	-	114,827,620
	<u>203,489,665</u>	<u>1,574,704</u>	<u>16,686,181</u>	<u>188,378,188</u>	<u>7,867,544</u>	<u>180,510,644</u>
Total other non-current liabilities	<u>203,489,665</u>	<u>1,574,704</u>	<u>16,686,181</u>	<u>188,378,188</u>	<u>7,867,544</u>	<u>180,510,644</u>
Total non-current liabilities	<u>\$ 221,225,580</u>	<u>\$ 1,574,704</u>	<u>\$ 18,459,554</u>	<u>\$ 204,340,730</u>	<u>\$ 9,721,405</u>	<u>\$ 194,619,325</u>

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 12 – Non-current Liabilities (Continued)

Bonds Payable

	<i>2021</i>	<i>2020</i>
Tinsley Center Bonds through MHEFA at variable interest between 6.50% and 0.31%, maturing 1/15/2023	\$ 1,111,407	\$ 1,722,920
Parking lot Bonds through MSCBA at average interest of 2.32%, maturing 5/1/2034	462,409	528,207
Athletic field Bonds through MSCBA at average interest of 5.25%, maturing 5/1/2034	2,831,026	2,896,018
University Park Bonds through MSCBA at average interest of 3.65%, maturing 2/21/2032	790,620	685,559
Campus Center Bonds through MSCBA at average interest of 2.84%, maturing 5/1/2041	3,781,509	3,637,694
Welcome Center Bonds through MSCBA at average interest of 2.83%, maturing 5/1/2041	<u>3,087,414</u>	<u>2,910,044</u>
	\$ <u>12,064,385</u>	\$ <u>12,380,442</u>

On July 1, 2020 the University’s MSCBA Series 2009C, 2012B, 2012C, and 2019C bonds were partially refunded as part of the MSCBA’s Refunding Revenue Bonds Series 2020A. The purpose of the issuance was to provide budgetary relief for fiscal years 2021 and 2022 to the University. The refunding resulted in a net economic loss of approximately \$394,000 and a deferred loss of approximately \$479,000 and deferred gain of approximately \$111,000. The first principal payments are due on May 1, 2022, and the final payments due range from February 21, 2032, to May 1, 2041 with variable coupon interest rates with an average rate that range from 2.32% to 5.25%. At June 30, 2021 and 2020 the outstanding amounts related to all MSCBA bond series was \$10,952,978 and \$10,657,522 and is included in the project related bond payable amounts described below.

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 12 – Non-current Liabilities (Continued)

Bonds Payable (Continued)

Parking Lot:

During fiscal year 2006, the university entered into a financing agreement with the MSCBA to construct a new parking lot. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2012B and 2019C (previously 2006A)). As disclosed above, in July 2020 the Series 2012B and 2019C bonds were partially refunded with Series 2020A bonds. Through its agreements with MSCBA, the university will repay this debt in semi-annual installments, starting May 1, 2007 and ending May 1, 2034, at an annual variable coupon averaging 2.32%. MSCBA requires that the university maintain a debt service reserve fund. At June 30, 2021 and 2020, the debt service reserve was \$18,552 and \$86,836. At June 30, 2021 and 2020, the balance on the bond was \$462,409 and \$528,207, respectively.

Athletic Field:

During fiscal year 2010, the university entered into a financing agreement with the MSCBA to renovate an athletic field. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2009B & 2009C). As disclosed above, in July 2020 the Series 2009C bond was partially refunded with series 2020A bonds. Through its agreements with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting May 1, 2011 and ending May 1, 2034, at an annual variable coupon averaging 5.25%. At June 30, 2021 and 2020, the balance on the bond was \$2,831,026 and \$2,896,018, respectively.

University Park:

During fiscal year 2012, the university entered into a financing agreement with the MSCBA to redevelop an existing parking lot to construct green space to include pedestrian walkways. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2012A). As disclosed above, in July 2020 the Series 2012A bond was partially refunded with series 2020A bonds. Through its agreement with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting October 1, 2012 and ending February 21, 2032, at an annual variable coupon averaging 3.65%. At June 30, 2021 and 2020, the balance on the bond was \$790,620 and \$685,559, respectively.

Campus Center:

During fiscal year 2013, the university entered into a financing agreement with the MSCBA to renovate the main entrances to the Rondileau Student Union. The source of financing the project was based upon the issuance of Project Revenue Bonds issued by MSCBA on behalf of the university (Series 2012C, as modified). As disclosed above, in July 2020 the series 2012C Bond was refinanced by bond series 20A. Through its agreements with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting November 1, 2013 and ending May 1, 2041, at an annual variable coupon averaging 2.84%. At June 30, 2021 and 2020, the debt service reserve was \$16,950 and \$79,335. At June 30, 2021 and 2020, the balance on the bond was \$3,781,509 and \$3,637,694, respectively.

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 12 – Non-current Liabilities (Continued)

Bonds Payable (Continued)

Welcome Center:

During fiscal year 2015, the MSCBA authorized and issued a debt modification resulting in the transfer of \$3,680,000 of principal from the Rondileau Student Union project. The transfer of principal was to fund the construction of the Welcome Center building. The source of financing the project was based upon the issuance of debt modification by the MSCBA on behalf of the university (Series 2012C modification). As disclosed above, in July 2020, the series 2012C was partially refunded with series 20A bonds. Through its agreements with MSCBA, the university has an agreement to repay this debt in semi-annual installments, starting May 1, 2015 and ending May 1, 2041, at annual variable coupon averaging 2.83%. At June 30, 2021 and 2020, the debt service reserve was \$13,560 and \$63,469. At June 30, 2021 and 2020, the balance on the bond was \$3,087,414 and \$2,910,044, respectively, including reserves and premiums.

Certain of these bonds rely on revenue streams such as student fees as their source of repayment. Certain of these bonds also require the maintenance of debt service reserve funds as included in restricted cash and equivalents.

Interest expense on bonds payable for the years ended June 30, 2021 and 2020 was \$321,418 and \$350,271, respectively.

Maturities of the bonds payable subsequent to June 30, 2021 are as follows:

<i>Fiscal Years</i> <i>Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2022	\$ 1,084,289	\$ 400,806	\$ 1,485,095
2023	1,420,108	362,437	1,782,545
2024	929,173	323,460	1,252,633
2025	953,393	291,042	1,244,435
2026	969,742	262,196	1,231,938
2027-2031	4,416,468	783,165	5,199,633
2032 - 2036	1,685,876	183,602	1,869,478
2037-2041	605,336	92,981	698,317
	<u>\$ 12,064,385</u>	<u>\$ 2,699,689</u>	<u>\$ 14,764,074</u>

Operating and Capital Leases

The university leases certain premises under operating lease agreements for satellite and office space locations in New Bedford and Attleboro. Original lease terms range from 1 year to 20 years. The leases are set to expire in fiscal years 2024 and 2028, respectively. The Attleboro premise lease contains a clause passing through increases in operating costs. The university also leases certain other facilities from time to time on a short-term basis.

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 12 – Non-current Liabilities (Continued)

Operating and Capital Leases (Continued)

The university also leases certain assets under capital lease arrangements including leases for machinery and tax-exempt financing leases for various energy improvements.

The following schedule summarizes future minimum payments under non-cancellable leases subsequent to June 30, 2021:

<i>Fiscal Years</i>	<u><i>Capital Leases</i></u>		<i>Operating</i>	
<i>Ending June 30,</i>	<i>Principal</i>	<i>Interest</i>	<i>Leases</i>	<i>Total</i>
2022	\$ 487,946	\$ 159,666	\$ 196,522	\$ 844,134
2023	515,521	132,090	196,522	844,133
2024	544,659	102,953	196,522	844,134
2025	575,449	72,163	136,522	784,134
2026	607,983	39,628	136,522	784,133
2027-2028	<u>388,693</u>	<u>9,768</u>	<u>273,044</u>	<u>671,505</u>
	<u>\$ 3,120,251</u>	<u>\$ 516,268</u>	<u>\$ 1,135,654</u>	<u>\$ 4,772,173</u>

Interest expense on capital leases payable for the years ended June 30, 2021 and 2020 was \$185,763 and \$210,461, respectively. Rental expense for operating leases was \$845,257 and \$870,972 for the years ended June 30, 2021 and 2020, respectively.

Note 13 - Pension Plan

Plan Description

Substantially all of the university's non-student, full-time employees are covered by and must participate in the Massachusetts State Employees' Retirement System ("MSERS"), a cost-sharing multiple-employer defined benefit pension plan. MSERS is administered by the Massachusetts State Retirement Board, which is a public employee retirement system ("PERS"). Under the cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits through the plan, regardless of the status of the employers' payment of its pension obligations to the plan. The plan provides retirement, disability, and death benefits to plan members and beneficiaries.

The Massachusetts State Employees' Retirement System does not issue separately audited financial statements for the plan. The financial position and results of operations of the plan are incorporated into the Commonwealth's financial statements, a copy of which may be obtained from the Office of the State Comptroller, Commonwealth of Massachusetts, One Ashburton Place, Room 901, Boston, MA 02108.

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 13 - Pension Plan (Continued)

Benefit Provisions

MSERS provides retirement, disability, survivor and death benefits to plan members and their beneficiaries. Massachusetts General Laws (“MGL”) establishes uniform benefit and contribution requirements for all contributory PERS. These requirements provide for superannuation retirement allowance benefits up to a maximum of 80% of a member’s highest three-year average annual rate of regular compensation. For employees hired after April 1, 2012, retirement allowances are calculated on the basis of the last five years or any five consecutive years, whichever is greater in terms of compensation. Benefit payments are based upon a member’s age, length of creditable service, group creditable service and group classification. The authority for establishing and amending these provisions rests with the Massachusetts Legislature, Chapter 32A of the General Laws of the Commonwealth of Massachusetts.

Members become vested after ten years of creditable service. A superannuation retirement allowance may be received upon the completion of twenty years of service or upon reaching the age of 55 with ten years of service. Normal retirement for most employees occurs at age 65; for certain hazardous duty and public safety positions, normal retirement is at age 55. Most employees who joined the system after April 1, 2012 are not eligible for retirement prior to age 60.

Contributions

The MSERS’ funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MSERS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets. Member contributions for MSERS vary depending on the most recent date of membership:

<u>Hire Date</u>	<u>Percentage of Compensation</u>
Prior to 1975	5% of regular compensation
1975 to 1983	7% of regular compensation
1984 to June 30, 1996	8% of regular compensation
July 1, 1996 to present	9% of regular compensation except for State Police which is 12% of regular compensation
1979 to present	An additional 2% of regular compensation in excess of \$30,000

The university is not required to contribute from its appropriation allocation or other university funds to MSERS for employees compensated from state appropriations. For university employees covered by MSERS but compensated from a trust fund or other source, the university is required to contribute an amount determined as a percentage of compensation in accordance with a fringe benefit rate determined by the Commonwealth. The rate was 14.66%, 14.08% and 12.06% of annual covered payroll for the fiscal years ended June 30, 2021, 2020 and 2019, respectively. The university contributed \$4,357,036, \$4,766,502 and \$4,144,835 for the fiscal years ended June 30, 2021, 2020 and 2019, respectively, equal to 100% of the required contributions for the year. Annual covered payroll was approximately 77%, 78% and 80% of total related payroll for fiscal years ended 2021, 2020 and 2019, respectively.

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 13 - Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2021 and 2020, the university reported a net pension liability of \$75,678,655 and \$60,911,032, respectively, for its proportionate share of the net pension liability related to its participation in MSERS. The fiscal year ended June 30, 2021 net pension liability was measured as of June 30, 2020, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019, rolled forward to June 30, 2020. The fiscal year ended June 30, 2020 net pension liability was measured as of June 30, 2019, the measurement date, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of January 1, 2019 rolled forward to June 30, 2020. The university's proportion of the net pension liability was based on its share of the Commonwealth's collective pension amounts allocated on the basis of actual fringe benefit charges assessed to the university for the fiscal years 2021 and 2020. The university's proportionate share was based on actual employer contributions to the MSERS for fiscal years 2021 and 2020, relative to total contributions of all participating employers for those fiscal years. At June 30, 2021 and 2020, the university's proportion was .441% and .416%, respectively. For the years ended June 30, 2021 and 2020, the university recognized pension expense of \$7,140,325 and \$6,127,656, respectively.

At June 30, 2021 and 2020, the university reported deferred outflows and deferred inflows of resources related to pensions from the following sources:

	2021	2020
Deferred Outflows of Resources Related to Pension		
Change in plan actuarial assumptions	\$ 4,290,868	\$ 4,514,990
Contributions subsequent to the measurement date	4,357,036	4,766,502
Difference between expected and actual experience	2,407,984	2,022,868
Net difference between projected and actual investment earnings on plan investments	4,160,088	-
Change in proportion due to internal allocation	5,014,816	4,230,030
Change in proportion from Commonwealth	57,153	107,540
Total deferred outflows of resources related to pension	\$ 20,287,945	\$ 15,641,930
Deferred Inflows of Resources Related to Pension		
Net differences between projected and actual investment earnings on plan investments	\$ -	\$ 908,571
Difference between expected and actual experience	489,697	792,179
Change in proportion due to internal allocation	3,249,921	5,201,515
Change in proportion from Commonwealth	184,458	3,094
Total deferred inflows of resources related to pension	\$ 3,924,076	\$ 6,905,359

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 13 - Pension Plan (Continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources (Continued)

The university's contributions of \$4,357,036 and \$4,766,502 reported as deferred outflows of resources related to pensions resulting from the university contributions in fiscal years 2021 and 2020, respectively, subsequent to the measurement date, will be recognized as a reduction of the net pension liability for the year ended June 30, 2021 and 2020, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an increase in pension expense as follows:

<i>Fiscal Years</i>	
<i>Ending June 30,</i>	
2022	\$ 2,426,316
2023	3,382,575
2024	3,510,576
2025	2,441,105
2026	<u>246,261</u>
Total	\$ <u><u>12,006,833</u></u>

Actuarial Assumptions

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

	<u>2021</u>	<u>2020</u>
Measurement date	June 30, 2020	June 30, 2019
Inflation on the first \$13,000 of allowance	3.00%	3.00%
Salary increases	4.00% to 9.00%	4.00% to 9.00%
Investment rate of return	7.15%	7.25%
Interest rate credited to annuity saving fund	3.50%	3.50%

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 13 - Pension Plan (Continued)

Actuarial Assumptions (Continued)

For measurement dates June 30, 2020 and 2019, mortality rates were based on:

- Pre-retirement - reflects RP-2014 Blue Collar Employees table projected generationally with Scale MP-2016 set forward 1 year for females
- Post-retirement - reflects RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2016 set forward 1 year for females
- Disability - For measurement date June 30, 2019 - reflects RP-2014 Blue Collar Healthy Annuitant table projected generationally with Scale MP-2016, set forward 1 year.

The 2021 pension liability for the June 30, 2020, measurement date was determined by an actuarial valuation as of January 1, 2019 and rolled forward to June 30, 2020. The 2020 pension liability for the June 30, 2019, measurement date was determined by an actuarial valuation as of January 1, 2019 and rolled forward to June 30, 2019.

Investment assets of MSERS are with the Pension Reserves Investment Trust (“PRIT”) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund’s target assets allocation as of June 30, are summarized in the following table:

<i>Asset Class</i>	<u>Target Allocation</u>		<u>Long-term Expected Rate of Return</u>	
	<i>2021</i>	<i>2020</i>	<i>2021</i>	<i>2020</i>
Global equity	39.00%	39.00%	4.80%	4.90%
Core fixed income	15.00%	15.00%	0.70%	1.30%
Private equity	13.00%	13.00%	8.20%	8.20%
Real estate	10.00%	10.00%	3.50%	3.60%
Value added fixed income	8.00%	8.00%	4.20%	4.70%
Portfolio completion strategies	11.00%	11.00%	3.20%	3.90%
Timber/Natural resources	4.00%	4.00%	4.10%	4.10%
	100.00%	100.00%		

BRIDGEWATER STATE UNIVERSITY
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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 13 - Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 7.15% and 7.25% for the fiscal years ended June 30, 2021 and 2020, respectively. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the pension plan's net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following table illustrates the sensitivity of the net pension liability calculated using the discount rate, as well as what the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current rate at June 30,:

Reporting Year Ended June 30 2021	1% Decrease to 6.15%	Current Discount Rate 7.15%	1% Increase to 8.15%
	\$ 99,711,309	\$ 75,678,655	\$ 55,925,691
Reporting Year Ended June 30 2020	1% Decrease to 6.25%	Current Discount Rate 7.25%	1% Increase to 8.25%
	\$ 81,074,558	\$ 60,911,032	\$ 43,682,266

Note 14 - Postemployment Benefits Other Than Pensions ("OPEB")

Plan Description

As an agency of the Commonwealth, certain employees of the university participate in the Commonwealth's single-employer defined benefit-OPEB plan – the State Retirees' Benefit Trust ("SRBT"). Benefits are managed by the Group Insurance Commission ("GIC") and investments are managed by the Pension Reserves Investment Management ("PRIM") Board. The GIC has representation on the Board of Trustees of the State Retirees' Benefits Trust ("Trustees").

The SRBT is set up solely to pay for OPEB benefits and the cost to administer those benefits. It can only be revoked when all such health care and other non-pension benefits, current and future, have been paid or defeased. The GIC administers benefit payments, while the Trustees are responsible for investment decisions.

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 14 - Postemployment Benefits Other Than Pensions ("OPEB") (Continued)

Plan Description (Continued)

Management of the SRBT is vested with the Trustees, which consists of 7 members including the Secretary of Administration and Finance (or their designee), the Executive Director of the GIC (or their designee), the Executive Director of the Public Employee Retirement Administration Commission (PERAC) (or their designee), the State Treasurer (or their designee), the Comptroller (or a designee), 1 person appointed by the Governor, and 1 person appointed by the State Treasurer. These members elect 1 person to serve as chair of the board.

The SRBT does not issue stand-alone audited financial statements but is reflected as a fiduciary fund in the Commonwealth's audited financial statements.

Benefits Provisions

Under Chapter 32A of the Massachusetts General Laws, the Commonwealth is required to provide certain health care and life insurance benefits for retired employees of the Commonwealth, housing authorities, redevelopment authorities and certain other governmental agencies. Substantially all of the Commonwealth's employees may become eligible for these benefits if they reach retirement age while working for the Commonwealth. Eligible retirees are required to contribute a specified percentage of the health care / benefit costs, which are comparable to contributions required from employees. Dental and vision coverage may be purchased by these groups with no subsidy from the Commonwealth.

Contributions

Employer and employee contribution rates are set by the Massachusetts General Law. The Commonwealth recognizes its share of the costs on an actuarial basis. As of June 30, 2021 and 2020, and as of the valuation date (January 1, 2020 and 2019), participants contributed 10% to 20% of premium costs, depending on the date of hire and whether the participant meets active, retired, or survivor status. As part of the fiscal year 2010 General Appropriation Act, all active employees pay an additional 5% of premium costs.

The Massachusetts General Laws governing employer contributions to SRBT determine whether entities are billed for OPEB costs. Consequently, SRBT developed an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner (based on an employer's share of total covered payroll). The university is required to contribute based on Massachusetts General Laws; the rate was 7.70%, 7.29% and 8.79% of annual covered payroll for the fiscal year ended June 30, 2021, 2020 and 2019, respectively. The university contributed \$2,287,931, \$2,469,166 and \$3,022,392 for the fiscal years ended June 30, 2021, 2020 and 2019, respectively, equal to 100% of the required contribution for the year.

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 14- Postemployment Benefits Other Than Pensions ("OPEB") (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2021 and 2020, the university reported a liability of \$97,380,694 and \$114,827,620, respectively, for its proportionate share of the net OPEB liability related to its participation in SRBT. The net OPEB liability was measured as of June 30, 2020 and 2019, respectively, the measurement date, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of January 1, 2020 and 2019, respectively, rolled forward to June 30, 2020 and 2019. The university's proportion of the net OPEB liability was based on its share of the Commonwealth's collective OPEB amounts allocated on the basis of an effective contribution methodology which allocates total actual contributions amongst the employers in a consistent manner based on the university's share of total covered payroll for the fiscal year 2020. The university's proportionate share was based on the actual employer contributions to the SRBT for fiscal year 2020 relative to total contributions of all participating employers for the fiscal year. At June 30, 2021 and 2020, the university's proportion was .471% and .628%, respectively.

For the year ended June 30, 2021 and 2020, the university recognized OPEB expense of \$740,979 and \$6,135,100, respectively. The university reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources at June 30:

Deferred Outflows of Resources Related to OPEB:	2021	2020
Contributions subsequent to the measurement date	\$ 2,287,931	\$ 2,469,166
Changes in proportion from Commonwealth	147,583	279,987
Difference between expected and actual experience	2,687,518	4,605,123
Net difference between projected and actual investment earnings on OPEB investments	281,564	-
Change in plan actuarial assumptions	8,019,464	88,355
Changes in proportion due to internal allocation	<u>14,623,490</u>	<u>20,912,481</u>
Total deferred outflows of resources related to OPEB	<u>\$ 28,047,550</u>	<u>\$ 28,355,112</u>
Deferred Inflows of Resources Related to OPEB:		
Changes in proportion from Commonwealth	\$ 330,720	\$ 52,811
Differences between expected and actual experience	2,403,686	147,045
Changes in proportion due to internal allocation	36,376,246	13,174,837
Change in plan actuarial assumptions	<u>9,411,508</u>	<u>17,267,123</u>
Total deferred inflows of resources related to OPEB	<u>\$ 48,522,160</u>	<u>\$ 30,641,816</u>

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 14 - Postemployment Benefits Other Than Pensions ("OPEB") (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB (Continued)

The university's contribution of \$2,287,931 and \$2,469,166 reported as deferred outflows of resources related to OPEB resulting from university contributions in fiscal year 2021 and 2020, respectively, subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability for the year ended June 30, 2022 and 2021, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized as a reduction in OPEB expense as follows:

Fiscal Years <u>Ending June 30,</u>	
2022	\$ 6,666,830
2023	6,212,279
2024	4,669,385
2025	4,573,808
2026	<u>640,239</u>
	<u><u>\$ 22,762,541</u></u>

Actuarial Assumptions

The total OPEB liability was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Measurement date	June 30, 2020	June 30, 2019
Inflation	2.50%	2.50%
Salary increases	Rates vary by years of service and group classification, consistent with SERS	4.0% per year
Investment rate of return	7.15%, net of OPEB plan investment expense, including inflation	7.25%, net of OPEB plan investment expense, including inflation
Health care cost trend rates	Developed based on the most recent published GAO-Getzen trend rate model, version 2020_b. Medicare and non-medicare benefits range from 4.04% to 6.70%	7.5%, decreasing by 0.5% each year to an ultimate rate of 5.5% in 2032 & 2024, then decreasing 0.5% each year to an ultimate rate of 4.5% in 2026 for medical; 5.0% for EWGI through 2025, then 4.5% in 2026; 4.5 for administrative costs

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Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 14 - Postemployment Benefits Other Than Pensions ("OPEB") (Continued)

Actuarial Assumptions (Continued)

The mortality rate was in accordance with RP 2014 Blue Collar Mortality Table projected with scale MP-2016 from the central year, with females set forward one year for both measurement dates June 30, 2020 and 2019.

The participation rates are actuarially assumed as below:

- 100% of all retirees who currently have health care coverage will continue with the same coverage, except that retirees under age 65 with POS/PPO coverage switch to Indemnity at age 65 and those over 65 with POS/PPO coverage switch to HMO.
- All current retirees, other than those indicated on the census data as not being eligible by Medicare, have Medicare coverage upon attainment of age 65, as do their spouses. All future retirees are assumed to have Medicare coverage upon attainment of age 65.
- 35% of employees currently opting out of active employee health coverage are assumed to elect to enroll in retiree coverage for measurement date June 30, 2020.
- 80% of current and future contingent eligible participants will elect health care benefits at age 55, or current age if later for measurement date June 30, 2020
- Actives, upon retirement, take coverage, and are assumed to have the following coverage:

	Retirement Age		Retirement Age	
	2021		2020	
	Under 65	Age 65+	Under 65	Age 65+
Indemnity	28.0%	96.0%	25.0%	85.0%
POS/PPC	60.0%	0.0%	60.0%	0.0%
HMO	12.0%	4.0%	15.0%	15.0%

The actuarial assumptions used in the January 1, 2020 and 2019 valuation rolled forward to June 30, 2020 and 2019 were based on the results of an actuarial experience study for the periods ranging July 1, 2018 and 2017 through December 31, 2019 and 2018, depending upon the criteria being evaluated. As a result of this actuarial experience study, the mortality assumption was adjusted in the January 1, 2019 and 2018 actuarial valuation to more closely reflect actual experience as a result of the recent experience study completed by the Public Employee Retirement Administration Commission ("PERAC").

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage.

The SRBT is required to invest in the Pension Reserves Investment Trust ("PRIT") Fund. Consequently, information about SRBT's target asset allocation and long-term expected real rate of return as of June 30, 2021 and 2020, are the same as discussed in Note 13.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 14 - Postemployment Benefits Other Than Pensions ("OPEB") (Continued)

Discount Rate

The discount rates used to measure the total OPEB liability was 2.28% and 3.63% for the years ended June 30, 2021 and 2020, respectively. These rates were based on a blend of the Bond Buyer Index rates of 2.21% and 3.51%, respectively, as of the measurement dates June 30, 2020 and 2019, and the expected rates of return. The OPEB plan's fiduciary net position was not projected to be available to make all projected future benefit payments for current plan members. The projected "depletion date" when projected benefits are not covered by projected assets is 2028 and 2029 for the fiscal years ended June 30, 2021 and 2020, respectively. Therefore, the long-term expected rate of return on OPEB plan investments of 7.15% and 7.25% per annum, respectively, was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2021 and 2020.

Sensitivity of the University's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate

The following tables present the university's proportionate share of the net OPEB liability, as well as what the university's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one-percentage-point higher than the current discount rate:

Reporting Year Ended June 30,	1.00% Decrease 1.28%	Discount Rate 2.28%	1.00% Increase 3.28%
2021	\$ 117,024,386	\$ 97,380,694	\$ 81,859,789

Reporting Year Ended June 30,	1.00% Decrease 2.63%	Discount Rate 3.63%	1.00% Increase 4.63%
2020	\$ 137,067,067	\$ 114,827,620	\$ 97,243,976

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 14 - Postemployment Benefits Other Than Pensions ("OPEB") (Continued)

Discount Rate (Continued)

Sensitivity of the University's Proportionate Share of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rates

The following presents the university's proportionate share of the net OPEB liability, as well as what the university's proportionate share of the net OPEB liability would be if it were calculated using healthcare cost trend rates that are one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rates:

Reporting Year Ended June 30,	1.00% Decrease	Current Healthcare Cost Trend Rate	1.00% Increase
2021	\$ 79,095,674	\$ 97,380,694	\$ 121,673,948
Reporting Year Ended June 30,	1.00% Decrease	Current Healthcare Cost Trend Rate	1.00% Increase
2020	\$ 94,632,466	\$ 114,827,620	\$ 141,472,967

Note 15 - Restricted Net Position

The university's restricted net position at June 30 is as follows:

	<i>2021</i>	<i>2020</i>
Restricted - nonexpendable:		
Scholarships and fellowships	\$ <u>23,000</u>	\$ <u>23,000</u>
Restricted - expendable:		
Grants	\$ <u>4,933,613</u>	\$ <u>1,564,983</u>

The university's restricted-expendable net position consists of funds whose income is mainly used for scholarships, grants and other academic purposes. The university's restricted-nonexpendable net position consists of investments to be held in perpetuity and the income is restricted for the purpose of providing scholarships and other activities that benefit the university. The increase in restricted – expendable grants is due to the timing of revenue recognition with the HEERF funds.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 16 - Contingencies

The university, in the normal course of business, is subject to various legal claims and related issues of which the more significant items are as follows:

During 2015, certain allegations were made relative to abuse by a former employee associated with the university's day care center. This matter is currently ongoing and there could be further issues, litigation, or other matters that raise issue relative to these concerns. The impact of these matters, if any, cannot presently be determined.

The university receives significant financial assistance from federal and state agencies in the form of grants. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenditures resulting from such audits becomes a liability of the university. In the opinion of management, such adjustments, if any, are not expected to materially affect the financial condition of the university.

The university participates in the Massachusetts College Savings Prepaid Tuition Program, (the "program"). This program allows individuals to pay in advance for future tuition at the cost of tuition at the time of election to participate, increased by changes in the Consumer Price Index plus 2%. The university is obligated to accept as payment of tuition the amount determined by this program without regard to the standard tuition rate in effect at the time of the individual's enrollment at the university. The likely effect of the program is that discounts will be provided in the future to students if the cost of attendance increases by more than the benchmark.

Note 17 - Operating Expenses

The university's operating expenses, on a natural classification basis, are comprised of the following for the years ended June 30:

	<i>2021</i>	<i>2020</i>
Compensation and benefits	\$ 144,238,578	\$ 153,165,918
Supplies and services	36,862,094	59,913,375
Depreciation and amortization	11,170,409	9,990,722
Scholarships and fellowships	<u>15,285,158</u>	<u>10,243,910</u>
	<u>\$ 207,556,239</u>	<u>\$ 233,313,925</u>

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 18 - Interest Expense

Interest expense for the years ended June 30, 2021 and 2020, is comprised of the following:

	<i>2021</i>	<i>2020</i>
Interest on capital leases	\$ 185,763	\$ 210,461
Interest on bonds payable	<u>321,418</u>	<u>350,720</u>
 Total interest expense	 <u>\$ 507,181</u>	 <u>\$ 561,181</u>

Note 19 - Massachusetts Management Accounting and Reporting System

Section 15C of Chapter 15A of the Massachusetts General Laws requires Commonwealth colleges and universities to report activity of campus-based funds to the Comptroller of the Commonwealth on the Commonwealth's Statewide Accounting System, Massachusetts Management Accounting and Reporting System ("MMARS"), using the statutory basis of accounting. The statutory basis of accounting is a modified accrual basis of accounting and differs from the information included in these financial statements.

The amounts reported on MMARS agree to the university's records at June 30, 2021 and 2020. Management believes the amounts reported on MMARS meet the guidelines of the Comptroller's *Guide for Higher Education Audited Financial Statements*.

The university's state appropriations are composed of the following for the years ended June 30:

	<i>2021</i>	<i>2020</i>
Direct unrestricted appropriations	\$ 52,106,936	\$ 50,175,136
Add: Fringe benefits for benefited employees on the state payroll	18,464,155	17,232,591
Less: Day school tuition remitted to the state and included in tuition and fee revenue	<u>(9,055)</u>	<u>(57,508)</u>
 Total unrestricted appropriations	 70,562,036	 67,350,219
Capital appropriations	<u>15,771,408</u>	<u>1,218,148</u>
 Total appropriations	 <u>\$ 86,333,444</u>	 <u>\$ 68,568,367</u>

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 20 - State Controlled Accounts

Certain significant costs and benefits associated with the operations of the university are appropriated, expended, controlled, and reported by the Commonwealth through non-university line items in the Commonwealth's budget. Under generally accepted accounting principles, such transactions must be recorded in the financial statements of the university. These transactions include payments by the Commonwealth for the employer's share of funding the Massachusetts State Employees' Retirement System and for the employer's share of health care premiums.

The estimated amounts of funding attributable for the Commonwealth's retirement system contribution and the employer's share of health care premiums for the years ended June 30, 2021 and 2020 were as follows (see State appropriations under Note 19).

	2021	2020
Commonwealth's retirement system contributions	\$ 7,983,539	\$ 7,436,048
Employer's share of health care premium	10,480,616	9,796,543
Fringe benefits provided by the Commonwealth	<u>\$ 18,464,155</u>	<u>\$ 17,232,591</u>

Note 21 - Fringe Benefits for Current Employees and Postemployment Obligations - Pension and Non-pension

The university participates in the Commonwealth's Fringe Benefit programs, including active employee and postemployment health insurance, unemployment, pension, and workers' compensation benefits. Health insurance and pension costs for active employees and retirees are paid through a fringe benefit rate charged to the university by the Commonwealth.

Group Insurance Commission

The Commonwealth's Group Insurance Commission ("GIC") was established by the Legislature in 1955 to provide and administer health insurance and other benefits to the Commonwealth's employees and retirees, and their dependents and survivors. The GIC also covers housing and redevelopment authorities' personnel, certain authorities and other offline agencies, retired municipal teachers from certain cities and towns, and a small number of municipalities as an agent multiple-employer program, accounted for as an agency fund activity of the Commonwealth, not the university.

The GIC is a quasi-independent state agency governed by a seventeen-member body (the "Commission") appointed by the Governor. The GIC is located administratively within the Executive Office of Administration and Finance, and is responsible for providing health insurance and other benefits to the Commonwealth's employees and retirees

and their survivors and dependents. During the fiscal years June 30, 2021 and June 30, 2020, the GIC provided health insurance for its members through indemnity, PPO, and HMO plans. The GIC also administered carve-outs for pharmacy, mental health and substance abuse benefits for certain health plans. In addition to health insurance, the GIC sponsors life insurance, long-term disability insurance (for active employees only), dental and vision coverage (for employees not covered by collective bargaining), a retiree discount vision plan and retiree dental plan, and finally, a pre-tax health care spending account and dependent care assistance program (for active employees only).

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Notes to Financial Statements (Continued)

June 30, 2021 and 2020

Note 21 - Fringe Benefits for Current Employees and Postemployment Obligations - Pension and Non-pension (Continued)

Other Retirement Plans

The employees of the university can elect to participate in two defined contribution plans offered and administered by the Massachusetts Department of Higher Education – an IRC 403(b) Tax-Deferred Annuity Plan and an IRC 457 Deferred Compensation SMART Plan. Employees can contribute by payroll deduction a portion of before-tax salary into these plans up to certain limits. The university has no obligation to contribute to these plans and no obligation for any future pay out.

Note 22 - Pass-through Loans

The university distributed \$46,423,810 and \$55,408,567 for student loans through the U.S. Department of Education Federal Direct Lending Program for the years ended June 30, 2021 and 2020, respectively. The university also distributed private alternative loans of \$10,503,631 and \$18,369,360 through the Massachusetts Educational Financing Authority and Elm Resources for the years ended June 30, 2021 and 2020, respectively. The university distributed \$210,500 and \$327,574 through the Massachusetts No Interest Loan Program for the years ended June 30, 2021 and 2020, respectively. These distributions and related funding sources facilitate the payment of tuition and fees incurred by students and thus are not included as expenses and revenues or as cash disbursements or cash receipts in the accompanying financial statements.

Note 23 - Massachusetts State College Building Authority

The MSCBA was created pursuant to Chapter 703 of the Act of 1963 of the Commonwealth as a public instrumentality for the general purpose of providing dormitories, dining commons and other facilities primarily for use by students and staff of the nine state universities of the Commonwealth.

The university is charged a semi-annual revenue assessment that is based on a certified occupancy report, the current rent schedule and the design capacity for each of the residence halls. This revenue assessment is used by the MSCBA to pay principal and interest due on its long-term debt obligations. These obligations may include the costs of periodic renovations and improvements to the residence halls. The Commonwealth guarantees these obligations.

The Revenue Assessments for the residence halls for the years ended June 30, 2021 and 2020 were \$5,512,367 and \$16,970,361, respectively. All facilities and obligations of the MSCBA are included in the financial statements of the Massachusetts State College Building Authority. In July 2021, the MSCBA restructured bonds under 20A refunding to eliminate the principal payments on the bonds for fiscal year 2021 and eliminating the Fall 2020 assessment payment, by extending the maturity dates on the bond debt.

In June 2020, the MSCBA provided the university with funds in an effort to help provide budgetary relief, which were considered an advance refunding from the bond restructuring. The proceeds, of approximately \$695,000, are included as auxiliary revenue on the Statements of Revenues and Expenses in fiscal year 2020.

**AWARDED
RECOGNITION:
NCAA DIV III
LGBTQ ATHLETICS
DEPARTMENT
OF THE YEAR**



The BSU Athletic Department was recently named the 2020 D-III LGBTQ Athletics Department of the Year.

This is the first year the NCAA has given the award, that recognizes a Division III athletic department or conference office that's demonstrated proactive efforts to create and sustain an LGBTQ-inclusive culture.

"Being the first is great recognition. Now we have to pick up, and raise the bar on ourselves," BSU Athletic Director Mary Beth Lamb said.

Lamb and the rest of the athletic department worked together to develop a safe and inclusive environment, that includes a transgender student-athlete policy.

The school was the first in its conference and New England in 2012 to introduce such a policy, which "prohibits discrimination on the basis of gender identity and gender expression."

Through collaboration with the Pride Center, a new student-athlete diversity inclusion committee has been created that will focus on education and programming to create a more inclusive experience for all student-athletes.

While all these efforts have led to the BSU Athletic Department being recognized by the NCAA, Lamb said the work doesn't stop here and she hopes that student-athletes feel comfortable in the space they've created.



THE AWARD HONORS AN
ATHLETICS DEPARTMENT OR
CONFERENCE OFFICE THAT
HAS DEMONSTRATED PROACTIVE
EFFORTS TO CREATE AND SUSTAIN
AN LGBTQ-INCLUSIVE CULTURE.

BEAR STATUE



A student visited President Clark to suggest creating a space on campus where members of the BSU community could gather to reflect. Soon, a plan was initiated to designate the front of the student union as just such a place, and to earmark it with a new bear statue.

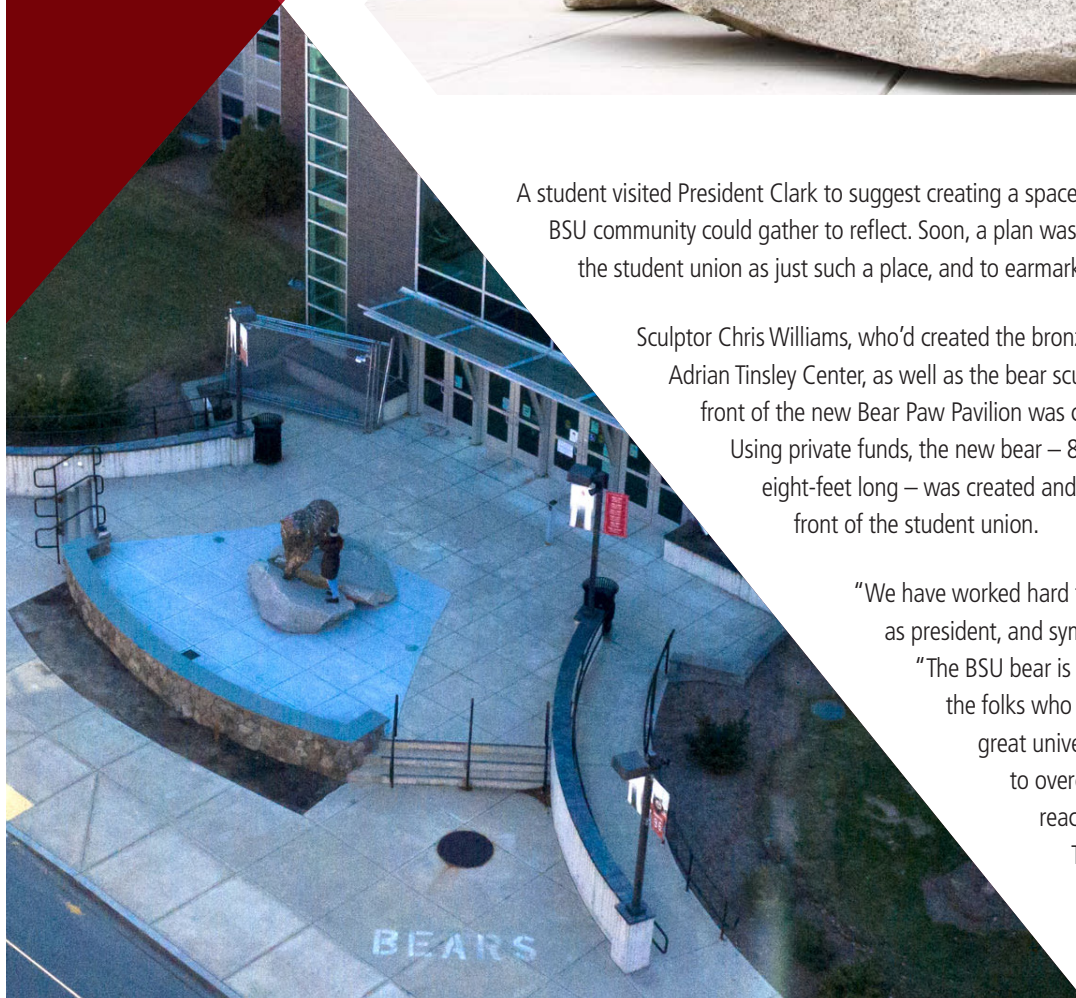
Sculptor Chris Williams, who'd created the bronze bear that sits in front of the Adrian Tinsley Center, as well as the bear sculpture installed in September in front of the new Bear Paw Pavilion was commissioned to create the statue.

Using private funds, the new bear – 800 pounds, six-feet high and eight-feet long – was created and set upon three large rocks in front of the student union.

"We have worked hard to build BSU spirit during my time as president, and symbols matter," said President Clark.

"The BSU bear is a symbol of our students, alumni and the folks who have dedicated their careers to this great university. Our students are determined to overcome challenges, move forward, and reach higher with courage and resilience.

These qualities are exhibited by the new bear and reflect the spirit of our students beautifully."



REQUIRED
SUPPLEMENTAL
INFORMATION

ANNUAL COMPREHENSIVE
**FINANCIAL
REPORT**



BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of the University's Proportionate Share of Net Pension Liability (Unaudited)

Massachusetts State Employees' Retirement System

Year ended	June 30, 2021	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015
Valuation date	January 1, 2019	January 1, 2019	January 1, 2018	January 1, 2017	January 1, 2016	January 1, 2015
University's proportion of the collective net pension liability	0.441%	0.416%	0.454%	0.425%	0.398%	0.457%
University's proportionate share of the collective net pension liability	\$ 75,678,655	\$ 60,911,032	\$ 60,039,220	\$ 54,506,501	\$ 54,936,179	\$ 52,075,634
University's covered payroll	62,578,762	65,853,418	59,884,685	63,303,324	62,138,172	54,976,688
University's proportionate share of the net pension liability as a percentage of its covered payroll	120.93%	92.49%	100.26%	86.10%	88.41%	94.72%
Plan fiduciary net position as a percentage of the total pension liability	62.48%	66.28%	67.91%	67.21%	63.48%	67.87%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of the University's Contributions - Net Pension (Unaudited)

Massachusetts State Employees' Retirement System

For the Years Ended June 30,

	<i>2021</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>	<i>2017</i>	<i>2016</i>
Statutorily required contribution	\$ 4,357,036	\$ 9,176,946	\$ 7,941,922	\$ 7,054,416	\$ 6,298,681	\$ 5,872,057
Contributions in relation to the statutorily required contribution	<u>(4,357,036)</u>	<u>(9,176,946)</u>	<u>(7,941,922)</u>	<u>(7,054,416)</u>	<u>(6,298,681)</u>	<u>(5,872,057)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
University's covered payroll	\$ 62,578,762	\$ 65,177,175	\$ 65,853,418	\$ 59,884,685	\$ 63,303,324	\$ 62,138,172
Contributions as a percentage of covered payroll	14.66%	14.08%	12.06%	11.78%	9.95%	9.45%

Employers participating in the Massachusetts State Employees' Retirement System are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2014 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Required Supplementary Information
Notes to Schedule of the University's Proportionate Share of the Net Pension
Liability and Schedule of University Contributions (Unaudited)

Pension Schedules

Note 1 - Changes of Assumptions

Fiscal year June 30, 2021 (measurement date June 30, 2020)

Assumptions:

The investment rate of return changed from 7.25% to 7.15%. In conjunction with the investment rate of return changing, the discount rate was also changed to mirror the new investment rate of return.

Fiscal year June 30, 2020 (measurement date June 30, 2019)

Assumptions:

The investment rate of return changed from 7.35% to 7.25%. In conjunction with the investment rate if return changing, the discount rate was also changed to mirror the new investment rate of return.

Fiscal year June 30, 2019 (measurement date June 30, 2018)

The investment rate of return changed from 7.50% to 7.35%. In conjunction with the investment rate if return changing, the discount rate was also changed to mirror the new investment rate of return.

The mortality rate assumptions were changed as follows:

- Disabled members - the amount reflects the same assumptions as for superannuation retirees, but with an age set forward of one year

Fiscal year June 30, 2018 (measurement date June 30, 2017)

The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Employees Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Post-retirement – was changed from RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct) to RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2016 and set forward 1 year for females
- Disability – did not change

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Required Supplementary Information

Notes to Schedule of the University's Proportionate Share of the Net Pension Liability and Schedule of University Contributions (Unaudited) - Continued

Pension Schedules

Note 1 - Changes of Assumptions (Continued)

Fiscal year June 30, 2017 (measurement date June 30, 2016)

The assumption for salary increases changed from a range of 3.5% to 9.0% depending on group and length of service to a range of 4.0% to 9.0% depending on group and length of service. Chapter 176 of the Acts of 2011 created a one-time election for eligible members of the Optional Retirement Plan ("ORP") to transfer to the SERS and purchase service for the period while members of the ORP. As a result, the total pension liability of SERS increased by approximately 400 million as of June 30, 2016.

Fiscal year June 30, 2016 (measurement date June 30, 2015)

The discount rate to calculate the pension liability decreased from 8.0% to 7.5%

In May 2015, Chapter 19 of the Acts of 2015 created an Early Retirement Incentive ("ERI") for certain members of SERS who upon election of the ERI retired effective June 30, 2015. As a result, the total pension liability of SERS increased by approximately \$230 million as of June, 2015.

The mortality rates were changed as follows:

- Pre-retirement – was changed from RP-2000 Employees table projected 20 years with Scale AA (gender distinct) to RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct)

- Post-retirement – was changed from RP-2000 Healthy Annuitant table projected 15 years with Scale AA (gender distinct) to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2009 (gender distinct)

- Disability – was changed from RP-2000 table projected 5 years with Scale AA (gender distinct) set forward three years for males to RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct)

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of the University's Proportionate Share of Net OPEB Liability (Unaudited)

State Retirees' Benefit Trust

Year ended	June 30, 2021	June 30, 2020	<i>Restated</i>	
			June 30, 2019	June 30, 2018
Measurement date	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Valuation date	January 1, 2020	January 1, 2019	January 1, 2018	January 1, 2017
University's proportion of the collective net OPEB liability	0.471%	0.628%	0.707%	0.600%
University's proportionate share of the collective net OPEB liability	\$ 97,380,694	\$ 114,827,620	\$ 131,377,242	\$ 106,015,398
University's covered payroll	62,578,762	65,853,418	59,884,685	63,303,324
University's proportionate share of the net OPEB liability as a percentage of its covered payroll	155.61%	174.37%	219.38%	167.47%
Plan fiduciary net position as a percentage of the total OPEB liability	6.40%	6.96%	6.01%	5.39%

Notes:

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BRIDGEWATER STATE UNIVERSITY
(an Agency of the Commonwealth of Massachusetts)

Schedule of the University's Contributions - Net OPEB (Unaudited)

State Retirees' Benefit Trust

For the Years Ended June 30,

	<i>2021</i>	<i>2020</i>	<i>Restated</i> <i>2019</i>	<i>2018</i>
Statutorily required contribution	\$ 2,287,931	\$ 4,751,416	\$ 5,788,515	\$ 5,341,714
Contributions in relation to the statutorily required contribution	<u>(2,287,931)</u>	<u>(4,751,416)</u>	<u>(5,788,515)</u>	<u>(5,341,714)</u>
Contribution excess	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
University's covered payroll	\$ 62,578,762	\$ 65,177,175	\$ 65,853,418	\$ 59,884,685
Contributions as a percentage of covered payroll	7.70%	7.29%	8.79%	8.92%

Employers participating in the Massachusetts State Employees' Retirement System are required by MA General Laws, Section 32, to contribute an actuarially determined contribution rate each year.

The GASB pronouncement requiring the presentation of the information on this schedule became effective for years beginning after June 15, 2017 and is intended to provide data for the most recent ten years.

See accompanying notes to the required supplementary information.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Required Supplementary Information
Notes to Schedule of the University's Proportionate Share of the Net OPEB
Liability and Schedule of University Contributions (Unaudited)

OPEB Schedules

Note 1 - Changes of Assumptions

Fiscal year June 30, 2021 (measurement date June 30, 2020)

Assumptions:

Change in per capita claims costs

Per capita claims costs were updated based on the changes in the underlying claims and benefit provisions.

Change in medical trend rates

The medical trend rates were updated based on the SOA-Getzen trend rate model version 20920_b, the impact of the discontinuation of the ACA Health Insurer Fee and Excise Tax.

Change in Investment Rate

The investment rate of return decreased from 7.25% to 7.15%.

Change in Salary Scale

The salary scale assumption was updated from a constant 4% assumption to rates that vary by years of service and group classification, consistent with SERS.

Change in Discount Rate

The discount rate was decreased to 2.28% (based upon a blend of the Bond Buyer Index rate (2.21%) as of the measurement date as required by GASB Statement 74.

Fiscal year June 30, 2020 (measurement date June 30, 2019)

Assumptions:

Change in Inflation

The inflation rate decreased from 3.0% to 2.5%.

Change in Salary Assumptions

Salary decreased from 4.5% to 4.0%.

Change in Investment Rate

The Investment rate of return decreased from 7.35% to 7.25%.

Change in Trend on Future Costs

The original healthcare trend rate decreased from 8.0% to 7.5%, which affects the high-cost excise tax.

Change in Discount Rate

The discount rate was decreased to 3.63% (based upon a blend of the Bond Buyer Index rate (3.51%) as of the measurement date as required by GASB Statement 74.

BRIDGEWATER STATE UNIVERSITY
(An Agency of the Commonwealth of Massachusetts)

Required Supplementary Information
Notes to Schedule of the University's Proportionate Share of the Net OPEB
Liability and Schedule of University Contributions (Unaudited) - Continued

OPEB Schedules

Note 1 - Changes of Assumptions (Continued)

Fiscal year June 30, 2019 (measurement date June 30, 2018)

Assumptions:

Change in Trend on Future Costs

The healthcare trend rate decreased from 8.5% to 8.0%, which impacts the high cost of excise tax.

Change in Mortality Rates

The following mortality assumption changes were made in the January 1, 2018 Actuarial Valuation:

- Disabled members - would reflect the same assumptions as for superannuation retirees, but with an age set forward of one year

Change in Discount Rate

The discount rate was increased to 3.92% (based upon a blend of the Bond Buyer Index rate of (3.87%) as of the measurement date as required by GASB Statement 74.

Fiscal year June 30, 2018 (measurement date June 30, 2017)

Assumptions:

Change in Discount Rate

The discount rate was increased to 3.63% based upon a blend of the Bond Buyer Index rate (3.58%) as of the measurement date as required by GASB Statement 74. The June 30, 2016 discount rate was calculated to be 2.80%

SAFE RETURN TO CAMPUS



Campus safety is always a top priority for Bridgewater State University, which is why the institution partnered with the Broad Institute, a prominent Cambridge laboratory which is affiliated with Harvard University and Massachusetts Institute of Technology, to conduct thousands of highly accurate COVID-19 polymerase chain reaction (or PCR) tests performed by swabbing just inside a nostril.

Starting during the fall 2020 semester, residential students were tested when they moved in and thereafter every two weeks. Testing was also available to other students and employees who were frequently on campus. The university conducted up to 2,000 tests per week, with results within 24 hours.

Tests were free, with BSU covering the costs for asymptomatic testing and health insurance paying for testing of people with symptoms.




Please wear a face covering at all times and remember to physically distance at least 6 feet from others whenever possible

 Note: For BSU's Safe Return Plan and FAQs, visit bridgew.edu/covid19





“TESTING IS JUST ONE COMPONENT ... WE’RE LOOKING AT A LOT OF DIFFERENT WAYS TO KEEP THE CAMPUS SAFE.”

DR. CHRIS FRAZER,
EXECUTIVE DIRECTOR OF
BSU’S WELLNESS CENTER

BEAR PAW PAVILION



After years of planning, the Bear Paw Pavilion, located at the Edward C. Swenson Athletic Complex, officially opened this summer. Those who remember the old facility couldn't be more thrilled.

The new \$3.1 million building was made possible through fundraising and operating reserves. It includes a center hub with 100 top-of-the-line wooden lockers, which were built by through a program run by the state's corrections department.

The room is also dividable and can create two rooms for different teams to use simultaneously. A satellite athletic training space and mechanical/equipment room is housed in the building as well.

Public restrooms, including a gender-neutral family bathroom is available, and in each locker room there is a dedicated space that is also gender neutral.

An official ribbon cutting ceremony was held on Saturday, October 23, 2021, during Homecoming weekend.



STATISTICAL SECTION

ANNUAL COMPREHENSIVE
**FINANCIAL
REPORT**



THE APPROXIMATELY 3,400-PANEL SYSTEM IN TOWER LOT WILL FEED CLEAN, RENEWABLE ELECTRICITY TO THE GRID AND REDUCE BSU'S OVERALL ELECTRICITY BILL. IT IS ESTIMATED TO LOWER GREENHOUSE GAS EMISSIONS EQUIVALENT TO TAKING 238 CARS OFF THE ROAD.



SOLAR PANELS AND SUSTAINABILITY

Even with the pandemic impacting nearly every aspect of campus life, BSU has still managed to move ahead with sustainability-focused projects. New solar canopies at Tower Lot are now operational and projected to save the university \$2.2 million in electricity costs over the next 20 years. The project is part of a larger endeavor to shift to renewable energy sources and reduce BSU's carbon footprint. As of this writing, university officials are evaluating eight additional solar installations, which would generate sufficient energy to cover about 23 percent of the campus' primary electric usage, potentially saving BSU more than \$6.8 million over the next 20 to 25 years and reducing the institution's carbon dioxide emissions by almost 78,000 tons.

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This section of the Annual Comprehensive Financial Report provides additional information as a context for understanding what the information in the financial statements and note disclosures say about the university's and the Commonwealth of Massachusetts overall financial health.

FINANCIAL TRENDS	109-114
These schedules contain trend information to help the reader understand how the university's financial performance and well-being have changed over time.	
DEBT CAPACITY	115
These schedules display information to help the reader assess the affordability of the university's current level of outstanding debt, and assess the university's ability to issue additional debt in the future.	
OPERATING INFORMATION	116-126
These schedules contain service and capital asset data to help the reader understand how the information in the university's financial report relates to the services the university provides and the activities it performs.	
DEMOGRAPHIC AND ECONOMIC INFORMATION	127-132
These schedules offer demographic and economic indicators to help the reader understand the environment within which the university's and State's financial activities takes place.	

SCHEDULE OF REVENUES BY SOURCE

For the Year Ended June 30, 2021

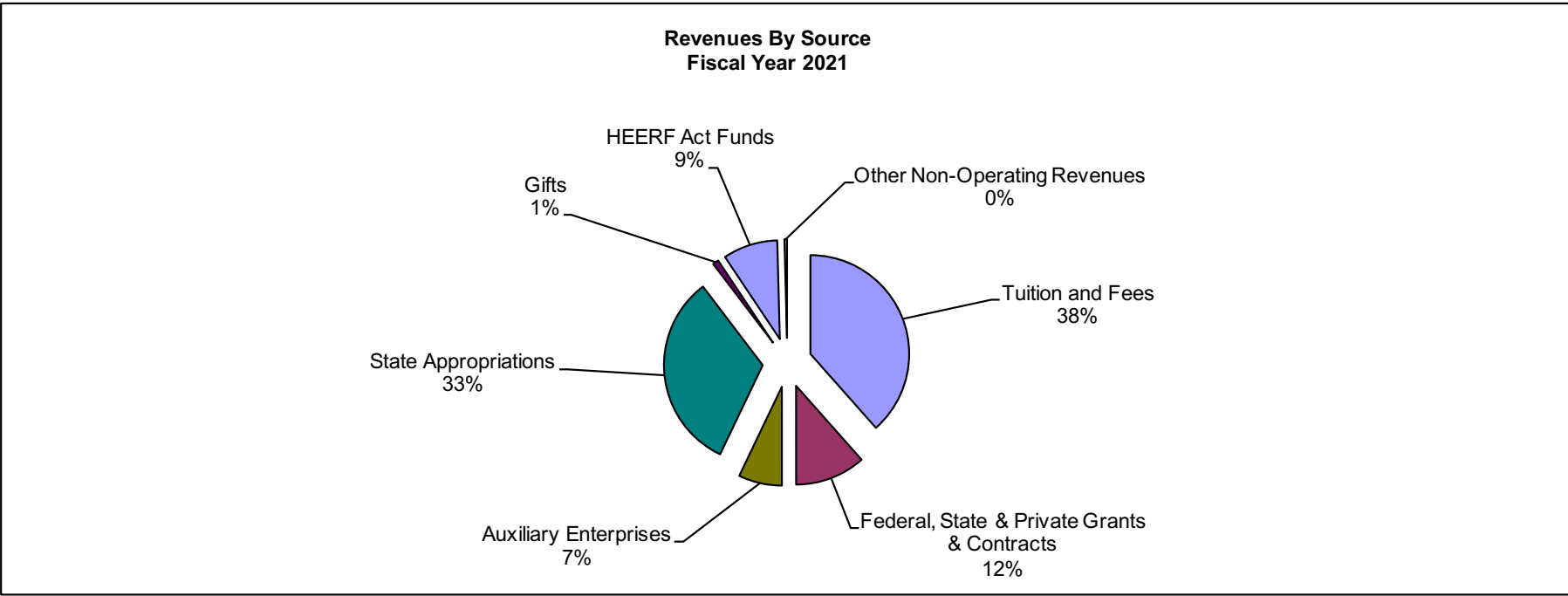
	<u>2021</u>	<u>2020</u>	<u>2019</u> (Restated)	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues										
Operating Revenues:										
Tuition and Fees (net of scholarships and fellowships)	\$ 83,379,030	\$ 89,815,493	\$ 90,711,656	\$ 96,365,646	\$ 90,078,676	\$ 82,971,448	\$ 76,714,808	\$ 75,267,479	\$ 75,584,928	\$ 70,154,895
Federal, state and private grants and contracts	25,010,749	24,848,570	23,029,402	21,621,193	20,467,984	19,966,803	20,405,558	19,420,622	17,822,377	18,416,139
Auxiliary enterprises	15,422,689	32,309,029	26,754,128	26,441,631	26,706,122	26,814,973	26,147,322	24,623,224	21,771,366	21,047,033
Other Operating Revenue	60,517	320,740	665,907	1,568,141	1,863,742	2,201,100	1,073,329	1,078,624	583,889	338,680
Total Operating Revenues	<u>\$ 123,872,985</u>	<u>\$ 147,293,832</u>	<u>\$ 141,161,093</u>	<u>\$ 145,996,611</u>	<u>\$ 139,116,524</u>	<u>\$ 131,954,324</u>	<u>\$ 124,341,017</u>	<u>\$ 120,389,949</u>	<u>\$ 115,762,560</u>	<u>\$ 109,956,747</u>
Non Operating Revenues										
State appropriations, net	\$ 70,562,036	\$ 67,350,219	\$ 65,098,681	\$ 58,883,631	\$ 58,090,595	\$ 55,286,190	\$ 52,109,583	\$ 49,493,966	\$ 43,784,687	\$ 43,483,203
Gifts	2,116,858	1,902,763	1,279,525	1,282,307	1,540,090	1,326,816	1,252,301	899,221	902,554	706,947
HEERF Act funds	19,421,645	1,668,952	-	-	-	-	-	-	-	-
Investment income	17,923	236,611	216,454	80,447	47,290	54,704	24,946	1,483	10,801	81,963
Other non-operating revenues	903,728	1,419,741	1,596,671	1,815,909	2,090,213	1,779,210	1,815,620	2,493,850	3,885,460	3,849,895
Total Non Operating Revenues	<u>\$ 93,022,190</u>	<u>\$ 72,578,286</u>	<u>\$ 68,191,331</u>	<u>\$ 62,062,294</u>	<u>\$ 61,768,188</u>	<u>\$ 58,446,920</u>	<u>\$ 55,202,450</u>	<u>\$ 52,888,520</u>	<u>\$ 48,583,502</u>	<u>\$ 48,122,008</u>
Total Revenues	<u>\$ 216,895,175</u>	<u>\$ 219,872,118</u>	<u>\$ 209,352,424</u>	<u>\$ 208,058,905</u>	<u>\$ 200,884,712</u>	<u>\$ 190,401,244</u>	<u>\$ 179,543,467</u>	<u>\$ 173,278,469</u>	<u>\$ 164,346,062</u>	<u>\$ 158,078,755</u>

For the Year Ended June 30,
(percent of total revenue)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Revenues										
Operating Revenues:										
Tuition and Fees (net of scholarships and fellowships)	38%	41%	43%	46%	45%	44%	42%	43%	46%	45%
Federal, state and private grants and contracts	12%	11%	11%	10%	10%	10%	11%	11%	11%	12%
Auxiliary enterprises	7%	15%	13%	13%	13%	14%	15%	14%	13%	13%
Other Operating Revenue	0%	0%	0%	1%	1%	1%	1%	1%	0%	0%
Total Operating Revenues	<u>57%</u>	<u>67%</u>	<u>67%</u>	<u>70%</u>	<u>69%</u>	<u>69%</u>	<u>69%</u>	<u>69%</u>	<u>70%</u>	<u>70%</u>
Non Operating Revenues										
State appropriations, net	33%	31%	31%	28%	29%	29%	29%	29%	27%	28%
Gifts	1%	0%	1%	1%	1%	1%	1%	1%	1%	0%
HEERF Act funds	9%	1%	0%	0%	0%	0%	0%	0%	0%	0%
Investment income	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Other non-operating revenues	0%	1%	1%	1%	1%	1%	1%	1%	2%	2%
Total Non Operating Revenues	<u>43%</u>	<u>33%</u>	<u>33%</u>	<u>30%</u>	<u>31%</u>	<u>31%</u>	<u>31%</u>	<u>31%</u>	<u>30%</u>	<u>30%</u>
Total Revenues	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>

Source: Bridgewater State University Annual Financial Statements

SCHEDULE OF REVENUES BY SOURCE



Source: Bridgewater State University Annual Financial Statements Detailed data breakdown of revenues by source on page 109.

SCHEDULE OF EXPENSES BY USE

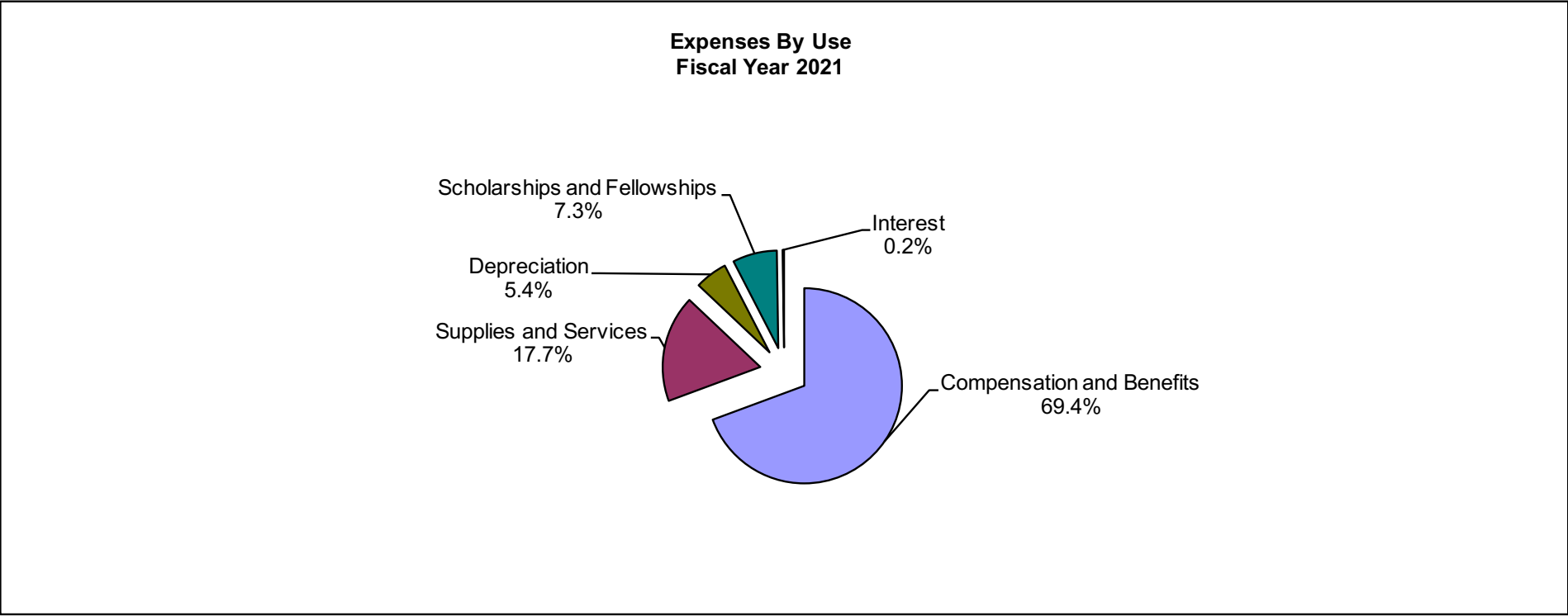
For the Year Ended June 30, 2021

Expenses:	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Operating Expenses:			(Restated)							
Compensation and benefits	\$ 144,238,578	\$ 153,165,918	\$ 155,289,447	\$ 144,031,337	\$ 135,259,364	\$ 127,430,767	\$ 116,177,960	\$ 108,697,916	\$ 100,412,505	\$ 99,275,344
Supplies and services	36,862,094	59,913,375	49,592,966	47,283,834	48,850,073	50,916,103	51,203,453	48,026,031	46,900,069	44,121,129
Depreciation and amortization	11,170,409	9,990,722	10,235,666	10,126,813	10,125,133	11,991,495	11,699,185	6,073,134	5,598,456	5,185,166
Scholarships and fellowships	15,285,158	10,243,910	9,197,097	17,479,028	13,578,254	10,491,502	9,885,013	8,942,083	7,275,990	7,067,792
Total Operating Expenses	\$ 207,556,239	\$ 233,313,925	\$ 224,315,176	\$ 218,921,012	\$ 207,812,824	\$ 200,829,867	\$ 188,965,611	\$ 171,739,164	\$ 160,187,020	\$ 155,649,431
Non Operating Expenses:										
Interest expense	\$ 507,181	\$ 561,181	\$ 620,695	\$ 721,117	\$ 760,027	\$ 760,885	\$ 2,568,943	\$ 844,091	\$ 703,238	\$ 569,375
Total Non Operating Expenses	\$ 507,181	\$ 561,181	\$ 620,695	\$ 721,117	\$ 760,027	\$ 760,885	\$ 2,568,943	\$ 844,091	\$ 703,238	\$ 569,375
Total Expenses	\$ 208,063,420	\$ 233,875,106	\$ 224,935,871	\$ 219,642,129	\$ 208,572,851	\$ 201,590,752	\$ 191,534,554	\$ 172,583,255	\$ 160,890,258	\$ 156,218,806

Expenses:	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
Operating Expenses:										
Compensation and benefits	69.4%	65.6%	69.1%	65.7%	64.8%	63.2%	60.7%	63.0%	62.4%	63.5%
Supplies and services	17.7%	25.6%	22.0%	21.5%	23.4%	25.3%	26.7%	27.8%	29.2%	28.2%
Depreciation	5.4%	4.3%	4.6%	4.6%	4.9%	5.9%	6.1%	3.5%	3.5%	3.3%
Scholarships and fellowships	7.3%	4.3%	4.0%	7.9%	6.5%	5.2%	5.2%	5.2%	4.5%	4.6%
Total Operating Expenses	99.8%	99.8%	99.7%	99.7%	99.6%	99.6%	98.7%	99.5%	99.6%	99.6%
Non Operating Expenses:										
Interest expense	0.2%	0.2%	0.3%	0.3%	0.4%	0.4%	1.3%	0.5%	0.4%	0.4%
Total Non Operating Expenses	0.2%	0.2%	0.3%	0.3%	0.4%	0.4%	1.3%	0.5%	0.4%	0.4%
Total Expenses	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Bridgewater State University Annual Financial Statements

SCHEDULE OF EXPENSES BY USE



Source: Bridgewater State University Annual Financial Statements

Detailed data breakdown of expenses by use on page 111.

SCHEDULE OF EXPENSES BY FUNCTION

For the Year Ended June 30,

	<u>2021</u>	<u>2020</u>	<u>2019</u> (Restated)	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses:										
Instruction	\$ 75,420,095	\$ 82,919,590	\$ 80,252,755	\$ 74,638,309	\$ 70,057,550	\$ 64,991,488	\$ 61,139,211	\$ 58,453,791	\$ 53,182,575	\$ 51,869,664
Public service	1,414,288	2,420,144	2,623,570	2,876,939	2,774,925	2,775,815	2,187,039	1,846,410	2,262,099	1,997,803
Academic support	24,622,970	26,115,706	27,901,251	26,422,937	25,512,065	23,796,119	22,674,733	20,693,405	18,434,047	18,286,667
Student services	22,198,270	23,978,138	25,408,170	23,887,255	23,094,520	21,593,072	22,360,467	21,561,475	19,760,852	19,073,503
Institutional support	23,576,576	25,253,381	24,026,458	20,783,716	19,641,046	20,993,149	17,036,747	16,887,940	17,272,031	16,153,039
Operation and maintenance of plant	14,678,632	16,514,963	19,597,190	17,877,940	16,697,626	16,479,057	18,203,719	13,955,958	16,429,130	16,092,959
Scholarships and fellowships	15,285,158	10,243,910	9,197,097	17,479,028	13,578,254	12,668,115	9,885,013	8,942,083	7,275,990	7,067,792
Depreciation and amortization	11,170,409	9,990,722	10,235,666	10,126,813	10,125,133	11,991,495	11,699,185	6,073,134	5,598,456	5,185,166
Auxiliary enterprises, net of scholarship allowances	19,189,841	35,877,371	25,073,019	24,828,075	26,331,705	25,541,557	23,779,497	23,324,968	19,971,840	19,922,838
Total Expenses	\$ 207,556,239	\$ 233,313,925	\$ 224,315,176	\$ 218,921,012	\$ 207,812,824	\$ 200,829,867	\$ 188,965,611	\$ 171,739,164	\$ 160,187,020	\$ 155,649,431

For the Year Ended June 30,
(percent of total expense)

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Expenses:										
Instruction	37%	37%	36%	34%	34%	32%	32%	33%	34%	34%
Public service	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
Academic support	12%	11%	12%	12%	12%	12%	12%	12%	12%	12%
Student services	11%	10%	11%	11%	11%	11%	12%	13%	12%	12%
Institutional support	11%	11%	11%	10%	9%	11%	9%	10%	11%	10%
Operation and maintenance of plant	7%	7%	9%	8%	8%	8%	10%	8%	10%	10%
Scholarships and fellowships	7%	4%	4%	8%	7%	6%	5%	5%	5%	5%
Depreciation and amortization	5%	4%	5%	5%	5%	6%	6%	4%	3%	3%
Auxiliary enterprises, net of scholarship allowances	9%	15%	11%	11%	13%	13%	13%	14%	12%	13%
Total Expenses	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

Source: Bridgewater State University Annual Financial Statements

SCHEDULE OF NET POSITION AND CHANGES IN NET POSITION

For the Year Ended June 30,

	<u>2021</u>	<u>2020</u>	<u>2019</u> <u>(Restated)</u>	<u>2018</u>	<u>2017</u> <u>(Restated)</u>	<u>2016</u>	<u>2015</u>	<u>2014</u> <u>(Restated)</u>	<u>2013</u>	<u>2012</u>
Total revenues (from schedule of revenues by source)	\$ 216,895,175	\$ 219,872,118	\$ 209,352,424	\$ 208,058,905	\$ 200,884,712	\$ 190,401,244	\$ 179,543,467	\$ 173,278,469	\$ 164,346,062	\$ 158,078,755
Total expenses (from schedule of expenses by use)	(208,063,420)	(233,875,106)	(224,935,871)	(219,642,129)	(208,572,851)	(201,590,752)	(191,534,554)	(172,583,255)	(160,890,258)	(156,218,806)
Income before other revenues	8,831,755	(14,002,988)	(15,583,447)	(11,583,224)	(7,688,139)	(11,189,508)	(11,991,087)	695,214	3,455,804	1,859,949
Capital appropriations	15,771,408	1,218,148	644,614	605,394	914,758	1,419,509	90,229,323	532,100	1,250,000	660,113
Total Increase (Decrease) in Net Position	24,603,163	(12,784,840)	(14,938,833)	(10,977,830)	(6,773,381)	(9,769,999)	78,238,236	1,227,314	4,705,804	2,520,062
Net position, beginning, as restated	(5,628,504)	7,156,336	22,095,169	33,072,999	39,846,380	144,691,666	66,453,430	65,226,116	85,454,175	82,934,113
Net position, ending	\$ 18,974,659	\$ (5,628,504)	\$ 7,156,336	\$ 22,095,169	\$ 33,072,999	\$ 134,921,667	\$ 144,691,666	\$ 66,453,430	\$ 90,159,979	\$ 85,454,175
Net investment in capital assets	\$ 144,414,985	\$ 141,884,186	\$ 138,307,417	\$ 140,978,938	\$ 145,245,750	\$ 149,642,168	\$ 157,187,572	\$ 78,067,452	\$ 77,805,764	\$ 71,417,430
Restricted:										
Nonexpendable	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000	23,000
Expendable	4,933,613	1,564,983	1,219,637	1,039,875	1,211,471	1,132,364	1,140,441	1,130,760	1,061,195	787,423
Unrestricted	(130,396,939)	(149,100,673)	(132,393,718)	(119,946,644)	(113,407,222)	(15,875,865)	(13,659,347)	(12,767,782)	11,270,020	13,226,322
Total Net Position	\$ 18,974,659	\$ (5,628,504)	\$ 7,156,336	\$ 22,095,169	\$ 33,072,999	\$ 134,921,667	\$ 144,691,666	\$ 66,453,430	\$ 90,159,979	\$ 85,454,175

Source: Bridgewater State University Annual Financial Statements

SCHEDULE OF RATIOS OF OUTSTANDING DEBT

For the Year Ended June 30,

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Capital lease obligations	\$ 3,120,251	\$ 3,582,100	\$ 4,019,251	\$ 4,433,028	\$ 4,671,907	\$ 5,031,601	\$ 5,371,934	\$ 5,693,947	\$ 5,998,628	\$ 6,286,911
Notes and bonds payable	12,064,385	12,380,442	13,716,664	15,086,947	16,297,264	17,495,656	18,678,638	19,785,663	20,737,713	12,218,193
Total Outstanding Debt	\$ 15,184,636	\$ 15,962,542	\$ 17,735,915	\$ 19,519,975	\$ 20,969,171	\$ 22,527,257	\$ 24,050,572	\$ 25,479,610	\$ 26,736,341	\$ 18,505,104
Full-time equivalent students	8,619	8,976	9,047	9,086	9,054	9,176	9,214	9,230	9,201	9,067
Outstanding debt per student	\$ 1,762	\$ 1,778	\$ 1,960	\$ 2,148	\$ 2,316	\$ 2,455	\$ 2,610	\$ 2,761	\$ 2,906	\$ 2,041

Note: Outstanding debt per student is calculated using full-time equivalent enrollment data for the last ten years.

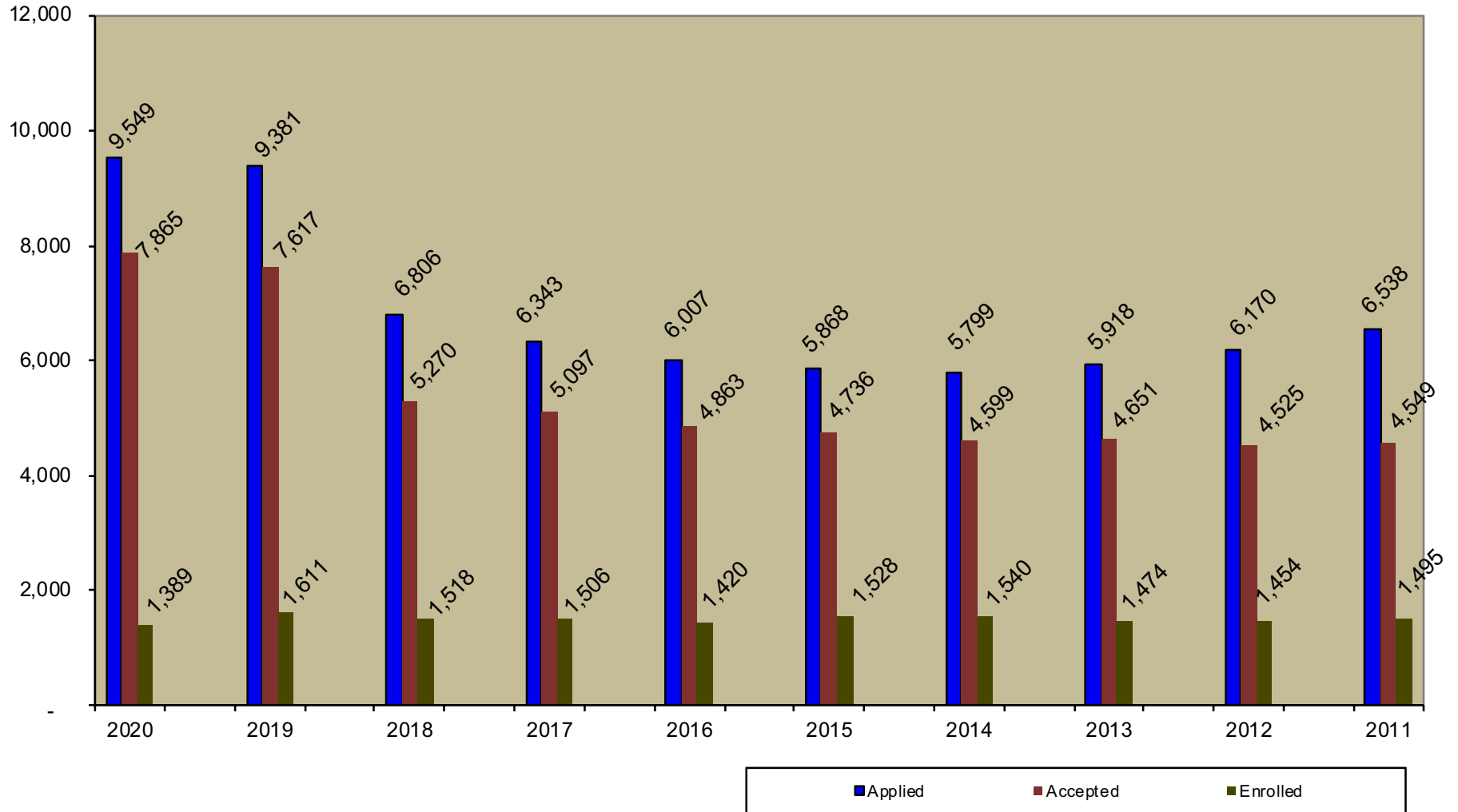
Source: Bridgewater State University Annual Financial Statements and Office of Institutional Research and Assessment

SCHEDULE OF ADMISSIONS, ENROLLMENT AND DEGREE STATISTICS - Last Ten Academic Years

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Admissions - Freshman										
Applications	9,549	9,381	6,806	6,343	6,007	5,868	5,799	5,918	6,170	6,538
Applications accepted	7,865	7,617	5,270	5,097	4,863	4,736	4,599	4,651	4,525	4,549
Accepted as a percentage of applications	82%	81%	77%	80%	81%	81%	79%	79%	73%	70%
Students enrolled	1,389	1,611	1,518	1,506	1,420	1,528	1,540	1,474	1,454	1,495
Enrolled as a percentage of accepted	18%	21%	29%	30%	29%	32%	33%	32%	32%	33%
SAT scores - total	1,050	1,064	1,070	1,063	990	991	993	993	1,010	1,016
Verbal	531	535	540	538	493	494	492	492	499	504
Math	519	529	530	525	497	497	501	501	511	512
Massachusetts average SAT score - total	1,119	1,120	1,125	1,106	1,047	1,045	1,047	1,044	1,043	1,040
U.S. average SAT score - total	1,051	1,059	1,067	1,060	1,002	1,006	1,010	1,010	1,010	1,011
Enrollment										
Undergraduate and graduate FTE	8,619	8,976	9,047	9,086	9,054	9,176	9,214	9,230	9,201	9,067
Undergraduate and graduate headcount	10,651	10,881	10,990	11,019	10,998	11,089	11,187	11,267	11,417	11,294
<u>Undergraduates</u>										
Percentage of Men	40%	41%	41%	41%	41%	41%	41%	42%	42%	41%
Percentage of Women	60%	59%	59%	59%	59%	59%	59%	58%	58%	59%
Percentage of Students of Color	27%	27%	25%	25%	23%	21%	20%	18%	16%	16%
<u>Graduates</u>										
Percentage of Men	24%	26%	25%	27%	27%	29%	28%	27%	27%	28%
Percentage of Women	76%	74%	75%	73%	73%	71%	72%	73%	73%	72%
Percentage of Students of Color	15%	13%	11%	11%	10%	10%	10%	9%	8%	6%
Degrees Earned										
Bachelor's	1897	2036	2021	1994	2004	1942	1939	1914	1747	1680
Master's	506	507	516	511	527	484	612	552	523	586

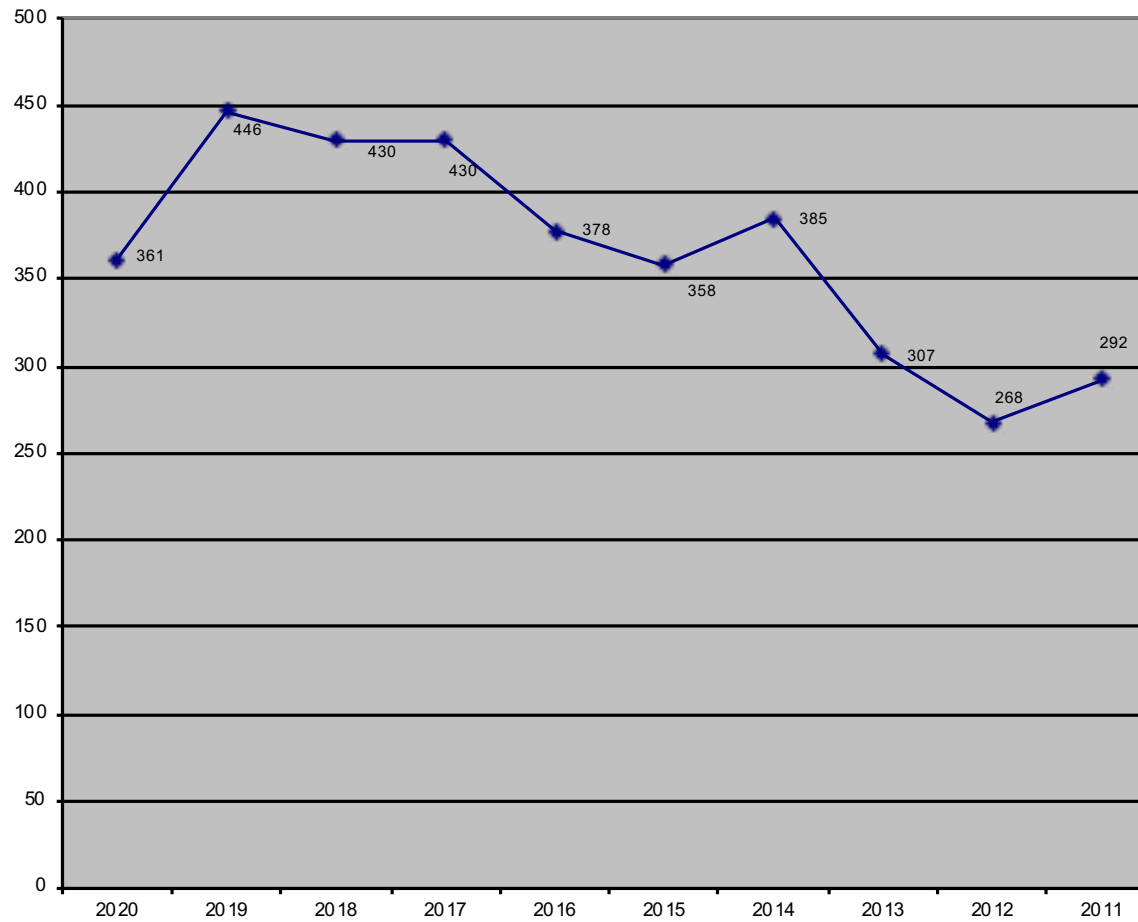
Source: Bridgewater State University Office of Institutional Research and Assessment

Bridgewater State University Admissions - Freshman Applied, Accepted and Enrolled For The Last Ten Years



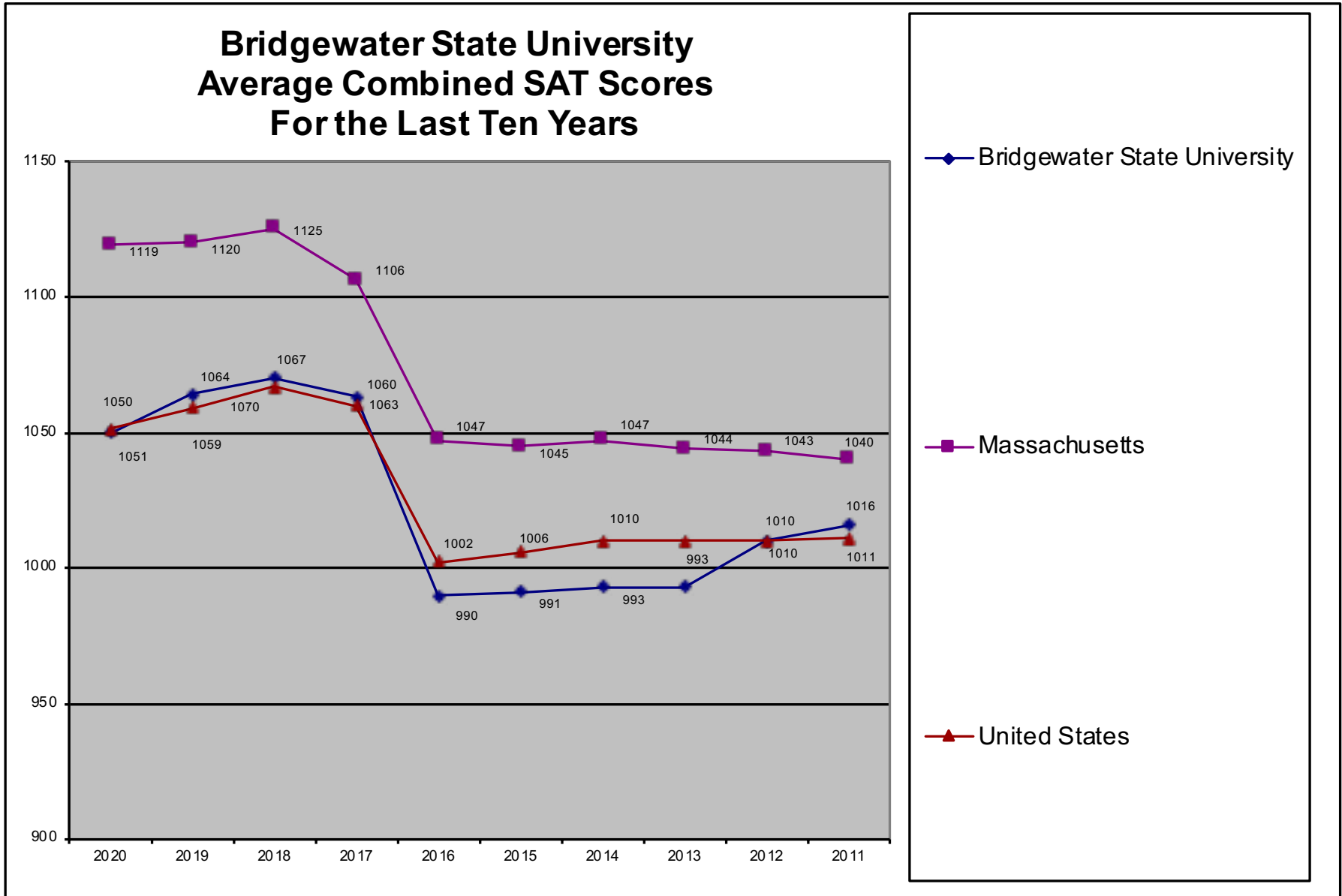
Source: Bridgewater State University Office of Institutional Research and Assessment Detailed data breakdown of freshman applied, accepted, and enrolled for the last ten years on page 116.

Bridgewater State University First Time Freshman Admissions Students of Color



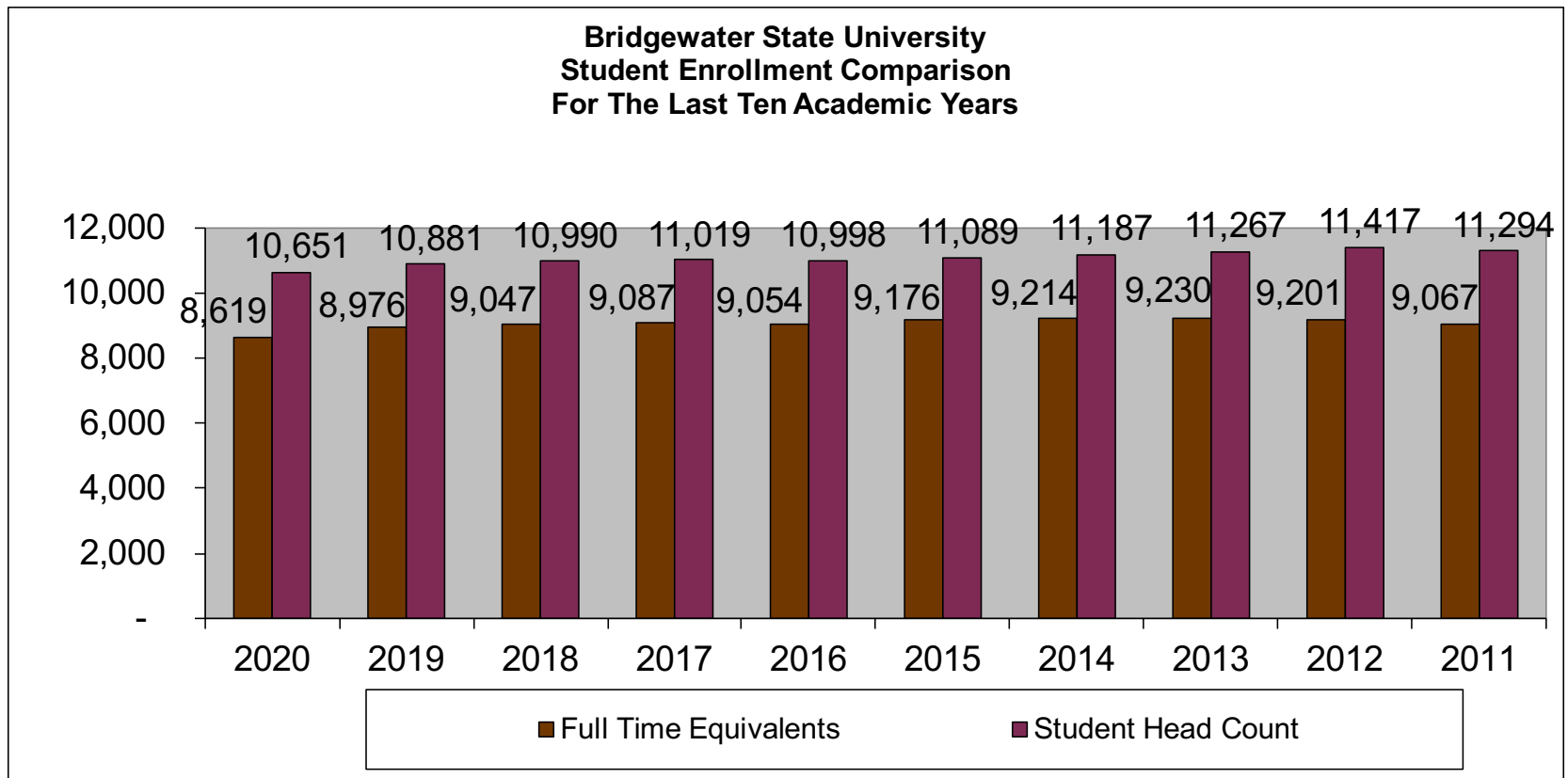
Source: Bridgewater State University Office of Institutional Research and Assessment

[View text version of chart.](#)



Bridgewater State University represents SAT scores of all enrolled incoming freshmen. Detailed data breakdown of average combined SAT scores for the last 10 years on page 116.

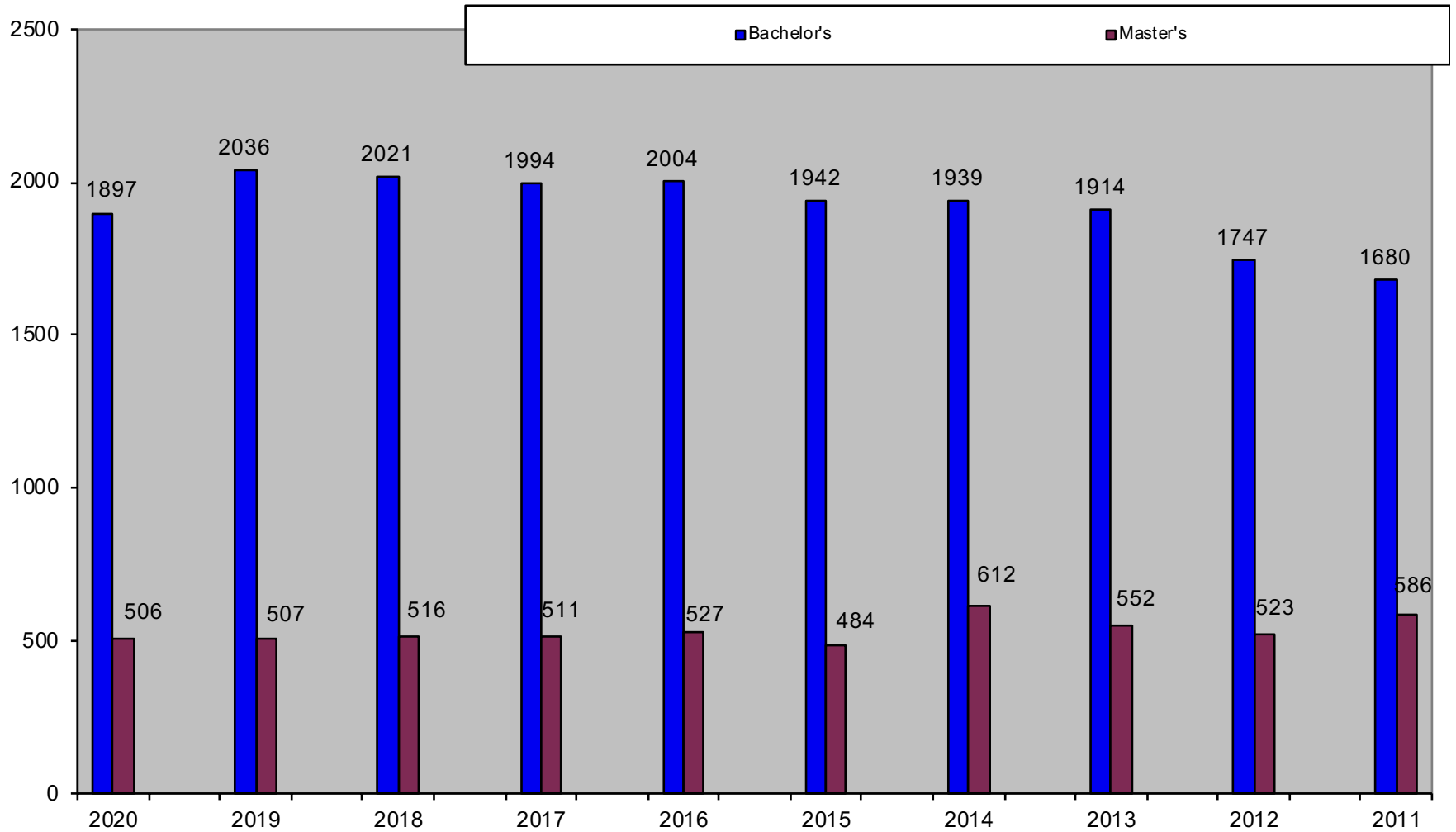
Source: Bridgewater State University Office of Institutional Research and Assessment



Source: Bridgewater State University Office of Institutional Research and Assessment

Detailed data breakdown of student enrollment comparison for the last ten academic years on page 116.

Bridgewater State University Degrees Earned For The Last Academic Ten Years



Source: Bridgewater State University Office of Institutional Research and Assessment

Detailed data breakdown of degrees earned for the last ten academic years on page 116.

SCHEDULE OF TUITION AND FEES PER SEMESTER - Last Ten Academic Years

Academic Semester	Undergraduate (a)		Graduate (b)	
	Resident	Nonresident	Resident	Nonresident
Beginning in Fall				
2020	\$ 5,366	\$ 8,436	\$ 5,701	\$ 5,701
2019	5,366	8,436	5,701	5,701
2018	5,185	8,255	5,567	5,567
2017	5,008	8,078	5,391	5,391
2016	4,814	7,884	5,196	5,196
2015	4,452	7,522	4,834	4,834
2014	4,177	7,247	4,559	4,559
2013	4,027	7,097	4,409	4,409
2012	4,027	7,097	4,409	4,409
2011	3,777	6,847	4,110	4,110

Notes:

Charges include a mandatory student government fee of \$50.00 for all undergraduate students for academic semesters beginning Fall 2007.

(a) These amounts are averages for undergraduate, first-time students with an academic semester of 12 credit hours.

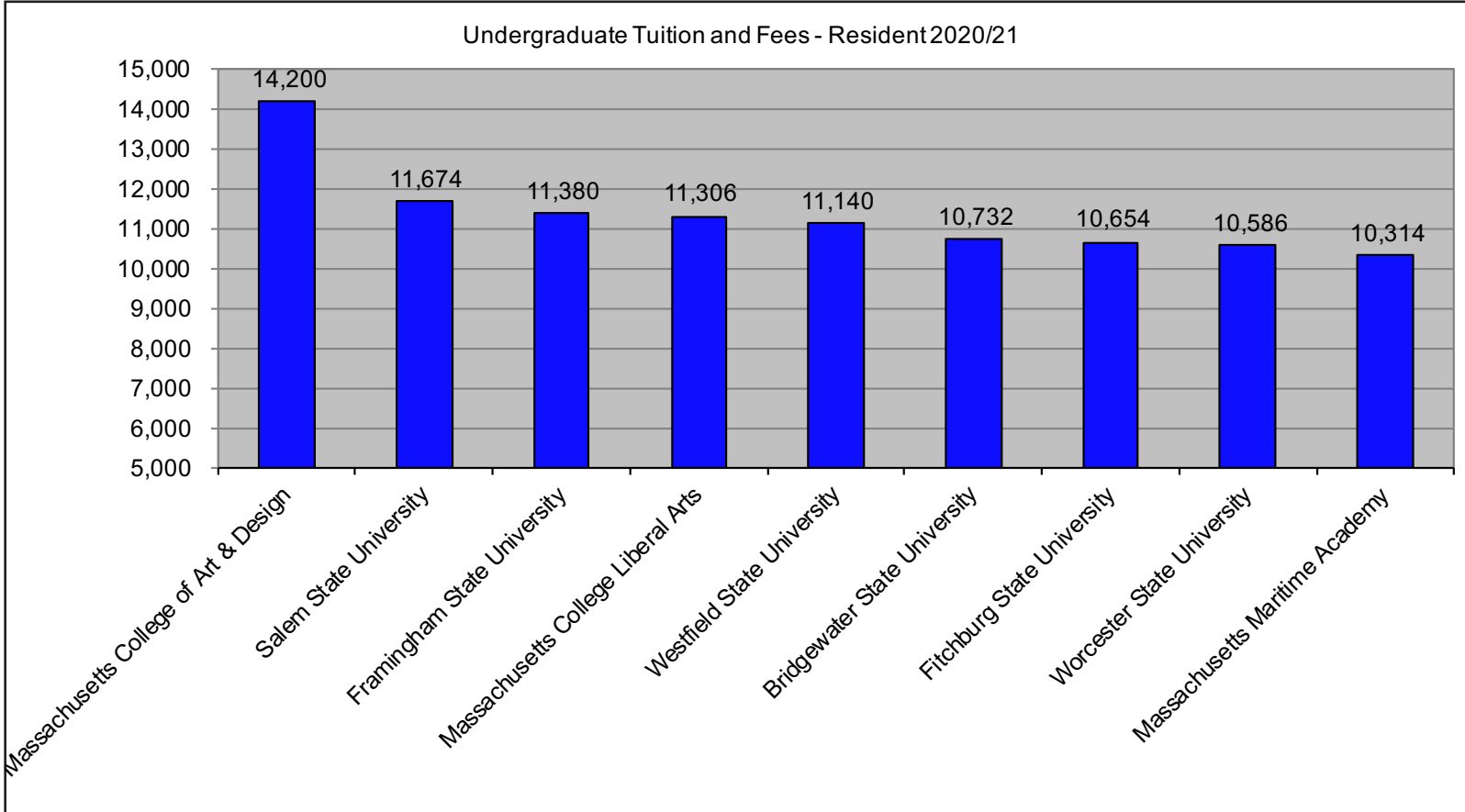
(b) Per credit-hour based on 12 Graduate Credits.

Source: Bridgewater State University Office of Student Accounts

SCHEDULE OF UNDERGRADUATE AVERAGE ANNUAL TUITION AND FEES - Last Ten Academic Years

**Bridgewater State University in Comparison to the other Massachusetts State Universities
Last Ten Years**

Institution - Resident	2020/21	2019/20	2018/19	2017/18	2016/17	2015/16	2014/15	2013/14	2012/13	2011/12
Massachusetts College of Art & Design	14,200	13,700	13,200	12,700	12,200	11,724	11,224	10,400	10,400	9,700
Salem State University	11,674	11,284	10,882	10,278	9,736	9,246	8,646	8,130	8,110	7,730
Framingham State University	11,380	11,100	10,520	9,920	9,344	8,704	8,324	8,084	8,084	7,580
Massachusetts College Liberal Arts	11,306	10,930	10,560	10,136	9,876	9,476	8,976	8,526	8,526	8,076
Westfield State University	11,140	10,850	10,430	9,716	9,276	8,816	8,682	8,298	8,298	7,888
Bridgewater State University	10,732	10,732	10,368	10,012	9,628	8,928	8,354	8,054	8,054	7,554
Fitchburg State University	10,654	10,504	10,354	10,154	10,134	9,934	9,260	8,986	8,710	8,300
Worcester State University	10,586	10,162	10,162	9,532	9,202	8,858	8,558	8,158	8,158	7,654
Massachusetts Maritime Academy	10,314	10,018	9,728	8,398	8,006	7,630	7,258	7,190	7,206	6,840



Source: Massachusetts Department of Higher Education Tuition and Fee Rates Ten Year History

FACULTY AND STAFF STATISTICS - Last Ten Fiscal Years

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Faculty										
Total Full-Time Faculty	337	361	355	357	362	335	332	328	321	316
Percentage Tenured	74%	70%	67%	66%	67%	65%	68%	68%	68%	67%
Faculty by Rank**										
Professor	137	139	129	124	117	118	117	115	110	112
Associate Professor	107	95	91	94	92	79	84	87	80	82
Assistant Professor	87	97	109	118	111	113	112	108	105	108
Instructor	0	1	1	1	3	3	2	1	1	1
By Terminal Degree**										
With Terminal Degree	319	318	316	337	313	302	302	298	283	289
Without Terminal Degree	12	14	14	10	10	11	13	13	13	14
By Gender**										
Male	148	156	153	150	152	152	147	152	148	156
Female	183	176	177	177	171	161	168	159	148	147
By Race/Ethnicity										
Faculty of Color**	64	63	61	64	55	54	55	53	48	45
Students per full-time faculty ratio	17.6:01	18.0:01	19.2:1	19.3:1	18.9:1	19.0:1	18.8:1	19.2:1	20.4:1	20.3:1
Employees										
Total Full-Time Employees	1088	1130	1124	1119	1110	1085	1060	1033	999	964
By Category										
Faculty	337	361	355	357	362	335	332	328	321	316
Executive/Admin/Managerial	120	119	118	113	106	103	98	86	87	131
Other Professional	277	280	278	273	259	257	249	246	229	162
Technical/Paraprofessional	4	5	5	5	6	2	2	3	3	4
Secretarial/Clerical	169	175	176	173	169	176	177	170	173	168
Skilled Craft	24	28	29	33	37	39	39	37	36	36
Service Maintenance	157	162	163	165	171	173	163	163	150	147
By Gender										
Male	431	461	461	460	458	452	439	434	417	408
Female	657	669	663	659	652	633	621	599	582	556
By Race/Ethnicity										
Faculty & Staff of Color	145	145	136	139	135	135	134	129	114	100

**Of Tenure track faculty

Source: Bridgewater State University Office of Institutional Research and Assessment

SCHEDULE OF CAPITAL ASSET INFORMATION

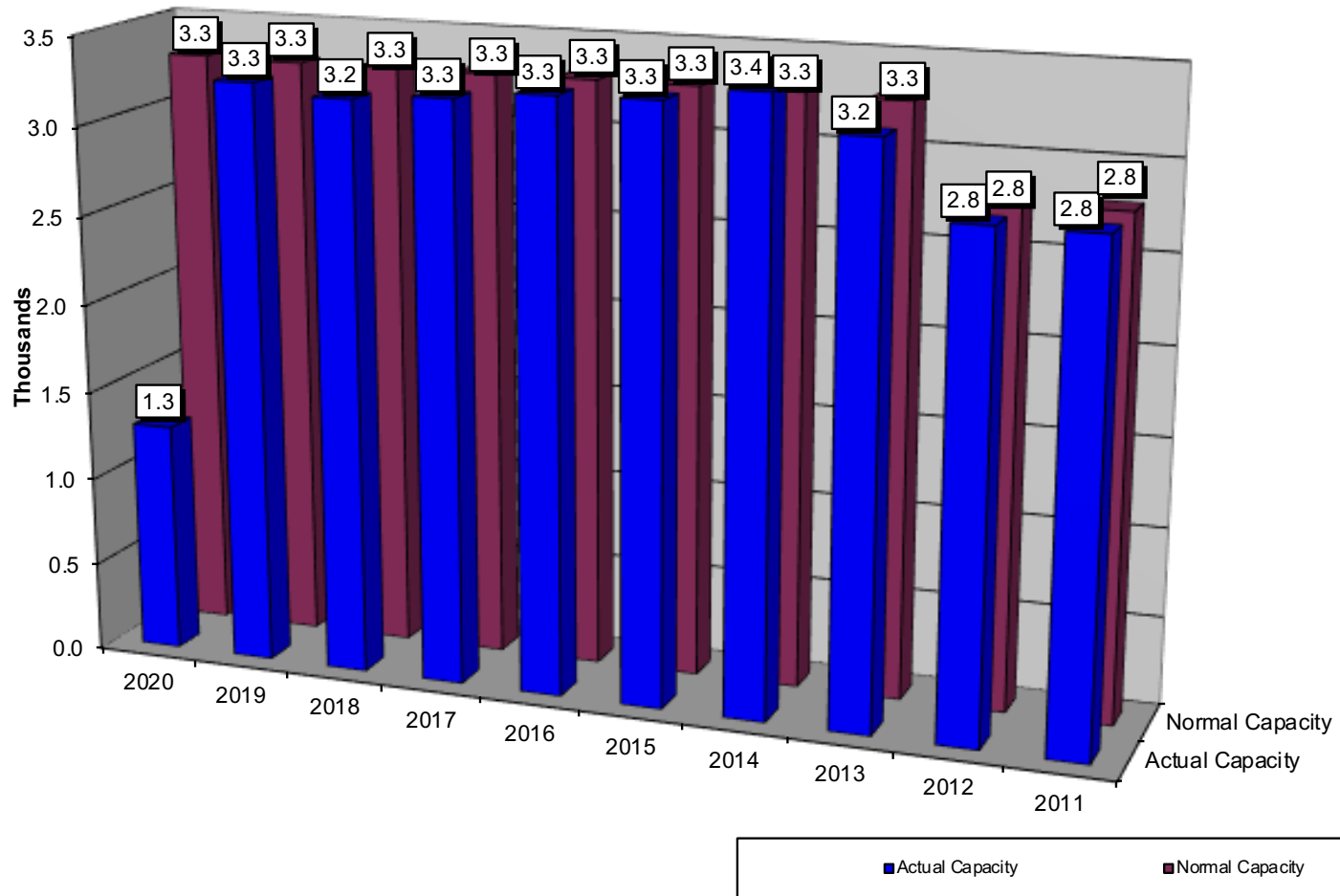
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Academic buildings										
Net Assignable square feet (in thousands)	403	403	403	403	403	403	403	301	301	301
Administrative, support and auxiliary buildings										
Net Assignable square feet (in thousands)	466	467	467	467	463	463	463	450	194	194
Library										
Net Assignable square feet (in thousands)	120	120	120	120	120	120	120	120	120	120
Student Housing:										
Residence halls	10	10	10	10	10	10	10	10	9	9
Apartments	1	1	1	1	1	1	1	1	1	1
Units design occupancy	3,304	3,294	3,294	3,295	3,295	3,295	3,295	3,281	2,781	2,781
Units actual occupancy	1,296	3,271	3,215	3,251	3,300	3,309	3,384	3,191	2,829	2,829
Percent occupancy	39%	99%	98%	99%	100%	100%	103%	97%	102%	102%
Dining facilities:										
Locations	4	4	4	4	4	4	4	4	4	4
Average daily customers	3,101	5,138	6,685	6,251	4,426	4,602	4,694	4,657	4,349	4,378
Parking facilities:										
Parking spaces available	4,630	4,630	4,630	4,621	4,621	4,656	4,656	4,604	4,369	4,232
Parking permits issued to students	2,829	6,670	6,325	6,724	6,881	6,722	6,622	6,601	7,256	7,550
Parking permits issued to faculty/staff	-	1,583	-	1,725	-	1,707	-	1,622	-	1576*

* There was a reissuance of faculty/staff parking permits in 2011. Going forward decals will be issued every odd year.

Sources:

Student Housing	Bridgewater State University Residence Life and Housing
Parking Facilities	Bridgewater State University Administrative Support Services
Dining Facilities	Bridgewater State University Administrative Support Services
Building Square Footage	Bridgewater State University Office of Institutional Research and Assessment

Bridgewater State University Fall Residence Hall Occupancy For The Last Academic Ten Years



Source: Bridgewater State University Residence Life and Housing

Detailed data breakdown of fall residence hall occupancy for the last ten academic years on page 125.

Labor Force Estimates by Workforce Area

	Labor Force	Employed	Unemployed	Unemployment Rate %
Massachusetts	3,753,000	3,549,400	203,600	5.4%
Berkshire County	62,326	58,558	3,768	6.0%
Boston	394,454	372,290	22,164	5.6%
Bristol County	198,458	186,686	11,772	5.9%
Brockton	136,411	127,762	8,649	6.3%
Cape & Islands	141,782	134,846	6,936	4.9%
Central MA	317,283	299,387	17,896	5.6%
Franklin/Hampshire	134,695	128,270	6,425	4.8%
Greater Lowell	159,384	151,075	8,309	5.2%
Greater New Bedford	116,726	108,971	7,755	6.6%
Hampden County	221,914	205,500	16,414	7.4%
Lower Merrimack Valley	190,074	178,172	11,902	6.3%
Metro North	479,658	457,704	21,954	4.6%
Metro South/West	527,113	504,544	22,569	4.3%
North Central	136,929	129,157	7,772	5.7%
North Shore	231,511	218,426	13,085	5.7%
South Shore	304,241	288,051	16,190	5.3%

Source: Massachusetts Department of Workforce Development, Statewide Report on Labor Force and Unemployment rate, August 2021. Data is not seasonally adjusted.

Labor Force Estimates by City and Town

Geographic Area	Labor Force	Employed	Unemployed	Unemployment Rate
Brockton	136,411	127,762	8,649	6.3%
Abington	9,471	8,877	594	6.3%
Avon	2,757	2,613	144	5.2%
Bridgewater	15,090	14,335	755	5.0%
Brockton	49,280	45,071	4,209	8.5%
East Bridgewater	8,800	8,395	405	4.6%
Easton	14,512	13,853	659	4.5%
Hanson	6,474	6,173	301	4.6%
Stoughton	16,654	15,726	928	5.6%
West Bridgewater	3,978	3,766	212	5.3%
Whitman	9,395	8,953	442	4.7%

Source: Massachusetts Department of Workforce Development Area, Labor Force and Unemployment Rate, August 2021. Data is not seasonally adjusted.

DEMOGRAPHIC STATISTICS

State of Massachusetts Last Ten Calendar Years

Year	Population as of June 30 *	Total Personal Income **	Per Capita Income	Average Annual Unemployment Rate
2019	6,883	\$ 511,334	\$ 74,187	3.1%
2018	6,863	483,433	70,073	3.6%
2017	6,824	450,962	65,890	3.8%
2016	6,784	442,500	65,137	4.3%
2015	6,755	415,636	62,603	5.3%
2014	6,709	396,206	58,737	6.2%
2013	6,646	381,271	56,923	6.7%
2012	6,588	363,944	54,687	6.8%
2011	6,557	352,243	53,471	8.1%
2010	6,518	336,400	51,552	8.7%

* Amounts in thousands

**Amounts in millions

Source: Commonwealth of Massachusetts Annual Comprehensive Financial Report

LARGEST EMPLOYERS FOR THE COMMONWEALTH OF MASSACHUSETTS

**Largest Private Sector Employers
Commonwealth of Massachusetts
Latest Completed Calendar Year and Ten Years Prior
(Listed Alphabetically)**

2020	2011
Bay State Medical Center, Inc. Beth Israel Deaconess Medical Center Boston Medical Center Corporation Boston University Brigham and Women's Hospital, Inc. The Children's Hospital Corporation DeMoulas Supermarkets, Inc. General Hospital Corporation Harvard University Massachusetts Institute of Technology Partners Healthcare Systems, Inc. Raytheon Company Shaw's Supermarkets, Inc. The Stop & Shop Supermarkets, Co. State Street Bank and Trust Company The TJX Companies, Inc. UMASS Memorial Medical Center, Inc. Wayfair, LLC	Bay State Medical Center, Inc. Beth Israel Deaconess Medical Center Boston Medical Center Corporation Boston University Brigham and Women's Hospital, Inc. The Children's Hospital Corporation DeMoulas Supermarkets, Inc. EMC Corporation General Hospital Corporation Harvard University Massachusetts Institute of Technology Partners Healthcare Systems, Inc. Raytheon Company S & S Credit Company, Inc. (Stop & Shop) Shaw's Supermarkets, Inc. Southcoast Hospitals Group State Street Bank and Trust Company UMASS Memorial Medical Center, Inc.

Source: Commonwealth of Massachusetts Annual Comprehensive Financial Report

Note: According to the 2020 Commonwealth of Massachusetts Annual Comprehensive Financial Report - March 2020 survey, the following companies are all large Massachusetts employers, however they are headquartered outside of Massachusetts: Amazon.Com Services, Inc., CVS Pharmacy, Inc, Home Depot U.S.A., Target Corp, United Parcel Service, Inc., Wal-Mart Associates, Inc., and Whole Foods Market Group, Inc. Verizon New England is a subsidiary of Verizon Communications, headquartered in New York. The information is based on employers registered for unemployment insurance. The list may not include those employers who do business in Massachusetts under multiple legal corporations and those who register each store, facility or franchisee as a separate employer.

Brockton Area
Top 20 Employers

Company	City	# of Employees
BRIDGEWATER STATE UNIVERSITY	BRIDGEWATER	1,000-4,999
BROCKTON VA HOSPITAL MED CTR	BROCKTON	1,000-4,999
GOOD SAMARITAN MEDICAL CTR	BROCKTON	1,000-4,999
MASSASOIT OF NC INC	BROCKTON	1,000-4,999
NISOURCE INC	BROCKTON	1,000-4,999
SIGNATURE HEALTH CARE BROCKTON	BROCKTON	1,000-4,999
BRIDGEWATER RAYNHAM SCH DIST	BRIDGEWATER	500-999
BRIDGEWATER STATE HOSPITAL	BRIDGEWATER	500-999
BROCKTON HIGH SCHOOL	BROCKTON	500-999
NEW ENGLAND SINAI HOSPITAL	STOUGHTON	500-999
SHAW'S SUPERMARKETS INC	WEST BRIDGEWATER	500-999
BROCKTON SCHOOL DISTRICT	BROCKTON	250-499
BROCKTON SPECIAL EDUCATION	BROCKTON	250-499
CAMPANELLI STADIUM	BROCKTON	250-499
CORRECTIONS DEPARTMENT	BRIDGEWATER	250-499
CURA HEALTH HOSPITAL STOUGHTON	STOUGHTON	250-499
DESIGN COMMUNICATIONS LTD	AVON	250-499
EVERSOURCE GAS OF MASSACHUSETTS	BROCKTON	250-499
IKEA	STOUGHTON	250-499
JP NOONAN TRANSPORTATION INC	WEST BRIDGEWATER	250-499

This list is ordered by size range then alphabetically within the size range.

Source: Massachusetts Department of Workforce Development, Division of CareerServices,
Economic Analysis Office

ACADMEMIC SUBJECT AREAS AND DEGREES OFFERED - FALL 2020

UNDERGRADUATE			GRADUATE		
Accounting and Finance	BS		Accounting and Finance	MSA	
Anthropology	BA	BS	Art	MAT	
Art and Art History	BA		Athletic Training	MS	
Aviation Science	BS		Biology	MAT	
Biological Sciences	BA	BS	Communication Sciences and Disorders	MS	
Chemical Sciences	BA	BS	Computer Science	MS	
Communication Studies	BA		Counseling	MEd	
Communication Sciences and Disorders	BS		Criminal Justice	MS	
Computer Science	BS		Early Childhood Education	MEd	
Criminal Justice	BS		Educational Leadership	MEd	EdS
Dance	BA		Elementary Education	MEd	
Early Childhood Education	BSE		English	MA	MAT
Economics	BS		Health Studies	MEd	
Elementary Education	BSE		History	MAT	
English	BA		Mathematics	MAT	
Geography	BA	BS	Music	MAT	
Geological Sciences	BA	BS	Physical Education	MS	
Global Languages and Literatures	BA		Physics	MAT	
Health Science	BS		Political Science	MPA	
Health Studies	BS		Psychology	MA	
History	BA		Reading	MEd	CAGS
Management & Marketing	BS		Secondary Education and Professional Programs	MEd	
Mathematics	BS		Social Work	MSW	
Music	BA		Special Education	MEd	
Philosophy	BA		Teaching English to Speakers of Other Languages	MAT	
Physical Education	BA	BS			
Physics	BA	BS			
Political Science	BA				
Psychology	BS				
Secondary Education	BA				
Social Work	BS				
Sociology	BA				
Special Education	BSE				
Theater	BA				

- BA - Bachelor of Arts
- BS - Bachelor of Science
- BSE - Bachelor of Science in Education
- CAGS - Certificate of Advanced Graduate Study
- EdS - Education Specialist
- MA - Master of Arts
- MAT - Master of Arts in Teaching
- MEd - Master of Education
- MPA - Master of Public Administration
- MS - Master of Science
- MSA - Master of Science in Accountancy
- MSW - Master of Social Work

Source: Bridgewater State University Office of Institutional Research and Assessment

FOOD TRUCK



THE UNIVERSITY'S FOOD SERVICE VENDOR, SODEXO, PROVIDED A NEW FOOD TRUCK THROUGH OUR CURRENT SERVICE CONCESSION ARRANGEMENT. STUDENTS LOVE THESE MADE-TO-ORDER FAVORITES, EXCITING NEW DISHES AND CONVENIENT LOCATION.

OUR BEAR BITES FOOD TRUCK HAS BEEN A SUCCESS!



SUPPLEMENTAL INFORMATION

ANNUAL COMPREHENSIVE
**FINANCIAL
REPORT**





**Independent Auditors' Report on Internal Control Over Financial Reporting
and on Compliance and Other Matters Based on an Audit of Financial
Statements Performed in Accordance with *Government Auditing Standards***

The Board of Trustees
Bridgewater State University
Bridgewater, Massachusetts

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities of Bridgewater State University (the “university”), and its discretely presented major component units, as of and for the year ended June 30, 2021, and the related notes to the financial statements, which collectively comprise the university's basic financial statements and have issued our report thereon dated October 20, 2021.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the university's internal control over financial reporting (internal control) as a basis for designing the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the university's internal control. Accordingly, we do not express an opinion on the effectiveness of the university's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the university's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

O'Connell and Duen, P.C.

**Certified Public Accountants
Braintree, Massachusetts**

October 20, 2021

COMMENCEMENT

GILLETTE STADIUM
FOXBORO, MA

GRADUATE
JULY 29, 2021



THE PANDEMIC PUT ON HOLD GRADUATION CEREMONIES FOR THE MEMBERS OF THE CLASS OF 2020, BUT IN JULY THEY FINALLY COLLECTED THEIR DIPLOMAS, ALONG WITH THE CLASS OF 2021.

Thursday, July 29, saw candidates from the College of Graduate Studies from both 2020 and 2021 honored, followed by the members of the undergraduate Class of 2020 on Friday. The undergraduate Class of 2021 capped off the four ceremonies on Saturday.

President Clark tipped his hat to the students who had to persevere through more than a year of the pandemic in order to graduate. "Here we are, champions, sitting in a home built for champions," he said. "Through individual and heroic action, we have arrived at this place to celebrate this moment ... we have pushed back against the storm and remembered life goes on. We persisted."



UNDERGRADUATE

CLASS OF 2020

JULY 30, 2021

CLASS OF 2021

JULY 31, 2021



APPENDIX

**First Time Freshman Admissions
Students of Color**

<u>Year</u>	<u>Students of Color</u>
2020	361
2019	446
2018	430
2017	430
2016	378
2015	358
2014	385
2013	307
2012	268
2011	292