



**Framingham**  
State University

# **Board of Trustees Meeting**

**December 1, 2015**

**Dinner**

**5:30 p.m. – 6:20 p.m.**

**Faculty Staff Dining Room**

**Meeting**

**6:30 p.m.**

**Alumni Room**

**McCarthy Center**



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## BOARD OF TRUSTEES

BOARD MEETING ■ DECEMBER 1, 2015 6:30 P.M. ■ ALUMNI ROOM, RM 303 MCCARTHY CENTER

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### AGENDA

- 1.0 Chair's Report (5 minutes)**
  - 1.1 Update on DHE Conference
  - 1.2 Trustee Action Item:**
    - Approval of Minutes (Open Meeting and Executive Session) ATTACHMENTS**
- 2.0 President's Report (10 minutes)**
  - 2.1 Strategic Plan Benchmarks ATTACHMENT
  - 2.2 Retention ATTACHMENT
  - 2.3 Student-in-the-Spotlight ATTACHMENT
- 3.0 Student Trustee Report (5 minutes)**
- 4.0 Academic Affairs (10 minutes)**
  - 4.1 Academic Affairs Subcommittee Report ATTACHMENT
- 5.0 Enrollment and Student Development (15 minutes)**
  - 5.1 Admissions Report ATTACHMENT
  - 5.2 Financial Aid Report ATTACHMENT
  - 5.3 Veteran's Report ATTACHMENT
- 6.0 Inclusive Excellence (5 minutes)**
  - 6.1 National Issues on Race and Bias ATTACHMENT
- 7.0 Administration, Finance and Technology (30 minutes)**
  - 7.1 Trustee Information Items:
    - 7.1.1 FY2015 Audited Financial Statements ATTACHMENT
    - 7.1.2 State Auditors Review and Risk Assessment Update
    - 7.1.3 FY206 Budget Update ATTACHMENT
  - 7.2 Trustee Action Items:**
    - 7.2.1 Property Acquisitions and Financing Approvals**
      - 7.2.1.1 860 Worcester Road (Office Building) ATTACHMENT**
      - 7.2.1.2 89 Mt. Wayte Avenue (Perini Property) ATTACHMENT**
      - 7.2.1.3 Warren Conference Center and Inn ATTACHMENT**
    - 7.2.2 Personnel Actions ATTACHMENT**
- 8.0 New Business**
- 9.0 Public Comment**



# Framingham State University

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## BOARD OF TRUSTEES

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10.0 Adjourn Open Meeting

# 1.0 Chair's Report



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MINUTES ■ BOARD MEETING ■ SEPTEMBER 29, 2015 6:30 P.M.

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In Attendance: Trustees Budwig, Combe, Foley, Gardner, Logan, Neshe, Quezada, Richards, Rodriguez

### 1.0 Chair's Report

Chair Logan welcomed participants to the board meeting. He asked for a moment of silence to recognize a Framingham State student and an alumna who passed this past summer; Darius Theriault, killed in a motorcycle accident in Shrewsbury, and Emily Zarnoch, killed in a pedestrian accident in Maine, respectively. Following the moment of silence, Chair Logan announced that the Board would enter into executive session at the end of open meeting to discuss possible property acquisitions and contract negotiations; discussion of which in open meeting could have a detrimental effect on the University's negotiating positions. He noted that the open meeting would not reconvene after executive session. Chair Logan then welcomed Fernando Rodriguez, the new student trustee, and invited Mr. Rodriguez to say a few words. Mr. Rodriguez replied that he was glad to be here. Next, Chair Logan asked for a motion to approve the minutes of the May 12, 2015 meeting, as amended by changing the word "January" on page 3 to "March."

\* \* \*

*On a motion duly made and seconded, it was voted to  
approve the minutes of the May 12, 2015 Board meeting.*

\* \* \*

### 2.0 President's Report

In reference to the moment of silence, President Cevallos noted that the University was creating a memorial grove on campus, where individuals could go to reflect on students who have passed.



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President Cevallos welcomed three new administrators: Dr. Lorretta Holloway, interim Vice President of Enrollment and Student Development; Dr. Arlie Woodrum, Dean of the College of Education; and Ms. Averil Capers, Director of Marketing.

President Cevallos stated that the University had recently joined the Association of Governing Boards (AGB), a professional organization for Board members. All trustees should be receiving materials and the monthly magazine from AGB.

President Cevallos then stated that during a retreat in the summer, the executive team had decided on its goals for this academic year, with Dr. Hamel penning the name “the 3 R’s” standing for recruitment, retention and responsiveness. He noted that recruitment and our competition with other schools for students was a priority, given the fact that NACUBA just reported that private colleges were discounting their tuitions by 48%. Equally important was an emphasis on the retention of first year students to second year, and the concept of “persistence,” as the continued advancement of students toward degree completion. Last, the University would focus on its responsiveness to the needs of members of the campus community: students, faculty and staff, as well as the greater community.

President Cevallos invited Jeremy Spencer, Dean of Enrollment and Student Development, to address the Board about recruitment efforts. Dean Spencer stated that when he came to Framingham State, he set into motion an aggressive recruitment strategy that was more often used in private colleges. This strategy proved to be very successfully until very recently; unfortunately, the strategy was no longer working due to increased competition in the marketplace. He explained that the decline in college age students, as well as the large number of schools in the northeast made the competition especially fierce. To that end, the University is employing two new strategies to recruit students: use of the Common App and a Customer Resource Management (CRM) system. With regard to the Common App, Dean Spencer noted that last year 800,000 students had used the Common App. About 50% of schools



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in Massachusetts are now using the Common App. Many high schools also use a product called Naviance, which helps students search for colleges. This system links directly to the Common App for the purpose of transcript and recommendation letter sharing.

The CRM system, in turn, will identify students seeking to attend FSU and bring them through to enrollment. This system also has components for graduate and continuing education students.

At the conclusion of Dean Spencer's remarks, President Cevallos gave the Board an update on the fundraising campaign, noting that the University has raised \$8,413,953 to date, with a balance of \$3,586,047 to be raised to meet the target goal.

President Cevallos then introduced Professor Ira Silver, who would introduce the Student-in-the-Spotlight, Michelle Micciche. Professor Silver explained that he taught a course focused on non-profit giving, where students learned about how philanthropy addresses a community's needs. A \$10,000 grant made it possible for students to act as a foundation to identify local organizations in need, review and evaluate grant applications, and ultimately decide which organization would receive the \$10,000. He introduced Kim Micciche, a student who took the class last spring.

Ms. Micciche works with the elderly and jumped at the chance to take a class that gives away \$10,000. She noted that the really great thing about the class is that thirty-plus organizations were researched and now were known to all of the students. They saw a lot of need in the community. She stressed that the students received a new view on people in need and how to interact with such persons. They gained invaluable experience in writing a Request for Proposal, discussing the levels of need and ultimately making a decision. Ms. Micciche commented that as a Sociology major, the world is her classroom.



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### 3.0 Secretary's Report

Rita Colucci, Secretary to the Board, informed the Board that the Baker Administration had appointed a new Public Education Nominating Committee (PENC). This committee is disbanded at the end of each governor's term, and then reconstituted by the new governor. Ms. Colucci read aloud the names of the new members. She explained that the next PENC meeting would be held on October 22, 2015, and it was her understanding that PENC would take up the nominations of Trustees' Burchill and Owyang at that meeting.

Ms. Colucci also gave an update on the University's efforts with Title IX compliance. She noted that the Title IX AY2014-15 annual report was included in the packet. She stated that prevention and education outreach efforts continued and that numerous student leaders, including all fall athletes, had been trained in the *Bringing in the Bystander* program.

### 4.0 Student Trustee Report

Trustee Rodriguez spoke about Homecoming weekend, which began with a barbeque on the lawn behind North Hall, followed by a pep rally in the new gym. He complimented the new science building and said that students are already gathering there to do homework. He stated that he is serving on the Student Government Association, which is planning an administrator's forum for early December where they can ask questions of the administration. He stated that there are some concerns among students about the lack of lights on campus and that a safety walk will be conducted sometime in October.

### 5.0 Academic Affairs

Provost Linda Vaden-Goad introduced Pat Luoto, who is the project manager for the Boston Children's Hospital (BCH)/Framingham State University food study. Ms. Luoto explained that the food study is in its second year now and is the result of a \$12 million grant to BCH. The first year cohort who completed the study consisted of 25 individuals, who lost a total of



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602 pounds between September and Thanksgiving, and maintained that weight loss from Thanksgiving through the end of the academic year.

This year, members of the community were also invited to participate in the study. Outreach was made to neighbors, alumni, and others within a five mile proximity of the campus. The second year cohort consists of 72 participants, including 13 faculty and staff, 32 students and 27 community members. Participants are currently in the weight loss phase, and have lost between 3 to 5% of their body weight so far. Last week, the study was visited by its funding board, who described the study as a “jewel in the crown of NUSI.” Ms. Luoto acknowledged Ralph Eddy and Sodexo for their work in the study, and commented that they have gone above and beyond to provide fresh, wholesome food to participants. Provost Vaden-Goad added that the food study was putting Framingham on the map in a new way.

Provost Vaden-Goad stated that the Academic Affairs subcommittee had met on September 19, 2015 and asked Trustee Budwig to give an update. Provost Vaden-Goad spoke for a few minutes on the division’s strategic priorities and goals, noting that 75.75% of the division’s strategic goals had been met. She mentioned the increased number of national accreditations, that the graduation needle had moved and the growing number of STEM advisory boards. She also stated that great progress had been made in meeting the 15% rule in that only 8 courses remained outside the 15% target.

Provost Vaden-Goad also gave an update on the honors program, noting that while the overall numbers were very good, the numbers of males, Hispanics and African-American student participants were below where she would like them to be. She is working with Chief Diversity and Inclusion Officer Sean Huddleston to remedy those numbers.



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Trustee Budwig shared with the full Board the topics that had been discussed at the subcommittee meeting, noting the exceptional work that had gone into hiring for the fall. She described the hiring of the diverse group as a moment of pride for the University. She also noted the depth and openness of analysis within the academic affairs subcommittee in approaching issues. Third, she noted that she has been watching the work of the new Deans' with the Provost and much has been going on.

### **6.0 Enrollment and Student Development**

Interim Vice President of Enrollment and Student Development Lorretta Holloway stated that she had been given the charge by President Cevallos to break down silos within the University, particularly between faculty and staff. She noted the University's responsibility to serve the people in the community, and that the demographic of new college students is changing. She stated that she is working with Mr. Huddleston on providing access to new students. She also referred to the goals on her blue sheet in the board packet. One emphasis in particular focuses on civic learning, engagement and outreach, a joint project coming out of a conference at the New England Campus Compact, an organization that encourages students to be more civically engaged. She stated that FSU has been doing a lot of civic engagement, but that the challenge was how to make models of civic engagement more sustainable. She stated that the Department of Higher Education will evaluate the University's outreach efforts.

Vice President Holloway distributed preliminary fall enrollment numbers, noting that the numbers also included graduate enrollments back to 2013. While the enrollment numbers slightly dipped this fall, previously agreed-upon targets were met. Vice President Holloway noted that efforts could be made to increase the number of readmitted students (students previously enrolled) by establishing leaves for students rather than providing only the option to withdraw.



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Trustee Combe asked about the drop in numbers from freshmen to sophomore year. Executive Vice President Dale Hamel responded that the pattern of non-returning students has held consistent. Trustee Quezada asked for more explanation about exiting students. Dean Melinda Stoops replied that students who want to withdraw are encouraged to speak to someone in the Dean's office. To actually withdraw, students must complete a form which lists reasons for withdrawal, and then speak to someone in the Dean's office. The conversation centers around their reasons for wanting to withdraw and the process by which to return to school. Students must also fill out forms related to financial aid. Nevertheless, most students don't change their minds about withdrawing.

Vice President Holloway stated that there has been some conversation about targeted recruitment of students so that they are making more informed decisions. Trustee Gardner asked why the transfer student numbers were down and whether students were enrolling in the new majors. Vice President Holloway replied that there is a growing number of students in Criminology.

Trustee Budwig asked about the readmit enrollment target numbers in comparison to the actual number of students being readmitted. Dean Spencer replied that the target numbers have always been arbitrarily low and that there has been a very open policy with regard to readmitting students. He thinks with a leave of absence policy, fewer students would withdraw.

Trustee Combe brought up the University of Detroit, where students were given price assurances for four years, resulting in a positive impact on retention. President Cevallos stated that state appropriations might not support a similar model used here, although the idea was worth exploring.



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### 7.0 Chief of Staff and General Counsel

See 3.0 above for report on Title IX campus efforts.

### 8.0 Inclusive Excellence

Chief Diversity and Inclusion Officer Sean Huddleston referred the Board to the US Department of Education college scorecard, which contains information such as graduation rates, student body demographics and college graduates earnings once in workforce. An analysis of this data versus data on Framingham State is included in the packet. Mr. Huddleston stated that for the second year in a row, Framingham State was a recipient of the HEED (Insight into Diversity magazine's Higher Education Excellence in Diversity) award. The University was also the recipient of a grant from the National Endowment for the Humanities and the American Library Association, which allowed funds for programming about Latino history and culture in recognition of Latino History month. Mr. Huddleston also mentioned two very recent grand openings - including the Center for Inclusive Excellence and the MetroWest College Planning Center. The University is also working with Mass Bay and Framingham high schools on the DHE program called *100 Males to College* to improve the enrollment rates of first generation and low-income students in the metrowest region.

Trustee Gardner asked about the US Department of Education report. Trustee Combe asked President Cevallos to send out the link to trustees, noting that Framingham State did well in the report.

### 9.0 Administration, Finance and Technology

Executive Vice President Dale Hamel stated that he would be asking the Board for four votes tonight. The first vote would approve delegation to the Board of Trustees Finance Committee and the Compliance, Audit and Risk Committee of the FY 2015 independent audit of financial statements.



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\* \* \* \*

*On a motion duly made and seconded, it was unanimously voted to approve delegation to the Board of Trustees Finance Committee and Board of Trustees Compliance, Audit and Risk Committee the authority to review and approve the FY2015 Independent Audit of Financial Statements in order to meet Office of the State Comptroller's deadline of October 15, 2015 for submittal.*

\* \* \* \*

Executive Vice President Hamel then asked the Board to approve the cash management and investment policy that is currently in effect. Chair Logan stated that the Finance Committee had vetted the policy and supported keeping the policy in place.

\* \* \* \*

*On a motion duly made and seconded, the Framingham State University Board of Trustees hereby approves the attached Cash Management and Investment Policy including the revised Appendix A (dated September 29, 2015): FY2016 Allocation of Operating/Liquidity Funds, Contingency Funds, and Core Investment Funds (see attached)*

\* \* \* \*

Executive Vice President Hamel then asked the Board to approve the acquisition of the Perini property. He stated that due diligence had been done on the appraisal; purchase of the property would provide over 300 additional parking spots and allow the University to move all residential student parking off-campus.

\* \* \* \*

*On a motion duly made and seconded, the Framingham State University Board of Trustees hereby approves the acquisition of property identified as 73 Mount Wayte Avenue, Framingham, Massachusetts at an acquisition cost of \$2,260,000. Further, the Trustees approve use of General Purpose Reserve funds for short-term financing of this acquisition and associated costs. It is anticipated that costs associated with acquisition as well as development of this property for parking purposes will be financed through a future revenue bond to be issued by the Massachusetts State College Building Authority; any request for approval of future bond financing (for both General Purpose Reserve reimbursement as well as property development costs) will be presented to the Trustees for consideration. Anticipated closing on its property*



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*is scheduled for December 15, 2015; any delay in closing beyond this date will require subsequent approval of the chair of the Board of Trustees or assigned delegate.*

\* \* \* \*

Executive Vice President Hamel then asked for a motion to approve the Personnel Actions list.

\* \* \* \*

*On a motion duly made and seconded, it was unanimously voted to accept the personnel actions list.*

\* \* \* \*

**10.0   Public Comment**

Deborah Cleveland, Executive Director of the Independent Association of Framingham State Alumni, spoke to express her gratitude for the University’s actions with regard to Crocker Hall and the 1812 house. She stated that alumni are passionate about the University’s buildings and in the past have participated in the “saving” of the Bement House and the Ecumenical Center. She explained that Crocker Hall was once used as a residence for young women and the only man a student could bring in was her father. She noted that the 1812 house was a restaurant that students would frequent. She made the point that alumni were intertwined with the buildings on campus in multiple ways. On behalf of the alumni, she thanked the University for repurposing the buildings.

**11.0   Adjourn Public Meeting**

Chair Logan asked for a motion to adjourn the meeting.

\* \* \* \*

*On a motion duly made and seconded, it was unanimously voted to adjourn the open meeting.*



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*On a motion duly made and seconded, Executive Session meeting minutes of May 29, 2015 were approved, as amended.*

\* \* \* \*

\* \* \* \*

*On a motion duly made and seconded, it was unanimously voted by roll call vote to enter Executive Session*

\* \* \* \*

The meeting adjourned at 8:13 pm.

Respectfully Submitted,

Richard Logan  
Chair  
Framingham State University, Board of Trustees

Dr. F. Javier Cevallos  
President  
Framingham State University

## 2.0 President's Report

# Appendix B

Indicators of Success	Baseline	FY13 Update	FY14 Update	FY15 Update	FY 2017 Target
<b>IMPROVE STUDENT SUCCESS</b>					
First Year Retention Rate	74%	73%	75%	74%	78%
Progress Rates <sup>1</sup>	91.2%	90%/73.6%/63.4%	90%/74%/64%	89%/74%/65%	92%/75%/65%
Four Year/Six Year Graduation Rate	33%/52%	34%/51%	33%/51%	36%/56%	40%/56%
Degrees Conferred (baseline 5 yr. avg.)	692-B; 465-M	735-B; 426-M	795-B; 539-M	908-B; 427-M ✓	750-B; 500-M
Placement Rates - Aggregate/In Field of Major	96%/68%	93%/74%	95%/74%	91%/80%	96%/75%
STEM Declared Majors	23.9%	25%	26%	26%	27%
Internship/Practicum Participation	7%	7%	8% (383)	11.1% (480)	25%
<b>INCREASE STUDENT ENROLLMENT AND QUALIFICATIONS</b>					
Incoming Student Credentials (GPA/SAT)	3.13/1029	3.21/1021	3.23/1013	TBD	3.15/1040
Fall Freshmen Enrollment / Transfers (2 yr avg.)	829/428	817/443	811/414	832/399	900/400
Minority Enrollment - New/All	22%/19%	25%/24%	27%/24%	31%/27% ✓	25%/25%
Undergraduate & Graduate FTE Enrollment	3,987/703	4267/661	4,293/691	4,178/691	4,200/900
Yield Rate <sup>2</sup> - First Time Undergraduate	32%	27%	25%	25%	33%
University Funded Financial Aid	\$1.2M	\$1.7M	\$2.0M	\$2.3M ✓	\$1.7M
Tuition and Fees - % Avg. Family Income	9.0%	9.4%	Below 10.0%	9.7% ✓	Below 10.0%
Tuition and Fees/Comprehensive Costs <sup>3</sup> - from avg.	(\$250)/(\$767)	(\$186)/(\$313)	(\$380)/(\$514)	(\$454)/(\$626) ✓	Below Segment Avg.

## Notes

1. Progress rates are a three-year average percentage of first-time, full-time students who return, second semester, second year, and third year.
2. Yield rate is the percentage of students offered admission who subsequently enroll.
3. The difference between FSU tuition and fees/comprehensive costs and the average for Massachusetts comprehensive universities.

✓ Indicates goal has been met

# Appendix B

Indicators of Success	Baseline	FY13 Update	FY14 Update	FY15 Update	FY 2017 Target
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**DEVELOP NEW ACADEMIC PROGRAMS**

Degree Programs Offered	B-27; M-24	B-27; M-24	B-30; M-28	B-38; M-27 ✓	B-30; M-26
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**ENHANCE THE QUALITY OF TEACHING AND LEARNING**

Tenure Track Faculty	154	160	169	174	175
Total FTE Faculty	230	246	276	265 ✓	250
Student/Faculty Ratio	15.8:1	15.9:1	15.7:1	14.8:1 ✓	15.8:1
Percent of Faculty with Terminal Degrees	88%	87%	89.3%	TBD	90%
Minority Full Time Faculty/Staff	8.1%/12.0%	13.8%/12.1%	18.8%/12.2%	16.8%/14.5% ✓	10%/14%
Academic Program Reviews Completed Annually	2	4	5	4	5
Nationally Accredited Academic Programs	2	2	4	5 ✓	5

**ENHANCE AND IMPROVE THE UNIVERSITY ENVIRONMENT**

Student Experience/Satisfaction Rating	TBD	TBD	TBD	TBD	TBD
"Renovation Age" of Facilities <sup>4</sup>	26.3 Avg. Age	25.3 Avg. Age	25.9 Avg. Age	27.4 Avg. Age	22.2 Avg. Age
Net Investment in Capital Assets	\$38.9M	\$40.7M	\$52.0M	\$84.1M ✓	\$80.0M

## Notes

4. Based on methodology developed by Sightlines, Inc., an independent higher education facilities consulting firm. (FY15 "Renovation Age" figures do not yet include Science Project expenditures)

✓ Indicates goal has been met

# Appendix B

Indicators of Success	Baseline	FY13 Update	FY14 Update	FY15 Update	FY 2017 Target
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## ENHANCE BUDGET UNDERSTANDING AND DIVERSIFY INCOME STREAMS

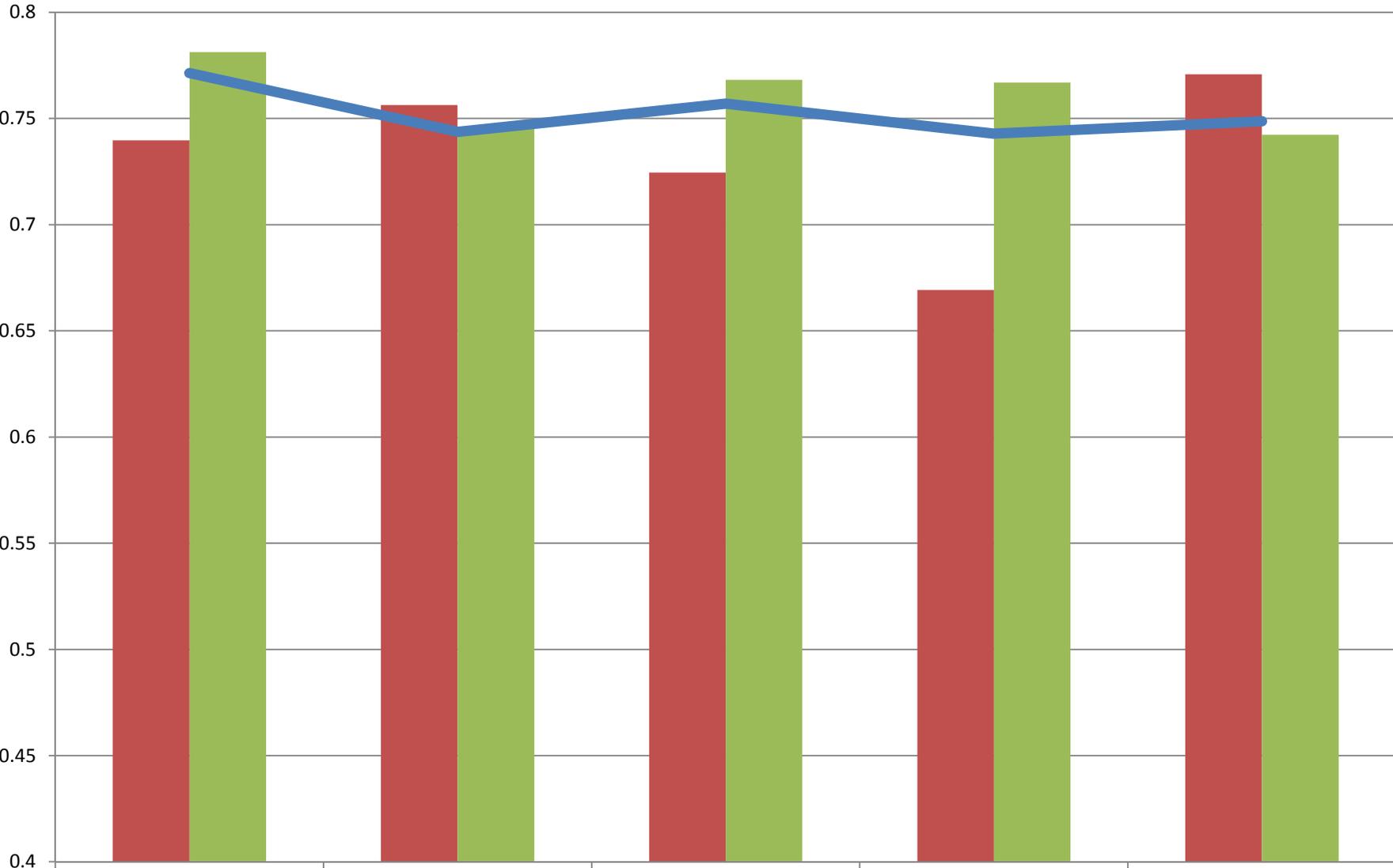
Overall Revenue - Operations Budget	\$79.0M	\$86.2M	\$98.5M	\$126.7M ✓	\$90.0M
Private Fund Raising Income - Annual	\$310K	\$559K	\$535K	\$688k	\$700K
Grants & Contracts Income - Annual	\$5.0M	\$6.4M	\$7.3M	\$9.9M ✓	\$6.0M

## Notes

1. Based on methodology developed by Sightlines, Inc., an independent higher education facilities consulting firm.
- ✓ Indicates goal has been met

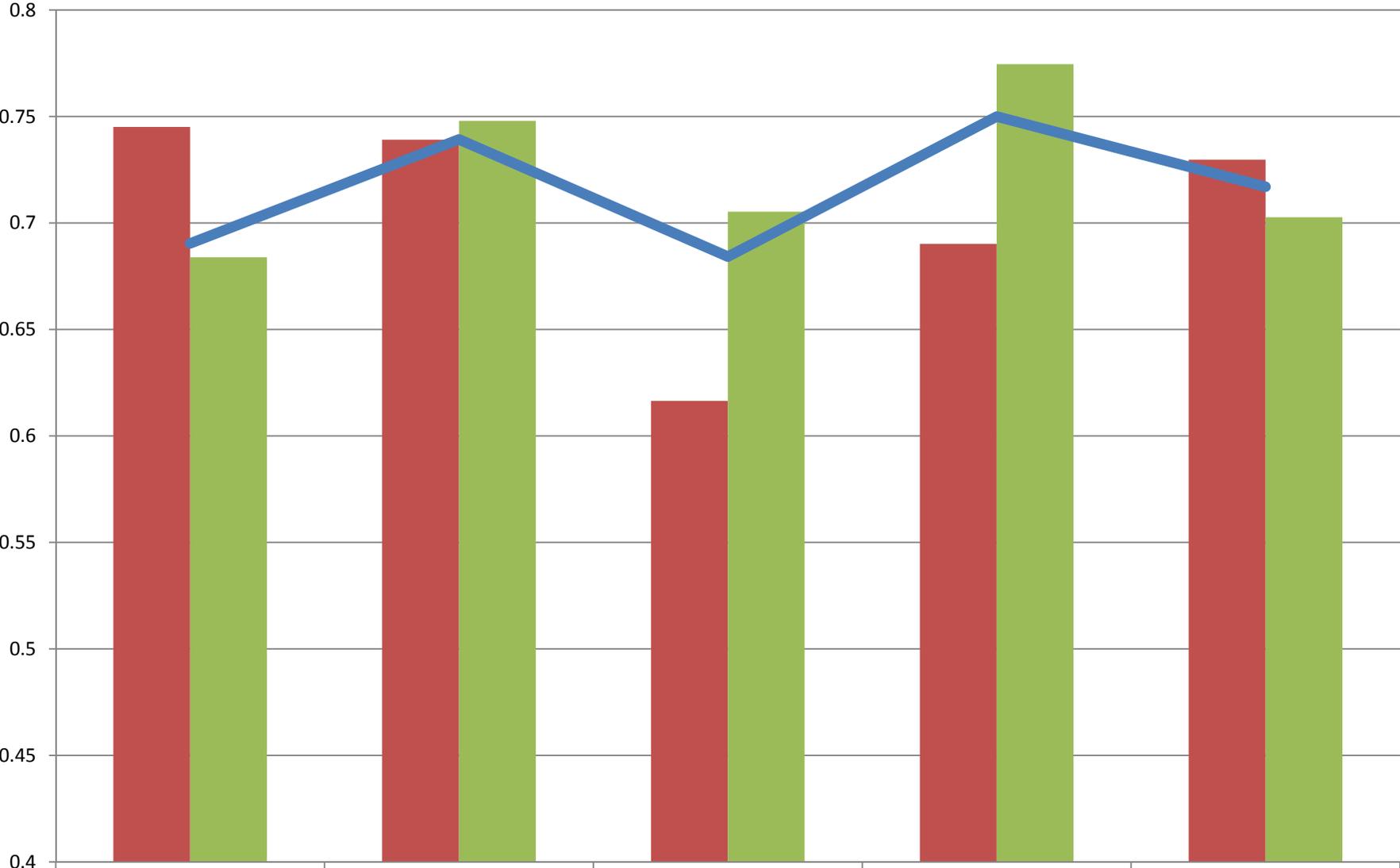
<b>Fall to Fall Retention by Cohort</b>		<b>Fall 2010</b>			<b>Fall 2011</b>			<b>Fall 2012</b>			<b>Fall 2013</b>			<b>Fall 2014</b>		
		Total Cohort	Returned F11	Returned F11 %	Total Cohort	Returned F12	Returned F12 %	Total Cohort	Returned F13	Returned F13 %	Total Cohort	Returned F14	Returned F14 %	Total Cohort	Returned F15	% Returned F15
<b>Female</b>	<b>Female Total</b>	481	371	77.1%	593	441	74.4%	535	405	75.7%	556	413	74.3%	541	405	74.9%
	Minority (Female)	73	54	74.0%	119	90	75.6%	98	71	72.4%	130	87	66.9%	144	111	77.1%
	Non-Minority/White (Female)	384	300	78.1%	460	343	74.6%	427	328	76.8%	416	319	76.7%	392	291	74.2%
<b>Male</b>	<b>Male Total</b>	239	165	69.0%	326	241	73.9%	285	195	68.4%	248	186	75.0%	265	190	71.7%
	Minority Total (Male)	51	38	74.5%	69	51	73.9%	73	45	61.6%	71	49	69.0%	74	54	73.0%
	Non-Minority/White (Male)	174	119	68.4%	246	184	74.8%	207	146	70.5%	173	134	77.5%	185	130	70.3%
<b>Total</b>	<b>Total Male and Female Total</b>	720	536	74.4%	919	682	74.2%	820	600	73.2%	804	599	74.5%	806	595	73.8%
	Minority Total	124	92	74.2%	188	141	75.0%	171	116	67.8%	201	136	67.7%	218	165	75.7%
	Non-Minority/White	558	419	75.1%	706	527	74.6%	634	474	74.8%	589	453	76.9%	577	421	73.0%

# Retention Female Students



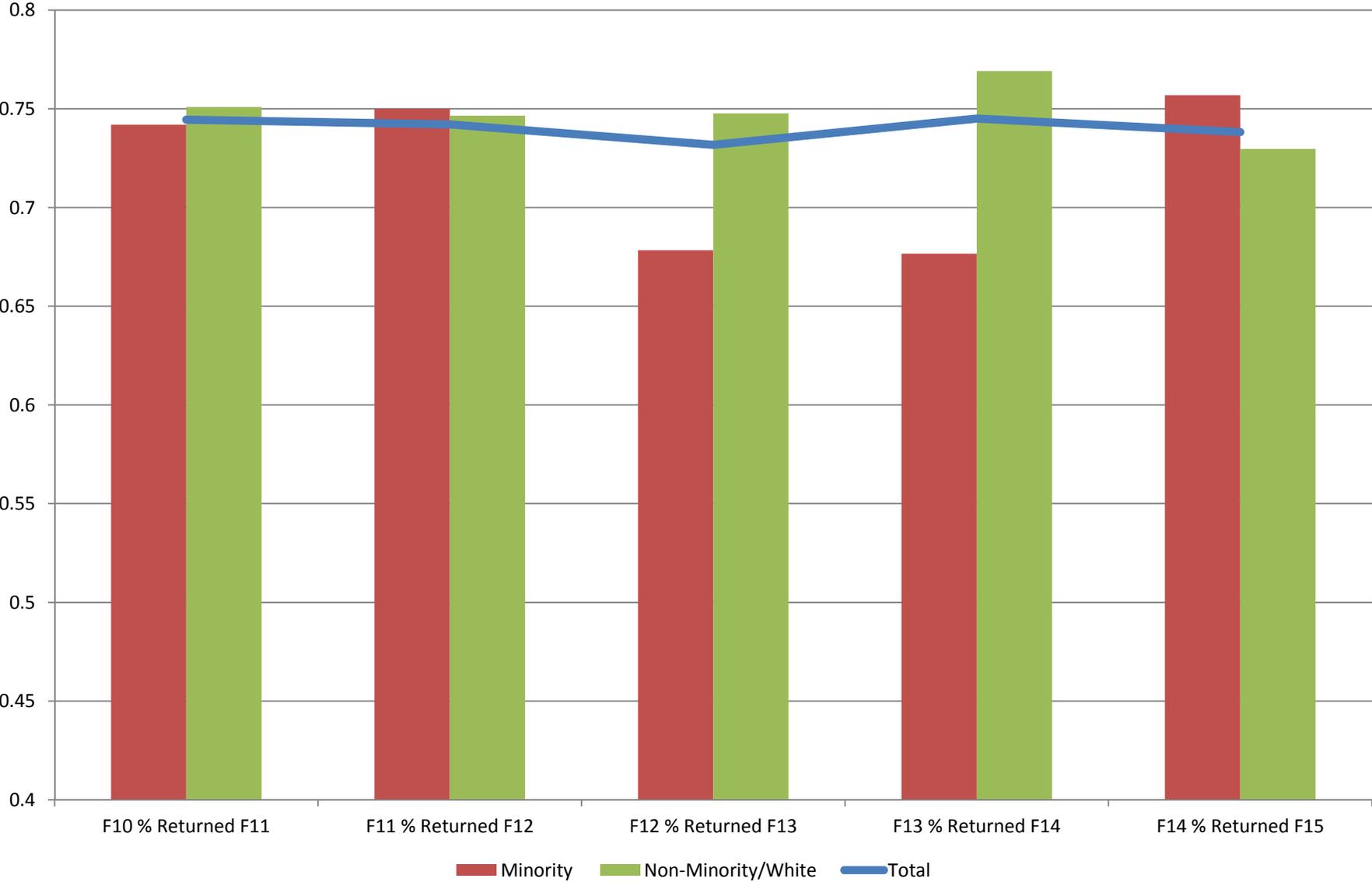
Minority (Female) Non-Minority/White (Female) Female

# Retention Male Students

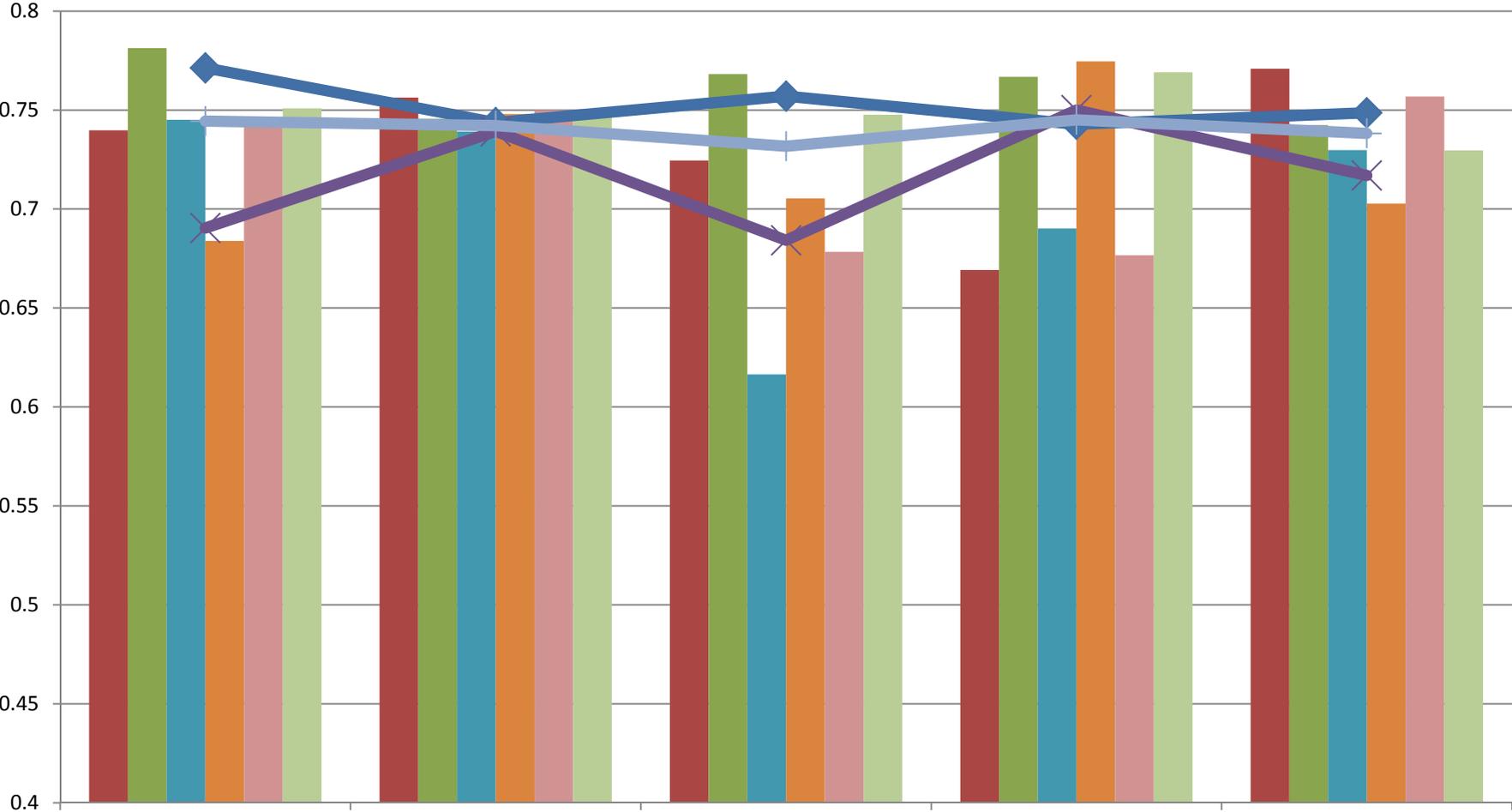


Minority (Male) Non-Minority/White (Male) Male

# Overall Retention Minority / Non-Minority



# Retention Gender / Minority



- Minority (Female)
- Non-Minority/White (Female)
- Minority (Male)
- Non-Minority/White (Male)
- Minority
- Non-Minority/White
- Female
- Male
- Total

# Matthew. J. Mangano

210 Adams St • Newton, MA • 02458 • 781-572-7258 • mangano8@yahoo.com

## Profile

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Hardworking, highly motivated and dedicated young professional seeking to become a strong asset to a team based environment. My extensive background of displaying leadership qualities and being an active member of successful teams will greatly benefit my future employer.

## EDUCATION

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**Framingham State University**  
*Bachelor of Arts in Criminology*

Framingham, MA  
Anticipated graduation December 2015

Honors: Dean's List fall 2012 and spring 2013, current 3.05 GPA

Activities/Leadership: NCAA football player 2012-2014, NEFC All-Academic Team 2012 & 2014, NEFC All-conference fullback in 2012 and MASCAC all-conference safety in 2013-2014, Captain of 2014 & 2015 Framingham State University football, helped start the Men's Club Lacrosse program, Captain of the Men's Club Lacrosse Team 2012-2014, TEAM Impact (community service), Special Olympics (community service), and student athlete representative for Bystander Intervention (sexual assault awareness program)

## Military Training and Awards

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US Army Basic Training

Fort Benning, GA  
October-December 2011

US Army Civil Affairs School

Fort Bragg, NC  
January-March 2012

US Army Warrior Leader Course

Fort Indiantown Gap, PA  
June 2015

Two Army Achievement Medals, Army Commendation Medal, National Defense Service Medal, Army Service Ribbon, 2014 443<sup>rd</sup> Civil Affairs Battalion Soldier of the Year, 2014 353 Civil Affairs Command Soldier of the Year

## EXPERIENCE

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**United States Army Reserve**  
*Civil Affairs Specialist*

Newport, RI  
August 2011 – Present

- Currently Holding Rank of Sergeant (E-5).
- Winner of 443<sup>rd</sup> Civil Affairs Battalion and 350/353 Civil Affairs Brigade Best Warrior Competition, competed in the USACAPOC Best Warrior Competition
- Student Leader at Basic Training and Advanced Individual Training
- Perform training as part of a four person Civil Affairs Team
- Create and deliver presentations to senior leadership using Microsoft Powerpoint.
- Help my subordinates maintain their military bearing and improving their careers.
- Current Department of Defense Secret Security Clearance.

**Air Purchases INC**  
*Delivery Driver*

Burlington, MA  
October 2015- Current

- To safely transport and distribute premium HVAC equipment and accessories to other branches and customers.
- Preparing orders for pick up as well as updating and maintaining inventory throughout the headquarters.
- Build strong rapport with customers and other branches in order to fulfill their satisfaction.

**Framingham State University Athletic Department***Student Worker*

Framingham, MA

January 2012-Present

- Responsible for accurate filing and tracking of confidential student information with regards to athletics, and academics
- Assist with inputting of football recruit information into shared database.
- Maintain integrity of various files used by athletics purchasing director.
- Contact student athletes on needed basis.
- Proficient in all areas of Microsoft Office to complete daily tasks.

**Joseph P. Keefe Regional Technical School***Substitute Teacher*

Framingham, MA

March 2015- September 2015

- Supported teachers on a daily basis in order to continue their lesson plans.
- Assist technical shop teachers monitor and ensure safety among students.
- Ensured the safety of up to 25 kids during classroom hours.

**Marian and Keefe Tech Varsity Lacrosse***Head Varsity Coach*

Framingham, MA

March 2015- October 2015

- Mentored student athletes ranging from 9<sup>th</sup>-12<sup>th</sup> grade, on and off the field.
- Prepared daily practice plans.
- Monitored all student athlete's academic progress throughout the season.
- Ensured the safety of all player's while traveling to and from games.

**Framingham Beer Works***Food Server*

Framingham, MA

December 2014-June 2015

- Interacted with guests in order to make them feel comfortable and informed.
- Deliver food and drink items to tables in a timely and professional manner.
- Ensure the accuracy and quantity of every order.
- Worked in serving teams of up to three other employees.

**Framingham Department of Public Works***Highway Department Summer Laborer*

Framingham, MA

June 2014-August 2014

- Performed various landscaping duties on all town properties
- Managed supply inventory
- Laid and rolled asphalt
- Poured and leveled cement

**American Flooring Company***Laborer*

North Reading, MA

May 2013-August 2013

- Prepared and scrapped floors clean to ensure a flat base for tiling and carpet
- Laid down different types of flooring during projects.

**Winchester High School Lacrosse***Freshman Lacrosse Coach*

Winchester, MA

March 2011-May 2011

- Mentored freshmen in high school on and off the field
- Prepared daily practice plans

**Winchester Department of Public Works***Highway Department Summer Laborer*

Winchester, MA

June 2010-August 2010

- Performed various landscaping duties on all town properties
- Managed supply inventory
- Laid and rolled asphalt
- Poured and leveled cement



**COMPREHENSIVE CAMPAIGN UPDATE**  
*As of October 30, 2015*

<b>Campaign Goal:</b>	\$12,000,000	
<b>Campaign Raised to Date Total:</b>	\$8,535,116	71% to goal 62% time elapsed
<b>Balance to be Raised:</b>	\$3,404,884	

<b>FY16 Goals:</b>			
<u>Area</u>	<u>FY15 Goal</u>	<u>Total Raised (Cash &amp; Pledges)</u>	<u>Cash Received</u>
Annual Giving	\$500,000	\$81,151	\$134,868
Building Endowment	\$250,000	\$27,721	\$15,591
University Facilities	\$125,000	\$17,610	\$18,037
Faculty and Academic Programs	\$500,000	\$735,136	\$735,136
Equipment and Technology	\$125,000	\$11	\$25,011
<i>Totals:</i>	\$1,500,000	\$861,629	\$928,643

<b>Gift Chart - Progress Toward Goals</b>			
<u>Gift Level</u>	<u># Gifts Needed</u>	<u>Gifts Received</u>	<u>Balance</u>
\$1,000,000	1	0	1
\$500,000	3	4	0
\$250,000	6	5	1
\$100,000	14	5	9
\$50,000	25	9	16
\$25,000	40	25	15
\$10,000	100	57	43

## 3.0 Student Trustee Report

## 4.0 Academic Affairs



# Framingham State University

Board of Trustees  
Academic Affairs  
Framingham State University

Tuesday, December 1, 2015 (rescheduled from Tuesday, November 17, 2015)

## 1. Academic Affairs Board of Trustees Subcommittee Report – Dr. Nancy Budwig, Chair

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*Academic Affairs Committee of the Board of Trustees*  
*Wednesday, November 4, 2015*  
*PCR2*  
*8:00-9:30 am*

### 1.0 Trustee Action Item: Sabbatical Leaves

1.1 Sabbatical Leaves: Background Information for the Board of Trustees. Please see Attachment A

1.2 Sabbatical Leaves: Descriptions and Recommendations. Please see Attachment B

1.3 Cost of Sabbatical Leaves: Please see Attachment C

Trustee Action Requested: Motion to recommend to the full BOT

### 2.0 World of Work: A new certificate program and collaborative center

2.1 Terry Dray, Director, Liverpool John Moores University. Please see Attachment D.

### 3.0 Brief Updates: Individuals below will be available for comment

3.1 Grants & Sponsored Programs, Jonathan Lee. Please see Attachment E

3.2 Center for Excellence in Learning, Teaching, Scholarship and Service (CELTSS), Elaine Beilin, Director; Jon Huijbregtse, Assc. Director Please see Attachment F

3.3 College of Arts & Humanities, Marc Cote, Dean Please see Attachment G

3.4 College of Education, Arlie Woodrum Please see Attachment H

3.5 College of Social & Behavioral Sciences, Susan Dargan, Dean Please see Attachment I

3.6 College of Science, Technology, Engineering, and Mathematics, Margaret Carroll, Dean Please see Attachment J

3.7 Graduate Studies Update, Yaser Najjar, Dean Please see Attachment K

3.8 Continuing Education Update, Scott Greenberg, Associate Vice President and Dean of Continuing Education. Please see Attachment L

#### 3.9 Office of Institutional Effectiveness

3.9.1 Process and Efficiencies, Cindi Glickman, Director Please see Attachment M

3.9.2 Assessment, Mark Nicholas, Director Please see Attachment N

3.9.3 Institutional Research, Ann Caso, Associate Director Please see Attachment O

3.10 International Education, Jane Decatur, Executive Director Please see Attachment P

3.11 Library, Bonnie Mitchell, Director Please see Attachment Q

3.12 Honors Program, Paul Bruno, Director Please see Attachment R

OFFICE OF ACADEMIC AFFAIRS

100 State Street PO Box 9101 Framingham, MA 01701-9101 • T 508-626-4582 F 508-626-4592 • www.framingham.edu

*Academic Affairs Committee Charter, Board of Trustees*

*The Academic Affairs committee is chartered with the responsibility of assuring the quality of the educational experience and the fit between the university's mission and the academic programs offered. The committee's oversight involves reviewing policies and practices related to teaching, learning and evaluation; faculty development, training and evaluation; assessment of student learning, outcomes and related responses, accreditation at the program and institutional level, new or expanded programs, and results related to retention, graduation and the total educational experience. The committee is charged with examining the adequacy of financial resources allocated to support a high-quality educational experience and monitoring regularly the connections between academic programs and financial sustainability.*



# Framingham State University

To: Javier Cevallos, Ph.D.  
President

From: Linda Vaden-Goad, Ph.D.  
Provost & Vice President for Academic Affairs

Date: October 30, 2015

Re: Sabbatical Leave

I am recommending the following individuals for sabbatical leave:

Department	Last Name	First Name	Duration	Request Granted
Nursing	Bechtel	Cynthia	Fall 2016	Yes
History	Bollettino	Maria	Spring 2017	Yes
Communication Arts	Bowen	Christopher	Fall 2016	Yes
Arts & Music	Burke	Mary (Lisa)	Fall 2016	Yes
Sociology	Cohen	Marian	Spring 2017	Yes
Biology	Davis	Aline	Spring 2017	Yes
Psychology & Philosophy	Galvin	Paul	Spring 2017	Yes
Art & Music	Grey	Stephanie	Spring 2017	Yes
Mathematics	Mabrouk	Sarah	Spring 2017	Yes
English	Maibor	Carolyn	AY 2016-2017	Yes
Sociology	Martin	Jonathan	Fall 2016	Yes
Nursing	Mullaney	Susan	Spring 2017	Yes
Fashion Design & Retailing	Noon	Virginia	Fall 2016	Yes
Mathematics	Page	Robert	Fall 2016	Yes
Library	Rothenberg	Sandra	Spring 2017	Yes
Fashion Design & Retailing	Sebor-Cable	Pam	Spring 2017	Yes
Biology	Shearman	Rebecca	Spring 2017	Yes
Sociology	Silver	Ira	Spring 2017	Yes
English	Springer	Claudia	Fall 2016	Yes
Biology	Van Roo	Brandi	Fall 2016	Yes

Please see Appendices A and B for additional information on the requests for AY 2016-2017.

As a comparison, the numbers of faculty who were granted sabbaticals in the past are as follows:

- AY 2015-2016: 16
- AY 2014-2015: 26
- AY 2013-2014: 16
- AY 2012-2013: 8
- AY 2011-2012: 8
- AY 2010-2011: 13

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
1. Dr. Ira Silver 2. Sociology 3. Spring 2017 4. Book: <i>More than Meets the Eye: Unmasking America's Most Publicized Dangers</i>	Dr. Silver will complete his latest book, which will focus on media coverage of several social problems, including racial profiling, intimate partner violence, mass shootings, and sexual assault. He will expose how these problems are often broader in scope than reported and how the underlying social issues that generate these problems are largely not addressed by the media.	Dr. Silver will finish the manuscript by the summer of 2017. While many social problems texts devote individual chapters to selected social problems, this one will be the first to begin each chapter with the media coverage of the social problem as the starting point.	Dr. Silver is an accomplished educator and scholar whose work focuses broadly on social inequality. He has published two scholarly books, one on social problems and the other on inequality and philanthropy, and one book for general readership on philanthropy.	Dr. Silver has involved undergraduates in the research related to the book through research assistantships. Since he teaches Social Problems at the University, he knows that students react well to engaging and accessible texts, and his latest book, like his others, will possess those characteristics. The research that he undertakes to complete the book will inform his teaching as well.	Two Visiting Lecturer faculty members will cover Dr. Silver's courses in the spring.  <u>2 VL</u>	1. Approved 2. Approved 3. Approved 4. Approved
1. Dr. Marian Cohen 2. Sociology 3. Spring 2017 4. Data collection and analysis for local community	Dr. Cohen will collaborate with the town of Lexington to design a town-wide survey to assess the residents' conceptions of the type and scope of services they need from the town, as well as their satisfaction with the town's delivery of those services. She will collect and analyze the survey data and present the findings to various constituents in the community.	Dr. Cohen's primary outcome is a report for town officials and residents based on the survey findings. The report will be disseminated to various constituencies in spring 2017, including the town manager, the Board of Selectman, the School Committee, and the Planning Board. It will also be posted on the town's website and will be presented in various forums.	Dr. Cohen regularly teaches the research methods course sequence in the sociology department. She is also the director of the University's Center for Social Research. She conducted a similar study for Lexington in 2012-2013.	Dr. Cohen's research is an example of applied sociology, which involves the application of sociological theories and concepts to social phenomena. Dr. Cohen will use her sabbatical project to demonstrate various research methodologies to her research methods students. She also plans to engage student interns in her research project.	Two Visiting Lecturer faculty members will cover Dr. Cohen's and Dr. Martin's courses for the fall. Dr. Cohen was slated to teach two courses in the fall due to a previously accumulated teaching overload.  <u>2 VL</u>	1. Approved 2. Approved 3. Approved 4. Approved
1. Dr. Jonathan Martin 2. Sociology 3. Fall 2016 4. Third Party Politics in the 2016 Presidential Election	Dr. Martin will investigate how the U.S. progressive third party movement has evolved since 2015 with an emphasis on the 2016 presidential election and the candidacy of Bernie Sanders. He will consider the impact of the Sanders campaign on public perceptions and status of progressive third party candidates.	Dr. Martin will collect an array of data during the fall of 2016 on the latest trends in progressive third party candidates and politics. After the national elections in November 2016, he will begin to analyze election results. His goal is to produce a working paper, a conference presentation, and a scholarly article on his findings.	Dr. Martin is the author of a new book, <i>Empowering Progressive Third Parties in the United States</i> (2015 Routledge). He is a political sociologist with a sustained scholarly interest in third party progressive politics and economic populism. He has numerous scholarly publications on these topics.	Dr. Martin's findings will enrich his teaching in his Political Sociology and Social Problems courses. He is also planning to develop a course, which could be cross-listed with Political Science, on third party movements in the United States.	Two Visiting Lecturer faculty members will cover Dr. Cohen's and Dr. Martin's courses for the fall  <u>2 VL</u>	1. Approved 2. Approved 3. Approved 4. Approved

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
1. Paul Galvin 2. Psychology and Philosophy 3. Spring 2017 4. <i>Living Mindfulness: A Look at How Mindfulness Shapes Lives</i>	Dr. Galvin's sabbatical project is to gather data and write a book on how mindfulness shapes lives. This book will be designed for a broad audience and will offer detailed analyses of the benefits of mindfulness for practitioners in the field and will support those who are new to learning and applying mindfulness in their lives.	Dr. Galvin plans to have a draft of his book complete by the end of his sabbatical. He will identify and contact potential publishers and will seek endorsements from colleagues.	Dr. Galvin's scholarship and professional practice focus on mindfulness. In addition to his work at FSU, Dr. Galvin serves as a learning specialist coordinator for mindfulness-based stress reduction at the Center for Mindfulness in Medicine, Health Care, and Society at the University of Massachusetts Medical School. He has also served as the assistant director of the center. He has conducted numerous presentations on mindfulness to a wide range of audiences.	Dr. Galvin's research will enhance his teaching of Psychology Seminar and Health Psychology. Both courses have modules on mindfulness. Dr. Galvin uses mindfulness as a teaching pedagogy in his classroom, and his research will enhance his teaching in that capacity as well.	We will hire a VL to cover two of Dr. Galvin's courses.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">2 VLs</div>	1. Approved 2. Approved 3. Approved 4. Approved
1. Sandra Rothenberg 2. Library 3. Spring 2017 4. Fashion, the French and Libraries	Sandra Rothenberg's project is to investigate how reference services and library instruction are conducted in French libraries. This is an extension of an earlier sabbatical project (2009) in which interviews were conducted in French (the current plan, as well). The investigation will center on the types of questions reference librarians typically field in French libraries, the classes/instruction they provide, the training they give and the information literacy that is taught. In addition, the plan is to visit several school libraries in Paris and Lyon, and to connect with the professional librarian's association in Paris. She also has proposed to work with the "Profession Culture" Program at the Bibliotheque national de France (BnF), however, if this is not approved, she is able to conduct the project as	Sandra Rothenberg's objectives fit the university's core values in clear ways (Global Stewardship, Academic Excellence, Inclusive and Collaborative Community and Personal and Professional Growth), and her outcomes will assist the university in moving forward with our strategic plan.  Her plan is to write a journal article at the conclusion of the research, and for the BnF project (if it is approved) she will create a useful bibliography of fashion and costume drawings that will be useful for our students and faculty in the fashion design and retailing department.	Her last sabbatical was related to this one in theme, and she will depend upon her linguistic skills in French to read and interview people while on sabbatical in France.	Professor Rothenberg will utilize her findings to strengthen her work in the Framingham State University Library as she teaches students, staffs the reference desk and works with academic departments.	Her colleagues will cover for her while she is away.	1. Approved 2. – (no dean) 3. Approved 4. Approved

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
	explained.					
1. Aline Davis 2. Biology 3. Spring 2017 4. Endocrine Disruptors in Tadpoles and Improving Undergrad Education in Biology	Dr. Davis and Dr. Shearman have been studying the effects of endocrine disruptors on tadpole development with their students. In this project, they will investigate new classes of these compounds and investigate the impacts of these compounds on amphibian species native to Massachusetts. Her proposed pedagogy work stems from her participation in the PKal leadership institute in the summer of 2015. She will work to implement some of the changes she learned about at the PKal institute.	Dr. Davis will develop new research directions which will allow her to mentor undergraduate projects in biology and environmental science. She has published several papers with undergraduate co-authors and I expect she will have similar success in the future. Dr. Davis will incorporate new ideas into her teaching and the management of the Biology Department that will support the success of under-represented groups in STEM areas.	Dr. Davis earned her Ph.D. at the University of Maryland Medical School and completed post-doctoral work at UMass Medical School in Worcester. She has been a successful and productive faculty member in biology.	Dr. Davis' research will allow her to offer better guidance to her undergraduate research students. Her pedagogy work will improve her courses and those of her colleagues.	Dr. Amy Knapp will cover the required course Anatomy and Physiology II and VLs will be used to cover Dr. Knapp's courses.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">2 VLs</div>	1. Approved 2. Approved 3. Approved 4. Approved
1. Rebecca Shearman 2. Biology 3. Spring 2-17 4. Endocrine Disruptors in Tadpoles and Pedagogical Redesign of Introduction to Cell and Molecular Biology	Dr. Shearman and Dr. Davis have been studying the effects of endocrine disruptors on tadpole development with their students. In this project, they will investigate new classes of these compounds and investigate the impacts of these compounds on amphibian species native to Massachusetts. Dr. Shearman's proposed pedagogy work stems from her participation in the PKal leadership institute in the summer of 2015. She plans to redesign Biol 161, Introduction to Cellular and Molecular Biology to incorporate more active learning techniques. She	Her work will provide more directions for inquiry for undergraduate research students. She has published several papers with undergraduate co-authors and I expect she will have similar success in the future. Redesigning Biol 161 to incorporate the flipped classroom model should improve retention and future success of the students.	Dr. Shearman earned her Ph.D. at University of Chicago and completed a post-doc at Wesleyan University. She has served as faculty fellow for assessment for the past several years.	The research program will allow Dr. Shearman to provide more hands-on opportunities for students participating in capstone research experiences. The redesign of Biol 161 will impact all biology majors enrolled in that course.	Developmental Biology will be rescheduled to another semester and Dr. Shearman's other responsibilities will be covered by VLs.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">2 VLs</div>	1. Approved 2. Approved 3. Approved 4. Approved

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
	also plans to attend the Biology Scholars Program of the American Society of Microbiologists to learn about effective ways of assessing pedagogical changes.					
1. Brandi Van Roo 2. Biology 3. Fall 2016 4. Completion of manuscripts on avian endocrinology and on the impacts of solar arrays on wildlife communities and development of learning activities on cost-benefit analysis in conservation biology.	Dr. Van Roo will conduct necessary literature searches, data analyses, and writing for two manuscripts, one on avian endocrinology and the other on	Dr. Van Roo will produce two papers for submission to journals for peer review. She will also enhance the wildlife curriculum providing students with real-world activities that should enhance their value in the workforce.	Dr. Van Roo earned her Ph.D. in behavioral endocrinology at the University of Indiana. She is a successful scientist and an excellent teacher. She is a gubernatorial appointee to the state board overseeing the Division of Fish and Wildlife.	This time will allow her to keep her research moving forward. She has incorporated many students into her work in the past and will continue to mentor students in their capstone projects. Dr. Van Roo will teach students in the wildlife biology and environmental science programs to conduct quantitative cost benefit analyses.	Dr. Van Roo's animal behavior course will be postponed to another semester. Her General Education course will be covered by a VL.  2 VLs	1. Approved 2. Approved 3. Approved 4. Approved
1. Susan Mullaney 2. Nursing 3. Spring 2017 4. Development of Doctor of Education in Nursing Higher Education.	Less than 1% of RNs hold a doctoral degree. There is need for RNs who are prepared to teach at the college and university level. Dr. Mullaney will develop a proposal for a new Ed.D. in Nursing Education program.	(1) Courses and course descriptions (2) Course and program outcomes (3) Recommended admission criteria (4) Suggested dissertation and program completion requirements	Dr. Mullaney earned her Ed.D. in Healthcare Education at Nova Southeastern University. She has been a successful faculty member at Framingham State and serves as chair of the Nursing Department.	As an instructor in the MS in Nursing program, she frequently urges her students to pursue a doctoral degree. This experience will give Dr. Mullaney a better understanding of current requirements for the Ed.D. and provide options for her students.	Dr. Susan Conrad will serve as acting chair during the sabbatical. The department will hire 2 vls to cover Dr. Mullaney's graduate courses.  2 VLs for Graduate School, paid by DGCE	1. Approved 2. Approved 3. Approved 4. Approved
1. Cynthia Bechtel 2. Nursing 3. Fall 2016 4. Emergency Nurses Experiences with Critical Incidents	Dr. Bechtel will prepare her research on emergency nurses for publication. She will collate and analyze data and prepare manuscripts for publication in Journal of Emergency Nursing. She will prepare recommendations for emergency departments for inservice education.	Publications on the experiences of emergency nurses with critical incidents.	Dr. Bechtel earned her Ph.D. in Nursing at UMass Worcester. She is an active member of the FSU Nursing Department and serves on the Graduate Education Council.	Dr. Bechtel teaches research methods to MSN students and requires that they prepare an integrative review for publication. Publishing her research will provide a role model for her students.	Dr. Mullaney and Dr. Conrad will share the duties of the MSN program coordinator. VLs will be hired to teach Dr. Bechtel's graduate courses.  3 VLs for Graduate School, paid by DGCE	1. Approved 2. Approved 3. Approved 4. Approved

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
1. Robert Page 2. Mathematics 3. Fall 2016 4. Mathematics Research and Review and Revision of the Math Teacher Prep program.	Dr. Page will collaborate with his graduate advisor on mathematics research related to his thesis and subsequent publications. He will also get trained on the new mathematics teacher prep standards of CAEP. He will codify the department's pro-prep program to insure consistency and that the program continues to meet all CAEP standards.	(1) Peer reviewed publication(s) in the field of functional analysis. (2) Certification as a program reviewer for middle and high school professional prep programs accredited by NCTM CAEP. (3) An explicit list of topics and activities that will fully prepare pre-service math teachers.	Dr. Page is a former high school teacher who earned his Ph.D. at the University of Mississippi. He has remained active in mathematics research and has been instrumental in the professional preparation of mathematics teachers.	Dr. Page can draw direct connections between his research and the Real Analysis course that he teaches. Serving as a reviewer for math teacher prep programs will help him to analyze and revise our program to better prepare our future teachers.	VIs will be used to cover 2 math courses that he would normally teach in the fall.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">2 VLS</div>	1. Approved 2. Approved 3. Approved 4. Approved
1. Sarah Mabrouk 2. Math 3. Spring 2017 4. Preparation of Excel Workbooks for Mac Users	Dr. Mabrouk creates MS Excel Workbooks for use in Intro to Stats, College Algebra, Pre-calculus, Calc I, and Cal II. Students use these tools in her classes, but students with Mac computers cannot use them. She will translate these workbooks in Excel for Mac so that they can be accessed by all students.	(1) Workbooks for use by students who use Macs in her classes. (2) Workshops and papers sharing her workbooks and ideas for incorporating them into classes.	Dr. Mabrouk holds a Ph.D. from Boston University in Mathematics and is an active member of the math department. She has published several papers and conducted workshops on her workbooks. The Microsoft version won an award for innovation at the International Conference on Technology in Collegiate Mathematics.	This project will benefit numerous students who use Macs in Dr. Mabrouk's courses and serve needs of students and educators at other institutions.	Dr. Mabrouk's courses will be covered by VLS.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">3 VLS</div>	1. Approved 2. Approved 3. Approved 4. Approved
1. Maria Bollettino 2. History 3. Spring 2017 4. Slavery, War, and Britain's Atlantic Empire: Black Soldiers and Rebels in the Eighteenth-Century British Atlantic World	Dr. Bollettino's plan is to complete a draft of her manuscript for submission to the University of Pennsylvania Press. She will utilize her own extensive research into the social and cultural history of the participation of enslaved and free Blacks in Jamaica's Maroon Wars and the War of Jenkins' Ear and the Seven Years' War in British America.	All of Dr. Bollettino's research for her manuscript is complete. She plans to compose a new chapter, introduction, and epilogue for her book, as well as to revise its five existing chapters. Upon invitation from Robert Lockhart, history editor at the University of Pennsylvania Press, Dr. Bollettino will submit her manuscript for publication.	Dr. Bollettino holds a PhD from the University of Texas at Austin with research specializations in early American history, history of the Atlantic world, history of slavery, history of race, gender, and identity in the 18th-century British Empire, and social and cultural history of 18th-century imperial warfare.	She teaches early American history, history of the Atlantic world, Caribbean history, comparative history of slavery and antislavery, history of race, gender and identity in early America, and African American history. Her research directly links to these areas and informs her teaching with depth and diversity of outlook. Additionally, she shares with students her skills in analyzing archival sources, working with historians' interpretations, and writing about history.	Need to cover: Two American history courses.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">2 VLS</div>	1. Approved 2. Approved 3. Approved 4. Approved

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
1. Mary (Lisa) Burke 2. Art and Music 3. Fall 2016 4. a) Continued Research into Kiribati Music and Dance and b) Development of Improvisational Skills in Doo-wop Piano and c) Digitization and Cataloguing of Fieldwork Recordings, Films, and Photographs	Dr. Burke’s plan is to: a) continue her research into Kiribati music and dance with an emphasis on the literature (historical ethno, performance and emotion, diaspora, and social media) and to refine her recent work on concepts of space and place as manifested in music and dance, and modifications due to climate change. b) build upon her classical piano training to engage with her doo-wop band Doo-Wop DeVille in a more improvisational approach c) continue with her ongoing project of digitizing and cataloguing her fieldwork production.	Dr. Burke plans to: a) conduct research on space and place in Kiribati music and dance and to submit that research to the Association for Social Anthropology in Oceania for a multi-year panel on music in Oceania b) learn appropriate licks and passagework in different keys to enable improvisation with Doo-Wop DeVille c) Increase accessibility of her research for herself and others through digitization and cataloguing of her work.	Dr. Burke holds a PhD from Brown University with a specialization in ethnomusicology (in particular, music and dance of the South Pacific).	Her research into Kiribati music and dance directly links to her regularly offered General Education courses “World Music Cultures” and “Music, Dance, and Ritual in the Pacific.” Her band performances allow her to instruct more knowledgably in her “History of Rock Music” doo-wop unit. Her digitized, catalogued fieldwork output provides dynamic material for her classes in ethnomusicology.	Needed to cover: Two music classes.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">2 VLS</div>	1. Approved 2. Approved 3. Approved 4. Approved
1. Stephanie Grey 2. Art and Music 3. Spring 2017 4. Design for People: Communication through Heightened Sensory Awareness and its Impact on Learning and Imagination	Professor Grey plans to further her work in sensory-based design and universal design as conduits to understanding people and how they experience the world. In her work with sensory-based design, she will create scenarios for users in which multiple senses are stimulated as part of the learning process so that people of all ages will have an enhanced learning experience. With universal design, Professor Grey will continue to develop the expertise to design printed materials, digital apps, and websites that take into account such concerns as mobility issues, low vision, blindness, cognitive issues, and age.	Professor Grey plans to: a) partner with a local educational institution to create a set of materials and experiences that are enhanced by stimulating more senses and that hold universal design principles in mind. b) create new methods for teaching design and a new process for design students to follow c) write an article explaining the work and submit it for publication d) create a themed exhibition based upon the work created	Professor Grey holds an MFA from the Rhode Island School of Design with a specialization in sensory-based design. In her professional practice as a freelance designer, she incorporates universal design as a component of her solutions for clients.	Professor Grey’s activities directly correlate with the curriculum of the Graphic Design concentration and will enhance the scope and depth of student study in the Art and Music Department. Professor Grey continues to advance her place in the design profession through recognition in the area of sensory-based design and by doing so brings notoriety to the Graphic Design program at FSU.	2 design courses will be covered by VL’s and the Senior Portfolio class will be covered by Professor Yalowitz.  <div style="border: 1px solid black; padding: 2px; display: inline-block;">2 VLS</div>	1. Approved 2. Approved 3. Approved 4. Approved

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
1. Claudia Springer 2. English 3. Fall 2016 4. Picturing the Abyss: Environmental Crisis and Visual Media	Dr. Springer plans to finish a book titled Picturing the Abyss: Environmental Crisis and Visual Media. The book will be appropriate to use as a textbook in environmental studies, history of photography, and film studies classes.	Dr. Springer plans to finish a book titled Picturing the Abyss: Environmental Crisis and Visual Media by the end of 2016. With 112 pages already written, the book is underway. Additionally, upon the invitation of an editor, she will submit a proposal for publication to McFarland Press.	Dr. Springer holds a PhD in Film Studies from Northwestern University with a specialization in cultural representation in ethnographic, educational, and contemporary Hollywood cinema.	Dr. Springer’s research into media representation in the environmental crisis augments her regular teaching of “Introduction to College Writing” in which she engages students with the theme of animal rights. Additionally, she intends to focus on the subject of film and environmentalism in her upcoming spring offering of “Studies in Film.”	2 film courses will be covered by VLS 2 VLS	1. Approved 2. Approved 3. Approved 4. Approved
1. Carolyn Maibor 2. English 3. Acad. Year 16-17 4. The Representation of Servants in 18th- and 19th-century American Literature	Dr. Maibor plans to continue her study on both fictional and non-fictional portraits of service and its effect on those who perform it. In particular, she would like to focus her research and writing on: a) the work of Robert Roberts, an African American and former slave who was employed as a servant to former Massachusetts Governor Christopher Gore and b) the family journals of Lizzie Goodenough (a former domestic servant) and the insight into working class rural life in the 19th-century which they provide.	Dr. Maibor plans to conduct additional research into the Abolitionist Movement work of Robert Roberts and to revise and expand an essay on Roberts’ activities and influence. She also plans to pursue further research into the Goodenough family journals with the potential of that study becoming a separate book-length project.	Dr. Maibor holds a PhD from Brandeis University with specializations and teaching interest in early through 19th-century American literature and philosophy, literary theory and gender studies, rhetoric and composition.	Dr. Maibor teaches several offerings in 19th-century American literature. This research project will enhance the teaching of these courses, particularly in literature in which domestic service and the “servant problem” figures. Her familiarity with journals and other writing in which daily life of these servants is depicted, helps her to provide students with greater insight into characters and an opportunity to engage in more nuanced discussions about choices made.	2 200-level American Literature courses may be taught by a VL or by FTT Lorianne Disabato if she is rehired for AY 16-17. 2 VLS (or 2/3 of FTTs responsibilities)	1. Approved 2. Approved 3. Approved 4. Approved
1. Virginia Noon 2. Fashion Design and Retailing 3. Fall 2016 4. Health and Safety in Textile and Apparel Dyeing in Developing Countries	Professor Noon plans to work from her field research on health and safety in the dyeing industry that she completed in Mauritania last spring, to first translate and analyze data and then to write her doctoral dissertation on the topic.	Professor Noon plans to complete the writing of her dissertation leading to the completion of her Doctoral Degree at UMass, Lowell. Additionally, she plans to submit a book on the topic for publication.	Professor Noon holds a Master of Science from Kansas State University with a specialization in clothing and textiles. Additionally she is a garment industry technical design and quality assurance professional.	The business of fashion in today’s global economy is a major component of all the courses Professor Noon teaches in the Fashion Design and Retailing Department. Her students will enter a global workplace and face many challenges related to culture and customs, the work environment and sustainability of the textile and apparel production process.	Internship and merchandising courses to be taught by TTs in the department and a VL. 1 VL	1. Approved 2. Approved 3. Approved 4. Approved

<b>1. Name</b> <b>2. Department</b> <b>3. Duration Requested</b> <b>4. Title</b>	<b>Purpose</b>	<b>Outcomes</b>	<b>Qualifications</b>	<b>Connection to Teaching</b>	<b>Replacement</b>	<b>Approvals</b> <b>1. Chair</b> <b>2. Dean</b> <b>3. Provost</b> <b>4. President</b>
1. Pam Sebor-Cable 2. Fashion Design and Retailing 3. Spring 2017 4. Illustrator, Photoshop, and alternative Technology for the Fashion Industry	Professor Sebor-Cable plans to develop technological skills appropriate for the fashion design industry, in particular Adobe Photoshop and Adobe Illustrator. She will take courses in these areas and then develop practice techniques to incorporate into her classes.	Professor Sebor-Cable will learn new technological skills that are applicable to the subjects that she teaches in addition to the upper level courses that she is projected to teach in the future.	Professor Sebor-Cable holds an MS in Fashion Design and Merchandising from the University of Rhode Island with a specialization in historic costume and textiles.	Professor Sebor-Cable's training in industry-appropriate technology will benefit the Fashion Design and Retailing Department by allowing a circulation of the fashion design professors through cycle of design classes. By doing working with this circulation, each design professor will then have the opportunity to teach upper-level courses showcasing their individual fields of expertise.	Fashion Design courses reassigned to TT professors and VL's. 2 VLs	1. Approved 2. Approved 3. Approved 4. Approved
1. Christopher Bowen 2. Communication Arts 3. Fall 2016 4. Produce Works in Visual Media and Conduct research fiction and non-fiction media artifacts and Professional Development Leading toward Instructor Certification	Professor Bowen plans to: a) create a body of work in visual media b) update and expand his understanding and skills in various technologies in the visual media industry c) update and expand on skills in verbal and non-verbal interpersonal communication (with a focus on body language and micro-expressions)	Professor Bowen plans to generate key ideas and concrete assets that will comprise material appropriate for inclusion in the rewritten 4th edition manuscripts for his two current texts on motion media production and editing.	Professor Bowen holds an MFA from Boston University with specializations in video editing and production.	Professor Bowen's research and technology training provide direct benefit to his teaching of media arts and media communication courses.	Television and film production courses and writing for visual media courses covered by VLs. 2 VLs	1. Approved 2. Approved 3. Approved 4. Approved

Sabbaticals - AY 2016-2017

Net Cost Calculation

Assumptions:

Annual Tuition and Fees:	\$8,700.00
Annual Tuition Component:	\$970.00
Tuition per Course (8 course load assumption):	\$121.25
Tuition Revenue per Course (25 students assumption):	\$3,031.25 <i>assumed retained by allocating these VLs to Clg. Ops.</i>
VL Faculty Cost per course (per AA costs avg.):	\$6,672.00
FTT Faculty Annualized Cost:	\$58,908.06 <i>revised 10/29/15</i>
FTT Faculty Cost per course (6 courses):	\$9,818.01 <i>all FTTs hired will be part of the faculty count</i>
One Semester Sabbaticals - no salary cost impact	
Two Semester Sabbaticals - 50% salary coverage	
Assumed Annual Salary Costs for Full Year Situation:	Actuals

A	B	C	A-B-C
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Purple highlight represents faculty whose courses tuition revenue was remitted (with VL use, will be retained)			Course Coverage				Retained Rev.	Salary Impact	Net Impact	Positions	Note
Cost/Revenue Calculations:			VL Backfill	FTT Backfill	Backfill Costs						
Position 1	Fall 2016	Bechtel	3		\$20,016.00	\$0.00		\$20,016.00		The 3 VLs are for Graduate School,paid by DGCE.	
Position 2	Spring 2017	Bollettino	2		\$13,344.00	\$6,062.50		\$7,281.50			
Position 3	Fall 2016	Bowen	2		\$13,344.00	\$0.00		\$13,344.00			
Position 4	Fall 2016	Burke	2		\$13,344.00	\$0.00		\$13,344.00			
Position 5	Spring 2017	Cohen	2		\$13,344.00	\$0.00		\$13,344.00			
Position 6	Spring 2017	Davis	2		\$13,344.00	\$0.00		\$13,344.00			
Position 7	Spring 2017	Galvin	2		\$13,344.00	\$6,062.50		\$7,281.50			
Position 8	Spring 2017	Grey	2		\$13,344.00	\$6,062.50		\$7,281.50			
Position 9	Spring 2017	Mabrouk	3		\$20,016.00	\$0.00		\$20,016.00			
Position 10	AY 2016-2017	Maibor	2		\$13,344.00	\$6,062.50		\$7,281.50		This may change to 2/3 FTT responsibilities	
Position 11	Fall 2016	Martin	2		\$13,344.00	\$6,062.50		\$7,281.50			
Position 12	Spring 2017	Mullaney	2		\$13,344.00	\$0.00		\$13,344.00		The 2 VLs are for Graduate School,paid by DGCE.	
Position 13	Fall 2016	Noon	1		\$6,672.00	\$0.00		\$6,672.00			
Position 14	Fall 2016	Page	2		\$13,344.00	\$6,062.50		\$7,281.50			
Position 15	Spring 2017	Rothenberg			\$0.00	\$0.00		\$0.00		Her colleagues will cover for her	
Position 16	Spring 2017	Sebor-Cable	2		\$13,344.00	\$0.00		\$13,344.00			
Position 17	Spring 2017	Shearman	2		\$13,344.00	\$6,062.50		\$7,281.50			
Position 18	Spring 2017	Silver	2		\$13,344.00	\$0.00		\$13,344.00			
Position 19	Fall 2016	Springer	2		\$13,344.00	\$6,062.50		\$7,281.50			
Position 20	Fall 2016	Van Roo	2		\$13,344.00	\$6,062.50		\$7,281.50			
					\$260,208.00	\$54,562.50	\$0.00	\$205,645.50			

cost of teaching	revenue retained	savings from TT
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**Framingham State University**  
**Office of Academic Affairs**

**Background Information for the Board of Trustees**  
**On Sabbaticals** *(updated Nov 2014)*

General Purpose of Sabbaticals

Sabbaticals are a principal means of professional development for faculty in higher education. They are a type of paid leave, either for a semester at full salary or two semesters at half salary, during which faculty are released from their instructional and other contractual responsibilities. Both traditional and common throughout academia, sabbaticals are granted after a defined time period and are used by faculty to engage in advanced study, research, writing, and travel.

The most common outcome of a sabbatical is an energized faculty member who brings to his or her classes new knowledge, new experiences, new methodologies, new materials, and new techniques. Faculty also use sabbaticals to create new knowledge for their fields of study. Undertaking research or a creative activity, difficult during the year along with one's other instructional and professional responsibilities, is also a common sabbatical activity. These outcomes are beneficial to the University.

The Contractual Basis for Sabbaticals

[Article XV](#) of the collective bargaining agreement with the faculty affirms the “mutual commitment [of the parties] to support the professional development and growth of individual members of the bargaining unit; and to that end they similarly reaffirm their commitment to the granting of sabbatical leaves, in accordance with the provisions of this Article.”

**Eligibility\*:** NEW: To be eligible for a sabbatical faculty must have served for six years (12 semesters) (WAS seven years, 14 semesters) since the date of hire or the termination of their last such leave, whichever is later. Unpaid leaves of absence are not included in the calculation of this eligibility.

**Terms:** Sabbaticals are granted for either one semester at full pay or two semesters at half pay. Prior to undertaking the sabbatical, the faculty member must agree in writing to return to the University following the sabbatical for a period of time equal to twice the length of such leave or to refund to the University, unless excused by the Board, the proportionate amount of salary for that service not rendered. Thus, a faculty member who has a one-semester sabbatical must return to the University for at least one year following the sabbatical; a faculty member who has a one-year sabbatical must return to the University for at least two years following the sabbatical.

*Impact of full-year sabbaticals on creditable service for purposes of retirement. The union asked at ERC that we consider making faculty who seek a full year sabbatical aware of the State Retirement Board ruling that only half of the year will count as creditable service for retirement allowance calculations. This may impact the election of the faculty member (ERC, March 27, 2013).*

Application and Review Process

In applying for a sabbatical, faculty members indicate the semester(s) for which they are applying and the semester of their last sabbatical and/or date of hire. They are asked to describe concisely their plan for sabbatical activities and expected outcomes. These proposals are then forwarded to the department chair for review and recommendation.

Department Chairs: Department chairs make a recommendation concerning the worthiness or suitability of the proposal and also address the department's plans for managing the absence of the faculty member in terms of course coverage. Regarding the latter, departments usually employ one or more of the following approaches in covering for a faculty member on sabbatical: 1) ask a colleague to cover the classes (very common in the STEM disciplines); 2) not offer an upper-level elective; 3) shift a course to the semester before or following the sabbatical; and 4) seek a part-time replacement for those essential classes which cannot be handled in any other way. The department chair recommendations are then forwarded to the academic dean of the college (new for the 2014-2017 contract) for review and recommendation.

Academic Deans: NEW: The academic deans review the materials and recommendations of the department chairs, and evaluate each proposal for academic worthiness and the department's plans for replacement coverage, noting particularly both the impact on required major and general education courses (available seats). The academic deans forward their recommendations for sabbatical leaves to the Provost/VPAA.

VPAA: Information and deans' recommendations are reviewed and the final determination is made about replacement funding (that is, sections covered by part-time faculty) with the guiding principle that overall quality of offerings not be adversely affected. Proposals overall are reviewed for their academic worthiness, focusing especially on the potential benefit to the faculty member and to the University and the likelihood that the faculty member will be able to accomplish her/his stated objectives.

The vice president's recommendations are transmitted to the President who then makes his recommendations to the Board of Trustees.

### Follow-up Process

Upon the conclusion of the sabbatical, the faculty member must submit to the vice president a written report of his/her sabbatical activities. This becomes a part of the faculty member's personnel file and is reviewed when the faculty member is considered for any personnel action or is a candidate for another sabbatical.

#### **\*House Bill 4295:**

*Members of the MSCA will now be able to qualify for a sabbatical after 12 semesters rather than the current situation where members of the MSCA qualify for a sabbatical after 14 semesters. Passing the sabbatical bill required a great deal of time and effort on the part of the MSCA, the MTA, and the Council of Presidents (COP). The COP is made up of all the Massachusetts State University Presidents. The sabbatical bill is an example of the union and management working towards a common purpose.*

FY 2016 Pipeline document - Office of Grants and Sponsored Programs  
11/23/2015

Funder

Project (PD/PI)

Deadline

Amount

Status

Awarded

ICR

**Bold - private**

<b>Summer 2015 - Jonathan Lee</b>						
<b>Boston Children's Hospital (BCH)</b>	<b>BCH/Framingham State University Nutrition Study (Hamel and Vaden-Goad)</b>	<b>N/A</b>	<b>\$ 628,886.48</b>	<b>Funded</b>	<b>\$ 628,886.48</b>	<b>\$ -</b>
US Department of Education (US ED)	MASSexcELLS: Supporting ELL Populations in Central and Eastern Massachusetts (Mahler)	28-Jul-15	\$ 320,000.00	Funded	\$ 320,000.00	\$ -
MA Department of Higher Education (DHE)	MetroWest Young Males of Color Pathways to Success Initiative (collaboration with MBCC) (Huddleston)	10-Aug-15	\$ 238,994.00	Declined	\$ -	\$ -
MA DHE	Enhance food nutrition at schools through PD (McGrail)	1-Jul-15	\$ 200,000.00	Funded	\$ 200,000.00	\$ 30,000.00
MA DHE	Commonwealth Dual Enrollment Program (Greenberg and Dittami)	31-Jul-15	\$ 50,000.00	Funded	\$ 48,000.00	\$ -
MA Executive Office of Education	Enhance food nutrition at schools through PD (McGrail)	1-Jul-15	\$ 48,384.00	Funded	\$ 48,384.00	\$ 4,200.00
<b>Vertex Pharmaceuticals Incorporated</b>	<b>GUTS Summer Professional Development Program (Porro)</b>	<b>10-Jul-15</b>	<b>\$ 13,750.00</b>	<b>Funded</b>	<b>\$ 13,750.00</b>	<b>\$ -</b>
Department of the Interior (Dol)	Identification of winter habitats and seasonal movements of American Alligators on the Albemarle Peninsula (Dinkelacker)	1-Jul-15	\$ 10,000.00	Funded	\$ 10,000.00	\$ -
MutualOne Charitable Foundation	Zero FX electric patrol motorcycle (Woollard)	27-Jul-15	\$ 9,690.00	Declined	\$ -	\$ -
<b>SUBTOTAL:</b>			<b>\$ 1,519,704.48</b>		<b>\$ 1,269,020.48</b>	<b>\$ 34,200.00</b>

**Summer 2015 - Patricia Bossange**

FY 2016 Pipeline document - Office of Grants and Sponsored Programs  
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MA Department of Higher Education	MetroWest Cybersecurity Partnership Project (collaboration with MBCC) (Greenberg)	1-Jul-15	\$ 100,000.00	Declined	\$ -	\$ -
<b>Wellington Management Foundation</b>	<b>Accelerating Preparation and Access to College for First Generation Students (Coffey)</b>	<b>1-Aug-15</b>	<b>\$ 35,000.00</b>	<b>Pending</b>		
Department of Early Education and Care	GBRC - ELCG (Thurston)		\$ 32,013.62	Funded	\$ 32,013.62	
<b>Center for the Advancement of Science in Space, Inc. (CASIS)</b>	<b>Associated Programs--Earth Odyssey Mission, Planetarium (Porro)</b>	<b>26-Aug-15</b>	<b>\$ 12,000.00</b>	<b>Funded</b>	<b>\$ 12,000.00</b>	<b>\$ -</b>
SUBTOTAL:			\$ 179,013.62		\$ 44,013.62	

<b>Fall 2015 - Jonathan Lee</b>						
NASA - 2015 Competitive Program for Science Museums, Planetariums and NASA Visitors Centers Plus Other Opportunities	McAuliffe Center--new immersive learning experiences (Porro)	7-Dec-15	TBD			
National Science Foundation (NSF) - Smart and Connected Health	Pancreatic mechanism (Jung)	10-Dec-05	TBD			
Commonwealth Corporation	Workforce Competitiveness Trust Fund (Greenberg)	16-Dec-15	TBD			
DHE PIF Consortial	MeteroWest College Planning Center (Coffey)	1-Sep-15	\$ 93,240.00	Funded	\$ 93,240.00	
<b>Spencer Foundation</b>	<b>Research and Outreach (Hara)</b>	<b>2-Nov-15</b>	<b>\$ 43,905.00</b>	<b>Pending</b>		<b>\$ -</b>
<b>National Science Foundation (NSF) and EDC</b>	<b>Massachusetts Exploring Computer Science Partnership (MECSP)</b>	<b>11-Jun-15</b>	<b>\$ 36,799.00</b>	<b>Funded</b>	<b>\$ 36,799.00</b>	<b>\$ 1,957.00</b>
Department of Early Education and Care - Early Learning Challenge Grant	Greater Boston Readiness Center (Barbara Jacobs)	30-Sep-15	\$ 23,392.49	Pending		\$ 1,732.78
National Endowment for the Humanities (NEH) - Summer Stipends	"By Clashes Quick and Sure": Text Mining Magazine Poetry of the First World War (Brinkman)	30-Sep-15	\$ 6,000.00	Pending		\$ -

FY 2016 Pipeline document - Office of Grants and Sponsored Programs  
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National Endowment for the Humanities (NEH) - Summer Stipends	The Rise and Fall of the Post Office in America (Adelman)	30-Sep-15	\$ 6,000.00	Pending		\$ -
SUBTOTAL:			\$ 209,336.49		\$ 130,039.00	

Fall 2015 - Patricia Bossange						
Hearst Foundations	Capital infrastructure (Hamel)	ongoing	TBD			
Third Sector New England	Inclusion Initiative (Coffey)	2-Dec-15	TBD			
Department of Early and Secondary Education (DESE)	ICE - Implementation (Bridges and Dargan)	23-Nov-15	\$ 88,000.00	Pending		
Sudbury Foundation	Capital support for the MW CPC (Coffey)	23-Oct-15	\$ 5,000.00	Pending		\$ -
Framingham Cultural Council	Capital infrastructure--Ram statue (Gustafson)	15-Oct-15	\$ 3,000.00	Pending		\$ -
SUBTOTAL:			\$ 96,000.00			

Winter 2015-2016 - Jonathan Lee						
Howard Hughes Medical Institute (HHMI)	2017 Inclusive Excellence (Carroll and Dignam)	1-Dec-15	\$ 1,000,000.00			
Framingham Union Aid Association	Nursing Program scholarships (Ferullo)	TBD	\$ 20,000.00			
SUBTOTAL:						

Winter 2015-2016 - Patricia Bossange						
Kresge Foundation	Public service program (Coffee)	TBD	TBD			
MetroWest Health Foundation	Mental health initiative--public kiosk (Welch)	16-Oct-15	TBD			
Marion and Jasper Whiting Foundation	Travel stipends (TBD)	11-Jan-16	TBD			
SUBTOTAL:						

Spring 2015-2016 - Jonathan Lee						
NSF	S-STEM (Carroll and Dignam)					

FY 2016 Pipeline document - Office of Grants and Sponsored Programs  
11/23/2015

SUBTOTAL:						
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**Spring 2015-2016 - Patricia Bossange**

SUBTOTAL:						

# 5.0 Enrollment and Student Development



**Board of Trustees Update**

Topic: Division of Enrollment and Student Development  
From: Lorretta M. Holloway, Interim VP for Enrollment and Student Development  
Date: November 17, 2017

**Financial Aid Report**

(please see attached)

**Fall 2015 Admissions Report**

(please see attached)

**Division Updates—in response to charge to increase cross division work**

- Division continues its Crosswalk meetings with Academic Affairs and is working on discussion of internal transfers admissions standards, retention efforts, and have developed several joint policy change requests to submit to Academic Policy Committee (Retention and Responsiveness)
- Division has been working closely with Finance division and Business Office to shift Student Accounts to change its reporting structure from Enrollment to Business Office (Responsiveness)
- VP currently working with World Languages department to develop an internship program for translation and interpretation (Recruitment, Retention, and Responsiveness)
- VP working in support of Irene Porro (McAuliffe Center)'s application for a million-dollar NASA grant for community education. College Planning Center is also working on this initiative. (Recruitment)
- Threat Assessment Team now includes faculty members. (Responsiveness)

**Enrollment**

- Common application has gone live, but we are also allowing the option for students to also use our old application system. (Responsiveness)
- Director of Admission will join International Programming on its trip to Bermuda to participate in the Bermuda College college fair and tour high schools. (Recruitment)

**Student Affairs**

- Framingham State University is one of fourteen institutions of higher education participating in Culture of Respect, a national pilot program on sexual assault prevention. Goals for the current year include expanded training to victim advocates, student leaders, and faculty and staff; increasing visibility of 24/7 resources for survivors; the provision of resources to faculty and staff for sharing information to students; specific plans for self-assessment of processes and advocate training. (Retention and Responsiveness)
- Information about the Housing and Food Insecurity Taskforce has been shared across campus and the Dean of Students Office has received referrals of students with needs in this area. A single point of contact has been identified (Michelle Yestrepesky, coordinator of student services), which has facilitated work in this area. Plans are in place to survey students on issues of housing and food insecurity to inform the work in this area. (Retention and Responsiveness)

# ADMISSIONS REPORT FALL 2015

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Framingham State Board of Trustees Meeting—December 1, 2015

Submitted by:

**Lorretta M. Holloway, PhD.**, Interim Vice President of Enrollment and Student Development

Contributors:

**Jeremy Spencer**, Dean of Enrollment

**Danielle Donovan**, Assistant Dean of Admissions and Director of Graduate Admissions

**Ann Caso**, Associate Director, Institutional Research

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This report focuses on historic undergraduate, graduate, and PBTL Acceptance, Yield, and Melt Rates.

Preliminary Outcomes: In the process of reviewing admissions numbers in the division related to recruitment, admissions, and enrollment, we discovered slight discrepancies in the numbers the Enrollment division uses and the numbers used by Institutional Research. These were caused by data differences between the Universe of Applicant and Weekly Reports and the Universe of Students (i.e.—registered students) reports. Therefore, for this report, the two offices worked together to align the data; however, this is a short term solution. We will continue to work closely with Institutional Research to locate the points in which information needs to be shared more readily and develop systems for this to be done in a synchronistic manner. For example, the Assistant Dean of Admissions is already working with Processing to develop a new deposit withdrawal code that indicates the students who we back-date withdraw after the add/drop deadline. We are also going to be working to get more historical data for minority enrollment in all areas as well as discovering ways to work on combining admissions data with financial aid data to create a strategic financial enrollment plan.

**FRESHMEN**

Year	Apps	Accepts	Accept %	Gross Deposit	Net Matric	Deposit Yield %	Melt	Matric Yield %	Minority Enrollment %
2015	4803	3401	70.81%	947	855	27.84%	9.71%	25.14%	31.50%
2014	5207	3243	62.28%	894	808	27.57%	9.62%	24.92%	27.20%
2013	5418	3035	56.02%	896	809	29.52%	9.71%	26.66%	25.70%
2012	5438	2809	51.66%	914	826	32.54%	9.63%	29.41%	21.30%
2011	4911	2864	58.32%	1034	924	36.10%	10.64%	32.26%	21.60%
2010	3461	2269	65.56%	795	722	35.04%	9.18%	31.82%	18.10%
2009	3647	2145	58.82%	795	724	37.06%	8.93%	33.75%	
2008	4319	2419	56.01%	723	650	29.89%	10.10%	26.87%	

**TRANSFER STUDENTS**

Year	Apps	Accepts	Accept %	Gross Deposit	Net Matric	Deposit Yield %	Melt	Matric Yield %	Minority Enrollment %
2015	1201	673	56.04%	488	384	72.51%	21.31%	57.06%	29.80%
2014	1285	723	56.26%	527	414	72.89%	21.44%	57.26%	31.20%
2013	1329	732	55.08%	528	413	72.13%	21.97%	56.42%	27.40%
2012	1393	787	56.50%	599	475	76.11%	20.87%	60.36%	29%
2011	1210	680	56.20%	534	433	78.53%	19.29%	63.68%	23.50%
2010	900	581	64.56%	471	388	81.07%	17.62%	66.78%	23%
2009	745	479	64.30%	388	310	81.00%	18.04%	64.72%	
2008	945	563	59.58%	436	341	77.44%	19.27%	60.57%	

**READMITS**

Year	Apps	Accepts	Accept %	Gross Deposit	Net Matric	Deposit Yield %	Melt	Matric Yield %
2015	186	164	88.17%	144	120	87.80%	16.67%	73.17%
2014	172	154	89.53%	133	116	86.36%	12.78%	75.32%
2013	180	162	90.00%	146	119	90.12%	18.49%	73.46%
2012	160	147	91.88%	130	106	88.44%	18.46%	72.11%
2011	140	128	91.43%	106	85	82.81%	19.81%	66.41%
2010	182	169	92.86%	155	127	91.72%	18.06%	75.15%
2009	157	128	81.53%	117	96	91.41%	17.95%	75.00%
2008	119	106	89.08%	99	82	93.40%	17.17%	77.36%

**NEW GRADUATE STUDENTS<sup>1</sup>**

Year	Apps	Accepts	Accept %	Gross Deposit	Net Matric	Deposit Yield %	Melt	Matric Yield %
2015	448	351	78.35%	326	268	92.88%	17.79%	76.35%
2014	411	287	69.83%	244	196	85.02%	19.67%	68.29%
2013	392	266	67.86%	208	185	78.20%	11.06%	69.55%
2012	534	387	72.47%	295	295	76.23%	0.00%	76.23%
2011	422	279	66.11%	199	199	71.33%	0.00%	71.33%
2010	475	318	66.95%	236	236	74.21%	0.00%	74.21%
2009	380	260	68.42%	179	179	68.85%	0.00%	68.85%
2008	414	326	78.74%	232	232	71.17%	0.00%	71.17%

<sup>1</sup> We did not begin employing the full enrollment funnel methodology (e.g., requiring a deposit and tracking melt) until 2013 for graduate and PBTL students; This is why the previous years show 100% yield and 0% melt.

**GRADUATE READMITS<sup>2</sup>**

Year	Apps	Accepts	Accept %	Gross Deposit	Net Matric	Deposit Yield %	Melt	Matric Yield %
2015	15	15	100.00%	15	14	100.00%	6.67%	93.33%
2014	15	15	100.00%	15	14	100.00%	6.67%	93.33%
2013	13	13	100.00%	13	9	100.00%	30.77%	69.23%

**PBTL STUDENTS**

Year	Apps	Accepts	Accept %	Gross Deposit	Net Matric	Deposit Yield %	Melt	Matric Yield %
2015	36	32	88.89%	25	16	78.13%	36.00%	50.00%
2014	54	40	74.07%	32	21	80.00%	34.38%	52.50%
2013	55	42	76.36%	29	25	69.05%	13.79%	59.52%
2012	62	45	72.58%	15	15	33.33%	0.00%	33.33%
2011	88	74	84.09%	41	41	55.41%	0.00%	55.41%
2010	91	72	79.12%	45	45	62.50%	0.00%	62.50%
2009	88	70	79.55%	42	42	60.00%	0.00%	60.00%
2008	63	51	80.95%	34	34	66.67%	0.00%	66.67%

**PBTL READMITS<sup>3</sup>**

Year	Apps	Accepts	Accept %	Gross Deposit	Net Matric	Deposit Yield %	Melt	Matric Yield %
2015	0	0	0.00%	0	0	0.00%	0.00%	0.00%
2014	6	4	66.67%	4	2	100.00%	50.00%	50.00%
2013	2	2	100.00%	2	2	100.00%	0.00%	100.00%

<sup>2</sup> We did not start accurately counting Graduate and PBTL readmits until 2013.

<sup>3</sup> ibid

**FRAMINGHAM STATE UNIVERSITY  
FINANCIAL AID PROGRAM: 2006-2014**

	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-15
<b>Federal</b>										
Grants \$	1,398,405.00	1,548,207.00	1,876,270.00	2,166,231.00	3,252,205.00	4,148,700.00	4,336,222.00	4,974,541.00	5,677,067.00	5,831,308.00
Student Loans \$	7,205,907.00	7,879,097.00	9,204,548.00	10,862,682.00	13,697,052.00	14,853,028.00	17,965,403.00	18,881,168.00	19,847,216.00	20,352,793.00
Work Study \$	143,297.00	153,317.00	131,141.00	128,280.00	138,824.00	132,564.00	109,934.00	101,929.00	98,316.00	92,928.00
<b>Total Federal \$</b>	<b>8,747,609.00</b>	<b>9,580,621.00</b>	<b>11,211,959.00</b>	<b>13,157,193.00</b>	<b>17,088,081.00</b>	<b>19,134,292.00</b>	<b>22,411,559.00</b>	<b>23,957,638.00</b>	<b>25,622,599.00</b>	<b>26,277,029.00</b>
<b>State</b>										
Grants \$	1,952,998.00	2,036,844.00	2,095,450.00	2,239,064.00	2,097,285.00	2,190,480.00	2,532,007.00	2,691,908.00	2,781,916.00	2,994,888.00
Loans \$	472,134.00	497,000.00	490,642.00	478,641.00	497,976.00	480,369.00	498,721.00	491,400.00	495,200.00	487,200.00
Housing Grant				144,000.00	180,000.00	216,000.00	252,000.00	288,000.00	288,000.00	288,000.00
<b>Total State \$</b>	<b>2,425,132.00</b>	<b>2,533,844.00</b>	<b>2,586,092.00</b>	<b>2,861,705.00</b>	<b>2,775,261.00</b>	<b>2,886,849.00</b>	<b>3,282,728.00</b>	<b>3,471,308.00</b>	<b>3,565,116.00</b>	<b>3,770,088.00</b>
<b>University</b>										
Need-Based Grants \$	394,564.00	543,695.00	813,160.00	581,352.00	668,325.00	895,014.00	1,171,281.00	1,135,164.00	1,269,514.00	1,140,399.00
Scholarships \$	417,603.00	387,797.00	260,002.00	286,721.00	301,152.00	352,753.00	489,114.00	578,354.00	661,245.00	764,663.00
College Work Study				45,832.00	59,800.00	87,341.00	38,491.00	22,600.00	-	2,840.00
<b>Total College \$</b>	<b>812,167.00</b>	<b>931,492.00</b>	<b>1,073,162.00</b>	<b>913,905.00</b>	<b>1,029,277.00</b>	<b>1,335,108.00</b>	<b>1,698,886.00</b>	<b>1,736,118.00</b>	<b>1,930,759.00</b>	<b>1,907,902.00</b>
<b>Foundation</b>										
Scholarships \$	80,000.00	98,250.00	178,347.00	226,225.00	231,825.00	283,685.00	322,850.00	344,250.00	355,250.00	353,000.00
Work Study			21,653.00	40,000.00	50,925.00	49,000.00	50,000.00	50,000.00	42,747.00	50,000.00
<b>Total Foundation \$</b>	<b>80,000.00</b>	<b>98,250.00</b>	<b>200,000.00</b>	<b>266,225.00</b>	<b>282,750.00</b>	<b>332,685.00</b>	<b>372,850.00</b>	<b>394,250.00</b>	<b>397,997.00</b>	<b>403,000.00</b>
<b>IAFSA</b>										
Scholarships \$	31,075.00	45,164.00	39,050.00	28,475.00	20,525.00	41,200.00	41,378.00	58,938.00	64,013.00	67,550.00
Loans \$	23,000.00	7,848.00	15,593.00	6,000.00	11,500.00	6,000.00	9,500.00	11,500.00	12,000.00	8,000.00
<b>Total IAFSA \$</b>	<b>54,075.00</b>	<b>53,012.00</b>	<b>54,643.00</b>	<b>34,475.00</b>	<b>32,025.00</b>	<b>47,200.00</b>	<b>50,878.00</b>	<b>70,438.00</b>	<b>76,013.00</b>	<b>75,550.00</b>
<b>Other Loans</b>										
Student MEFA Inspiration Loan			\$ 174,488.00							
Student Alternative Loan	924,926.00	1,644,302.00	1,668,640.00	1,891,090.00	1,248,078.00	1,794,348.00	2,351,551.00	2,936,490.00	2,813,335.00	3,049,588.00
MEFA Parent Loan	1,140,287.00	1,256,036.00	1,561,861.00	206,994.00	938,540.00	1,038,856.00	1,577,405.00	1,467,497.00	1,689,749.00	1,868,643.00
Federal Parent Plus Loan	943,178.00	971,138.00	797,926.00	1,399,155.00	967,114.00	1,095,568.00	1,578,384.00	1,658,375.00	2,087,004.00	2,367,507.00
<b>Total Other Loans \$</b>	<b>3,008,391.00</b>	<b>3,871,476.00</b>	<b>4,202,915.00</b>	<b>3,497,239.00</b>	<b>3,153,732.00</b>	<b>3,928,772.00</b>	<b>5,507,340.00</b>	<b>6,062,362.00</b>	<b>6,590,088.00</b>	<b>7,285,738.00</b>
<b>Other Outside Scholarships</b>										
Outside Reported Scholarships \$	291,379.00	278,779.00	262,466.00	265,343.00	223,624.00	196,795.00	280,508.00	244,199.00	342,340.00	303,926.00
<b>Total Loans \$</b>	<b>10,709,432.00</b>	<b>12,255,421.00</b>	<b>13,913,698.00</b>	<b>14,844,562.00</b>	<b>17,360,260.00</b>	<b>19,268,169.00</b>	<b>23,980,964.00</b>	<b>25,446,430.00</b>	<b>26,944,504.00</b>	<b>28,133,731.00</b>
Loans % Of Grand Total	70%	71%	71%	71%	71%	70%	71%	71%	70%	71%
<b>Total Grants and Scholarships \$</b>	<b>4,566,024.00</b>	<b>4,938,736.00</b>	<b>5,524,745.00</b>	<b>5,839,243.00</b>	<b>6,974,941.00</b>	<b>8,324,627.00</b>	<b>9,425,360.00</b>	<b>10,315,354.00</b>	<b>11,439,345.00</b>	<b>11,743,734.00</b>
Grants/Scholarships % of Grand Total	30%	29%	29%	29%	29%	30%	29%	29%	30%	29%
<b>Grand Total \$</b>	<b>15,418,753.00</b>	<b>17,347,474.00</b>	<b>19,591,237.00</b>	<b>20,996,095.00</b>	<b>24,584,750.00</b>	<b>27,861,701.00</b>	<b>33,604,749.00</b>	<b>35,936,313.00</b>	<b>38,524,912.00</b>	<b>40,023,233.00</b>

Updated 10/28/2015 D. Altshier



**Education Benefits Administered by the Department of Veterans Affairs (These are all Federal Programs)**

	Chapter 31	Chapter 33	Chapter 35	Chapter 1606	Chapter 1607
<b>Type:</b>	Vocational Rehabilitation and Employment	Post 9/11 GI Bill	Dependents Education Assistance	Montgomery GI Bill Selected Reserve	Reserve Educational Assistance Program
<b>Notes:</b>	For veterans with service connected disabilities	For veterans who served after 9/11/01. 40% - 100% tiered benefit based on time in service; 3 months provides 40%, 36 months provides 100% coverage.	For dependents of totally and permanently disabled veterans or dependents of veterans who were killed in action.	Guard and Reserve members who contracted this at time of enlistment	For Guard and Reservists who are activated in support of a contingency operation, i.e. natural disaster.
<b>Benefit Payment Information:</b>	Monthly stipend paid to student. <u>Tuition and fees paid directly to school, excludes housing and food.</u>	Monthly stipend paid to student. <u>Tuition and fees paid directly to school, excludes housing and food.</u>	Monthly stipend paid to student	Monthly stipend paid to student	Monthly stipend paid to student

**Education Benefits Administered by the Commonwealth (These are State Programs)**

	National Guard Tuition and Fee Waiver	Categorical Tuition Waiver
<b>Type:</b>	National Guard Tuition and Fee Waiver	Categorical Tuition Waiver
<b>Notes:</b>	For any active member of the MA Army or Air National Guard	For any veteran who is a resident of MA, student must meet the Commonwealth's definition of Veteran, which State and Federal definitions are effectively the same.
<b>Benefit Payment Information:</b>	<u>Tuition and fees paid directly to school, excludes housing and food.</u>	Undergrad: day tuition waived DGCE: offers waiver, which means DGCE absorbs cost

# 6.0 Inclusive Excellence

**Board of Trustees Update – Inclusive Excellence**

**Office of the CDIO**

- **FSU Response to National Issues Regarding Campus Racism and Bias** – In response to the many issues of racism and other forms of bias that college campuses across our country are facing, FSU has taken the following measures:
  - An “Open letter to Students” from President Cevallos was published in the FSU Gatepost on November 13, 2015. The letter reminded students that as an institution, Framingham State University does not condone “actions or behaviors that perpetuate marginalization, bias, hate, or discrimination.”
  - An email was sent to all FSU Faculty on Tuesday, November 17, 2015 (attached) from Chief Diversity & Inclusion Officer Sean Huddleston encouraging all faculty members to engage students in discussions in their classrooms about what is happening in the national agenda on college campuses regarding racism and other forms of bias. Resources were also provided to faculty to assist in planning and conducting these discussions.
  - FSU administrators participated in the annual Student Government Association Administrator’s Forum on November 17, 2015. The primary topic of discussion was how bias incidents are handled on our campus. Students expressed concerns regarding how recent incidents have been addressed.
  - A Student Voices Open Forum is scheduled for November 30, 2015. This forum will provide an opportunity for students to share questions, concerns and feedback about recent incidents and protests occurring on college campuses nationally as well as their experience at FSU.
  - Many students have identified the residence halls as “ground zero” regarding issues of racism and other forms of bias. To address this, Residence Life professional staff and Resident Assistants will complete training on the FSU Bias Incident protocol, as well as cultural competence and sensitivity training. President Cevallos, Dr. Lorretta Holloway, Sean Huddleston and Rita Colucci will also conduct a “Listening Tour” in the Residence Halls early in the spring semester to hear from students regarding their experiences in living on campus.
  - A “Teach In” on the Black Lives Matter movement is being organized by Dr. Virginia Rutter and Dr. Xavier Guadalupe-Diaz, both Sociology Professors. The Teach In will occur during the week of February 22, 2016. Thus far, over 40 Professors from ten different academic departments have agreed to dedicate a class to teaching students about the Black Lives Matter movement that week. The culminating event will be a Town Hall Meeting to be held in early March to synthesize the teaching and discussions from the Teach In session.
  - We are in the process of developing other initiatives to provide education and training on civil discourse for students.



# SLAVERY by Another Name

## Ten Tips for Facilitating Classroom Discussions on Sensitive Topics

By Alicia L. Moore and Molly Deshaies

All teachers will inevitably teach about sensitive topics. These topics may range from racism, forced labor or slavery to bullying, sexual orientation, and gender biases — and may be completely unexpected. Any topic of a sensitive nature may make even the best of teachers uncomfortable when exploring the topic with students. Our natural reaction is often to shy away from difficult or controversial topics, or to approach them from a superficial, strained or halfhearted standpoint. But many times these topics are crucially important to students' awareness of the world and its social, moral, political and civic underpinnings. Students deserve to be taught about these topics in authentic, engaging and purposeful ways.

To provide teachers with a framework for tackling sensitive topics, we have compiled a tip sheet to use when facilitating discussions or teaching about sensitive topics in the classroom. These techniques will provide a foundation of confidence for the facilitator and can be used in elementary, secondary or postsecondary settings.

**1. Set the stage.** In order for students to express their opinions and participate in classroom discussions about sensitive subjects, they need to feel safe and not fear retaliation for comments they make during the discussion. It is best to establish a supportive classroom atmosphere with ground rules for discussions early in the semester, but be sure to at least do so before beginning a class discussion about a sensitive issue. The University of Michigan Center for Research on Learning and Teaching offers these six rules to establish in order to foster a more productive discussion:

- “Listen respectfully, without interrupting.
- Respect one another’s views.
- Criticize ideas, not individuals.
- Commit to learning, not debating.
- Avoid blame and speculation.
- Avoid inflammatory language.”<sup>1</sup>

You also need to set the stage in terms of the students' readiness to discuss the issue(s) at hand. Students should be intellectually and emotionally prepared. In “How Parents and Teachers Should Teach Children about Slavery,” the author explains, “One aspect to

consider involves presenting prerequisite concepts, knowledge, and skills within the Social Studies that prepare students for the information. This entails a careful examination of what is developmentally and age appropriate ... and involves an understanding of how to be responsive to, and sensitive of, all children within the classroom community.”<sup>2</sup>

**2. Know yourself.** Before facilitating a discussion about possibly sensitive topics, it is important that you consider your own biases or confusion surrounding the issue.<sup>3</sup> How have you come to know what you know or think what you think? Why have you valued some information or sources over others? When seeking to help students understand others or study historically sensitive topics, it is important to discuss the concepts of empathy and perspective. We are all products of our society and culture, and attitudes and values change. Discussing a moment when your own ideas changed may help model the open-mindedness and conscientious self-reflection that you hope to inspire.<sup>4</sup>

**3. Recognize the diversity of your students.** It is important to remember that each of the students in your classroom comes from a unique background (regardless of race) and has had different experiences. See this diversity as an asset. Authentic opportunities for learning happen when students are exposed to many different perspectives. Give students the opportunity to express their views and make it your goal to understand, value and respect the backgrounds and experiences that formed them.<sup>5</sup> Teach your students to do the same.

**4. Set a framework and objective for the discussion.** To get the most out of your discussion, when possible state an objective for the discussion that connects to the curriculum or standards. Also establish a framework for the discussion with a specific focus. This will keep the students on task and ensure that your goals for the discussion are met.<sup>6</sup> Also keep in mind that a static objective for these discussions should be based upon providing students with opportunities to “engage in experiences that develop fair-mindedness, and encourage recognition and serious consideration of opposing points of view, respect for well-supported positions, sensitivity to cultural similarities and differences, and a commitment to individual and social responsibility.”<sup>7</sup>

**5. Provide a common base for understanding.** The Center for Research on Learning and Teaching at the University of Michigan suggests assigning readings or showing a video clip about a particular conflict or topic to prompt discussion. Using materials that provide a context for examining diverse perspectives allow students to gain an awareness of others’ views, and offer students a framework in which to expand their knowledge about conflicting positions they might otherwise disregard. Like having a set objective and framework, these complementary materials will help focus the discussion.<sup>8</sup>

**6. Be an active facilitator.** As the teacher you should neither dominate the discussion nor passively observe. Your role as the teacher should include intervening in the discussion to:

- Provide reminders about respecting the right of others to have differing opinions,

- re-word questions posed by students,
- correct misinformation,
- ask for clarification,
- review the main points, and
- make reference to relevant reading materials or course content.<sup>9</sup>

**7. Foster civility.** There is a good chance that discussions about sensitive topics may become heated. The main goal of fostering civility is to protect your students from feeling personally attacked. Make sure students understand that it is okay to disagree, but keep comments focused on the *ideas* and not the *people* who share their ideas.<sup>10</sup>

**8. Be prepared to deal with tense or emotional moments.** When discussing sensitive issues or difficult topics, it is very possible that some students will get angry or upset. If this happens, remain calm and try to turn it into a learning experience. Don't avoid the issue, but do defer it until you make a plan for dealing with it if necessary.<sup>11</sup>

**9. Summarize.** At the end of the discussion, summarize the main points. You can also ask students for quick written feedback about the discussion, which you can discuss during the next class.<sup>12</sup> Allowing students to summarize provides opportunities for student to recall, review and reflect upon the content of the discussion.

**10. Reflect.** Reflecting plays a key role in two ways. First, encourage students to actively reflect on the comments made by other students, especially those they may disagree with. Second, leave time after the discussion for students to record their reflections in writing. This time will allow quieter students an opportunity to respond privately to the instructor, and allow everyone a chance to unwind and think calmly about his or her views on the issue.<sup>13</sup> Ask students to think about whether there are new ideas, opinions or opportunities for further discussions, awareness and reflection. Use their responses to develop extension activities that will build community and support differing viewpoints.

## S.E.N.S.I.T.I.V.E ACROSTIC

Every teacher will inevitably face a moment in the classroom when a sensitive topic, situation or event arises. You can never be sure of *when* these topics will come up, but you can prepare yourself. Use the following tips to guide the way you facilitate discussions surrounding sensitive topics .

**S**et the stage for difficult conversations by assessing student readiness based on realistic, non-biased expectations. Set the stage by creating a supportive environment based on respect. Provide a framework that sets objectives connected to the curriculum when possible.

**E**nable and facilitate the discussion of *ideas*, not people. The teacher must support students and enhance their opportunities to grow in the discussion. The facilitator provides guidelines for safe, productive and respectful discussions and for interventions such as dispelling myths, helping students make curricular connections and clarifying students' contributions to the conversation. Taking this role seriously can be the difference between a successful or unsuccessful conversation.

**N**ever allow your personal biases and opinions to influence the facts or get in the way of opportunities for students to examine diverse perspectives. Know your biases and be aware of their impact on your thoughts, attitudes and behaviors related to teaching.

**S**eek out age- and grade-level appropriate digital media, readings and other materials that allow students to begin with baseline knowledge and that will be the basis of discussions. Identify materials that show students to “see both sides”: illustrate diverse perspectives and provide students with opportunities to analyze, synthesize and evaluate content discussed.

**I**nterpersonal classroom activities that involve discussing sensitive or controversial issues should be complemented with intrapersonal activities like self-reflection and personal awareness. Allowing the students to have time to reflect on their feelings, conscious and unconscious thoughts, and any new learning provides enhanced opportunities for growth. Seek feedback from students to inform your instructional decisions about upcoming lessons.

**T**he act of summarizing conversations, either orally or in writing, provides students with a chance to recall new or interesting information, and review what was said and how it fits or conflicts with personally held thoughts and opinions. Summarization serves as a foundation for possible subsequent actions such as making personal changes, examining new perspectives, or learning to respect and value the diverse perspectives of others.

**I**nvoke disagreement. Encourage students to speak up with different opinions — while still maintaining decorum. It is up to you to foster and maintain civility in your classroom and to

help students understand the guidelines for discussing difficult ideas. One way to view civility is through the lens of the Golden Rule: *Do unto others as you would have them do unto you*. Remind students that we all have the right to agree or disagree with others' perspectives on sensitive topics.

**V**alue the diversity of your students as an asset. Teach your students to do the same. Your actions affect the culture and climate of your classroom. In a classroom that truly values the contributions and differences of all students, authentic opportunities for teaching and learning are nurtured and embraced by all stakeholders.

**E**motional and tense moments may arise during discussions about sensitive issues. Be prepared to help students work through them. Acknowledge that there may be times when they feel uncomfortable talking about the issue. Speak to this discomfort and share your personal thoughts and feelings about discomfort you may feel.

**About the Authors:**

Alicia Moore is Associate Professor, Southwestern University and Molly Deshaies is an Elementary Education major, Southwestern University.

## Notes:

1. Center for Research on Learning and Teaching, University of Michigan (2011). *Guidelines for discussion of racial conflict and the language of hate, bias, and discrimination*. <http://www.crlt.umich.edu/publinks/racialguidelines.php> (accessed October 19, 2011).
2. Pearson, K. (2011, April 19). *How parents and teachers should teach children about slavery*. <http://www.blogger.com/how-parents-and-teachers-should-teach-children-about-slavery> (accessed October 19, 2011).
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## Resources:

1. Neal, L. I., Moore, A. L. (2003). When bad things happen to good people: Human rights at the core. *Social Studies and the Young Learner*, 15(3), 1-4. <http://www.cedu.niu.edu/aboutus/dean/aboutDean/scholarship/WhenBadThingsHappen.pdf>

2. It's not so black and white: Discussing racial issues can make students and teachers uncomfortable, Beverly Daniel Tatum:  
<http://www.scholastic.com/teachers/article/itx2019s-not-so-black-amp-white>
3. *Teaching Young Children About Slavery Using Literature*, Judith Y. Singer:  
[http://people.hofstra.edu/alan\\_j\\_singer/Gateway%20Slavery%20Guide%20PDF%20Files/1.%20Introduction/4.%20Introduction/6.%20Slavery%20literature.pdf](http://people.hofstra.edu/alan_j_singer/Gateway%20Slavery%20Guide%20PDF%20Files/1.%20Introduction/4.%20Introduction/6.%20Slavery%20literature.pdf)
4. Slavery and the Making of America: <http://www.pbs.org/wnet/slavery/>
5. Association for the Study of African American Life and History Black History Bulletin: African Americans and the Civil War; Volume 73, No. 2.
6. Tackling Tough Topics: <http://teachinghistory.org/teaching-materials/ask-a-master-teacher/23901>
7. Difficult Situations, Vanderbilt University's Center for Teaching (CFT) site:  
<http://cft.vanderbilt.edu/teaching-guides/interactions/difficult-situations/>

## TIPS FOR TEACHERS:

# ENCOURAGING STUDENTS IN A RACIALLY DIVERSE CLASSROOM

## Topics:

### The Cardinal Rule

### Questions a teacher might ask to examine his or her own racial or cultural biases in preparation for teaching

### What a teacher can do in preparation for class

### What a teacher can do to be sure the classroom itself is open to all students

### What a teacher can do to handle hot moments

### Some helpful definitions

Colleges and universities are at a turning point. The student population is more and more diverse, and colleges are experiencing pressure to broaden both their curriculum and the cultural and ethnic representation of their faculty. Teachers of many years are being asked to acknowledge and accept students with perspectives other than their own and to include in their syllabi material that may be unfamiliar and uncomfortable. Additionally they are being asked to increase their awareness of classroom dynamics and assume an expanded responsibility for the well-being of their students. All of us are asked to reexamine our own assumptions -- about our students, our course content, our universities, and even ourselves. Our collective ability to respond to and be enriched by these challenges will determine the success of our institutions in the next century.

None of this is easy. Among other things, it leaves people feeling uncertain about how to proceed and how to behave. In this context, we have put together this Tip Sheet, with the hopes that it will help people to work in a multicultural university or college with greater effectiveness and pleasure.

When teaching in a multicultural context, we suggest that teachers prepare themselves in several ways. (1) Begin to assess one's own conscious and unconscious biases about people of cultures other than one's own. (2) Plan the course with the multicultural context in mind: to think of syllabi, course assignments, and potential classroom dynamics in these terms. (3) Find ways to make the actual classroom open and safe for all students, and to make the material accessible for all students. (4) Learn how to deal with hot moments and hot topics.

This Tip Sheet provides some suggestions for all of these stages of teaching in a multicultural context. Undoubtedly, readers will have their own suggestions; we would appreciate comments and further thoughts.

### **THE CARDINAL RULE:**

1. Learn as much about and become as sensitive as you can to racial, ethnic, and cultural groups other than your own.

At the same time:

2. NEVER make assumptions about an individual based on the racial, ethnic, or cultural groups he or she belongs to. Treat each student first and foremost as an individual. Get to know students individually.

### **Questions a teacher might ask to examine his or her own racial or cultural biases in preparation for teaching:**

\* Am I comfortable around minority students?

\* Am I afraid of students whose background differs markedly from my own?

\* Am I afraid of the emotional level when there are students of other races and cultures in my classroom?

\* Am I afraid minority students might not be fully competitive with the other students? What is my definition of "fully competitive"?

\* Do I expect minority students to need extra help?

\* Do I call on minority students as often as others?

- \* When minority students do answer, am I afraid their answers will not be correct, or that their method of answering will be inappropriate?
- \* Do I think that there is one correct or appropriate mode of argument or discussion in class? How open am I to multiple modes of discourse?
- \* Do the minority students seem to participate less than others?
- \* Do I rationalize or tolerate lack of participation from minority students more than I would for other students? Do I think their silence means ignorance? Do I believe it is culturally based?
- \* Do I tend to shelve or "make time later" for minority points of view?
- \* If an issue involving race does come up, do I assume the minority student will know most about it? Will not mind acting as the class expert concerning it?
- \* How do I behave with minority students who are under-prepared?
- \* Does the logic of my classroom hypotheticals or test answers depend upon stereotypical views of minorities?
- \* What assumptions do I make about different student groups:
- \* Do I imagine that Latinos or African Americans will express their opinions in non-academic language?
- \* Do I expect that Asian students will do better than most others?
- \* Do I respond to a white student's voice as if it had more intellectual weight?
- \* Do I assume that white students will be insensitive, arrogant, and condescending towards persons of color?
- \* Do I assume that African Americans or Latinos or other students of color are all alike?
- \* Do I assume that when an African American man disagrees he is angry?
- \* Do I assume that Asian women are likely to be quiet?

### **What a teacher can do in preparation for class:**

- \* Develop a syllabus that explores multiple perspectives on the topic.
- \* Develop paper topics that encourage students to explore different racial and cultural perspectives.
- \* Assign the work of minority scholars relevant to the topic being studied.
- \* Consider how all students would experience the syllabus.
- \* Consider whether students of all cultures are likely to have a background in the material.
- \* Consider whether different approaches to learning are accounted for.
- \* Anticipate sensitive areas in the subject matter being taught.
- \* Think in advance about how one might handle sensitive topics or explosive moments.
- \* Incorporate multicultural examples, materials, visual aids as much as possible in lectures.
- \* Structure project groups, panels, laboratory teams, and the like so that membership and leadership roles are balanced across ethnic and gender groups.

### **What a teacher can do to be sure the classroom itself is open to all students:**

- \* Get to know each student individually. Learn their names and how to pronounce them correctly.
- \* Divide the class into smaller groups, each with the responsibility of reporting on the material from the viewpoint of a particular minority group.
- \* Ask students to locate cultural or even discriminatory content in textbooks or other materials.
- \* Ask for each student's thoughts about the subject, acknowledging the statement of each as it is made. This lets students know from the very beginning that their thoughts have a place in the classroom, that there are differences, and that the differences will be tolerated.
- \* Make it safe for everyone to voice their views by accepting all views as worthy of consideration. Don't permit scapegoating of any student or any view. Team up with a student who is alone out on a limb.

- \* Present all sides of an issue. Play the devil's advocate for the least popular view.
- \* Ask students to research the position they are least comfortable with and come prepared to articulate a defense of that posture.
- \* Acknowledge racial and cultural differences in the room. Ask students to discuss racial tensions or cultural outlooks when they come up in class or in the materials.
- \* Make the classroom norms explicit.
- \* Keep expectations high and provide the support required to meet these expectations.
- \* Be careful about the language you use, avoiding terms or expressions, like "black sheep," that might be offensive. If you use fictitious names or examples in discussions or on exams, use names from a variety of cultures.
- \* Avoid discussing particular racial groups or race-related issues with a focus that is derogatory or stereotypical to the race. e.g., talking about blacks only in the context of ghettos, welfare, or gangs.
- \* Use eye contact with all students; be open and friendly outside of class.

### **What a teacher can do to handle hot moments:**

- \* Ask students, when there is a particularly heated exchange, to step back and see how they might make something positive of this exchange, what they can learn from it. This can move the discussion to a broader, more general level that helps everyone to see what issues have been at stake and what the clash itself might mean.
- \* Ask students to think about how their reactions mirror the subject at hand, and what they might learn about the subject from their own behavior. Often groups act out or replicate in their own discussion the topic under discussion. Thus a discussion of a case in which race is a factor which has been denied may mirror the case by avoiding the issue of race. Seeing this can enhance people's understanding of the issues.
- \* If a student makes a blatantly racist assertion or there is a particularly charged discussion, stop the class and give all the students an assignment for the next class meeting to research this statement and write a short essay about their findings. Alternatively, ask students to write about the issue for five minutes in class. This enables students to think about and come to some kind of terms with the issue

and can enable further discussion of it.

\* Go around the room and ask each student who has spoken (and others if they wish) to state his or her view and explain the reasoning behind it. Every student is heard and the class can be enriched by the range of perceptions.

\* Use the passion as a vehicle to talk about differences in kinds and levels of discourse: who is comfortable with emotion and who is not, who favors personalizing material and who prefers to keep it abstract, whether or not there are cultural differences that underlie these differences.

\* Use the passion and arguments to look at how group dynamics work -- who speaks and who does not, who allies him or herself with whom, who plays what role -- and to think about how the group wants to work.

In short, the teacher will have to decide whether to stop the emotional charge and go on, or whether to use it to explore the topic at hand. Often when things get most hot, people are most capable of learning at a very deep level, if the exchange among students is properly handled. To make this possible, however, requires comfort with feelings and with conflict and enormous skill on the part of the teacher.

### **Some helpful definitions:**

We have been helped by the following definitions, which distinguish between racism and other realities often associated with discussions of race.

\* **Prejudice:** prejudgment on insufficient grounds; can be positive or negative.

\* **Bigotry:** more intensive form of prejudice and carries the negative side of prejudgment.

\* **Stereotyping:** attributing characteristics to a group simplistically and uncritically.

\* **Discrimination:** the act or practice of according differential treatment to persons on the basis of group categories such as race, religion, sex, class.

\* **Scapegoating:** assigning blame or failure to persons or groups in place of other persons or groups to whom blame or failure actually belongs.

\* **Racism:** a set of attitudes, behaviors, and social structures that differentiates on the basis of race. It involves four essential elements:

- \* **Power:** the capacity to make and enforce decisions is disproportionately or unfairly distributed.
- \* **Resources:** access to such resources as money, education, information, etc. is unequal.
- \* **Standards:** standards for appropriate behavior are ethnocentric, reflecting the norms and values of the dominant society.
- \* **Problem Defining:** reality is defined by naming the problem incorrectly and thus misplacing it.

Produced by the Derek Bok Center for Teaching and Learning and the Office of Race Relations and Minority Affairs at Harvard University. Special thanks to Ron Salley, Emily C. (Rusty) Wadsworth, Robert Terry, and Nancy Richardson for their contributions.

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**Derek Bok Center for  
Teaching and Learning  
Harvard University** Science Center 318  
One Oxford Street  
Cambridge, MA 02138-2901  
Voice: (617) 495-4869 \* Fax: (617) 495-3739  
<http://bokcenter.harvard.edu>

**From:** Sean Huddleston  
**Sent:** Tuesday, November 17, 2015 7:33 AM  
**To:** FACULTY  
**Subject:** Classroom Conversations about Bias  
**Attachments:** Ten Tips for Facilitating Classroom Discussions on Sensitive Topics\_Final.pdf; Encouraging Students in a Racially Diverse Classroom.PDF

Dear Faculty,

As many of you are aware, recent incidents of racial bias that are happening on college campuses across the country have resulted in heightened tensions both inside and outside the classroom. Much of what is being reported seems to indicate that these incidents are the result of long-standing, structural issues of racism and other forms of bias that have become embedded in the culture of these institutions. These campuses must now begin the work of dismantling inequity and try to commence in healing their respective campus communities.

At Framingham State University, we are sending clear messages that as an institution, we simply do not condone actions or behaviors that perpetuate marginalization, bias, hate, or discrimination. Creating and maintaining an *inclusive and collaborative community* is a core value at Framingham State, and we are all committed to upholding this value. This core value encourages us to learn from each other through informed, clear and open communication.

Many of our students have indicated that they would like to be able to have productive discussions about current issues regarding racism, bias and other forms of inequity while in their classes at FSU. Thus, I would like to encourage each of you to engage our students in discussions about what is happening in the national agenda when possible. Undoubtedly, these discussions can lead to moments of tension and conflict, and productive dialogue may become very difficult to achieve. To help you, I have attached two documents that provide some information and guidance on how to plan for and conduct these types of discussions in the classroom. I am sure that there are many other great resources out there as well. I also would like to make our resources available to you for assistance. I am available to meet with you to plan for or respond to these discussions if needed. I can also come to your classrooms to help facilitate the conversations if you would like.

Please feel free to contact me if you have any questions or would like to discuss this more. I look forward to our continued work together in supporting our students and helping to make FSU a safe and welcoming community for all.

Best Regards,

Sean L. Huddleston  
Chief Diversity & Inclusion Officer  
Framingham State University  
100 State Street  
P.O. Box 9101  
Framingham, MA 01710-9101  
P 508.626.4515 F 508.626.4002  
Email: [shuddleston@framingham.edu](mailto:shuddleston@framingham.edu)  
Website: <https://www.framingham.edu/the-fsu-difference/inclusive-excellence/>



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Inclusive Excellence at Framingham State University

# 7.0 Administration, Finance, and Technology



**I. Trustee Information/Discussion Items**

**a. FY2015 Audited Financial Statements**

**Attachment #1**

- BOT Finance Committee (FinCom) and Compliance, Audit and Risk Committee (CAR) reviewed draft financial statements; required reporting back to the full BOT
  - MD&A highlights to be presented
  - No management letter findings

**b. State Auditors Review and Risk Assessment Update**

- The Risk Assessment Initiative (DeLoitte) is underway with an expected completion around the end of the calendar year
- Further, the State Auditors have commenced an engagement to review the following areas:
  - Internal control plan and risk assessment
  - Inventory
  - Procurement of non-payroll expenditures including procurement card program
  - Jeane Clery Act (crime reporting)
  - Information systems security
  - Employee separations from the University

**c. FY2016 Budget Update**

**Attachment #2**

- Supplemental appropriation support funding of \$2.3M for the state university segment in support of collective bargaining costs; anticipated FSU funding of \$260K
- Reduction in anticipated revenue of \$380K due to Day and DGCE enrollments below targets
- Net reductions in selected expenditures of \$120K
  - Potential reinstatement of selected reductions if additional state funding (for reimbursement of national guard tuition waivers) is provided
- *Aggregate \$0 net impact*

**II. Trustee Action Items**

**a. Property Acquisitions and Financing Approvals**

● **860 Worcester Road**

**Attachment #3**

- \$1.5M project funds; *up to \$1,685,000* financing
- Reimbursement to FSU for purchase costs as well as renovation costs funding

● **89 Mt. Wayte Avenue (Perini Property)**

**Attachment #4**

- \$3.2M project funds; *up to \$3,590,000* financing
- Acquisition and parking lot development costs

● **Warren Conference Center and Inn**

**Attachment #5**

- \$1.5M project funds; *up to \$1,685,000* financing
  - Represents FSU's share of acquisition costs (total project cost of \$8.0M)
  - Remainder of costs covered through state funds

**b. Personnel Action Items**

**Attachment #6**

**Framingham State University**

**Independent Accountant's Report on  
Management's Assertions on Compliance with  
Specified Requirements Applicable to the  
Massachusetts Office of Student Financial  
Assistance Program Cluster**

**June 30, 2015**

# Framingham State University

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Independent Accountant's Report on Management's Assertions on Compliance  
with Specified Requirements Applicable to the Massachusetts Office of Student  
Financial Assistance Program Cluster

The Board of Trustees  
Framingham State University  
Framingham, Massachusetts

We have examined management's assertions, included in its representation letter dated October 27, 2015, that Framingham State University complied with the following compliance requirements as specified in The Massachusetts Office of Student Financial Assistance Attestation Guide (Fifth Edition, August 2013) for the year ended June 30, 2015:

- Institutional eligibility
- Student eligibility
- Reporting
- Disbursements
- Refunds

As discussed in that representation letter, management is responsible for Framingham State University's compliance with those requirements. Our responsibility is to express an opinion on management's assertions about Framingham State University's compliance based on our examination.

Our examination was made in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included examining, on a test basis, evidence about Framingham State University's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Framingham State University's compliance with specified requirements.

In our opinion, management's assertion that Framingham State University complied with the aforementioned requirements for the year ended June 30, 2015 is fairly stated, in all material respects.

This report is intended solely for the use of the Department of Higher Education of the Commonwealth of Massachusetts, the Office of the State Auditor, the Office of the State Comptroller of the Commonwealth of Massachusetts and the Board of Trustees, management and others within Framingham State University, and is not intended to be and should not be used by anyone other than these specified parties.



Boston, Massachusetts  
October 27, 2015

**Framingham State University**  
**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2015**

NONE

**Framingham State University**  
**Summary Schedule of Prior Findings**  
**Year Ended June 30, 2015**

NONE

## Independent Auditor's Report on Supplementary Information

The Board of Trustees  
Framingham State University  
Framingham, Massachusetts

We have audited the financial statements of the business-type activities and discretely presented component unit of Framingham State University (a department of the Commonwealth of Massachusetts) as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Framingham State University's basic financial statements, and have issued our report thereon, dated October 27, 2015, which contained unmodified opinions on those financial statements. We did not audit the financial statements of Framingham State University Foundation, Inc. Those financial statements were audited by other auditors whose reports thereon were furnished to us, and our opinion on the basic financial statements of Framingham State University, insofar as it relates to the amounts included for the entity not audited by us included in the discretely presented component unit of Framingham State University, was based solely on the report of the other auditors. We conducted our audit 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. Our audit was conducted for the purpose of forming opinions on the financial statements of Framingham State University as a whole. The supplementary information included on pages 6 to 8 is presented for purposes of additional analysis and to comply with the reporting requirements of the Massachusetts Office of Student Financial Assistance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the information and use of the Department of Higher Education of the Commonwealth of Massachusetts, the Office of the State Auditor and the Office of the State Comptroller of the Commonwealth of Massachusetts and the Board of Trustees, management and others within Framingham State University, and is not intended to be and should not be used by anyone other than these specified parties.



Boston, Massachusetts  
October 27, 2015

**Framingham State University**

**Schedule of Population, Items Tested and Findings for  
Massachusetts State Financial Aid Program Cluster**

**Year Ended June 30, 2015**

	<u>Description of category</u>	<u>Number of students</u>	<u>Percent of population</u>	<u>Amount of awards</u>	<u>Percent of population</u>
General Scholarship (MASSGrant)	Population	1,066	100.00%	\$ 766,350	100.00%
	Tested	16	1.50%	10,100	1.32%
	Findings	-	0.00%	-	0.00%
Christian Herter Memorial Scholarship	Population	1	100.00%	9,300	100.00%
	Tested	1	100.00%	9,300	100.00%
	Findings	-	0.00%	-	0.00%
Part Time Student Grant	Population	17	100.00%	6,275	100.00%
	Tested	1	5.88%	450	7.17%
	Findings	-	0.00%	-	0.00%
Need Based Cash Grant Program	Population	735	100.00%	778,574	100.00%
	Tested	12	1.63%	16,000	2.06%
	Findings	-	0.00%	-	0.00%
Massachusetts No Interest Loan	Population	284	100.00%	487,200	100.00%
	Tested	4	1.41%	7,200	1.48%
	Findings	-	0.00%	-	0.00%
Completion Incentive Grant Fund	Population	65	100.00%	103,700	100.00%
	Tested	2	3.08%	4,000	3.86%
	Findings	-	0.00%	-	0.00%
Massachusetts Foster Child Grant	Population	9	100.00%	46,600	100.00%
	Tested	1	11.11%	6,000	12.88%
	Findings	-	0.00%	-	0.00%

**Framingham State University**

**Schedule of Population, Items Tested and Findings for  
Massachusetts State Financial Aid Program Cluster  
Year Ended June 30, 2015**

	<u>Description of category</u>	<u>Number of students</u>	<u>Percent of population</u>	<u>Amount of awards</u>	<u>Percent of population</u>
Early Childhood Educators Scholarship	Population	5	100.00%	\$ 14,800	100.00%
	Tested	1	20.00%	3,600	24.32%
	Findings	-	0.00%	-	0.00%
John & Abigail Adams Scholarship	Population	411	100.00%	378,606	100.00%
	Tested	6	1.46%	4,365	1.15%
	Findings	-	0.00%	-	0.00%
Massachusetts High Demand Scholarship	Population	1	100.00%	1,000	100.00%
	Tested	1	100.00%	1,000	100.00%
	Findings	-	0.00%	-	0.00%
GEAR UP Scholarship	Population	30	100.00%	28,012	100.00%
	Tested	1	3.33%	800	2.86%
	Findings	-	0.00%	-	0.00%
Need Based Tuition Waiver	Population	604	100.00%	461,384	100.00%
	Tested	16	2.65%	12,871	2.79%
	Findings	-	0.00%	-	0.00%
Categorical Tuition Waiver	Population	51	100.00%	73,045	100.00%
	Tested	1	1.96%	11,544	15.80%
	Findings	-	0.00%	-	0.00%

**Framingham State University**

**Schedule of Population, Items Tested and Findings for  
Massachusetts State Financial Aid Program Cluster  
Year Ended June 30, 2015**

	Description of category	Number of students	Percent of population	Amount of awards	Percent of population
Joint Admission Tuition Advantage Program Tuition Waiver	Population	44	100.00%	\$ 10,539	100.00%
	Tested	2	4.55%	482	4.57%
	Findings	-	0.00%	-	0.00%
Senator Paul E. Tsongas Scholarship Tuition Waiver	Population	5	100.00%	4,850	100.00%
	Tested	1	20.00%	970	20.00%
	Findings	-	0.00%	-	0.00%
DCF Adopted Child Tuition Waiver & Fee Assistance Program	Population	13	100.00%	87,670	100.00%
	Tested	1	7.69%	7,350	8.38%
	Findings	-	0.00%	-	0.00%
DCF Foster Child Tuition Waiver & Fee Assistance Program	Population	11	100.00%	69,825	100.00%
	Tested	1	9.09%	7,350	10.53%
	Findings	-	0.00%	-	0.00%
Stanley Z. Koplik Certificate of Mastery Tuition Waiver	Population	16	100.00%	15,520	100.00%
	Tested	1	6.25%	970	6.25%
	Findings	-	0.00%	-	0.00%
Valedictorian Tuition Waiver	Population	1	100.00%	970	100.00%
	Tested	1	100.00%	970	100.00%
	Findings	-	0.00%	-	0.00%

See Independent Auditor's Report on Supplementary Information on Page 5.

## FY2016 Operations Budget Update

The following significant adjustments have been made to the FY2016 FSU General Operating Budget:

Item	Adjustment	Comment
Revenues	\$110,000	
<b>State Supplemental Funding for Collective Bargaining Costs</b>	<b>\$260,000</b> +1.0%	<i>Estimated impact of State Supplemental Appropriations funding for collective bargaining associated costs</i>
State Supplemental Funding for National Guard Tuition Waivers reimbursements	\$230,000 +0.8%	<i>Estimated reimbursement for costs of waivers in FY2014 and FY2015 that were not previously reimbursed (one-time, non-base, funding)</i>
Net Day Student Fees Revenue	(\$330,000) -1.3%	<i>Impact of Day program enrollments below budgeted projections (subject to change based on Spring and Summer 2015 activity)</i>
Net DGCE UG Fees Support to College Operations	(\$50,000) -2.8%	<i>Impact of DGCE program enrollments below budgeted projections (subject to change based on Spring and Summer 2015 activity)</i>
<b>Expenditures</b>	<b>\$110,000</b>	
<b>Additional Direct Student Benefits</b> - Financial Aid (\$60,000) - Internship Program (\$100,000) - College Planning Center (\$100,000)	<b>\$260,000</b> +0.8%	<i>Supplemental funding tentatively directed to three programs providing "direct student benefits"</i>
Employee Compensation (AA)	\$100,000 -0.2%	<i>Increased net costs due to retirement incentive program</i>
Contracted Faculty/Staff (CC)	(\$50,000) -1.5%	<i>Reduction in costs (from budgeted amount) due to decreased contracted (VLS) faculty</i>
Fringe Benefits (DD)	(\$80,000) -5.7%	<i>Fringe benefits costs "savings" resulting from salary costs (AA) transferred to state funding (and state assuming costs)</i>
Operational Expenses (EE-TT) - Selected Reductions	(\$120,000) -0.4%	<i>Identified operations expenses reductions (TBD)</i>
<b>Projected FY2016 Net Impact</b>	<b>\$0</b>	<b>Current balanced FY2016 Budget</b>



**Framingham**  
State University

**Framingham State University**

**Request for Trustee Action**

---

Date: November 17, 2015

Subject: **860 Worcester Road Property Financing Approval**

---

**RESOLUTION**

The Framingham State University Board of Trustees (the "Trustees") hereby approves the attached 860 Worcester Road motion (MSCBA Project No. FRA-0737-14), as previously approved by the Massachusetts State College Building Authority (MSCBA) and the Commonwealth of Massachusetts Board of Higher Education (BHE). This approval permits borrowing up to a maximum of \$1,685,000 in support of the described project.

**MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY**

**EXHIBIT A**

**FRAMINGHAM STATE UNIVERSITY  
860 WORCESTER ROAD ACQUISITION  
MSCBA PROJECT NO. FRA-0737-14**

**Description of Project**

- (a) The carrying out of preliminary work, including obtaining cost estimates, revenue estimates, preliminary design specifications, feasibility studies, surveys, and site analyses to determine the feasibility, approximate size, scope, purposes, location and other characteristics of any building, structure or facility the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and
- (b) The carrying out of property acquisition, as well as, improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

**Project Overview**

The Authority's acquisition of 860 Worcester Road on behalf of Framingham State University provides office and meeting/support space. The additional office capacity is required to meet the immediate need for the relocation of the Facilities Department (as the prior location was demolished in preparation for construction of West Hall) as well as other pressing office capacity needs. The total project cost includes \$1,200,000 for acquisition and \$300,000 for renovations and furniture, fixtures and equipment. The property may be conveyed to the Commonwealth.

**Project Budget**

Total Project Cost	<u>\$1,500,000</u>
Project Fund Deposit	
from 2015A Bonds (maximum)	\$1,500,000
Cost of Issuance/Reserves	<u>185,000</u>
<b>Total Funded by 2015A Bonds</b>	<b><u>\$1,685,000</u></b>



**Framingham**  
State University

**Framingham State University**

**Request for Trustee Action**

---

Date: November 17, 2015

Subject: **89 Mt. Wayte Property Acquisition and Financing Approval**

---

**RESOLUTION**

The Framingham State University Board of Trustees (the "Trustees") hereby approves the attached 89 Mt. Wayte Acquisition motion (MSCBA Project No. FRA-0748-15), as previously approved by the Massachusetts State College Building Authority (MSCBA) and the Commonwealth of Massachusetts Board of Higher Education (BHE). This approval grants authority to acquire the identified property and permits borrowing up to a maximum of \$3,590,000 in support of the described project.

Further, the Framingham State University Board of Trustees (the "Trustees") hereby approves delegation to the Board of Trustees Finance Committee (the "Finance Committee") authority to review and approve the purchase and sale agreement for property acquisition to be funded through these bond funds. Notice of any completed purchase and sale agreement will be provided to the full Board of Trustees at its next regularly scheduled meeting.

**MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY**

**EXHIBIT A**

**FRAMINGHAM STATE UNIVERSITY  
89 MT. WAYTE PROPERTY ACQUISITION  
MSCBA PROJECT NO. FRA-0748-15**

**Description of Project**

- (a) The carrying out of preliminary work, including obtaining cost estimates, revenue estimates, preliminary design specifications, feasibility studies, surveys, and site analyses to determine the feasibility, approximate size, scope, purposes, location and other characteristics of any building, structure or facility the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and
  
- (b) The carrying out of property acquisition, as well as, improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

**Project Overview**

The Authority intends to acquire that certain property located at 89 Mount Wayte Avenue, Framingham, Massachusetts on behalf of Framingham State University to be used for additional surface parking. The property consists of two parcels of land identified as Parcel 1 consisting of approximately 7.026 acres or 306,067 square feet at the northwest corner of Mount Wayte Avenue and Franklin Street and Parcel 2 consisting of approximately 1.5 acres or 65,000 square feet just north of Parcel 1, identified by the Town of Framingham's Assessor as Map 31, Block 30, Lot 1). The property may be conveyed to the Commonwealth in the future.

**Project Budget**

Total Project Cost	<u>\$3,200,000</u>
Project Fund Deposit from 2015A Bonds	\$3,200,000
Cost of Issuance/Reserves	<u>390,000</u>
<b>Total Funded by 2015A Bonds</b>	<b><u>\$3,590,000</u></b>



**Framingham**  
State University

**Framingham State University**

**Request for Trustee Action**

---

Date: November 17, 2015

Subject: **Warren Conference Center and Inn Acquisition and Financing Approval**

---

RESOLUTION

The Framingham State University Board of Trustees (the "Trustees") hereby approves the attached Warren Conference Center and Inn Acquisition motion (MSCBA Project No. FRA-0755-15), as previously approved by the Massachusetts State College Building Authority (MSCBA) and the Commonwealth of Massachusetts Board of Higher Education (BHE). This approval grants authority to acquire the identified property and permits borrowing up to a maximum of \$1,685,000 in support of the described project.

Further, the Framingham State University Board of Trustees (the "Trustees") hereby approves delegation to the Board of Trustees Finance Committee (the "Finance Committee") authority to review and approve the purchase and sale agreement for property *acquisition* to be funded through these bond funds as well as authority to review and approve any subsequent purchase and sale agreement for *sale* of a portion of the acquired described property. Notice of any completed purchase and sale agreement(s) will be provided to the full Board of Trustees at its next regularly scheduled meeting.

## EXHIBIT A

## MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

FRAMINGHAM STATE UNIVERSITY  
WARREN CONFERENCE CENTER AND INN  
MSCBA PROJECT NO. FRA-0755-15

**Description of Project**

- (a) The carrying out of preliminary work, including obtaining cost estimates, revenue estimates, preliminary design specifications, feasibility studies, surveys, and site analyses to determine the feasibility, approximate size, scope, purposes, location and other characteristics of any building, structure or facility the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide; and
- (b) The carrying out of property acquisition, as well as, improvements, renovations, and other work on and the provision and installation of furnishings, fixtures and other equipment for other buildings, structures, or facilities the Authority is authorized by Chapter 703 of the Acts of 1963, as amended, to provide.

**Project Overview**

- Framingham State University and the Division of Capital Asset Management & Maintenance (DCAMM) have collaborated on the proposed acquisition of the Warren Conference Center and Inn in Ashland, Massachusetts. This project will provide conferencing space, meeting rooms, student activity space, athletic fields, and hoteling capability for the University as well as future potential to house graduate students and support academic program expansion.
- The Project will be managed by DCAMM being principally funded by the Commonwealth and supplemented with a \$1.0 - \$1.5 million contribution by the Authority on behalf of the University.
- The project revenue source is operating budget revenues.

**Project Budget**

Total Project Cost	<u>\$ 8,000,000</u>
State Contribution	
G.O. Bond Funds	4,000,000
FY2015 Supplemental Funds	<u>2,500,000</u>
Project Fund Deposit	
from 2015A Bonds (maximum)*	1,500,000
Cost of Issuance/Reserves	<u>185,000</u>
<b>Total Funded by 2015A Bonds</b>	<b><u>\$ 1,685,000</u></b>

\*Note: Project Fund deposit may be reduced by up to \$500,000 pending decision by Town of Ashland to acquire a parcel at the Northern most portion of the property.

## PERSONNEL ACTIONS

### STAFF APPOINTMENTS

Chenier, John	Assistant Dean Admissions Replacement	Effective: 10/12/2015 Annual Salary Rate: \$75,000.12
Craig, Theresa	Assistant Director Child Development Lab New	Effective: 09/21/2015 Annual Salary Rate: \$40,000.22
Gomes, Vanessa	Staff Assistant Financial Aid Replacement	Effective: 11/16/2015 Annual Salary Rate: \$43,000.10
Minchoff, Pamela	Staff Assistant Human Resources Replacement	Effective: 10/01/2015 Annual Salary Rate: \$60,000.20

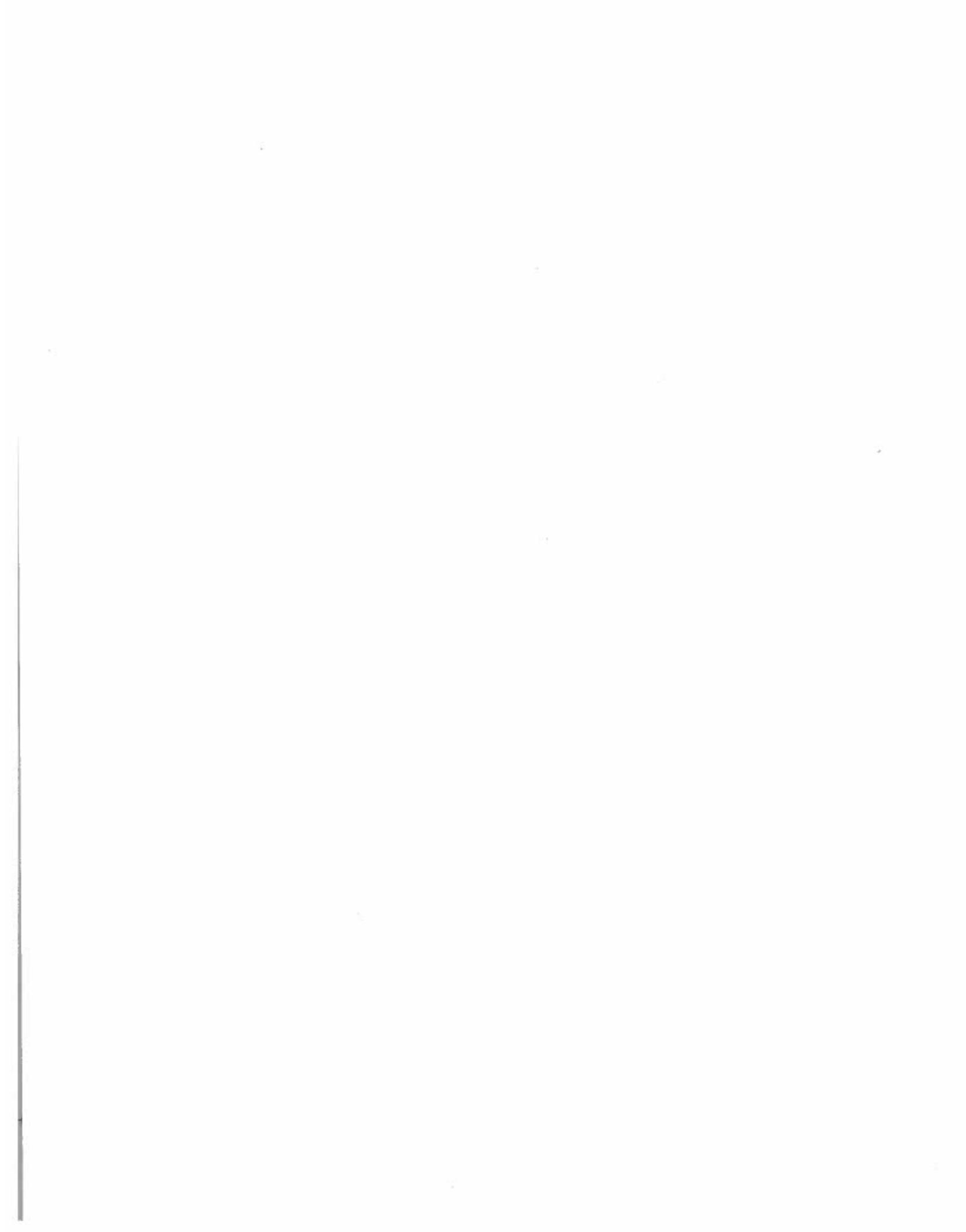
### SABBATICAL LEAVES

Bechtel, Cynthia	Associate Professor Nursing	Fall 2016
Bollettino, Maria	Assistant Professor History	Spring 2017
Bowen, Christopher	Associate Professor Communication Arts	Fall 2016
Burke, Mary (Lisa)	Professor Art and Music	Fall 2016
Cohen, Marian	Professor Sociology	Spring 2017
Davis, Aline	Professor Biology	Spring 2017
Galvin, Paul	Associate Professor Psychology & Philosophy	Spring 2017

Grey, Stephanie	Assistant Professor Art and Music	Spring 2017
Mabrouk, Sarah	Professor Mathematics	Spring 2017
Maibor, Carolyn	Professor English	Acad. Year 16-17
Martin, Jonathan	Professor Sociology	Fall 2016
Mullaney, Susan	Professor Nursing	Spring 2017
Noon, Virginia	Associate Professor Fashion Design and Retailing	Fall 2016
Page, Robert	Associate Professor Mathematics	Fall 2016
Rothenberg, Sandra	Librarian Library	Spring 2017
Sebor-Cable, Pam	Associate Professor Fashion Design and Retailing	Spring 2017
Shearman, Rebecca	Professor Biology	Spring 2017
Silver, Ira	Professor Sociology	Spring 2017
Springer, Claudia	Associate Professor English	Fall 2016
Van Roo, Brandi	Professor Biology	Fall 2016

SEPARATIONS/RESIGNATIONS

Burns, Susan	Associate Director Student Accounts	Effective: 10/15/2015
Forsberg, Jennifer	Staff Assistant Human Resources	Effective: 10/30/2015
Theodoss, Joan	Staff Assistant Child Development Lab	Effective: 10/15/2015



**Framingham State University  
(a department of the Commonwealth of  
Massachusetts)**

**Financial Statements  
(With Supplementary Information)  
and Independent Auditor's Reports**

**June 30, 2015 and 2014**

**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

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**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

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## Independent Auditor's Report

To the Board of Trustees  
Framingham State University

### Report on the Financial Statements

We have audited the accompanying financial statements of the business-type activities and the discretely presented component unit of Framingham State University (the "University") (a department of the Commonwealth of Massachusetts), as of and for the years ended June 30, 2015 and 2014, 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.

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component unit, Framingham State University Foundation, Inc. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Framingham State University Foundation, Inc., is based solely on the report of the other auditors. We conducted our audit 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 audit 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 auditor's 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 auditor considers 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, based on our audit and the report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and discretely presented component unit of Framingham State University as of June 30, 2015 and 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Emphasis of Matters*

As discussed in Notes 1 and 25 to the financial statements, in fiscal 2015, the University adopted new accounting guidance, Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date, an amendment of GASB statement No. 68*. Our opinion is not modified with respect to this matter.

As discussed in Note 1, the financial statements of Framingham State University and its discretely presented component unit are intended to present the respective financial position, the changes in financial position and, where applicable, cash flows of only that portion of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Commonwealth of Massachusetts that is attributable to the transactions of Framingham State University and its discretely presented component unit. They do not purport to, and do not, present fairly the financial position of the Commonwealth of Massachusetts as of June 30, 2015 and 2014, the changes in its financial position, or, where applicable, its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

### *Other Matters*

#### *Required Supplementary Information*

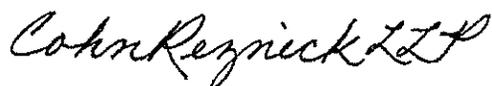
Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and the pension benefit schedules on pages 6 to 24 and 89, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the 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 audit 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.

### *Other Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the 2015 financial statements that collectively comprise the entity's basic financial statements. The residence hall fund and residence hall damage fund activity shown on pages 91 to 93, and the statistical section on pages 94 to 99 are presented for purposes of additional analysis and are not a required part of the 2015 financial statements. The residence hall fund and residence hall damage fund activity are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the 2015 financial statements. The residence hall fund and residence hall damage fund activity information have been subjected to the auditing procedures applied in the audit of the 2015 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2015 financial statements or to the 2015 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the residence hall fund and residence hall damage fund activity information are fairly stated, in all material respects, in relation to the 2015 financial statements as a whole. The statistical section has not been subjected to the auditing procedures applied in the audit of the 2015 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 27, 2015, on our consideration of Framingham State University's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters for the year ended June 30, 2015. The purpose of that report is 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 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 Framingham State University's internal control over financial reporting and compliance.



Boston, Massachusetts  
October 27, 2015



**Framingham State University**  
**FY2015 Financial Statements**  
**Management's Discussion and Analysis**  
For the Fiscal Years Ended June 30, 2015, 2014, and 2013  
Unaudited

## **Introduction**

The following discussion and analysis provides an overview of the financial position and results of operations of Framingham State University (the "University") for the years ended June 30, 2015 (Fiscal Year 2015), June 30, 2014 (Fiscal Year 2014) and June 30, 2013 (Fiscal Year 2013). This discussion has been prepared by management and should be read in conjunction with the financial statements and the notes thereto, as separately provided.

Framingham State University offers small, personalized classes to approximately 6,500 undergraduate and graduate students on a traditional, New England campus. The University is located in the heart of the Commonwealth's MetroWest area just 20 miles west of Boston. It is the only public four-year University between Route 495 and Route 128, within reach of hundreds of professional companies and businesses. The University has capitalized on its location by partnering with many of these companies to develop unique and rewarding internship opportunities for students as well as job placements upon graduation.

Framingham State is committed to institutional excellence in diversity and inclusion through collaborative and sustainable partnerships with faculty, staff, students and the greater community. The University encourages a supportive, diverse and collaborative environment in which students, faculty and staff learn from each other through informed and open communication, institutional practices and community engagement.

Student success is central to the mission of the University. Many options are available for student support including programs to help freshmen transition to college. The University also has a robust honors program for exceptional students. The University offers 30 undergraduate majors and 28 graduate programs with the breadth of programs offered reflecting diverse faculty expertise. The institution is accredited by the New England Association of Schools and Colleges, Inc. ("NEASC") and recently completed its ten-year full accreditation review.

While Framingham State's historical focus was teacher education (it was founded in 1839 as the first public normal school in America – the University celebrated its 175th anniversary in 2014), the University now offers a wide variety of programs in fields ranging from business to the sciences to fashion with programs at both the baccalaureate and master's level. In recent years, the University has begun positioning itself as a leader in the areas of STEM (Science, Technology, Engineering, and Mathematics) education as employers increasingly seek to hire graduates with these skill sets. This fall, Framingham State opened Hemenway Laboratories, a 68,000-square-foot addition to Hemenway Hall featuring 16 state-of-the-art labs for biology, chemistry and food science.

Framingham State's more than 40,000 alumni are successfully employed in a wide range of career fields, and significant numbers of them enter graduate and professional schools within a few years of graduation. Approximately 85 percent of Framingham State's alumni choose to live and work in Massachusetts, contributing to the economy and well-being of the Commonwealth.

### **FY2015 Financial Statements Highlights**

- The University's financial position remains strong as of June 30, 2015, with total assets of \$190.8 million (an increase of \$37.2 million, or +24.2%, from FY2014), liabilities of \$64.6 million (a decrease of \$1.0 million, or -1.5%, from FY2014) and \$1.3 million in deferred inflows of resources and \$1.0 million in deferred outflows of resources. **Net Position, which represents the residual interest in the University's assets and deferred outflows of resources after liabilities and deferred inflows are deducted, increased \$38.4 million, or +43.8%, from fiscal year 2014 to \$126.0 million as of June 30, 2015.**
  - **Restricted net position and net investment in capital assets accounts total \$88.6 million (an increase of \$30.7 million, or +53.1%, from FY2014)** and include: \$84.1 million net investment in capital assets (an increase of \$32.1M – predominantly due to general obligation bond funding for the Science Project), \$3.5 million in scholarship reserves, and \$1.0 million in other restricted accounts.
  - **Aggregate accumulated unrestricted net position of \$37.3 million (an increase of \$7.6 million, or 25.7%, from FY2014)** may be used to meet the University's ongoing obligations to its stakeholders and supports University borrowing. The University may also allocate the unrestricted net position to potentially cover an annual deficit or other uses such as capital expansion or repair, new programs, and long-term investment.
- **The Framingham State University Foundation had a net position of \$9.2 million (an increase of \$0.1 million, or +0.8%, from FY2014) as of the close of Fiscal Year 2015.**
- **Gross revenues from tuition and fees, state appropriations and capital support, federal grants, private fundraising, investment income, and other sources totaled \$126.7 million (an increase of \$28.2 million, or +28.6%, from FY2014).**
  - State capital grants increased \$26.6M (+316.6%)
  - State appropriations for operations (including fringe benefits support and less remitted tuition) net revenue increased \$2.0 million (+6.5%)
  - State and Federal Grants and Contracts increased \$0.9 million (+12.3%)
  - Tuition and fees (less scholarship allowances) net revenue increased \$0.1 million (+0.4%) – this increase reflects changes in rates, enrollments, and retained tuition policies
  - Auxiliary Enterprises (e.g., residence halls; dining) revenue increased \$0.5 million (+3.4%)

- Investment income (that was a positive \$1.2M) decreased \$2.4 million (-66.2%) from FY2014 (which was a high performance mark).
- **Expenses incurred during Fiscal Year 2015 totaled \$88.3 million (an increase of \$5.4 million, or +6.5%, from FY2014).**
  - Wages expenditures increased \$2.1 million (+5.1%)
  - Benefits expenditures increased \$0.3 million (+3.5%)
  - Utilities expenditures increased \$0.2 million (+5.2%)
  - Supplies and Services expenditures increased \$2.7 million (+10.6%)
  - Depreciation expenditures increased \$0.2 million (+5.4%)
  - Scholarship expenditures decreased slightly (-3.3%)

- 
- In accordance with Governmental Accounting Standards Board ("GASB") Statement No. 39, *Determining Whether Certain Organizations Are Component Units*, the financial information of the Framingham State University Foundation, Inc. (the "Foundation") is included in the University's financial statements as a component unit. The Foundation is an independent non-profit corporation formed for the exclusive benefit of the University. The Foundation issues its own financial statements under accounting guidance issued by the Financial Accounting Standards Board ("FASB"). Certain items of those financial statements have been reclassified to conform to GASB standards. While the Foundation's financial information is included in the University's financial statements, it is important to note that the Foundation is, indeed, a separate organization. Foundation funds are largely restricted, and even unrestricted funds can only be expended by vote of the Board of Directors of the Foundation. In general, these funds are not available for operational costs of the University and are considered "quasi-endowment" for reporting purposes.
  - Note: Due to implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27* and GASB Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*, a restatement of \$7.1M has been made to ending FY2014 Net Position reflecting allocation of a share of the Commonwealth's unfunded pension liability to Framingham State University (despite the fact that FSU will not ultimately be responsible for direct payment of pension costs). All multi-year comparisons recognize this FY2014 adjustment to end-of-year Net Position.

## Overview of the financial statements

This discussion and analysis is intended to serve as an introduction to Framingham State University's basic financial statements. These statements are comprised of two components: 1) the financial statements and 2) the notes to the financial statements. 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.

**The financial statements.** The financial statements are designed to provide readers with a broad overview of the University's finances in a manner similar to a private-sector University.

The *Statement of Net Position* presents information on the University's assets and deferred outflows of resources, less its liabilities and deferred inflows of resources, with the residual balance being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the University is improving.

The *Statement 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 the 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.)

The *Statement 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).

Framingham State University reports its activity as a business-type activity under GASB using the full accrual measurement focus basis of accounting. The University is a department of the Commonwealth of Massachusetts. Therefore, the results of the University's operations, its net position and cash flows are also summarized in 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 separately attached financial statements.

**Other information.** In addition to the financial statements and accompanying notes, supplemental information is also provided. The financial statements and related footnotes are presented separately from this discussion and analysis.

## Financial analysis

### Statement of net position

The statement of net position presents the financial position of the University at the end of the fiscal year and includes all assets and deferred outflows of resources less liabilities and deferred inflows of resources of the University. The difference between these amounts – net position – is one indicator of the current financial condition of the University, while the change in net position is an indicator of whether the overall financial condition has improved during the year. Assets, deferred outflows of resources, liabilities, and deferred inflows of resources are generally measured using current values.

A condensed comparison of the University's assets, liabilities, deferred outflows and deferred inflows of resources and net position at June 30, 2015, June 30, 2014 and June 30, 2013 is as follows:

University Accounts	<i>(In Thousands)</i>		
	2015	2014	2013
Current assets	\$ 34,219	\$ 31,954	\$ 31,683
Capital assets	121,647	88,198	68,194
Other noncurrent assets	34,963	33,525	37,526
<b>Total Assets</b>	<b>190,829</b>	<b>153,677</b>	<b>137,403</b>
Total deferred outflows of resources	1,031	-	-
Current liabilities	14,889	14,123	14,986
Noncurrent liabilities	49,705	51,450	42,322
<b>Total liabilities</b>	<b>64,594</b>	<b>65,573</b>	<b>57,308</b>
Total deferred inflows of revenue	1,273	469	937
Net position			
Net investment in capital assets	84,138	52,034	41,449
Restricted	4,513	5,875	5,731
Unrestricted	37,342	29,726	31,978
<b>Total net position</b>	<b>\$ 125,993</b>	<b>\$ 87,635</b>	<b>\$ 79,158</b>

A review of the University's net position as of June 30, 2015 shows that the University enhanced its strong financial position during Fiscal Year 2015. The most significant change is in Net Investment in Capital (driven by a large increase in Capital Assets) resulting from state capital grant funding for the FSU Science Project.

## Trend Analysis: Net Position



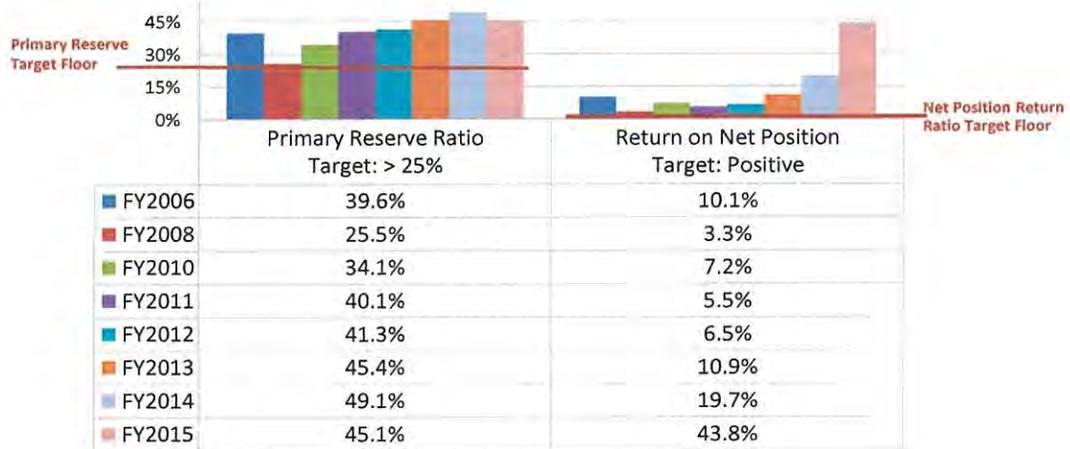
*Note: Net Position has been adjusted beginning end of FY2014 by \$7.1M to reflect allocation of a pro-rated portion of the Commonwealth of Massachusetts' unfunded pension liability to Framingham State University per required implementation of GASB 68 beginning with this year's financial statements.*

**Net Position has increased \$38.4M, or +43.8%, since FY2014 and has increased \$81.6M, or +183.8%, since FY2006.** The largest growth since FY2006 has been in Net Investment in Capital (+279% increase) and then in Unrestricted Assets (+174% increase).

One indicator of fiscal health, that is included in the University's Board of Trustee-approved Debt Policy, is the Primary Reserve Ratio (that measures Unrestricted and Expendable Net Position divided by Total Operating Expenses). An industry standard of 25% (which is also a Massachusetts Department of Higher Education benchmark target) reflects essentially 3 months of available resources to cover annual expenditures. **The University's Primary Reserve Ratio as of the end of FY2015 was 45.1%.**

Another financial indicator noted in the University's Debt Policy is Return on Net Position (measuring Change in Net Position divided by Beginning of Year Net Position). This ratio identifies whether an institution's resources are growing and if it is financially better off than in previous years (signified by a positive ratio consistent with the University's Debt Policy benchmark). **The University's Return on Net Position Ratio for FY2015 was 43.8%.**

### Trend Analysis: Primary Reserve and Return on Net Position Ratios



The activity of the Framingham State University Foundation must be reported as a component unit in the University's financial statements. A condensed review of the Framingham State University Foundation assets, liabilities and net position at June 30, 2015, June 30, 2014 and June 30, 2013 is as follows:

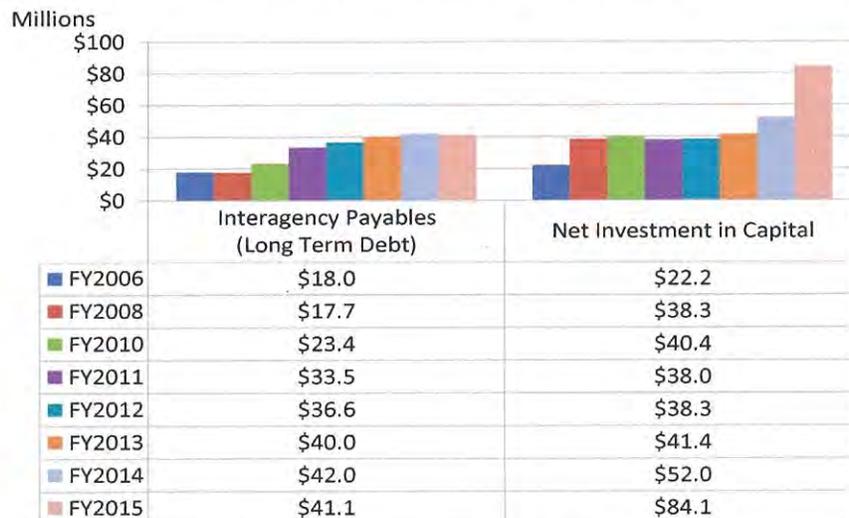
Foundation Accounts	<i>(In Thousands)</i>		
	2015	2014	2013
Current assets	\$ 7,650	\$ 7,709	\$ 6,982
Capital assets	-	-	-
Other noncurrent assets	1,594	1,488	1,345
<b>Total assets</b>	<b>\$ 9,244</b>	<b>\$ 9,197</b>	<b>\$ 8,327</b>
Current liabilities	\$ 77	\$ 104	\$ 108
Noncurrent liabilities	-	-	-
<b>Total liabilities</b>	<b>\$ 77</b>	<b>\$ 104</b>	<b>\$ 108</b>
Net position			
Net investment in capital assets	\$ -	\$ -	\$ -
Restricted	4,002	4,141	4,116
Unrestricted	5,165	4,952	4,103
<b>Total net position</b>	<b>\$ 9,167</b>	<b>\$ 9,093</b>	<b>\$ 8,219</b>

### Capital assets and long term debt

It should be noted that "Net Position: Net Investment in Capital Assets" represents a conservative accounting (cost approach) of the University's capital assets. This figure is net of related debt and net of accumulated depreciation and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets. Capital Assets also do not include residence halls since they are recorded on the financial statements of the

Massachusetts State College Building Authority. As of June 30, 2015, the University has \$179.5 million invested in capital assets, \$57.9 million in accumulated depreciation, and \$121.6 million in net capital assets (an increase of \$33.5 million over FY2014). **The University has \$41.1 million in aggregate interagency payables (predominantly long-term capital debt) as of the close of FY2015 (a decrease of \$0.9 million over FY2014). FY2015 Net Investment in Capital Assets was \$84.1M.** Aggregate debt service (principal and interest – including Salem End Road commitments) for FY2015 was \$4.0 million (an increase of \$0.2M from FY2014).

**Trend Analysis: Interagency Payables (Long Term Debt); Net Capital Investment**



*Note: The dramatic increase in Net Investment in Capital in FY2015 is predominantly due to state general obligation bond funding for the FSU Science Project.*

Two debt capacity-focused financial ratios included in the University's Debt Policy are the Viability Ratio (measuring Unrestricted and Expendable Net Position divided by Total Long Term Debt) and the Debt Burden Ratio (measuring Annual Debt Service Expense divided by Total Operating Expenses). A Viability Ratio of 1.0 or higher theoretically indicates an institution has sufficient available net position/reserves that it could rely upon, if necessary, to immediately satisfy all debt requirements; **as of FY2015, the University's Viability Ratio is 0.97** (including Salem End Road commitments) indicating limited debt capacity using this indicator. The Debt Burden Ratio (Annual Debt Service – that is, principal and interest – divided by Total Expenditures) is a traditionally more useful measure to determine debt capacity based on a benchmark that if more than 5% of an institution's budget were devoted to debt service, that institution's flexibility to devote its resources to other needs could be compromised; **the University's Debt Burden Ratio, as of the end of FY2015, is 4.6%** (including Salem End Road commitments) signifying some, but limited, additional debt capacity under this measure. For context, the debt burden ratio cap that guides borrowing decisions for the Commonwealth of Massachusetts is 8.0% while the University of Massachusetts debt burden cap is 10.0%.

**Trend Analysis: Viability and Debt Burden Ratios**



The FY2015 Financial Statement footnotes - Note 12 Interagency Payables - provides interest rate details as well as debt service schedules on issued bonds. **Weighted average interest rate costs for all outstanding bonds as of June 30, 2015 was 3.69%.**

Year	Term	Rate	Fixed/Var	Agency	Project	Orig Debt Issuance	Principal Outstanding
1998	25	0.55%	Variable	Mass. Dev. (HEFA)	Athletic Center	\$6,265,000	\$4,077,582
2003	30	3.99%	Fixed	MSCBA	Athletic Fields/Parking	\$2,275,000	\$1,815,000
2005	21	3.83%	Fixed	MSCBA	McCarthy Center	\$7,835,000	\$5,040,000
2006	20	3.97%	Fixed	MSCBA	McCarthy Center	\$1,545,000	\$1,077,694
2008	20	4.03%	Fixed	MSCBA	McCarthy Center	\$870,000	\$667,958
2009	20	4.61%	Fixed	MSCBA	Parking	\$5,899,009	\$4,715,067
2009	20	4.68%	Fixed	MSCBA	Property Acquisition	\$685,000	\$559,388
2010	17	3.50%	Fixed	Mass. Dev.	Solar Project	\$177,705	\$125,439
2010	25	3.64%	Fixed	MSCBA	Science Project	\$11,095,000	\$11,095,000
2012	20	4.50%	Fixed	State G.O.	Clean Energy Program - I	\$373,537	\$336,184
2012	15	4.00%	Fixed	State G.O.	Clean Energy Program - II	\$3,711,166	\$3,132,611
2012	20	4.28%	Fixed	MSCBA	Science Project/Dining	\$4,155,000	\$4,214,714
2012	20	3.64%	Fixed	MSCBA	Salem End Road Parking	\$10,380,000	\$9,860,000
2014	20	4.97%	Fixed	MSCBA	Athletic Fields	\$3,185,000	\$3,484,451
2014	20	4.97%	Fixed	MSCBA	Salem End Supplement	\$1,598,217	\$1,558,217
2014	20	3.00%	Fixed	MSCBA	Athletic Fields	\$680,000	\$800,771
<b>Total</b>		<b>3.69% Weighted Average</b>				\$60,729,634	\$52,560,076

Note: While the Salem End Parking Project is included in this analysis as FSU pays debt service, the project is currently included on the MSCBA financial statements until time of property transfer.

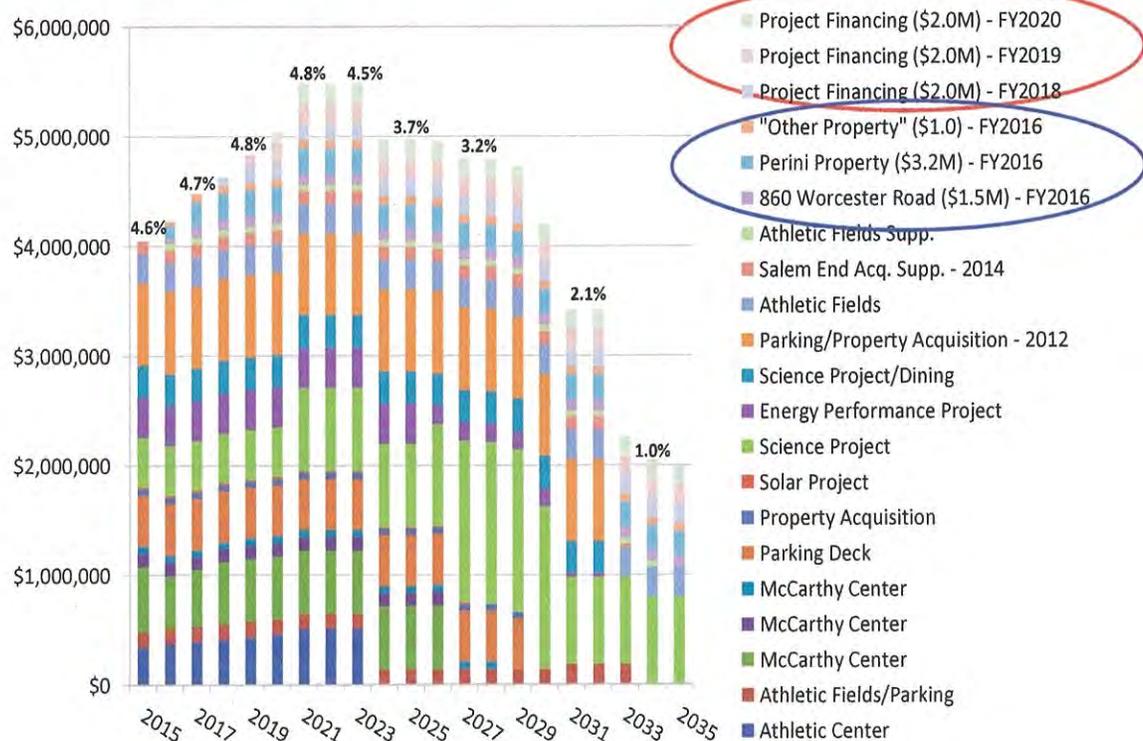
Current scheduled debt service burden, while anticipated to significantly increase in dollar terms over the next decade (by \$1.4M between FY2015 and FY2021), is projected to stay below the Board-designated 5.0% ceiling rate even with additional anticipated issuances – consistent with the FSU Capital Spending Plan - as noted below.

## FSU Annual Debt Service/Projected Assessment Schedule

Percentages indicate anticipated Debt Burden Ratio (annual debt service/total operational expenses); FSU Debt Policy Ceiling is 5.0%.

~ FY2016 includes \$5.7M financing for 860 Worcester Road, Perini Property, and Other Property Acquisition

~ Future proposed scheduled financing includes \$2.0M each in FY2018-FY2020



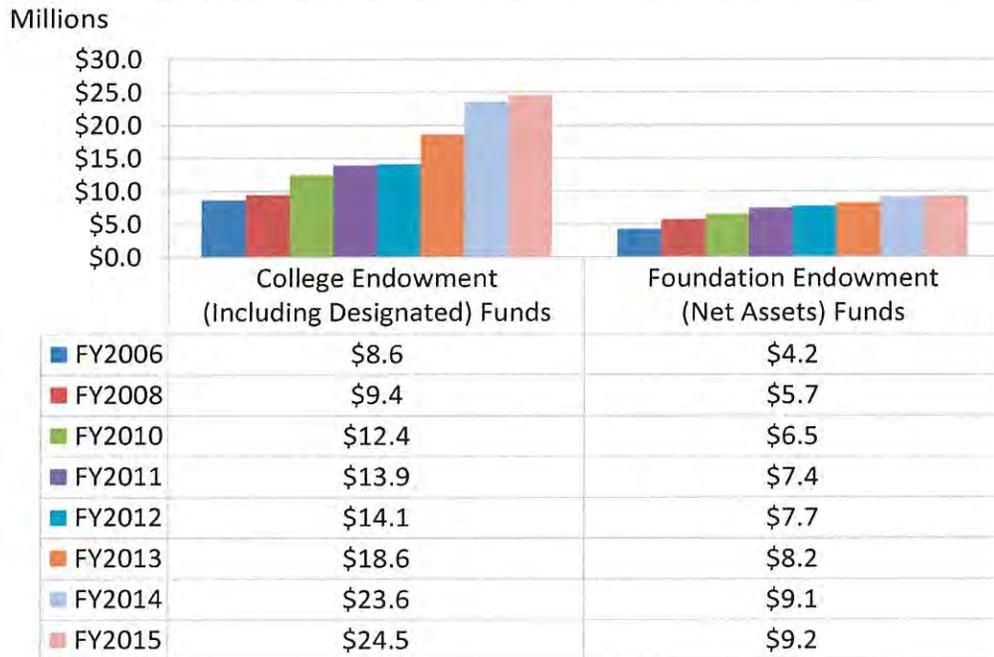
## Endowment funds

A portion of the restricted net position includes endowment funds held by the University. The University itself has a very small designated endowment; \$2.0 million of non-expendable restricted funds. An additional \$1.5 million, at June 30, 2015, in restricted scholarship funds (designated as "expendable" but in practice allocations are limited to proceeds) acts as "quasi-endowment" funds. Further, the Board of Trustees has designated unrestricted net position with end of FY2015 value of \$21.0 million as quasi-endowment (noted as "Core Investment" funds in the University's annual approval of its Cash Management and Investment Policy).

**Aggregate endowment and designated quasi-endowment funds held by the University total \$24.5M (representing an increase of \$0.9M or +3.8% from FY2015).** The University invests these assets, along with other cash holdings, in the Massachusetts Municipal Depository Trust ("MMDT"), the Common Fund, Eaton Vance, and Boston Trust.

The Framingham State University Foundation, Inc., a separate 501(c) (3) corporation, whose purpose is to support the University, is the primary University-affiliated recipient of endowment funds. **At June 30, 2015, the Foundation had a net position of \$9.2 million (representing an increase of \$0.1M or +0.8% from FY2014).**

## Trend Analysis: Endowment (Including Designated) Funds



## Statement of revenues, expenses and changes in net position

The statement of revenues, expenses and changes in net position represents the University's results from operations. A condensed summary of the University's revenues, expenses and changes in net position for the years ended June 30, 2015, June 30, 2014 and June 30, 2013 is as follows:

<i>(In Thousands)</i>	<u>2015</u>	<u>2014</u>	<u>2013</u>
Operating revenues			
Tuition and fees	\$ 41,556	\$ 41,218	\$ 39,994
Less scholarships	(7,770)	(7,577)	(6,539)
Sales and services	694	693	767
Auxiliary enterprises	14,209	13,740	13,107
Other revenues	10,929	8,875	8,164
Total operating revenues	<u>59,618</u>	<u>56,949</u>	<u>55,493</u>
Operating expenses			
Instruction	(29,050)	(27,347)	(26,226)
Research	(1,509)	(90)	(19)
Academic support	(9,998)	(9,975)	(9,343)
Student services	(11,158)	(10,513)	(9,517)
Institutional support	(9,010)	(7,859)	(7,828)
Operation/maintenance of plant	(11,167)	(11,088)	(11,149)
Depreciation	(4,202)	(3,987)	(3,570)
Scholarships	(141)	(155)	(172)
Auxiliary enterprises	(12,100)	(11,908)	(10,983)
Total operating expenses	<u>(88,335)</u>	<u>(82,922)</u>	<u>(78,807)</u>
Operating loss	<u>(28,717)</u>	<u>(25,973)</u>	<u>(23,314)</u>

Non-operating revenues (expenses)			
State appropriations (net)	\$ 32,664	\$ 30,676	\$ 27,570
Gifts	839	810	693
Net investment income	1,231	3,637	2,055
State capital appropriations/grants	34,999	8,400	2,731
Interest/issuance costs on debt	(586)	(645)	(1,168)
Transfers (to) from state agencies	(2,072)	(1,315)	(779)
Net non-operating revenues	<u>67,075</u>	<u>41,563</u>	<u>31,102</u>
Increase in net position	38,358	15,590	7,788
Net position - beginning of year	87,635	79,158	71,370
Restatement	-	(7,113)	-
Net position - end of year	<u>\$ 125,993</u>	<u>\$ 87,635</u>	<u>\$ 79,158</u>

Due to the nature of public higher education accounting as it pertains to state appropriations, institutions incur a loss from operations before accounting for state support. State appropriations supplement University operations and act as a subsidy for operations not covered by operating revenues. Under GASB, appropriations are considered non-operating revenue. The following schedule illustrates the University's incurred losses from operations as well as change in net position for Fiscal Years ended June 30, 2015, June 30, 2014 and June 30, 2013:

#### Schedule of loss from operations

	FY2015	(In Thousands) FY2014	FY2013
Tuition and fees revenue, net	\$ 33,786	\$ 33,641	\$ 33,455
Other operating revenue	25,832	23,308	22,038
Total operating revenue	<u>59,618</u>	<u>56,949</u>	<u>55,493</u>
Operating expenses	(88,335)	(82,922)	(78,807)
Operating loss	(28,717)	(25,973)	(23,314)
Net state appropriations	32,664	30,676	27,570
Other revenue/(expenses)	34,411	10,887	3,532
Increase in net position	<u>\$ 38,358</u>	<u>\$ 15,590</u>	<u>\$ 7,788</u>

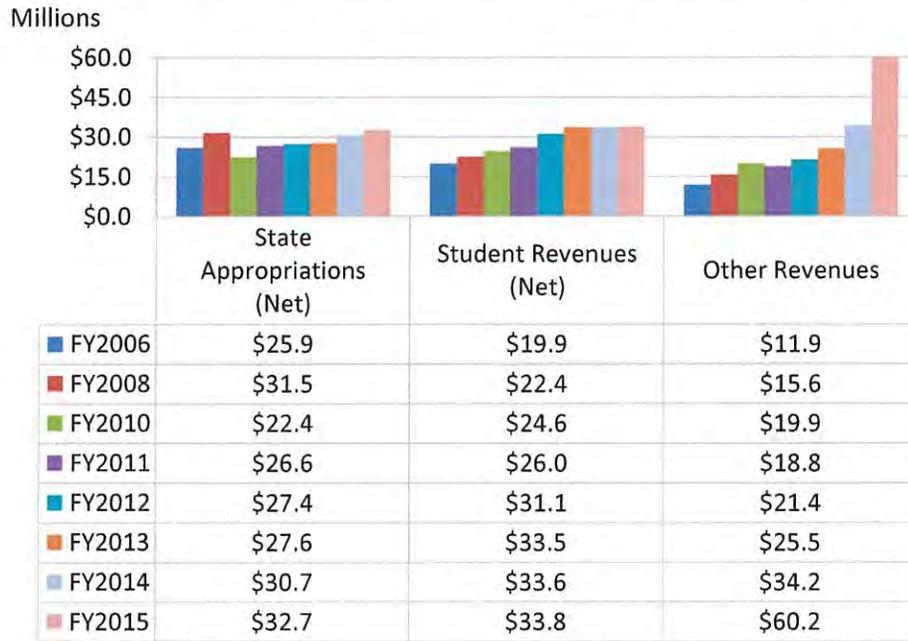
**Net position at the beginning of Fiscal Year 2015 was \$87.6 million, as restated. Net position at the end of Fiscal Year 2015 was \$126.0 million; representing a \$38.4 million (+43.8%) increase.**

#### Revenues and expenditures trends

**From FY2014 to FY2015, net state appropriations increased by \$2.0M (+6.5%), student net revenues increased by \$0.1M (+0.4%), and other revenues increased a total of \$26.0M (+76.2% - predominantly due to state funding of the Science Project). Trend analysis covering FY2006-FY2015 reveal that FY2015 net state appropriations is greater than FY2006 support by \$6.8M for an average annual increase of +2.9% (note that net state**

appropriations in FY2015 have now exceeded the previous high mark in FY2008); average annual increase in net student revenues (combination of rate and enrollment impact) has been +7.0% over ten years. The change in make-up of revenues - including Other Revenues - reflects progress against the University's goal in two prior strategic plans to diversify its income base; of total revenues, FY2015 net state funding represents 26%, net student revenues represent 27%, and other revenues represent 47% of total revenues (recognizing the large amount of non-operating revenue provided in FY2015 for the Science Project).

### Trend Analysis: State Appropriations, Student and Other Revenues



Expenditures for Instruction, Support Services/Research, Plant Operations and Maintenance, and Auxiliary Enterprises have varied over the past decade. **Expenditures on Support Services/Research experienced the largest increase over the past year, increasing \$3.3M (including an increase of \$1.4M in Research expenditures) or 11.6% (6.7% discounting Research expenditure increases). Instruction expenditures increased \$1.8M or 6.6%.** Since 2006, Support Services/Research annual expenditures have increased \$13.0M; while annual Instruction expenditures have increased \$11.1M, Auxiliary Enterprises (i.e., residence halls and dining) expenditures have increased \$6.4M, and Plant Operations and Maintenance (from institutional revenue sources) have increased \$2.2M. {Note: the methodology used to allocate some support costs to various IPEDS categories was changed beginning FY2013.}

## Trend Analysis: Instruction, Support Services, Plant O&M, Aux. Ent. Expenditures

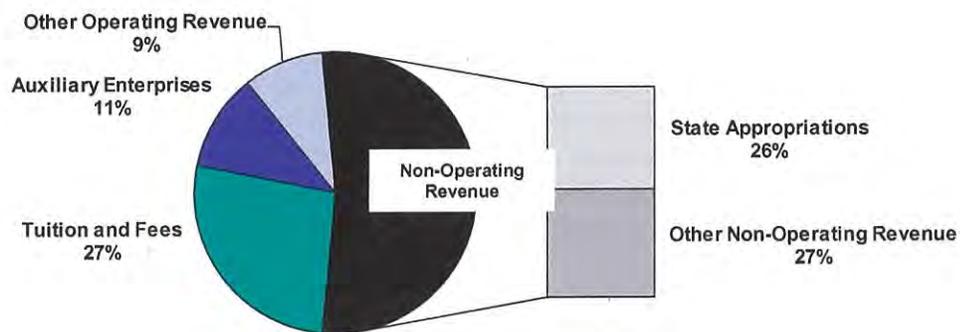
Millions



*Note: FY2008 expenditures reflect an unusual one-year spike in state chargebacks for fringe benefits costs; further, the methodology used to allocate some support costs to various IPEDS categories was revised beginning FY2013.*

## Revenues Illustration

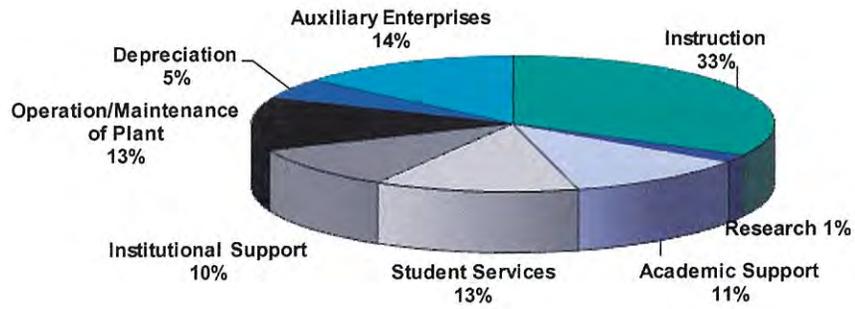
The following is an illustration of revenues by source (both operating and non-operating), which were used to fund the University's activities for the year ended June 30, 2015.



Student tuition and fees, along with state appropriations, are the primary sources of funding for the University. {Of note: for FY2015, the breakdown of total revenues is skewed by \$33M in capital grants that is classified as Other Non-Operating Revenue.} Fiscal Year 2015 net state appropriation support as a percent of total revenues was 26% while tuition and fees revenues represented 27% of total revenues.

## Expenditures illustration

A graphic of the University's functional expenditures for FY2015 is as follows:



**Expenditures on Instruction and Academic Support made up approximately 44% of total expenditures in FY2015.**

## Statement of Cash Flows

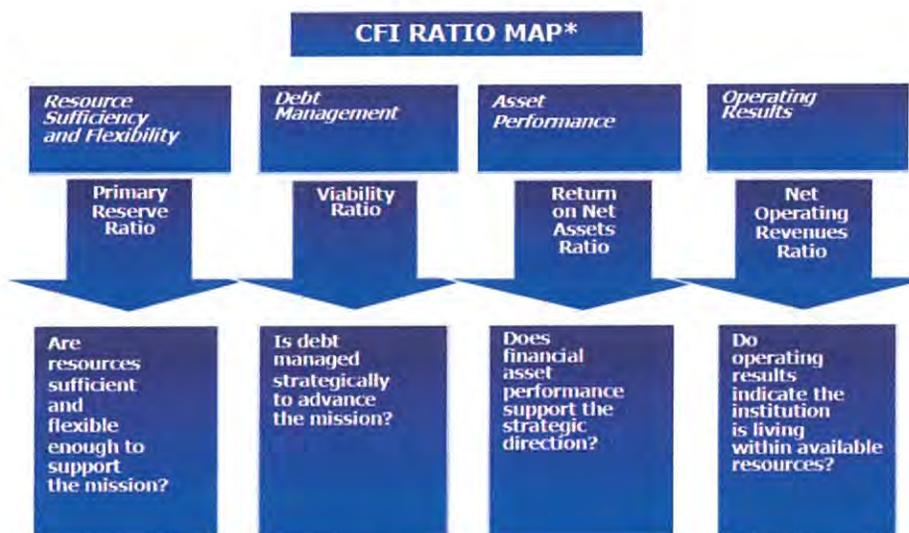
The statement of cash flows provides information about the University's financial results, by reporting the major sources and uses of cash. A condensed summary of the statement of cash flows for fiscal years 2015, 2014 and 2013 is as follows:

(In Thousands)	FY2015	FY2014	FY2013
Cash flows from operating activities			
Cash received from operations	\$ 59,588	\$ 57,175	\$ 55,214
Cash expended for operations	(77,965)	(72,965)	(69,591)
Net cash provided/(used) by operating activities	(18,377)	(15,790)	(14,377)
Cash flows from noncapital financing activities			
State appropriations	26,133	25,785	22,813
Tuition remitted to the commonwealth	(372)	(1,511)	(1,013)
Gifts and endowment	393	371	116
Net cash provided/(used) by noncapital financing activities	26,154	24,645	21,916
Cash flows from capital & related financing activities			
State capital appropriations	1,984	-	15
Perkins loan program net funds received	52	7	47
Payments for capital assets	(4,925)	(15,042)	(6,336)
Interagency payable proceeds received	801	3,561	4,522
Interagency principal payments	(1,592)	(1,540)	(1,088)
Interest paid on interagency payables	(1,348)	(1,566)	(1,108)
Transfers of funds to/from state agencies	(2,072)	(1,315)	(779)
Bond issuance costs	(6)	(17)	(52)
Net proceeds of bank line of credit	1,153	-	-
Net cash provided/(used) by capital and related financing activities	(5,953)	(15,912)	(4,779)
Cash flows from investing activities			
Purchase/sale (net) of marketable securities	(4,524)	(4,746)	(3,497)
Earnings on investments	1,691	898	650
Loan funds advanced	(1,153)	-	-
Net cash provided/(used) by investing activities	(3,986)	(3,848)	(2,847)
Net increase/(decrease) in cash and cash equivalents	<u>\$ (2,162)</u>	<u>\$ (10,905)</u>	<u>\$ (87)</u>

**Cash and cash equivalents at the beginning of Fiscal Year 2015 were \$33.3 million; the balance at the end of Fiscal Year 2015 was \$31.2 million reflecting a decrease of \$2.1M.** The most significant uses of cash was for Operations Expenditures (\$78.0M) and Payments for Capital Assets (\$7.0M) including University transfers for capital projects.

## Composite financial index analysis

To provide a broader context to the various ratio analyses that are presented, the following Composite Financial Index ("CFI")<sup>1</sup> analysis is presented; the CFI is a measure of the institution's overall financial health based on the sufficiency and flexibility of resources, the management of debt, the performance of assets, and the results of operations. The CFI provides a more complex picture of the financial health of an institution at a point in time than is possible by simply comparing multiple indicators. The CFI is essentially an amalgam of four commonly used financial ratios<sup>2</sup>:



\*Adapted from Strategic Financial Analysis for Higher Education, p. 107.

Once each of the four ratios is calculated, the relative strength of the score (standardization of the ratio) and its importance in the mix (weighting) are considered in calculation of a composite score. The result is one weighted score for each indicator that when added together produces the Composite Financial Index ("CFI"). The strength factors and CFI score are standardized scores that fall along a scale of -4 to 10. A matrix identifying strategic positioning as suggested by the composite index score has been developed to place the CFI scores into a strategic context<sup>1</sup>:

CFI Score Range	
-4 to -2	Consider whether financial exigency is appropriate
-3 to 1	Structured programs to conserve cash and thus survive
1 to 3	Consider substantial program adjustments, then reengineer institution
3 to 5	Direct resources toward transformation
5 to 7	Focus resources to compete in future
7 to 9	Experiment with initiatives; design a robust mission
9 to 10	Deploy resources to achieve robust mission

1 The Composite Financial Index was developed by KPMG, Prager, Sealy & Co., LLC, and Bearing Point, Inc. (see Tahey, P., Salluzzo, R.E., Prager, F.J., Mezzina, L., & Cowen, C.J., (2010). Strategic Financial Analysis for Higher Education: Identifying, Measuring and Reporting Financial Risks, (7<sup>th</sup> ed.); KPMG, Prager, Sealy & Co., LLC, and Attain).

2 Prager, F. J., Cowen, C. J., Beare, J., Mezzina, L., Salluzzo, R. E., Lipnick, J. & Tahey, P. (2005). Strategic Financial Analysis for Higher Education. (6th ed.): KPMG, Prager, Sealy & Co., LLC, and BearingPoint, Inc.

The computed CFI for Framingham State University for FY2015, using the standard methodology (Tahey, et al.) is as follows:

Composite Financial Index	FY2015 Ratio	Methodology Adjust. Value	Weight Factor	Computed Value
Primary Reserve Ratio	45.1%	0.133	35%	1.19
Viability Ratio	0.97	0.417	35%	0.81
Return on Net Position Ratio	43.8%	2.0%	20%	4.38
Net Income Ratio	5.8%	1.3%	10%	0.45
<b>Composite Score</b>				<b>6.8</b>

Examining FSU's results, both the composite score and the individual ratio components are of interest:

- For comparative context regarding the composite score, in a recent review<sup>3</sup> of a large number of independent institutions (n=691 – while ratio measurement for independent colleges varies slightly from public institutions due to different accounting standards, the methodologies that have been developed are meant to make the scores comparable), the national average (50<sup>th</sup> percentile) CFI score was 3.7 (a CFI score of 3.0 is considered the threshold for financial health indicating that an institution has sufficient and adequately managed resources to fulfill its mission objectives), while the 25<sup>th</sup> percentile was 2.1 and the 75<sup>th</sup> percentile was 5.6. That is, FSU overall composite score is above the large majority of institutions and places FSU in a position to undertake focused strategic initiatives.
- Examining the individual ratio components for FSU, the Primary Reserve Ratio and Viability Ratio (both at 35% weighting factors) depict healthy but certainly still constrained performance; Return on Net Position (a 20% weighting factor) indicates strong performance (as previously noted in the MD&A, due to significant non-operating/capital revenues in FY2015); and, Net Income Ratio (a 10% weighting factor) – which reflects Net (less Operating Expenses) Operating and Non-Operating Income over Total Operating and Non-Operating Income – at 5.8% was also a positive factor.

Comparing performance on this composite financial health indicator over time will be another mechanism for tracking changes in FSU's financial condition and consideration of the institution's ability to fulfill its mission objectives.

### **Factors that may affect the future**

Framingham State University ("FSU") is arguably in its best financial position since its founding 175 years ago. Continuing to guide future progress will be the "*Framingham State University 2012-2017 Strategic Plan*"; efforts will begin in Spring 2016 and into the FY2017 year to develop a new, multi-year strategic plan for the University. FSU's long range proforma budget identifies resources in support of the current strategic plan and identified objectives.

Significant revenue factors to be considered in the development of long range plans and budgets include:

- Anticipated level of state appropriation support over the next few years;

<sup>3</sup> "CIC Financial Indicators Tool" Report, Council of Independent Colleges (July 2015).

- Consideration of student charges in light of concerns regarding the cost of higher education
  - Continued institutional-funded increases in student financial aid;
- Ability to achieve enrollment targets identified in the proforma budget;
- Investment funds performance in a turbulent economic environment;
- Impact of the Comprehensive Fundraising Campaign.

Significant expenditure factors impacting the University's long range budget planning process include:

- Collective bargaining costs associated with recently settled three-year contracts extending through FY2017
- Commitment to new faculty and staff positions identified in the long range plans
- Funding of the University's multi-year capital spending plan including: completion of the Science Project; construction of a new residence hall; the repositioning and adaptation of O'Connor Hall; retention and renovation of Crocker Hall; adaptation and renewal of the Whittemore Library; parking expansion initiatives; property acquisitions; and, general facilities repairs and maintenance.
  - The University continues to advocate for release of state general obligation bond authorizations for capital projects and to consider revenue-backed financing for specific capital projects and will pursue these opportunities as appropriate and to the extent that its current relatively low debt service obligations allow.

Looking forward, continued progress in implementation of the current FSU Strategic Plan – and a new Strategic Plan beginning FY2018 – will require the prudent use of state support, reliance on targeted additional student revenues, and further diversification of funding including private gifts and grant funding as well as alternative financing vehicles as important supplements to traditional state and student revenue streams. These actions, in conjunction with continuing cost containment measures, will enable the University to provide an appropriately scaled and high-quality level of service to its constituents.

### **Request for information**

This financial report is designed to provide a general overview of Framingham 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 the Executive Vice President, Framingham State University, 100 State Street, P.O. Box 9101, Framingham, MA 01701-9101.

**Framingham State University**  
(a department of the Commonwealth of Massachusetts)

**Statements of Net Position**  
**June 30, 2015 and 2014**

	2015	2014	2015	2014
<b>Assets</b>				
<b>Current assets</b>				
Cash and cash equivalents	\$ 17,821,005	\$ 19,251,737	\$ 735,579	\$ 246,559
Restricted cash and cash equivalents	1,794,491	3,073,652	-	-
Investments in marketable securities	11,025,096	7,771,848	6,820,816	7,369,720
Accounts receivable, net	1,673,812	1,584,213	-	-
Contribution receivable, net	-	-	73,303	72,377
Loans receivable - current portion	1,157,006	4,591	-	-
Other current assets	747,503	268,387	19,687	19,976
<b>Total current assets</b>	<u>34,218,913</u>	<u>31,954,428</u>	<u>7,649,385</u>	<u>7,708,632</u>
<b>Noncurrent assets</b>				
Restricted cash and cash equivalents	11,557,243	11,009,502	-	-
Endowment investments	-	-	1,451,628	1,332,859
Investment in marketable securities	21,023,467	20,211,799	-	-
Contributions receivable, net	-	-	142,752	155,215
Loans receivable, net of current portion	2,382,400	2,303,011	-	-
Capital assets, net	121,647,338	88,197,783	-	-
<b>Total noncurrent assets</b>	<u>156,610,448</u>	<u>121,722,095</u>	<u>1,594,380</u>	<u>1,488,074</u>
<b>Total assets</b>	<u>190,829,361</u>	<u>153,676,523</u>	<u>9,243,765</u>	<u>9,196,706</u>
<b>Deferred outflows of resources</b>				
Deferred outflows for pensions	1,031,054	-	-	-
<b>Total deferred outflows of resources</b>	<u>1,031,054</u>	<u>-</u>	<u>-</u>	<u>-</u>

**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

**Statements of Net Position**  
**June 30, 2015 and 2014**

	2015	2014	2015	2014
<b>Liabilities</b>				Component Unit Framingham State University Foundation, Inc.
<b>Current liabilities</b>				
Interagency payables - current portion	\$ 1,725,423	\$ 1,589,046	\$ -	-
Accounts payable and accrued liabilities	2,857,267	2,499,980	77,137	104,441
Accounts payable - construction	10,266	991,141	-	-
Accrued workers' compensation - current portion	100,388	114,499	-	-
Compensated absences - current portion	3,231,440	2,932,979	-	-
Faculty payroll accrual	2,616,749	2,502,575	-	-
Bank line of credit	1,152,765	-	-	-
Revenue received in advance	2,508,621	2,760,910	-	-
Deposits	355,460	365,885	-	-
Other current liabilities	330,136	366,117	-	-
<b>Total current liabilities</b>	<b>14,888,515</b>	<b>14,123,132</b>	<b>77,137</b>	<b>104,441</b>
<b>Noncurrent liabilities</b>				
Interagency payables, net of current portion	39,416,436	40,380,931	-	-
Accrued workers' compensation, net of current portion	360,109	441,461	-	-
Compensated absences, net of current portion	1,801,468	1,636,695	-	-
Loan payable - federal financial assistance programs	1,930,383	1,877,907	-	-
Net pension liability	6,196,704	7,112,594	-	-
<b>Total noncurrent liabilities</b>	<b>49,705,100</b>	<b>51,449,588</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>	<b>64,593,615</b>	<b>65,572,720</b>	<b>77,137</b>	<b>104,441</b>

**Framingham State University**  
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**Statements of Net Position**  
**June 30, 2015 and 2014**

	2015	2014	2015	2014
Deferred inflows of resources				
Service concession arrangement	\$ -	\$ 468,589	\$ -	\$ -
Deferred inflows for pensions	1,274,012	-	-	-
Total deferred inflows of resources	<u>1,274,012</u>	<u>468,589</u>	-	-
Net position				
Net Investment in capital assets	84,138,157	52,034,054	-	-
Restricted for				
Non-expendable				
Scholarships and academic purposes	1,996,750	1,970,057	1,451,628	1,332,859
Expendable				
Scholarships	1,505,210	1,434,327	706,543	1,303,077
Academic purposes			1,843,812	1,504,792
Research	432,682	209,259	-	-
Loans	468,357	452,043	-	-
Debt service	52,091	82,880	-	-
Other	57,735	1,727,090	-	-
Unrestricted	37,341,806	29,725,504	5,164,645	4,951,537
Total net position	<u>\$ 125,992,788</u>	<u>\$ 87,635,214</u>	<u>\$ 9,166,628</u>	<u>\$ 9,092,265</u>

See Notes to Financial Statements.

**Framingham State University**  
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**Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended June 30, 2015 and 2014**

	2015	2014	2015	2014
Operating revenues				
Student tuition and fees	\$ 41,555,831	\$ 41,218,000	\$ -	\$ -
Less: Scholarship allowances	(7,770,032)	(7,576,655)	-	-
Net student tuition and fees	<u>33,785,799</u>	<u>33,641,345</u>	-	-
Federal grants and contracts	6,415,576	6,278,275	-	-
State and local grants and contracts	1,764,992	1,005,846	-	-
Private grants	1,753,262	196,023	-	-
Sales and services of educational departments	694,512	692,883	-	-
Gifts and contributions	-	-	344,153	191,209
Auxiliary enterprises:				
Residential life	14,208,692	13,739,521	-	-
Other operating revenues	<u>994,624</u>	<u>1,394,650</u>	<u>70,708</u>	<u>33,231</u>
Total operating revenues	<u>59,617,457</u>	<u>56,948,543</u>	<u>414,861</u>	<u>224,440</u>

**Framingham State University**  
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**Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended June 30, 2015 and 2014**

	2015	2014	2015	2014
Operating expenses				
Educational and general				
Instruction	\$ 29,049,793	\$ 27,347,169	\$ -	\$ -
Research	1,508,572	90,386	-	-
Academic support	9,998,548	9,974,585	-	-
Student services	11,158,061	10,513,003	-	-
Institutional support	9,009,848	7,858,572	276,970	402,109
Operations and maintenance of plant	11,167,239	11,087,924	-	-
Depreciation	4,202,084	3,986,967	-	-
Scholarships	141,076	155,336	524,000	404,875
Auxiliary enterprises				
Residential life	12,099,652	11,907,599	-	-
Total operating expenses	88,334,873	82,921,541	800,970	806,984
Operating loss	<u>(28,717,416)</u>	<u>(25,972,998)</u>	<u>(386,109)</u>	<u>(582,544)</u>

**Framingham State University**  
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**Statements of Revenues, Expenses and Changes in Net Position**  
**Years Ended June 30, 2015 and 2014**

	2015	2014	2015	2014
Nonoperating revenues (expenses)				
State appropriations	\$ 32,664,050	\$ 30,676,068	\$ -	\$ -
Gifts	838,660	809,513	-	-
Investment income, net of investment expense	1,231,389	3,637,537	336,902	1,309,149
Interest expense on Interagency payables and capital asset related debt	(579,563)	(628,616)	-	-
Debt issuance costs	(5,990)	(16,533)	-	-
Net nonoperating revenues before capital and endowment additions	<u>34,148,546</u>	<u>34,477,969</u>	<u>336,902</u>	<u>1,309,149</u>
Income (loss) before capital and endowment additions	<u>5,431,130</u>	<u>8,504,971</u>	<u>(49,207)</u>	<u>726,605</u>
State capital appropriations	1,984,189	-	-	-
Transfers (to)/from state agencies	(2,072,255)	(1,315,343)	-	-
Capital grants	33,014,510	8,400,165	-	-
Private gifts for endowment purposes	-	-	123,570	146,846
Total capital and endowment additions	<u>32,926,444</u>	<u>7,084,822</u>	<u>123,570</u>	<u>146,846</u>
Increase in net position	<u>38,357,574</u>	<u>15,589,793</u>	<u>74,363</u>	<u>873,451</u>
Net position - beginning of year, as previously stated	87,635,214	79,158,015	9,092,265	8,218,814
Restatement (Note 25)	-	(7,112,594)	-	-
Net position - beginning of year, as restated	<u>87,635,214</u>	<u>72,045,421</u>	<u>9,092,265</u>	<u>8,218,814</u>
Net position - end of year	<u>\$ 125,992,788</u>	<u>\$ 87,635,214</u>	<u>\$ 9,166,628</u>	<u>\$ 9,092,265</u>

See Notes to Financial Statements.

**Framingham State University**  
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**Statements of Cash Flows**  
**Years Ended June 30, 2015 and 2014**

	2015	2014
Cash flows from operating activities		
Tuition and fees	\$ 33,738,240	\$ 32,699,610
Research grants and contracts	7,892,746	8,048,517
Private grants	1,755,459	279,306
Payments to suppliers	(28,186,392)	(25,492,422)
Payments to utilities	(3,233,905)	(3,076,039)
Payments to employees	(43,532,232)	(41,238,727)
Payments for benefits	(2,161,379)	(2,250,968)
Payments for scholarships	(429,076)	(443,336)
Loans issued to students	(411,904)	(462,593)
Collection of loans to students	332,865	350,778
Auxiliary enterprise receipts:		
Residential life	14,208,692	13,739,521
Receipts from sales and services of educational departments	673,401	677,175
Room and parking fees	(10,425)	34,535
Other receipts	986,442	1,345,072
Net cash used in operating activities	(18,377,468)	(15,789,571)
Cash flows from noncapital financing activities		
State appropriations	26,133,877	25,785,452
Tuition remitted to State	(372,448)	(1,511,564)
Gifts from grants for other than capital purposes	392,465	371,034
Net cash provided by noncapital financing activities	26,153,894	24,644,922
Cash flows from capital and related financing activities		
State capital appropriations	1,984,189	-
Perkins loan program net funds received	52,476	6,918
Payments for capital assets	(4,924,947)	(15,041,600)
Interagency payable proceeds received	800,771	3,560,863
Interagency principal payments	(1,591,599)	(1,540,340)
Interest paid on Interagency payables	(1,347,696)	(1,566,476)
Transfers of funds to State Agencies	(2,072,255)	(1,315,343)
Debt issuance costs	(5,990)	(16,533)
Net proceeds of bank line of credit	1,152,765	-
Net cash used in capital and related financing activities	(5,952,286)	(15,912,511)

**Framingham State University**  
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**Statements of Cash Flows**  
**Years Ended June 30, 2015 and 2014**

	2015	2014
Cash flows from investing activities		
Proceeds from sale of marketable securities	\$ 4,943,808	\$ 2,482,275
Purchase of marketable securities	(9,468,759)	(7,228,231)
Earnings on investments	1,691,424	897,957
Loan funds advanced	(1,152,765)	-
Net cash used in investing activities	(3,986,292)	(3,847,999)
Net decrease in cash and cash equivalents	(2,162,152)	(10,905,159)
Cash and cash equivalents - beginning of year	33,334,891	44,240,050
Cash and cash equivalents - end of year	\$ 31,172,739	\$ 33,334,891
	2015	2014
Operating loss	\$ (28,717,416)	\$ (25,972,998)
Adjustments to reconcile operating loss to net cash used in operating activities		
Depreciation	4,202,084	3,986,967
Bad debt expense	29,961	21,775
Fringe benefits paid by the Commonwealth of Massachusetts	6,902,621	6,402,180
Change in unfunded net pension liability	(672,932)	-
Changes in assets and liabilities:		
Accounts receivable	(141,954)	371,031
Loans to students	(79,039)	(111,815)
Other current assets	(479,116)	(384)
Accounts payable and accrued liabilities	357,287	(93,152)
Accrued workers' compensation	(95,463)	-
Compensated absences	463,234	100,188
Faculty payroll accrual	114,174	(28,591)
Revenue received in advance	(252,289)	(456,987)
Deposits	(10,425)	34,535
Other current liabilities	1,805	(42,320)
Net cash used in operating activities	\$ (18,377,468)	\$ (15,789,571)

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**Statements of Cash Flows**  
**Years Ended June 30, 2015 and 2014**

Schedule of noncash investing and financing activities

	2015	2014
Acquisition of capital assets	\$ 37,651,639	\$ 23,990,403
Accounts payable thereon		
Beginning of year	991,141	1,234,940
End of year	(10,266)	(991,141)
Payments made by DCAM	(33,014,510)	(8,400,165)
Net interest incurred and earned, capitalized in construction in progress	(693,057)	(792,437)
Payments for capital assets	\$ 4,924,947	\$ 15,041,600
<hr/>		
Unrealized gain (loss) on marketable securities	\$ (460,035)	\$ 2,739,580
<hr/>		
Fringe benefits paid by the Commonwealth of Massachusetts	\$ 6,902,621	\$ 6,402,180
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Amortization of deferred inflows of resources - service concession arrangement proceeds	\$ 468,589	\$ 468,595
<hr/>		
Reconciliation of cash and cash equivalent balances		
Current assets		
Cash and cash equivalents	\$ 17,821,005	\$ 19,251,737
Restricted cash and cash equivalents	1,794,491	3,073,652
Noncurrent assets		
Restricted cash and cash equivalents	11,557,243	11,009,502
Total cash and cash equivalents	\$ 31,172,739	\$ 33,334,891

See Notes to Financial Statements.

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

**Note 1 - Summary of significant accounting policies**

**Organization**

Framingham State University (the "University") is a public, State-supported comprehensive four-year university which offers a quality education leading to baccalaureate and masters degrees in many disciplines. With its campus located in Framingham, Massachusetts, the University provides instruction in a variety of liberal arts, allied health, and business fields of study. The University also offers, through the Division of Continuing Education, credit and non-credit courses. The University is accredited by the New England Association of Schools and Colleges.

The University is a department of the Commonwealth of Massachusetts (the "State" or the "Commonwealth"). The accompanying financial statements reflect only the transactions of the University and its discretely presented component unit. Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed if the University had been operated independently of the State.

Framingham State University Foundation, Inc. (the "Foundation") is a component unit of Framingham State University. The Foundation is a legally separate tax exempt organization under Section 501(c)(3) of the Internal Revenue Code. It was organized on November 10, 1981, exclusively for the benefit of Framingham State University, to receive and maintain funds to be used for the development, promotion and best interests of the University and its students. The Board of the Foundation is self-perpetuating and consists of graduates and friends of the University. Although the University does not control the timing or amount of receipts from the Foundation, the majority of resources, or income thereon, that the Foundation holds and invests are restricted to the activities of the University by the donors. Because these restricted resources held by the Foundation can only be used by, or for the benefit of, the University, the Foundation is considered a component unit of the University and is discretely presented in the University's financial statements.

Framingham State University Foundation Supporting Organization, Inc. (the "Foundation Supporting Organization") was organized on October 22, 2012 for the exclusive benefit of the Foundation and all of its educational and charitable activities. The Foundation Supporting Organization is a legally separate, tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. As of June 30, 2015, the Foundation Supporting Organization has not had any activity. The financial information of the Foundation Supporting Organization is consolidated into the financial statements of the Foundation. The Foundation and Foundation Supporting Organization are collectively referred to hereinafter as the FSU Foundation.

During the year ended June 30, 2015, the FSU Foundation distributed scholarships in the amount of \$524,000 directly to students of the University, and incurred an additional \$276,970 in support of its mission in other ways. During the year ended June 30, 2014, the FSU Foundation distributed scholarships in the amount of \$404,875 directly to students of the University, and incurred an additional \$402,109 in support of its mission in other ways. Complete financial statements for the FSU Foundation can be obtained from the office of

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

the Executive Vice President, Administration, Finance and Technology, Framingham State University, 100 State Street, P.O. Box 9101 Framingham, MA 01701-9101.

**Basis of presentation**

The University's financial statements have been prepared using the "economic resources measurement focus" and the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as prescribed by the Governmental Accounting Standards Board ("GASB"). 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.

FSU Foundation, as a nonprofit organization, reports under Financial Accounting Standards Board ("FASB") guidance on financial reporting for Not-for-Profit Entities. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. Other than the reclassification of certain items, no modifications have been made to FSU Foundation's consolidated financial information in the University's financial reporting entity for these differences.

The University's policy 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 the payment received for services and payment made for the purchase of goods and services. Certain other transactions are reported as nonoperating activities in accordance with GASB Statement No. 35. These nonoperating activities include the University's operating and capital appropriations from the Commonwealth of Massachusetts, net investment income, gifts, and interest expense.

When both restricted and unrestricted resources are available for use, it is the University's policy to use the restricted resources first, then unrestricted resources as they are needed.

The accompanying statements of revenues, expenses and changes in net position demonstrate the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable within a specific function. Program revenues primarily include charges to students or others who enroll or directly benefit from services that are provided by a particular function. Items not meeting the definition of program revenues are instead reported as general revenue.

GASB Statement No. 34 requires that resources be classified for accounting purposes into the following three 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 or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position.

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**Notes to Financial Statements**  
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- **Restricted:**
  - Nonexpendable - Component of net position whose net assets are subject to externally-imposed stipulations that they be maintained permanently by the University. Such assets include the University's permanent endowment funds.
  - Expendable - Component of net position whose use of net assets by the University is subject to externally-imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time.
- **Unrestricted:** All other categories of net position. Unrestricted net assets may be designated for specific purposes by action of management or the Board of Trustees.

In accordance with the requirements of the Commonwealth of Massachusetts, the University's operations are accounted for in several trust funds. All of these trust funds have been consolidated and are included in these financial statements.

**Use of estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts and disclosures reported in the financial statements and accompanying notes. Although these estimates are based on management's knowledge of current events and actions it may undertake in the future, they may ultimately differ from actual results.

**Cash and cash equivalents and investments**

The University's cash and cash equivalents are considered to be cash on hand, cash and cash equivalents held by the Commonwealth's Treasurer and Receiver-General, Massachusetts Development Finance Agency ("MDFA"), Massachusetts State College Building Authority ("MSCBA") and Division of Capital Asset Management ("DCAM"), and short term investments with original maturities of three months or less from the date of acquisition.

Investments for the University are reported at fair value. Any investments held with the Commonwealth's Treasurer and Receiver-General in the Massachusetts Municipal Depository Trust ("MMDT") are also at fair value. This external investment pool, run by the Treasurer and Receiver-General, operates in accordance with appropriate laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Investments include marketable debt and equity securities which are carried at their readily determinable fair values. Investments also include pooled investment funds with Commonfund which are valued at fair value based upon estimated net asset values provided by the management of Commonfund. These pooled investment funds are invested in marketable debt and equity securities. Realized and unrealized gains and

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

losses are included in nonoperating revenues. Gains and losses on the disposition of investments are determined based on specific identification of securities sold or the average cost method. Investment income is recognized when earned and is generally credited to the trust fund holding the related assets.

Dividends, interest and net gains or losses on investments are reported in the Statements of Revenues, Expenses and Changes in Net Position. Any net earnings not expended are included in net position categories as follows:

- (i) as increases in restricted - nonexpendable net position if the terms of the gift require that they be added to the principal of a permanent endowment fund;
- (ii) as increases in restricted - expendable net position if the terms of the gift or the University's interpretation of relevant state law impose restrictions on the current use of the income or net gains. The University has relied upon the Attorney General's interpretation of state law that unappropriated endowment gains should be classified as restricted - expendable; and
- (iii) as increases in unrestricted net position in all other cases.

At June 30, 2015 and 2014, the University had \$116,787 and \$165,420, respectively, in endowment income available by authorization for expenditure, which is included in restricted-expendable net position for scholarships and fellowships.

Massachusetts General Law, Chapter 15 grants authority to the University's Board of Trustees (the "Trustees") to administer the general business of the University. Inherent in this authority is the authority to invest funds of the University. Chapter 15 further grants the Trustees the authority to delegate, to the President, any said powers or responsibilities. The Trustees of Framingham State University have delegated the authority to make specific investment decisions to the Investment Committee of the Board of Trustees. Endowment funds are in cash and cash equivalents. The primary cash equivalents are within the MMDT, the external investment pool for political subdivisions of the Commonwealth.

The University's authorized spending rule provides that all earnings on endowment investments may be expended pursuant to the stipulations placed on those endowments. If a donor has not provided specific instructions, Massachusetts General Law permits the University's Board of Trustees to authorize for expense the net appreciation (realized and unrealized) of the investments of endowment funds. Any net appreciation that is spent is required to be spent for the purposes for which the endowment was established.

FSU Foundation's investments include marketable debt and equity securities which are carried at their readily determinable market values. Realized and unrealized gains and losses are included in revenue. Restricted investment income and gains are reported as increases in unrestricted net position, unless a donor or law temporarily (expendable) or permanently (non-expendable) restricts their use. Gains and losses on the disposition of

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

investments are determined based on specific identification of securities sold or the average cost method.

FSU Foundation maintains cash and an investment pool that is available for use by all funds. Each fund's portion is reflected in the financial statements under cash and cash equivalents and investments. Earnings on cash and investments of the unrestricted net position and temporarily restricted (expendable) net position are reflected in the fund in which the assets are recorded.

**Accounts receivable**

Accounts receivable are stated at the amount the University expects to collect from outstanding balances. The University provides for probable uncollectible amounts through a charge to operations and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after the University has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable.

**Loans receivable and payable**

Loans receivable consist, primarily, of the Federal Perkins Loan Program ("Perkins"). The federal government provides the majority of the funds to support this program. Loan payments received from students made under the Perkins program may be re-loaned after collection. The portion of the Perkins Program provided by the federal government is refundable to the federal government upon the ending (liquidation) of the University's participation in the program. The amounts due to the federal government upon liquidation by the University are \$1,930,383 and \$1,877,907 at June 30, 2015 and 2014, respectively. These amounts are included as a noncurrent liability in the accompanying statements of net position.

The prescribed practices for the Perkins program do not provide for accrual of interest on student loans receivable or for the provision of an allowance for doubtful loans. Accordingly, interest on loans is recorded as received and loan balances are reduced subsequent to the determination of their uncollectability and have been accepted (assigned) by the U.S. Department of Education ("ED"). Management closely monitors outstanding balances and assigns loans to the ED based upon such factors as student payment history, current status of applicable students, and the results of collection efforts.

Loans receivable also includes an amount receivable from the Massachusetts State College Building Authority ("MSCBA") (see Note 13).

**Capital assets**

Capital assets are controlled but not owned by the University. The University is not able to sell or otherwise pledge its assets, since the assets are all owned by the Commonwealth of Massachusetts. Capital assets, which include land, land improvements, buildings, building improvements, equipment and other assets are reported in the statements of net position at cost or fair market value, if donated. Capital assets are defined by the University as assets

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

with an initial, individual cost of more than \$50,000 in accordance with the Commonwealth's capitalization policy. The University does not hold collections of historical treasures, works of art, or other items not requiring capitalization or depreciation.

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.

Capital assets, with the exception of land, are depreciated using the straight-line method over estimated useful lives of 40 years for buildings, 20 years for building and land improvements, 5 years for furniture and 3 to 10 years for equipment.

Library materials acquired for the most recent five year period are capitalized. The cost of library materials purchased in the current year is added and the cost of purchases made in the earliest year of the five-year period is deducted from the net position balance.

The land on which the residence halls stand is leased by the MSCBA from the Commonwealth at a yearly cost of one dollar. The residence halls have various lease terms which extend to the years 2022 and 2049. The leases can be extended at the end of the terms for additional 10-year periods.

The University, in accordance with a management and services agreement between the MSCBA and the Commonwealth of Massachusetts, is charged a semi-annual revenue assessment which 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. Certain obligations are guaranteed by the Commonwealth. The revenue assessment amounts for the years ended June 30, 2015 and 2014 were \$7,646,546 and \$7,832,546, respectively, and are included in the Residential life auxiliary enterprises in the accompanying statements of revenues, expenses and changes in net position. All facilities and obligations of the MSCBA are included in the financial statements of the MSCBA. It is not practical to determine the specific asset cost or liability attributable to the University. The leases, therefore, are accounted for under the operating method for financial statement purposes.

**Compensated absences**

Employees earn the right to be compensated during absences for vacation leave and sick leave. Accrued vacation is the amount earned by all eligible employees through June 30, each year. Pursuant to statewide experience on sick pay buy-back agreements applicable to state employees, the University accrues sick leave to a level representing 20% of amounts earned by those University employees with 10 or more years of State service at the end of the fiscal year. Upon retirement, these employees are entitled to receive payment for this accrued balance (see Note 8).

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**Notes to Financial Statements**  
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**Student fees**

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

**Revenue received in advance**

Deposits and advance payments received for tuition and fees related to the University's summer programs and tuition billed for the following fiscal year are recorded as revenues received in advance. Funds received in advance from various grants and contracts are also included in revenues received in advance.

**Agency funds**

Agency funds consist of resources held by the University as custodian or fiscal agent of student organizations, the State Treasurer and others. Transactions are recorded to asset and liability accounts. There were no material balances at June 30, 2015 and 2014.

**Bond premiums**

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

**Interest expense and capitalization**

The University follows the policy of capitalizing interest expense as a component of the cost of capital assets constructed for its own use. During 2015 and 2014, total interest costs incurred were accounted for as follows:

	2015	2014
Total interest costs incurred	\$ 1,408,920	\$ 1,568,029
Less: Interest income on unused funds from tax exempt borrowings	(99,010)	(115,157)
Bond premium amortization	(37,290)	(31,819)
	1,272,620	1,421,053
Less: Capitalized portion of net interest earned and incurred	(693,057)	(792,437)
Interest expense	\$ 579,563	\$ 628,616

**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

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payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**Fringe benefits**

The University participates in the Commonwealth's fringe benefit programs, including health insurance, unemployment, pension and workers' compensation benefits. Workers' compensation coverage is provided by the Commonwealth on a self-insured basis. Health insurance and pension costs are billed through a fringe benefit rate charged to the University. Workers' compensation and unemployment insurance costs are assessed separately based on the University's actual experience.

**Tax status**

The University is a department of the Commonwealth of Massachusetts and is therefore exempt from federal and state income taxes.

**Reclassifications**

Certain reclassifications have been made to the 2014 financial statements to conform to the 2015 presentation.

**Recently adopted accounting pronouncements**

In June 2012, the GASB issued GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*. The primary objective of GASB Statement No. 68 is to improve accounting and financial reporting by state and local governments for pensions. GASB Statement No. 68 requires governments providing defined benefit pensions to recognize their long-term obligation for pension benefits as a liability for the first time, and to more comprehensively and comparably measure the annual costs of pension benefits. The Statement also enhances accountability and transparency through revised and new note disclosures and required supplementary information. The requirements of GASB Statement No. 68 are effective for financial statements for fiscal years beginning after June 15, 2014 with earlier application encouraged. The University adopted this standard in fiscal year 2015.

In November 2013, the GASB issued GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*. The objective of this statement is to address an issue regarding application of the transition provisions of GASB Statement No. 68. The Statement requires that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. The provisions of this Statement are required to be applied simultaneously with the provisions of GASB Statement No. 68.

The impact of implementing GASB Statements No. 68 and 71 on the University's financial statements is further discussed in Notes 20 and 25.

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**Note 2 - Cash and cash equivalents, and investments**

Cash and cash equivalents - unrestricted and restricted - include the following at June 30, 2015 and 2014:

	2015		
	Current Unrestricted	Current Restricted	Noncurrent Restricted
Cash and money market accounts ****	\$ 14,221,179	\$ 1,443,159	\$ 5,664,348
Massachusetts State Treasurer ***	3,582,149	-	2,281,180
Petty cash	17,677	2,100	-
Century Bancorp, Inc.	-	-	18,132
Cash and cash equivalents held by MDFA*	-	349,232	379,641
Cash and cash equivalents held by MSCBA **	-	-	2,863,942
Cash and cash equivalents held by DCAM *****	-	-	350,000
	<u>\$ 17,821,005</u>	<u>\$ 1,794,491</u>	<u>\$ 11,557,243</u>
	2014		
	Current Unrestricted	Current Restricted	Noncurrent Restricted
Cash and money market accounts ****	\$ 15,736,538	\$ 1,750,153	\$ 4,571,827
Massachusetts State Treasurer ***	3,498,678	-	259,948
Petty cash	16,521	2,100	-
Century Bancorp, Inc.	-	-	18,086
Cash and cash equivalents held by MDFA*	-	330,258	444,478
Cash and cash equivalents held by MSCBA **	-	991,141	5,445,163
Cash and cash equivalents held by DCAM *****	-	-	270,000
	<u>\$ 19,251,737</u>	<u>\$ 3,073,652</u>	<u>\$ 11,009,502</u>

\* This amount consists of cash and cash equivalents which are restricted by the Massachusetts Development Finance Agency ("MDFA") for the funding of payments to retire bonds when they mature (See Note 12) and for the funding of the installation of solar photovoltaic panels on the McCarthy Center and Athletic Center. The University does not have access to these funds except by the authorization of MDFA.

\*\* This amount consists of cash and cash equivalents which are restricted by the Massachusetts State College Building Authority ("MSCBA") for the funding of certain construction projects at the University and payments to retire bonds (see Note 12). The University does not have access to these funds except by the authorization of MSCBA. Interest earned on debt service reserve funds are used on a current basis to offset annual debt service payments.

\*\*\* This amount is held for the benefit of the University by the Massachusetts State Treasurer in the amounts of \$3,913,668 and \$2,042,039 at June 30, 2015 and

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2014, respectively, for University funds. In addition, the University has recorded cash held for the benefit of the University by the Massachusetts State Treasurer in the amounts of \$1,949,661 and \$1,716,587 at June 30, 2015 and 2014, respectively, to pay year-end liabilities. The latter balances represent amounts paid from State appropriations subsequent to the fiscal year end.

\*\*\*\* This amount includes cash and cash equivalents held at MMDT in the amounts of \$18,561,591 and \$8,388,139 at June 30, 2015 and 2014, respectively.

\*\*\*\*\* This amount includes cash and cash equivalents which are restricted by the Massachusetts' Division of Capital Asset Management ("DCAM") for the funding of certain construction projects at the University. The University does not have access to these funds except by the authorization of DCAM.

The Massachusetts Municipal Depository Trust ("MMDT") is not subject to FDIC insurance. According to the MMDT, it is an external investment pool for political subdivisions in the Commonwealth which 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 debt instruments. The MMDT is not a bank, savings institution, or financial institution. The MMDT is an instrumentality of the State Treasurer.

The University maintains a cash and investment pool that is available for use by all trust funds. Each fund type's portion of this pool is reflected in the financial statements under the caption, cash and cash equivalents and investments. The method of allocating interest earned on pooled cash and investments is to record all interest to the appropriate fund based on that fund's average monthly balance. Interest earnings attributable to each trust fund are included under investment income.

**Custodial credit risk**

Custodial credit risk for deposits is the risk that in the event of a bank failure, the University's deposits may not be returned to it. The University's deposit policy provides for bank balances to be held in interest-bearing checking accounts and, where account activity and balances warrant it, in money market accounts. All bank balances are to be held at financial institutions of high credit quality. As of June 30, 2015 and 2014, all of the University's bank balances in excess of Federal Deposit Insurance Corporation ("FDIC") limits are fully collateralized under an Agreement with Bank of America.

The University does not have a formal policy with respect to the custodial credit risk. Custodial credit risk is that, in the event of the failure of the counterparty, the University will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

Certain investments are covered by the Securities Investor Protection Corporation ("SIPC") up to \$500,000, including \$250,000 of cash from sale or for purchase of investments, but

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not cash held solely for the purpose of earning interest. SIPC protects securities such as notes, stocks, bonds, debentures, certificates of deposit and money funds.

The following University investments are held by the counterparty's trust department or agent but not in the University's name and, therefore, are subject to custodial credit risk as follows:

	2015
U.S. Treasury Notes and Government Securities	\$ 4,317,356
Corporate Debt Securities	1,151,869
Equity Securities	13,255,974
Money Market Funds	549,571
Mutual Funds	4,707,960
Commonfund (pooled investment funds)	8,065,833
	32,048,563
Less insured amounts	1,000,000
	\$ 31,048,563

**Credit risk**

The University is required to comply with the Commonwealth of Massachusetts' deposit and investment policies which are principally defined in the Massachusetts General Laws, Chapter 29. State Statutes permit investment in obligations of the U.S. Treasury, authorized bonds of all states, bankers' acceptances, certificates of deposit, commercial paper rated within the three highest classifications established by Standard & Poor's Corporation and Moody's Commercial Paper Record and repurchase agreements secured by any of these obligations. The University has also adopted its own formal investment policy, the objectives of which are: safety of principal; liquidity for operating needs; return on investment; and diversification of risk. The University's investment policy generally limits the maturities of investments to not more than one year. However, the University may invest in securities with maturities in excess of one year if it is determined to be in the best interest of the University as described in the University's investment policy. The University may also appoint a professional fund manager and invest in equity and bond funds. Eligible investments shall be consistent with those permitted by State Statutes.

As of June 30, 2015 and 2014, the fair values of the University's deposits held at the Massachusetts Municipal Depository Trust were \$18,561,591 and \$8,388,139, respectively. At June 30, 2015, the approximate percentage of the University's deposits held at the MMDT and the respective investment maturities in days were as follows: 54% at 30 days or less; 31% at 31-90 days; 9% at 91-180 days; and 6% at 181 days or more. At June 30,

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2015, approximately 97% of the MMDT's cash portfolio had a credit quality rating of P1 and the remaining 3% had a credit quality rating of P2.

The University's funds held at MDFA are invested in the Short Term Asset Reserve ("STAR") Fund and had fair values of \$728,873 and \$774,736 at June 30, 2015 and 2014, respectively. The STAR Fund invests primarily in U.S. Treasury bills, notes, and other obligations guaranteed by the U.S. government or its agencies or instrumentalities. Additionally, the fund invests in repurchase agreements, bankers' acceptances, certificates of deposit, commercial paper, notes, and both corporate floating rate and corporate fixed-rate securities. The STAR Fund maintains a net asset value of \$1 per share and had a fund credit quality rating of AAAM as of both June 30, 2015 and 2014. The STAR Fund's investment securities maintain a weighted average maturity of 27 and 54 days at June 30, 2015 and 2014, respectively.

At June 30, 2015, certain of the University's funds are held at MSCBA. Of the total, \$908,363 is deposited in various cash accounts which are fully collateralized by securities in accounts in the name of MSCBA, and \$1,955,579 is invested in various funds as listed below:

Investment Type	Fair Value	Investment Maturities (in years)				Credit Rating
		Less Than 1	1-5	6-10	Greater Than 10	
Federal Home Loan Banks discount notes	\$ 108,631	\$ 108,631	\$ -	\$ -	\$ -	AAA
Fannie Mae Corporation discount note	249,472	249,472	-	-	-	AAA
Federal Home Loan Mortgage Corp. U.S. Govt. Issues	437,582	-	437,582	-	-	AAA
Federal Farm Credit	194,330	-	-	194,330	-	AAA
Massachusetts ST Bonds	965,564	-	-	-	965,564	AAA
<b>Total</b>	<b>\$ 1,955,579</b>	<b>\$ 358,103</b>	<b>\$ 437,582</b>	<b>\$ 194,330</b>	<b>\$ 965,564</b>	

At June 30, 2014, certain of the University's funds are held at MSCBA. Of the total, \$4,267,757 is deposited in various cash accounts which are fully collateralized by securities in accounts in the name of MSCBA, and \$2,168,547 is invested in various funds as listed below:

Investment Type	Fair Value	Investment Maturities (in years)				Credit Rating
		Less Than 1	1-5	6-10	Greater Than 10	
Federal Home Loan Banks discount notes	\$ 321,598	\$ 321,598	\$ -	\$ -	\$ -	AAA
Fannie Mae Corporation discount note	249,472	249,472	-	-	-	AAA
Federal Home Loan Mortgage Corp. U.S. Govt. Issues	437,582	-	437,582	-	-	AAA
Federal Farm Credit	194,330	-	-	194,330	-	AAA
Massachusetts ST Bonds	965,565	-	-	-	965,565	AAA
<b>Total</b>	<b>\$ 2,168,547</b>	<b>\$ 571,070</b>	<b>\$ 437,582</b>	<b>\$ 194,330</b>	<b>\$ 965,565</b>	

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The University's investments in marketable securities are represented by the following at June 30:

	2015		2014	
	Cost	Fair Value	Cost	Fair Value
<b>Current</b>				
U.S. Treasury Notes and Government Securities	\$ 91,673	\$ 87,874	\$ 77,269	\$ 76,289
Corporate Debt Securities	100,831	93,144	148,013	143,087
Equity Securities	401,634	615,383	416,259	697,478
Money Market Funds	28,670	28,670	21,840	21,840
Mutual Funds	2,118,226	2,134,192	550,460	550,788
Commonfund (pooled investment funds):				
Multi Strategy Bond Fund	1,950,553	1,879,520	1,950,553	1,863,715
Intermediate Term Fund	3,752,992	5,171,464	2,252,992	3,415,981
Equity Index Fund	930,658	1,014,849	930,658	1,002,670
	<b>\$ 9,375,237</b>	<b>\$ 11,025,096</b>	<b>\$ 6,348,044</b>	<b>\$ 7,771,848</b>
<b>Noncurrent</b>				
U.S. Treasury Notes and Government Securities	\$ 4,229,219	\$ 4,229,482	\$ 2,959,330	\$ 2,997,515
Corporate Debt Securities	1,045,075	1,058,725	992,049	1,015,479
Equity Securities	8,987,669	12,640,591	8,840,405	13,055,545
Money Market Funds	517,507	520,901	838,962	838,962
Mutual Funds	2,240,161	2,573,768	1,891,127	2,304,298
	<b>\$ 17,019,631</b>	<b>\$ 21,023,467</b>	<b>\$ 15,521,873</b>	<b>\$ 20,211,799</b>

The University's investment balances as of June 30, 2015 and 2014 include \$20,995,482 and \$20,267,045, respectively, which represent unrestricted net assets designated by the Board of Trustees (see Note 16). These amounts consist of an original designated investment of \$13,500,000 (\$0 designated in fiscal year 2015 and \$2,500,000 designated in fiscal year 2014), plus accumulated investment income earned thereon.

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At June 30, 2015, the University's U.S. Treasury Notes and Government Securities and corporate debt securities along with their investment maturities and credit quality ratings are as follows:

Investment Type	Fair Value	Investment Maturities (in years)				Credit Rating
		Less Than 1	1-5	6-10	Greater Than 10	
U.S. Treasury Notes and Government Securities 1.250% to 5.450%	\$ 3,201,870	\$ -	\$ 791,301	\$ 2,410,569	\$ -	AA+
U.S. Treasury Notes and Government Securities 0.980% to 2.500%	461,729	87,874	373,855	-	-	AAA
U.S. Treasury Notes and Government Securities 0.125% to 4.500%	653,757	-	227,431	335,912	90,414	N/R
Corporate Debt Securities 0.039% to 7.900%	789,814	51,579	452,025	286,210	-	A
Corporate Debt Securities 2.375% to 3.700%	93,503	-	93,503	-	-	A-
Corporate Debt Securities 2.100% to 4.950%	31,625	-	31,625	-	-	AA-
Corporate Debt Securities 3.150% to 3.250%	115,364	-	10,428	104,936	-	AA
Corporate Debt Securities 1.000% to 4.375%	35,251	10,084	25,167	-	-	AA+
Corporate Debt Securities 5.100% to 5.100%	10,009	10,009	-	-	-	BBB-
Corporate Debt Securities 2.500% to 5.450%	76,303	21,471	-	54,832	-	BBB+
<b>Total</b>	<b>\$ 5,469,225</b>	<b>\$ 181,017</b>	<b>\$ 2,005,335</b>	<b>\$ 3,192,459</b>	<b>\$ 90,414</b>	

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At June 30, 2014, the University's U.S. Treasury Notes and Government Securities and corporate debt securities along with their investment maturities and credit quality ratings are as follows:

Investment Type	Fair Value	Investment Maturities (in years)				Credit Rating
		Less Than 1	1-5	6-10	Greater Than 10	
U.S. Treasury Notes and Government Securities 0.375% to 5.450%	\$ 2,352,814	\$ 76,289	\$ 1,870,861	\$ 405,664	\$ -	AA+
U.S. Treasury Notes and Government Securities 0.125% to 4.500%	720,990	-	438,998	164,068	117,924	NR
U.S. Treasury Notes and Government Securities 3.625% to 6.250%	574,779	-	282,398	292,381	-	A
Corporate Debt Securities 3.375% to 3.375%	105,034	-	-	105,034	-	A+
Corporate Debt Securities 2.500% to 7.900%	183,973	56,378	127,595	-	-	A-
Corporate Debt Securities 0.875% to 3.000%	20,280	20,280	-	-	-	AA-
Corporate Debt Securities 0.875% to 3.000%	105,012	-	-	105,012	-	AA
Corporate Debt Securities 3.250% to 3.250%	10,459	-	10,459	-	-	AA+
Corporate Debt Securities 4.375% to 4.375%	15,256	15,256	-	-	-	BBB
Corporate Debt Securities 5.100% to 5.950%	40,980	30,564	10,416	-	-	BBB-
Corporate Debt Securities 2.650% to 5.450%	102,793	20,609	26,801	55,583	-	BBB+
<b>Total</b>	<b>\$ 4,232,370</b>	<b>\$ 219,376</b>	<b>\$ 2,767,328</b>	<b>\$ 1,127,742</b>	<b>\$ 117,924</b>	

The Intermediate Term Fund invests in high-quality fixed income securities with maturities generally ranging from 1-3 years. The fund may, however, invest in high-quality fixed income securities with maturities ranging from one day to 30 years. The fund's objective is to exceed the performance of the Merrill Lynch 1-3 Year Treasury Index. At June 30, 2015, and 2014, the fund's investment securities had a weighted average life of 2.6 and 2.0 years, respectively, and an effective duration of 2.1 and 1.8 years, respectively. The fund had an average credit quality rating of AA as of both June 30, 2015 and June 30, 2014.

The Multi-Strategy Bond Fund invests in debt securities across strategies in proportions that are considered to be optimal for a fully diversified fixed income portfolio. The majority of the fund's assets are invested in traditional core strategies with diversification achieved through exposures to global bonds, inflation-indexed bonds, high yield bonds, private debt and other credit-oriented strategies and relative value/absolute return strategies. The fund's objective is to exceed the return of the broad U.S. bond market as measured by the Barclays Capital U.S. Aggregate Bond Index. At June 30, 2015 and 2014, the fund's investment securities had a weighted average life of 6.7 and 7.2 years, respectively, and an

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effective duration of 4.5 and 4.2 years, respectively. The fund had an average credit quality rating of A+ as of both June 30, 2015 and June 30, 2014.

The Equity Index Fund invests in equity securities across strategies in proportions that are considered to be optimal for a fully diversified equity portfolio. The fund's objective is to replicate the returns of the S&P 500 Index.

Mutual funds include \$2,021,191 and \$500,000 held at the Massachusetts Municipal Depository Trust ("MMDT") in the MMDT Short Term Bond Portfolio at June 30 2015 and 2014, respectively. The fund's objective is to generate long-term performance exceeding the Barclays 1-5 Year Government/Credit Bond Index by investing in a diversified portfolio of investment-grade, short-term, fixed-income securities. The duration of the portfolio will approximate the duration of the Barclays 1-5 Year Government/Credit Bond Index. At June 30, 2015 and 2014, the fund's investment securities had a weighted average life of 2.6 and 2.35 years, respectively, and an effective duration of 2.4 and 2.18 years, respectively. The fund had an average credit quality rating of AAA as of both June 30, 2015 and 2014.

The University incurred investment advisory fees of \$98,796 and \$79,342 for the years ended June 30, 2015 and 2014, respectively, which have been netted against investment income in the statements of revenues, expenses and changes in net position.

FSU Foundation's investment policy is to hold its investments to obtain a ratio of approximately 60-70% equity securities and approximately 30-40% debt or fixed income securities, based on market value.

FSU Foundation's investments are included at their fair values and consist of the following at June 30:

	2015	2014
Equity Securities	\$ 4,857,827	\$ 5,144,190
U.S. Treasury Notes and Government Securities	1,417,600	1,165,639
Corporate Bonds	382,242	482,753
Equity Fund	642,310	628,511
Bond Fund	654,179	543,177
Cash and cash equivalents	318,286	738,309
	\$ 8,272,444	\$ 8,702,579

Investment securities are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, it is at least reasonably possible that changes in the value of these investments will occur in the near term and that such changes could materially affect the University's and FSU Foundations' investment account balances.

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**Note 3 - Accounts receivable**

The University's accounts receivable include the following at June 30:

	<u>2015</u>	<u>2014</u>
Student accounts receivable	\$ 2,396,148	\$ 1,964,213
Grants receivable	135,507	162,017
Parking fines receivable	252,761	212,813
Interest receivable	-	140
Tuition receivable	18,880	131,880
Commissions receivable	40,112	19,865
Due from the Foundation	55,713	78,107
Miscellaneous other receivables	40,651	41,923
	<u>2,939,772</u>	<u>2,610,958</u>
Less allowance for doubtful accounts	<u>(1,265,960)</u>	<u>(1,026,745)</u>
	<u>\$ 1,673,812</u>	<u>\$ 1,584,213</u>

**Note 4 - Loans receivable**

Loans receivable include the following at June 30:

	<u>2015</u>	<u>2014</u>
Perkins loans receivable	\$ 2,382,400	\$ 2,303,011
Loan receivable from MSCBA	1,152,765	-
Emergency student loans receivable	4,241	4,591
	<u>\$ 3,539,406</u>	<u>\$ 2,307,602</u>

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**Note 5 - Capital assets**

Capital assets activity of the University for the year ended June 30, 2015 is as follows:

Capital Assets	Totals June 30, 2014	Additions	Reclassification* and Reductions	Totals June 30, 2015
<u>Non-depreciable capital assets</u>				
Land	\$ 3,201,215	\$ -	\$ -	\$ 3,201,215
Construction in progress	32,350,667	36,931,605	(9,765,227)	59,517,045
Total non-depreciable assets	<u>35,551,882</u>	<u>36,931,605</u>	<u>(9,765,227)</u>	<u>62,718,260</u>
<u>Depreciable capital assets</u>				
Land improvements	5,139,115	152,724	4,147,357	9,439,196
Buildings	40,691,685	-	-	40,691,685
Building improvements	54,746,002	-	5,617,870	60,363,872
Equipment	4,271,429	157,332	-	4,428,761
Library materials	1,759,813	409,978	(308,428)	1,861,363
Total depreciable assets	<u>106,608,044</u>	<u>720,034</u>	<u>9,456,799</u>	<u>116,784,877</u>
Total capital assets	<u>142,159,926</u>	<u>37,651,639</u>	<u>(308,428)</u>	<u>179,503,137</u>
Less: accumulated depreciation				
Land improvements	2,346,414	364,414	-	2,710,828
Buildings	28,583,363	534,902	-	29,118,265
Building improvements	19,013,092	2,877,746	-	21,890,838
Equipment	4,019,274	116,594	-	4,135,868
Library materials	-	308,428	(308,428)	-
Total accumulated depreciation	<u>53,962,143</u>	<u>4,202,084</u>	<u>(308,428)</u>	<u>57,855,799</u>
Capital assets, net	<u>\$ 88,197,783</u>	<u>\$ 33,449,555</u>	<u>\$ -</u>	<u>\$ 121,647,338</u>

As of June 30, 2015, capital assets with a cost of approximately \$23,543,000 were fully depreciated and still in service.

- \* Construction costs incurred for the University's Comprehensive Energy Performance Contracting Project and other facility improvements were included in construction in progress and subsequently transferred to capital asset additions upon completion during the year ended June 30, 2015.

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Capital assets activity of the University for the year ended June 30, 2014 is as follows:

Capital Assets	Totals June 30, 2013	Additions	Reclassification* and Reductions	Totals June 30, 2014
<u>Non-depreciable capital assets</u>				
Land	\$ 3,201,215	\$ -	\$ -	\$ 3,201,215
Construction in progress	11,136,132	23,304,356	(2,089,821)	32,350,667
Total non-depreciable assets	<u>14,337,347</u>	<u>23,304,356</u>	<u>(2,089,821)</u>	<u>35,551,882</u>
<u>Depreciable capital assets</u>				
Land improvements	5,139,115	-	-	5,139,115
Buildings	40,691,685	-	-	40,691,685
Building improvements	52,656,181	-	2,089,821	54,746,002
Equipment	3,968,848	302,581	-	4,271,429
Library materials	1,682,476	383,466	(306,129)	1,759,813
Total depreciable assets	<u>104,138,305</u>	<u>686,047</u>	<u>1,783,692</u>	<u>106,608,044</u>
Total capital assets	<u>118,475,652</u>	<u>23,990,403</u>	<u>(306,129)</u>	<u>142,159,926</u>
Less: accumulated depreciation				
Land improvements	2,089,503	256,911	-	2,346,414
Buildings	27,907,651	675,712	-	28,583,363
Building improvements	16,328,034	2,685,058	-	19,013,092
Equipment	3,956,117	63,157	-	4,019,274
Library materials	-	306,129	(306,129)	-
Total accumulated depreciation	<u>50,281,305</u>	<u>3,986,967</u>	<u>(306,129)</u>	<u>53,962,143</u>
Capital assets, net	<u>\$ 68,194,347</u>	<u>\$ 20,003,436</u>	<u>\$ -</u>	<u>\$ 88,197,783</u>

As of June 30, 2014, capital assets of the University with a cost of approximately \$23,265,000 were fully depreciated and still in service.

\* Construction costs incurred for improvements of Hemenway Hall were included in construction in progress and subsequently transferred to capital asset additions upon completion during the year ended June 30, 2014.

During 2015, the University transferred \$1,650,000 to fund University equity contributions related to costs associated with costs related to the 1812 House Renovation project (\$400,000), costs related to the O'Connor Hall Renovation project (\$1,200,000), and costs related to the 860 Worcester Road acquisition (\$50,000), all of which were funded from University operations.

Additionally, \$430,968 was transferred to the MSCBA from available bond funds related to the 860 Worcester Road acquisition (\$218,000) and funds related to the bond refunding (\$212,968) (see Note 12).

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During 2014, the University transferred \$1,756,055 to fund University equity contributions related to costs associated with the O'Connor hall renovation project (\$900,000), costs related to the College Planning Center (\$375,000), costs related to the Salem End Parking project (\$240,000), costs related to the 1812 House Renovation project (\$155,000), and costs related to the Maple Athletic Fields project (\$86,055), all of which were funded from University operations. Subsequent to June 30, 2014, the University transferred \$1,100,000 to fund the University equity contributions related to the costs associated with the Salem End Parking project (\$350,000) and the Maple Athletic Fields project (\$750,000).

During 2014, the MSCBA transferred \$440,712 of unused MSCBA project funds to the University for their use on future University projects. These funds are currently being held by the MSCBA on the University's behalf.

The net transfers to/from state agencies amounted to a net transfer to state agencies of \$2,072,255 and \$1,315,343 in 2015 and 2014, respectively.

During fiscal 2015, the University was awarded a grant in the total amount of \$3,000,000 from the Massachusetts Life Sciences Center ("MLSC") to be used toward the construction of the Hemenway Hall Science Center. The University expects to receive \$1,000,000 in grant proceeds in each of the next three fiscal years. As of June 30, 2015, the University has not received grant proceeds from the MLSC.

The University has considered the requirements of GASB Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, and has noted no implications of this standard to the University's financial statements for the years ended June 30, 2015 and 2014.

**Note 6 - Accounts payable and accrued liabilities**

Accounts payable and accrued liabilities include the following at June 30:

	2015	2014
Accounts payable - trade	\$ 425,177	\$ 324,911
Salaries and fringe benefits payable	2,432,090	2,175,069
	\$ 2,857,267	\$ 2,499,980

**Note 7 - Accrued workers' compensation**

Independent actuarial reviews of the outstanding loss reserve requirements for the Commonwealth's self-insured workers' compensation program were conducted as of June 30, 2015 and 2014. Based upon the Commonwealth's analyses, \$460,497 and \$555,960 of accrued workers' compensation has been recorded as a liability at June 30, 2015 and 2014, respectively.

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**Note 8 - Accrued compensated absences**

Accrued compensated absences are comprised of the following at June 30:

	2015	2014
Vacation time payable	\$ 2,835,094	\$ 2,525,346
Sick time payable	2,197,814	2,044,328
Total	\$ 5,032,908	\$ 4,569,674
Amount representing obligations due to employees funded through sources other than State appropriations	\$ 512,234	\$ 505,344
Amount representing obligations for employees funded through State appropriations	4,520,674	4,064,330
Total	\$ 5,032,908	\$ 4,569,674

It is anticipated that the obligation due to employees funded through State appropriations will be discharged through future State appropriations and the balance is expected to be liquidated through trust funds. Had these amounts not been reflected as obligations of the University, the University's unrestricted net position balances would be \$41,862,480 and \$33,789,834 at June 30, 2015 and 2014, respectively (see Note 1, Compensated absences).

**Note 9 - Faculty payroll accrual**

The contract for full-time faculty begins on September 1 and ends on May 31, of any given academic year. The Commonwealth of Massachusetts and Framingham State University pay all faculty over the 12-month period from September through August. Consequently, on June 30 of each year there is a balance due on each faculty contract which is to be paid from the subsequent year's State appropriation. The total amount due at June 30, 2015 of \$2,616,749 will be paid from the University's fiscal 2016 State appropriations. The total amount due at June 30, 2014 of \$2,502,575 was paid from the University's fiscal 2015 State appropriations.

**Note 10 - Revenue received in advance**

Revenue received in advance includes tuition received in advance from students for summer courses commencing after June 30, and grant funds received in advance.

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Revenue received in advance includes the following at June 30:

	2015	2014
Summer tuition	\$ 2,074,359	2,012,237
Grants	434,262	748,673
	\$ 2,508,621	\$ 2,760,910

**Note 11 - Deferred inflows of resources from service concession arrangement**

Deferred inflows of resources from service concession arrangement at June 30, 2014 consisted of the unamortized balance of a service concession arrangement with Sodexo Operations, LLC ("Sodexo") to manage and operate the University's food services operation at the University's dining services locations as more fully described in the arrangement. The service concession arrangement commenced on July 1, 2010 for a term of five years through June 30, 2015. The arrangement provided the University with an option to extend the arrangement for one additional five-year period upon the expiration of the original term and the mutual agreement of the parties. Effective July 1, 2015, the University extended the arrangement with Sodexo for an additional five-year period through June 30, 2020. The arrangement may be terminated by either party at any time, without cause, by giving not less than 120 days prior written notice to the other party. Sodexo agreed to provide \$2,500,000 to the University to be used for improvements to the University's dining services facilities, including the purchase of equipment. Any such improvements and equipment purchased shall remain the property of the University. Sodexo made payments to the University in two installments: \$1,650,000 by June 1, 2011 and \$850,000 by June 1, 2012. As of June 30, 2015, the University has received the full amount from Sodexo. In addition, Sodexo has agreed to pay the University specified percentages of 2% or 11% of specified sales revenues from the operation of the dining facilities. The original arrangement contained provisions, whereby in the event of termination of the arrangement, the University shall be required to repay a portion of the \$2,500,000 paid by Sodexo. The portion required to be repaid was to be determined in accordance with amortization schedules prepared by Sodexo. The original arrangement was not terminated prior to its expiration date.

In fiscal 2011, the University recorded the service concession arrangement which became effective on July 1, 2010 as a deferred inflow of resources at its present value of \$2,342,943, using a 5% discount rate determined by management of the University. The deferred inflow of resources is being amortized to revenue on a straight-line basis over the term of the arrangement. Amortization in the amount of \$468,589 and \$468,595 has been recognized in nonoperating revenue (gifts) in the accompanying statements of revenues, expenses and changes in net position for the years ended June 30, 2015 and 2014, respectively. At June 30, 2015 and 2014, the accompanying statements of net position include a deferred inflow of resources of \$0 and \$468,589, respectively, associated with this service concession agreement.

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**Note 12 - Interagency payables**

**The Massachusetts Development Finance Agency (MDFA) bond issuance - \$6,265,000**

On October 16, 1998, the University signed a financing agreement to receive \$6,265,000 from a MDFA (formerly Massachusetts Health and Educational Authority ("MHEFA") bond issuance to be used for the construction of the University's athletic facility. This obligation will be repaid solely by the University. Construction of the athletic facility was completed in November 2001. MDFA retained \$480,073 of the bond proceeds for a debt service retirement fund.

In addition, the Commonwealth appropriated an additional \$6,265,000 on behalf of the University for its share of the cost of the athletic facility.

The net proceeds of the borrowing deposited by MDFA on behalf of the University were as follows:

Debt issue	\$ 6,265,000
Amount held by MDFA for debt service retirement fund (included in restricted cash and cash equivalents - noncurrent)	(480,073)
Origination fees paid to MDFA	<u>(148,834)</u>
Net proceeds	<u>\$ 5,636,093</u>

The University is required to make annual funding payments of principal on this debt each June 15. These payments are made to a restricted cash account held in escrow in the University's name and recorded on the books of the University. These amounts, along with the remaining balance of the debt service retirement fund, are held in an escrow account by MDFA. The annual funding payments are held in this escrow account and made available to reborrow subject to specific conditions of the financing agreement or used to pay down the outstanding debt. Earnings on this total balance were used to offset costs related to the construction of the athletic facility and to defray debt service costs. These debt payments are to be repaid by the University solely from student fees.

Interest on the debt is paid every 35 days at a floating rate of interest subject to market conditions. The interest rate is determined by MDFA conducting a true auction of their debt issuance every 35 days, in which the University's obligation is pooled with other higher education institutions within the Commonwealth who have debt funded through MDFA. The most recent auctioned interest rates in effect at June 30, 2015 and 2014 were .504% and .292%, respectively. The University is also responsible to pay for program expenses at an annual rate of 1.142% (2015) and 1.132% (2014) of the outstanding principal balance, calculated and payable every 35 days when the rate is auctioned. The effective interest rate for 2015 and 2014 amounted to .11% and .55%, respectively. Under the terms of the

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debt financing agreement, interest can be converted to a fixed rate with the consent of the Bond Insurer.

Under the terms of the debt financing agreement, the University is able to again borrow funding payments made by the University through July 1, 2008 and during any subsequent period with the consent of the Bond Insurer. Any amounts reborrowed must be repaid within a 10-year period or by the debt due date, whichever is earlier. However, any additional borrowings are subject to specific conditions of the financing agreement. At various times, the University has utilized this reborrowing option to fund various projects on campus. The reborrowed amounts are reflected in the payment schedule below. The outstanding principal balance of this Interagency payable at June 30, 2015 and 2014 was \$4,077,582 and \$4,447,682, respectively.

Principal funding payments and estimated interest due to maturity, after recycling the debt funding payments, consist of the following:

For the year ending June 30,	<u>Principal</u>	<u>Estimated Interest (1)</u>	<u>Total</u>
2016	\$ 349,232	\$ 20,552	\$ 369,784
2017	369,232	20,552	389,784
2018	390,664	20,552	411,216
2019	413,263	20,552	433,815
2020	437,217	20,552	457,769
2021 - 2023	1,470,195	61,655	1,531,850
	<u>3,429,803</u>	<u>164,415</u>	<u>3,594,218</u>
Balance of restricted cash held for debt principal at June 30, 2015	<u>647,779</u>	<u>-</u>	<u>647,779</u>
Total	<u>\$ 4,077,582</u>	<u>\$ 164,415</u>	<u>\$ 4,241,997</u>

(1) The interest rate in effect at June 30, 2015 of .504% was used to calculate the estimated interest.

MDFA is responsible to determine, subject to certain criteria, if income earned on unexpended debt proceeds exceeds the interest cost to the bondholders. Any excess income earned is held by an appointed trustee in a rebate fund. Such amounts are held until every fifth year, whereby payment is to be made as indicated by the bond indenture agreement.

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$2,275,000**

On March 1, 2003, the University signed a financing agreement in an original amount of \$2,275,000 from a MSCBA bond issuance. These funds, net of bond issue costs and debt service reserve funds, were used during fiscal year 2004 for improvements to athletic fields

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and a new parking lot. As of June 30, 2006, all remaining funds had been used for capital projects at the University. This obligation will be repaid solely by the University.

As of June 30, 2015 and 2014, the MSCBA held debt service funds in the amount of \$160,187, which are included in the accompanying statements of net position at June 30, 2015 and 2014 as noncurrent restricted cash and cash equivalents.

The University is required to make annual principal payments on this debt each May 1. The final principal payment is due on May 1, 2033. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using rates ranging from 2.00% to 5.25% over the term of the debt to maturity. For the years ended June 30, 2015 and 2014, the effective interest rate on this debt was 4.00% and 3.99%, respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$1,815,000 and \$1,870,000, respectively.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	Principal	Estimated Interest	Total
2016	\$ 60,000	\$ 79,040	\$ 139,040
2017	60,000	76,166	136,166
2018	65,000	75,171	140,171
2019	70,000	71,925	141,925
2020	70,000	68,354	138,354
2021-2025	425,000	272,528	697,528
2026-2030	525,000	168,580	693,580
2031-2033	540,000	12,721	552,721
	<u>\$ 1,815,000</u>	<u>\$ 824,485</u>	<u>\$ 2,639,485</u>

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$7,835,000**

During March 2005, the University signed a financing agreement to receive \$7,835,000 from a MSCBA bond issuance. These funds, net of bond issue costs, reoffering premiums and debt service reserve funds were used in prior fiscal years for the renovation of the McCarthy Center (the "Project") at the University. This obligation will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA whereby MSCBA will provide management services to the University for the Project.

As of June 30, 2014, the MSCBA held debt service reserve funds in the amount of \$212,968. During fiscal 2015 and 2012, \$212,968 and \$382,454, respectively, of debt service reserve funds were transferred to the MSCBA as part of bond refunding transactions. Other than the transfer of those funds to the MSCBA, the bond refundings by the MSCBA had no impact on the debt of the University. The University expects to benefit

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from interest savings on the bond refundings. The amounts held by MSCBA are included in the accompanying statements of net position at June 30, 2014 as noncurrent restricted cash and cash equivalents.

The University is required to make annual principal payments on this debt each May 1. The final principal payment is due on May 1, 2026. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 3.50% to 5.00% over the term of the debt to maturity. Funds from the debt service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. For the years ended June 30, 2015 and 2014, the effective interest rate on this debt was 3.96% and 3.83%, respectively. The effective interest rate at June 30, 2015 and 2014, respectively, reflects interest savings as a result of the bond refundings. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$5,040,000 and \$5,395,000, respectively.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	Principal	Estimated Interest	Total
2016	\$ 370,000	\$ 115,076	\$ 485,076
2017	385,000	141,337	526,337
2018	400,000	165,979	565,979
2019	415,000	157,764	572,764
2020	435,000	139,602	574,602
2021-2025	2,465,000	408,945	2,873,945
2026	570,000	14,816	584,816
	<u>\$ 5,040,000</u>	<u>\$ 1,143,519</u>	<u>\$ 6,183,519</u>

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$1,545,000**

During March, 2006, the University signed a financing agreement to receive \$1,545,000 from a MSCBA bond issuance. These funds were used for the renovation of the McCarthy Center (the "Project") at the University. This obligation will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA, whereby MSCBA will provide management services to the University for the Project.

As of June 30, 2015 and 2014, the MSCBA held debt service reserve funds in the amount of \$108,631 each year, which are included in the accompanying statements of net position at June 30, 2015 and 2014 as noncurrent restricted cash and cash equivalents.

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The University is required to make annual principal payments on this debt each May 1. The final principal payment is due on May 1, 2026. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 3.50% to 5.00% over the term of the debt to maturity. Funds from the debt service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The effective interest rate on this debt was 4.15% and 3.97% for the years ended June 30, 2015 and 2014, respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$1,077,694 and \$1,150,130, respectively, including unamortized premium.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	<u>Principal</u>	<u>Estimated Interest</u>	<u>Total</u>
2016	\$ 75,000	\$ 44,645	\$ 119,645
2017	75,000	31,617	106,617
2018	80,000	34,446	114,446
2019	85,000	35,132	120,132
2020	85,000	30,769	115,769
2021-2025	500,000	87,933	587,933
2026	115,000	3,578	118,578
	<u>1,015,000</u>	<u>\$ 268,120</u>	<u>\$ 1,283,120</u>
Plus: Unamortized premium	<u>62,694</u>		
	<u>\$ 1,077,694</u>		

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$870,000**

During March, 2008, the University signed a financing agreement to receive \$870,000 from a MSCBA bond issuance. These funds were used for the renovation of the McCarthy Center (the "Project") at the University. This obligation will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA whereby MSCBA will provide management services to the University for the Project.

As of June 30, 2015 and 2014, the MSCBA held debt service reserve funds in the amount of \$89,285 each year, which are included in the accompanying statements of net position at June 30, 2015 and 2014 as noncurrent restricted cash and cash equivalents.

The University is required to make annual principal payments on this debt each May 1. The final principal payment is due on May 1, 2028. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 3.00% to

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5.00% over the term of the debt to maturity. Funds from the debt service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The effective interest rate on this debt was 4.27% and 4.03% for the years ended June 30, 2015 and 2014, respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$667,958 and \$704,747, respectively, including unamortized premium.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	<u>Principal</u>	<u>Estimated Interest</u>	<u>Total</u>
2016	\$ 35,000	\$ 31,725	\$ 66,725
2017	40,000	30,500	70,500
2018	40,000	28,500	68,500
2019	40,000	26,500	66,500
2020	45,000	24,500	69,500
2021-2025	255,000	87,000	342,000
2026-2028	<u>190,000</u>	<u>19,250</u>	<u>209,250</u>
	645,000	<u>\$ 247,975</u>	<u>\$ 892,975</u>
Plus: Unamortized premium	<u>22,958</u>		
	<u>\$ 667,958</u>		

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$5,899,009**

During January, 2009, the University signed a financing agreement to receive \$5,899,009 from a MSCBA bond issuance. These funds have been used for a parking facility (the "Project") at the University and for a new roof on O'Connor Hall. This obligation will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA, whereby MSCBA will provide management services to the University for the Project.

As of June 30, 2015 and 2014, the MSCBA held debt service reserve funds in the amount of \$392,056 each year, which are included in the accompanying statements of net position at June 30, 2015 and 2014 as noncurrent restricted cash and cash equivalents.

The University is required to make annual principal payments on this debt each May 1. The final principal payment is due on May 1, 2029. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 3.00% to 5.30% over the term of the debt to maturity. Funds from the debt service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The effective interest rate on this debt was 4.46% and 4.61% for the years ended June 30, 2015 and 2014,

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respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$4,715,067 and \$4,954,792, respectively, including unamortized premium.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	<u>Principal</u>	<u>Estimated Interest</u>	<u>Total</u>
2016	\$ 246,379	\$ 220,023	\$ 466,402
2017	256,938	209,816	466,754
2018	265,737	199,971	465,708
2019	278,056	188,796	466,852
2020	288,615	177,005	465,620
2021-2025	1,659,536	669,640	2,329,176
2026-2029	<u>1,647,217</u>	<u>217,018</u>	<u>1,864,235</u>
	4,642,478	<u>\$ 1,882,269</u>	<u>\$ 6,524,747</u>
Plus: Unamortized premium	<u>72,589</u>		
	<u>\$ 4,715,067</u>		

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$685,000**

During October 2009, the MSCBA transferred land (the "Project") acquired with bond proceeds and the associated debt to the University pursuant to a financing agreement. This obligation will be repaid solely by the University through University operations.

As of June 30, 2015 and 2014, the MSCBA held debt service reserve funds in the amount of \$45,526 each year, which are included in the accompanying statements of net position at June 30, 2015 and 2014 as noncurrent restricted cash and cash equivalents.

The University is required to make annual principal payments on this debt each May 1. The final principal payment is due on May 1, 2029. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 3.00% to 5.30% over the term of the debt to maturity. Funds from the debt service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The effective interest rate on this debt was 4.83% and 4.68% for the years ended June 30, 2015 and 2014, respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$559,388 and \$585,414, respectively, including unamortized premium.

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Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	Principal	Estimated Interest	Total
2016	\$ 30,000	\$ 27,438	\$ 57,438
2017	30,000	25,938	55,938
2018	30,000	24,438	54,438
2019	30,000	22,938	52,938
2020	35,000	21,438	56,438
2021-2025	195,000	80,188	275,188
2026-2029	195,000	25,438	220,438
	545,000	\$ 227,816	\$ 772,816
Plus: Unamortized premium	14,388		
	\$ 559,388		

**Massachusetts Development Finance Agency (MDFA) bond issuance - \$177,705**

During June, 2010, the University signed a financing agreement to receive \$177,705 from a MDFA New Clean Renewable Energy Bonds ("CREBS") issuance. These funds are being used for the installation of solar photovoltaic panels on the Student Center and Athletic Center. This obligation will be repaid solely by the University through University operations.

As of June 30, 2015 and 2014, unexpended debt proceeds held by Century Bancorp, Inc. related to the debt issue and the Project are \$18,132 and \$18,086, respectively.

The amounts held by Century Bancorp, Inc. are included in the accompanying statements of net position at June 30, 2015 and 2014 as follows:

	2015	2014
Restricted cash and cash equivalents:		
Current	\$ -	\$ -
Noncurrent	18,132	18,086
	\$ 18,132	\$ 18,086

The University is required to make annual principal payments on the CREBS debt each May 1. The final principal payment is due on May 1, 2027. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule using a 3.5% interest rate over the term of the debt to maturity. The effective interest rate on this debt was 3.50% for each of the years ended June 30, 2015 and 2014,

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respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$125,439 and \$135,892, respectively.

The expected principal and interest payments due to maturity consist of the following:

For the year ending June 30,	Principal	Estimated Interest	Total
2016	\$ 10,453	\$ 4,464	\$ 14,917
2017	10,453	4,080	14,533
2018	10,453	3,709	14,162
2019	10,453	3,339	13,792
2020	10,453	2,976	13,429
2021-2025	52,266	9,278	61,544
2026-2027	20,908	1,113	22,021
	<u>\$ 125,439</u>	<u>\$ 28,959</u>	<u>\$ 154,398</u>

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$11,095,000**

During December, 2010, the University signed a financing agreement to receive \$11,095,000 from a MSBCA bond issuance. These funds, net of bond issue costs and a debt service reserve fund, are being used for the renovation of Hemenway Science Center, including the relocation of the Planetarium to O'Connor Hall. This obligation will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA whereby MSCBA will provide management services to the University for the Project.

As of June 30, 2015 and 2014, amounts held by MSCBA related to the debt issue and the Project are as follows:

	2015	2014
Unexpended debt proceeds	\$ 292,927	\$ 510,927
Debt service reserve fund	965,564	965,564
	<u>\$ 1,258,491</u>	<u>\$ 1,476,491</u>

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The amounts held by MSCBA are included in the accompanying statements of net position at June 30, 2015 and 2014 as follows:

	2015	2014
Restricted cash and cash equivalents:		
Current	\$ -	\$ -
Noncurrent	1,258,491	1,476,491
	\$ 1,258,491	\$ 1,476,491

In accordance with an amended funding agreement among MSCBA, DCAM and the University, MSCBA transferred \$8,150,000 of project funds to DCAM in association with the upgrade of the University's science and academic facilities at the Hemenway Hall Science Center. The \$8,150,000 transfer represents the University's equity contribution for the project. As of June 30, 2014, DCAM had expended all funds in accordance with the terms of the agreement.

The University is required to make annual principal payments on this debt each May 1, commencing on May 1, 2023. The final principal payment is due on May 1, 2035. Interest on the debt is payable on May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 5.788% to 6.540% over the term of the debt to maturity. Funds from the debt service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The MSCBA is receiving a federal interest subsidy associated with this bond issue and is billing the University for interest net of the subsidy. As a result, the effective interest rate on this debt to the University was 3.64% for each of the years ended June 30, 2015 and 2014, respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$11,095,000 each year.

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Principal and interest payments due to maturity consist of the following

For the year ending June 30,	Principal	Estimated Interest	Total
2016	\$ -	\$ 458,095	\$ 458,095
2017	-	458,095	458,095
2018	-	458,095	458,095
2019	-	458,095	458,095
2020	-	458,095	458,095
2021-2025	1,590,000	2,237,239	3,827,239
2026-2030	5,930,000	1,494,205	7,424,205
2031-2035	3,575,000	408,096	3,983,096
	<u>\$ 11,095,000</u>	<u>\$ 6,430,015</u>	<u>\$ 17,525,015</u>

**Clean Energy Investment Program**

In July 2011, the University entered into a Memorandum of Agreement with the Commonwealth of Massachusetts' Division of Capital Asset Management ("DCAM") to undertake a Comprehensive Energy Performance Contracting Project - Phase 1 (the "project"). Further, in March 2012, the University entered into a second Memorandum of Agreement with DCAM related to the same project but known as Phase 2. The second agreement provided for, among other items, an increase in the total project cost and a change in the performance term from 20 years to 5 years. The project's goal is to upgrade boilers, replace the chiller, lighting, EMS improvements, VAV boxes, and various energy conservation measures. The total project cost for Phase 1 is \$451,537, including capitalized interest of \$12,551. Phase 1 has been funded with Clean Energy Investment Program Funds ("CEIP Funds") in the amount of \$373,537, which are to be repaid over 20 years at 4.5% interest and \$78,000 of University operating funds. Annual payments of principal and interest for Phase 1 in the amount of \$28,716 commenced on January 1, 2013. The Agreement for Phase 2 provides for a total cost of approximately \$6,650,000. The cost of the project is expected to be funded from Clean Energy Investment Program Funds ("CEIP Funds") in the amount of \$3,711,166, capital grants of \$2,700,000, energy incentives from the contractor in the amount of \$45,600 and University operating funds of approximately \$193,000. CEIP Funds for Phase 2 are to be repaid over 15 years at 4.0% interest. Annual payments of principal and interest for Phase 2 in the amount of \$333,786 were to commence on January 1, 2013. The initial payment of principal and interest for Phase 2 was not made timely and was paid in October, 2013. Additionally, both agreements provide for the University to fund annual maintenance costs to be paid over the first five years of the project totaling approximately \$100,800 of which approximately \$6,900 relates to Phase 1 and \$93,900 relates to Phase 2. These maintenance costs are expected to be offset by energy savings as a result of the project. Maintenance costs incurred by the University during fiscal 2015 and 2014 for Phase 1 amounted to \$1,417 and \$2,710, respectively. Maintenance costs incurred for Phase 2 as of June 30, 2015 and 2014 amounted to \$18,786 and \$211,054, respectively. Maintenance costs incurred in fiscal

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2015 were inadvertently not billed to the University and, accordingly, not recorded or paid by the University in fiscal 2015. These amounts will be paid in fiscal 2016. The outstanding balance on this Interagency payable at June 30, 2015 and 2014 was \$3,468,795 and \$3,682,262, respectively.

As of June 30, 2014, DCAM expended all debt proceeds.

During fiscal 2015 and 2014, the University received \$0 and \$392,897 of capital grants toward this project, respectively.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	Phase 1		Phase 2		Total
	Principal	Interest	Principal	Interest	
2016	\$ 13,588	\$ 15,128	\$ 208,481	\$ 125,304	\$ 362,501
2017	14,199	14,517	216,821	116,965	362,502
2018	14,838	13,878	225,494	108,292	362,502
2019	15,506	13,210	234,513	99,273	362,502
2020	16,204	12,512	243,894	89,892	362,502
2021-2025	92,634	50,946	1,373,849	295,081	1,812,510
2026-2030	115,439	28,141	629,558	38,013	811,151
2031-2032	53,777	3,657	-	-	57,434
	<u>\$ 336,185</u>	<u>\$ 151,989</u>	<u>\$ 3,132,610</u>	<u>\$ 872,820</u>	<u>\$ 4,493,604</u>

**Massachusetts State College Building Authority (MSCBA) bond issuances - 2012C bonds**

During December 2012, the University signed financing agreements to receive an aggregate amount of \$4,155,000 from a MSCBA bond issuance (in the separate amounts of \$1,890,000 and \$2,265,000). The \$1,890,000 bond, net of a bond issue premium, bond issue costs, and a debt service reserve fund, is being used for the renovation of the Hemenway Science Center, including the relocation of the Planetarium to O'Connor Hall. The \$2,265,000 bond, net of a bond issue premium, bond issue costs, and a debt service reserve fund, is being used for the expansion of the McCarthy Center. These obligations will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA, whereby MSCBA will provide management services to the University for the Projects.

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As of June 30, 2015 and 2014, amounts held by MSCBA related to the debt issues and the Projects are as follows:

	2015	2014
<u>\$1,890,000 bond</u>		
Unexpended debt proceeds	\$ -	\$ -
Debt service reserve fund	31,772	31,772
	\$ 31,772	\$ 31,772
<u>\$2,265,000 bond</u>		
Unexpended debt proceeds	\$ -	\$ -
Debt service reserve fund	38,076	38,076
	\$ 38,076	\$ 38,076

The amounts held by MSCBA are included in the accompanying statement of net position at June 30, 2015 and 2014 as follows:

	2015	2014
<u>\$1,890,000 bond</u>		
Restricted cash and cash equivalents		
Current	\$ -	\$ -
Noncurrent	31,772	31,772
	\$ 31,772	\$ 31,772
<u>\$2,265,000 bond</u>		
Restricted cash and cash equivalents		
Current	\$ -	\$ -
Noncurrent	38,076	38,076
	\$ 38,076	\$ 38,076

In accordance with an amended funding agreement among MSCBA, DCAM and the University, MSCBA transferred \$2,000,000, during fiscal year 2013, of project funds to DCAM in association with the Hemenway Science Center project. The \$2,000,000 transfer, along with an additional \$250,000 from University operating funds represents the University's additional equity contribution for the project. In July 2013, the University transferred the \$270,000 to DCAM. As of June 30, 2015 and 2014, DCAM held

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unexpended funds in the amounts of \$350,000 and \$270,000, respectively, all of which is included in noncurrent restricted cash and cash equivalents in the accompanying 2015 and 2014 statements of net position.

The University is required to make annual principal payments on the debt each May 1, commencing on May 1, 2014. The final principal payments are due on May 1, 2032. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 2.00% to 5.00% over the term of the debt to maturity. Funds from the debt service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The effective interest rate on the debt was 3.43% and 4.28% for the years ended June 30, 2015 and 2014, respectively. The aggregate outstanding balance of these Interagency payables at June 30, 2015 and 2014 was \$4,214,714 (\$1,915,546 and \$2,299,168) and \$4,393,666 (\$1,999,174 and \$2,394,492), respectively.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	<u>Principal</u>	<u>Estimated Interest</u>	<u>Total</u>
2016	\$ 165,000	\$ 129,963	\$ 294,963
2017	175,000	123,363	298,363
2018	185,000	116,363	301,363
2019	190,000	108,963	298,963
2020	200,000	99,465	299,465
2021-2025	1,120,000	369,513	1,489,513
2026-2030	1,290,000	202,013	1,492,013
2031-2032	570,000	25,650	595,650
	<u>3,895,000</u>	<u>\$ 1,175,293</u>	<u>\$ 5,070,293</u>
Plus: Unamortized premium	<u>319,714</u>		
	<u>\$ 4,214,714</u>		

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$3,185,000**

During January 2014, the University signed a financing agreement to receive \$3,185,000. These bonds net of a bond issue premium, bond issue costs, and a debt service reserve fund, are being used for the renovation of the University's Maple Street athletic fields and the Salem End Road parking project. This obligation will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA, whereby MSCBA will provide management services to the University for the Project.

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The net proceeds of the borrowing deposited by MSCBA on behalf of the University was as follows:

	2014
Debt issue	\$ 3,185,000
Amount held by MSCBA for debt service reserve fund (included in restricted cash and cash equivalents-noncurrent)	(194,330)
Debt issue premium	375,863
Debt issuance costs	(16,533)
Net proceeds	\$ 3,350,000

As of June 30, 2015 and 2014, amounts held by MSCBA related to the debt issuance and the Project are as follows:

	2015	2014
Unexpended debt proceeds	\$ 2,989	\$ 3,121,419
Debt service reserve fund	194,330	194,330
	\$ 197,319	\$ 3,315,749

The amounts held by MSCBA are included in the accompanying statements of net position at June 30, 2015 and 2014 as follows:

	2015	2014
Restricted cash and cash equivalents		
Current	\$ -	\$ 991,141
Noncurrent	197,319	2,324,608
	\$ 197,319	\$ 3,315,749

The University is required to make annual principal payments on the debt each May 1, commencing on May 1, 2015. The final principal payment is due on May 1, 2033. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 2.00% to 5.00% over the term of the debt to maturity. Funds from the debt

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service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The effective interest rate on the debt was 4.81% and 4.97% for the years ended June 30, 2015 and 2014, respectively. The outstanding balance of this Interagency payable at June 30, 2015 and 2014 was \$3,484,451 and \$3,555,392, respectively, including unamortized premium.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	Principal	Estimated Interest	Total
2016	\$ 115,000	\$ 152,750	\$ 267,750
2017	120,000	149,300	269,300
2018	120,000	144,500	264,500
2019	130,000	138,500	268,500
2020	135,000	132,000	267,000
2021-2025	780,000	552,000	1,332,000
2026-2030	1,000,000	336,250	1,336,250
2031-2033	725,000	73,750	798,750
	3,125,000	\$ 1,679,050	\$ 4,804,050
Plus: Unamortized premium	359,451		
	<u>\$ 3,484,451</u>		

**Massachusetts State College Building Authority (MSCBA) bond issuance - \$680,000**  
During December 2014, the University signed a financing agreement to receive \$680,000. These bonds net of a bond issue premium, bond issue costs, and a debt service reserve fund, are being used for the renovation of the University's Maple Street athletic fields. This obligation will be repaid solely by the University through University operations. The University also executed a management agreement with MSCBA, whereby MSCBA will provide management services to the University for the Project.

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The net proceeds of the borrowing deposited by MSCBA on behalf of the University was as follows:

	2015
Debt issue	\$ 680,000
Amount held by MSCBA for debt service reserve fund (included in restricted cash and cash equivalents - noncurrent)	(44,781)
Debt issue premium	120,771
Debt issuance costs	(5,990)
Net proceeds	\$ 750,000

As of June 30, 2015, amounts held by MSCBA related to the debt issuance and the Project are as follows:

	2015
Unexpended debt proceeds	\$ -
Debt service reserve fund	44,781
	\$ 44,781

The amounts held by MSCBA are included in the accompanying statement of net position at June 30, 2015 is as follows:

	2015
Restricted cash and cash equivalents	
Current	\$ -
Noncurrent	44,781
	\$ 44,781

The University is required to make annual principal payments on the debt each May 1, commencing on May 1, 2016. The final principal payment is due on May 1, 2034. Interest on the debt is payable May 1 and November 1 each year. Interest payments are based on an amortization schedule prepared by MSCBA using an increasing coupon rate of interest ranging from 3.00% to 5.00% over the term of the debt to maturity. Funds from the debt

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service reserve fund are expected to be applied to the final payment on the debt. Earnings on the balance in the debt service reserve fund are to be used to defray debt service costs. The outstanding balance of this Interagency payable at June 30, 2015 was \$800,771, including unamortized premium.

Principal and interest payments due to maturity consist of the following:

For the year ending June 30,	<u>Principal</u>	<u>Estimated Interest</u>	<u>Total</u>
2016	\$ 10,000	\$ 45,009	\$ 55,009
2017	25,000	32,500	57,500
2018	25,000	31,750	56,750
2019	25,000	30,750	55,750
2020	30,000	29,750	59,750
2021-2025	160,000	126,000	286,000
2026-2030	205,000	82,000	287,000
2031-2034	<u>200,000</u>	<u>25,750</u>	<u>225,750</u>
	680,000	<u>\$ 403,509</u>	<u>\$ 1,083,509</u>
Plus: Unamortized premium	<u>120,771</u>		
	<u>\$ 800,771</u>		

**Other Interagency activity**

The oversight of various capital projects on campus is provided by MSCBA. To fund these projects, the University provides equity contributions, by advancing funds to the MSCBA, which are then held by MSCBA until used for the payment of the capital project costs. As of June 30, 2015 and 2014, amounts held by MSCBA representing the unexpended portion of the University's contributions totaled \$497,818 and \$565,563, respectively, all of which is included in noncurrent restricted cash and cash equivalents in the accompanying 2015 and 2014 statements of net position.

As of June 30, 2015 and 2014, construction in progress on the Projects funded by the University's equity contributions and bond issuance funds amounted to approximately \$2,951,999 and \$3,975,902, respectively.

The accounts payable - construction on the accompanying statements of net position includes \$10,266 and \$991,141 to be paid from these funds. Accordingly, these amounts are included in current restricted cash and cash equivalents and accounts payable - construction in the accompanying 2015 and 2014 statements of net position.

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**Note 13 - Line of credit**

During fiscal 2015, the University entered into a demand non-revolving line of credit agreement with MutualOne Bank which permits the University to borrow up to \$1,500,000. At June 30, 2015, the University has an outstanding balance of \$1,152,765 under the line of credit agreement. The line of credit provides for interest at the Wall Street Journal Prime Rate plus 0.50%, but in no event less than 3.25% per annum. At June 30, 2015, the effective interest rate was 3.38% per annum. For the year ended June 30, 2015, interest expense incurred on borrowings under this line of credit amounted to \$14,606. During fiscal 2015, the University advanced \$1,152,765 of funds under the line of credit to MSCBA. The loan receivable has no stated repayment terms. It is anticipated that the MSCBA will issue a bond in fiscal 2016 and use bond proceeds to repay the University. The advance is included in loans receivable - current portion in the accompanying 2015 statement of net position.

**Note 14 - Long-term liabilities**

Long-term liabilities activity for the year ended June 30, 2015 included the following:

	Totals June 30, 2014	Additions	Reductions	Totals June 30, 2015	
				Ending Balance	Current Portion
Interagency payables	\$ 41,969,977	\$ 800,771	\$ 1,628,889	\$ 41,141,859	\$ 1,725,423 [A]
Other liabilities:					
Compensated absences	4,569,674	3,396,213	2,932,979	5,032,908	3,231,440
Workers' compensation	555,960	19,036	114,499	460,497	100,388
Loan payable - federal financial assistance	1,877,907	409,800	357,324	1,930,383	-
Net pension liability	7,112,594	-	915,890	6,196,704	-
Total other liabilities	14,116,135	3,825,049	4,320,692	13,620,492	3,331,828
Long term obligations	\$ 56,086,112	\$ 4,625,820	\$ 5,949,581	\$ 54,762,351	\$ 5,057,251

Long-term liabilities activity for the year ended June 30, 2014 included the following:

	Totals June 30, 2013	Additions	Reductions	Totals June 30, 2014	
				Ending Balance	Current Portion
Interagency payables	\$ 39,981,273	\$ 3,560,863	\$ 1,572,159	\$ 41,969,977	\$ 1,589,046 [A]
Other liabilities:					
Compensated absences	4,469,486	2,973,568	2,873,380	4,569,674	2,932,979
Workers' compensation	555,960	106,220	106,220	555,960	114,499
Loan payable - federal financial assistance	1,870,989	467,150	460,232	1,877,907	-
Net pension liability	-	7,112,594	-	7,112,594	-
Total other liabilities	6,896,435	10,659,532	3,439,832	14,116,135	3,047,478
Long term obligations	\$ 46,877,708	\$ 14,220,395	\$ 5,011,991	\$ 56,086,112	\$ 4,636,524

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**[A]** - The MDFA debt issuance totaling \$4,077,582 and \$4,447,682 at June 30, 2015 and 2014, respectively, is due in 2023. Required annual funding payments are due each June 15 and are held in escrow by the University's trustee and made available to reborrow subject to specific conditions of the financing agreement or used to pay down the outstanding debt (see Note 12). Funding payments held by the trustee at June 30, 2015 and 2014 are included in restricted cash and cash equivalents - current.

The MSCBA debt issuances, including unamortized premiums, totaling \$33,470,043 and \$33,704,141 at June 30, 2015 and 2014, respectively, are due in various years (see Note 12). Required annual principal payments are due each May 1.

The MDFA debt issuance in the amount of \$125,439 and \$135,892 at June 30, 2015 and 2014, respectively, is due in 2027. Required annual principal payments are due each May 1.

The CEIP debt issuances in the total amount of \$3,468,795 and \$3,682,262 at June 30, 2015 and June 30, 2014, are due in 2027 and 2032 (see Note 12). Required annual principal payments are expected to be paid each January 1.

**Note 15 - Operating lease commitments**

Pursuant to a management and service agreement (the "Agreement") between the University and MSCBA, the University is leasing a parcel of land from MSCBA for student parking and is obligated to make payments for the portion of a debt issuance attributable to the cost of the land. Lease payments are payable May 1 and November 1 each year and continue through May 1, 2019. Rent expense during 2015 and 2014, related to this lease amounted to \$241,357 and \$240,792, respectively. The University received \$222,144 and \$123,073 in parking fees from students during 2015 and 2014, respectively, to offset these lease payments.

According to the terms of the Agreement, the University is required to pay annually their portion of fees and expenses attributable to the management and administration of the bond issuance as well as applicable insurance and maintenance costs of the land. The University designated approximately \$63,000 as a pledge for payment under this financial arrangement. A portion of the fees earned by the University from student parking charges is designated for the sole purpose of being applied to the lease payments as they become due. In addition, annual State appropriations or other spending authorizations in the Commonwealth's annual operating budget available on behalf of the University are additionally pledged to secure payment.

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Following is a schedule of estimated future lease payments:

For the year ending June 30,	
2016	\$ 235,855
2017	234,852
2018	230,000
2019	<u>240,000</u>
	<u>\$ 940,707</u>

On July 2, 2012, the Commonwealth of Massachusetts, acting by and through its Division of Capital Asset Management and Maintenance ("DCAM") on behalf of the University, entered into a lease agreement with the Town of Framingham for new office space located in Framingham, Massachusetts. The leased space is approximately 6,600 square feet. The lease provides for a one time payment of \$200,000 for the initial three-year term of the lease agreement. The \$200,000 payment was paid in October 2012 and the University occupied the building on August 30, 2012. The lease was for an initial term of three years and expired on the third anniversary of the Date of Occupancy. The lease may be extended for a term not to exceed five years in the aggregate pursuant to mutually agreed upon provisions by the landlord and the University. The Town of Framingham sold the property to the Danforth Museum. On September 1, 2015, the lease was extended with the Danforth Museum effective September 15, 2015 for a term of three years, expiring in September 2018, pursuant to mutually agreed upon provisions by the landlord and the University. The lease provides for a minimum annual base rent of \$72,000 for the initial year of the lease agreement and increases to \$74,520 for year two and \$77,128 for year three of the lease agreement.

Future minimum rental payments under this operating lease agreement are as follows:

Year ending June 30:	
2016	\$ 57,000
2017	73,995
2018	76,585
2019	<u>16,068</u>
	<u>\$ 223,648</u>

**Note 16 - Net position**

Unrestricted net position is comprised of net assets that are not subject to externally imposed stipulations; however, they may be subject to internal restrictions. For example, unrestricted net position may be designated for specific purposes by action of management or the Board of Trustees or may otherwise be limited by contractual agreements with outside parties. Certain unrestricted net position are internally designated for academic and research programs and initiatives, and graduate and continuing education programs.

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Net position designated as unrestricted were \$33,306,798 and \$30,581,170 at June 30, 2015 and 2014, respectively. At June 30, 2015 and 2014, of the total designated unrestricted net position, \$20,995,482 and \$20,267,045, respectively, were designated by a vote of the Board of Trustees during fiscal 2006 as a quasi-endowment and the remainder have been designated by action of management for the purposes described above. Undesignated unrestricted net position (deficiency) were \$4,035,008 and \$(855,666) at June 30, 2015 and 2014, respectively.

At June 30, 2015 and 2014, the net investment in capital assets amount of \$84,138,157 and \$52,034,054, respectively, includes the effect of deferring the recognition of revenue from the installment payments associated with the dining facilities service concession arrangement. At June 30, 2015 and 2014, \$0 and \$468,589, respectively, of the balance of the deferred inflow of resources has been included, as a reduction, in the calculation of net investment in capital assets. This amount will be recognized as revenue and increase the net investment in capital assets net position over the remaining term of the arrangement.

**Note 17 - Net position restricted by enabling legislation**

Framingham State University Foundation, Inc.'s statements of net position as of June 30, 2015 and 2014 reflect a restricted net position of \$4,001,983 and \$4,140,728, respectively. Of these amounts, \$1,108,233 and \$1,258,233 in fiscal 2015 and 2014, respectively, are restricted by enabling legislation for the State Matching Funds Program.

**Note 18 - Operating expenses**

The University's operating expenses for the years ended June 30, 2015 and 2014, on a natural classification basis, are comprised of the following:

	2015	2014
Salaries		
Faculty	\$ 21,849,842	\$ 21,328,668
Exempt wages	5,273,212	4,631,835
Non-exempt wages	16,456,222	15,521,116
Benefits	9,082,990	8,775,757
Scholarships	429,076	443,336
Utilities	3,233,905	3,076,039
Supplies and other services	27,807,542	25,157,823
Depreciation	4,202,084	3,986,967
	\$ 88,334,873	\$ 82,921,541

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The University's operating expenses for the years ended June 30, 2015 and 2014 presented in accordance with the Commonwealth's expenditure classification plan, are comprised of the following:

	2015	2014
Education and general:		
Regular employee compensation	\$ 34,175,152	\$ 31,729,521
Regular employee related expenses	436,111	448,127
Special employee/contract services	9,705,818	9,966,778
Pension and insurance	9,082,990	8,775,757
Administrative expenses	4,527,512	3,743,837
Facility operating supplies and related expenses	2,221,263	1,125,634
Energy and space rental	3,233,905	3,076,539
Consultant services	1,045,475	1,335,465
Operational services	605,665	434,424
Equipment purchases	1,110,390	692,391
Equipment lease and maintenance	522,901	445,493
Purchased client services and programs	397,313	408,980
Building improvements	785,099	320,187
Grants and subsidies	71,890	77,684
Benefit programs	141,076	155,336
Debt payment	149,531	341,412
Loans and special payments	424,744	703,553
Information technology	3,396,302	3,245,857
Depreciation	4,202,084	3,986,967
 Total educational and general expenses	 \$ 76,235,221	 \$ 71,013,942

**Note 19 - 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 (see Note 20) and for the employer's share of health care premiums.

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

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, 2015, 2014 and 2013 were as follows (see State appropriations under Note 22):

	2015	2014	2013
Commonwealth's retirement system contribution	\$ 2,862,803	\$ 2,135,685	\$ 1,729,893
Employer's share of health care premiums	4,039,818	4,266,495	4,039,379

**Note 20 - Retirement plan**

Substantially all of the University's full-time employees are covered by the Massachusetts State Employees' Retirement System ("MSERS"). MSERS, a public employee retirement system ("PERS"), is a cost-sharing multi-employer defined benefit plan that is administered by the Massachusetts State Retirement Board and covers substantially all non-student employees. The Commonwealth 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.

MSERS provides retirement, disability, survivor and death benefits to 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, and group creditable service, and group classification. The authority for amending these provisions rests with the Legislature.

Members become vested after 10 years of creditable service. A superannuation retirement allowance may be received upon the completion of 20 years of creditable service or upon reaching the age of 55 with 10 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 cannot retire prior to age 60.

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.

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Member contributions for MSERS vary depending on the most recent date of membership:

<u>Hire Date</u>	<u>% 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
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 established by the State. The total amount of current funding by the State related to the University's employees during 2015, 2014 and 2013 was \$2,862,803, \$2,135,685, and \$1,729,893, respectively. Annual covered payroll was approximately 58%, 59% and 58% of annual total payroll for the University in 2015, 2014 and 2013, respectively.

At June 30, 2015, the University reported a liability of \$6,196,704 for its proportionate share of the net pension liability. At July 1, 2014, the University had a liability of \$7,112,594 for its proportionate share of the net pension liability (see Note 25). The net pension liability was measured as of January 1, 2014, and the State's total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The University's proportion of the net pension liability was based on an effective contribution methodology which allocates total contributions amongst the employers in a consistent manner based on an employer's share of total covered payroll. At June 30, 2015, the University's proportion was 0.0083%, which was an increase of 0.0003% from its proportion measured as of June 30, 2014.

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

For the year ended June 30, 2015, the University recognized pension expense of \$3,228,100. At June 30, 2015, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ 69,658	\$ -
Net difference between projected and actual earnings on pension plan investments	-	1,271,866
Changes in proportion and differences between University contributions and proportionate share of contributions	262,768	-
Changes in proportion from Commonwealth	-	2,146
University contributions subsequent to the measurement date	698,628	-
Total	\$ 1,031,054	\$ 1,274,012

\$698,628 reported as deferred outflows of resources related to pensions resulting from University contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$ (244,571)
2017	(244,571)
2018	(244,571)
2019	(244,571)
2020	36,698
Total	\$ (941,586)

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The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of January 1, 2014 rolled forward to June 30, 2014. This valuation used the following assumptions:

1. (a) 8.0% investment rate of return, (b) 3.5% interest rate credited to the annuity savings fund and (c) 3.0% cost of living increase per year.
2. Salary increases are based on analyses of past experience but range from 3.5% to 9.0% depending on group and length of service.
3. Mortality rates were as follows:
  - (i) Pre-retirement - reflects RP-2000 Employees table projected 20 years with Scale AA (gender distinct).
  - (ii) Post-retirement - reflects Healthy Annuitant table projected 15 years with Scale AA (gender distinct).
  - (iii) Disability - the mortality rate is assumed to be in accordance with the RP-2000 Table projected 5 years with Scale AA (gender distinct) set forward 3 years for males.

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 asset allocation as of June 30, 2014 and 2013 are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return	
		2014	2013
Global equity	43.00%	7.20%	7.70%
Core fixed income	13.00%	2.50%	2.00%
Hedge funds	10.00%	5.50%	4.75%
Private equity	10.00%	8.80%	9.00%
Real estate	10.00%	6.30%	6.00%
Value added fixed income	10.00%	6.30%	6.30%
Timber/natural resources	4.00%	5.00%	5.00%
<b>Total</b>	<b>100.00%</b>		

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**Notes to Financial Statements**  
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The discount rate used to measure the total pension liability was 8.0%. 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 University'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 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.

The following presents the University's proportionate share of the net pension liability calculated using the discount rate of 8.0%, as well as what the University's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (7.0%) or 1-percentage-point higher (9.0%) than the current rate:

<u>Measurement Year Ended</u>	<u>1% Decrease (7.0%)</u>	<u>Discount Rate (8.0%)</u>	<u>1% Increase (9.0%)</u>
June 30, 2013	\$ 9,652,350	\$ 7,112,594	\$ 4,932,429
June 30, 2014	8,975,470	6,196,704	3,817,164

Detailed information about the pension plan's fiduciary net position is available in the Commonwealth's financial statements.

**Note 21 - Fringe benefits for current employees and post-employment obligations - pension and non-pension**

The University participates in the Commonwealth's Fringe Benefit programs, including active employee and post - employment 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.

On-behalf payments of fringe benefits for benefited employees on the Commonwealth's payroll are recognized as revenues and expenses in the University's financial statements in each of the fiscal years presented.

**Post-employment other than pensions**

In addition to providing pension benefits, 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 is comparable to contributions required from employees. The Commonwealth is reimbursed for the cost of benefits to retirees of the eligible authorities and non-state agencies.

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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 amount of municipalities as an agent multiple employer program, accounted for as an agency fund activity of the Commonwealth, not the University.

The GIC administers a plan included within the State Retiree Benefits Trust Fund, an irrevocable trust. Any assets accumulated in excess of liabilities to pay premiums or benefits or administrative expenses are retained in that fund. The GIC's administrative costs are financed through Commonwealth appropriations and employee investment returns. The Legislature determines employees' and retirees' contribution ratios.

The GIC does not issue separately audited financial statements. The financial position and results of operations of the plan are incorporated in 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.

The GIC is a quasi-independent state agency governed by an 11-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 ended June 30, 2015 and 2014, the GIC provided health insurance for its members through indemnity, PPO, and HMO plans. The GIC also administered carve-outs for the pharmacy benefit and mental health and substance abuse benefits for certain of its 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).

The amount of funding by the University related to benefits other than pensions for the years ended June 30, 2015, 2014 and 2013 were \$5,724,775, \$5,848,277 and \$5,736,200, respectively, which equaled the required contributions each year charged to it through the Commonwealth's fringe benefit recovery program.

**Note 22 - 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

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**June 30, 2015 and 2014**

reported on MMARS meet the guidelines of the Comptroller's *Guide for Higher Education Audited Financial Statements*.

**State appropriations**

The University's State appropriations are comprised of the following for the years ended June 30:

	2015	2014
Gross State appropriations	\$ 28,118,066	\$ 25,785,452
Add: Fringe benefits for benefited employees on the Commonwealth payroll	6,902,621	6,402,180
Less: Day school tuition remitted to the Commonwealth and included in tuition and fee revenue	(372,448)	(1,511,564)
Net State appropriations	\$ 34,648,239	\$ 30,676,068

\$32,664,050 and \$30,676,068 represent appropriations for maintenance and payroll during 2015 and 2014, respectively. \$1,984,189 represents appropriations for capital improvements during 2015. There were no appropriations for capital improvements during 2014. This amount is presented separately in the accompanying statements of revenues, expenses and changes in net position.

Day school tuition receipts and transfers have been recorded in an agency fund and had no material balance outstanding at June 30, 2015 and 2014.

**Note 23 - Risk management, commitments and contingencies**

The University is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the Commonwealth is self-insured. In addition, the University maintains commercial insurance coverage for certain of those risks. Management believes such coverage is sufficient to preclude any significant uninsured losses for the covered risks. The separate insurance policies maintained by the University consist of Educator's Legal Liability, commercial crime, general liability, automobile liability, excess liability, and a foreign package policy. There were no significant reductions in insurance coverage from coverage in the prior year. The costs of settled claims have not exceeded policy coverages in any of the past three years.

The University also participates in the Commonwealth's self-insured programs for employees workers' compensation, health care and other insurance. The Commonwealth assesses the costs of workers' compensation and unemployment insurance to the University based on the University's actual experience (see Note 7). The Commonwealth manages workers' compensation as part of its general operations. No separate fund for

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**June 30, 2015 and 2014**

workers' compensation is provided for in Massachusetts General Laws. The Commonwealth assesses the costs of health care insurance to the University through a fringe benefit rate and the liability for such coverage is borne by the Commonwealth. The Commonwealth's Group Insurance Commission manages health insurance and other benefits for the Commonwealth's active and retired employees (see Note 21).

Massachusetts General Laws limit the risk assumed by the Commonwealth for claims of personal injury or property damages to \$100,000 per occurrence, in most circumstances.

Pending or threatened lawsuits against governmental agencies arise in the ordinary course of operations. In the opinion of the University's administration, the ultimate resolution of any legal actions at this date will not result in a material loss to the University since most of any obligation is expected to be paid from State appropriated funds.

The University receives significant financial assistance from federal and state agencies in the form of grants. Expenditure of funds under these programs requires compliance with the grant agreements and are subject to audit by representatives of these federal and state agencies. Any disallowed expenditures resulting from such audits become a liability of the University. In the opinion of management, such liabilities, if any, are not expected to materially affect the financial condition of the University.

The University participates in the Massachusetts University Savings Prepaid Tuition Program. This program allows participants to pay in advance (against a bond) for future tuition at the cost of tuition at the time of the bond purchase, 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 effect of this program cannot be determined as it is contingent on future tuition increases and the bond purchasers who attend the University.

The University has various capital projects that are currently in progress as of the date of the financial statements. These projects will be paid from funds appropriated and under the control of the DCAM. The projects consist of renovations and improvements and have been recorded in the respective accounts.

**Note 24 - Pledge agreement**

In fiscal 2012, the Independent Association of Framingham State Alumni ("Alumni Association") made a conditional promise to give (pledge) a total amount of \$500,000 to either the Foundation and/or the University over a seven year period beginning July 1, 2011 through June 30, 2018. The condition to be met, amounts, and timing of annual gifts pursuant to the pledge agreement are more fully described in a Memorandum of Understanding ("MOU") among the Alumni Association, Foundation and University. The gifts shall be restricted-use gifts with the restricted use specified by the Alumni Association in writing at the time each gift payment is made pursuant to the MOU. During the years ended June 30, 2015 and June 30, 2014, the University received \$75,550 and \$77,901, respectively, in accordance with this agreement.

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**Notes to Financial Statements**  
**June 30, 2015 and 2014**

**Note 25 - Restatement**

In fiscal 2015, the University adopted the new accounting guidance of Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions made Subsequent to the Measurement Date, an amendment of GASB Statement No.68*. The net position, as of July 1, 2013, has been decreased by \$7,112,594 for the effect of retroactive application of the new standards. Information to restate deferred inflows and outflows as of July 1, 2013 is not available. The following financial statement line items for 2014 were affected by the adoption of the new standards:

	2014 (As previously Reported)	2014 (As Restated)	Effect of Change
Statement of Net Position:			
Net pension liability	\$ -	\$ 7,112,594	\$ 7,112,594
Unrestricted net position	36,838,098	29,725,504	(7,112,594)

## Supplementary Information

**Framingham State University**  
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**Schedule of the University's Proportionate Share of the Net Pension Liability  
and Schedule of University Contributions  
June 30, 2015**

Schedule of the University's Proportionate Share of the Net Pension Liability

	2015	2014
University's proportion of the net pension liability (asset)	0.0083%	0.0080%
University's proportionate share of the net pension liability (asset)	\$ 6,196,704	\$ 7,112,594
University's covered-employee payroll	\$ 25,165,545	\$ 24,312,096
University's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	24.62%	29.26%
Plan fiduciary net position as a percentage of the total pension liability	76.32%	70.31%

\* The amounts presented for each fiscal year were determined as of 6/30.

Schedule of University Contributions

	2015	2014
Contractually required contribution	\$ 2,862,803	\$ 2,135,685
Contributions in relation to the contractually required contribution	(2,862,803)	(2,135,685)
Contribution deficiency (excess)	\$ -	\$ -
University's covered-employee payroll	\$ 25,165,545	\$ 24,312,096
Contributions as a percentage of covered-employee payroll	11.38%	8.78%

Note: These schedules are intended to present 10 years of data. Additional years will be presented when available.

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**Notes to Required Supplementary Information**  
**June 30, 2015**

**Note 1 - Changes of assumptions**

Chapter 176 of the Acts of 2011, *An Act Providing for Pension Reform and Benefit Modernization*, among other things, increased the normal retirement age by two years, increased the age (early retirement) reduction factor for ages below the maximum age and increased the period for determining a member's average annual compensation (from 3 years to 5 years) for all members hired after April 1, 2012.

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**Residence Hall Fund and Resident Hall Damage Fund Activity**  
**June 30, 2015**

The University's Residence Hall Fund and Residence Hall Damage Fund non-classified Statements of Net Position at June 30, 2015 are as follows:

**Statements of Net Position**

	Residence Hall Fund	Residence Hall Damage Fund
<b>Assets</b>		
Cash	\$ 2,649,649	\$ 264,077
Accounts receivable	123,023	16,076
Total assets	2,772,672	280,153
<b>Liabilities</b>		
Accounts payable	1,268	-
Salaries and fringe benefits	115,783	-
Compensated absences	251,636	-
Revenue received in advance	1,322	-
Deposits	339,660	-
Total liabilities	709,669	-
Net position	\$ 2,063,005	\$ 280,153

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**Residence Hall Fund and Resident Hall Damage Fund Activity**  
**June 30, 2015**

The University's Residence Hall Fund and Residence Hall Damage Fund Statements of Revenues, Expenses and Changes in Net Position (presented in accordance with the Commonwealth of Massachusetts' Expenditure Classification plan) for the year ended June 30, 2015 are as follow:

	Residence Hall Fund	Residence Hall Damage Fund
Revenue:		
Student tuition and fees	\$ 12,815,142	\$ 40,310
Interest	3,458	-
Commissions	52,508	-
Rentals	71,127	-
Auxiliary services fees and other revenue	1,226,147	-
Total revenues	14,168,382	40,310
Transfer in (external)	41,800	-
Expenses:		
Regular employee compensation	1,404,988	-
Regular employee related expenses	5,114	-
Special employee/contract services	953,801	-
Pension and insurance	384,617	-
Administrative expenses	301,441	-
Facility operating supplies and related expenses	143,167	-
Consultant services	8,892	-
Operational services	27,215	-
Equipment purchases	17,709	-
Equipment lease - purchase, lease, rent, repair	162,239	-
Purchased client service and programs	3,148	-
Buildings improvements	101,233	13,803
Benefit programs	290,000	-
Information technology	179,638	-
Loans and special payments	8,102,644	-
Total expenses	12,085,846	13,803
Transfer out (external):		
Electricity	1,395,400	-
Laundry and cleaning	50,000	-
Health services reimbursement	70,000	-
Total transfer out (external)	1,515,400	-
Excess (deficiency) of revenues over expenses	608,936	26,507
Net assets - beginning of year	1,454,069	253,646
Net assets - end of year	\$ 2,063,005	\$ 280,153

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**Residence Hall Fund and Resident Hall Damage Fund Activity**  
**June 30, 2015**

The above Statements of Revenues, Expenses and Changes in Net Position do not include an allocation of the current year charge for workers' compensation as estimated by the Commonwealth's actuarial review. It is not practical to allocate any such amount to any specific trust fund.

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**Supplemental Statistical Information - Unaudited**

Schedule of Net Position by Category	2006	2007	2008	2009	2010	2011*	2012	2013	2014	2015
Net investment in capital assets	\$ 22,210,485	\$ 31,444,778	\$ 38,339,612	\$ 46,599,851	\$ 40,387,949	\$ 37,988,052	\$ 38,286,821	\$ 41,448,701	\$ 52,034,054	\$ 84,138,157
Restricted-expendable	6,909,336	7,435,619	3,892,404	3,525,860	4,423,654	4,225,527	3,926,198	3,805,464	3,905,599	2,516,075
Restricted-non-expendable	1,719,826	1,719,826	1,719,826	1,719,826	1,770,388	1,833,122	1,867,226	1,925,721	1,970,057	1,986,750
Unrestricted	13,566,716	14,862,892	13,336,609	14,303,979	16,927,593	22,978,623	27,289,909	31,978,129	29,725,504	37,341,806
<b>Total net position</b>	<b>\$ 44,406,363</b>	<b>\$ 55,463,116</b>	<b>\$ 57,288,451</b>	<b>\$ 66,149,546</b>	<b>\$ 63,609,572</b>	<b>\$ 67,025,324</b>	<b>\$ 71,370,154</b>	<b>\$ 79,158,015</b>	<b>\$ 87,635,214</b>	<b>\$ 125,992,788</b>
<i>Note: This schedule does not include the component unit, the Framingham State University Foundation, Inc.</i>										
<b>Sources and Uses of Funds</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>
<b>Source of Revenue</b>										
Student charges (net of scholarships)	\$ 19,850,720	\$ 21,791,862	\$ 22,351,969	\$ 23,583,384	\$ 24,576,837	\$ 26,007,531	\$ 31,147,293	\$ 33,455,320	\$ 33,641,345	\$ 33,785,799
Grants and contracts	1,935,445	2,257,102	2,671,878	3,069,398	4,090,321	4,987,041	5,344,608	6,706,251	7,480,144	9,933,830
Stimulus grants	-	-	-	-	3,482,805	830,709	424	-	-	-
Auxiliary enterprises	6,289,784	6,892,452	7,101,203	7,712,138	8,456,581	9,354,988	12,394,711	13,106,682	13,739,521	14,208,692
Other operating revenue	2,592,563	2,488,527	2,828,358	1,975,343	1,975,870	1,496,656	1,754,281	2,224,319	2,087,533	1,689,136
<b>Total operating revenue</b>	<b>\$ 30,668,512</b>	<b>\$ 33,429,943</b>	<b>\$ 34,951,438</b>	<b>\$ 36,340,263</b>	<b>\$ 42,542,394</b>	<b>\$ 42,656,925</b>	<b>\$ 50,641,297</b>	<b>\$ 55,492,542</b>	<b>\$ 56,948,543</b>	<b>\$ 59,617,457</b>
State support	25,942,306	31,456,514	31,484,538	28,427,909	22,390,029	27,509,637	30,014,259	27,584,390	30,676,068	32,664,050
Stimulus grants	-	-	-	-	1,649,328	782,970	2,586,100	-	-	-
Other non-operating revenue	1,144,866	6,631,703	3,061,205	6,344,482	287,029	2,392,533	25,513	4,296,226	12,202,066	36,483,195
<b>Total non-operating revenue</b>	<b>\$ 27,087,192</b>	<b>\$ 38,088,217</b>	<b>\$ 34,542,743</b>	<b>\$ 34,772,391</b>	<b>\$ 24,326,386</b>	<b>\$ 30,685,140</b>	<b>\$ 32,625,872</b>	<b>\$ 31,880,616</b>	<b>\$ 42,878,134</b>	<b>\$ 69,147,245</b>
<b>Total revenue</b>	<b>\$ 57,745,704</b>	<b>\$ 71,518,160</b>	<b>\$ 69,497,181</b>	<b>\$ 71,112,654</b>	<b>\$ 66,868,780</b>	<b>\$ 73,342,065</b>	<b>\$ 83,267,169</b>	<b>\$ 87,373,158</b>	<b>\$ 99,826,677</b>	<b>\$ 128,764,702</b>
<b>Functional Expense</b>										
Instruction	\$ 18,025,043	\$ 21,208,906	\$ 23,832,939	\$ 20,408,847	\$ 20,491,371	\$ 21,453,520	\$ 22,735,216	\$ 26,225,721	\$ 27,347,169	\$ 29,049,793
Research	4,779	10,489	-	-	-	-	-	18,537	90,386	1,508,572
Public service	-	-	-	-	-	-	-	-	-	-
Academic support	6,331,702	7,580,955	7,991,707	7,169,251	7,255,860	8,899,811	9,011,501	9,343,322	9,874,585	9,898,548
Student services	5,901,625	6,640,774	7,859,953	6,951,763	6,607,464	7,495,741	8,543,923	9,516,596	10,513,003	11,158,061
Institutional support	6,455,947	7,375,721	9,099,526	8,456,589	8,528,921	8,971,673	10,311,003	7,828,181	7,858,572	9,009,848
Operations and maintenance of plant	9,028,151	9,632,258	10,657,583	9,743,916	8,578,382	8,457,584	10,122,757	11,149,462	11,087,924	11,167,239
Scholarships	310,202	270,689	128,973	182,264	156,617	230,346	185,658	172,280	155,336	141,076
Sub-total	46,057,449	52,729,802	59,370,681	52,512,640	51,616,615	55,508,675	60,910,258	64,254,099	67,026,975	72,033,137
Auxiliary enterprises	5,732,870	6,075,064	6,082,589	6,702,220	7,267,640	8,329,122	10,465,629	10,982,802	11,907,599	12,099,652
<b>Total operating expense</b>	<b>\$ 51,790,319</b>	<b>\$ 58,804,866</b>	<b>\$ 65,453,250</b>	<b>\$ 59,214,860</b>	<b>\$ 58,884,255</b>	<b>\$ 63,837,797</b>	<b>\$ 71,375,887</b>	<b>\$ 75,236,901</b>	<b>\$ 78,934,574</b>	<b>\$ 84,132,789</b>
Other non-operating expense	-	-	-	-	6,881,873	1,925,000	3,327,353	778,700	1,315,343	2,072,255
<b>Total non-operating expense</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 6,881,873</b>	<b>\$ 1,925,000</b>	<b>\$ 3,327,353</b>	<b>\$ 778,700</b>	<b>\$ 1,315,343</b>	<b>\$ 2,072,255</b>
<b>Total expenses</b>	<b>\$ 51,790,319</b>	<b>\$ 58,804,866</b>	<b>\$ 65,453,250</b>	<b>\$ 59,214,860</b>	<b>\$ 65,766,128</b>	<b>\$ 65,762,797</b>	<b>\$ 74,703,240</b>	<b>\$ 76,015,601</b>	<b>\$ 80,249,917</b>	<b>\$ 86,205,044</b>

*Note: This schedule does not include the component unit, the Framingham State University Foundation, Inc.; total operating expense does not include depreciation.*

\* Beginning in 2011, the University began reporting net position rather than net assets, in conformity with GASB Statement 60. Prior to that time, net investment in capital assets was labeled "invested in capital assets, net of related debt."

**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

**Supplemental Statistical Information - Unaudited**

During fiscal 2015, FSU changed the methodology used to allocate certain types of university-wide operating expenses. In the past, the allocation was based upon the proportional share of overall operating expenses borne by the following educational and general operating expense categories: Instruction, Academic Support, Student Services, Institutional Support and Operations and Maintenance of Plant.

The revised allocation methodology distributes these expenses based upon the proportional number of FTE faculty and staff members associated with each category. The operating expenses allocated include Information Technology and Campus Police expenses, fiscal 2015 costs for which are approximately \$6.6M. Management believes that the FTE allocation basis more accurately reflects the proportional benefit received by the various university functional areas.

Utilizing the new allocation basis FSU has reclassified the operating expenses by educational and general operating expense categories for fiscal 2013 and fiscal 2014. Operating Expenses for periods prior to fiscal 2013 have not been reclassified as information was unavailable.

**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

**Supplemental Statistical Information - Unaudited**

**Schedule of Capital Asset Information**

	Academic Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Land (acreage)	50.35	52.35	50.35	50.93	51.28	51.28	51.28	51.28	53.00	54.00
Buildings (square feet)										
100 Instruction /classroom	49,482	49,482	49,482	49,482	49,482	49,482	49,482	49,482	49,482	49,482
200 Labs	69,875	69,875	69,875	69,875	69,875	69,875	69,875	69,875	69,875	69,875
300 Administrative	82,657	83,857	83,857	83,857	83,857	83,857	83,857	83,857	83,857	94,325
400 Study facilities	54,565	54,565	54,565	54,565	54,565	54,565	54,565	54,565	54,565	54,565
52x Athletic	49,709	49,709	49,709	49,709	49,709	49,709	49,709	49,709	49,709	53,449
5xx Other special use	8,852	8,852	8,852	8,852	8,852	8,852	8,852	8,852	31,706	31,706
600 General use	56,311	56,311	56,311	56,311	56,311	56,311	56,311	56,311	56,311	56,311
700 Support facilities	133,565	133,565	133,565	138,165	138,165	138,165	138,165	138,165	138,165	138,165
000 Unclassified	-	-	-	-	-	-	-	-	-	-
Unassigned/ unassignable	151,504	151,504	154,688	154,688	154,688	154,688	154,688	154,688	154,688	154,688
<b>Total Square Feet</b>	<b>656,520</b>	<b>657,720</b>	<b>660,904</b>	<b>665,504</b>	<b>665,504</b>	<b>665,504</b>	<b>665,504</b>	<b>665,504</b>	<b>688,358</b>	<b>702,566</b>
Residence Halls	341,900	341,900	341,900	341,900	341,900	341,900	469,645	469,645	539,045	539,045
Rental space	-	-	-	-	-	-	-	6,613	6,613	6,613

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Dormitories - # of residents	1,553	1,552	1,534	1,583	1,552	1,966	1,946	1,946	1,940	1,890

**Note: Classification of facilities space is consistent with Facilities Inventory & Classification Code guide. This was implemented in 2005; comparable statistics prior to this time are not available.**

\* Corrected amount from Master Plan; prior years have been adjusted accordingly.

Framingham State University  
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Supplemental Statistical Information - Unaudited

Schedule of Tuition and Mandatory Fees

	Academic Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Resident Undergraduate</b>										
Tuition	\$ 970	\$ 970	\$ 970	\$ 970	\$ 970	\$ 970	\$ 970	\$ 970	\$ 970	\$ 970
Mandatory Fees	4,029	4,479	4,829	5,171	5,570	6,095	6,610	7,110	7,110	7,350
<b>Total</b>	<b>\$ 4,999</b>	<b>\$ 5,449</b>	<b>\$ 5,799</b>	<b>\$ 6,141</b>	<b>\$ 6,540</b>	<b>\$ 7,065</b>	<b>\$ 7,580</b>	<b>\$ 8,080</b>	<b>\$ 8,080</b>	<b>\$ 8,320</b>
<b>Non Resident Undergraduate</b>										
Tuition	\$ 7,050	\$ 7,050	\$ 7,050	\$ 7,050	\$ 7,050	\$ 7,050	\$ 7,050	\$ 7,050	\$ 7,050	\$ 7,050
Mandatory Fees	4,029	4,479	4,829	5,171	5,570	6,095	6,610	7,110	7,110	7,350
<b>Total</b>	<b>\$ 11,079</b>	<b>\$ 11,529</b>	<b>\$ 11,879</b>	<b>\$ 12,221</b>	<b>\$ 12,620</b>	<b>\$ 13,145</b>	<b>\$ 13,660</b>	<b>\$ 14,160</b>	<b>\$ 14,160</b>	<b>\$ 14,400</b>
<b>Resident Graduate</b>										
Tuition	\$ 1,675	\$ 1,675	\$ 1,675	\$ 1,675	\$ 1,675	\$ 1,675	\$ 1,675	\$ 1,675	\$ 1,675	\$ 1,675
Mandatory Fees	4,029	4,479	4,829	5,171	5,570	6,095	6,610	7,110	7,110	7,350
<b>Total</b>	<b>\$ 5,704</b>	<b>\$ 6,154</b>	<b>\$ 6,504</b>	<b>\$ 6,846</b>	<b>\$ 7,245</b>	<b>\$ 7,770</b>	<b>\$ 8,285</b>	<b>\$ 8,785</b>	<b>\$ 8,785</b>	<b>\$ 9,025</b>

Note: Tuition and fee amounts are for a full-time student per academic year. These amounts exclude residence hall room and board.

**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

**Supplemental Statistical Information - Unaudited**

**Admissions, Enrollment, and Degree Statistics**

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Admissions-Freshman Applications</b>	4,813	5,072	4,837	4,620	4,108	4,542	6,254	6,985	6,902	6,665
<b>Applications accepted</b>	3,046	3,084	2,814	2,999	2,744	3,016	3,668	3,733	3,903	4,110
<b>Accepted as a percentage of applications</b>	63%	61%	58%	65%	67%	66%	59%	53%	57%	62%
<b>Students enrolled (1)</b>	987	1,051	1,062	991	1,147	1,237	1,442	1,407	1,341	1,338
<b>Enrolled as a percentage of accepted</b>	32%	34%	38%	33%	42%	41%	39%	38%	34%	33%

(1) Includes only students who were accepted and enrolled. Enrolled alone would include students who were not accepted but enrolled as non-degree seeking students.

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Enrollment</b>	4,149	4,169	4,189	4,237	4,213	4,288	4,710	4,909	4,942	4,996
<b>Full-time equivalent</b>										
<b>Unduplicated credit headcount</b>	5,874	5,861	5,903	6,086	5,989	5,953	6,415	6,506	6,429	6,499
<b>Percent undergraduate (2)</b>	64%	65%	65%	65%	64%	65%	67%	69%	71%	71%
<b>Percent graduate</b>	36%	35%	35%	35%	36%	35%	33%	31%	29%	29%

(2) Percent undergraduate/graduate based on Fall semester registration, unduplicated headcount

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Student Population Demographics (3)</b>										
<b>Percentage of men</b>	31%	30%	30%	30%	28%	30%	31%	32%	32%	32%
<b>Percentage of women</b>	69%	70%	70%	70%	72%	70%	69%	68%	68%	68%
<b>Percentage of African-American</b>	3%	3%	3%	4%	4%	5%	6%	6%	6%	6%
<b>Percentage of White</b>	88%	89%	89%	88%	89%	86%	84%	82%	83%	82%
<b>Percentage of Latino</b>	5%	4%	4%	4%	4%	5%	6%	8%	8%	9%
<b>Percentage of Other (4)</b>	4%	4%	4%	4%	3%	4%	4%	4%	3%	3%

< 20

20 to 30

31 to 40

41 & Over

(3) Percentages within category are based on population of students who reported this information (gender, race/ethnicity, and age).

(4) Other includes Asian or Pacific Islander, American Indian, Alaskan Native, and Cape Verdean.

	FY06	FY07	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15
<b>Degrees Granted</b>										
<b>Bachelor's</b>	674	713	631	662	722	728	703	735	795	908
<b>Master's</b>	496	459	464	410	545	430	546	426	538	414

**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

**Supplemental Statistical Information - Unaudited**

Schedule of Employment	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Faculty - Primary Instruction</b> <sup>/1</sup>	<b>234</b>	<b>233</b>	<b>250</b>	<b>264</b>	<b>250</b>	<b>257</b>	<b>261</b>	<b>312</b>	<b>318</b>	<b>366</b>
Part-time	67	65	81	99	81	96	97	136	136	174
Full-time	167	168	169	165	169	161	164	176	182	192
<b>Staff and Administrators</b>	<b>257</b>	<b>266</b>	<b>287</b>	<b>296</b>	<b>287</b>	<b>276</b>	<b>293</b>	<b>310</b>	<b>315</b>	<b>314</b>
Part-time	6	7	5	6	5	7	7	9	9	10
Full-time	251	259	282	290	282	269	286	301	306	304
<b>Total Employees</b>	<b>491</b>	<b>499</b>	<b>537</b>	<b>560</b>	<b>537</b>	<b>533</b>	<b>554</b>	<b>622</b>	<b>633</b>	<b>680</b>
Part-time	73	72	86	105	86	103	104	145	145	184
Full-time	418	427	451	455	451	430	450	477	488	496

<sup>/1</sup> Includes Instruction, Research & Public Service

**Note: This schedule reflects personnel as of November 1 and includes employees paid from both state appropriation and local trust funds.**

Independent Auditor's 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*

To the Board of Trustees  
Framingham State University

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 and discretely presented component unit of Framingham State University (the "University") (a department of the Commonwealth of Massachusetts), as of and for the year ended June 30, 2015, 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 27, 2015, which included emphasis of matter paragraphs as indicated on page 3. Our report includes a reference to other auditors who audited the financial statements of Framingham State University Foundation, Inc., as described in our report on Framingham State University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

#### 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") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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 University'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 determination of financial statement amounts. 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.

A handwritten signature in cursive script that reads "Cohn Reznick LLP".

Boston, Massachusetts  
October 27, 2015

**Framingham State University**  
**(a department of the Commonwealth of Massachusetts)**

**Schedule of Findings and Questioned Costs**  
**Year Ended June 30, 2015**

There were no findings noted in the audit report on the financial statements of Framingham State University for the year ended June 30, 2015, made in accordance with auditing standards general 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.

**Framingham State University**  
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**Summary Schedule of Prior Year Audit Findings**  
**Year Ended June 30, 2015**

There were no findings noted in the audit report on the financial statements of Framingham State University for the year ended June 30, 2014.