FISHER COLLEGE
Financial Statements
June 30, 2023 and 2022
With Independent Auditor's Report

ADVISORY TAX AUDIT

FISHER COLLEGE
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June 30, 2023 and 2022

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ADVISORY TAX AUDIT

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Fisher College:

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Fisher College (the "College"), which comprise the statement of financial position as of June 30, 2023, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the College as of June 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other Matter

The financial statements and related notes of the College as of and for the year ended June 30, 2022 were audited by O'Connor & Drew, P.C., who joined with WithumSmith+Brown, PC on January 1, 2023 and expressed an unmodified opinion on those statements dated October 3, 2022.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

WithumSmith+Brown, PC 25 Braintree Hill Office Park, Suite 102, Braintree, MA 02184-8715 T (617) 471 1120 F (617) 472 7560 withum.com

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 College's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Supplemental Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The financial responsibility supplemental schedule and disclosures on pages 29-30 are presented for purposes of additional analysis and are 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2023, on our consideration of the College's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Withum Smith+Brown, PC

October 1, 2023

FISHER COLLEGE
Statements of Financial Position
June 30, 2023 and 2022

		2023		*2022*
Assets				
Cash and cash equivalents	$	**1,769,616**	$	2,412,791
Restricted cash		**55,723**		90,198
Student accounts receivable, net		**189,058**		149,736
Other operating assets		**1,253,036**		671,602
Pledges receivable, current		**2,500**		5,000
Perkins loans receivable, net		**205,936**		289,421
Investments		**47,853,150**		43,017,232
Investment in plant		**14,669,093**		14,507,920
Total assets	**$**	**65,998,112**	$	61,143,900
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accrued expenses	$	**696,779**	$	718,618
Accrued compensation and fringe benefits		**306,887**		232,951
Student deposits and deferred revenue		**1,946,988**		2,019,817
Line of credit		**1,000,000**		-
Refundable advances - U.S. Government		**179,009**		275,970
Bonds and notes payable		**5,379,134**		5,664,081
Total liabilities		**9,508,797**		8,911,437
Net assets:				
Without donor restrictions		**56,261,013**		52,033,352
With donor restrictions		**228,302**		199,111
Total net assets		**56,489,315**		52,232,463
Total liabilities and net assets	**$**	**65,998,112**	$	61,143,900

The Notes to Financial Statements are an integral part of these statements.

FISHER COLLEGE
Statements of Activities
Years ended June 30, 2023 and 2022

	2023	2022
Operating:		
Revenue:		
Student tuition and fees:		
Day division	$ 20,298,718	$ 19,248,327
Division of continuing education	6,994,912	6,374,739
Sales and services of auxiliary enterprises	5,480,274	4,638,326
Federal and state grant aid to students	553,430	550,537
	33,327,334	30,811,929
Less: institutional awards	(13,033,483)	(11,901,797)
Net student tuition and fees	20,293,851	18,910,132
Investment return appropriated for operations	4,000,000	2,373,000
Other income	349,178	420,137
Federal and state grants	674,674	1,045,326
Contributions of cash and other financial assets	153,661	121,563
Net assets released from restrictions	15,598	20,244
Total revenue	25,486,962	22,890,402
Expenses:		
Educational:		
Instruction	10,707,622	10,471,933
Student services	5,317,739	4,012,620
General, administration and institutional	5,152,087	4,525,940
Institutional advancement and alumni services	330,441	499,494
	21,507,889	19,509,987
Auxiliary enterprises	3,642,636	2,801,616
Total expenses	25,150,525	22,311,603
Change in net assets without donor restrictions from operations	336,437	578,799
Nonoperating:		
Investment return(loss), net of amounts appropriated for operations	3,891,224	(8,660,239)
Increase (decrease) in net assets without donor restrictions	4,227,661	(8,081,440)
Change in net assets with donor restrictions:		
Gifts of financial assets	35,224	137,137
Net assets released from restrictions	(15,598)	(20,244)
Gain (loss) on permanently restricted funds	9,565	(25,960)
Increase in net assets with donor restrictions	29,191	90,933
Change in net assets	4,256,852	(7,990,507)
Net assets, beginning of year	52,232,463	60,222,970
Net assets, end of year	$ 56,489,315	$ 52,232,463

The Notes to Financial Statements are an integral part of these statements.

FISHER COLLEGE
Statements of Cash Flows
Years ended June 30, 2023 and 2022

		2023		2022
Cash flows from operating activities:				
Increase (decrease) in net assets	**$**	**4,256,852**	$	(7,990,507)
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (applied to) operating activities:				
Depreciation		**1,519,803**		1,439,827
Amortization of bond premium and bond issuance costs		**(29,653)**		(29,655)
Net realized and unrealized losses (gains) on investments		**(6,686,177)**		7,298,777
Decrease in allowance for Perkins loans receivable		**(95,690)**		(76,891)
Increase in allowance for student accounts receivable		**32,954**		34,812
Change in:				
Student accounts receivable		**(72,276)**		(69,901)
Pledges receivable		**2,500**		12,500
Other operating assets		**(581,434)**		(3,478)
Accounts payable and accrued expenses		**(21,839)**		59,177
Accrued compensation and fringe benefits		**73,936**		68,963
Student deposits and deferred revenue		**(72,829)**		(45,851)
Total adjustments		**(5,930,705)**		8,688,280
Net cash provided by (applied to) operating activities		**(1,673,853)**		697,773
Cash flows from investing activities:				
Repayments of Perkins loans from students		**46,291**		63,138
Assignments of Perkins loans to the Federal Government		**132,884**		102,397
Purchases of investments		**(4,095,582)**		(4,605,814)
Sales and maturities of investments		**3,358,486**		3,863,106
Sales and maturities of investments - transfered to operations		**2,504,000**		-
Cash paid to acquire property, plant and equipment		**(1,597,621)**		(619,413)
Net cash provided by (applied to) investing activities		**348,458**		(1,196,586)
Cash flows from financing activities:				
Payments on bonds		**(240,000)**		(230,000)
Payments on notes payable		**(15,294)**		(89,272)
Net proceeds from line of credit		**1,000,000**		-
Change in refundable advances - U.S. Government		**(96,961)**		(84,422)
Net cash provided by (applied to) financing activities		**647,745**		(403,694)
Net decrease in cash, cash equivalents and restricted cash		**(677,650)**		(902,507)
Cash, cash equivalents and restricted cash, beginning of year		**2,502,989**		3,405,496
Cash, cash equivalents and restricted cash, end of year	**$**	**1,825,339**	$	2,502,989
Cash, cash equivalents and restricted cash consist of the following at June 30:				
Cash and cash equivalents	**$**	**1,769,616**	$	2,412,791
Restricted cash		**55,723**		90,198
Total	**$**	**1,825,339**	$	2,502,989

The Notes to Financial Statements are an integral part of these statements.

FISHER COLLEGE
Notes to the Financial Statements
June 30, 2023 and 2022

Note 1 - Nature of Operations and Summary of Significant Accounting Policies

Fisher College (the "College") is a private, not-for-profit, nondenominational institution offering graduate and undergraduate educational opportunities leading to master's degrees, bachelor's degrees, associate degrees, as well as certificates in various programs of study. The College's main campus is located in Boston, Massachusetts, along with three other Massachusetts locations. The College operates a traditional educational experience through its day division along with more flexible programs through its division of continuing education. The College also offers many courses online, further enhancing flexibility for students. The College's students are mainly from the greater Boston area.

The College is accredited through 2030 by the New England Commission of Higher Education, Inc. The College's accreditation status, like other educational organizations, is subject to certain operating and interim reporting requirements.

The College participates in student financial aid programs sponsored by the United States Education Department ("ED") and to a much lesser extent the Commonwealth of Massachusetts, and other states within the United States of America. These programs facilitate the payment of tuition and other expenses for eligible students when they are determined to be eligible as evaluated by the College's financial aid office. Such determinations are subject to after-the-fact review by funders.

The College qualifies as a tax-exempt organization under the Internal Revenue Service Code Section 501(c)(3) pursuant to a determination letter received from the Internal Revenue Service and is generally exempt from federal and state income taxes. Given the limited taxable activities of the College, management concluded that disclosures relative to tax provisions are not necessary.

In response to the pandemic, the Federal government provided to the College Higher Education Emergency Relief Funds ("HEERF") under the Coronavirus Aid, Relief, and Economic Security ("CARES") Act, Coronavirus Response and Relief Supplemental Appropriations Act ("CRRSAA"), and American Rescue Plan Act ("ARPA"). The HEERF consisted of the student aid portion and institutional portion, and each Act requires a minimum amount to be spent on student aid. The student aid portion is required to be distributed to students as emergency grants for their expenses related to the disruption of campus operations due to coronavirus. The institutional portion can be used to cover any costs associated with significant changes to the delivery of instruction due to the coronavirus. Unless an extension is approved by the Department of Education, the student aid award and the institutional award must be spent by June 30, 2023.

As of June 30, 2022, the College has expended its entire CARES, CRRSAA and ARPA awards. For the year ended June 30, 2022, the College expended $1,272,835 for emergency grants to students and $952,494 for institutional costs from the HEERF.

Additionally, the College received an additional $92,835 for the year ended June 30, 2022, respectively, under the Strengthening Institutions Program provision of the CARES Act.

On March 13, 2020, the President declared the COVID-19 pandemic of sufficient severity and magnitude to warrant an emergency declaration pursuant to section 501 (b) of the Stafford Act. In accordance with section 502 of the Stafford Act, eligible emergency protective measures taken to respond to the COVID-19 emergency at the direction or guidance of public health officials could be reimbursed under Category B of the agency's Public Assistance program through the Federal Emergency Management Agency (FEMA). Under the declaration, certain private non-profit organizations were declared eligible to apply for the available funding.

The College applied, and was approved for, a total of $674,674 in reimbursable expenses incurred during the pandemic, and recorded the funds as Federal grant revenue for the year ended June 30, 2023. The funds were subsequently received following the close of the fiscal year.

Basis of Presentation

The financial statements of the College are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America which requires that information regarding its financial position and activities are reported based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> *Net Assets Without Donor Restrictions* - Net assets available for general use and not subject to donor restrictions. The College's Board of Trustees (the "Board") has designated from net assets without donor restrictions funds to function as endowment. Net assets without donor restrictions also include investment in plant, net of accumulated depreciation and related bond obligations.
>
> *Net Assets With Donor Restrictions* - Net assets subject to donor-imposed restrictions. Some restrictions are temporary in nature; those restrictions will be met by the passage of time or events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Cash and Cash Equivalents

Cash and cash equivalents include bank deposits and other highly liquid debt instruments with maturities at date of purchase of three months or less. Such accounts are carried at cost plus accrued interest. Cash and cash equivalents held by investment managers are considered part of investments given the expectation of near-term reinvestment.

Restricted Cash

The College's restricted cash consists of funds associated with the Perkins Loan Program discussed later in these notes. As of June 30, 2023 and 2022, the balance was $55,723 and $90,198, respectively.

Student Accounts Receivable

Students are billed based on dates outlined in the academic catalog as agreed in advance of the delivery of the related academic or auxiliary activity. Payments for tuition, fees, and auxiliary enterprises charges are generally due by the start of the academic period with the recognition that on-behalf payments being made by the ED or others are subject to specific requirements within those programs as to when those funds can be availed. Certain ED funding can be availed prior to the commencement of the academic period, while other amounts are paid at specified intervals based on the rules as promulgated by the ED. Thus, cash flows on accounts receivable balances and the measurement of deferred revenues do not directly depend on meeting specified performance obligations of the College. Student accounts are not collateralized. Of the balances, approximately $189,100 and $149,700 are due from students rather than from federal financial aid at June 30, 2023 and 2022, respectively.

Contract assets consist of student accounts receivable. The balance of student accounts receivable at June 30, 2023, 2022, 2021 was $189,058, $149,736, and $114,647, respectively. Contract liabilities consist of deferred revenue. The balance of deferred revenue at June 30, 2023, 2022, and 2021 was $1,946,988, $2,019,817, and $2,065,668, respectively.

Student accounts receivable are reported at the amount management expects to collect on balances outstanding at year end. Management estimates the allowance for doubtful accounts based on history of collections and knowledge acquired about specific terms. Adjustments to the allowance are charged to bad debt expense. Accounts receivable are considered past due if any portion of the receivable balance is outstanding for more than 60 days or the student no longer attends the institution. Interest is not charged on student accounts receivable. Uncollectible accounts are written off against the reserve when deemed uncollectible; recoveries are recorded when received. An account is considered uncollectible when all efforts to collect the account have been exhausted. The allowance for doubtful accounts was approximately $137,700 and $104,800 for the years ended June 30, 2023 and 2022, respectively. Activity through the allowance was considered immaterial and thus detail of a roll forward has not been provided.

Perkins Loans Receivable and Refundable Advances - U.S. Government

Perkins loans receivable represents amounts loaned to students under the Federal Perkins Loan Program (“Perkins”). Perkins funds have been made available mostly from the ED and, to a much lesser extent, an institutional match of funds to support what in the past had been a revolving loan fund. The amounts advanced by the ED are generally refundable subject to certain adjustments and thus are reflected as an obligation. The College is no longer lending under this program as the program is no longer available for student loans.

Perkins loans receivable are carried at the original amount less an estimate made for doubtful receivables based on a review of all outstanding amounts on a periodic basis, which includes using historical experience applied to an aging of accounts. Credit risk is mitigated given that uncollectible accounts that meet certain requirements can be assigned to the ED and thus reduce the advances owed. Interest income is recorded when received. Loans receivable are considered past due if any portion of the balance due is outstanding for more than 30 days. Interest and late fees on past due accounts are recorded when received.

Investments

Investments in marketable securities are carried at fair value. Fair value is determined as per fair value policies summarized later in this section. Investments in real estate are carried at amortized cost. Depreciation and amortization associated with such real estate is recorded using the straight-line method over 20 years.

Investment return (loss) is reported in the Statements of Activities and consists of interest, dividends, and realized and unrealized gains and losses.

The College utilizes the expertise of an investment manager to guide investment strategy, and a custodian to hold such assets.

Fair Value Measurements

The College reports certain assets and liabilities at fair value on a recurring and non-recurring basis depending on the underlying accounting policy for the particular item. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Recurring fair value measures include the College's investments in marketable securities. These standards require an entity to maximize the use of observable inputs (such as quoted prices in active markets) and minimize the use of unobservable inputs (such as appraisals or valuation techniques) to determine fair value. The standards also allow for the use of the net asset value per share as a practical expedient of fair value when quoted prices are not available. Fair value standards also require the College to classify financial instruments (but for those measured using NAV) into a three-level hierarchy, based on the priority of inputs to the valuation technique as follows:

> Level 1 - Quoted prices are available in active markets for identical instruments as of the reporting date. Instruments which are generally included in this category include listed equity and debt securities publicly traded on a stock exchange.
>
> Level 2 - Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies
>
> Level 3 - Pricing inputs are unobservable for the instrument and include situations where there is little, if any, market activity for the instrument. The inputs into the determination of fair value require significant management judgment or estimation.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an instrument's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Market price is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument, as well as the effects of market, interest and credit risk. Instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. It is reasonably possible that changes in values of these instruments will occur in the near term and that such changes could materially affect amounts reported in these financial statements.

Investment in Plant

Investment in plant is recorded at cost when the estimated useful life is over one year at the date of acquisition and when such amounts exceed a management established capitalization threshold. In the case of donated assets, such amounts are recorded at fair value at the date of gift using Level 3 inputs. Additions, renewals, and betterments are capitalized unless it is a relatively minor amount. Expenditures for repairs and maintenance are charged to expense as incurred. Property, plant and equipment are depreciated using the straight-line method over their respective estimated useful lives which range from 5 to 20 years.

Leases

The College categorizes leases with contractual terms longer than twelve months as either operating or finance. Finance leases are generally those leases that allow us to substantially utilize or pay for the entire asset over its estimated life. All other leases are categorized as operating leases. Leases with contractual terms of 12 months or less are not recorded on the balance sheet. The College had no finance or operating leases with contractual terms longer than twelve months during 2023 and 2022.

Options to extend lease terms, terminate leases before the contractual expiration date, or purchase the leased assets, are evaluated for their likelihood of exercise. If it is reasonably certain that the option will be exercised, the option is considered in determining the classification and measurement of the lease.

Student Deposits and Deferred Revenue

Student deposits represent reservation deposits and other advance payments by students on account. Deferred revenue represents the amount of unearned related services that are in progress as of year end related to net tuition, fees, and auxiliary enterprises, such as room and board. Such amounts are reflected as revenue ratably over time with such amounts generally being recognized on a current basis given the nature and duration of the underlying services being provided.

Substantially all amounts included in deferred revenue at the opening of each period were recognized as revenues during the following fiscal period with very limited amounts not being earned associated with student withdrawal rights that management did not consider material. Contract liabilities represent the amount of the remaining performance obligation which is time driven given the academic calendar that underlies the earnings process for tuition, fees, and auxiliary revenue. Contract liabilities are presented in the Statements of Financial Position as student deposits and deferred revenue, if applicable, and are recognized as income in the period in which the obligation takes place. There were no significant changes to deferred revenue amounts on a quantitative or qualitative basis. Certain enrollment deposits are returned to students who ultimately do not enroll.

Refundable Advances - U.S. Government

Refundable Advances - U.S. Government represent federal amounts received by the College that are used in the Perkins Loan Program. This balance is subject to certain adjustments under the terms of the program. The difference between the cash plus the net Perkins loans receivable less the liability for refundable advances represents the College's investments in the program. This amount is part of net assets without donor restrictions.

Bonds Payable

Bonds payable are presented along with issuance premiums and issuance costs. Such amounts are amortized over the term of the related arrangement on a straight-line basis.

Physical Asset Retirement Obligations

The College records physical asset retirement obligations when incurred if their fair values can be reasonably estimated. The College's most significant physical asset retirement obligation relates to asbestos remediation, consisting primarily of encapsulated asbestos that the College might remediate if it performed major renovations of such buildings. This conditional obligation has indeterminate settlement dates. As a result, the College is unable to develop a reasonable estimate of fair values. The College will continue to assess its ability to estimate fair values at each future reporting date. Should sufficient additional information become available, the College will recognize a liability.

Revenue Recognition and Operations

Revenues are reported as increases in net assets without donor restrictions unless use of the related asset is limited by donor-imposed restrictions. The College derives revenues primarily through tuition, fees, and auxiliary services, all of which are under arrangements that are aligned to an academic semester, which is less than one year in length.

Tuition, fees, and auxiliary enterprises revenue are recorded at established rates, net of institutional awards provided directly to students. Net transaction price is fixed and determinable. Such net amounts are recorded as revenue when performance obligations are satisfied, which is generally over time as services are rendered whether relating to educational services or auxiliary services such as room and board. Management believes that recognizing revenue over time is the best measure of services rendered, based on its academic calendar and has not made any changes in the timing of satisfaction of its performance obligations or amounts allocated to those obligations. Discounts provided to employees are considered part of fringe benefits within operating expenses and likewise are recorded over time. Management does not consider there to be significant judgment involved in the timing of satisfaction of performance obligations as those are directly linked to the academic calendar of the related academic or auxiliary activity.

Students may withdraw from programs of study within certain time limits under the College's withdrawal policies by semester. These policies vary by program but allow for up to a 100% refund near the start of classes, declining to no refund shortly after the start of classes. Given the normal timing of the College's programs, the exposure to such is limited at year end.

Payments made by third parties such as ED relative to loans and grants to students are a mechanism to facilitate payment on behalf of students, and accordingly, such funding does not represent revenue of the College.

Expenses are reported as decreases in net assets without donor restrictions. Realized and unrealized gains and losses on investments and other assets and liabilities are reported as increases or decreases in net assets without donor restrictions unless their use is restricted by explicit donor stipulation or by law. Expirations of donor-imposed restrictions on net assets, such as the donor-stipulated purpose has been fulfilled and/or the stipulated time period has elapsed, are reported as “net assets released from restriction” between the classes of net assets.

The Statements of Activities report the changes in net assets without donor restrictions from operating and nonoperating activities. Operating revenues consist of those items attributable to the College’s academic programs and auxiliary enterprises. This includes investment return appropriated for operations under the spending policy adopted by the Board. All other amounts are considered nonoperating.

Contributions, including unconditional promises to give, are initially recorded as revenue at fair value when verifiably committed. Unconditional promises to give, that will be paid by the donor’s estate, are recorded when verifiably committed and are discounted using the remaining life expectancy of the donor. Fair value is determined at the original date of record as described in this section using Level 2 fair value inputs.

Conditional contributions and intentions to give are recorded as revenue when the conditions have been met. Pledge intentions are not recorded as revenue or as assets. Contributions are reflected in net assets without donor restrictions or in net assets with donor restrictions based on the existence or absence of donor restrictions. Amounts received with donor-imposed restrictions that are recorded as revenues in net assets with donor restrictions are reclassified to net assets without donor restrictions when the time or purpose restriction has been satisfied. The College had no conditional contributions at June 30, 2023 and 2022.

The College reports gifts of property, plant, and equipment as revenues without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenue with donor restrictions. The College reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Advertising

The College recognizes advertising expenses when incurred.

Uncertain Tax Positions

The College accounts for the effect of any uncertain tax positions based on a “more likely than not” (“MLTN”) threshold to the recognition of the tax positions being sustained based on the technical merits of the position under scrutiny by the applicable taxing authority. If a tax position or positions are deemed to result in uncertainties of those positions, the unrecognized tax benefit is estimated based on a “cumulative probability assessment” that aggregates the estimated tax liability for all uncertain tax positions.

The College has identified its tax status as a tax-exempt entity and its determinations of which income items are related or unrelated as its only significant tax positions; however, the College has determined that such tax positions do not result in an uncertainty requiring recognition. The College is not currently under examination by any taxing jurisdictions and considers further tax disclosures as not significant. The College’s federal and state tax returns are generally open for examination for three years following the date filed.

Functional Allocation of Expenses

The costs of providing the various programs and activities and supporting services have been summarized on a functional basis in the Statements of Activities. Note 11 presents the natural classification detail of expenses by function. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Depreciation of plant assets and operation and maintenance of plant expenses have been allocated to functional classifications based on square footage of facilities. Interest expense is allocated to functional classifications that benefited from the use of the proceeds of the debt.

Use of Estimates

The preparation of financial statements in conformity with U.S. Generally Accepted Accounting Principles requires management to make estimates and assumptions about future events. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, as well as reported amounts of revenues and expenses during the reporting period. Management evaluates the estimates and assumptions on an ongoing basis using historical experience and other factors that management believes to be reasonable under the circumstances. Adjustments to estimates and assumptions are made as facts and circumstances require. As future events and their effects cannot be determined with certainty, actual results may differ from the estimates used in preparing the accompanying financial statements. Significant estimates and assumptions are required as part of determining the value of accounts receivable, promises to give, and estimating depreciation.

Adoption of New Accounting Pronouncement

In February 2016, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU") amending the accounting for leases. The Company adopted the new standard effective July 1, 2022, using the modified retrospective approach. Comparative prior periods were not adjusted upon adoption, as the Company utilized the practical expedient available under the guidance. Further, the Company elected to implement the package of practical expedients, whereby the Company did not (i) reassess existing contracts for embedded leases, (ii) reassess existing lease agreements for finance or operating classification, or (iii) reassess existing lease agreements in consideration of initial direct costs. The implementation of this standard did not have a material impact to statements of income or cash flows and our debt-covenants calculations under our current agreements.

Note 2 - Liquidity and Availability

The College regularly monitors liquidity to meet its operating needs and other contractual commitments while also striving to maximize the investment of its available funds. The College has various sources of liquidity at its disposal, including cash and equivalents, marketable debt and equity securities, and a line of credit.

For purposes of analyzing resources available to meet general expenditures over a 12-month period, the College considers all expenditures related to its ongoing activities of education and related services, as well as the conduct of services undertaken to support those activities, to be general expenditures. Student loans receivable are not included in the analysis as principal and interest on these loans are not available to meet current operating needs.

In addition to the financial assets available to meet general expenditures over the next 12 months, the College seeks to operate with a budget surplus and anticipates collecting revenue in excess of its general expenditures.

As of June 30, 2023 and 2022, the following tables show the total liquid financial assets held by the College and the amounts of those financial assets available within one year of the balance sheet date to meet general expenditures:

	2023	2022
Liquid financial assets at year end:		
Cash and equivalents	**$ 1,769,616**	$ 2,412,791
Student accounts receivable, net	**189,058**	149,736
Pledges receivable	**2,500**	5,000
Investments convertible to cash in the next 12 months	**46,228,930**	41,323,763
Total Financial Assets at Year End	**$ 48,190,104**	$ 43,891,290
Financial assets available to meet general expenditures over the next 12 months:		
Cash and equivalents	**$ 1,769,616**	$ 2,412,791
Student accounts receivable, net	**189,058**	149,736
Pledges receivable in one year or less	**2,500**	5,000
Endowment spending rate distribution and appropriations	**2,526,579**	4,000,000
Total Financial Assets Available to Meet General Expenditures Over the Next 12 Months	**$ 4,487,753**	$ 6,567,527

While investments are considered to be functioning as endowment by the Board, such amounts are readily available upon Board vote and not subject to donor restriction if such funds are needed by the College. Thus, the College has over $46,000,000 of liquidity, if required, in addition to the above, at June 30, 2023. In addition, the College has a line of credit in the amount of which $500,000 can be drawn on to meet general expenditures, as needed for the year ended June 30, 2023.

Note 3 - Perkins Loans Receivable

Perkins loans receivable consisted of the following at June 30,:

	2023	2022
Current	**$ 180,203**	$ 209,635
0-270 days past due	**10,619**	37,177
Greater than 270 days past due	**18,467**	141,652
Total	**209,289**	388,464
Less: Allowance for uncollectible accounts	**(3,353)**	(99,043)
Net Perkins Loans Receivable	**$ 205,936**	$ 289,421

Allowances for uncollectible accounts are as follows at June 30,:

	2023	2022
Beginning balance	$ 99,043	$ 175,934
Provision	(95,690)	(76,891)
Ending Balance	$ 3,353	$ 99,043

Note 4 - Investments and Fair Value

Investments were as follows at June 30,:

	2023	2022
Investments at fair market value:		
Long-term investments:		
Cash equivalents	$ 1,717,855	$ 3,862,708
Equities:		
U.S. large cap	38,923,526	33,074,445
U.S. mid-cap	1,555,806	1,176,396
U.S. small-cap	866,955	674,593
U.S. Treasuries	393,941	-
International securities	2,770,847	2,535,621
	$ 46,228,930	$ 41,323,763
Investments at amortized cost:		
Real estate (residential rental property)	7,168,515	7,154,409
Less: accumulated depreciation	(5,544,295)	(5,460,940)
Investments	1,624,220	1,693,469
	$ 47,853,150	$ 43,017,232

Included in the College's equities are both publicly traded stocks and mutual funds. All of the College's investments at fair market value are considered Level 1 fair values as of June 30, 2023 and 2022 and, accordingly, such amounts have daily liquidity. The College does not have unfunded capital commitments.

Investment in real estate is at amortized cost which management believes is substantially below the fair value of these properties. Other real estate in the same area as the College's has appreciated substantially in recent years. Using recent sales of similar buildings in its neighborhood, the College has estimated the market value of its real estate investment to be in excess of $24,800,000 at June 30, 2023 and 2022, respectively.

Investment return was as follows for the years ended June 30,:

	2023	2022
Investment return from real estate assets	**$ 539,861**	$ 480,865
Investment return (loss) from non-real estate assets	**7,351,363**	(6,768,104)
Total investment return	**7,891,224**	(6,287,239)
Less: investment return appropriated for operations	**(4,000,000)**	(2,373,000)
Investment return (loss), net of amounts appropriated for operations	**$ 3,891,224**	$ (8,660,239)

Depreciation expense related to investments in real estate was approximately $83,000 and $80,000 for the years ended June 30, 2023 and 2022, respectively.

Note 5 - Investment in Plant

Investment in plant consisted of the following at June 30,:

	Estimated Useful Life	2023	2022
Land		**$ 4,416,015**	$ 4,416,015
Art		**18,000**	18,000
Buildings and improvements	20 years	**22,981,437**	21,984,287
Furniture and equipment	5 years	**2,955,487**	2,479,968
Library books	10 years	**121,067**	122,573
Automobiles	5 years	**110,191**	110,191
		30,602,197	29,131,034
Less: Accumulated depreciation		**(15,933,104)**	(14,623,114)
Investment in Plant		**$ 14,669,093**	$ 14,507,920

See Note 4 for depreciation expense on assets included in investment in real estate. The College made disposals of $126,457 and $611,849 during the years ended June 30, 2023 and 2022, respectively.

Depreciation is comprised of the following components for the years ended June 30,:

	2023	2022
Investment in plant	$ 1,436,448	$ 1,359,476
Real estate investment	83,355	80,351
	$ 1,519,803	$ 1,439,827

Note 6 - Bonds and Notes Payable

Bonds

Bonds payable were as follows at June 30,:

	2023	2022
Massachusetts Development Finance Agency ("MDFA"), Fisher College Issue, Series 2017. Principal due in annual installments commencing in 2018 through 2037. Interest payable semi-annually at a fixed rate of 5%. The loan and trust agreement includes a pledge of revenue of the College as well as other administrative covenants.	$ 4,890,000	$ 5,130,000
Unamortized issue premium	595,031	636,098
Unamortized bond issuance costs	(165,374)	(176,788)
Total Bonds	$ 5,319,657	$ 5,589,310

Maturities of bonds payable are as follows:

2024	$ 245,000
2025	260,000
2026	275,000
2027	285,000
2028	305,000
Thereafter	3,520,000
	$ 4,890,000

Amortization of bond premium and bond issuance costs are included with interest expense. Interest expense was $212,432 and $224,057 for the years ended June 30, 2023 and 2022, respectively. Cash paid for interest was $256,500 and $268,000 for the years ended June 30, 2023 and 2022, respectively.

Notes Payable

The College has entered into two separate finance purchase agreements for information technology equipment and computers. The first agreement, in the amount of $125,840, is for 60 months and is non-interest bearing. A second agreement in the amount of $92,971 is for 36 months, bearing interest of 3.70%.

Future scheduled note payments are as follows:

2024	$ 52,530
2025	6,947
Total	$ 59,477

Note 7 - Line of Credit

The College has an uncollateralized demand line of credit, with interest at the prime rate plus 2%, from its main operating bank in the amount of $1,500,000 for general purposes. The amount of $1,000,000 and $0 was outstanding against the line at June 30, 2023 and 2022, respectively. The line of credit was renewed on June 27, 2023 and expires on June 27, 2024.

Note 8 - Endowment and Net Asset Matters

Endowment

The College's endowment consists of investments in marketable equity securities, stock mutual funds, money market mutual funds, and real estate consisting of residential rental property. Its endowment, with the exception of $71,025 of funds with donor restrictions, is without restriction but does function as endowment. Net assets associated with endowment funds, including funds designated by the Board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The following represents required disclosure relative to the composition and activities of endowment assets for the years ended June 30,:

	2023	2022
Assets Functioning as Endowment Assets, Beginning of Year	**$ 43,017,232**	$ 49,653,652
Additions:		
Gifts and additions	**31,164**	129,479
Capital expenditures from operations on real estate investments	**14,106**	108,179
Total Additions	**45,270**	237,658
Investment return (loss)	**7,378,003**	(6,793,727)
Deductions:		
Transfers to operations	**(2,504,000)**	-
Depreciation expense on real estate investments	**(83,355)**	(80,351)
Total Deductions	**(2,587,355)**	(80,351)
Change in assets functioning as endowment assets	**4,835,918**	(6,636,420)
Assets Functioning as Endowment Assets, End of Year	**$ 47,853,150**	$ 43,017,232

Net cash proceeds from rental real estate of $623,214 and $561,216 for the years ended June 30, 2023 and 2022, respectively, have been excluded from the above endowment activities as the cash flows are maintained within the College's operating bank accounts. Amounts appropriated by the Board for operations were $4,000,000 and $2,373,000 for the years ended June 30, 2023 and 2022, respectively.

Return Objectives and Risk Parameters

The College's investment portfolio is managed to provide for the long-term support of the College. Accordingly, these funds are managed with disciplined longer-term investment objectives and strategies designed to meet cash flow and spending requirements. Management of the assets is designed to attain the maximum total return consistent with acceptable and agreed-upon levels of risk. It is the goal of the aggregate long-term investments to generate an average total return that exceeds the spending/payout rate plus inflation.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate of return objectives, the College relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The College targets an asset allocation strategy wherein assets are diversified among several asset classes. The pursuit of maximizing total return is tempered by the need to minimize the volatility of returns and preserve capital. As such, the College seeks broad diversification among assets having different characteristics with the intent to endure lower relative performance in strong markets in exchange for greater downside protection in weak markets.

Spending Policy

The spending policy of the College is calculated by multiplying 5% times the College's rolling three-year average of the market value investment portfolio plus 5% of the net historical cost of the real estate portfolio. If the College used the estimated fair value of the real estate portfolio in this calculation, the appropriation would amount to approximately 3%. Investment return net of amounts appropriated to operations is reported as nonoperating revenue.

Based on this formula, the appropriation to operating revenues was approved and budgeted at $2,500,000 for the year ended June 30, 2023, to fund FY23 operations. However, due to a number of significant events affecting the financial performance of the College, the College's Board of Trustees approved a two-year override to this policy at their March 2021 meeting. The override states the College will use 1% payout in FY21 and 9% payout in FY22, and then return to the original policy in FY23. Based on this formula, and with the approved reduction of $1,500,000 in FY22 which was reallocated to FY23, the payout to operations was $4,000,000 and $2,373,000 for the years ended June 30, 2023 and 2022, respectively.

Net assets are summarized as follows at June 30,:

	2023	2022
Net investment in plant	**$ 8,289,959**	$ 8,843,840
Board designated endowment	**47,853,150**	43,017,232
Total Funds without Donor Restrictions	**56,143,109**	51,861,072
Adjustment for undesignated funds	**117,904**	172,280
Total Funds without Donor Restrictions	**56,261,013**	52,033,352
Other funds with restrictions	**228,302**	199,111
Total Funds with Donor Restrictions	**228,302**	199,111
Total Net Assets	**$ 56,489,315**	$ 52,232,463

Net Assets With Restrictions

Net assets with donor restrictions consist of the following at June 30,:

	2023	2022
Scholarships (for purpose)	$ 154,777	$ 128,611
Endowment (for perpetuity)	73,525	70,500
Total Funds with Donor Restrictions	$ 228,302	$ 199,111

Note 9 - Revenue Matters

The College's revenue from tuition, fees and auxiliary enterprises is all recognized over time. Factors that can impact the amount and timing of amount of cash flows include policies that allow for withdrawal by students after the start of the program subject to certain limits which differ by nature of program. Cash flows are also impacted by ED rules which differ for newly enrolled versus continuing students with respect to financial aid. Generally, funds made available by the ED for new students are available later than for continuing students. Management does not view there to be other qualitative factors that have a significant impact on the nature and amount of revenue and cash flows.

The College has a number of lines of business which include traditional undergraduate education, traditional graduate programs, and other continuing education programs. The following table summarizes the percentages of revenue from each of these programs with auxiliary enterprises being ascribed to the program from which such revenues are derived:

	2023	2022
Revenue:		
Day division	**68%**	68%
Graduate and professional studies	**32%**	32%

FISHER COLLEGE
Notes to the Financial Statements
June 30, 2023 and 2022

Note 10 - Natural Classification of Expenses

Expenses presented by natural classification and function are as follows for the years ended June 30,:

	2023			
	Program Services	*Management and General*	*Fundraising*	*Total*
Salaries and wages	$ 8,880,652	$ 2,394,645	$ 123,723	$ 11,399,020
Employee benefits	901,647	306,906	22,291	1,230,844
Payroll taxes	637,374	159,077	8,785	805,236
Consulting and other professional fees	511,461	575,711	41,741	1,128,913
Advertising and promotion	1,338,427	102,453	200	1,441,080
Office expenses	2,555	452	29	3,036
Information technology	428,883	289,239	17,880	736,002
Occupancy	764,057	46,778	891	811,726
Travel and entertainment	858,394	44,673	388	903,455
Conferences, conventions and meetings	63,851	74	-	63,925
Interest and discount fees	267,378	95,165	2,826	365,369
Depreciation and amortization	1,090,239	335,825	10,384	1,436,448
Insurance	268,114	74,467	3,737	346,318
Repairs, maintenance, sanitation services	936,425	242,539	9,018	1,187,982
Utilities, communications, telephone	502,197	198,388	2,733	703,318
Materials and supplies	426,113	69,603	4,332	500,048
Dining services	1,149,000	100	1,499	1,150,599
Formal and social functions	173,774	4,718	-	178,492
Memberships, subscriptions, licenses	190,638	46,993	979	238,610
Printing, design, postage	79,260	17,835	78,758	175,853
Other expenses	197,558	146,446	247	344,251
Total functional expenses	**$ 19,667,997**	**$ 5,152,087**	**$ 330,441**	**$ 25,150,525**

FISHER COLLEGE
Notes to the Financial Statements
June 30, 2023 and 2022

	2022			
	Program Services	*Management and General*	*Fundraising*	*Total*
Salaries and wages	$ 8,034,610	$ 2,012,578	$ 197,943	$ 10,245,131
Employee benefits	844,944	277,987	36,884	1,159,815
Payroll taxes	570,179	133,784	14,106	718,069
Consulting and other professional fees	487,421	468,855	66,849	1,023,125
Advertising and promotion	1,364,224	102,910	500	1,467,634
Office expenses	3,244	545	60	3,849
Information technology	417,140	286,659	23,139	726,938
Occupancy	232,731	91,973	1,194	325,898
Travel and entertainment	462,720	19,487	1,360	483,567
Conferences, conventions and meetings	19,030	388	-	19,418
Interest and discount fees	249,217	82,315	5,033	336,565
Depreciation and amortization	1,033,137	309,109	17,230	1,359,476
Insurance	233,286	62,460	5,591	301,337
Repairs, maintenance, sanitation services	753,940	240,947	14,204	1,009,091
Utilities, communications, telephone	456,756	192,686	3,729	653,171
Materials and supplies	349,218	61,137	10,774	421,129
Dining services	1,138,229	10,498	217	1,148,944
Formal and social functions	299,290	10,393	23,087	332,770
Memberships, subscriptions, licenses	156,744	41,866	184	198,794
Printing, design, postage	67,695	18,660	77,058	163,413
Other expenses	112,414	100,703	352	213,469
Total functional expenses	**$ 17,286,169**	**$ 4,525,940**	**$ 499,494**	**$ 22,311,603**

Note 11 - Employee Benefit Plan

The College contributes a percentage of salary of all eligible participating employees to the College's defined contribution plan administered by the Teachers Insurance and Annuity Association and the College Retirement Equities Fund. Contributions to these plans were approximately $391,000 and $356,000 for the years ended June 30, 2023 and 2022, respectively.

Note 12 - Commitments, Contingencies and Uncertainties

Leases

The College has tenant-at-will agreements for certain premises and office equipment. Certain leases provide for additional rent for increases in operating expenses and real estate taxes. Renewal options have not been considered in the determination of a lease longer than twelve months since it is not reasonably certain that they will be exercised, based on general uncertainties that come with the passage of time.

Total lease expense under operating leases was $811,726 and $325,898 for the years ended June 30, 2023 and 2022, respectively.

Lease Revenue

The College leases certain owned space to third-party tenants under lease agreements that expire at various dates through 2026.

Minimum future lease income is as follows:

2024	$ 8,000
2025	8,000
2026	8,000
Total Minimum Future Lease Income	$ 24,000

Total lease income, included in other income on the Statements of Activities, was $220,728 and $266,530 for the years ended June 30, 2023 and 2022, respectively.

The College also leases residential units from its investments in real estate. Tenants have annual lease agreements or are tenants at will. Future rental income was not included in the above schedule due to the short-term nature of these agreements. Net rental income from these properties is included as part of investment return.

Cash

The College has significant cash balances at financial institutions which throughout the year regularly exceed the federally insured limit of $250,000. Any loss incurred or a lack of access to such funds could have a significant adverse impact on the College's financial condition, results of operations, and cash flows. At June 30, 2023 and 2022, uninsured amounts totaled $1,569,962 and $2,405,706, respectively.

Investments

The College invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. The College's holdings of equities are held in a brokerage account with a national brokerage firm. These accounts are protected by the Securities Investor Protection Corporation ("SIPC"). In the event of broker-dealer failure, up to $500,000 in these accounts will be protected from loss. The SIPC insurance does not protect against market losses on investments.

Litigation

In the ordinary course of business, the College is involved in a number of litigation matters. In the opinion of management, these matters will not have a significant effect on the financial statements of the College.

Contracts

The College has a contract with its food service provider expiring in 2026. The agreement gives the provider exclusive rights to prepare and serve food on the Boston campus. As part of the agreement, the provider advanced $600,000 to the College to renovate and upgrade its dining facility. The College has included these amounts in deferred revenue and will amortize them over the life of the contract. If the College should cancel the agreement, the unamortized balance of the deferred revenue shall be reimbursed to the provider. The unamortized balance of this advance was approximately $240,000 and $280,000 for the years ended June 30, 2023 and 2022, respectively.

Related Parties

The College did not have related party(ies) or related party transactions.

Other

The College utilizes a number of agents who, on an ongoing basis, assist in locating international students for a fee. These arrangements have provided important revenue to the College. The College's arrangements with these providers are at will.

The College participates in the Massachusetts College Savings Prepaid Tuition Program. This program allows participants to lock in tuition prices by limiting future increases to the changes in CPI plus 2%. This could result in discounts on tuition charged to students in the future.

Note 13 - Subsequent Events

Management has evaluated subsequent events through October 1, 2023 the date for which the financial statements were available for issuance. Management accepted the financial statements and did not identify any other events subsequent to June 30, 2023 requiring disclosure in these financial statements.

SUPPLEMENTARY INFORMATION

FISHER COLLEGE
Financial Responsibility Supplemental Schedule
June 30, 2023 and 2022

Primary Reserve Ratio:				
		Expendable Net Assets:		
1	Statement of Financial Position (SFP)	Net assets without donor restrictions		$ 56,261,013
2	SFP	Net assets with donor restrictions		228,302
3	Not applicable	**Secured and Unsecured related party receivable - Total**	-	
4	Not applicable	Unsecured related party receivables		-
5	SD Line 5	**Property, Plant and Equipment, net (includes Construction in progress) - Total**	14,669,093	
6	SD Line 1d	Property, plant and equipment pre-implementation		14,669,093
7	SD Line 2d	Property, plant and equipment post-implementation with outstanding debt for original purchase		-
8	SD Line 4a	Property, plant and equipment post-implementation without outstanding debt for original purchase		-
9	SD Line 3	Construction in progress		-
10	Not applicable	**Lease right-of-use asset, net - Total**	-	
11	Not applicable	Lease right-of-use, pre-implementation (grandfather of leases option not chosen)		-
12	Not applicable	Lease right-of-use asset, post-implementation		-
13	SD Line 11	Intangible assets		-
14	Not applicable	Post-employment and pension liabilities		-
15	SD Lines 6d, 7a-c, 8	**Long-term debt- for long term purposes - Total**	5,379,134	
16	SD Line 6d	Long- term debt- for long term purpose pre-implementation		5,379,134
17	SD Lines 7a-c	Long-term debt- for long term purposes post-implementation		-
18	SD Line 8	Line of Credit for Construction in progress		-
19	Not applicable	**Lease right-of-use asset liability - Total**	-	
20	Not applicable	Pre-implementation right-of-use asset liability (grandfather of leases option not chosen)		-
21	Not applicable	Post-implementation right-of-use asset liability		-
22	Not applicable	**Annuities, term endowment and life income with donor restrictions - Total**	-	
23	Not applicable	Annuities with donor restrictions		-
24	Not applicable	Term Endowments with donor restrictions		-
25	Not applicable	Life income funds with donor restrictions		-
26	Note 9	Net Assets with donor restrictions - restricted in perpetuity		-
		Total Expenses without Donor Restrictions & Losses without Donor Restrictions:		
27	Statement of Activities (SOA)	Total expenses without donor restrictions- taken directly from Statement of Activities		25,150,525
28	Not applicable	Non-operating and Net Investment (loss)		-
29	Not applicable	Net Investment losses		-
30	Not applicable	Pension-related changes other than net periodic costs		-
Equity Ratio:				
		Modified Net Assets:		
31	SFP	Net assets without donor restrictions		56,261,013
32	SFP	Net assets with donor restrictions		228,302
33	SD Line 11	Intangible Assets		-
34	Not applicable	Intangible Assets- Goodwill		-
35	Not applicable	**Secured and unsecured related party receivables- Total**	-	
36	Not applicable	Unsecured related party receivables		-
		Modified Assets:		
37	SFP	Total Assets		65,998,112
38	Not applicable	Lease right-of-use asset pre-implementation		-
39	Not applicable	Pre-implementation right-of-use asset liability		-
40	SD Line 11	Intangible Assets		-
41	Not applicable	Secured and unsecured related party receivables	-	
42	Not applicable	Unsecured related party receivables		-
Net Income Ratio:				
		Change in Net Assets Without Donor Restrictions:		
43	SOA	Change in net assets without donor restrictions		4,227,661
		Total Revenue without Donor Restrictions & Gains without Donor Restrictions		
44	SOA: Total Revenue, Gains and Other Support (Not including Investments)	Total Revenues and Gains		21,486,962
45	SOA	Investments, net (operating and non-operating)		$ 7,891,224

FISHER COLLEGE
Financial Responsibility Supplemental Disclosures
June 30, 2023 and 2022

The Department of Education issued regulations on February 23, 2019, which became effective July 1, 2020, regarding additional disclosures deemed necessary to calculate ratios for determining sufficient financial responsibility under Title IV.

Property, Plant and Equipment, net

1 Pre-implementation property, plant and equipment, net (PP&E, net)	
a. Ending balance of last financial statements submitted to the Department of Education (June 30, 2022 financial statement)	$ 14,507,920
b. Reclassify capital lease assets previously included in PP&E, net prior to the implementation of ASU 2016-02 lease standards	-
c. Less subsequent depreciation and disposals	(1,436,448)
d. Balance Pre-implementation property, plant and equipment, net	13,071,472
2 Debt Financed Post-Implementation property, plant and equipment, net	
Long-lived assets acquired with debt subsequent to June 30, 2022:	
a. Equipment	-
b. Land Improvements	-
c. Building	-
d. Total Property, plant and equipment, net acquired with debt exceeding 12 months	-
3 Construction in progress- acquired subsequent to June 30, 2019	-
4 Post-implementation property, plant and equipment, net, acquired without debt:	
a. Long-lived assets acquired without use of debt subsequent to June 30, 2022	1,597,621
5 Total Property, Plant and Equipment, net- June 30, 2023	$ 14,669,093

Debt to be excluded from expendable net assets

6 Pre-implementation debt:	
a. Ending balance of last financial statement submitted to the Department of Education (June 30, 2022)	$ 5,664,081
b. Reclassify capital leases previously included in long-term debt prior to the implementation of ASU 2016-02 leases standards	-
c. Less subsequent debt repayments	(284,947)
d. Balance pre-implementation debt	5,379,134
7 Allowable post-implementation debt used for capitalized long-lived assets:	
a. Equipment- all capitalized	-
b. Land Improvements	-
c. Buildings	-
8 Construction in progress (CIP) financed with short term debt	-
9 Long-term debt not for the purchase of property, plant and equipment or liability greater than assets value	-
	$ 5,379,134

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

INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of
Fisher College:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audit contained in *Government Auditing Standards* issued by the Comptroller General of the United States of America, the financial statements of Fisher College (the "College"), which comprise the statement of financial position as of June 30, 2023, the related statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the financial statements, and we have issued our report thereon dated October 1, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College'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 College's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Withum Smith+Brown, PC

October 1, 2023