

**WORCESTER STATE UNIVERSITY
BOARD OF TRUSTEES MEETING
Tuesday, January 14, 2025
4:00 P.M.
Wellness Center, Room 204**

Meeting Called By: Dr. Lisa Colombo (Chair)

Minutes: Nikki Kapurch

Board Members: Dr. Lisa Colombo (Chair); Maureen Power (Vice-Chair); Dr. Lawrence Sasso (Vice-Chair); Kelly Brissette; Karen Lafond; David Tuttle; Dina Nichols; Amy Peterson; Kyram Pou; Marina Taylor

WSU Staff: Barry Maloney; Ashlynn Allain; Kathy Eichelroth; Carl Herrin; Nikki Kapurch; Lois Wims

All documents considered to be **drafts** until discussed and/or approved by the Board

AGENDA		
ITEM	RESPONSIBLE	ACTION
1. <i>Administrative Business</i> A. Call to Order B. Approval of the Minutes: <ol style="list-style-type: none"> 1. Academic & Student Development Committee - November 26, 2024* 2. Full Board Meeting- November 26, 2024* 	Dr. Lisa Colombo	1. vote required 2. vote required
2. <u>Presentation: 4:10 - 5:10 pm / 60 minutes with Q & A</u> A. EAB: Enroll360 with Lauren Kennedy, a Senior Strategic Leader at EAB*	Ryan Forsythe Lauren Kennedy	A. Informational
3. <u>Presentation: 5:15 - 6:00 pm / 45 minutes with Q & A</u> A. Fundraising Campaign*	Tom McNamara Kathy Howrigan	A. Informational
4. <i>Finance & Facilities Committee Report</i> A. Finance & Facilities Committee Packet*	Dr. Lawrence Sasso	4. vote required
5. <i>Administrative Updates</i> A. Report of the Chair <ol style="list-style-type: none"> a. Next meeting: April 8, 2025 B. Report of the Student Trustee C. Report of the President <ol style="list-style-type: none"> a. President's Update* b. President Maloney Memo to Trustees* <ol style="list-style-type: none"> i. Pool for Commencement Speakers and Award Recipients* ii. Approval of Nominees for Speaker/Awards Pool iii. Approval of Honorary Degrees for 2025 	Dr. Lisa Colombo Kyrām Pou, Jr. Barry Maloney	a. Informational b. Informational i. Informational ii. vote required iii. (2) votes required
6. <i>Adjournment</i>	Dr. Lisa Colombo	6. vote required

*Attachments

WORCESTER STATE UNIVERSITY
ACADEMIC AND STUDENT DEVELOPMENT COMMITTEE MEETING
MEETING MINUTES

CHAIR:	Karen LaFond (Chair)	DATE:	November 26, 2024
LOCATION:	Wellness Center, Room 204	MINUTES BY:	Nikki Kapurch
TIME:	3:02 PM		
MEMBERS PRESENT:	Karen Lafond (Chair); Maureen Power (Vice-Chair); Kyrarn Pou, Jr.; Marina Taylor		
NON-MEMBER:	Lawrence Sasso (Vice-Chair)		
WSU STAFF:	Barry Maloney; Lois Wims; Ashlynn Allain; Nikki Kapurch; Ryan Forsythe; Tom McNamara		

The provision of General Laws, Chapter 30A, having been complied with and a quorum present, a meeting of the Academic and Student Development Committee of the Board of Trustees was held on Tuesday, November 26, 2024, in room 204, located in the Wellness Center. Chair LaFond called the meeting to order at 3:03 p.m.

Administrative Business

Sabbaticals

- Trustee LaFond noted that the packet contained a memo from the President to the board, along with the sabbatical proposals for eighteen candidates.
- President Maloney agreed with Provost Wims' recommendation, who had submitted these eighteen proposals for sabbatical leave for consideration.
- Provost Wims provided a detailed presentation outlining the sabbatical process and each recommended candidate. She presented the reasons and requests for each sabbatical leave for 2025-2026.
- Nineteen (19) new proposals were received this fall, joining the fifteen (15) awarded for 2024/25 by action of the Board last year.
- Department chairs have affirmed that each candidate's study will contribute to the respective department's course offerings.
- Faculty on sabbatical leave for one semester receive full salary during the period of the leave, and those on a full-year sabbatical receive one-half salary for the full year.
- Recipients of a sabbatical commit in writing to return to the institution for at least one academic year following the sabbatical and be responsible for reimbursing the university should they not return for the required timeframe.
- Sabbaticals provide significant professional opportunities for the faculty.
- The sabbatical presentation included the budgeting for allowing the candidates to go on sabbatical.
- The average cost per section is \$6,000, which totals \$360,000
- Funds to cover this expense will be included in the adjunct line of the FY25 and FY26 budgets.
- Trustee LaFond thanked the Provost for all her hard work.

WSU Board of Trustees
November 26, 2024

Following the presentation and review of all proposed sabbaticals, a motion was made by Trustee Taylor and seconded by Trustee Pou, Jr. It was unanimously

VOTED: **to recommend to the full Board the approval of the AY 2025-2026 slate of Sabbatical Leave proposals as presented.**

Fall 2025:

Mariana Calle	Health Science
Pamela Hollander	Education
Brittany Jeye	Psychology
Hyesun Kim	Criminal Justice
Tanya Trudell	Occupational Therapy
Don Vescio	English
Lingling Wang	Business Administration & Economics

Spring 2026

Diane Cooke	Education
Mary Fowler	Mathematics
Hy Ginsberg	Mathematics
Ross Griffiths	Library
Jennifer Hood-DeGrenier	Biology
Christina Kaniu	Education
Kyle Martin	Visual and Performing Arts
Miriam Plavin-Masterman	Business Administration & Economics
Joseph Quattrucci	Chemistry
Brandi Silver	Psychology
Emily Soltano	Psychology

With there being no further business, the WSU Board of Trustees Committee meeting was adjourned.

Upon a motion made by Trustee Taylor and seconded by Trustee Pou, Jr., it was unanimously

VOTED: **to adjourn the meeting at 3:30 p.m.**

Respectfully submitted,


Barry M. Maloney
Secretary, Board of Trustees

WORCESTER STATE UNIVERSITY
BOARD OF TRUSTEES MEETING
Meeting Minutes

CHAIR:	Dr. Lawrence Sasso (Vice-Chair)	DATE:	November 26, 2024
LOCATION:	Wellness Center, Room 204	MINUTES BY:	Nikki Kapurch
TIME:	4:00 p.m.		
BOARD MEMBERS:	Maureen Power (Vice Chair); Dr. Lawrence Sasso (Vice Chair); Karen Lafond; Marina Taylor; Dina Nichols; Amy Peterson; Kyram Pou, Jr.		
MEMBERS ABSENT:	Dr. Lisa Colombo (Chair); David Tuttle		
WSU STAFF:	Barry Maloney; Ashlynn Allain; Ryan Forsythe; Carl Herrin; Nikki Kapurch; Julie Kazarian; Tom McNamara; Lois Wims		

The provision of General Laws, Chapter 30A, having been complied with and a quorum present, a meeting of the Board of Trustees was held on Tuesday, November 26, 2024, in room 204, located in the Wellness Center. Vice-Chair Sasso called the meeting to order at 4 p.m. He mentioned that he would be filling in for Chair Colombo this evening and that we will be taking the agenda out of order tonight.

MSCA Chapter President Address - Dr. Michelle Corbin

- Thanked the board members for the opportunity to comment.
- As the MSCA Chapter President, Dr. Corbin is representing the faculty to inform the Board about several pressing issues currently impacting DGCE contract negotiations. Bargaining has been ongoing for some time, and the primary remaining point of disagreement is the financial package. Given the Board of Trustees' significant responsibility for the financial and academic health of our institutions, we decided to reach out to the BOT on each of our campuses to provide updates on the state of negotiations. It is crucial to settle the financial package with a fair contract for the well-being of our campuses.
- To highlight the disparity between the Day and DGCE pay, Dr. Corbin prepared a couple of slides that illustrate the problem and pointed out key points from the negotiations.
- Vice Chair Sasso said that because the bargaining process is ongoing between the MSCA and the Administration, board members should listen attentively, but would not be able to respond to the presentation.

EQUITY, DIVERSITY, AND INCLUSION PRESENTATION

Inclusive Excellence & Belonging Strategic Plan Presentation

- Vice Chair Sasso introduced Dr. Edgar Moros, the Executive Director for Inclusive Excellence and Belonging.

- Included in the packet are the Inclusive Excellence & Belonging Strategic Plan PowerPoint and the Inclusive Excellence & Belonging Strategic Plan for 2024-2029.
- Dr. Moros guided the board through the PowerPoint presentation, highlighting the progress of the Strategic Plan. The Office of Inclusive Excellence and Belonging (IEB) is tasked with engaging and convening students, staff, and faculty to implement a Diversity, Equity, and Inclusion strategy. This strategy aims to create a more inclusive environment at Worcester State University by valuing and integrating the intellectual expertise and lived experiences of our community.
- Provided the names of the various IEB Committees on campus and outlined each committee's priorities.

SABBATICAL PRESENTATION - Dr. Adam Zahler, Professor, Visual & Performing Arts Department

- Adam Zahler is a professor in the Visual & Performing Arts Department.
- Sabbatical presentation title: "19th to early-20th Century American Theatre"
- Prof. Zahler went through the PowerPoint presentation that was included in the packet, presenting an overview of his recent sabbatical work. His research is one of several notable projects emerging from last year's sabbatical round. Prof. Zahler's work highlights the valuable contributions that sabbatical research brings to our academic community, serving as a testament to the innovation and scholarly excellence fostered at Worcester State.
- For his sabbatical during Spring 2024, Prof. Zahler conducted research, organized, and cataloged his collection of nineteenth and early twentieth-century theatre artifacts and memorabilia. He developed a website of nineteenth and early twentieth-century theatre anecdotes that will eventually house a database of the productions, performers, and artists involved in the shows documented in the material. In Spring 2025, he and the Worcester State University library plan an exhibit of his material with an accompanying lecture. Eventually, all the material will be donated to Worcester State as an archive for future research.

ADMINISTRATIVE BUSINESS:

APPROVAL OF THE MINUTES - Finance and Facilities Committee Meeting - October 22, 2024

Upon a motion made by Trustee Nichols and seconded by Trustee Peterson, it was unanimously,

VOTED: **to approve the minutes of the October 22, 2024, Finance and Facilities Committee meeting as presented.**

APPROVAL OF THE MINUTES - Full Board Meeting - October 22, 2024

Upon a motion made by Trustee Nichols and seconded by Trustee Peterson, it was unanimously,

VOTED: **to approve the October 22, 2024, minutes of the full Board meeting as presented.**

ACADEMIC AND STUDENT DEVELOPMENT COMMITTEE REPORT

- Trustee LaFond reported that the committee met earlier today before the full Board meeting to review and discuss the AY 2025-2026 slate of sabbatical leave proposals.
- President Maloney concurred with the recommendation of Provost Wims, forwarding fifteen (15) proposals for sabbatical leave for the Board's consideration.
- Provost Wims provided a detailed presentation outlining the sabbatical process for each candidate at the subcommittee meeting.
- The sabbatical presentation included the budgeting for allowing the candidates to go on sabbatical and also included the reasoning for requesting each sabbatical.
- Sabbaticals provide significant professional opportunities for the faculty.
- Trustee LaFond presented the slate of AY 2025-2026 sabbatical leave proposals for approval.

Upon a motion made by Trustee Nichols and seconded by Trustee Taylor, it was unanimously,

VOTED: **to accept the recommendation of the Academic and Student Development Committee and approve the AY 2025-2026 slate of Sabbatical Leave proposals as presented.**

Fall 2025:

Mariana Calle	Health Science
Pamela Hollander	Education
Brittany Jeye	Psychology
Hyesun Kim	Criminal Justice
Tanya Trudell	Occupational Therapy
Don Vescio	English
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Spring 2026

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Brandi Silver	Psychology
Emily Soltano	Psychology

REPORT OF THE CHAIR

- Next meeting: Tuesday, January 14, 2025.
- Trustee Sasso shared that he attended the Veterans Parade in Worcester and was pleased to observe that students from Worcester State University's Veterans and Military Affairs were the only participants from a university. He expressed his appreciation for their involvement.

REPORT OF THE STUDENT TRUSTEE

Trustee Pou, Jr. provided an update on how our students are doing in response to his emphasis on food insecurity and overall well-being. Many students have been visiting Thea's Pantry, and the University has organized several events to support their needs.

PRESIDENT'S REPORT

- The President's Update was provided in the packet.
- The President discussed the State University SUCCESS Pilot Program, a three-year initiative aimed at providing funding for wraparound services and additional support to improve outcomes for at-risk students.
 - He projected the latest iteration of the SUCCESS distribution formula on the screen, which showed that WSU will receive \$1,620,191 in funding.
 - President Maloney and his colleagues are currently coordinating a plan to allocate these funds appropriately, which must be spent within the next six months. It's important to note that there will be no rollover of unused funds and that full-time employees (FTEs) are not eligible for this funding.
 - This marks the first year of a three-year model, and we will know in January whether the Governor will include this pilot program in her budget. The ultimate goal is to integrate this program into the state budget as a permanent initiative.
- Vice President Ryan Forsythe provided an enrollment update. We successfully launched our EAB Enroll 360, which resulted in an increase in prospective students for Fall 2025. Additionally, we received an increase in financial aid funds, allowing us to offer Worcester State's ValuePlus program, which provides free and affordable pathways to a bachelor's degree for Massachusetts students.

Approval of Honorary Degree

- After receiving this recommendation from the Senior Class Committee, the President provided a memorandum in the packet seeking approval to award Debra Maddox, Psy.D, an honorary degree.
- Dr. Debra Maddox will serve as our 2025 Commencement Speaker at our undergraduate Commencement. Dr. Maddox's speaker nomination was vetted through the Speaker/Awards Committee and approved by the All-University Committee. She was on the list of potential commencement speakers previously approved by this Board.

WSU Board of Trustees
November 26, 2024

Upon a motion made by Trustee Taylor and seconded by Trustee Nichols, it was unanimously

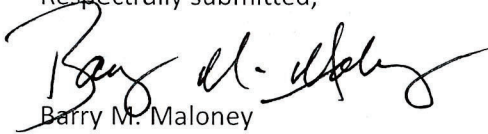
VOTED: **to approve the awarding of the following honorary degree: Dr. Debra Maddox,
Doctor of Humane Letters, *Honoris Causa*, at undergraduate Commencement on
May 17, 2025.**

With there being no further business, the WSU Board of Trustees meeting was adjourned.

Upon a motion made by Trustee LaFond and seconded by Trustee Nichols, it was unanimously

VOTED: **to adjourn the meeting at 5:34 p.m.**

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Barry M. Maloney", is written over the printed name.

Barry M. Maloney
Secretary, Board of Trustees

State University SUCCESS Pilot Program

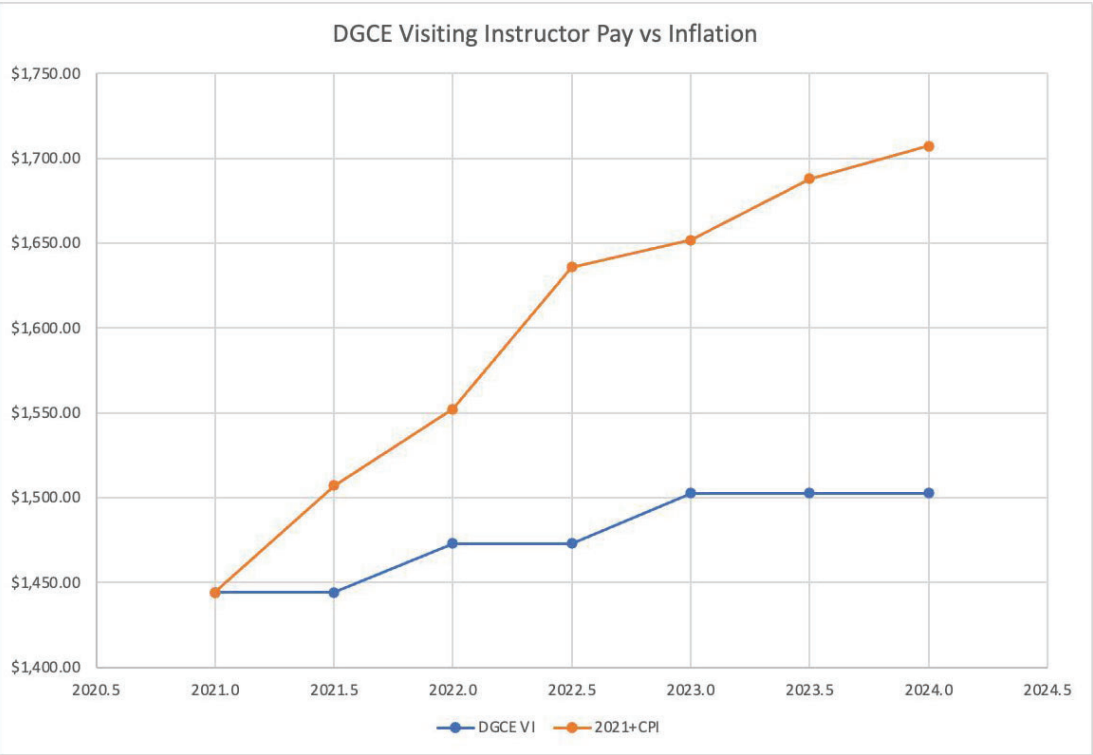
Institution	\$500,000 Base Allocation per campus	Equity Allocation based on Share of Pell	Allocation based on Share of Enrollment	Total
DHE	\$1,000,000	\$0	\$0	\$1,000,000
Bridgewater State University	\$250,000	\$1,544,910	\$1,101,044	\$2,895,955
Fitchburg State University	\$250,000	\$648,358	\$399,229	\$1,297,587
Framingham State University	\$250,000	\$673,001	\$392,501	\$1,315,502
Massachusetts College of Art and Design	\$350,000	\$283,987	\$256,299	\$890,286
Massachusetts College of Liberal Arts	\$350,000	\$221,791	\$112,305	\$684,096
Massachusetts Maritime Academy	\$350,000	\$143,167	\$220,369	\$713,536
Salem State University	\$250,000	\$1,169,978	\$630,076	\$2,050,053
Westfield State University	\$250,000	\$786,244	\$496,551	\$1,532,795
Worcester State University	\$250,000	\$798,565	\$571,625	\$1,620,191
Total	\$3,550,000	\$6,270,000	\$4,180,000	\$14,000,000

DGCE Pay Disparities

Inflation

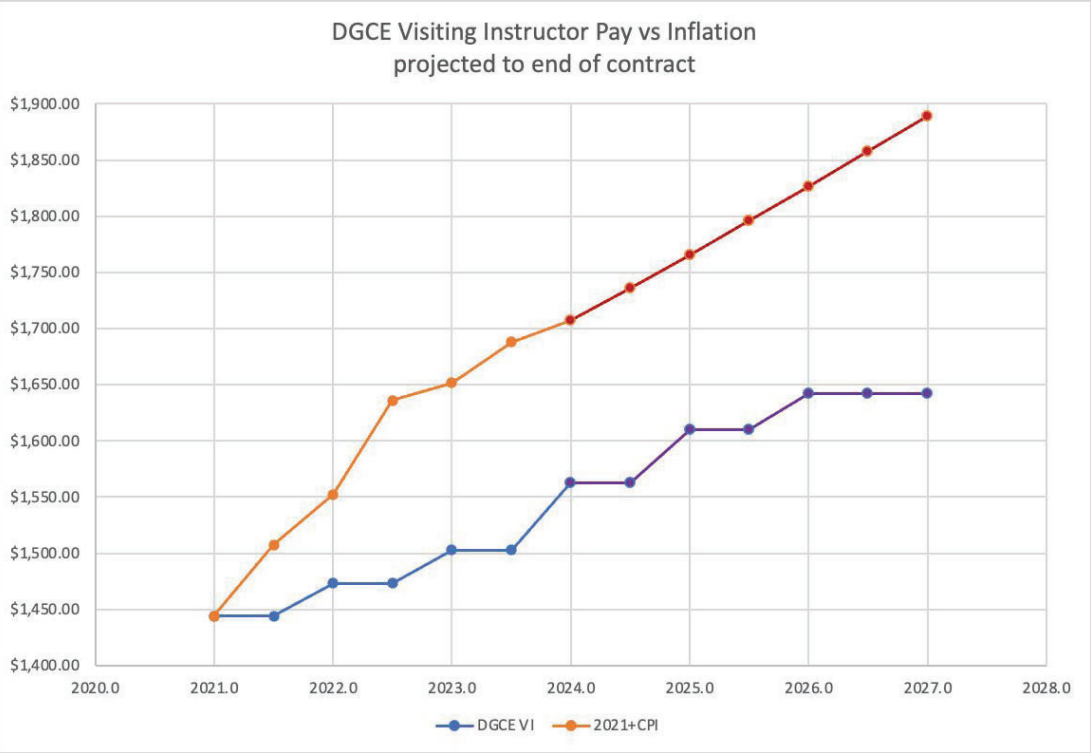
2021-2024

DGCE Visiting Instructor Pay vs. Inflation



Adjusted for inflation, Visiting Instructor pay is currently \$204.54 less per credit than in 2021.

Management’s proposal does not address inflation

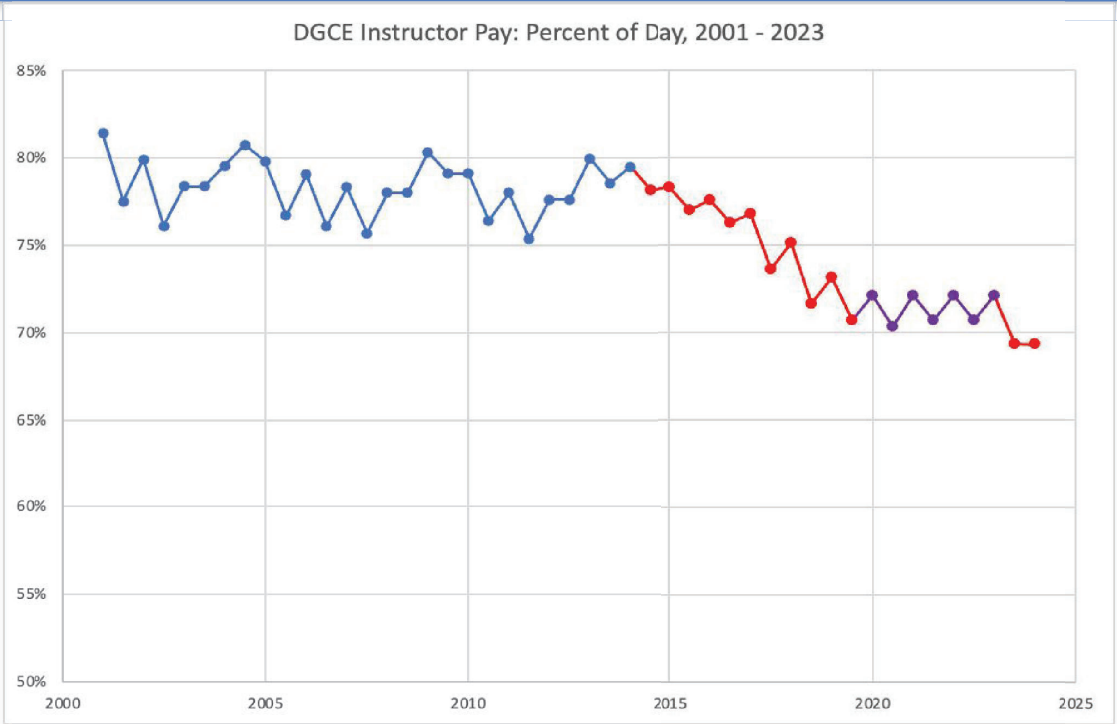


The gap grows to nearly \$250 per credit

DGCE Instructor Pay Disparity

2001-2024

2015 - 2020: DGCE Instructor Pay plummets as a percent of PT Day
2020 - 2023: DGCE Instructor Pay settles around 71.5%

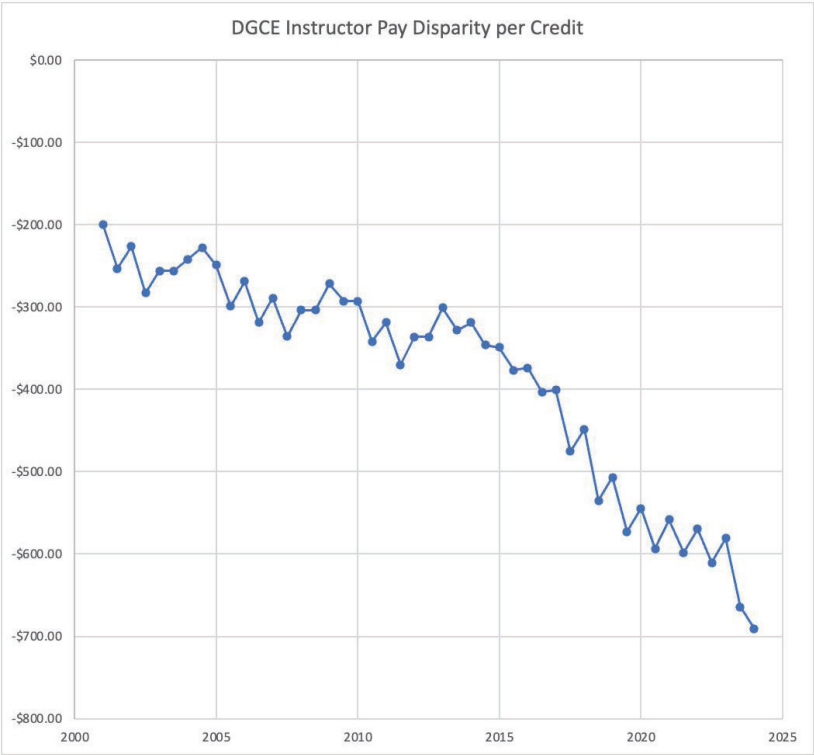


2023: Pay drops again, to 69.3% of PT Day

DGCE Instructor pay as a percent of PT Day pay, 2001-2023

- From 2015 to 2020, DGCE Instructor pay plummeted to about 71.5% of Day Instructor pay.
- In Fall 2023, DGCE Instructor pay dropped again, to 69.3% of Day Instructor pay.
- Management's proposed 4% increase in Spring 2024 does nothing to address this issue, as it keeps DGCE Instructor pay at 69.3% of Day Instructor pay.

The disparity in \$ per credit has more than tripled, from \$199.67 in 2001 to \$664.33 in 2023. Management’s proposal for 2024 increases the disparity to \$690.91



The disparity in \$ per credit has more than tripled, from \$199.67 in 2001 to \$664.33 in 2023. Management's proposal for 2024 increases the disparity to \$690.91

- In 2001, the pay disparity was \$199.67 per credit.
 - In Fall 2023, the pay disparity has more than tripled, to \$664.33 per credit.
 - Management's proposed 4% raise increases the pay disparity to \$690.91 per credit in Spring 2024. That's \$2,072.73 less for a 3-credit course, \$2,763.64 less for a 4-credit course.
 - The disparity is greater at higher ranks.
-



WORCESTER
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Enrollment Update

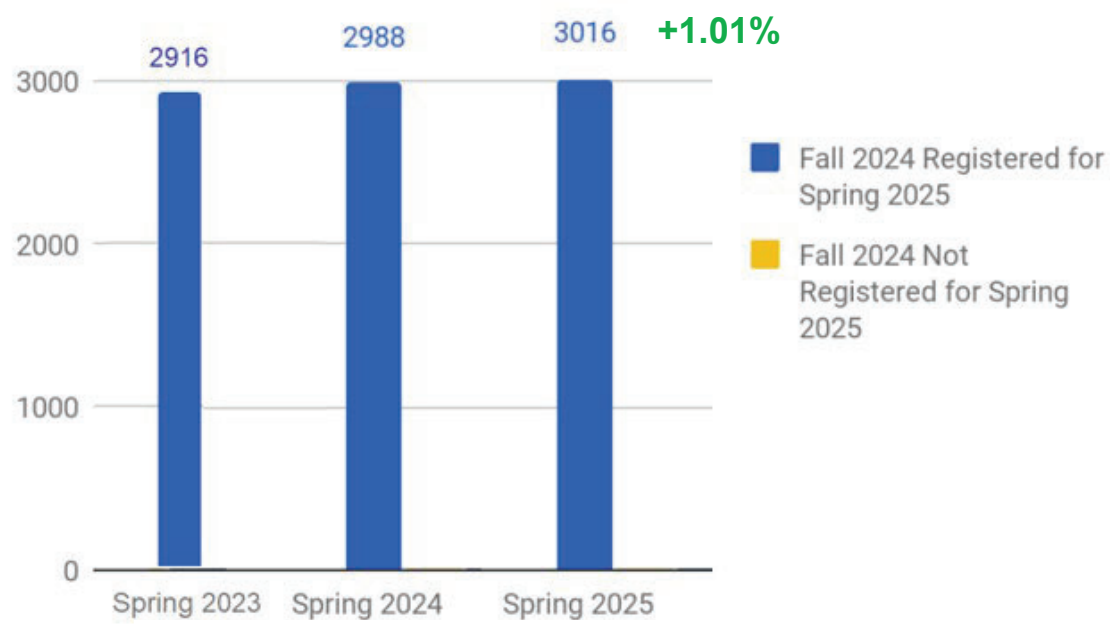
Ryan Forsythe, Vice President for Enrollment
WSU Board of Trustees Meeting
Nov. 26, 2024



Fall 2024 Enrollment

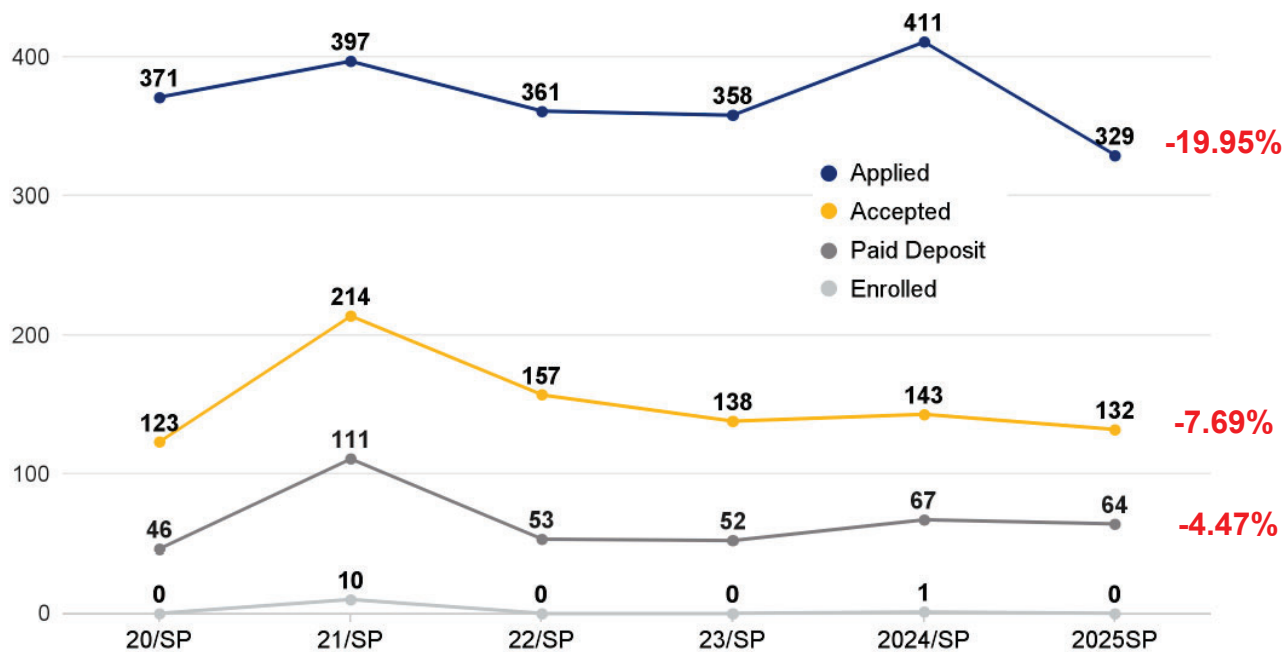
Fall-2024 Enrollment Estimates					
Enrollment Level	2024 Estimates		2023 Actuals		
	Head Count	FTE	Head Count	FTE	
Undergraduate	+3.4% vs. last year 4,895	3,803.6	4,734	3,726.3	
Graduate	876	368.5	877	356.8	
Total	+2.9% vs. last year 5,771	4,172.1	5,611	4,083.1	

Spring 2025 Returning Student Registration

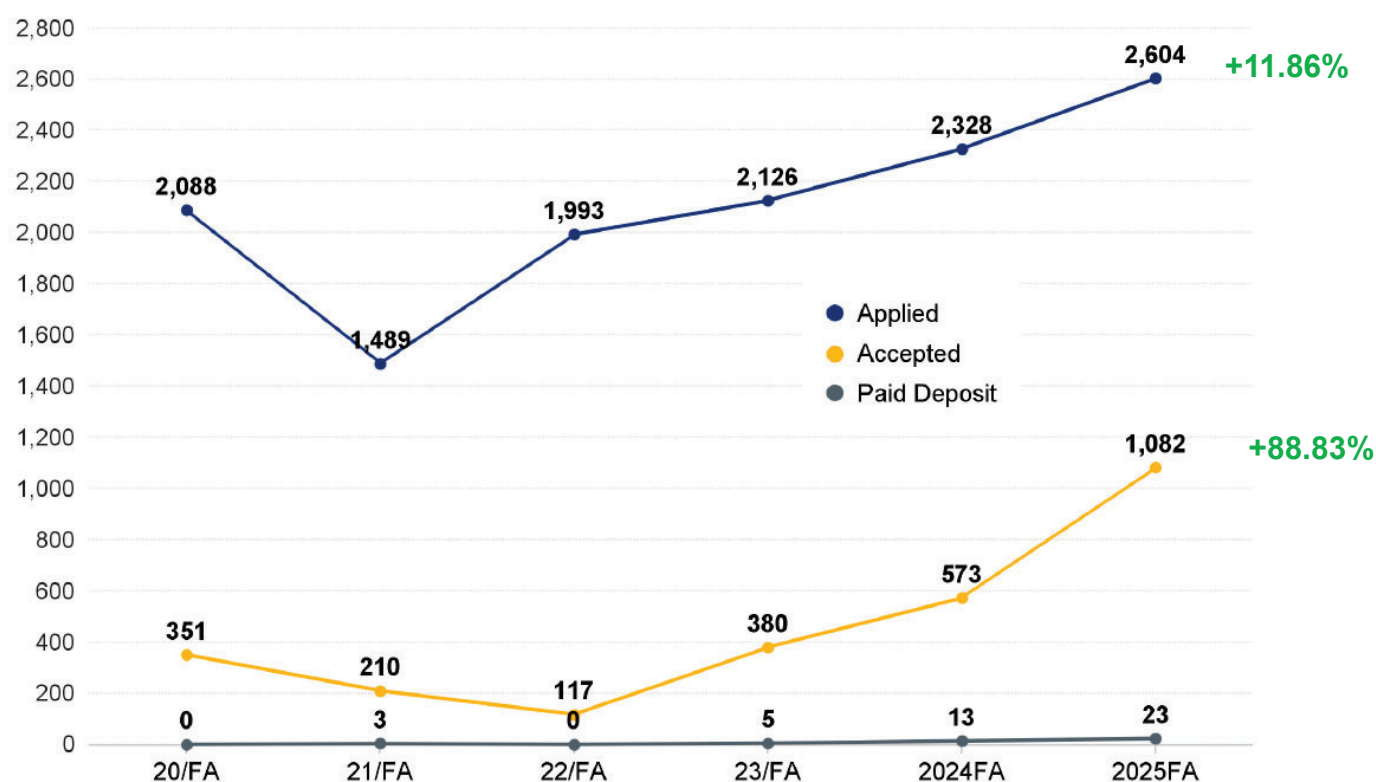


	Spring 2023	Spring 2024	Spring 2025	Difference
Persistence Percentage	72.18%	74.76%	76.41%	1.66%

Spring 2025 New Student Admissions



Fall 2025 New Student Admissions



EAB’s Enroll360

Apply	The Apply Campaign is a high school senior strategy to generate applications from qualified students who yield and enroll through a comprehensive campaign that engages high school seniors and their families.
Cultivate	The Cultivate Campaign builds brand awareness, generates leads, and nurtures interest with behaviorally responsive campaigns that adapt to student and parent interest throughout the sophomore and junior year of high school. On average, established EAB partners saw a 60% increase in inquiries after launching a Cultivate campaign last cycle.
Appily (formerly Cappex)	With more than 2 million college-bound students on the nation’s leading college search platform, Worcester State would be able to source high-intent inquiries from students who raise their hand for Worcester State within the Appily network. Worcester State will also have access to Appily Candidates, and the ability to engage students not accessible broadly through traditional list sources.
Virtual Tour (YouVisit)	Virtual Tour is an interactive, digital experience that drives meaningful student engagement. It can be shared before or after a campus visit to Worcester State to deflect enrollment behaviors and drive inquiries. The tour is mobile-friendly so students can access the tour anytime from anywhere.

Worcester State ValuePlus

- Builds on our commitment to provide high quality higher education to all students.
- Beginning in the Fall of 2025, students who qualify for Worcester State ValuePlus can attend Worcester State for \$0 in tuition and fees.
- To qualify, students must be:
 - A Massachusetts residents, and
 - Pell eligible (adjusted gross income of \$75,000 or less).
- ValuePlus covers 100% of tuition and fees for eligible students. Worcester State offers other sources of financial aid and scholarships to potentially help with housing costs for students who wish to live on campus.



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Questions?

Thank you!





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Our Enrollment Partnership

Worcester State University

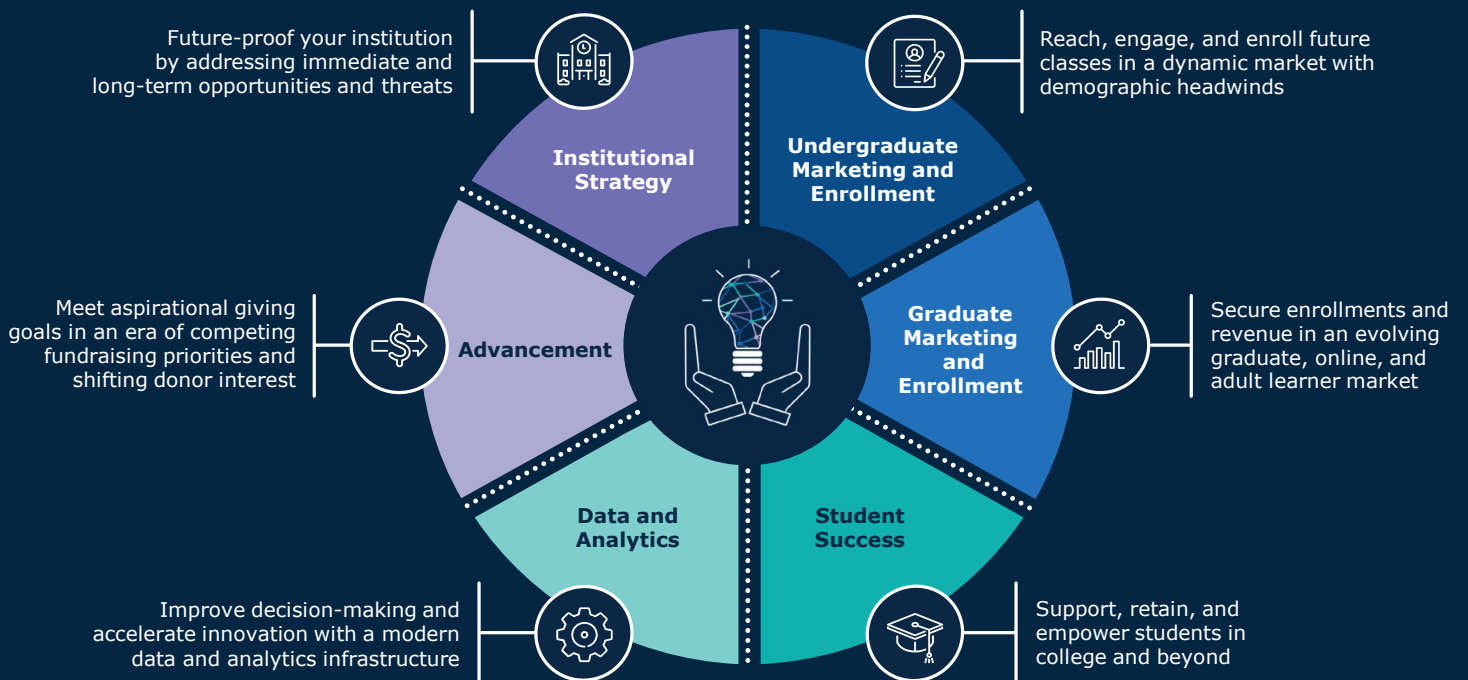
Enroll360

- 1 Who Are We?
- 2 State of the Enrollment Sector
- 3 Partnership Summary and Ecosystem
- 4 What's Next



Education's Trusted Partner to
Help Schools and Students Thrive

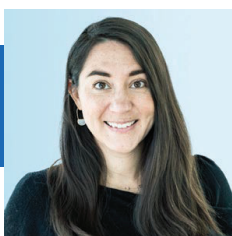
Insight-powered Solutions for Your Top Priorities and Toughest Challenges



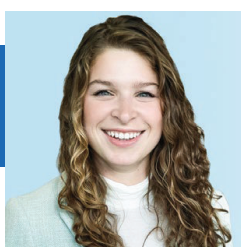
We partner with **2,800+** institutions to accelerate progress, deliver results, and enable lasting change.

95%+ of our partners return to us year after year because of results we achieve, together.

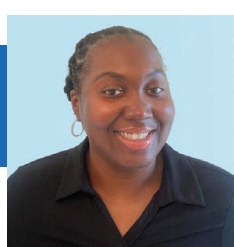
Worcester State's Goals are at the Center



Eleanor Nexsen
*Managing Director
Partner Success*



Lauren Kennedy
*Senior Strategic Leader
Partner Success*

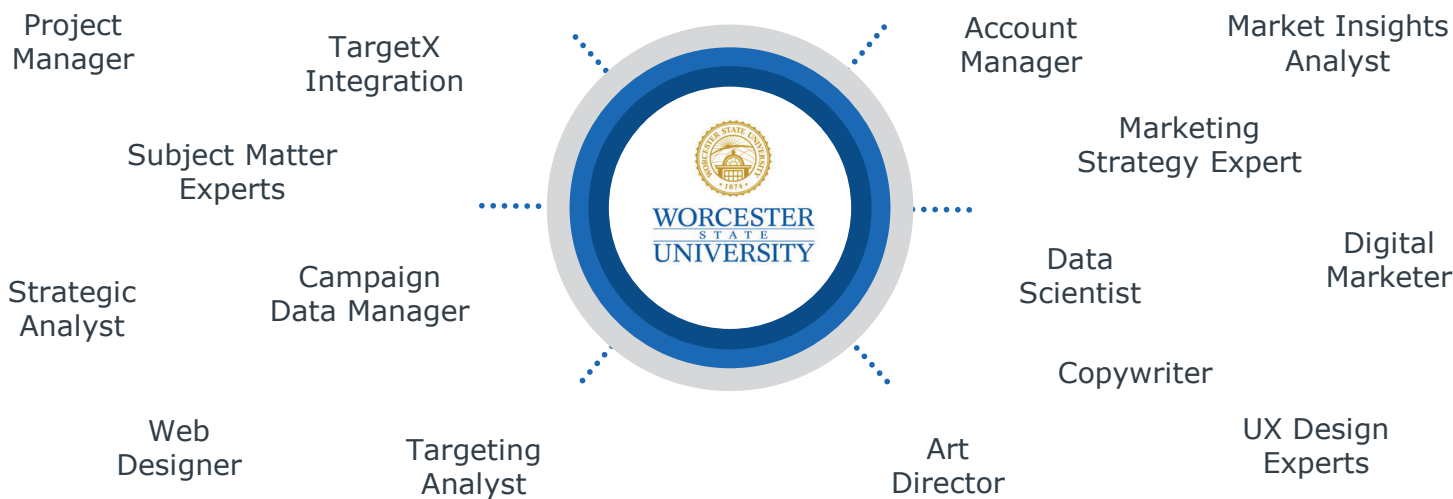


Detajha Woodson
*Account Manager
Partner Success*



Erica Krasienko
*Director
Audience Generation*

Leading a Team of Experts Backing Worcester State's Success



Unlock Every Recruitment Advantage with Enroll360



Enroll360 Solutions to Outperform the Market at Every Stage of the Funnel



Cultivate



Apply



Aid



Yield

Tailored partnerships that work in concert to generate unmatched search, recruitment, and yield results.

What Makes Enroll360 Solutions Different

Expert Audience Generation



Differentiated Creative



Intelligent Analytics

Enroll360 Products to Elevate Student Awareness and Engagement with Worcester State

Audiences

Build awareness and influence and grow applications with leads from our expansive ecosystem.



Tours

Engage Gen Z in immersive virtual tours that tell your brand story and build affinity.



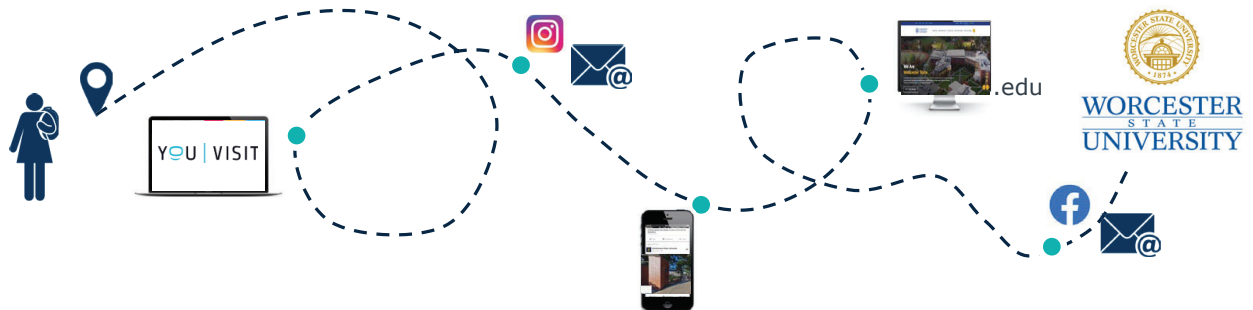
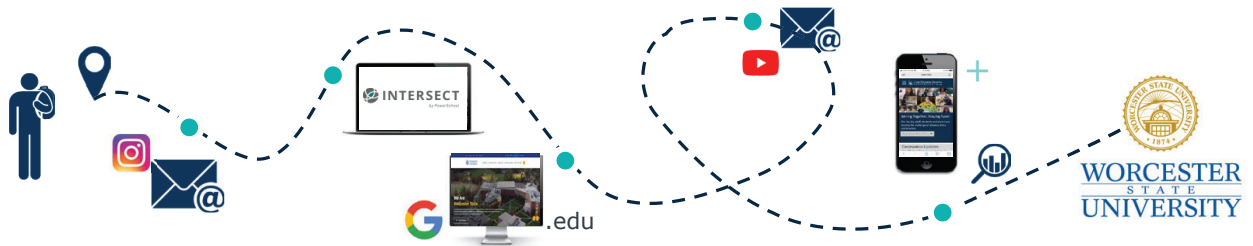
Powered by the Leading Student-Facing Platforms



NAVIANCE
BY POWERSCHOOL

Every Student Takes a Unique Path to Enrollment

The Future of Search Is Nonlinear



Insights and Strategies at Scale



We Test Everything - 184% Increase in Split A/B Tests Between 23 & 24



Experts At Finding Right Fit Names

Use extensive data to determine optimal search parameters, markets, and purchase timing

30M+

Names purchased from College Board this year



Leverage Proprietary Audience Platforms

Build a continuously evolving and customized portfolio of sources

3.6M

Prospective students in the Apply Audience



Uncover Stealth Interest

Use advanced technologies to find and market to stealth prospects

12M

De-anonymized web hits from .edu sites this year



Obsessively Monitor and Recalibrate

Your dedicated team closely manages and fine-tunes your strategy throughout the year.

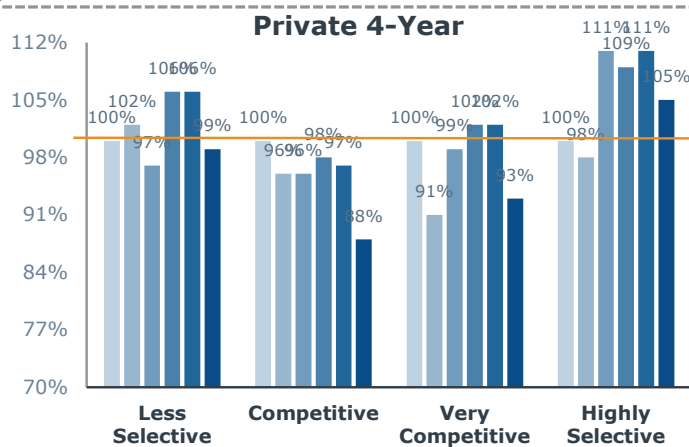
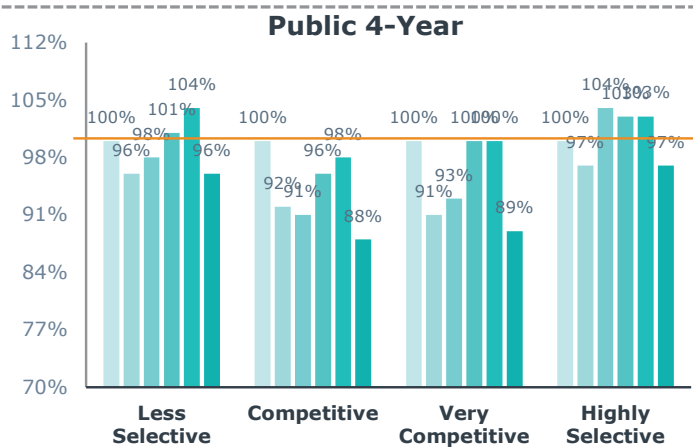
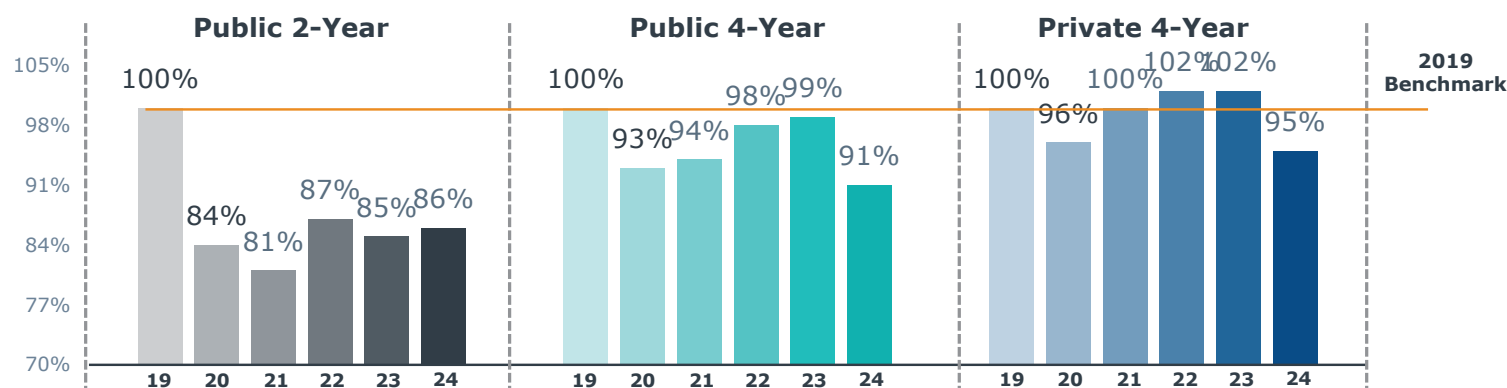


- 1 Who Are We?
- 2 State of Enrollment Sector
- 3 Partnership Summary and Ecosystem
- 4 What's Next

Change in First Year Enrollment by Sector and Selectivity Entering Class 2019 to 2024, Indexed Relative to 2019



9

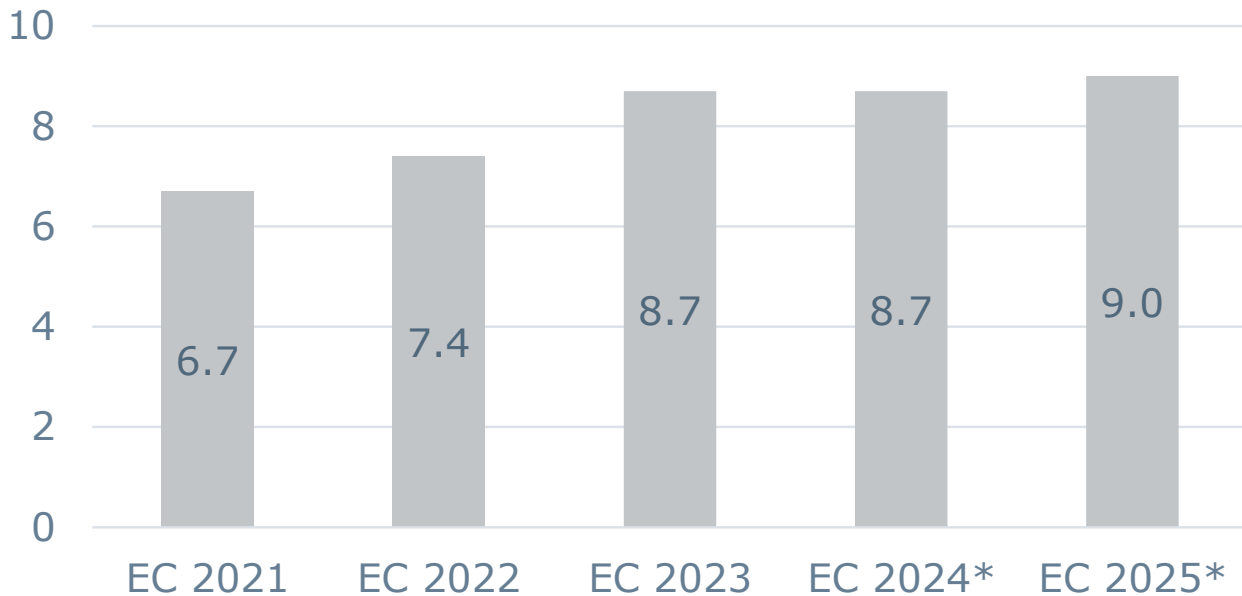


Source: National Student Clearinghouse



Average Apps per Student Continue to Grow

Self-Reported Naviance Average Submitted Applications per Student



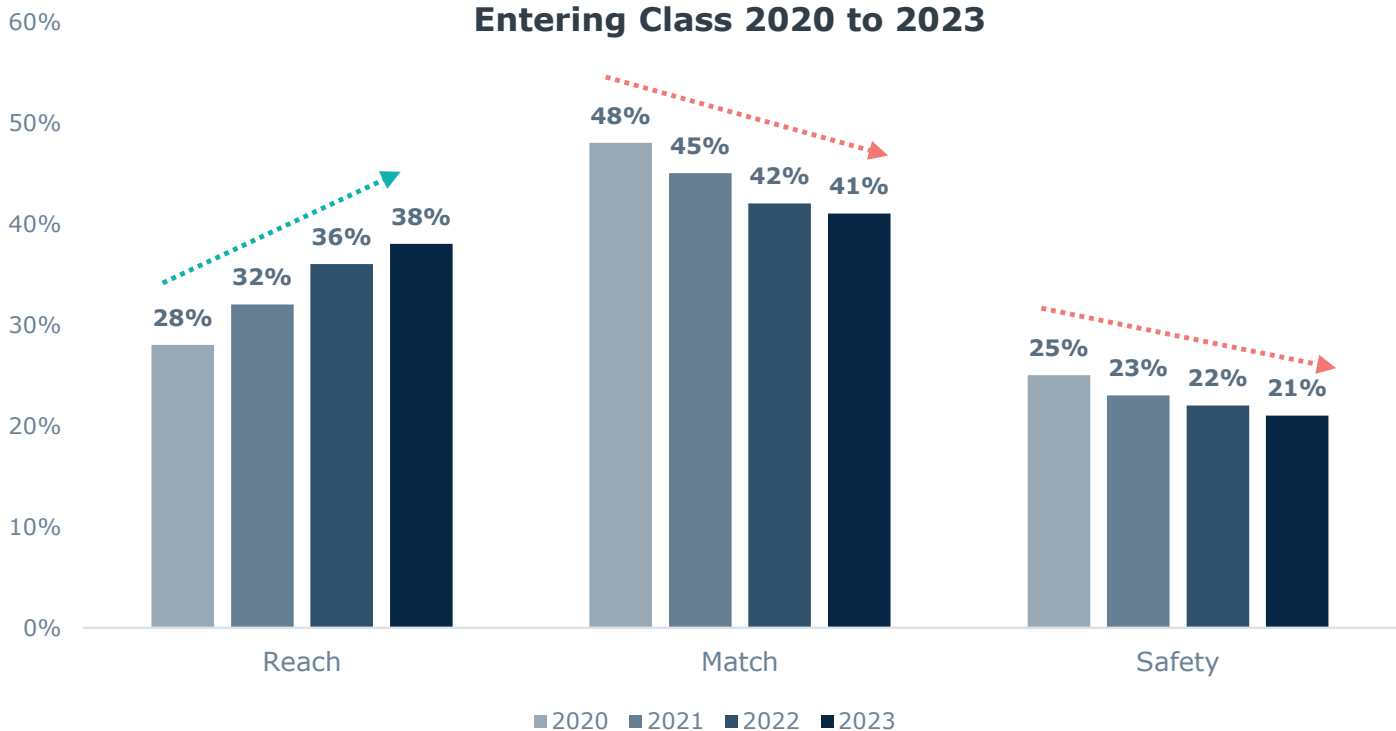
* EC 2024 and EC 2025 through the end of October, all other years are final

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Naviance Students Are Increasingly Applying to “Reach” Schools



Share of Applications by Academic Match
Entering Class 2020 to 2023

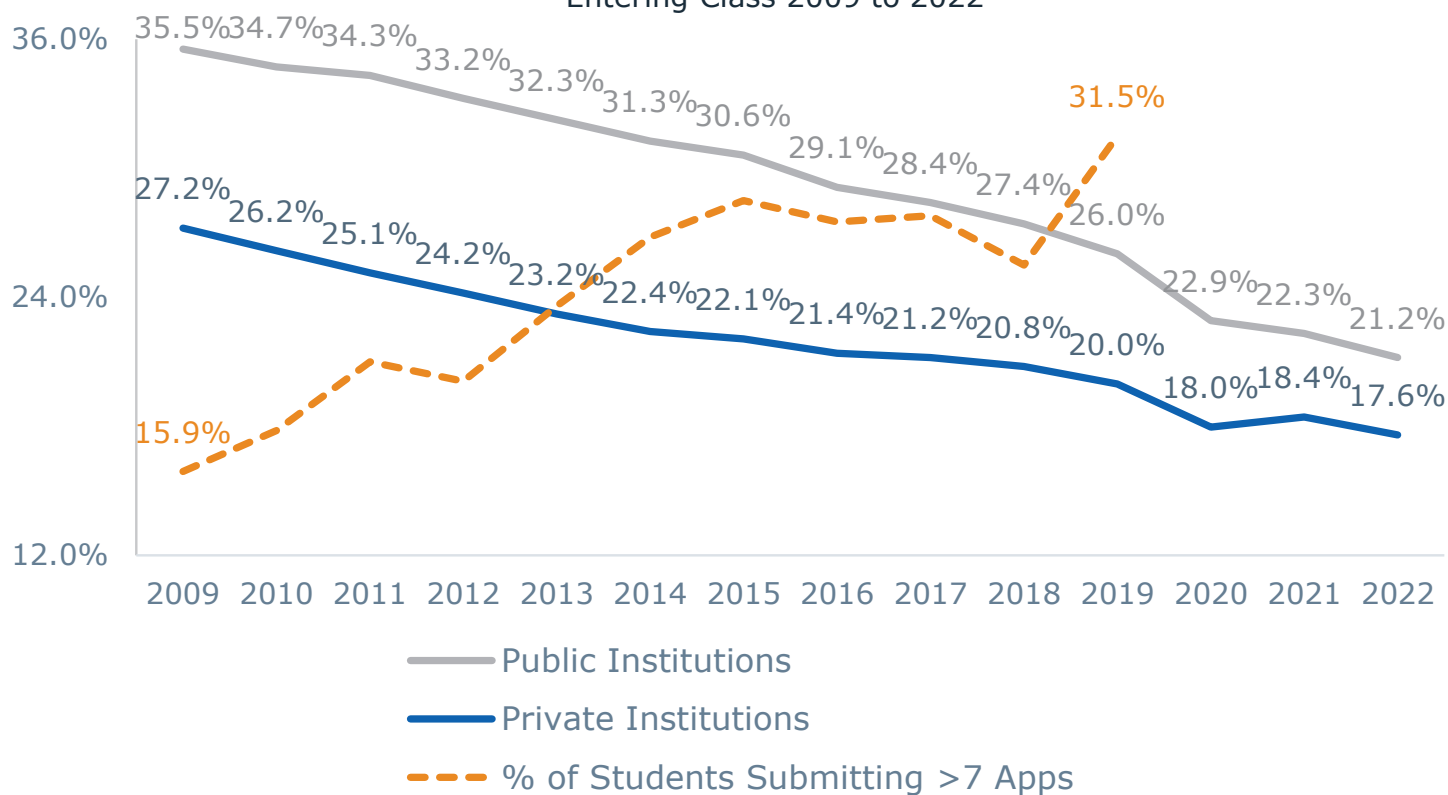


Source: Naviance Student Survey (PowerSchool, 2023).

National Average Yield Rate Has Declined Every Year Since 2009



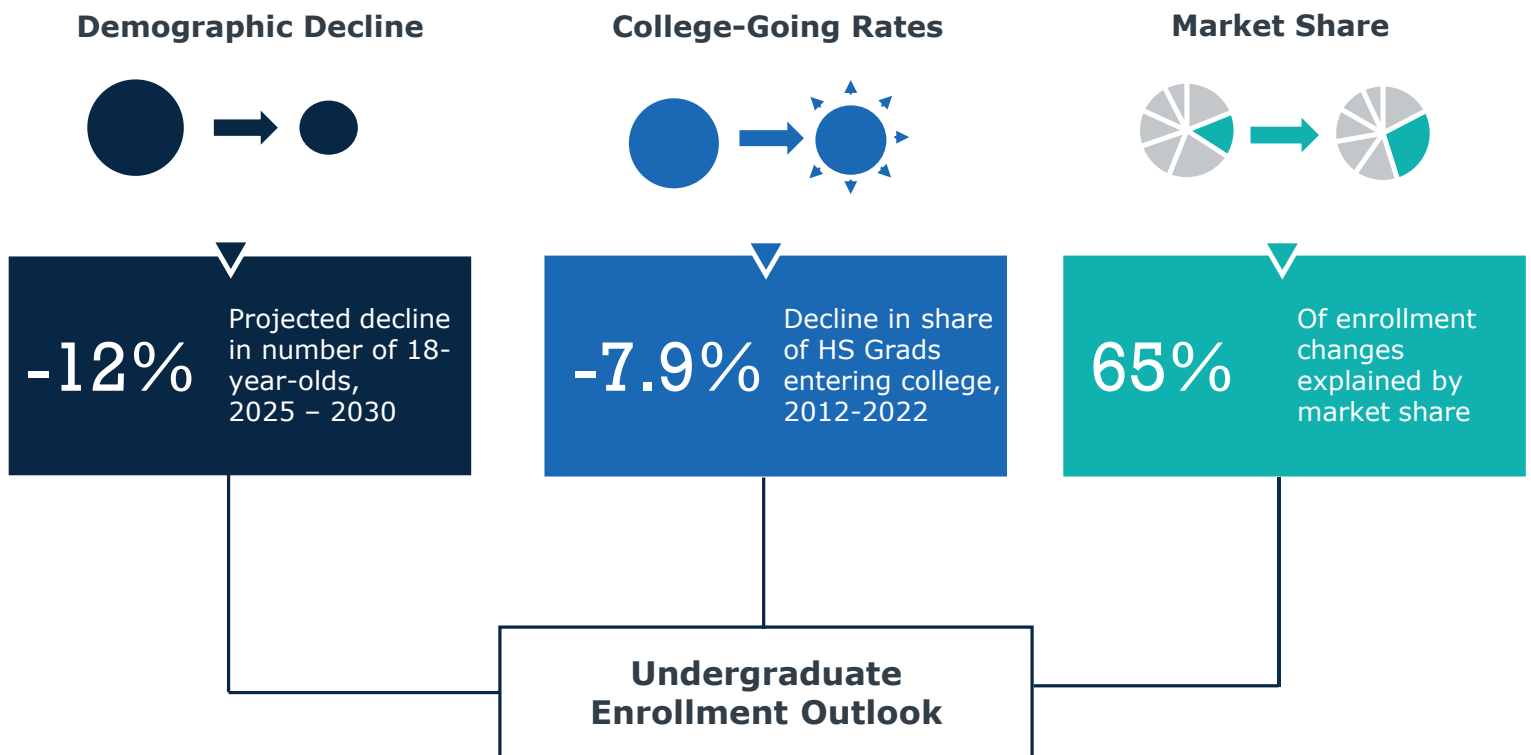
National Average Yield Rate by Institution Type
Entering Class 2009 to 2022



Source: IPEDS and UCLA Freshman Survey

Your Enrollment: More Than Demographic Decline

The Critical Threats That Continuously Shape Your Enrollment

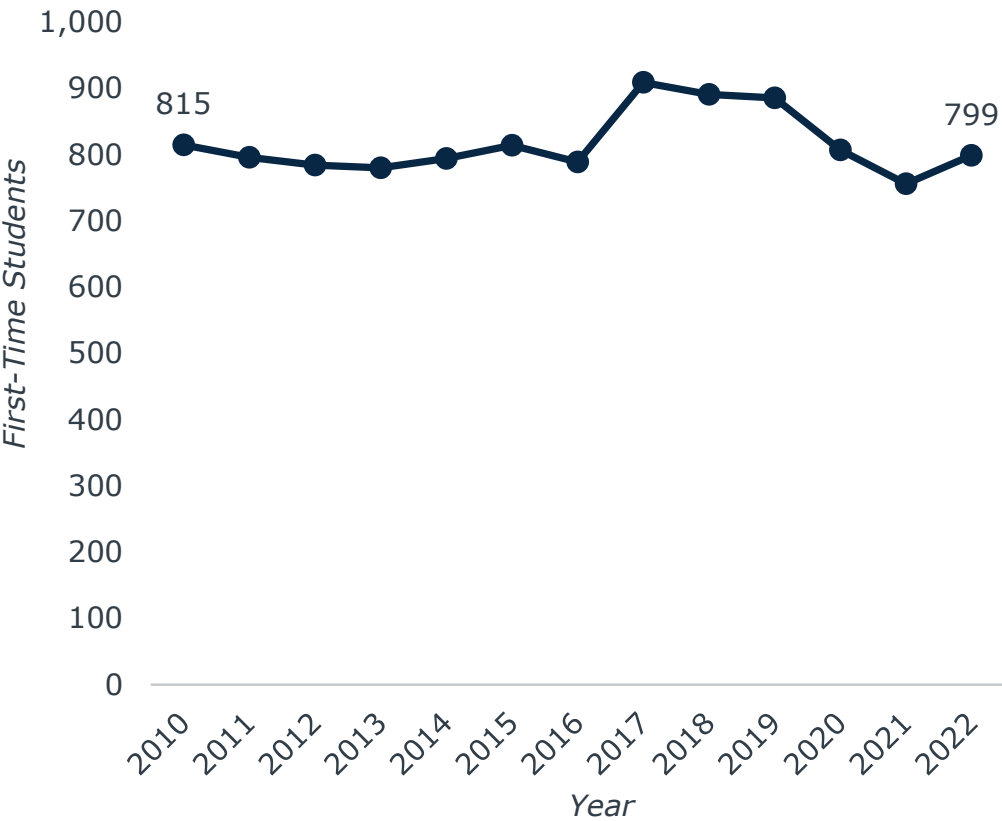


Source: Projections from *The Agile College*, Dr. Nathan Grawe, 2021; EAB analysis of American Community Survey data; EAB Analysis of IPEDS Fall Enrollment Data.

Looking Back to Look Forward

Where Our Analysis Starts: Historical Enrollments of First-Time Undergrads at Worcester State University

Fall First-Time Undergraduate Students 2010 to 2022



Historical Enrollments

2010-2022

-16 Students

-2% Pct. Chg.

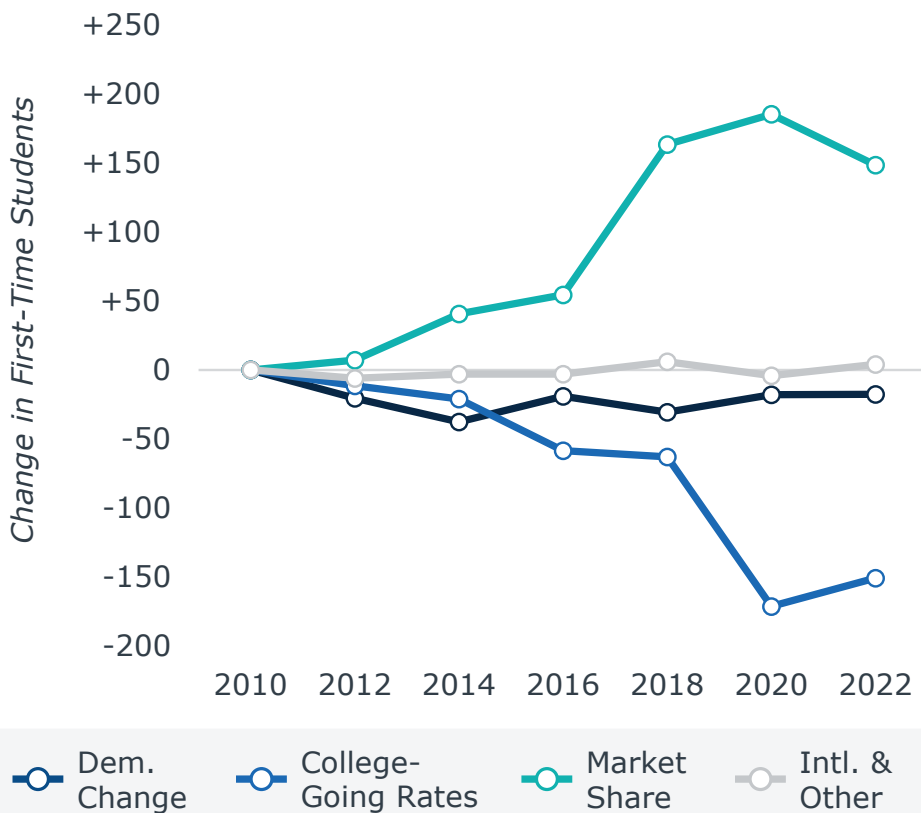
Included in This Analysis

- Fall first-time degree/for-credit certificate seeking undergrad enrollments
- Full-time and part-time students
- Students who enrolled in college courses during high school

Which Forces Drove Past Enrollment Shifts?

How Demographics, College-Going Rates, and Market Share Help Explain Past Enrollment Trends For Worcester State University

Cumulative Change From 2010 by Enrollment Force



Cumulative Impact of Each Force from 2010-2022

Demographic Change

-18 Students

College-Going Rate

-151 Students

Market Share Change

+149 Students

International & Unknown Origin

+4 Students

Overall Enrollment Change

-16 Students

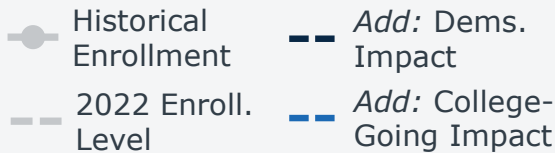
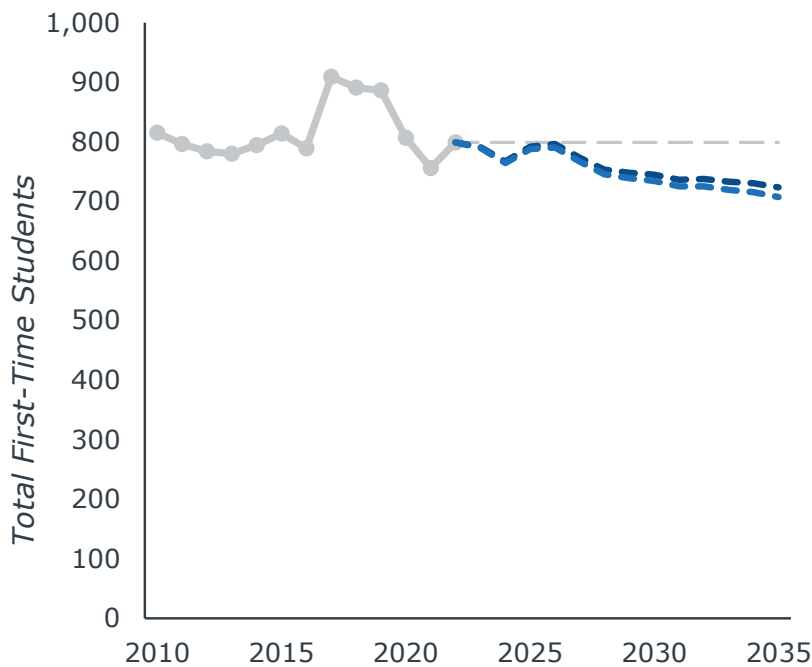
-2% change from 2010 levels

Source: EAB Analysis of IPEDS Fall Enrollment Data, WICHE Knocking at the College Door Data, and American Community Survey Data; EAB Interviews and Analysis.

Building A Baseline Future Enrollment Scenario

Adding Up Our Projections for Worcester State University Through 2035

Cumulative Estimates for Demographics, College-Going Rates, and if Market Share Trends Persist



Add: Demographics Impact

-76

Student Change

+

Add: College-Going Rate Impact

-16

Student Change

=

Overall Projected Change by 2035, excluding Market Share

-92

Student Change

Source: EAB Analysis of IPEDS Fall Enrollment Data, WICHE Knocking at the College Door Data, and American Community Survey Data; Grawe, Nathan, *The Agile College* (Data file); EAB Interviews and Analysis.

Introducing A 'New' Group of Non-Consumers



You're Familiar With...

Our Focus Today

Non-Consumers

Lack Access to College

Prospects want to enroll, but face barriers

Large, but Stable Population



Unable to Pay for College



Unfamiliar with Admissions Processes



View College as Unattainable

Don't Believe in College

Prospects don't want to enroll

Smaller, but Growing Population



Unsure of the Value of College



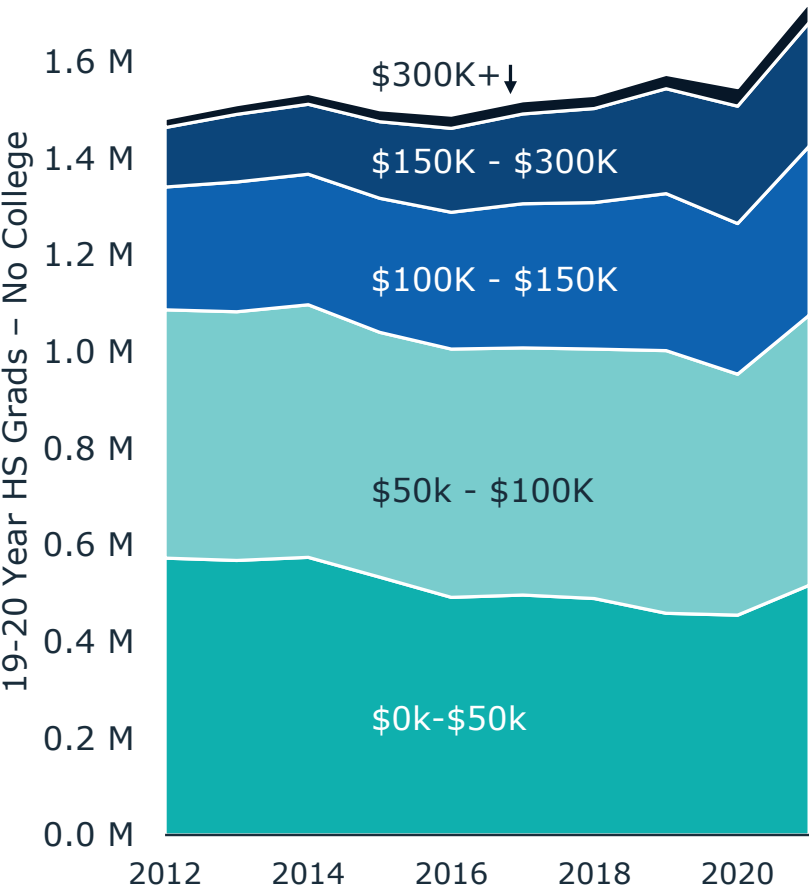
Not Motivated to Engage in Admissions Process



View College as a Pathway to Poverty

Wealthier Families Drive Growth in Non-Consumers

19-20 Year-old Non-Consumers Who Live at Home¹ – Split By Household Income (Constant 2021 dollars)



Higher Income Non-Consumers a Smaller, But Growing Population

Family Income Above \$100K
+253K Change 2012-21
38% Of Non-Consumers in 2021

Mid/Lower Income Non-Consumers a Larger, But Stable Population

Family Income Below \$100K
-11K Change 2012-21
62% Of Non-Consumers in 2021

1) The structure of the ACS survey does not allow us to estimate the family income of students who do not live with their families.
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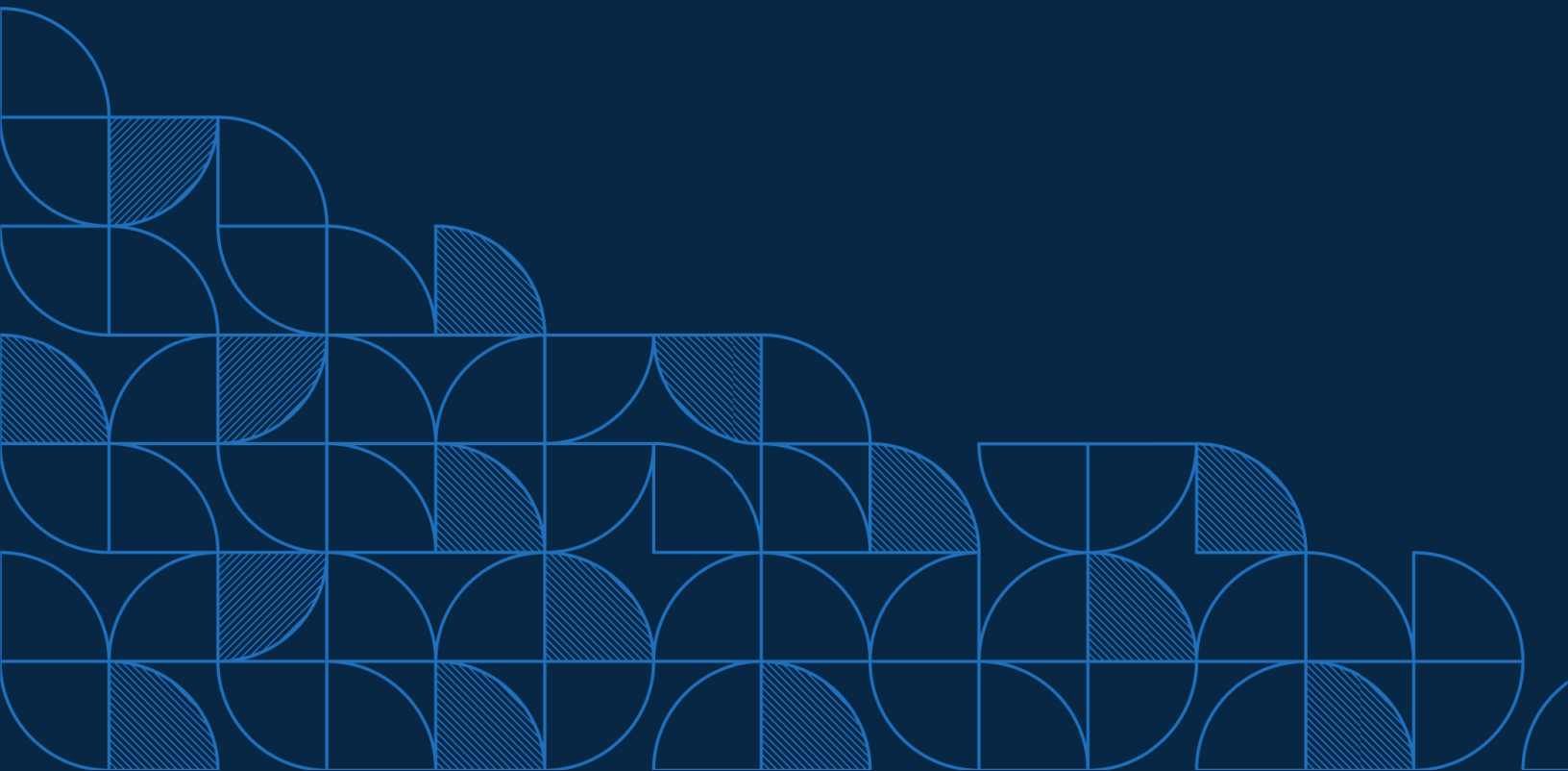
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Preparing for a “Campaign”

Worcester State University





Preparing for Campaign in 2025

This year, Worcester State will determine the focus, timeline, and funding goal for its next campaign. This includes:

- Developing and testing the Case for Support
- Defining, budget, funding, policies and timing
- Determining a campaign goal
- Engaging key volunteers (Campaign Readiness Workgroup)
- Continuing to optimize advancement Fundamentals



The Work Began Over a Year Ago

Over the past year, Worcester State has dedicated time and resources to enhance its Advancement organization in preparation for a campaign.

- Assessed Advancement Operations
- Restructured and hired new leadership
- Analyzed prospect data
- Migrated to leading edge fund management system



Campaign Fundamentals



What is a Campaign?

A campaign is a multi-year fundraising effort to achieve goals that support an organization's vision and address both immediate and long-term needs. It is:

- A Collective Aspiration**
- Special**
- Highly Intensive**
- Dynamic and Evolving**
- Strategic & Focused**

A campaign's success is defined by what **can be accomplished** if the goals are designed, funded, and implemented.



Benefits & Types of Campaigns

Benefits

- Fundraising structure
- Strategic Alignment
- Sense of urgency
- Engagement opportunities
- Strengthen Market Position
- Share and promote vision

Types

- Capital
- Endowment
- Operating Support
- Comprehensive
- Mini/Bridge



Key Roles in a Campaign

Advancement Team	Lead the campaign, manage donor relationships, and communicate progress.
President	Serve as the campaign's visionary and public face, lead major gift efforts, and inspire campus buy-in.
Campus Leadership	Plan and prioritize goals, engage donors, and promote the campaign.
Campus Community	Support the mission, identify prospects, and share campaign impact.
Campaign & Alumni Volunteers	Advocate for the campaign, engage donors, and encourage participation.

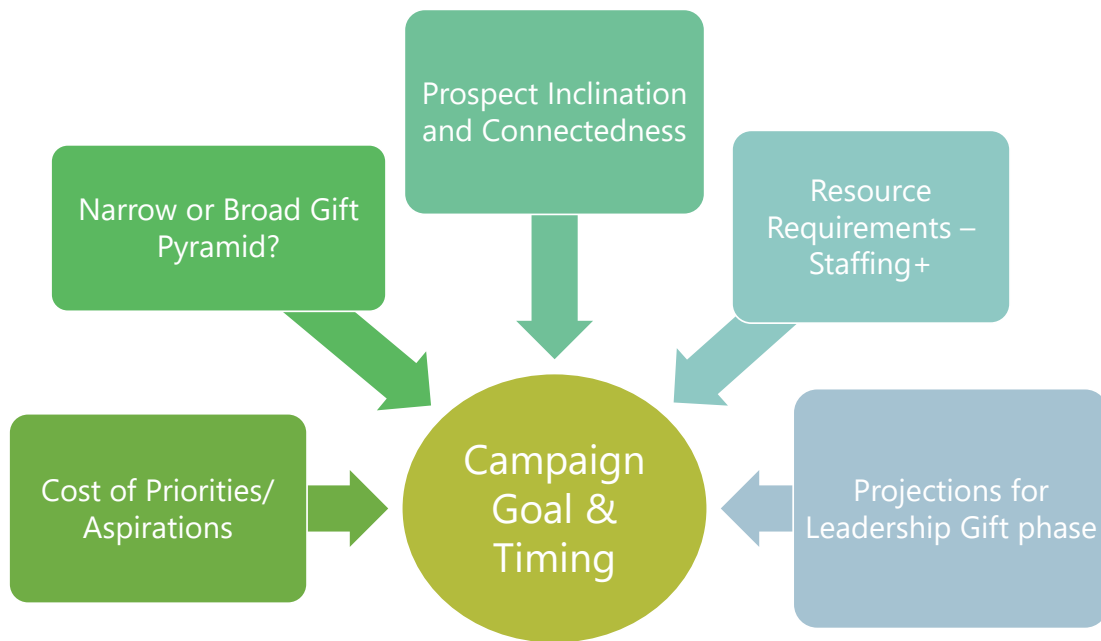


The Role of Trustees & Foundation Board

- Approve the campaign; Understand mission and strategic priorities
- Ensure appropriate staffing and funding
- Lead the way in giving; 100% participation of both boards is critical
- Make Worcester State a top philanthropic priority
- Identify, introduce potential prospects
- Support with key activities:
 - identify, introduce, cultivate, engage, solicit, steward



Determining Campaign Goal & Timing





Campaign Investment

- **Budget Factors:** Campaign size, goals, timeline, prospect pool, and available resources.
- **“Typical” Budget:** 8%-12% of the campaign goal.
- **Key Costs Include:**
 - Staffing
 - Fundraising consultants
 - Marketing and communications
 - Technology and analytics
 - Cultivation and stewardship



Ways to Fund Campaigns

- University Support
- Endowment Management Fees
- Unrestricted Gifts
- Float (Short-term Interest)
- Gift Fees
- Alternative Investments



How to Know We're Campaign Ready?

- The Case is Clear and Inspiring
- Leadership Alignment
- Engaged Donors
- Capacity is Defined
- Volunteer Leadership is Established
- Staff and Systems are Prepared



Roadmap to Worcester State's Campaign



Progression from Vision to Campaign Readiness

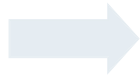




Phases of a Campaign (Phase 1)

1 – Pre-Planning

- 2 – Silent Phase
Leadership or Nucleus
- 3 – Public or Community
- 4 – Post-campaign
assessment



Institutional Vision & Direction
Preliminary Case for Support
Continued Internal/Operational Work

**Now – Spring/
Early Summer 2025**



External Testing
(Interviews, Potential Survey)

**Spring/Early
Summer 2025**



**Campaign Goal, Budget, Plan presented to
WSU Leadership for approval and funding**

**Summer/
Fall 2025**



Working “Master” Priority List – \$30M-\$50M in Aspirations

- *Note: This fundraising initiative should aim to capitalize on the State’s endowment match and to invest in STEM*
- Campus Centers
 - Campus Ministry
 - Center for K-12 Education/Educational Equity
 - Community Garden
 - Thea’s Pantry
 - First Generation
 - Entrepreneurship
 - Faculty Development Center
- Experiential Learning
 - Study Away Programs
 - Internships
 - Co-ops
 - Summer undergraduate research
- Scholarships (Merit)
- Equipment
 - Communications
 - Nursing
 - Wet labs
 - Biotech/Stem
- Distinguished professorships Endowed (\$100-\$250K each)
- Facilities:
 - Campus Edge
 - Coughlin Field
 - Learning Resource Center
 - Instructional Spaces (tech, HVAC, electrical)
 - Athletic Training Facilities



Next Steps

As we prepare to present our plan for Worcester State's next campaign, we will focus on the following:

- Develop and test the Case for Support, including strategic fundraising priorities
- Finalize budget
- Engage key volunteers and leadership
- Optimize advancement work
- Campaign plan development

Looking Ahead:

We are committed to aligning Worcester State's vision, strategy, and resources to ensure campaign success and to inspire the Worcester State community.



Discussion

WORCESTER STATE UNIVERSITY
BOARD OF TRUSTEES
FINANCE & FACILITIES MEETING
Tuesday, January 14, 2025
3:00 P.M.
Wellness Center, Room 204

Meeting Called By: Lawrence Sasso (Chair)

Minutes: Nikki Kapurch

Board Members: Lawrence Sasso(Chair); Dina Nichols; Amy Peterson; Marina Taylor (Vice Chair)

WSU Staff: Barry Maloney; Ashlynn Allain; Kathy Eichelroth; Carl Herrin; Nikki Kapurch; Lois Wims

All documents considered to be **drafts** until discussed and/or approved by the Board

AGENDA		
ITEM	RESPONSIBLE	ACTION
1. <i>Administrative Business</i> A. Call to Order	Dr. Lawrence Sasso	
2. <i>Presentation</i> A. FY 2024 Federal Financial Aid Audit Report* B. FY 2025 Quarter 1 Trust Fund Reports*	Kathy Eichelroth Laura Pizzimenti	A. vote required B. informational
3. <i>Administrative Updates</i> A. Other Business	Dr. Lawrence Sasso	
4. <i>Adjournment</i>	Dr. Lawrence Sasso	4. vote required

*Attachments

WORCESTER STATE UNIVERSITY
(AN AGENCY OF THE COMMONWEALTH OF
MASSACHUSETTS)

*FINANCIAL STATEMENTS
AND MANAGEMENT'S DISCUSSION AND ANALYSIS
WITH SUPPLEMENTARY INFORMATION AND
OTHER REPORTS*

YEARS ENDED JUNE 30, 2024 AND 2023

AND

INDEPENDENT AUDITOR'S REPORT

DISCUSSION DRAFT 1/3/25

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

FINANCIAL STATEMENTS
AND MANAGEMENT'S DISCUSSION AND ANALYSIS
WITH SUPPLEMENTARY INFORMATION AND OTHER REPORTS

YEARS ENDED JUNE 30, 2024 AND 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Worcester State University

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the business-type activities and the discretely presented component unit of Worcester State University (an agency of the Commonwealth of Massachusetts) (the "University"), as of and for the years ended June 30, 2024 and 2023 and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, the accompanying 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 Worcester State University, as of June 30, 2024 and 2023, 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.

Basis for Opinions

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 (*Government Auditing Standards*). 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 University 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 opinions.

Responsibilities of Management 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 University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

INDEPENDENT AUDITOR'S REPORT
(Continued)

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 opinions. 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 University'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 University'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.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 4 through 14 and certain information pertaining to liabilities recorded in accordance with Government Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions* and GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* on pages 47 through 55 be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

INDEPENDENT AUDITOR'S REPORT
(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the University's basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic 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 _____, 2024, on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

Worcester, Massachusetts
_____, 2024

MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Worcester State University, we offer readers of Worcester State University's financial statements this narrative overview and analysis of the financial activities of Worcester State University for the fiscal year ended June 30, 2024. This discussion is provided by management and should be read in conjunction with the financial statements and notes thereto.

Worcester State University was founded in 1871 and is one of nine comprehensive public colleges/universities in the Commonwealth of Massachusetts. The University affirms the principles of liberal learning as the foundation for all advanced programs of study and offers programs in the traditional liberal arts and science disciplines, while maintaining its historical focus on teacher education. The University offers 59 undergraduate majors and minors, 29 graduate programs, 82 study abroad programs, and a student-to-faculty ratio of 17:1. The University currently has 4,734 full and part-time undergraduate students and 877 full and part-time graduate and professional students.

Financial Highlights

- The assets and deferred outflows of resources of Worcester State University exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$78,434,477 inclusive of year end accruals related to the Commonwealth of Massachusetts Pension and Other Postemployment Benefits (OPEB) (net position) of \$22,300,193.
- The University's total net position increased by \$8,881,910. Pension and insurance expense decreased by \$7,435,204, as a result of recording the University's portion of the Commonwealth's postretirement obligations. When the Commonwealth's postretirement obligation adjustments are removed from the University's operating expenses, "Pension and insurance" costs as reported on Schedule 6 of the accompanying supplementary information, increases to \$20,314,141 in FY 2024, and \$17,107,964 in FY 2023. In addition, the University's total change in net position at June 30, 2024 is reduced to \$1,446,706, and at June 30, 2023 is reduced to \$1,463,668.
- The University's Net Position as June 30, 2024 was \$78,434,477. Unrestricted Net Position from Operations as of June 30, 2024 was \$69,347,687. The healthy operational reserves is offset by the University's allocation of the Commonwealth's accumulated Net Retirement Obligations of \$14,186,711 related to Pensions and \$27,553,212 related to OPEB, resulting in Net Unrestricted Reserves of \$27,607,764.
- Residence Life and Housing experienced a \$3,190,947 reduction in Net Position in FY 2024. The adoption of GASB Statement No. 87, *Leases* (GASB 87), requires the reclassification of remitted MSCBA annual assessments to interest expense and a reduction of the accumulated outstanding lease liability for contracted use of the facilities. In addition, the value of the leased facilities are reported as assets on the Statement of Net Position and require an annual posting to amortize those assets. The value of the assets at June 30, 2024 is \$74,229,627 and the outstanding lease obligations related to the assets as of June 30, 2024 is \$89,522,294.
- Residence Life and Housing Net position as of June 30, 2024 was (\$11,290,867). Further analysis of Net Position identifies the value of designated net future lease payments of (\$15,292,667) and accumulated operating reserves of \$4,001,802, at June 30, 2024.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Worcester State University's basic financial statements. Worcester State University's basic financial statements comprise two components: 1) the financial statements and 2) the notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

The Financial Statements are designed to provide readers with a broad overview of Worcester State University's finances in a manner similar to a private sector college. The Statement of Net Position presents information on all of the University's assets and deferred outflows of resources, as well as liabilities and deferred inflows of resources, with the difference between these 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 or deteriorating.

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 related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. the accrual for compensated absences).

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). The Government Accounting Standards Board (GASB) Statements 34 and 35 require this method to be used.

The financial statements and related footnotes are presented separately from this Management Discussion and Analysis.

The University reports its activity as a business-type activity using the full accrual measurement focus and basis of accounting. The University is a component unit 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 financial statements and are presented separately.

Other information: In addition to the financial statements and accompanying notes, this report also contains certain required supplementary information concerning Worcester State University.

Financial Analysis

As noted earlier, net position may serve over time as a useful indication of Worcester State University's financial position. In the case of Worcester State University, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$78,434,477 at the close of Fiscal Year 2024.

By far the largest portion of the Worcester State University's net position reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding, including capital leases. Worcester State University uses these capital assets to provide services to students, faculty and administration; consequently, these assets are not available for future spending. Worcester State University's investment in its capital assets is reported net of related debt and lease obligations.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

**Worcester State University's Net Position as of
June 30, 2024, with comparative data as of June 30, 2023**

	2024	2023
Current and other assets	\$ 92,339,555	\$ 84,629,883
Capital assets	170,577,248	183,248,329
Total assets	<u>262,916,803</u>	<u>267,878,212</u>
Deferred outflows of resources	4,194,610	5,960,532
Non-current outstanding liabilities	141,463,390	157,436,480
Other liabilities	20,738,703	18,739,853
Total liabilities	<u>162,202,093</u>	<u>176,176,333</u>
Deferred inflows of resources	26,474,843	28,109,845
Net position		
Invested in capital assets, net of related debt	49,253,033	55,204,772
Restricted	1,573,680	1,386,348
Unrestricted	27,607,764	12,961,447
Total net position	<u>\$ 78,434,477</u>	<u>\$ 69,552,567</u>

The following schedule presents an analysis of Worcester State University's net position as of June 30, 2023 and 2022, respectively:

	2024	2023
Invested in capital assets, net	\$ 49,253,033	\$ 55,204,772
Restricted reserves, expendable for:		
Other	1,661,870	1,481,912
Capital projects	(88,190)	(95,564)
Total restricted reserves, expendable	<u>1,573,680</u>	<u>1,386,348</u>
Unrestricted net position		
Unrestricted reserves from operations	69,347,687	62,136,575
Accumulated Commonwealth of Massachusetts retirement obligations - Pension	(14,186,711)	(16,306,275)
Accumulated Commonwealth of Massachusetts retirement obligations - OPEB	(27,553,212)	(32,868,853)
Total net unrestricted reserves	<u>27,607,764</u>	<u>12,961,447</u>
Total net position	<u>\$ 78,434,477</u>	<u>\$ 69,552,567</u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

A portion of the Worcester State University's net position (2.41%) as of June 30, 2024, represent funds that are subject to external restrictions on how they must be used. Unrestricted net reserves from operations of \$69,347,687 at June 30, 2024 may be used to meet the University's ongoing obligations to its stakeholders. The University's net position increased by \$8,881,910 during the year ended June 30, 2024. At the end of the current fiscal year, Worcester State University reports a positive balance in restricted reserves, a positive balance in unrestricted reserves from operations and accumulated net negative obligations for the allocated share of the Commonwealth of Massachusetts pension and OPEB plans.

The University's primary reserve ratio, calculated as expendable net position divided by total expenses, is 56.23% and 53.04%, respectively, for the years ended June 30, 2024 and June 30, 2023. This ratio provides a snapshot of financial strength and flexibility by indicating the percent of operating expenses that could be funded by expendable reserves without relying on additional net position generated by operations.

The implementation of GASB 68 and GASB 75 requires the annual accrual of the University's allocation of the Commonwealth's Net Pension and OPEB Liability. The University had a reduction of \$7,435,204 in accrual of pension and insurance expense in FY 2024 and a reduction of \$4,824,389 in FY 2023 to reflect the University's allocation of the Commonwealth's accrued obligation of Pension and OPEB liabilities.

The application of GASB 68 and GASB 75 requires certain reporting and disclosures with regard to the Massachusetts State Employees' Retirement System (MSERS) and the Commonwealth of Massachusetts Other Post-Employment Benefit (OPEB) Plan. The authority for establishing and amending these provisions rests with the Massachusetts Legislature, Chapter 32A of the General Laws of the Commonwealth of Massachusetts. The allocation provided to the University from the Commonwealth of Massachusetts Comptroller's Office reflects the University's proportionate share of the net pension and OPEB liability related to its participation in MSERS and OPEB. The University's participation in MSERS and OPEB is directly related to the share of annual payroll subject to retirement assessment that is funded from campus-based resources in contrast to payroll expended from annual operating appropriations allocated to the University from Commonwealth resources. In FY 2024 annual payroll subject to retirement assessment that was funded from campus-based resources was \$6,936,263; total payroll costs subject to retirement assessment for FY 2024 was \$44,622,922.

The University's return on net position ratio, calculated as the change in total net position divided by total net position – beginning of the year, is 12.81% and 9.94%, respectively, for the years ended June 30, 2024 and June 30, 2023. This ratio measures total economic return including capital investment and positive operating results. An improving trend indicates increasing net position which provides for increased financial flexibility. The positive return for the year ended June 30, 2024, is better than was expected given that the FY 2024 operating budget relied on a draw from reserves to balance operational costs that were expected to exceed budgeted revenue. Annual fluctuations in the Commonwealth's pension and OPEB accruals can significantly impact the return on net position ratio. In FY 2024 the pension and OPEB accruals decreased by \$7,435,204 contributing to the \$8,881,910 increase in net position. An adjusted calculation of the return on net position ratio, excluding pension and OPEB adjustments, reflects a ratios of 2.09% and 2.31% respectively, for the years ended June 30, 2024 and June 30, 2023.

The net operating revenue ratio is 1.91% and (1.07)%, respectively, for the years ended June 30, 2024 and June 30, 2023. The ratio measures whether an institution is living within its available resources, however the calculation as defined does not include capital appropriations as an available operating resource. Capital appropriations in FY 2024 and FY 2023 provided the resources for expenses reported in the Operations and Maintenance of Plant expenditure category. The revised ratios, inclusive of capital appropriations, are 6.91% and 5.32%, respectively, for the year ended June 30, 2024 and June 30, 2023. Worcester State University strives to achieve an annual operating surplus as measured by this ratio as part of its long-term plan to improve its primary reserve ratio and maintain a healthy annual return on net position.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Worcester State University's Statement of Revenues, Expenses and Changes in Net Position for the year ended June 30, 2024 with comparative data for the year ended June 30, 2023.

	2024	2023
Operating Revenues		
Tuition and fees, net of scholarships discounts and allowances	\$ 45,774,418	\$ 48,160,282
Operating grants and contributions	25,369,972	16,863,012
Sales and services of auxiliary enterprises and other sources	608,397	1,022,708
Total operating revenues	<u>71,752,787</u>	<u>66,046,002</u>
Operating Expenses		
Instruction	44,244,040	40,587,936
Academic support	6,622,501	7,073,963
Student service	11,459,354	10,885,870
Institutional support	14,858,730	13,788,705
Operations and maintenance of plant	19,566,291	21,764,889
Scholarships	5,417,650	2,824,887
Depreciation	7,906,221	5,591,358
Debt service	587,539	1,889,568
Auxiliary enterprises	15,475,270	15,360,035
Total operating expense	<u>126,137,596</u>	<u>119,767,211</u>
Net operating loss	<u>(54,384,809)</u>	<u>(53,721,209)</u>
Non-operating revenues		
State appropriation, including fringe benefits provided to employees by the Commonwealth, net of tuition remitted to the Commonwealth	55,212,761	48,616,049
Federal Assistance	-	3,973,643
Investment income	1,565,922	(42,068)
Other and transfers	64,265	(114,122)
Total non-operating revenues	<u>56,842,948</u>	<u>52,433,502</u>
Loss before other revenues, expenses, gains or losses	2,458,139	(1,287,707)
Capital appropriations	<u>6,423,771</u>	<u>7,575,764</u>
Change in net position	8,881,910	6,288,057
Net position - July 1	<u>69,552,567</u>	<u>63,264,510</u>
Net position - June 30	<u><u>\$ 78,434,477</u></u>	<u><u>\$ 69,552,567</u></u>

WORCESTER STATE UNIVERSITY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

During FY 2024 the University received its final installment of COVID related state ARPA funds of \$1,366,275. The funds were received as a state operating grant and were programed as an offset to operating expenditures in the FY 2024 budget. in anticipation of sustained curtailment of revenue generating opportunities across University programs due to lasting effects of the pandemic. In FY2023 the remainder of the federal COVID relief funds were expended by the University.

Capital appropriations in FY 2024 included funding for the first year of the second five-year allotment of critical repair funds from the Commonwealth, in addition to DCAMM direct funding for the multiyear project to relocate underground electrical infrastructure. The University also received one-time funding of environmental sustainability projects. The nature of the majority of the work was for repair and rehabilitation of existing infrastructure and did not increase the value of those assets.

State appropriations are reported net of the amount of in-state day school tuition collected by the University on behalf of the Commonwealth. The in-state day tuition collected is remitted back to the Commonwealth as dictated by Massachusetts General Law. Included in State appropriations are the fringe benefit costs for University employees paid by the Commonwealth. Capital appropriations are funded by Massachusetts General Obligation Bonds which are issued to fund Commonwealth infrastructure improvements. The funds are provided to the campus in the form of a capital grant and as such the University is not responsible for repayment of the funds.

The following schedule details the Commonwealth appropriations received by the University for the years ending June 30, 2024 and 2023, respectively.

	<u>2024</u>	<u>2023</u>
State Appropriations	\$ 38,924,137	\$ 34,859,139
Appropriations to cover fringe benefits provided to employees of the Commonwealth	16,668,157	14,121,017
Tuition remitted back to the State	<u>(379,533)</u>	<u>(364,107)</u>
Net appropriations	55,212,761	48,616,049
Additional State capital appropriations	<u>6,423,771</u>	<u>7,575,764</u>
Total appropriations	<u><u>\$ 61,636,532</u></u>	<u><u>\$ 56,191,813</u></u>

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Loss from Operations

State appropriations are a significant source of funding for the University. Under GASB 35, appropriations are considered non-operating revenue. As such, the University incurs a loss from operations. The Commonwealth's Board of Higher Education sets tuition for the day division. The University's Board of Trustees sets all fees and tuition of the Division of Graduate and Continuing Education. The University's Board of Trustees approves the annual budget with the intention of mitigating losses after consideration of Commonwealth appropriations while balancing educational and operational needs. The following schedule presents Worcester State University's incurred losses from operations for the fiscal years ended June 30, 2024 and 2023, respectively.

	2024	2023	Change
Net Tuition and Fee Revenue	\$ 45,774,418	\$ 48,160,282	\$ (2,385,864)
Other Revenue, net of Student Financial Aid	25,978,369	17,885,720	8,092,649
Operational Expenses	<u>(126,137,596)</u>	<u>(119,767,211)</u>	<u>(6,370,385)</u>
Operating loss	(54,384,809)	(53,721,209)	(663,600)
Direct State appropriations, fringe benefits for employees on the Commonwealth's payroll, net of remitted tuition to the Commonwealth	55,212,761	48,616,049	6,596,712
Federal assistance	-	3,973,643	(3,973,643)
Investment and non-operating income	1,630,187	(156,190)	1,786,377
Capital appropriations	<u>6,423,771</u>	<u>7,575,764</u>	<u>(1,151,993)</u>
Change in net position	<u>\$ 8,881,910</u>	<u>\$ 6,288,057</u>	<u>\$ 2,593,853</u>

Capital Assets and Debts of the University

Capital Assets: Worcester State University's investment in capital assets as of June 30, 2024 amounts to \$170,577,248 net of accumulated depreciation, compared to \$183,248,329 net of accumulated depreciation and amortization as of June 30, 2023. The University's investment in capital assets includes, land (including improvements), building (including improvements,) furnishings and equipment, and books, in addition to capital leases and subscription based IT arrangements.

Capital assets are defined by the University and the Commonwealth of Massachusetts as assets with an initial, individual cost of \$50,000 or greater. Information about Worcester State University's capital assets can be found in the notes to the financial statements.

In FY 2024 the University capitalized equipment leases at a cost of \$608,934 and capitalized direct purchases of equipment at a cost of \$380,520. New subscription based IT arrangements valued at \$1,643,487 were brought on as assets, while \$769,701 worth of subscriptions have been removed as fully depreciated.

Long-Term Debt

Compensated Absences

The accrual for compensated absences consists of the long-term portion of sick and vacation pay relating to employees on the University's payroll and is anticipated to be funded by future state appropriations.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

MHEFA Financing

On December 4, 2002, the University entered into a financing agreement with MHEFA to receive \$14,000,000 for renovations to the Sullivan and Administration Buildings. A call provision became available on this bond issue in December 2012. As a result, the issue was refunded on December 18, 2012, with \$10,585,000 MDFA Revenue Bonds, Worcester State University Series 2012. There is no debt service reserve related to this issue. Annual principal payments range from \$665,000 to \$875,000 through November of 2032.

Massachusetts State College Building Authority (MSCBA) WSU Student Life Project

MSCBA issued revenue bonds for various projects on December 20, 2012. Included in the issue was a component to provide \$15,000,000 of debt financing to Worcester State University's Wellness Center in accordance with the Memorandum of Agreement between the Commonwealth, MSCBA and the University. The proceeds from the bond issue, combined with funds earmarked by the University and General Obligation bond funds earmarked by the Commonwealth, provided the resources for construction of a new Wellness Center at WSU. The Wellness Center is an asset of the Commonwealth and recorded as a fixed asset on the University's financial records. On July 1, 2020, MSCBA closed on a restructuring of outstanding debt from a multiple series of bonds including those issued to finance the Wellness Center. The restructuring provided for debt service relief in FY 2023 with interest only payments during the year and a 50% reduction in principal payment in FY 2023. On February 15, 2023, MSCBA initiated another restructuring of outstanding debt, including the last series of bonds issued to finance the Wellness Center. This final piece of debt restructuring for the Wellness Center defers future principal payments to May of 2025. In addition, the previously held Debt Service Reserve Funds of \$249,214, were released to facilitate funding of the debt restructuring. The project debt remains on schedule to be extinguished in May 2042 with annual principal payments ranging from \$342,496 to \$742,778. Campus trust funds provide the revenue source for the annual debt service.

Right of Use Assets

GASB Statement No. 87 Leases is effective July 1, 2021. The statement requires leases previously recorded as operating leases to be recognized as a right-to-use lease asset and related lease liability for the term of the lease in accordance with the payment terms of the contract. GASB Summary – Statement 87 states “A lease is defined as a contract that conveys control of the right to use another entity's nonfinancial asset (the underlying asset) as specified in the contract for a period of time in an exchange or exchange-like transaction.”

This change in presentation has a significant impact on the University's financial statements when recording the long-term lease agreements with the MSCBA. The University has long-term lease agreements with the MSCBA for use of all of its residence halls; Chandler Village, Dowden Hall, Wasylean Hall and Sheehan Hall, in addition to the parking garage on lower campus.

The University has other leases also affected by this change in presentation. Other leased assets requiring a change in presentation include various information technology devices.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*, effective for periods after June 15, 2023. The objective of this Statement is to provide accounting and financial reporting guidance for transactions in which a governmental entity contracts with another party for the right to use their software. This Statement established requirements for subscription-based information technology agreements based on the GASB Statement No. 87 lease accounting standard, based on the foundational principle that IT subscription arrangements are financings of the underlying asset. The adoption of this statement requires the University to recognize right to use subscription assets as capital assets and related subscription liabilities on the Statement of Net Position as of June 30, 2024 and 2023. Previously, these agreements were expensed through the Statement of Revenues, Expenses and Changes in Net Position.

WORCESTER STATE UNIVERSITY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Economic Factors that will affect the Future

Financial Resources

Operations

FY 2024 operating budget of \$99,598,790 was build on the FY 2023 base budget plus \$4,865,343 of additional costs mostly attributed to an increase in labor costs and fringe benefits. The forecasted increase in costs was offset by cumulative cost savings of \$3,009,139 achieved through the execution of cost saving strategies and initiatives. Budgeted revenue from operations of \$91,826,717 was supplemented with an increase of the General Fee providing \$1,656,000 in new revenue in addition to the final allocation of state ARPA funds of \$1,366,275 and a budgeted draw from reserve of \$4,749,798 to fill the gap.

As in recent years, despite relying on reserve draws to balance the operating budget, FY 2024 will be closed without experiencing a draw on reserves to fund an operating deficit. Reconciling the increase in net assets of \$9,061,950 as reported in the Statement of Changes in Net assets, to remove the effects of various GASB June 30, 2024 accruals, results in a significantly reduced increase in net assets. The results of FY2024 operations are further demonstrated in the Net Position Analysis on Schedule 5. The need to draw on reserve for operations during the year was mitigated by the continued vacancy factor in full time positions with realized savings being compounded by savings in the fringe benefit lines.

The FY 2025 budget as approved by the Board of Trustees in June reflects an increase in resources partly due to an increase in the Fringe Benefit Rate provided to us by the State Comptroller's Office. The rate increase from FY 2024 to FY 2025 is estimated at \$1.1M. The State Appropriations figure has increased in FY 2025 over FY 2024 as a result of collective bargaining funds and formula funding received in FY 2024 that are rolled in to the base going forward. Total campus generated revenue, identified as General Trust Fund resources, have trended down during FY 2024 in comparison with budget. Adjustments have been made to the revenue budget for FY 2025 to reflect this trend. The General Fee increase authorized by the board at the April meeting will increase General Trust Fund resources by \$1,636,000. Total resources budgeted for FY 2025 stands at \$95,970,451, an increase of 2.7% over the prior year.

FY 2025 budgeted expenditures begin with the FY24 base. This figure has been adjusted to add the annual adjustment for assessed fringe and payroll tax, in addition to projected increases to direct labor costs associated with rulings from the US Department of Labor, and a scheduled increase in annual debt service related to the 2002 Bonds that funded the Sullivan Academic Center. Furthermore, the base funding of numerous budget categories will be increased by 6% in an effort to counteract the reduction in purchasing power brought on by increased inflation in recent years. Reductions to expenditures include the savings associated with the closing of underperforming programs, the final few months of budgeted off campus parking and shuttle costs, a reduction in the cost of convenience fees and some initial savings in instruction costs realized through the course scheduling demonstration project under the Operational Excellence initiative, to arrive at budgeted operating expenditures of \$105,462,351 for FY 2024, a 5.9% increase over the prior year.

WORCESTER STATE UNIVERSITY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

The operating budget gap identified for FY 2025 was \$9,491,900. Resources to fill the gap include the performance based formula funds from FY 2024 that have been added to the base appropriation, in addition to an increase in the General Fee for all undergraduate day courses and an increase to tuition/fees for courses offered through the Department of Graduate and Continuing Education. Budgeted resources include a \$500 annual increase to the General Fee that is assessed to all undergraduate students on a per credit basis. This is a 5% increase in mandatory undergraduate student fees bringing the total annual cost to \$10,816, which expected to be less than the mandatory student fees at five of the other state universities in Massachusetts. The Division of Graduate and Continuing Education has requested a 12% increase in tuition and fees to offset an anticipated increase in contract faculty costs in the coming year and alleviate financial constraints. Increases will be put in place for the fall 2024 semester, and subsequent terms, for classes offered in the evening, winter and summer sessions, in addition to graduate courses and online degree programs

WSU continues to experience the impact of post-Covid labor challenges. Approximately 8% of approved positions are vacant, some of which have been intentionally deferred while others have been posted but not filled due to challenges in gathering a qualified applicant pool. Various positions critical to operations have been filled with temporary staffing in order to ensure continuity of operations. Savings have been realized in the direct labor costs over the past several years which has allowed us to avoid drawing from reserves to fund operations. As a resource strategy in FY 2025 we have identified various vacant positions that will be suspended from the search process and deferred to a later date. The savings calculated include the annual pay and related costs of benefits and payroll tax and will be programed as a one-time cost reduction in the FY 2025 budget.

During FY 2024 the state distributed the campus allotted formula fund resources late in the budget cycle. Instead of amending the budget to reduce the FY 2024 budgeted reserve draw the additional resources were received into the university and fell to the operational bottom line by reducing the need to draw from reserves to fund operations. The FY 2024 allotment will be programmed as a resource for FY 2025 as an appropriation from FY 2024 surplus. The remaining budget gap will be filled with an anticipated \$2,702,204 draw from unrestricted General Fund reserves. While the most recent budgets have relied on draws from budgeted reserves, realized savings in direct labor costs due to unfilled vacancies have resulted in closing the fiscal years with expenditures less than budget deferring the need to use reserves for operations.

The FY 2025 budget for the Residence Halls anticipates average room occupancy at 87% of capacity. The occupancy rate is similar to the capacity used for FY 24 and reflects actual fall occupancy during FY 2024. FY 2025 expenditures have increased over the prior year due to an increase in direct labor costs associated with collective bargaining increases and increase in the fringe rate, in addition to the resumption of the full cost of annual lease obligation payments to MSCBA subsequent to the savings realized from an MSCBA bond refunding in FY 2024. Room rental rates for FY 2025 are increasing between 2-4%, however the resources provided are not sufficient to fully fund operating costs. While the FY 2025 budget has been right sized to reflect reduced capacity there is a revenue gap of \$1,312,649 that will be filled with reserves. At June 30, 2024, the Residence Hall Trust Fund reported an accumulated operating reserve of \$4,032,130 and accumulated net future lease payments of \$15,292,667, resulting in a net negative position of \$11,260,537.

Over the past two years approximately \$5M in savings have been derived from the initial work of the FSTF task force, and more recently, our focus on Operational Excellence (OpEx). The OpEx team, led by the University's institutional risk & compliance officer, continues to cultivate ideas from across the campus community while evaluating the 70 plus recommendations that came out of FSTF. A website has been established and a dashboard to track results in real time is being developed. In the coming year the OpEx Team is focusing on establishing a methodology to quantify savings achieved and expand its communication strategy to include education and training for internal constituents and networking with other institutions across the country that are actively engaging their campuses in lean higher education programs and other efficiency and risk mitigation programs.

WORCESTER STATE UNIVERSITY
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MANAGEMENT'S DISCUSSION AND ANALYSIS
(Continued)

Campus Infrastructure

In June of 2018 the Commonwealth announced a plan to address the backlog of infrastructure repairs on Massachusetts Higher Education campuses. The Governor's Capital Investment Plan includes \$250 million over a five year period (FY19-23) to address Critical Repairs. Critical Repairs projects are smaller scale, building-specific, and involve renewal, repair and replacement of equipment and systems. Critical Repairs projects are managed directly by the individual campuses. The five-year allocation represents a new approach that provides predictable discretionary funds, allows more autonomy in campus prioritization over five years, and addresses the highest priority needs as identified through an independent facility condition assessment. Worcester State University will have received \$12.4 million of critical repairs funds through 2023. When combined with projected local funding of 5% capital adaptation and renewal funds, the University is on track to invest \$32.4 million in campus infrastructure repairs and improvements through 2024.

In June of 2022 the Commonwealth announced a second, five year-round of Critical Repair funds for the Massachusetts Higher Education Campuses. An additional \$250 million is being provided over a second five-year period (FY24 to FY 28). Worcester State University will receive \$12.1 million of the second round of critical repair funds through 2028. When combined with the campus funded match, resources dedicated to infrastructure repair for FY 2024 through FY 2028 will be \$20.8 million. Projects accomplished during FY 2024 included completion of the Sullivan Auditorium renovations, Learning Resource Center Roof replacement, boiler replacements and other crucial projects. Approximately \$6.4M of work was accomplished during the year. Projects anticipated in FY 2025 include roof and roof top unit replacements which will be accomplished during the summer months.

This financial report is designed to provide a general overview of Worcester 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 Office of the Vice President of Administration and Finance, 486 Chandler Street, Worcester, MA 01602-2597.

DISCUSSION DRAFT 1/3/25

FINANCIAL STATEMENTS

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

STATEMENTS OF NET POSITION

JUNE 30, 2024 AND 2023

	Worcester State University		Component Unit Worcester State Foundation	
	2024	2023	2024	2023
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 34,902,397	\$ 34,136,997	\$ 4,775,905	\$ 4,265,111
Cash held by State Treasurer	9,047,320	5,153,872	-	-
Accounts receivable, net	4,486,610	2,523,229	90,000	255,210
Current portion of loans receivable	14,000	75,000	-	-
Current portion of contributions receivable	-	-	1,333,553	654,675
Inventories	169,644	216,155	113,798	90,421
Prepaid expenses and other current assets	161,518	98,753	31,050	10,622
Total current assets	48,781,489	42,204,006	6,344,306	5,276,039
Non-current assets:				
Investments	37,036,643	35,735,341	43,404,669	38,591,211
Loans receivable, less current portion	256,825	210,129	-	-
Contributions receivable, less current portion	-	-	3,614,996	3,808,171
Other non-current assets	6,264,598	6,480,408	150,533	72,516
Capital assets, net of accumulated depreciation	170,577,248	183,248,329	3,811,414	3,847,582
Total non-current assets	214,135,314	225,674,207	50,981,612	46,319,480
Total assets	262,916,803	267,878,213	57,325,918	51,595,519
DEFERRED OUTFLOWS OF RESOURCES				
Resources related to pension and OPEB obligations	3,868,705	5,609,260	-	-
Loss on refunding of bonds payable	325,905	351,272	-	-
Total deferred outflows of resources	4,194,610	5,960,532	-	-

See accompanying independent auditor's report and notes to financial statements.

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

STATEMENTS OF NET POSITION

JUNE 30, 2024 AND 2023
(Continued)

	Worcester State University		Component Unit Worcester State Foundation	
	2024	2023	2024	2023
LIABILITIES				
Current liabilities:				
Current portion of bonds payable	\$ 1,037,496	\$ 665,000	\$ 22,595	\$ 21,618
Current portion of lease obligations	4,382,533	3,533,165	-	-
Current portion of subscription-based IT arrangements	1,063,775	670,150	-	-
Accounts payable	2,143,345	3,401,514	865,824	173,759
Accrued payroll and fringe benefits	4,807,102	4,698,690	-	-
Accrued interest and other liabilities	88,910	95,564	111,850	54,791
Funds held for others	-	-	5,509	5,509
Student deposits and unearned revenue	3,238,840	2,152,646	126,372	107,399
Current portion of split-interest agreements	-	-	20,223	7,493
Current portion of accrued workers' compensation	204,543	171,574	-	-
Current portion of accrued compensated absences	3,772,159	3,351,550	-	-
Total current liabilities	20,738,703	18,739,853	1,152,373	370,569
Long-term liabilities:				
Bonds payable, less current portion	18,052,584	19,471,679	383,700	408,153
Lease obligations, less current portion	94,770,472	101,812,376	-	-
Subscription-based IT arrangements, less current portion	1,869,537	1,703,579	-	-
Split-interest agreements, less current portion	-	-	32,002	64,568
Accrued workers' compensation, less current portion	1,474,684	1,324,957	-	-
Accrued compensated absences, less current portion	2,689,275	2,505,978	-	-
Accrued pension and OPEB obligations	22,300,193	30,311,227	-	-
Refundable grant - federal financial assistance program	306,645	306,684	-	-
Total liabilities	162,202,093	176,176,333	1,568,075	843,290
DEFERRED INFLOWS OF RESOURCES				
Resources related to pension and OPEB obligations	23,308,436	24,473,160	-	-
Deferred service concession arrangements	2,781,594	3,193,369	-	-
Gain on refunding of bonds payable	384,813	443,316	-	-
Total deferred inflows of resources	26,474,843	28,109,845	-	-
NET POSITION				
Invested in capital assets, net	49,253,033	55,204,772	-	-
Restricted - non-expendable	-	-	25,642,341	24,032,999
Restricted - expendable	1,573,680	1,386,348	22,184,063	19,378,657
Unrestricted	27,607,764	12,961,447	7,931,439	7,340,573
Total net position	\$ 78,434,477	\$ 69,552,567	\$ 55,757,843	\$ 50,752,229

See accompanying independent auditor's report and notes to financial statements.

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

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED JUNE 30, 2024 AND 2023

	Worcester State University		Component Unit Worcester State Foundation	
	2024	2023	2024	2023
REVENUES				
Operating revenues:				
Student tuition and fees	\$ 47,092,996	\$ 43,977,503	\$ 611,879	\$ 500,896
Auxiliary enterprises, student housing	12,177,425	11,814,895	-	-
Less: Scholarship discounts and allowance	13,496,003	7,632,116	-	-
Net student tuition and fees	45,774,418	48,160,282	611,879	500,896
Contributions	-	-	1,749,764	6,635,973
Federal grants and contracts	8,921,497	7,792,094	-	-
State and local grants and contracts	11,153,952	5,516,957	-	-
Nongovernmental grants and contracts	3,998,879	2,713,297	-	-
Auxiliary enterprises, other	608,397	1,022,708	223,476	236,699
Other operating revenues	1,295,644	840,664	420,065	291,159
Total operating revenues	71,752,787	66,046,002	3,005,184	7,664,727
EXPENSES				
Operating expenses:				
Instruction	44,244,040	40,587,936	-	-
Academic support	6,622,501	7,073,963	-	-
Student services	11,459,354	10,885,870	-	-
Institutional support	14,858,730	13,788,705	1,309,546	1,409,594
Operation and maintenance of plant	19,566,291	21,764,889	138,050	150,717
Scholarship	5,417,650	2,824,887	1,059,135	823,392
Depreciation	7,906,221	5,591,358	188,966	175,662
Debt service	587,539	1,889,568	40,854	80,619
Auxiliary enterprises	15,475,270	15,360,035	-	-
Total operating expenses	126,137,596	119,767,211	2,736,551	2,639,984
Operating income (loss)	(54,384,809)	(53,721,209)	268,633	5,024,743

See accompanying independent auditor's report and notes to financial statements.

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

STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

YEARS ENDED JUNE 30, 2024 AND 2023
(Continued)

	Worcester State University		Component Unit Worcester State Foundation	
	2024	2023	2024	2023
NON-OPERATING REVENUES (EXPENSES)				
State appropriations	55,212,761	48,616,049	-	-
Federal assistance	-	3,973,643	-	-
Interest and investment income (loss)	1,565,922	(42,068)	5,037,397	3,560,057
Other payments to Worcester State University	-	-	(1,641,957)	(1,004,837)
Other non-operating income (losses)	64,265	(114,122)	-	(24,000)
Net non-operating revenues	56,842,948	52,433,502	3,395,440	2,531,220
Income (loss) before other revenues, expenses, gains, or losses	2,458,139	(1,287,707)	3,664,073	7,555,963
Capital appropriations	6,423,771	7,575,764	-	-
Additions to permanent endowments	-	-	1,341,541	2,843,884
Change in net position	8,881,910	6,288,057	5,005,614	10,399,847
NET POSITION				
Beginning of year	69,552,567	63,264,510	50,752,229	40,352,382
End of year	\$ 78,434,477	\$ 69,552,567	\$ 55,757,843	\$ 50,752,229

See accompanying independent auditor's report and notes to financial statements.

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

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2024 AND 2023

	Primary Government	
	2024	2023
Cash flows from operating activities:		
Student tuition, fees and charges	\$ 41,192,347	\$ 45,239,189
Federal grants and contracts	8,921,497	7,792,094
State and local grants and contracts	11,153,952	5,516,957
Nongovernmental grants and contracts	3,998,879	2,713,297
Auxiliary enterprise charges	608,397	1,022,708
Employee compensation and fringe benefit payments	(76,065,120)	(70,057,683)
Payments to suppliers	(38,480,788)	(38,527,755)
Interest paid	(1,008,929)	(1,148,628)
Loans repaid by students	14,304	19,543
Other receipts (payments)	(820,173)	1,408,686
Net cash used in operating activities	(50,485,634)	(46,021,592)
Cash flows from noncapital financing activities:		
State appropriations	55,212,761	48,616,049
Federal assistance	-	3,973,643
Net deposits	(8,723)	15,934
Net cash provided by noncapital financing activities	55,204,038	52,605,626
Cash flows from capital and related financing activities:		
Capital appropriations	6,423,771	7,575,764
Purchases of capital assets	(1,801,420)	(2,549,157)
Principal payments of bonds payable	(665,000)	(340,622)
Principal payments on lease obligations	(3,199,084)	(3,395,530)
Principal payments on subscription-based IT arrangements	(1,083,904)	(1,051,626)
Perkins loan program, net funds paid	(39)	(39,367)
Other activities	64,265	(114,122)
Net cash provided by (used in) capital and related financing activities	(261,411)	85,340
Cash flows from investing activities:		
Proceeds from sales and maturities of investments	48,593,794	9,353,305
Purchases of investments	(49,462,993)	(24,884,356)
Interest and investment income	1,071,054	432,610
Net cash provided by (used in) investing activities	201,855	(15,098,441)
Net change in cash and cash equivalents	4,658,848	(8,429,067)
Cash and cash equivalents, beginning of year	39,290,869	47,719,936
Cash and cash equivalents, end of year	\$ 43,949,717	\$ 39,290,869

See accompanying independent auditor's report and notes to financial statements.

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

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2024 AND 2023
(Continued)

	Primary Government	
	2024	2023
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (54,384,809)	\$ (53,721,209)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation expense	6,084,475	5,591,358
Amortization of leased assets	5,960,905	6,162,606
Amortization on subscription-based IT arrangements	1,077,156	1,067,264
Amortization of other assets	215,810	215,810
Accretion of deferred service concession arrangements	(411,775)	(411,775)
Decrease in deferred loss on refunding of bonds payable	25,367	25,368
Decrease in deferred gain on refunding of bonds payable	(58,503)	(24,629)
Decrease in bond premium	(381,599)	-
(Increase) decrease in operating assets and deferred outflows:		
Accounts receivable, net	(1,963,381)	848,869
Loans receivable	14,304	19,543
Inventories	46,511	(26,354)
Prepaid expenses and other assets	-	73,757
Resources related to pension and OPEB obligations	1,740,555	3,576,153
Increase (decrease) in operating liabilities and deferred inflows:		
Accounts payable	(1,258,169)	(422,422)
Accrued payroll and fringe benefits	108,412	(698,110)
Accrued interest and other liabilities	(6,654)	(4,389)
Accrued workers' compensation	182,696	(59,607)
Student deposits and unearned revenue	1,094,917	34,721
Accrued compensated absences	603,906	131,996
Accrued pension and OPEB obligations	(8,011,034)	(883,724)
Resources related to pension and OPEB obligations	(1,164,724)	(7,516,818)
Net cash used in operating activities	<u>\$ (50,485,634)</u>	<u>\$ (46,021,592)</u>

See accompanying independent auditor's report and notes to financial statements.

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

NOTES TO FINANCIAL STATEMENTS

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Worcester State University (the "University") is a public, state-supported University, located in Worcester, Massachusetts. The University is governed by a local Board of Trustees under the discretion of the Massachusetts Department of Higher Education. As one of nine four-year, state-supported colleges and universities, the University is empowered to award baccalaureate and masters' degrees in education and in the arts and sciences, as well as programs of continuing education.

The University is an agency of the Commonwealth of Massachusetts (the "State", the "Commonwealth"). Accordingly, the accompanying financial statements may not necessarily be indicative of the conditions that would have existed if the University had been operated as an independent institution.

Component units

Worcester State Foundation, Inc. (the "Foundation") is a legally separate, tax-exempt component unit of the University. The Foundation's primary role is to prudently manage and steward privately contributed resources meant to supplement the resources that are available to the University in support of its programs. 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.

During the years ended June 30, 2024 and 2023, the Foundation distributed \$2,701,092 and \$1,828,229, respectively, to the University for both restricted and unrestricted purposes. Complete financial statements for the Foundation can be obtained from the Worcester State University Business Office at 486 Chandler Street, Worcester, MA 01602.

Basis of presentation

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (U.S. GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing U.S. GAAP for state and local governments through its pronouncements (Statements and Interpretations).

The University has determined that it functions as a business-type activity, as defined by GASB. The effect of interfund activity has been eliminated from these financial statements. The basic financial statements for general purpose governments consist of management's discussion and analysis, basic financial statements including the University's discretely presented component unit, and required supplementary information. The University presents statements of net position, revenues, expenses, and changes in net position and cash flows on a University-wide basis.

Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met. The accompanying statement of revenues, expenses, and changes in net position demonstrates 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.

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of presentation (continued)

The University's policies for defining operating activities in the Statement 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 non-operating activities in accordance with GASB accounting standards. These non-operating activities include the University's operating and capital appropriations from the Commonwealth of Massachusetts, and net investment income.

Net position

GASB establishes accounting and financial reporting standards for public colleges and universities. These standards require that, for accounting and reporting purposes, resources be classified into four net position categories, described as follows:

Invested in capital assets, net of related debt - Includes all capital assets, net of accumulated depreciation and the principal balances of any outstanding debt or other obligations used to construct, acquire or improve the assets.

Restricted net position - These resources are further differentiated between those that are nonexpendable and expendable.

Nonexpendable resources are those that are subject to externally imposed constraints that they be maintained permanently.

Expendable resources are those whose use is subject to externally imposed constraints that can be satisfied by specific actions or by the passage of time.

Unrestricted - These resources are not subject to any externally imposed constraints. Such net position may be designated for specific purposes by action of the governing Board.

Accounting estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses. Actual results could differ from those estimates.

Subsequent events

The University has evaluated the financial statement impact of subsequent events occurring through October 22, 2024, the date that the financial statements were available to be issued.

Cash, temporary investments, and investments

The University considers its cash on hand, cash held by both the State Treasurer and Worcester State Foundation, Inc. for the benefit of the University and all debt securities with a maturity of three months or less to be cash equivalents.

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash, temporary investments, and investments (continued)

The University's investments are recorded at fair value. Realized and unrealized gains and losses are included in non-operating revenues. Realized gains and losses are determined based on the specific identification of the securities sold. Investment income is recognized when earned. The method of allocated interest earned on pooled cash and investments among fund types provides that, unless otherwise restricted, all interest is recorded in the unrestricted current fund. All gains and losses arising from the sale, maturity, or other disposition of investments are accounted for in the trust fund which owns the related asset. Ordinary income derived from investments is accounted for in the trust fund owning such assets.

The Governmental Accounting Standards Board requires government entities to categorize investments to give an indication of the level of credit risk assumed by the University at year end. Category 1 includes investments that are insured or registered, or for which securities are held by the University or its agent in the name of the University. Category 2 includes uninsured and unregistered investments for which securities are held by a trust department in the name of the University. Category 3 includes uninsured and unregistered investments for which the securities are held by a trust department but not in the University's name.

Fair value measurements

The University follows the provisions of GASB Statement No. 72, *Fair Value Measurement and Application* (GASB 72). This Statement defines fair value, establishes a framework for measuring fair value in accordance with generally accepted accounting principles, and expands disclosures about fair value measurements.

The University uses fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. In accordance with GASB 72, the fair value of a financial instrument is 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. Fair value is best determined based on quoted market prices. However, in many instances, there may be no quoted market prices for the University's various financial instruments. In cases where quoted market prices are not available, fair values are based on estimates using present value or other valuation techniques. Those techniques are significantly affected by the assumptions used, including the discount rate and estimates of future cash flows. Accordingly, the fair value estimates may not be realized in an immediate settlement of the instrument.

In accordance with GASB 72, the University groups its financial assets and financial liabilities generally measured at fair value in three levels, based on the markets in which the assets and liabilities are traded and the reliability of the assumptions used to determine fair value.

Level 1: Valuation is based on quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level 2: Valuation is based on observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3: Valuation is based on unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fair value measurements (continued)

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

Allowance for doubtful accounts

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

Inventories

The University's inventories consist primarily of operating supplies which are valued at the lower of cost or market. Cost is determined by the first-in, first-out (FIFO) method.

Loans receivable and payable

Loans receivable consist of the Federal Perkins Loan Program ("Perkins"). The federal government provides 90% of the funds to support this program. The 90% portion of the Perkins Loan Program provided by the federal government is refundable back to the federal government upon the termination of the University's participation in the program.

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 uncollectibility and have been accepted (assigned) by the Department of Education.

Capital assets

Capital assets are controlled, but not owned by the University. The University is not able to sell or otherwise encumber these assets since they are owned by the Commonwealth. All capital assets acquired prior to June 30, 1990 are stated at cost or estimated historical cost. Capital assets acquired subsequent to June 30, 1990 are stated at cost. All additions of individual capital assets greater than or equal to \$50,000 are capitalized, in accordance with the Commonwealth's capitalization policy. Donated capital assets are recorded at the estimated fair value at the date of the donation.

Capital assets, with the exception of land, are depreciated using the straight-line method over the estimated useful life of the asset, which range from 3 to 40 years.

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Student deposits and unearned revenue

Deposits and advance payments received for tuition and fees related to the University's Summer Session II program are deferred and are recorded as unrestricted current funds unearned revenue.

Bond premiums

Bond premiums are being amortized on a straight-line basis, which approximates the effective interest method, over the terms of the related debt agreements.

Funds held for others

Funds held for others are agency funds consisting of resources held by the University as custodian or fiscal agent of student organizations, the State Treasurer and others. Transactions are recorded to assets and liability accounts.

State appropriations

The University's unrestricted State appropriations amounted to \$55,592,294 and \$48,980,156 for the years ended June 30, 2024 and 2023, respectively. State supported tuition, in the amounts of \$379,533 and \$364,107 for the years ended June 30, 2024 and 2023, respectively, were remitted to the State and have been offset against these appropriations. State supported tuition receipts and transfers have been recorded in an agency fund during the year with a net amount due from the Commonwealth of \$51,891 and \$18,953 as of June 30, 2024 and 2023, respectively.

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 Employee's Retirement System (MSERS) and additions to/deductions from MSERS's fiduciary net position have been determined on the same basis as they are reported by MSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Other postemployment benefits plan (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Commonwealth of Massachusetts Postemployment Benefits Other Than Pensions Plan and additions to/deductions from this plan's fiduciary net position have been determined on the same basis as they are reported by the Commonwealth of Massachusetts. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Compensated absences

Employees earn the right to be compensated during absences for vacation leave and sick leave. Accrued vacation leave is the amount earned by all eligible employees through June 30, 2024. 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 ten 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.

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fringe benefits

The University participates in the Commonwealth's fringe benefit programs, including health insurance, pension and workers' compensation benefits. Health insurance, pension and administrative costs are billed through a fringe benefit rate charged to the University. The University's workers' compensation program is administered by the Commonwealth's Division of Public Employee Retirement Administration. Workers' compensation costs are assessed separately based on the University's actual experience.

Trust funds

The University's operations are accounted for in different trust funds. All of these trust funds have been consolidated and are included in these financial statements.

Tax status

The University is an agency of the Commonwealth of Massachusetts and is therefore exempt from federal and state income taxes under Code Section 115 of the Internal Revenue Code. The Foundation is exempt from income taxes under the provisions of section 501(c)(3) of the Internal Revenue Code.

New government accounting pronouncements

GASB Statement No. 101, *Compensated Absences* is effective for reporting periods beginning after December 15, 2023. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences, aligning such guidance under a unified model and by amending certain previously required disclosures. Management has not completed its review of the requirements of this Standard and its applicability.

GASB Statement No. 102, *Certain Risk Disclosures* is effective for reporting periods beginning after June 15, 2024. The objective of this Statement is to provide users of GASB financial statements with essential information about risks related to vulnerabilities due to certain concentrations or constraints. Management has not completed its review of the requirements of this Standard and its applicability.

GASB Statement No. 103, *Financial Reporting Model Improvements* is effective for reporting periods beginning after June 15, 2025. The objective of this Statement is to improve key components of the GASB financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing accountability. Management has not completed its review of the requirements of this Standard and its applicability.

2 - CASH AND CASH EQUIVALENTS

The University's cash and temporary investments are as follows as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Carrying amount	\$ 34,902,397	\$ 34,136,997
Bank balance	\$ 36,272,588	\$ 35,619,053
Less amounts		
Covered by depository insurance	820,280	1,517,619
Collateralized repurchase agreements	32,687,748	29,433,566
Remaining bank balance	<u>\$ 2,764,560</u>	<u>\$ 4,667,868</u>

WORCESTER STATE UNIVERSITY
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NOTES TO FINANCIAL STATEMENTS
(Continued)

2 - CASH AND CASH EQUIVALENTS (Continued)

The differences between the carrying amounts and the bank balances are attributable to deposits-in-transit and outstanding checks. While the remaining bank balance is uninsured and uncollateralized, the University has lowered its risk of loss by maintaining these funds in high quality financial institutions. Further, as of June 30, 2024 and 2023, the University held \$158,304 and \$64,155, respectively, in money market funds maintained by its investment custodian.

As of June 30, 2024 and 2023, the University was party to a repurchase agreement with a bank. The value of this agreement was \$32,687,748 and \$29,433,566 as of June 30, 2024 and 2023, respectively.

The money market mutual funds constitute a Category 2 investment and the repurchase agreements constitute a Category 3 investment, as defined under GASB accounting standards.

3 - CASH HELD BY STATE TREASURER

The University has recorded cash held for the benefit of the University by the State Treasurer in the amounts of \$1,932,782 and \$1,967,941 as of June 30, 2024 and 2023, respectively. In addition, the State Treasurer held cash for certain University trust funds in the amounts of \$7,114,538 and \$3,185,931 as of June 30, 2024 and 2023, respectively. None of these cash balances are insured or collateralized.

4 - INVESTMENTS

The University maintains pooled investments in long-term U.S. Treasury and Agency Securities. The fair value of these investments as of June 30, 2024 are as follows:

	Investment Maturities (in years)			
	Fair Value	Less Than 1	1 to 5	Greater than 5
<u>June 30, 2024</u>				
Investment type				
U.S. Treasuries	\$ 33,729,238	\$ 16,665,252	\$ 10,204,636	\$ 6,859,350
U.S. Agencies	3,307,405	2,526,929	780,476	-
Total	<u>\$ 37,036,643</u>	<u>\$ 19,192,181</u>	<u>\$ 10,985,112</u>	<u>\$ 6,859,350</u>

The fair value of these investments as of June 30, 2023 are as follows:

	Investment Maturities (in years)			
	Fair Value	Less Than 1	1 to 5	Greater than 5
<u>June 30, 2023</u>				
Investment type				
U.S. Treasuries	\$ 33,194,938	\$ 15,090,807	\$ 13,081,800	\$ 5,022,331
U.S. Agencies	2,540,403	90,000	2,450,403	-
Total	<u>\$ 35,735,341</u>	<u>\$ 15,180,807</u>	<u>\$ 15,532,203</u>	<u>\$ 5,022,331</u>

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

4 - INVESTMENTS (Continued)

Interest Rate Risk

The University does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The weighted average life of the maturities is evaluated regularly with the weighted average life of the portfolio being limited to five years or less, whenever possible. The weighted average life of the portfolio as of June 30, 2024 was 2.4 years.

Credit Risk

The University manages its exposure to credit risk by investing solely in U.S. Treasury and U.S. Agency securities.

Concentration of Credit Risk

The University places no limit on the amount that may be invested in one issuer, maintaining its cash in bank deposit accounts which, at times, may exceed federally insured limits.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The University controls this risk by placing its securities in a trust account with a safekeeping agent other than the counterparty.

The components of investment income are as follows:

	2024	2023
Interest	\$ 1,133,819	\$ 441,198
Realized gain (loss) on investments	83,914	(137,749)
Unrealized gain (loss) on investments	348,189	(345,517)
	<u>\$ 1,565,922</u>	<u>\$ (42,068)</u>

Component Unit

Investments of the component unit are stated at fair value and are composed of the following:

	2024		2023	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Money market funds	\$ 122,390	\$ 122,390	\$ 402,113	\$ 402,113
Mutual funds	34,125,493	42,091,811	33,719,179	37,491,957
Limited partnership interest	812,500	1,190,468	475,000	697,141
	<u>\$ 35,060,383</u>	<u>\$ 43,404,669</u>	<u>\$ 34,596,292</u>	<u>\$ 38,591,211</u>

WORCESTER STATE UNIVERSITY
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NOTES TO FINANCIAL STATEMENTS
(Continued)

5 - FAIR VALUE MEASUREMENTS

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of June 30, 2024 and 2023.

U.S. treasury securities and U.S. agency securities: Valued at the closing price reported in the market in which the individual securities are traded. Fair value hierarchy for each is based on the level of active trading within the respective markets for each asset or liability.

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

The University's financial assets that are measured at fair value on a recurring basis were recorded using the fair value hierarchy as of June 30, 2024 as follows:

	Level 1	Level 2	Level 3	Total
Investments				
U.S. Treasuries	\$ -	\$ 33,729,238	\$ -	\$ 33,729,238
U.S. Agencies	-	3,307,405	-	3,307,405
Total investments, at fair value	<u>\$ -</u>	<u>\$ 37,036,643</u>	<u>\$ -</u>	<u>\$ 37,036,643</u>

The University's financial assets that are measured at fair value on a recurring basis were recorded using the fair value hierarchy as of June 30, 2023 as follows:

	Level 1	Level 2	Level 3	Total
Investments				
U.S. Treasuries	\$ -	\$ 33,194,938	\$ -	\$ 33,194,938
U.S. Agencies	-	2,540,403	-	2,540,403
Total investments, at fair value	<u>\$ -</u>	<u>\$ 35,735,341</u>	<u>\$ -</u>	<u>\$ 35,735,341</u>

The University does not measure any liabilities at fair value on a recurring or non-recurring basis on the statement of net position.

6 - ACCOUNTS RECEIVABLE

Accounts receivable consist of the following as of June 30, 2024 and 2023:

	2024	2023
Students	\$ 1,644,317	\$ 1,371,794
Other	3,352,165	1,648,122
	4,996,482	3,019,916
Less: Allowance for uncollectible accounts	509,872	496,687
	<u>\$ 4,486,610</u>	<u>\$ 2,523,229</u>

WORCESTER STATE UNIVERSITY
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NOTES TO FINANCIAL STATEMENTS
(Continued)

7 - CONTRIBUTIONS RECEIVABLE - COMPONENT UNIT

Contributions receivable are unconditional promises to give that are recognized as contributions when the promise is received. Contributions receivable that are expected to be collected in less than one year are reported at net realizable value. Contributions receivable that are expected to be collected in more than one year are recorded at fair value at the date of promise. That fair value is computed using a present value technique applied to anticipated cash flows. Amortization of the resulting discount is recognized as additional contribution revenue.

Payments of contributions receivable as of June 30, 2024 are expected to be received as follows:

2025	\$ 1,333,553
2026	293,143
2027	163,196
2028	816,000
2029	802,000
Thereafter	<u>2,401,000</u>
	5,808,892
Less: Discount on contributions receivable	<u>860,343</u>
	<u><u>\$ 4,948,549</u></u>

8 - LOANS RECEIVABLE

The University participates in the Federal Perkins Loan Program. This program is funded through a combination of Federal and institutional resources. The portion of this program that has been funded with Federal funds is ultimately refundable to the U.S. government upon the termination of the University's participation in the program. The loans receivable balance of \$270,825 and \$285,129 as of June 30, 2024 and 2023, respectively, represents student loans issued through the Perkins Loans program and consists of the following as of June 30, 2024 and 2023:

	<u>2024</u>	<u>2023</u>
Enrolled students	\$ 4,325	\$ 6,560
Repayment on schedule	4,383	7,542
In default	<u>262,117</u>	<u>271,027</u>
	<u><u>\$ 270,825</u></u>	<u><u>\$ 285,129</u></u>

WORCESTER STATE UNIVERSITY
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NOTES TO FINANCIAL STATEMENTS
(Continued)

9 - CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2024 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	\$ 188,650	\$ -	\$ -	\$ 188,650
Construction in process	7,074,942	1,420,900	-	8,495,842
Capital assets, being depreciated				
Land improvements	9,965,277	-	-	9,965,277
Buildings, including improvements	155,173,706	-	-	155,173,706
Furnishings and equipment	14,570,926	380,521	-	14,951,447
Leased buildings	109,250,877	-	3,602,386	105,648,491
Leased furnishings and equipment	3,256,459	608,934	-	3,865,393
Subscription-based IT arrangements	3,848,732	1,643,487	769,701	4,722,518
Total capital assets	<u>303,329,569</u>	<u>4,053,842</u>	<u>4,372,087</u>	<u>303,011,324</u>
Less accumulated depreciation for				
Land improvements	6,494,388	516,706	-	7,011,094
Buildings, including improvements	77,945,982	4,201,788	-	82,147,770
Furnishings and equipment	13,923,912	217,047	-	14,140,959
Less accumulated amortization for				
Leased assets	20,221,217	7,109,840	-	27,331,057
Subscription-based IT arrangements	<u>1,495,741</u>	<u>1,077,156</u>	<u>769,701</u>	<u>1,803,196</u>
Total accumulated depreciation and amortization	<u>120,081,240</u>	<u>13,122,537</u>	<u>769,701</u>	<u>132,434,076</u>
Capital assets, net	<u>\$183,248,329</u>	<u>\$ (9,068,695)</u>	<u>\$ 3,602,386</u>	<u>\$170,577,248</u>

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NOTES TO FINANCIAL STATEMENTS
(Continued)

9 - CAPITAL ASSETS (Continued)

Capital assets activity for the year ended June 30, 2023 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated				
Land	\$ 188,650	\$ -	\$ -	\$ 188,650
Construction in process	5,006,978	2,067,964		7,074,942
Capital assets, being depreciated				
Land improvements	9,965,277	-	-	9,965,277
Buildings, including improvements	155,173,706	-	-	155,173,706
Furnishings and equipment	14,089,733	481,193	-	14,570,926
Leased buildings	109,250,877	-	-	109,250,877
Leased furnishings and equipment	2,082,326	1,174,133	-	3,256,459
Subscription-based IT arrangements	944,206	2,904,526	-	3,848,732
Total capital assets	296,701,753	6,627,816	-	303,329,569
Less accumulated depreciation for				
Land improvements	5,940,681	553,707	-	6,494,388
Buildings, including improvements	73,775,163	4,170,819	-	77,945,982
Furnishings and equipment	13,523,801	400,111	-	13,923,912
Less accumulated amortization for				
Leased assets	13,591,890	6,629,327	-	20,221,217
Subscription-based IT arrangements	428,477	1,067,264	-	1,495,741
Total accumulated depreciation and amortization	107,260,012	12,821,228	-	120,081,240
Capital assets, net	\$189,441,741	\$ (6,193,412)	\$ -	\$183,248,329

10 - MASSACHUSETTS STATE COLLEGE BUILDING AUTHORITY

The land on which the dormitory residence halls are located is leased by the Massachusetts State College Building Authority (MSCBA) from the Commonwealth of Massachusetts. The Commonwealth of Massachusetts also executed a lease with MSCBA for land on which a parking garage is located. MSCBA owns the residence halls and parking garage and has entered into long-term lease agreements with the University to occupy and operate the facilities.

The University, under the terms of a management and service agreement between MSCBA and the Commonwealth, is charged a semi-annual revenue assessment which is based on the certified occupancy report, the current rent schedule, and the design capacity for each of the residence halls. This revenue assessment is used by MSCBA to pay principal and interest due on its long-term debt obligations. These obligations are guaranteed by the Commonwealth. The assessments charged for the years ended June 30, 2024 and 2023, in the amounts of \$1,865,188 and \$1,516,159, respectively, and have been recorded as auxiliary enterprise expenditures.

WORCESTER STATE UNIVERSITY
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NOTES TO FINANCIAL STATEMENTS
(Continued)

11 - DEFERRED SERVICE CONCESSION ARRANGEMENTS

Deferred service concession arrangements as of June 30, 2024 and 2023 in the amounts of \$2,781,594 and \$3,193,369, respectively, consist of the unamortized balances of multiple food service agreements with an outside party. This outside party contributed multiple payments since 2004 totaling \$8,788,017, to upgrade the food service facilities. The contributions are being amortized over various periods ranging from 12 to 18 years. Amortization of these contributions was \$411,775 for the years ended June 30, 2024 and 2023.

12 - LONG-TERM LIABILITIES

Long-term liabilities of the University as of June 30, 2024 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds payable	\$ 20,136,679	\$ -	\$ 1,046,599	\$ 19,090,080	\$ 1,037,496
Lease obligations	105,345,541	608,934	6,801,470	99,153,005	4,382,533
Subscription-based IT arrangements	2,373,729	1,643,487	1,083,904	2,933,312	1,063,775
Accrued workers' compensation	1,496,531	182,696	-	1,679,227	204,543
Accrued compensated absences	5,857,528	603,906	-	6,461,434	3,772,159
Accrued pension and OPEB obligations	30,311,227	-	8,011,034	22,300,193	-
Refundable grant	306,684	-	39	306,645	-
	<u>\$165,827,919</u>	<u>\$ 3,039,023</u>	<u>\$ 16,943,046</u>	<u>\$151,923,896</u>	<u>\$ 10,460,506</u>

Long-term liabilities of the University as of June 30, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
Bonds payable	\$ 20,477,301	\$ -	\$ 340,622	\$ 20,136,679	\$ 665,000
Lease obligations	107,566,938	1,174,133	3,395,530	105,345,541	3,533,165
Subscription-based IT arrangements	520,829	2,904,526	1,051,626	2,373,729	670,150
Accrued workers' compensation	1,556,138	-	59,607	1,496,531	171,574
Accrued compensated absences	5,725,532	131,996	-	5,857,528	3,351,550
Accrued pension and OPEB obligations	31,194,951	-	883,724	30,311,227	-
Refundable grant	346,051	-	39,367	306,684	-
	<u>\$167,387,740</u>	<u>\$ 4,210,655</u>	<u>\$ 5,770,476</u>	<u>\$165,827,919</u>	<u>\$ 8,391,439</u>

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NOTES TO FINANCIAL STATEMENTS
(Continued)

13 - BONDS PAYABLE

- (A) On December 4, 2002, the University signed a financing agreement used for the renovation of the Sullivan and Administration Buildings, which was completed in 2009. A call provision became available on this bond issue and the issue was refunded on December 18, 2012, with \$10,585,000 of Massachusetts Development Financing Agency (MDFA) Revenue Bonds. The obligation is being repaid solely by the University through revenues. Interest on the MDFA bonds is due in semi-annual installments at varying rates ranging from 2.00% to 4.00%. Annual principal installments ranging from \$255,000 to \$875,000 are due through November 2032. The refunding of the MHEFA bonds resulted in a loss, which is included in deferred outflows of resources and will be amortized over the term of the bond. Amortization of this loss for the year ended June 30, 2024, was \$5,847. The remaining loss to be amortized as June 30, 2024 is \$52,626.
- (B) On July 1, 2020, the University signed a financing agreement to receive \$681,052 from the MSCBA 2020 Series revenue bond in a partial refunding of the 2012 Series revenue bond. Interest on the bonds is due in semi-annual installments at varying rates ranging from 1.044% to 3.072%. Annual principal installments ranging from \$69,460 to \$117,000 are due May 2032 through May 2039. The refunding of the MSCBA 2012 Series bonds resulted in a loss, which is included in deferred outflows of resources and will be amortized over the term of the bond. Amortization of this loss for the year ended June 30, 2024, was \$19,520. The remaining loss to be amortized as June 30, 2024 is \$273,279.
- (C) On February 15, 2022, the University signed a financing agreement to receive \$9,509,327 from the MSCBA 2022 Series revenue bond in a partial refunding of the 2012 Series revenue bond. Interest on the bonds is due in semi-annual installments at varying rates ranging from 4.00% to 5.00%. Annual principal installments ranging from \$342,496 to \$742,778 are due May 2025 through May 2042. The refunding of the MSCBA 2012 Series bonds resulted in a gain, which is included in deferred inflows of resources and will be amortized over the term of the bond. Amortization of this gain for the year ended June 30, 2024, was \$58,503. The remaining gain to be amortized as June 30, 2024 is \$384,813.

The composition of the University's Bonds payable for the year ended June 30, 2024 is as follows:

	2024	2023
(A) Bond payable, MDFA 2012 Series	\$ 7,205,605	\$ 7,886,229
(B) Bond payable, MSCBA 2020 Series	681,052	681,052
(C) Bond payable, MSCBA 2022 Series	11,203,423	11,569,398
	19,090,080	20,136,679
Less: Current maturities	1,037,496	665,000
	<u>\$ 18,052,584</u>	<u>\$ 19,471,679</u>

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NOTES TO FINANCIAL STATEMENTS
(Continued)

13 - BONDS PAYABLE (Continued)

Debt service requirements as of June 30, 2024 are as follows:

Year Ended June 30	Principal	Interest
2025	\$ 1,037,496	\$ 648,543
2026	1,080,221	606,081
2027	1,117,432	566,458
2028	1,161,604	526,892
2029	1,196,284	484,843
2030 - 2034	6,086,896	1,725,850
2035 - 2039	3,430,554	844,946
2040 - 2042	2,144,892	173,877
	17,255,379	5,577,490
Unamortized premium	1,834,701	-
	<u>\$ 19,090,080</u>	<u>\$ 5,577,490</u>

14 - LEASE OBLIGATIONS

The University leases its residence halls and parking garage from MSCBA, as well as other furnishings and equipment under various lease agreements.

Future minimum lease payments as of June 30, 2024 are as follows:

Year Ended June 30	Principal	Interest
2025	\$ 4,382,533	\$ 4,065,069
2026	4,378,064	3,880,915
2027	4,356,148	3,717,515
2028	4,282,472	3,741,109
2029	4,692,586	3,020,798
2030 - 2034	27,176,534	12,249,527
2035 - 2039	32,891,720	6,908,399
2040 - 2043	16,992,948	1,613,614
	<u>\$ 99,153,005</u>	<u>\$ 39,196,946</u>

15 - SUBSCRIPTION-BASED IT ARRANGEMENTS

The University licenses various software under various subscription-based IT agreements.

Future minimum payments on these arrangements as of June 30, 2024 are as follows:

Year Ended June 30	Principal	Interest
2025	\$ 1,063,775	\$ 56,998
2026	891,227	37,391
2027	742,779	19,565
2028	235,531	4,835
	<u>\$ 2,933,312</u>	<u>\$ 118,789</u>

WORCESTER STATE UNIVERSITY
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NOTES TO FINANCIAL STATEMENTS
(Continued)

16 - NET POSITION

Unrestricted net position from operations is not subject to externally imposed stipulations; however, it may be subject to internal restrictions. For example, unrestricted net position from operations 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. As of June 30, 2024 and 2023, unrestricted net position from operations of \$32,145,916 and \$30,589,057, respectively, has been internally designated by the University for future capital investments. The remaining undesignated unrestricted net position from operations was \$37,201,771 and \$31,547,517 as of June 30, 2024 and 2023, respectively.

The University is the recipient of funds that are subject to various external constraints upon their use, either as to purpose or time. These funds are comprised of the following as of June 30:

	2024	2023
Restricted - expendable		
Capital projects	\$ (88,910)	\$ (95,564)
Scholarships and other grants	1,662,590	1,481,912
	<u>\$ 1,573,680</u>	<u>\$ 1,386,348</u>

The component unit's restricted - expendable net position consists of funds whose income is mainly used for scholarships and grants. The component unit's restricted - nonexpendable net position consists of investments to be held in perpetuity and the income is restricted for the purpose of providing scholarships and other activities that benefit the University.

17 - FACULTY COMPENSATION

Contracts for full-time faculty begin on September 1, and end May 31 of any given academic year. The Commonwealth of Massachusetts and the University pay all faculty members over the twelve-month period of September 1 through August 31. 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 appropriation. The balance due as of June 30, 2024 and 2023 of \$2,402,748 and \$2,228,855 respectively, has been included in accrued payroll and fringe benefits in the statement of net position.

18 - ACCRUED WORKERS' COMPENSATION

Independent actuarial reviews of the outstanding loss reserve requirements for the Commonwealth of Massachusetts' self-insured Workers' Compensation program were conducted as of June 30, 2024 and 2023. Based upon the Commonwealth's analyses, accrued workers' compensation in the amount of \$1,679,227 and \$1,496,531 as of June 30, 2024 and 2023, respectively, have been recorded in the unrestricted current fund. Workers' compensation expense charged to operations was \$514,280 and \$204,540 in 2024 and 2023, respectively. The actual workers' compensation paid by the University was \$331,584 and \$264,147 in 2024 and 2023, respectively.

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NOTES TO FINANCIAL STATEMENTS
(Continued)

19 - ACCRUED COMPENSATED ABSENCES

Included in accrued compensated absences are \$3,218,466 for accrued vacation time and \$3,242,968 for accrued sick time as of June 30, 2024 and \$3,012,084 for accrued vacation time and \$2,845,444 for accrued sick time as of June 30, 2023. Of these balances, \$508,587 and \$540,881 for June 30, 2024 and 2023, respectively, represent obligations due to employees funded through sources other than State appropriations, and \$5,952,847 and \$5,316,647 as of June 30, 2024 and 2023, respectively, represent obligations to employees funded through State appropriations. The University anticipates that the obligations due to employees funded by State appropriations will be discharged through future State appropriations.

20 - FRINGE BENEFIT CHARGES

Certain fringe benefit costs associated with University staff, compensated through State appropriations, are paid out of non-University State budget line items. The University is required to reimburse the State for such costs for employees funded from other than State appropriations, based on a percentage of payroll. For 2024, the University reimbursed the State a total of \$4,342,525 (\$2,506,071 for pensions and \$1,836,454 for health care premiums). For 2023, the University reimbursed the State a total of \$3,166,267 (\$1,439,702 for pensions and \$1,726,565 for health care premiums).

21 - RETIREMENT PLAN

The University reports a liability, deferred outflows and inflows of resources, and expense as a result of its statutory requirement to contribute to the Massachusetts State Employee's Retirement System (MSERS). The following information is about MSERS:

Plan Description

The Massachusetts State Employees' Retirement System (MSERS) is a public employee retirement system (PERS), covering substantially all of the University's non-student full-time employees. It is a cost-sharing multiple-employer defined benefit pension plan administered by the Massachusetts State Retirement Board. Under the cost-sharing plan, pension obligations for employees of all employers are pooled and plan assets are available to pay the benefits through the plan, regardless of the status of the employers' payment of its pension obligations to the plan.

Benefit Provisions

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

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

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NOTES TO FINANCIAL STATEMENTS
(Continued)

21 - RETIREMENT PLAN (Continued)

Contributions

The MSERS's funding policies have been established by Chapter 32 of the MGL. The Legislature has the authority to amend these policies. The annuity portion of the MSERS retirement allowance is funded by employees, who contribute a percentage of their regular compensation. Costs of administering the plan are funded out of plan assets.

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

Hire Date	Percentage of Compensation
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
July 1, 2001 to present	11% of regular compensation (for teacher hired after July 1, 2001 and those accepting provisions of Chapter 114 of the Acts of 2000)
1979 to present	An additional 2% of regular compensation in excess of \$30,000 except for teachers subject to Chapter 114 of the Acts of 2000

In addition, members of Group 1 who join the system after April 2, 2021 will have their withholding rate reduced to 6% after achieving 30 years of creditable service.

The University is not required to contribute from its appropriation allocation or other University funds to MSERS for employees compensated from State appropriations. For University employees covered by MSERS but compensated from a trust fund or other source, the University is required to contribute an amount determined as a percentage of compensation in accordance with a fringe benefit rate determined by the State. The rate was 16.69% and 16.70% of annual covered payroll for the fiscal years ended June 30, 2024 and June 30, 2023, respectively. The University contributed \$1,090,146 and \$1,087,817 for the fiscal years ended June 30, 2024 and June 30, 2023, equal to 100% of the required contributions for the year.

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

As of June 30, 2024 and 2023, the University reported a net pension liability of \$10,806,543 and \$13,421,011, respectively, for its proportionate share of the net pension liability related to its participation in MSERS. The net pension liability was measured as of June 30, 2023, the measurement date, as determined by an actuarial valuation. The University's proportion of the net pension liability was based on its share of the Commonwealth of Massachusetts' collective pension amounts allocated on the basis of actual fringe benefit charges assessed the University for the fiscal years 2023 and 2022. The Commonwealth's proportionate share was based on actual employer contributions to the MSERS for fiscal years 2023 and 2022 relative to total contributions of all participating employers for each respective fiscal year. As of June 30, 2023 and 2022, the University's proportion was 0.08% and 0.11%, respectively. For the years ended June 30, 2024 and 2023, the University recognized pension benefit of \$1,029,413 and \$279,641, respectively.

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NOTES TO FINANCIAL STATEMENTS
(Continued)

21 - RETIREMENT PLAN (Continued)

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

As of June 30, 2024 and 2023, the University reported in the statement of net position deferred outflows and deferred inflows of resources related to pensions from the following sources:

	2024	2023
Deferred outflows of resources:		
Change in plan actuarial assumptions	\$ 181,622	\$ 369,502
Differences between expected and actual experience	383,880	333,854
Differences between projected and actual earnings on plan investments	290,836	-
Changes in proportion from Commonwealth due to internal allocation	82,531	248,799
Contributions subsequent to the measurement date	1,090,146	1,087,817
	<u>\$ 2,029,015</u>	<u>\$ 2,039,972</u>
Deferred inflows of resources:		
Differences between expected and actual experience	\$ 267,029	\$ 523,826
Differences between projected and actual earnings on plan investments	-	71,549
Changes in proportion from Commonwealth due to internal allocation	5,142,155	4,329,860
	<u>\$ 5,409,184</u>	<u>\$ 4,925,235</u>

Contributions of \$1,090,146 and \$1,087,817, respectively, are reported as deferred outflows of resources related to pensions resulting from the University contributions in fiscal years 2024 and 2023 subsequent to the measurement date, which will be recognized as a reduction of the net pension liability for the years ended June 30, 2025 and 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as an addition to (reduction in) pension expense as follows:

2025	\$ (1,706,110)
2026	(2,279,155)
2027	(1,337)
2028	(483,713)
	<u>\$ (4,470,315)</u>

Actuarial Assumptions

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

	2023	2022
Cost of living increases (on the first \$13,000 per year for 2023 and 2022)	3.00%	3.00%
Salary increases	4.00 to 9.00%	4.00 to 9.00%
Investment rate of return	7.00%	7.00%
Interest rate credit to the annuity savings fund	3.50%	3.50%
Inflation rate	2.50%	2.50%

Pre-retirement mortality rates reflect the RP-2014 Blue Collar Employees Table, projected generationally with Scale MP-2021 and set forward one year for females. Post-retirement mortality rates reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2021 and set forward one year for females. Mortality rates for disability reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2021 and set forward one year.

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NOTES TO FINANCIAL STATEMENTS
(Continued)

21 - RETIREMENT PLAN (Continued)

Actuarial Assumptions (continued)

Experience studies were performed as of February 27, 2014, encompassing the period January 1, 2006 to December 31, 2011, updated to reflect actual experience from 2012 through 2020 for post-retirement mortality.

Investment assets of MSERS are with the Pension Reserves Investment Trust (PRIT) Fund. The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. Best estimates of geometric rates of return for each major asset class included in the PRIT Fund's target assets allocation as of June 30, 2023 and 2022 are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
	2023	2022	2023	2022
Global equity	37%	38%	4.90%	4.20%
Core fixed income	15%	15%	1.90%	0.50%
Private equity	16%	15%	7.40%	7.00%
Real estate	10%	10%	3.00%	3.30%
Value added fixed income	8%	8%	5.10%	3.70%
Portfolio completion strategies	10%	10%	3.80%	2.70%
Timber/natural resources	4%	4%	4.30%	3.90%
Total	100%	100%		

Discount Rate

The discount rate used to measure the total pension liability was 7.00% for 2023 and 2022. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rates and the Commonwealth's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rates. Based on those assumptions, the net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity Analysis

The following illustrates the sensitivity of the net pension liability to changes in the discount rate as of June 30, 2023 and 2022. In particular, the table presents the MSERS collective net pension liability assuming it was calculated using a single discount rate that is one-percentage-point lower or one percentage-point higher than the current discount rate:

	2023	2022
1% decrease to 6.00% for 2023 and 2022	\$ 14,852,136	\$ 18,510,630
Current discount rate 7.00% for 2023 and 2022	10,806,543	13,421,011
1% increase to 8.00% for 2023 and 2022	7,382,908	9,114,454

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NOTES TO FINANCIAL STATEMENTS
(Continued)

22 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS

The University reports a liability, deferred outflows and inflows of resources, and expense as a result of its statutory requirement to contribute to the Commonwealth of Massachusetts Postemployment Benefits Other than Pensions (OPEB) Plan. The following information is about the OPEB Plan:

Plan Description

The Commonwealth of Massachusetts Postemployment Benefits Other than Pensions (OPEB) Plan covers substantially all of the University's non-student full-time employees. It's a single-employer defined benefit pension plan administered by the Commonwealth of Massachusetts. Under the cost-sharing plan, certain benefits for retired employees of all employers are pooled and plan assets are available to pay the benefits through the plan, regardless of the status of the employers' payment of its obligations to the plan. The plan provides health care and life insurance to plan members and beneficiaries.

Benefit Provisions

Chapter 32A of the General Laws of the Commonwealth (MGL), requires the Commonwealth of Massachusetts to provide certain health care and life insurance benefits for retired employees. Substantially all of the Commonwealth's employees may become eligible for these benefits if they reach retirement age while working for the Commonwealth. Eligible retirees are required to contribute a specified percentage of the health care/benefit costs, which are compatible to contributions required from employees.

Contributions

Employer and employee contribution rates are set in MGL. The Commonwealth recognizes its share of the costs on an actuarial basis. As of June 30, 2023 and 2022 and as of the valuation date (January 1, 2023), Commonwealth participants contributed 10% to 20% of premium costs, depending on the date of hire and whether the participant is active, retiree, or survivor status.

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

As of June 30, 2024 and 2023, the University reported a net OPEB liability of \$11,493,650 and \$16,890,216, respectively, for its proportionate share of the net OPEB liability related to its participation in the OPEB Plan. The net OPEB liability was measured as of June 30, 2023, the measurement date, as determined by an actuarial valuation. The University's proportion of the net OPEB liability was based on its share of the Commonwealth of Massachusetts' collective OPEB amounts allocated on the basis of actual fringe benefit charges assessed the University for the fiscal years 2023 and 2022. The Commonwealth's proportionate share was based on actual employer contributions to the OPEB Plan for fiscal year 2023 relative to total contributions of all participating employers for each respective fiscal year. As of June 30, 2023 and 2022, the University's proportion was 0.09% and 0.13%, respectively. For the years ended June 30, 2023 and 2022, the University recognized OPEB benefit of \$4,746,472 and \$2,781,658, respectively.

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

22 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

OPEB Liabilities, OPEB Expense, and Deferred Outflows and Inflows of Resources (continued)

As of June 30, 2024 and 2023, the University reported in the statement of net position deferred outflows and deferred inflows of resources related to postemployment benefits other than pensions from the following sources:

	2024	2023
Deferred outflows of resources:		
Changes in proportion from Commonwealth due to internal allocation	\$ 318,320	\$ 1,514,605
Changes in plan actuarial assumption	504,922	1,244,020
Differences between expected and actual experience	467,479	310,927
Differences between projected and actual earnings on plan investments	37,568	25,675
Contributions subsequent to the measurement date	511,401	474,061
	<u>\$ 1,839,690</u>	<u>\$ 3,569,288</u>
Deferred inflows of resources:		
Changes in proportion from Commonwealth due to internal allocation	\$ 13,643,603	\$ 10,638,640
Change in plan actuarial assumptions	2,964,626	6,112,927
Differences between expected and actual experience	1,291,023	2,796,358
	<u>\$ 17,899,252</u>	<u>\$ 19,547,925</u>

Contributions of \$511,041 and \$474,061, respectively are reported as deferred outflows of resources related to OPEB resulting from the University contributions in fiscal years 2024 and 2023 subsequent to the measurement date, which will be recognized as a reduction of the net OPEB liability for the years ended June 30, 2025 and 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as a reduction in OPEB expense as follows:

2025	\$ (6,468,061)
2026	(4,733,678)
2027	(3,122,579)
2028	(1,588,862)
2029	(657,783)
	<u>\$ (16,570,963)</u>

Actuarial Assumptions

The total OPEB liability for the June 30, 2023 measurement date was determined by an actuarial valuation as of January 1, 2023 rolled forward to June 30, 2023. The total OPEB liability for the June 30, 2022 measurement date was determined by an actuarial valuation as of January 1, 2022 rolled forward to June 30, 2022. This valuation used the following assumptions:

- For 2023, the annual healthcare cost trend rates were developed based on the Getzen trend rate model, version 2023 1f. The healthcare cost trend rate changed from 5.00% in 2022 to 5.79% for Medicare benefits and from 7.60% to 7.50% for non-Medicare benefits, then increasing in 2024 before decreasing in 2025, 2026 and 2027 to a blended rate of 4.77% in 2032 and additional decrease in 2042, 2052, 2062, 2072, and 2075.

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

22 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Actuarial Assumptions (continued)

2. For 2022, the annual healthcare cost trend rates were developed based on the Getzen trend rate model, version 2022 f4. The healthcare cost trend rate changed from 4.40% in 2021 to 5.00% for Medicare benefits and 7.60% for non-Medicare benefits, then increasing in 2023 and 2024 before decreasing in 2025 and 2026 to a blended rate of 4.97% in 2031 and additional decrease in 2041, 2051, 2061, 2071, and 2075. The Getzen trend rate model also assumes inflation of 2.5%, real GDP growth of 1.4% and excess medical growth of 1.0%.
3. For 2023, the mortality rate was in accordance with RP 2014 Blue Collar Mortality Table projected with scale MP-2021, with females set forward one year.
4. For 2022, the mortality rate was in accordance with RP 2014 Blue Collar Mortality Table projected with scale MP-2020, with females set forward one year.
5. Participation rates, for 2023 and 2022:
 - a. 100% of employees currently electing health care coverage are assumed to elect coverage at retirement.
 - b. 35% of employees currently opting out of active employee health coverage are assumed to elect to enroll in retiree coverage.
 - c. 85% of current and future vested terminated participants will elect health care benefits at age 55, or if later, the participant's current age.
 - d. Retirees who currently elect to waive their coverage are assumed to remain uncovered in the future.
 - e. 100% of spouses are assumed to elect to continue coverage after the retiree's death.
 - f. For 2023, current non-Medicare eligible retirees and spouses (if covered) under age 65 who are in a POS/PPO plan are assumed to move to a Medicare Supplement plan if they are Medicare eligible at 65. For 2022, current non-Medicare eligible retirees and spouses (if covered) under age 65 who are in a POS/PPO plan are assumed to move to an Indemnity plan if they are Medicare eligible at 65. All others are assumed to remain in their currently elected product type.
 - g. Future retirees are assumed to enroll in the existing plans in the same proportion as the current retiree mix, as shown in the table below. These proportions are established separately for non-Medicare and Medicare coverage for each product type and reflect the migration of members to new plans.

	2023		2022	
	Retirement Age		Retirement Age	
	Under 65	Age 65+	Under 65	Age 65+
Indemnity	27%	0%	28%	96%
POS/PPO	63%	0%	62%	0%
HMO	10%	0%	10%	4%
Medicare Supplement	0%	96%	0%	0%
Medicare Advantage	0%	4%	0%	0%

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

22 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Actuarial Assumptions (continued)

Investment assets of the Plan are with the Pension Reserves Investment Trust (PRIT) Fund. The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future rates of return are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage. 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, 2023 and 2022 are summarized in the following table:

Asset Class	Target Allocation		Long-Term Expected Real Rate of Return	
	2023	2022	2023	2022
Global equity	37%	38%	4.90%	4.20%
Portfolio completion strategies	10%	10%	3.80%	2.70%
Core fixed income	15%	15%	1.90%	0.50%
Private equity	16%	15%	7.40%	7.30%
Value added fixed income	8%	8%	5.10%	3.70%
Real estate	10%	10%	3.00%	3.30%
Timber/natural resources	4%	4%	4.30%	3.90%
Total	100%	100%		

Discount Rate

The discount rates used to measure the OPEB liability as of June 30, 2023 and 2022 was 4.34% and 4.30%, respectively. This rate was based on a blend of the Bond Buyer Index rates of 3.65% and 3.54% as of the measurement date of June 30, 2023 and 2022, respectively, and the expected rates of return. The plan's fiduciary net position was not projected to be available to make all projected future benefit payments for current plan members. Therefore, the long-term expected rate of return on plan investments of 7.00% per annum was not applied to all periods of projected benefit payments to determine the total OPEB liability as of June 30, 2023 and 2022, respectively.

Sensitivity Analysis

The following presents the net OPEB liability of the University calculated the discount rate we as what the net OPEB liability would be if it were calculated using a discount rate that is one-percentage-point lower or one percentage-point higher than the current discount rate:

	2023	2022
1% decrease to 3.34% for 2023 and 3.30% for 2022	\$ 13,429,202	\$ 19,938,993
Current discount rate 4.34% for 2023 and 4.30% for 2022	11,493,650	16,890,216
1% increase to 5.34% for 2023 and 5.30% for 2022	9,905,419	14,752,358

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

22 - POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (Continued)

Sensitivity Analysis (continued)

The following presents the net OPEB liability of the University, as well as what the net OPEB liability would be if it were calculated using a healthcare cost trend rate that is one-percentage-point lower or one-percentage-point higher than the current healthcare cost trend rate:

	2022	2021
1% decrease for Medical and EGWP and Administrative costs	\$ 9,630,806	\$ 14,327,507
Current cost trend rate as described on page 43	11,493,650	16,890,216
1% increase for Medical and EGWP and Administrative costs	13,850,033	20,590,215

23 - STATE CONTROLLED ACCOUNTS

Certain significant costs and benefits associated with the operations of the University are appropriated, expended, controlled and reported by the State through non-University line items in the State's budget. Under accounting principles generally accepted in the United States of America such transactions must be recorded in the financial statements of the University. These transactions include payments by the State for the employer's share of funding the Massachusetts State Employee's Retirement System and for the employer's share of health care premiums. The estimated amounts of funding attributable for the State retirement system contribution and the employer's share of health care premiums for 2024 were \$9,619,196 and \$7,048,966, respectively. The estimated amounts of funding attributable for the State retirement system contribution and the employer's share of health care premiums for 2023 were \$6,420,826 and \$7,700,191, respectively.

24 - MANAGEMENT ACCOUNTING AND REPORTING SYSTEM - (UNAUDITED)

Section 15C of Chapter 15A of the Massachusetts General Law requires Commonwealth colleges and universities report activity of campus-based funds to the Comptroller of the Commonwealth's Statewide Accounting System, Massachusetts Management Accounting and Reporting System (MMARS) using the statutory basis of accounting. The statutory basis of accounting is a modified accrual basis of accounting and differs from the information included in these financial statements. The amounts reported on MMARS meet the guidelines of the Comptroller's Guide for Higher Education Audited Financial Statements.

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

	2024	2023
Direct unrestricted appropriations	\$ 38,924,137	\$ 34,859,139
Fringe benefits for benefitted employees on state payroll	16,668,157	14,121,017
Tuition remitted	(379,533)	(364,107)
Total appropriations	<u>\$ 55,212,761</u>	<u>\$ 48,616,049</u>

A reconciliation between the University and MMARS fund 901 activity as of June 30, 2024 is as follows:

Revenue per MMARS	\$ 86,458,736
Revenue per University	<u>86,461,711</u>
Net reporting classification and differences	<u>\$ (2,975)</u>

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

NOTES TO FINANCIAL STATEMENTS
(Continued)

25 - RELATED PARTY TRANSACTIONS

The University provided, at no cost, office space and certain personnel services to the Worcester State Foundation, Inc. (the "Foundation"). The value of this support is estimated to be \$210,262 and \$236,447 for the years ended June 30, 2024 and 2023, respectively.

Worcester State Foundation, Inc. acts as an agent for the University by periodically accepting grants on its behalf. The proceeds of the grants are recorded as an asset of the Foundation until remitted to the University.

The University and the Foundation have entered into an affiliation agreement with the Worcester Center for Crafts, Inc. to collaboratively offer venues for teaching and learning in the arts, exhibition space, safe, well-equipped studios for community-based programs as well as undergraduate visual and performing art classes. As part of the agreement, the University provides various forms of support to the Crafts Center including annual service fees for allowing the University to use the facilities. Service agreement fees were \$250,000 for the years ended June 30, 2024 and 2023. In addition, the University provided support including personnel, equipment, repairs and maintenance and other operating expenses in 2023. The value of this support is estimated to be \$321,847 for the year ended June 30, 2023.

The University provides certain operating costs for WSF Real Estate, Inc. in exchange for the use property adjacent to the University campus for various purposes. WSF Real Estate, Inc. is under the control and holds property on behalf of the Foundation. Operating costs provided by the University were \$85,497 and \$83,156 during the years ended June 30, 2024 and 2023, respectively.

26 - AUXILIARY ENTERPRISES

The University's auxiliary enterprises consist of residence life and housing and health services. The related revenues and expenses for the years ended June 30, 2024 and 2023 are as follows:

	2024		2023	
	Residence Life and Housing	Health Services	Residence Life and Housing	Health Services
Total revenue	\$ 11,792,367	\$ 993,455	\$ 11,838,847	\$ 998,756
Total expenses	14,983,314	491,956	14,811,008	549,027
Increase (decrease) in net position before transfers	<u>\$ (3,190,947)</u>	<u>\$ 501,499</u>	<u>\$ (2,972,161)</u>	<u>\$ 449,729</u>

27 - COMMITMENTS AND CONTINGENCIES

Litigation

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 pending legal actions involving the University will not have a material adverse effect on the financial position of the University.

Grants and entitlements

The University receives financial assistance from federal and state agencies in the form of grants and entitlements. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit by the granting agency. Any disallowed expenditures resulting from such audits become a liability of the University. In the opinion of the University's administration, the outcome of any findings with respect to disallowed expenditures will not have a material adverse effect on the financial position of the University.

DISCUSSION DRAFT 1/3/25

REQUIRED
SUPPLEMENTARY INFORMATION

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

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Massachusetts State Employees' Retirement Plan

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2015 through 2023)

	2024	2023	2022	2021	2020
University's proportion of the net pension liability	0.81%	0.11%	0.15%	0.15%	0.14%
University's proportion of the net pension liability	\$ 10,806,543	\$ 13,421,011	\$ 11,319,876	\$ 23,033,837	\$ 19,332,813
University's covered-employee payroll	\$ 6,936,263	\$ 8,039,088	\$ 9,176,617	\$ 10,458,847	\$ 12,561,991
University's proportionate share of the net pension liability as a percentage of its covered employee payroll	155.80%	166.95%	123.36%	220.23%	153.90%
Plan fiduciary net position as a percentage of the total pension liability	70.71%	71.05%	77.54%	62.48%	66.28%
	2019	2018	2017	2016	2015
University's proportion of the net pension liability	0.17%	0.15%	0.15%	0.18%	0.14%
University's proportion of the net pension liability	\$ 20,564,468	\$ 18,014,320	\$ 18,674,184	\$ 18,901,770	\$ 9,357,928
University's covered-employee payroll	\$ 12,922,066	\$ 11,336,488	\$ 11,331,835	\$ 11,013,323	\$ 10,245,240
University's proportionate share of the net pension liability as a percentage of its covered employee payroll	159.14%	158.91%	164.79%	171.63%	91.34%
Plan fiduciary net position as a percentage of the total pension liability	67.91%	67.21%	63.48%	67.87%	76.32%

See accompanying independent auditor's report.

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

SCHEDULE OF UNIVERSITY PENSION CONTRIBUTIONS
Massachusetts State Employees' Retirement Plan

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2015 through 2023)

	2024	2023	2022	2021	2020
Statutorily required contribution*	\$ 1,087,817	\$ 1,290,957	\$ 1,290,289	\$ 1,450,748	\$ 1,315,547
Contributions in relation to the statutorily required contribution*	1,087,817	1,290,957	1,290,289	1,450,748	1,315,547
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered-employee payroll	\$ 6,936,263	\$ 8,039,088	\$ 9,176,617	\$ 10,458,847	\$ 12,561,991
Contributions as a percentage of covered-employee payroll	15.68%	16.06%	14.06%	13.87%	10.47%
	2019	2018	2017	2016	2015
Statutorily required contribution*	\$ 1,421,424	\$ 1,098,173	\$ 972,477	\$ 1,039,592	\$ 741,444
Contributions in relation to the statutorily required contribution*	1,421,424	1,098,173	972,477	1,039,592	741,444
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered-employee payroll	\$ 12,922,066	\$ 11,336,488	\$ 11,331,835	\$ 11,013,323	\$ 10,245,240
Contributions as a percentage of covered-employee payroll	11.00%	9.69%	8.58%	9.44%	7.24%

*Annual contribution are reported one year in arrears
as required by GASB 68

See accompanying independent auditor's report.

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

NOTES TO SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY AND SCHEDULE OF UNIVERSITY CONTRIBUTIONS

JUNE 30, 2015 THROUGH 2024

1 - CHANGES IN ACTUARIAL ASSUMPTIONS

The actuarial assumptions used as of the June 30, 2023 measurement date included a change in mortality rates. As of this date, pre-retirement mortality rates reflect the RP-2014 Blue Collar Employees Table, projected generationally with Scale MP-2021 and set forward one year for females. Post-retirement mortality rates reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2021 and set forward one year for females. Mortality rates for disability reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2021 and set forward one year.

The actuarial assumptions used as of the June 30, 2022 measurement date included a change in the inflation rate from 0.00% in 2021 to 2.50% for 2022.

The actuarial assumptions used as of the June 30, 2021 measurement date included a change in mortality rates. As of this date, pre-retirement mortality rates reflect the RP-2014 Blue Collar Employees Table, projected generationally with Scale MP-2020 and set forward one year for females. Post-retirement mortality rates reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2020 and set forward one year for females. Mortality rates for disability reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2020 and set forward one year.

The actuarial assumptions used as of the June 30, 2021 measurement date included a change in the investment rate of return from 7.15% in 2020 to 7.00% for 2021.

The actuarial assumptions used as of the June 30, 2020 measurement date included a change in the investment rate of return from 7.25% in 2019 to 7.15% for 2020.

The actuarial assumptions used as of the June 30, 2019 measurement date included a change in the investment rate of return from 7.35% in 2018 to 7.25% for 2019.

The actuarial assumptions used as of the June 30, 2018 measurement date included a change in mortality rates for disability. As of this date, mortality rates for disability reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2016 and set forward one year.

The actuarial assumptions used as of the June 30, 2017 measurement date included a change cost of living increases whereby such increases are on only the first \$13,000 per year.

The actuarial assumptions used as of the June 30, 2017 measurement date included a change in mortality rates. As of this date, pre-retirement mortality rates reflect the RP-2014 Blue Collar Employees Table, projected generationally with Scale MP-2016 and set forward one year for females. Post-retirement mortality rates reflect the RP-2014 Blue Collar Healthy Annuitant Table projected generationally with Scale MP-2016 and set forward one year for females. Mortality rates for disability were assumed to be in accordance with the RP-2000 Healthy Annuitant Table projected generationally with Scale BB and a base year of 2015 (gender distinct).

The actuarial assumptions used as of the June 30, 2016 measurement date included a change in the range of assumed salary increases from 3.5% to 9.0% in 2015 to 4.0% to 9.0%

See accompanying independent auditor's report.

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

NOTES TO SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY AND SCHEDULE OF UNIVERSITY CONTRIBUTIONS

JUNE 30, 2015 THROUGH 2024
(Continued)

1. CHANGES IN ACTUARIAL ASSUMPTIONS (Continued)

Chapter 176 of the Acts of 2011 created a one-time election for eligible members of the Optional Retirement Plan (ORP) to transfer to the State Employees' Retirement System (SERB) and purchase service for the period while members of the ORP. As a result, the total pension liability of SERB has increased by approximately \$400 million as of June 30, 2016.

The actuarial assumptions used as of the June 30, 2015 measurement date included a change in the investment rate of return and discount rate from 8.0% to 7.5%. The projection of cash flows used to determine the investment rate of return and discount rate assumed that plan member contributions will be made at the current contributions rates and the members rates.

In May 2015, an early retirement incentive (ERI) was created for certain members MSERS who upon election of the ERI retired effective June 30, 2015. As a result, the total pension liability of MSERS has increased by approximately \$230 million as of the June 30, 2015 measurement date.

The Actuarial assumptions used as of the June 30, 2015 measurement date included a change in mortality rates. As of this date, pre-retirement mortality rates reflect the RP-2000 Employees table projected generationally with Scale BB and a base year of 2009 (gender distinct). Post-retirement mortality rates reflect the RP-2000 Healthy Annuitant table projected generationally with Scan BB (gender distinct). Disability rates were assumed to be in accordance with the RP-2000 Healthy Annuitant table projected generationally with Scale BB and a base year of 2015 (gender distinct).

Mortality rates included as of the June 30, 2014 measurement date included pre-retirement mortality rates reflecting the RP-2000 Employees table projected 20 years with Scale AA (gender distinct). Post-retirement mortality rates reflect the RP-2000 Healthy Annuitant table projected 15 years with Scan AA (gender distinct). Disability rates were assumed to be in accordance with the RP-2000 table projected 5 years with Scale AA (gender distinct) set forward 3 years for males.

See accompanying independent auditor's report.

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

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
Commonwealth of Massachusetts Postemployment Benefits Other Than Pensions (OPEB) Plan

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2017 through 2023)

	2024	2023	2022	2021	2020
University's proportion of the net OPEB liability	0.09%	0.13%	0.13%	0.15%	0.21%
University's proportion of the net OPEB liability	\$ 11,493,650	\$ 16,890,216	\$ 19,875,075	\$ 29,639,150	\$ 36,445,632
University's covered-employee payroll	\$ 6,936,263	\$ 8,039,088	\$ 9,176,617	\$ 10,458,847	\$ 12,561,991
University's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	165.70%	210.10%	216.58%	283.39%	290.13%
Plan fiduciary net position as a percentage of the total OPEB liability	13.80%	13.00%	10.70%	6.40%	6.96%
	2019	2018	2017		
University's proportion of the net OPEB liability	0.25%	0.21%	0.18%		
University's proportion of the net OPEB liability	\$ 44,998,975	\$ 35,037,942	\$ 33,225,679		
University's covered-employee payroll	\$ 12,922,066	\$ 11,336,488	\$ 11,331,835		
University's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	348.23%	309.07%	293.21%		
Plan fiduciary net position as a percentage of the total OPEB liability	7.38%	5.39%	4.37%		

See accompanying independent auditor's report.

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

SCHEDULE OF UNIVERSITY OPEB CONTRIBUTIONS
Commonwealth of Massachusetts Postemployment Benefits Other Than Pensions (OPEB) Plan

YEAR ENDED JUNE 30, 2024
(With Comparative Totals for 2017 through 2023)

	2024	2023	2022	2021	2020
Statutorily required contribution*	\$ 474,061	\$ 644,941	\$ 677,546	\$ 751,524	\$ 959,290
Contributions in relation to the statutorily required contribution*	474,061	644,941	677,546	751,524	959,290
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
University's covered-employee payroll	\$ 6,936,263	\$ 8,039,088	\$ 9,176,617	\$ 10,458,847	\$ 12,561,991
Contributions as a percentage of covered-employee payroll	6.83%	8.02%	7.38%	7.19%	7.64%
	2019	2018	2017		
Statutorily required contribution*	\$ 1,076,188	\$ 882,031	\$ 745,202		
Contributions in relation to the statutorily required contribution*	1,076,188	882,031	745,202		
Annual contribution deficiency (excess)	\$ -	\$ -	\$ -		
University's covered-employee payroll	\$ 12,922,066	\$ 11,336,488	\$ 11,331,835		
Contributions as a percentage of covered-employee payroll	8.33%	7.78%	6.58%		

*Annual contributions are reported one year in arrears
as required by GASB 75

See accompanying independent auditor's report.

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

NOTES TO SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY AND SCHEDULE OF UNIVERSITY OPEB CONTRIBUTIONS

JUNE 30, 2017 THROUGH 2024

1 - CHANGES IN ACTUARIAL ASSUMPTIONS

The actuarial assumptions used as of the June 30, 2023 measurement date included a change in the annual healthcare cost trend rates used to measure the OPEB liability, developing such rates based on the Getzen trend rate model, version 2023_1f. The healthcare cost trend rate changed from 5.00% in 2022 to 5.79% in 2023 for Medicare benefits and from 7.60% in 2022 to 7.50% in 2023 for non-Medicare benefits, then increasing in 2024 before decreasing in 2025, 2026 and 2027 to a blended rate of 4.77% in 2032 and additional decrease in 2042, 2052, 2062, 2072, and 2075.

The actuarial assumptions used as of the June 30, 2023 measurement date included a change in mortality rates. As of this date, mortality rates reflect the RP-2014 Blue Collar Employees Table, projected generationally with Scale MP-2021 and set forward one year for females.

The actuarial assumptions used as of the June 30, 2023 measurement date included a change in participant rates whereby in 2022 actives under age 65 taking coverage were assumed to have indemnity (28%), POS/PPO (62%) or HMO (10%) have been adjusted in 2023 to indemnity (27%), POS/PPO (63%) or HMO (10%).

The actuarial assumptions used as of the June 30, 2023 measurement date included a change in participant rates whereby in 2022 actives over age 65 taking coverage were assumed to have indemnity (96%) or HMO (4%) have been adjusted in 2023 to Medicare Supplement (96%) or Medicare Advantage (4%).

The actuarial assumptions used as of the June 30, 2022 measurement date included a change in the annual healthcare cost trend rates used to measure the OPEB liability, developing such rates based on the Getzen trend rate model, version 2022_f4. The healthcare cost trend rate changed from 4.40% in 2021 to 5.00% in 2022 for Medicare benefits and from 7.3% in 2021 to 7.60% in 2022 for non-Medicare benefits, then increasing in 2023 and 2024 before decreasing in 2025 and 2026 to a blended rate of 4.97% in 2031 and additional decrease in 2041, 2051, 2061, 2071, and 2075. The Getzen trend rate model also assumes inflation of 2.5%, real GDP growth of 1.4% and excess medical growth of 1.1%.

The actuarial assumptions used as of the June 30, 2022 measurement date included a change in participant rates whereby in 2021 actives under age 65 taking coverage were assumed to have indemnity (28%), POS/PPO (60%) or HMO (12%) have been adjusted in 2022 to indemnity (28%), POS/PPO (62%) or HMO (10%).

The actuarial assumptions used as of the June 30, 2021 measurement date included a change in the annual healthcare cost trend rates used to measure the OPEB liability, developing such rates based on the Getzen trend rate model, version 2021_b. The healthcare cost trend rate changed from 4.9% in 2020 to 4.4% for Medicare benefits and from 6.7% in 2020 to 7.3% in 2021 for non-Medicare benefits, then decreasing 0.24% each year to a blended rate of 5.18% in 2030 and additional decrease in 2060, 2070, and 2075. The Getzen trend rate model also assumes inflation of 2.5%, real GDP growth of 1.5% and excess medical growth of 1.1%.

The actuarial assumptions used as of the June 30, 2021 measurement date included a change in discount rate used to measure the OPEB liability. The discount rates used to measure the OPEB liability as of June 30, 2021 and 2020 was 2.77% and 2.28%, respectively. This rate was based on a blend of the Bond Buyer Index rates of 2.16% and 2.21% as of the measurement date of June 30, 2021 and 2020, respectively and the expected rates of return.

See accompanying independent auditor's report.

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

NOTES TO SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY AND SCHEDULE OF UNIVERSITY OPEB CONTRIBUTIONS

JUNE 30, 2017 THROUGH 2024
(Continued)

1 - CHANGES IN ACTUARIAL ASSUMPTIONS (Continued)

The actuarial assumptions used as of the June 30, 2021 measurement date included a change in the long-term expected rate of return on plan investments from 7.15% to 7.15%.

The actuarial assumptions used as of the June 30, 2020 measurement date included a change in the annual healthcare cost trend rates used to measure the OPEB liability, developing such rates based on the Getzen trend rate model, version 2021_b. The healthcare cost trend rate changed from 7.5% in 2019 to 4.9% for Medicare benefits and 6.7% for non-Medicare benefits, then decreasing 0.1% each year to a blended rate of 5.18% in 2030 and additional decrease in 2060, 2070, and 2075. The Getzen trend rate model also assumes inflation of 2.5%, real GDP growth of 1.5% and excess medical growth of 1.1%.

The actuarial assumptions used as of the June 30, 2020 measurement date included a change in participant rates whereby 35% of employees currently opting out of active employee health coverage are assumed to enroll in retiree coverage. Also, 100% of spouses are assumed to elect to continue coverage after the retiree's death.

The actuarial assumptions used as of the June 30, 2020 measurement date included a change in participant rates whereby in 2019 actives under age 65 taking coverage were assumed to have indemnity (25%), POS/PPO (60%) or HMO (15%) have been adjusted in 2020 to indemnity (28%), POS/PPO (60%) or HMO (12%).

The actuarial assumptions used as of the June 30, 2020 measurement date included a change in participant rates whereby in 2019 actives over age 65 taking coverage were assumed to have indemnity (85%), POS/PPO (0%) or HMO (15%) have been adjusted in 2020 to indemnity (96%), POS/PPO (0%) or HMO (4%).

The actuarial assumptions used as of the June 30, 2020 measurement date included a change in the long-term expected rate of return on plan investments from 7.35% to 7.15%.

The actuarial assumptions used as of the June 30, 2019 measurement date included a change in the annual healthcare cost trend rates used to measure the OPEB liability decreasing from 8.0% in 2018 to 7.5% in 2019, then decreasing 0.5% each year to an ultimate rate of 4.5% in 2026 for medical and (2) 4.5% for administration costs. Healthcare costs are offset by reimbursements for Employer Group Waiver Plans (EGWP), which are assumed to increase 5.0% per year until 2025, then decrease to 4.5% in 2026.

The actuarial assumptions used as of the June 30, 2019 measurement date included a change in participant rates whereby 80% of current and future contingent eligible participants will elect health care benefits at age 65, or current age if later was increased to 85% in 2019.

The actuarial assumptions used as of the June 30, 2019 measurement date included a change in participant rates whereby in 2018 actives under age 65 taking coverage were assumed to have indemnity (40%), POS/PPO (50%) or HMO (10%) have been adjusted in 2019 to indemnity (25%), POS/PPO (60%) or HMO (15%).

The actuarial assumptions used as of the June 30, 2019 measurement date included a change in the long-term expected rate of return on plan investments from 7.35% to 7.25%.

See accompanying independent auditor's report.

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

NOTES TO SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY AND SCHEDULE OF UNIVERSITY OPEB CONTRIBUTIONS

JUNE 30, 2017 THROUGH 2024
(Continued)

1 - CHANGES IN ACTUARIAL ASSUMPTIONS (Continued)

The actuarial assumptions used as of the June 30, 2019 measurement date included a change in the discount rates used to measure the OPEB liability from 3.92% to 3.63%. This rate was based on a blend of the Bond Buyer Index rates of 3.51% and 3.87% as of the measurement date of June 30, 2019 and 2018, respectively and the expected rates of return.

The actuarial assumptions used as of the June 30, 2018 measurement date included a change in the discount rates used to measure the OPEB liability from 3.65% to 3.92%. This rate was based on a blend of the Bond Buyer Index rates of 3.87% and 3.58% as of the measurement date of June 30, 2019 and 2018, respectively and the expected rates of return.

The actuarial assumptions used as of the June 30, 2018 measurement date included a change in the long-term expected rate of return on plan investments from 7.50% to 7.35%.

See accompanying independent auditor's report.

SUPPLEMENTAL SCHEDULE
PURSUANT TO THE UNIFORM GUIDANCE

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

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED JUNE 30, 2024

Federal Grantor/Pass-Through Grantor Program or Cluster Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Provided to Subrecipients	Total Federal Expenditures
U. S. Department of Education:				
Student Financial Assistance Cluster				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	\$ -	\$ 228,495
Federal Work-Study Program	84.033	N/A	-	177,035
Federal Perkins Loans	84.038	N/A	-	284,726
Federal Pell Grant Program	84.063	N/A	-	7,724,504
Federal Direct Student Loans	84.268	N/A	-	16,959,205
Teacher Education Assistance for College and Higher Education Grants	84.379	N/A	-	26,518
Total Student Financial Assistance Cluster			-	25,400,483
Fund for the Improvement of Postsecondary Education	84.116Z	N/A	-	228,380
School Safely National Activities	84.184	N/A	-	144,778
Total U. S. Department of Education			-	25,773,641
National Science Foundation:				
STEM Education (formerly Education and Human Resources)	47.076			
Direct Award		N/A	-	264,322
Passed through Massachusetts Department of Higher Education		ISARGT70661575WOR23A	-	22,123
			-	286,445
U.S. Department of Health and Human Services:				
Passed through U.S. Center for Disease Control/City of Worcester Racial and Ethnic Approaches to Community Health (REACH)	93.738	33S14422, 33S14423, 33S145423	-	138,352
Passed through University of Massachusetts/Network of National Library of Medicine Promoting Student Learning Spaces and Health Information		UG4LM012347-07	-	9,393
Total U. S. Department of Health and Human Services			-	147,745
National Aeronautics and Space Administration:				
Science	43.001	N/A	-	131,883
U.S. Department of State:				
Passed through IDEAS Increase & Diversify Education Abroad for U.S. Students		N/A	-	410
Passed through The Institute of International Education, Inc. American Passport Project		IIEN-0556	-	4,125
Total U. S. Department of State			-	4,535
U.S. Department of Commerce:				
Congressionally Identified Awards and Projects	11.469	N/A	-	169,582
Total Expenditures of Federal Awards			\$ -	\$ 26,513,831

See accompanying independent auditor's report and notes to schedule.

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

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1 - BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of Worcester State University (the "University") under programs of the Federal government for the year ended June 30, 2024. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the University, it is not intended to and does not present the financial position, changes in net position, or cash flows of the University.

For purposes of the Schedule, federal awards include all grants, contracts and similar agreements entered into directly between the University and departments of the federal government.

2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Indirect cost rate

The University has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

3 - FEDERAL STUDENT LOAN PROGRAMS

The federal student loan programs listed subsequently are administered directly by the University, and balances and transactions relating to these programs are included in the University's basic financial statements. Loans outstanding at the beginning of the year and loans made during the year are included in the federal expenditures presented in the Schedule. The University did not make any new loans during 2023. The balance of loans outstanding at June 30, 2024 consists of:

	<u>Outstanding Balance as of June 30, 2024</u>
CFDA Number 84.038	
Perkins Loan Program	\$ 269,517

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

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Continued)

3 - FEDERAL STUDENT LOAN PROGRAMS (Continued)

Federally-guaranteed loans issued to students of the University during the year ended June 30, 2024 are summarized as follows:

	Disbursements for the year ended <u>June 30, 2024</u>
CFDA Number 84.268	
Federal Direct Student Loans	\$ 16,959,205

The University is only responsible for the performance of certain administrative duties with respect to federally-guaranteed student loan programs and, accordingly, balances and transactions relating to these loan programs are not included in the University's general purpose financial statements. It is not practical to determine the balance of loans outstanding to students and former students of the University as of June 30, 2024.

4 - ADMINISTRATIVE COST ALLOWANCES

The Student Financial Aid Administrative Cost Allowances for the year ended June 30, 2024 are as follows:

Federal Supplemental Educational Opportunity Grant	\$ 14,000
Federal Work Study	11,000
Federal Pell Grant	7,665

DISCUSSION DRAFT 1/3/25

OTHER REPORTS

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
Worcester State University

We have audited, in accordance with the 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 (*Government Auditing Standards*), the financial statements of the business-type activities and discretely presented component unit of Worcester State University (an agency of the Commonwealth of Massachusetts) (the "University"), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the University's basic financial statements, and have issued our report thereon dated _____, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the University's internal control over financial reporting (internal control) as a basis for designing 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 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 University's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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*
(Continued)

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.

Worcester, Massachusetts
_____, 2024

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Trustees
Worcester State University

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Worcester State University's (an agency of the Commonwealth of Massachusetts) (the "University") compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of University's major federal programs for the year ended June 30, 2024. The University's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the University's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the University's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE
(Continued)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Worcester, Massachusetts
_____, 2024

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2024

I. SUMMARY OF INDEPENDENT AUDITOR'S RESULTS

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

___ Yes

X No

Significant deficiency(ies) identified?

___ Yes

X None Reported

Noncompliance material to financial statements noted?

___ Yes

X No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?

___ Yes

X No

Significant deficiency(ies) identified?

___ Yes

X None Reported

Type of auditor's report issued on compliance for major federal programs:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 2 CFR 200.516(a)?

___ Yes

X No

Identification of major programs:

Federal Assistance Listing Number(s)

Name of Federal Program or Cluster

Student Financial Assistance Cluster:

84.007

Federal Supplemental Educational Opportunity Grant

84.033

Federal Work Study Program

84.038

Federal Perkins Loans

84.063

Federal Pell Grant Program

84.268

Federal Direct Student Loans

84.379

Teacher Education Assistance for College and Higher Education Grants

Dollar threshold used to distinguish between type A and type B programs

\$750,000

Auditee qualified as low-risk auditee?

X Yes

___ No

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

YEAR ENDED JUNE 30, 2024
(Continued)

II. FINANCIAL STATEMENT FINDINGS

A. Internal Control Findings

As disclosed in Section I, the audit of the basic financial statements of Worcester State University as of and for the year ended June 30, 2024, disclosed no matters involving the internal control over financial reporting and its operations that are considered to be significant deficiencies or material weaknesses.

B. Compliance Findings

As disclosed in Section I, the audit disclosed no instances of noncompliance which are material to the financial statements of Worcester State University as of and for the year ended June 30, 2024.

III. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

A. Internal Control Over Compliance

No matters were reported as of and for the year ended June 30, 2024.

B. Compliance Findings

No matters were reported as of and for the year ended June 30, 2024.

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2024

The prior year single audit disclosed no findings in the Schedule of Findings and Questioned Costs, and no uncorrected or unresolved findings exist from the prior audit's Summary of Prior Audit Findings.

DISCUSSION DRAFT 1/3/25

FY 2025 Quarter 1 Financial Reports

All Trust Funds

Year-to-Date Revenue through September 30, 2024, with comparative information from FY 2024

Year-to-Date Expenses through September 30, 2024, with comparative information from FY 2024

Operating Budget (State Appropriations and General Purpose Trust Fund)

Year-to-Date Revenue through September 30, 2024, with comparative information from FY 2024

Year-to-Date Expenses through September 30, 2024, with comparative information from FY 2024

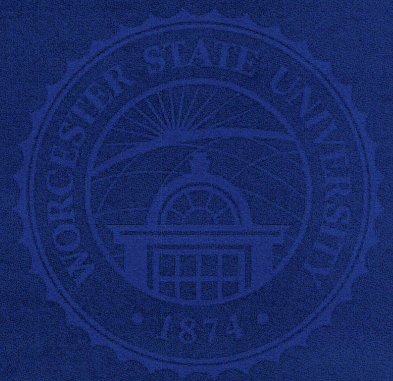
Resident Hall Trust Fund

Year-to-Date Revenue through September 30, 2024, with comparative information from FY 2024

Year-to-Date Expenses through September 30, 2024, with comparative information from FY 2024



All Trust Funds



Worcester State University
All Trust Fund Report - Quarter 1
FY25 vs FY24 Budget vs Actuals
Revenues 9/30/2024 & 9/30/2023

Account Description	FY 2025					FY 2024				
	Original Budget - BOT	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned	Original Budget - BOT	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned
General Trust Fund (400)	47,357,796.00	43,539,800.00	23,687,339.45	54.40%	19,852,460.55	48,843,584.00	42,727,511.00	20,998,686.37	49.15%	21,728,824.63
Capital Improvement Trust Fund (405)	2,689,788.00	2,689,788.00	1,319,317.70	49.05%	1,370,470.30	2,729,601.00	2,729,601.00	1,293,409.65	47.38%	1,436,191.35
Parking Garage Operating Fund (408)	721,206.00	-	-	0.00%	-	701,206.00	-	-	0.00%	-
Strategic Plan Trust Fund (410)	335,000.00	-	-	0.00%	-	89,000.00	-	-	0.00%	-
Wellness Center Trust Fund (429)	100,422.00	48,010.00	18,897.26	39.36%	29,112.74	100,490.00	42,328.00	-	0.00%	42,328.00
Parking Fines Fund (439)	96,849.00	96,849.00	3,420.00	3.53%	93,429.00	90,000.00	50,477.00	-	0.00%	50,477.00
Health Services Trust Fund (442)	998,306.00	998,306.00	506,539.40	50.74%	491,766.60	1,004,473.00	1,004,473.00	509,077.34	50.68%	495,395.66
Resident Hall Trust Fund (445)	13,590,649.00	12,277,962.00	6,262,170.67	51.00%	6,015,791.33	11,976,996.00	11,976,996.00	5,697,094.54	47.57%	6,279,901.46
Student Activities Trust Fund (446)	455,744.00	231,852.00	117,642.00	50.74%	114,210.00	440,735.00	233,139.00	117,808.94	50.53%	115,330.06
Residence Hall Technology and Equipment Trust Fund (448)	275,000.00	275,000.00	145,970.00	53.08%	129,030.00	272,910.00	272,910.00	143,000.00	52.40%	129,910.00
	66,620,760.00	60,157,567.00	32,061,296.48	53.30%	28,096,270.52	66,248,995.00	59,037,435.00	28,759,076.84	48.71%	30,278,358.16

Approved Budget

66,620,760.00

Amount is transfers to fund current activity

(721,206.00)

Amount is reserve balances budgeted to fund current activity

(1,923,991.00)

Amount Transferred in from Reserves

(2,702,204.00)

Amount Transferred in from FY24 Formula Funds

(1,115,792.00)

60,157,567.00

66,248,995.00

Approved Budget

(701,206.00)

Amount is transfers to fund current activity

(394,281.00)

Amount is reserve balances budgeted to fund current activity

(2,749,798.00)

Amount Transferred in from Reserves

(3,366,275.00)

Amount Transferred in from ARPA Allocation

59,037,435.00

Worcester State University
All Trust Fund Report - Quarter 1
FY25 vs FY24 Budget vs Actuals
Expenses 9/30/2024 & 9/30/2023

Account Description	FY2025					FY2024				
	Original Budget - BOT	Expenditure Budget	Expenditure Actual	Percent of Budget Spent	Available	Original Budget - BOT	Expenditure Budget	Expenditure Actual	Percent of Budget Spent	Available
General Trust Fund (400)	47,357,796.00	47,357,796.00	8,767,417.04	18.51%	38,590,378.96	48,843,584.00	48,843,584.00	7,622,094.05	15.61%	41,221,489.95
Capital Improvement Trust Fund (405)	2,689,788.00	536,617.00	-	0.00%	536,617.00	2,729,601.00	536,617.00	-	0.00%	536,617.00
Parking Garage Operating Fund (408)	721,206.00	721,206.00	15,874.11	2.20%	705,331.89	701,206.00	701,206.00	13,505.37	1.93%	687,700.63
Strategic Plan Trust Fund (410)	335,000.00	335,000.00	250,122.08	74.66%	84,877.92	89,000.00	89,000.00	21,749.04	24.44%	67,250.96
Wellness Center Trust Fund (429)	100,422.00	100,422.00	16,550.87	16.48%	83,871.13	100,490.00	100,490.00	20,917.92	20.82%	79,572.08
Parking Fines Fund (439)	96,849.00	90,000.00	7,656.22	8.51%	82,343.78	90,000.00	90,000.00	2,190.00	2.43%	87,810.00
Health Services Trust Fund (442)	998,306.00	619,969.00	581.73	0.09%	619,387.27	1,004,473.00	621,992.00	1,463.39	0.24%	620,528.61
Resident Hall Trust Fund (445)	13,590,649.00	13,590,649.00	1,073,020.01	7.90%	12,517,628.99	11,976,996.00	11,929,332.00	627,810.17	5.26%	11,301,521.83
Student Activities Trust Fund (446)	455,744.00	455,744.00	37,571.71	8.24%	418,172.29	440,735.00	440,735.00	18,462.81	4.19%	422,272.19
Residence Hall Technology and Equipment Trust Fund (448)	275,000.00	192,944.00	-	0.00%	192,944.00	272,910.00	221,880.00	-	0.00%	221,880.00
	66,620,760.00	64,000,347.00	10,168,793.77	15.89%	53,831,553.23	66,248,995.00	63,574,836.00	8,328,192.75	13.10%	55,246,643.25

Approved Budget

66,620,760.00

Amount is a budgeted transfer from fund 405 to fund 408

(721,206.00)

Amount is a transfer to fund balance to increase reserves in fund 442

(378,337.00)

Amount is a transfer to fund balance to increase reserves in fund 405

(1,431,965.00)

Amount is a transfer to fund balance to increase reserves in fund 439

(6,849.00)

Amount is a transfer to fund balance to increase reserves in fund 445

-

Amount is a transfer to fund balance to increase reserves in fund 448

(82,056.00)

64,000,347.00

66,248,995.00 Approved Budget

(701,206.00) Amount is a budgeted transfer from fund 405 to fund 408

(382,481.00) Amount is a transfer to increase reserves in fund 442

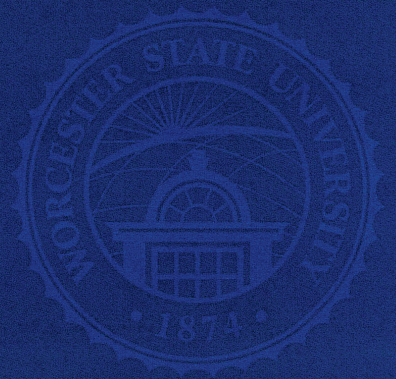
(1,491,778.00) Amount is a transfer to increase reserves in fund 405

(47,664.00) Amount is a transfer to increase reserves in fund 445

(51,030.00) Amount is a transfer to increase reserves in fund 448

63,574,836.00

Operating Budget



Worcester State University
FY25 vs FY24 Budget vs Actuals - Quarter 1
Revenues 400 & 111
9/30/2024 & 9/30/2023

FY 2025						FY 2024					
Description	Original Budget - Upload	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned	Description	Original Budget - Upload	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned
Academic Fees	37,394,175.00	(37,394,175.00)	(18,814,863.35)	50.31%	(18,579,311.65)	Academic Fees	(35,939,865.45)	(35,939,865.45)	(17,644,063.51)	49.09%	(18,295,801.94)
Fee Waivers	(1,033,879.00)	1,033,879.00	576,032.11	55.72%	457,846.89	Fee Waivers	824,638.32	824,638.32	459,953.62	55.78%	364,684.70
Tuition	7,100,768.00	(9,000,768.00)	(4,236,713.05)	47.07%	(4,764,054.95)	Tuition	(7,489,969.87)	(8,389,969.87)	(3,699,476.71)	44.09%	(4,690,493.16)
Tuition Waivers	(298,916.00)	298,916.00	135,587.75	45.36%	163,328.25	Tuition Waivers	298,616.00	298,616.00	139,332.00	46.66%	159,284.00
Activity Income	112,190.00	(112,190.00)	(59,175.20)	52.75%	(53,014.80)	Activity Income	(110,913.00)	(110,913.00)	-	0.00%	(110,913.00)
Other Income	265,462.00	(312,052.00)	(1,304,142.45)	417.92%	992,090.45	Other Income	(310,017.00)	(356,607.00)	(494,058.17)	138.54%	137,451.17
State Maintenance	55,982,443.00	(55,982,443.00)	(16,899,067.62)	30.19%	(39,083,375.38)	State Maintenance	(50,755,206.00)	(50,755,206.00)	(11,619,713.00)	22.89%	(39,135,493.00)
	99,522,243.00	(101,468,833.00)	(40,602,341.81)	40.01%	(60,866,491.19)		(93,482,717.00)	(94,429,307.00)	(32,858,025.77)	34.80%	(61,571,281.23)
Approved Budget		(103,340,239.00)					(99,598,790.00)	Approved Budget			
Transferred in from Reserves		2,702,204.00					2,749,798.00	Transferred in from Reserves			
Transferred in for FY24 Formula Funds - Surplus		1,115,792.00					3,366,275.00	Transferred in for ARPA Allocation			
Sources Closing to 400		(1,946,590.00)					(946,590.00)	Sources Closing to 400			
		<u>(101,468,833.00)</u>					<u>(94,429,307.00)</u>				

Worcester State University
FY25 vs FY24 Budget vs Actuals - Quarter 1
Expenses 400 & 111
9/30/2024 & 9/30/2023

FY 2025							FY 2024					
Account Description	Object	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available	
Regular Employees	AAA	48,359,308.00	48,359,308.13	10,328,890.98	21.36%	38,030,417.15	46,254,709.00	46,260,609.00	9,632,757.84	20.82%	36,627,851.16	
Employee Related Expenses	BBB	607,453.00	664,867.31	273,354.97	41.11%	391,512.34	601,853.00	646,289.11	209,887.53	32.48%	436,401.58	
Temporary Part-Time Employees	CCC	9,979,580.00	9,978,780.00	1,618,334.40	16.22%	8,360,445.60	9,579,855.00	9,588,855.00	1,370,419.01	14.29%	8,218,435.99	
Staff Benefit Expenses	DDD	21,695,448.00	21,695,448.09	4,548,411.11	20.96%	17,147,036.98	21,343,174.00	21,343,174.00	16,672.99	0.08%	21,326,501.01	
Administrative Expenses	EEE	2,890,154.00	3,019,836.33	818,501.79	27.10%	2,201,334.54	3,042,988.00	3,057,978.43	480,443.79	15.71%	2,577,534.64	
Facility Operation Supplies	FFF	2,615,975.00	1,977,991.19	388,195.98	19.63%	1,589,795.21	2,099,362.00	1,869,700.06	226,785.74	12.13%	1,642,914.32	
Energy/Space Rental	GGG	2,140,200.00	1,992,720.00	246,187.43	12.35%	1,746,532.57	2,053,000.00	1,944,186.56	264,145.11	13.59%	1,680,041.45	
Professional Services	HHH	894,652.00	3,640,801.75	863,335.09	23.71%	2,777,466.66	994,652.00	1,970,937.08	614,738.62	31.19%	1,356,198.46	
Operational Services	JJJ	1,069,146.00	1,064,104.17	289,733.71	27.23%	774,370.46	1,018,004.00	1,012,918.06	274,906.50	27.14%	738,011.56	
Equipment Purchase	KKK	-	30,783.59	19,537.12	0.00%	11,246.47	-	15,273.98	33,159.48	217.10%	(17,885.50)	
Equipment Lease, Maintenance, Repair	LLL	1,100,177.00	1,183,773.37	283,976.37	23.99%	899,797.00	1,117,192.00	1,192,924.83	158,663.14	13.30%	1,034,261.69	
Infrastructure & Building Improvements	NNN	5,228,226.00	4,877,149.40	585,549.03	12.01%	4,291,600.37	5,171,100.00	5,288,611.44	301,852.82	5.71%	4,986,758.62	
Educational Assistance	RRR	2,416,964.00	2,416,964.00	11,748.00	0.49%	2,405,216.00	2,457,611.00	2,461,611.00	4,593.00	0.19%	2,457,018.00	
Debt Service	SSS	567,536.00	567,536.00	-	0.00%	567,536.00	325,000.00	325,000.00	-	0.00%	325,000.00	
Loans & Special Pmts	TTT	-	-	-	0.00%	-	-	-	-	0.00%	-	
Technology Expenses	UUU	3,775,420.00	3,816,765.67	2,051,459.90	53.75%	1,765,305.77	3,540,290.00	3,567,311.45	1,553,541.43	43.55%	2,013,770.02	
		103,340,239.00	105,286,829.00	22,327,215.88	21.21%	82,959,613.12	99,598,790.00	100,545,380.00	15,142,567.00	15.06%	85,402,813.00	
Approved Budget			103,340,239.00					99,598,790.00	Approved Budget			
Sources Closing to 400			1,946,590.00					946,590.00	Sources Closing to 400			
			105,286,829.00					100,545,380.00				

Residence Hall Trust Fund



Worcester State University
FY25 vs FY24 Budget vs Actuals - Quarter 1
Residence Hall Trust Fund Revenue (Source 445 & 444)
9/30/2024 & 9/30/2023

FY 2025						FY 2024					
Description	Original Budget - Upload	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned	Original Budget - BOT	Revenue Budget Excluding Transfers	Revenue Earned Actual	Percent of Budget Earned	Unearned	
Academic Fees	-	-	33,175.00	0.00%	(33,175.00)	-	-	32,500.00	0.00%	(32,500.00)	
Res Hall Room Charges	13,590,649.00	12,277,962.00	6,088,122.99	49.59%	6,189,839.01	11,976,996.00	11,976,996.00	5,660,917.67	47.26%	6,316,078.33	
Other Charges	-	-	140,872.68	0.00%	(140,872.68)	-	-	3,676.87	0.00%	(3,676.87)	
	<u>13,590,649.00</u>	<u>12,277,962.00</u>	<u>6,262,170.67</u>	<u>51.00%</u>	<u>6,015,791.33</u>	<u>11,976,996.00</u>	<u>11,976,996.00</u>	<u>5,697,094.54</u>	<u>47.57%</u>	<u>6,279,901.46</u>	
Approved Budget		13,590,649.00					11,976,996.00	Approved Budget			
Amount reflects a transfer from fund balance		(1,312,687.00)					-				
		<u>12,277,962.00</u>					<u>11,976,996.00</u>				

Worcester State University
FY25 vs FY24 Budget vs Actuals - Quarter 1
Residence Hall Trust Fund Expenses (Source 445 & 444)
9/30/2024 & 9/30/2023

FY 2025						FY 2024					
Account Description	Object	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available	Original Budget - BOT	Current Budget	Actual	Percent of Budget Spent	Available
Regular Employees	AAA	1,639,968.00	1,639,968.00	323,577.80	19.73%	1,316,390.20	1,506,627.00	1,506,627.00	297,164.72	19.72%	1,209,462.28
Employee Related Expenses	BBB	-	3,000.00	837.95	0.00%	2,162.05	-	5,000.00	974.15	0.00%	4,025.85
Temporary Part-Time Employees	CCC	225,000.00	225,000.00	67,207.50	29.87%	157,792.50	225,000.00	225,000.00	42,701.25	18.98%	182,298.75
Staff Benefit Expenses	DDD	751,270.00	751,269.77	135,469.59	18.03%	615,800.18	631,126.00	631,126.00	-	0.00%	631,126.00
Administrative Expenses	EEE	32,500.00	32,500.00	2,671.17	8.22%	29,828.83	37,000.00	37,000.00	633.81	1.71%	36,366.19
Facility Operation Supplies	FFF	275,000.00	245,400.00	42,913.35	17.49%	202,486.65	240,000.00	235,000.00	18,359.34	7.81%	216,640.66
Energy/Space Rental	GGG	9,400,766.00	9,400,765.51	141,869.41	1.51%	9,258,896.10	8,158,131.00	8,158,131.00	4,945.35	0.06%	8,153,185.65
Professional Services	HHH	10,200.00	10,200.00	-	0.00%	10,200.00	6,200.00	10,200.00	500.00	4.90%	9,700.00
Operational Services	JJJ	-	-	-	0.00%	-	-	-	-	0.00%	-
Equipment Purchase	KKK	-	1,000.00	-	0.00%	1,000.00	-	-	-	0.00%	-
Equipment Lease, Maintenance, Repair	LLL	37,500.00	59,400.00	18,939.38	31.88%	40,460.62	37,500.00	37,500.00	2,096.55	5.59%	35,403.45
Infrastructure & Building Improvements	NNN	697,084.00	719,295.72	267,105.15	37.13%	452,190.57	629,748.00	625,748.00	209,478.39	33.48%	416,269.61
Educational Assistance	RRR	468,950.00	468,950.00	61,041.50	13.02%	407,908.50	434,000.00	434,000.00	50,070.38	11.54%	383,929.62
Debt Service	SSS	-	-	-	0.00%	-	-	-	-	0.00%	-
Technology Expenses	UUU	52,411.00	33,900.00	11,387.21	33.59%	22,512.79	24,000.00	24,000.00	886.23	3.69%	23,113.77
		13,590,649.00	13,590,649.00	1,073,020.01	7.90%	12,517,628.99	11,929,332.00	11,929,332.00	627,810.17	5.26%	11,301,521.83

Approved Budget 13,590,649.00

Amount is a transfer to increase reserves in fund 445 -
Amount is a transfer to cover facilities expenses in fund 445 -

13,590,649.00

11,976,996.00 Approved Budget

(47,664.00) Amount is a transfer to increase reserves in fund 445
- Amount is a transfer to cover facilities expenses in fund 445

11,929,332.00

President's Update

January 2025



President's Message

Even as we look back at Worcester State's 150 years, we must also look ahead. Like other administrators and boards over that time – notably during the Depression, when we nearly closed our doors – we face some strong headwinds.

I've long believed in a planful approach to addressing challenges, and that practice has stood us well. Shortly after I arrived at Worcester State, we undertook a comprehensive and inclusive process to develop a five-year strategic plan. With Vision 2020, we established a set of core values that guide us to this day.

Midway through, we invested in an external analysis of the higher education market, which informed the RASE (Roadmap for Advancing Student Excellence) Plan, developed by a campus-based task force. Among other initiatives, it called for a new academic framework, MajorPlus, whereby students graduate with two majors or a major and a minor. Of the new students entering in fall of 2024, 70 percent say MajorPlus was a factor in their decision to attend Worcester State, and this signature approach has distinguished us from other universities.

Today, we face the roughest waters since I arrived in 2011: a sharp demographic decline in the population of 18-year-olds combined with a growing percentage of high school students who see little value in higher education. Those institutions that hit these waves without new navigation tools are likely to get tossed. We do not intend to be one of them. By investing up front in an industry-leading recruitment and enrollment suite of services through EAB's Enroll360, we intend to grow enrollment over this period, consistent with the Strategic Enrollment Management (SEM) plan the Board of Trustees supportively endorsed in 2023.

The plan established a goal of enrolling at least 5,000 undergraduate and 1,500 graduate students by 2027, despite the shrinking of our traditional recruitment markets. With current enrollment at 4,734 and 877, respectively, new strategies and initiatives are required. The ones outlined in the SEM Plan have led to a significant improvement in our persistence rate. Yet we cannot expand the recruitment end of the admissions funnel with our existing staff and information technology. Enroll360 will provide us with access to EAB's proprietary database of millions of student names, as well as the technological ability and capacity to strategically engage with more prospective students who might be persuaded to consider WSU. Importantly, EAB can connect with those high school students as early as sophomore year – far earlier than we are able to. Enroll360 has an excellent track record of achieving enrollment growth for its clients, and we aim to be a beneficiary.



Fundraising is linked to this undertaking. Our yield among admitted students, for example, correlates with the number and types of scholarships we can offer along with acceptance letters. Thus we are preparing to launch a multi-year campaign for scholarships as well as for other university needs.

Both the EAB partnership and our fundraising campaign will require us to incur new costs, investing in each up front. At the January trustees meeting, the vice presidents of Enrollment Management and Advancement will oversee presentations on the new initiatives, and we look forward to gathering input from the Board. I am confident both investments will not only help us navigate the rough waters before us, but will put Worcester State on the best course for the decades ahead.

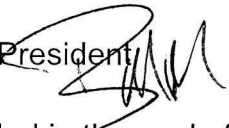




WORCESTER
STATE
UNIVERSITY

President's Office
Phone: 508-929-8020
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TO: Members, WSU Board of Trustees

FROM: Barry M. Maloney, President 

RE: Names to be included in the pool of approved speakers, honorary degree, and award recipients

DATE: January 3, 2025

A call to solicit nominations for commencement speaker, honorary degree recipients, and community service awardees is sent to the campus community at the beginning of each academic year. Nominations can be made by direct submission to the Speakers and Awards Committee at <http://wwwfac.worcester.edu/speaker> and are accepted throughout the year. They are evaluated by the Speakers and Awards Committee on a rolling basis; applications are reviewed during both the fall and spring semesters. The committee then develops a list to recommend to the All-University Committee, which then forwards all finalists as recommendations to the President. Final approval is granted by the Board of Trustees, upon the President's recommendation.

Attached are my recommendations for commencement speaker, honorary degree recipients, and community service awardees, for inclusion in the pool of approved speakers, degree recipients, and awardees.

In addition to an honorary degree for our 2025 Commencement Speaker, Dr. Debra Maddox, requested separately, I seek the Board's approval for the following honorary degree recipients for 2025:

- Councilor Niamh Kennedy - Honorary Degree Candidate
- Mayor Councilor Lilian Seenoi-Barr - Honorary Degree Candidate

Recommendations for Commencement Speaker and Honorary Degree and Community Service Award Recipients

(to be included in the current pool of approved speakers and award recipients)

Marjorie Agosin - Commencement Speaker

Poet and human rights activist Dr. Marjorie Agosin has spoken several times on campus for WSU's Human Rights Center about the intersection of literature, poetry, and global human rights struggles. A native of Chile, she and her family fled the Pinochet dictatorship in the early 1970s, and she has written and spoken extensively about the responses of artists to political oppression, as well on broader topics of feminism, social justice, and remembrance. Dr. Agosin has received numerous awards for her creative and scholarly works, as enumerated in her Poetry Foundation listing, linked below. She is currently on the faculty of Wellesley College as a professor of humanities and Spanish.

<https://www.wellesley.edu/people/marjorie-agosin>

<https://www.poetryfoundation.org/poets/marjorie-agosin>

Niamh Kennedy - Honorary Degree Candidate

Councilor Niamh Kennedy was first elected to Donegal County Council in 2014 and became Cathaoirleach - the Irish equivalent of Mayor - in June 2024. She previously worked in the fishing industry, with a background in health and safety, and administration management. As a small- and medium-enterprise business owner and director, she has considerable interest in the development and promotion of local industry.

A former member of Killibegs Community Council, she has been actively involved in all aspects of community life and chaired the Liaison Committee, which successfully prevented the downgrading of Killybegs Community Hospital. She currently sits on the following Donegal County Council Committees:

- Donegal Municipal District Committee
- Corporate Policy Group
- Donegal County Council Value for Money Committee
- Donegal Tourism Associate Members Committee
- Board of Donegal Tourism
- Fisheries Committee
- Donegal Local Community Development Committee

Mayor Councilor Kennedy represents Donegal County Council on the following bodies:

- Northern Western Regional Assembly
- Board of Donegal 2040 Strategic Development Committee

She is the first independent woman councilor to be elected as Cathaoirleach and the fourth female chairperson in the 125-year history of the Council.

Lillian Seenoi-Barr - Honorary Degree Candidate

Mayor Councilor Lillian Seenoi-Barr is a prominent Kenyan Irish political and community activist known for her commitment to social justice, equality, and human rights. Born in Kenya, Councilor Seenoi-Barr's early life was shaped by the challenges and inequities she observed in her Maasai community, sparking a passion for advocacy that would guide her life's work. In her late twenties, Lillian relocated to Derry/ Londonderry, where she quickly became an influential figure in local politics and community activism. As the Founder and Chief Executive Officer at the North West Migrants Forum, she played a pivotal role in advocating for the rights and integration of migrants and minoritized populations. Her work at the Forum involved developing programs that addressed issues such as racial discrimination, social inclusion, and community cohesion.

Mayor Councilor Seenoi-Barr earned her undergraduate degree in youth work from Ulster University in 2017. Lillian's political career gained significant momentum when she joined the Social Democratic and Labour Party (SDLP). Her dedication to public service and her ability to connect with diverse communities led to her election as the Chair of the Derry SDLP District Executive. In 2021, she was co-opted into the Derry City and Strabane District Council, marking a significant step in her political journey. Demonstrating her growing influence and popularity, she was subsequently elected in 2023 as one of the SDLP Councilors for the Foyleside District Electoral Area.

Beyond her political engagements, Seenoi-Barr is known for her grassroots activism. She has organized numerous campaigns and events aimed at raising awareness about issues such as racial inequality, the nighttime economy, women's health, and housing. Her efforts have not only brought about tangible changes in her community, but also have inspired many others to take up the mantle of activism.

Mayor Councilor Seenoi Barr has received several awards and honors for her contributions to political and community life. Her work continues to inspire and empower individuals and communities, making her a formidable force for positive change. Through her tireless efforts, Seenoi-Barr has demonstrated the profound impact that dedicated activism and compassionate leadership can have on society.

Mayor Seenoi Barr hosted WSU visitors to Derry City this past August when she welcomed the WSU Women's Field Hockey Team to the Guildhall and spoke with the Lancer teammates about her experiences in Derry.

Jennifer Davis Carey - Community Service Award Recipient

Jennifer Davis Carey, Ed.D, is the founding executive director of the Worcester Education Collaborative and has devoted much of her life to education and public service. She had served four different Massachusetts Governors in various capacities, including as Secretary of Elder Affairs from 2002 to 2007. Dr. Davis Carey led an eight-month, intensive study group for Worcester leaders, "Toward a More Perfect Union: Achieving our Multiracial, Multicultural Democracy," which brought together over two dozen heads of a wide range of Worcester-based organizations, including WSU President Barry M. Maloney, challenging participants to square our nation's laws, policies, and practices with the aspirations stated in our nation's founding documents. She and President Maloney co-authored an opinion piece about the impact of the endeavor for the Worcester Telegram in December 2021.

Find out more about Dr. Jennifer Davis Carey here:

<https://www.linkedin.com/in/jennifer-davis-carey-67241b5/>

Commencement pool descriptions	
Updated 1/2024	
Names	Description
Gregg H. Rosen	<p>WSU Class of 1986</p> <p>As a proud alumnus and prominent business leader, Mr. Rosen is uniquely positioned to represent the values and mission of Worcester State while being relatable to the members of the graduating class of 2020.</p> <p>Mr. Rosen is a Worcester native and coming from a middle-class family recognized the value of a Worcester State education. Majoring in business, Gregg built relationships with many of his teachers and aspired to learn from their positive influences. After graduating he focused his time and energy on becoming knowledgeable in the banking industry and built an impressive career growing and branding financial institutions. As president of NES Group, Gregg's company is recognized as a leader in providing all aspects of bank design, architecture, and project management and he is quick to credit Worcester State with instilling the knowledge that helped bring him to this point in his career.</p> <p>Since graduating in 1986 and marrying fellow Lancer Pamela Swartz '87, Gregg has sought out ways to give back to his alma mater and "pay it forward". In addition to currently serving on the Worcester State Foundation Board, he is a past president of the Foundation Board, has served on numerous University committees, serves as an alumni mentor to our students and has hosted many regional alumni events. The Rosens established the Gregg Rosen '86 and Pamela Swartz Rosen '87 Endowed Scholarship to help alleviate the financial burden students experience and make it easier for them to "find themselves" as Gregg and Pam did years ago.</p> <p>It would be hard to find an individual who exhibits more Lancer Pride than Gregg Rosen. It is for this reason, coupled with his entrepreneurship, drive, and ability to translate his education</p>
Chimananda Ngozi Adichie	<p>is a Nigerinovelist, nonfiction writer and short story writer. She has been called "the most prominent" of a "procession of critically acclaimed young Anglophone authors that is succeeding in attracting a new generation of readers to African literature." Adichie spoke on "the Danger of a Single Story" for TED in 2009. In 2012, she delivered the "Connecting Cultures" Commonwealth Lecture in London. Adichie also spoke on being a feminist for TEDxEuston in December 2012, with her speech entitled, "we should all be feminists". This speech was sampled for the 2013 song "***Flawless" by Beyonce. She was awarded the Orange Broadband Prize for Fiction and a MacArthur Award Fellowship in 2007 and 2008, respectively.</p>
Martha Coakley	<p>a former Attorney General of Massachusetts.</p> <p>Prior to serving as Attorney General, she was District Attorney of Middlesex County from 1999 to 2007. Coakley was the Democratic nominee in the 2010 special election to fill the United States Senate seat long held by Ted Kennedy. She won reelection as the Attorney General in the 2010 general election. Coakley was the Democratic nominee for Governor in 2014.</p>

<u>Mary DeFeudis</u>	was born in Worcester and lived in Worcester for most of her life. She serves as the Chairman of the Board of Directors for the University of Massachusetts Memorial Foundation and serves on the Board of Directors of the American Red Cross of Central Massachusetts and the Board of Directors for Becker College. A Founding Member of the Hanover Theatre, she also serves on their Board of Directors. She was named the 2010 Isaiah Thomas Award recipient in recognition of the many and varied outstanding contributions she has made to the Central Massachusetts community. She funded the Mary C. DeFeudis Training Center for the Red
<u>Anand Giridharadas</u>	is an author and columnist, writing about a world in transition as seen through the lens of culture. He writes the "Currents" column for The New York Times and its global edition, the International Herald Tribune, and also writes for The New York Times Magazine. His "Admit One" column, which is dedicated to the New York City arts audience, appears regularly in the Weekend Arts section of The New York Times. He is the author of India Calling: An Intimate Portrait of a Nation's Remaking, about returning to the India his parents left. Mr. Giridharadas visited Worcester State in February 2015 as a keynote speaker. He inspired students, faculty, and administrators alike. He was described by one faculty member as an "articulate, engaging intellectual on the rise."
<u>David Henry Hwang</u>	<ul style="list-style-type: none"> • Parent of a member of WSU Class of 2020. • Supporter of multiple WSU initiatives & events (with no expectations for notice or fan-fare) • Recent work SOFT POWER asks: "Why do we love democracy?" "Should we?"
<u>James McGovern</u>	Congressman for the Third Congressional District representing people from Central and Southeastern Massachusetts. He has been a passionate advocate for human rights around the
<u>Brian Skerry</u>	<ul style="list-style-type: none"> • Alum of Worcester State University • Spoke at WSU President Barry Maloney's Inauguration • Message would be relatable to WSU graduates <p>Brian Skerry is a photojournalist specializing in marine wildlife and underwater environments. Since 1998 he has been a contract photographer for National Geographic Magazine covering a wide range of subjects and stories. In 2014 he was one of five photographers named as a National Geographic Photography Fellow. In 2015 he was named a Nikon Ambassador and in June 2017 he was awarded the title of Rolex National Geographic Explorer of the Year.</p>
<u>Dennis Leary</u>	Native son – started the Leary Firefighters Foundation to support the City of Worcester Fire Department (as well as others) with money and equipment. Graduate of Emerson College and taught at the college for five years. Has had several articles in magazines and worked at stand-up comedy. He has starred in several movies and is active in raising funds for various causes.
<u>Sasha Pfeiffer</u>	-

<u>Navyn Salem</u>	is the founder of Edesia. Edesia is a unique non-profit organization that manufactures specialized ready-to-use foods (RUFs) that change lives. Each year millions of "miracle packets" leave Edesia's Rhode Island factory and are delivered into the hands of malnourished children all over the world by humanitarian aid workers working in the hardest-to-reach and most inhospitable places on the planet.
<u>Albert Toney</u>	Albert Toney III, an alumnus of WSU, is a civil rights activist who retired from the Worcester Massachusetts Police Department after being shot in the line of duty. He was born and raised in Worcester, as the son of a Massachusetts State Police Sergeant and an elementary school teacher. He joined the Worcester Massachusetts Police Department in 1987. In 1991, he was shot in the line of duty in an incident that killed his then life partner, Robert Domiano Jr. As a result of the shooting, Albert became the first openly gay police officer on the Worcester Police Department, and he publicly declared that he would focus his efforts on gay civil rights. Albert retired from the police force in 1995 as a result of his injuries from the shooting, but he continued on the path of educating people about the many myths and stereotypes people learn about those who are different
<u>Ishmael Beah</u>	Author of a well-known book, A Long Way Gone; Memoirs of Boy Soldier. The book describes his journey in Sierra Leone throughout the war due to the blood diamond controversy. His childhood was taken away because of a completely unjust war and he was forced into combat.
<u>Kevin Campbell</u>	a WSU Alumnus and a 2010 recipient of a Worcester State College Honorary Doctoral Degree, is the current commander of the U.S. Army Space and Missile Defense Command. His military education includes the Air Defense Artillery Officer Basic and Advanced Courses, the Nike-Hercules Officer Course, Ranger and Airborne Schools, the Army Command and General Staff College, and the Naval War College. General Campbell's decorations and awards include the Legion of Merit, Bronze Star, Defense Meritorious Service Medal, Meritorious Service Medal, Army Commendation Medal, Army Achievement Medal, Southwest Asia Service Medal, Kuwait Liberation Medal (Saudi Arabia), Kuwait Liberation Medal (Kuwait) Ranger Tab, and Parachutist Badge.
<u>Steve Carrell</u>	Comedian and actor from Concord, MA. Starred in movies, "Dan in Real Life" and "Evan Almighty." His television hit is "The Office."
<u>Daniel Garvey</u>	Earned a BA from WSU majoring in Sociology. Twelfth President of Prescott College. He was a faculty member at the University of New Hampshire and had a 25-year career as an administrator and educator focused on education reform and improvement.

<u>Ronald Michael Green</u>	<p>Ronald Michael Green was Professor of Religion and the Eunice and Julian Cohen Professor for the Study of Ethics and Human Values at Dartmouth College. He is a member of the Department of Religion and the Department of Community and Family Medicine at Dartmouth's Geisel School of Medicine, and he served from 1992-2011 as Director of Dartmouth's Institute for the Study of Applied and Professional Ethics. A summa cum laude graduate of Brown University, he received his Ph.D. in religious ethics from Harvard University in 1972. In 1996 and 1997, Professor Green was the founding director of the Office of Genome Ethics at the National Human Genome Research Institute of the National Institutes of health. Professor Green's research interests are in genetic ethics, biomedical ethics, and ethics in organizations. Health. Professor Green's research interests are in genetic ethics, biomedical ethics, and ethics in organizations. He is the author of nine books, editor of four, and author of more than 170 articles in theoretical and applied ethics. His three most recent books are Babies by Design: The Ethics of Genetic Choice (Yale University Press in 2007), Kant and Kierkegaard on Time and Eternity (Mercer University Press, 2011), and Suffering and Bioethics (co-edited with Nathan Palpant, Oxford University Press 2014).</p>
<u>Thomas W Halloran</u>	<p>President of Voya Financial Advisors, Inc. (VFA), a registered broker-dealer business. The Voya broker-dealer, offers retail financial products, services and support to clients through a network of over 2,200 affiliated representatives across the country. An industry veteran, he has over 28 years of experience with financial advisors in various marketing, product and sales leadership roles. Received a B.S. in business administration from Worcester State University in 1988 and an M.B.A. from Boston University in 2000. Tom was formerly a member of the Worcester State Foundation Board from 2000-2007.</p> <p>President of Voya Financial Advisors, Inc. (VFA), a registered broker-dealer business. The Voya broker-dealer, offers retail financial products, services and support to clients through a network of over 2,200 affiliated representatives across the country. An industry veteran, he has over 28 years of experience with financial advisors in various marketing, product and sales leadership roles. Received a B.S. in business administration from Worcester State University in 1988 and an M.B.A. from Boston University in 2000. Tom was formerly a member of the Worcester State Foundation Board from 2000-2007.</p> <p>President of Voya Financial Advisors, Inc. (VFA), a registered broker-dealer business. The Voya broker-dealer, offers retail financial products, services and support to clients through a network of over 2,200 affiliated representatives across the country. An industry veteran, he has over 28 years of experience with financial advisors in various marketing, product and sales</p>

Maura T. Healey	is an American attorney, a member of the Democratic Party and the Attorney General of Massachusetts. Born in New Hampshire, Healey graduated from Harvard College in 1992. She then spent two years playing professional basketball in Austria before returning to the United States and receiving a Juris Doctor degree from the Northeastern University School of Law, in 1998. After clerking for federal judge A. David Mazzone, she worked in private practice for seven years, also serving as a special assistant district attorney in Middlesex County. Hired by Massachusetts Attorney General Martha Coakley in 2007, Healey served as Chief of the Civil Rights Division, where she spearheaded the state's challenge to the federal Defense of Marriage Act. She was then appointed Chief of the Public Protection & Advocacy Bureau and then Chief of the Business and Labor Bureau before resigning in 2013 to run for attorney general in the 2014 election as Coakley ran for Governor. She defeated former State Senator Warren Tolman in the Democratic primary and then defeated Republican attorney John Miller in the general election, thus becoming the first openly gay state attorney general elected in America
Homer Hickam	American author, Vietnam Veteran and former NASA engineer. His most famous book, Rocket Boys, is about his growing up in Coalwood, WV. The popular film, October Sky was based on his book.
Roald Hoffmann	was born in 1937 in Zloczow, Poland. Having survived the war, he came to the U. S. in 1949, and studied chemistry at Columbia and Harvard Universities (Ph.D. 1962). Since 1965 he is at Cornell University, now as the Frank H. T. Rhodes Professor of Humane Letters Emeritus. He has received many of the honors of his profession, including the 1981 Nobel Prize in Chemistry (shared with Kenichi Fukui). Notable at the same time is his reaching out to the general public; he participated, for example, in the production of a television course in introductory chemistry titled "The World of Chemistry," shown widely since 1990. And, as a writer, Hoffmann has carved out a land between science, poetry, and philosophy, through many essays and three books, "Chemistry Imagined" with artist Vivian Torrence, "The Same and Not the Same and Old Wine" (translated into six languages), "New Flasks: Reflections on Science and Jewish Tradition," with Shira Leibowitz Schmidt. Unadvertised, a monthly cabaret Roald runs at the Cornelia Street Cafe in Greenwich Village, "Entertaining Science," has become the hot cheap ticket in NYC.
John Krasinski	A 2001 graduate from Brown University. A native of Brighton, MA. A main character in the TV series, "The Office."
Kristine Lilly	Commencement Speaker Member of the 1999 women's soccer team (along with Mia Hamm, Brandi Chasten, Julie Foudy, etc.). Midfielder for the U.S. WNT for over 23 years. All time leader in minutes played, 354 played games, 130 scored goals, and 105 assists. Played in five FIFA Women's World Cups, three Olympic Games. Two-time FIFA World Cup Champion. Two-time Olympic Gold Medalist, One Silver. Played and Coached the Professional Women's Soccer team, the Boston Breakers.

Laura Ling	<p>Laura Ling is an American journalist and writer. She worked for Current TV as a correspondent and vice president of its Vanguard Journalist Unit, which produced the Vanguard TV series. She was the host and reporter of E! Investigates, a documentary series on the E! Network. In November 2014, Ling joined Discovery Digital Networks as its Director of Development. Laura Ling is the sister of Lisa Ling, who is a special correspondent for The Oprah Winfrey Show, National Geographic Explorer, and CNN. Laura Ling, and fellow journalist Euna Lee were detained in North Korea after they illegally crossed into North Korea from the People's Republic of China without a visa. They were tried and convicted, then subsequently pardoned after former U.S. President Bill Clinton flew to North Korea to meet with Kim Jong-il.</p>
Mary Jo Lorei	<p>Commencement Speaker</p> <p>Self-mastery coach, certified leadership and emotional intelligence trainer Mary Jo leads coaching and training workshops throughout the country. Mary Jo was also a coach for the Torch Foundation, which I interned for last year. She was a huge inspiration to me during this time. Mary Jo is captivating, smart, and enthusiastic, and I think she would be a very positive and inspiring commencement speaker.</p> <p>"MARY JO LOREI is a former hairstylist turned accomplished facilitator, master coach and Self-Mastery Mentor of all those who seek their next level. She has over 20 years of experience working with individuals and over a decade of facilitating dynamic group encounters that provide tools and self-awareness to generate success. Mary Jo uses her intuition and deep connection with the human spirit to support others in developing their inner compass and creating energetic successful lives.</p> <p>Mary Jo has completed multiple intensive facilitator & coaching programs, has studied with multiple spiritual masters and has pursued philosophy and anthropology courses. All of this (and more) helps her unlock understanding of the workings of human beings. She puts out a</p>

<p><u>H.E. Hajia Alima Mahama</u></p>	<p>Her Excellency Hajia Alia Mahama is Ghana's ambassador to the US. She was appointed in June 2021. She is a product of Ghana Law School and was called to the bar in 1982. She holds a Master of Arts degree in Development Studies with a specialization in Regional Development Planning for the Institute of Social Studies, the Hague in the Netherlands. Ambassador Mahama is a Humphrey Fellow and participated in Post Graduate Studies with institutional attachments in Urban Policy and Planning and Women Studies under Hubert H. Humphrey Fellowship Program at Rutgers University. She also is affiliated to the Center for Women's Global Leadership, the Center for American Women in Politics and pursued a three-month attachment at the World Bank. She is the recipient of a Pearson Fellowship Award.</p> <p>Prior to the appointment to the United States Ambassador Mahama served as a Member of Parliament and Minister for Local Government and Rural Development fom 2017-2021. He passion for gender equality and development & growth of children has been evident throughout her career. She contributed to the passage of the Domestic Violence and the Human Trafficking Act, as well as the ratification of related conventions at the level of the African Union and the United Nations. She was also influential in changes in Ghana's National Health Insurance law to improve maternal health and more.</p>
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<p><u>Megan Marshall</u></p>	<p>Commencement Speaker</p> <p>Megan Marshall is a pioneering historian and biographer whose career has been defined by her attention to the untold, or under-told, stories of American women's lives from the 19th and 20th centuries. She is the author of three award-winning biographies. Her first, <i>The Peabody Sisters: Three Women Who Ignited American Romanticism</i>, focused on three sisters born to the Peabody family of Salem, and their substantial contributions to the fields of art and literature, public education, and suffrage. It won the Francis Parkman Prize, the Mark Lynton History Prize, and the Massachusetts Book Award in Nonfiction. Her second book, <i>Margaret Fuller: A New American Life</i>, won the Pulitzer Prize in Biography in 2014, and it presented Fuller, a path-breaking feminist journalist, writer, and reformer, at the fulcrum of American Transcendentalism. Her third book, <i>Elizabeth Bishop: A Miracle for Breakfast</i>, situated the life of Worcester native Elizabeth Bishop in the context of Bishop's evolving life across three countries and in her distinguished career as a poet. It also drew from Marshall's experience of having Bishop as a professor of poetry writing at Harvard when Marshall was an undergraduate. A first-generation college graduate, Marshall is currently the Charles Wesley Emerson College</p> <p>Professor at Emerson College where she teaches in the graduate writing program. Her work appears in the <i>New Yorker</i>, the <i>Atlantic Monthly</i>, and the <i>London Review of Books</i>, and she provided a keystone essay for <i>Beyond the Frame, Celebrating a Partnership in Public Education and the Arts</i>, a collection of essays published by Worcester State University and the Worcester Art Museum in 2022. A strong advocate for the lives and rights of women, Marshall is a legendarily generous teacher and mentor to students and colleagues and a recent past president of the Society of American Historians. As a commencement speaker, she might</p>
<p><u>Dominique Morisseau</u></p>	<p>is a dynamic, successful playwright and poet, and a fierce champion of social and racial justice. She is a 2018 MacArthur Fellow ("Genius Grant").</p> <p>Dominique received a B.F.A. (2000) from the University of Michigan at Ann Arbor. She is currently a Residency Five Playwright at the Signature Theatre. She has had work commissioned by the Steppenwolf Theatre, the Hip Hop Theater Festival, the South Coast Repertory, and the Oregon Shakespeare Festival; and her work has been staged at the Public Theater, the Williamstown Theatre Festival, and the Atlantic Theater Company.</p>
<p><u>Conan O'Brien</u></p>	<p>Conan O'Brien was born in Brookline, MA and is most famous for his late night show. He has won 2 primetime Emmy awards. Former writer for "Saturday Night Live" and worked on the "The Simpsons." Graduate of Harvard.</p>
<p><u>Parker Palmer</u></p>	<p>Writer, teacher and activist known for his work in education, spirituality and social change in institutions including schools, community organizations, primary, secondary and higher education, and business and corporations. His writing earned him numerous awards and citations. His work, <i>The Courage to Teach</i>, has provided a touchstone of renewal for thousands of educators at all levels. He is a native of Chicago and a graduate of Carleton College and University of California at Berkeley.</p>

Deval Patrick

The Honorable Deval Patrick was first elected Governor of Massachusetts in November of 2006. He came from Chicago at the age of 14 and attended Milton academy. He spent a postgraduate year working on a United Nations youth training project in the Darfur region of Sudan. He attended Harvard Law School in the fall of 1979 where he led the Legal Aid Bureau, the nations' oldest student-run legal services organizations. He served as a law clerk to a federal appellate judge before joining the NAACP Legal Defense and Education Fund. He joined the Boston Law firm of Hill & Barlow and was named partner in 1990. In 1994, President Clinton appointed him Assistant Attorney General for Civil Rights, the nation's top civil rights post. He returned to private practice in 1997 with the Boston firm of Day, Berry & Howard. In 2001, he joined the Coca-Cola Company as Executive Vice President and General Counsel. He was later elected to the role of Corporate Executive Vice President and General Counsel. He was later elected to the role of Corporate Secretary and served as part of the company's senior leadership team as a member of the Executive Committee. Governor Patrick has been the speaker at several of our sister institutions.

Steven Arthur
Pinker

is a cognitive psychologist, linguist, and popular science author. He is Johnstone Family Professor in the Department of Psychology at Harvard University, and is known for his advocacy of evolutionary psychology and the computational theory of mind. Pinker's research on vision, language, and social relations has won prizes from the National Academy of Sciences, the Royal Institution of Great Britain, the Cognitive Neuroscience Society, the American Psychological Association, and the Association for Psychological Science. He has also received eight honorary doctorates, several teaching awards at MIT and Harvard, and numerous prizes for his books The Language Instinct, How the Mind Works, The Blank Slate, The Better Angels of Our Nature, and The Sense of Style. He is Chair of the Usage Panel of the American Heritage Dictionary, and often writes for The New York Times, Time, and other publications. He has been named Humanist of the Year, Foreign Policy's "100 Global Thinkers," and Time magazine's "100 Most Influential People in the World Today." Prof. Pinker is currently doing research on a diverse array of topics in psychology, including the role of common knowledge (where two or more people know that the others know what they know) in language and other social phenomena; historical and recent trends in violence and their explanation; the psycholinguistics of good writing; the nature of the critical period for acquiring language; the neurobiology and genetics of language; and the nature of regular and irregular phenomena in grammar.

<u>Amy Poehler</u>	Born and raised in Massachusetts, she graduated from Burlington High School where her mother was a teacher. She went on to Boston College and discovered the art of improvisation. She was part of a group known as the Upright Citizens Brigade which were four special agents and was a Monty Python type of sketch comedy. They started their own theater in New York City and taught classes as well covering both improv and sketch writing. She went on to star in several shows including Blades of Glory, On Broadway, Spring Break down and Shrek the Third.
<u>James Polito</u>	An alum of WSU has gone far with his Communication degree. He covered stories such as the disappearance of Molly Bish and September 11. He currently works at WTAG where he is known for his wit and humor encouraging people to voice their opinions.
<u>Alisan Porter</u>	Born to Jewish parents in Worcester, Massachusetts, she is the great-granddaughter of prominent Worcester Rabbi Joseph Klein. Her grandmother ran the Charlotte Klein Dance Center and her father, Ric Porter, was co-founder, lead singer, and songwriter of the Worcester-based band Zonkaraz. She has been singing and performing since age three and at age five, she became the youngest Star Search participant ever to win the competition. She acted in several films as a child and became known for playing the title role in the 1991 movie Curly Sue opposite Jim Belushi. She has openly discussed her battles with alcoholism and drug addiction and has been sober since October of 2007. Alisan sang the National Anthem at the 2016 A Capitol Fourth special at the U.S. Capitol West Lawn and also sang the anthem prior to the nationally televised Sunday Night Football game in Oakland, California in November of 2016. On May 24, 2016 she was crowned the season 10 winner of The Voice.
<u>Matthew Quick</u>	Acclaimed author of, "Silver Lining Playbook: as well as two other books currently in print and soon to be released, "Forgive me, Leonard Peacock." Award winning writer known for writing stories with a powerful message. Work has been translated into more than twenty languages. Native of Holden, Massachusetts.
<u>Andrew Solomon</u>	A writer on politics, culture and psychology who recently published the book, Far From the Tree, a study of the lives of parents whose children have differing abilities. He lives in New York and London. He has written for The New York Times, The New Yorker, Artforum, Travel and Leisure, and other publications on a range of subjects. His book, The Noonday Demon: An Atlas of Depression won the 2001 National Book Award, and was a finalist for the 2002 Pulitzer Prize. He is a brilliant speaker and inspiring individual.

Billy Starr

founded and leads the Pan-Mass Challenge, the most successful athletic fundraising event in the world. Since 1980, the PMC, a 190-mile bike-a-thon, has contributed \$414 million to cancer research. By 1984, the PMC had established itself as the largest grossing fundraising event for the Jimmy Fund, New England's most popular charity. By 1990, the PMC had become the most successful cycling fundraiser in the world. Today, the PMC raises two to three times more money for charity than any other athletic event in the world. The PMC is Dana-Farber's single largest contributor. In 1993, the Jimmy Fund honored Starr and the PMC at Fenway Park by awarding him the Tom & Jean Yawkey Memorial Award for outstanding service. In 1997, the bridge connecting the Jimmy Fund Clinic to the new Smith Research Labs and Dana-Farber Cancer Institute was named the Pan-Massachusetts Challenge Bridge to Progress. In 1998, Starr was the speaker at Babson College's graduate commencement and received an honorary degree for "entrepreneurial vision and leadership." In 2004, Starr was featured in a documentary about entrepreneurs entitled Lemonade Stories, along with corporate moguls Richard Branson, Russell Simmons and Arthur Blank. This same year, Dana-Farber awarded Starr the Sidney Farber Medical Research Award, a very prestigious honor given to those who have made an exceptional contribution to reduce the burden of cancer on society. In October 2006, the National Lung Cancer Alliance presented Starr with its Lifetime Achievement Award. The Friends of Dana-Farber honored Starr in 2010 for his more than 30 years of support and service to the Institute. Before starting the PMC, he was a reporter for newspapers in Massachusetts and Colorado, worked in public relations, and was the squash coach at Babson College. He received his BA from the University of Denver in 1973, a Masters in Education from Northeastern University in 1978, an honorary Doctorate of Laws from Babson College in 1998, and an honorary degree from Bay Path College in 2008.

Neil deGrasse Tyson	<p>Neil deGrasse Tyson is an American astrophysicist, author, and science communicator. Since 1996, he has been the Frederick P. Rose Director of the Hayden Planetarium at the Rose Center for Earth and Space in New York City. The center is part of the American Museum of Natural History, where Tyson founded the Department of Astrophysics in 1997 and has been a research associate in the department since 2003. Tyson's professional research interests are broad, but include star formation, exploding stars, dwarf galaxies, and the structure of our Milky Way. In 2001, Tyson was appointed by President Bush to serve on a 12-member commission that studied the Future of the US Aerospace Industry. The final report was published in 2002 and contained recommendations (for Congress and for the major agencies of the government) that would promote a thriving future of transportation, space exploration, and national security. In 2004, Tyson was once again appointed by President Bush to serve on a 9-member commission on the Implementation of the United States Space Exploration Policy, dubbed the Moon, Mars, and Beyond commission. This group navigated a path by which the new space vision can become a successful part of the American agenda. And in 2006, the head of NASA appointed Tyson to serve on its prestigious Advisory Council, which will help guide NASA through its perennial need to fit its ambitious vision into its restricted budget. In addition to dozens of professional publications, Dr. Tyson has written, and continues to write for the public from magazine articles to approachable, "playful" books. He has appeared on numerous television and radio shows. He is the recipient of twenty honorary doctorates and the NASA Distinguished Public Service Medal, the highest award given by NASA to a non-government citizen. His contributions to the public appreciation of the cosmos have been recognized by the International Astronomical Union in their official naming of asteroid 13123 Tyson. Recently Tyson served as Executive Editor and on camera Host & Narrator for Cosmos: A SpaceTime Odyssey, the 21st century continuation of Carl Sagan's landmark television series. The show appeared in 181 countries in 45 languages around the world on the National Geographic Channels. Cosmos, which is also available in DVD and BluRay, won four Emmy Awards, a Peabody Award, two Critics Choice awards, as well as a dozen other</p>
Elizabeth Warren	<p>Elizabeth Warren is from Massachusetts and took office on January 3, 2013 as the Massachusetts US Senator. She has been assigned to three important committees: Health, Education, Labor – Pensions (HELP) and Banking and Aging. She was a former professor at Harvard Law School.</p>
Cornel West	<p>One of America's most provocative public intellectuals. Has been a champion for racial justice since childhood. His writing, speaking and teaching weave together the traditions of the black Baptist Church. Class of 1943 Professor at Princeton University noted for his bestselling book, Race Matters, a searing analysis of racism in American Democracy.</p>

<u>Jesse Williams</u>	<p>Commencement Speaker</p> <p>Jesse Williams is a 41-year-old American actor, director, producer, and activist. The actor and activist speaks out about racial issues, social justice, and cultural appropriation. Even though he is one of the biggest stars on Grey's Anatomy (he plays Dr. Jackson Avery), Williams tends to stay out of the spotlight and keep his personal life private - except when it comes to social justice. He has long been an active member of the Black Lives Matter movement. Williams is the youngest member of the board of directors at The Advancement Project, a civil rights think tank and advocacy group. He won a Humanitarian Award in 2016, which is given to a celebrity philanthropist who donates their time and money to a charitable cause, delivering a</p>
<u>Oprah Winfrey</u>	<p>Creator of a multinational business. Known for her entrepreneurial skill and caring ear for those in need.</p>
<u>David Angel</u>	<p>The WSU President's Office nominated Dr. David Angel for an honorary degree in recognition of his long and successful tenure as a faculty member, Provost, and President at Clark University. The following information was put forth in support of his nomination. Dr. Angel earned his bachelor's degree from Cambridge University and his doctorate from UCLA in 1989. He joined the Clark faculty in September 1987 and holds an academic appointment as professor of geography, specializing in economic geography. From 1997 to 2002, Dr. Angel served as dean of graduate studies and research and was provost from 2003 to 2010, overseeing all of Clark's undergraduate and graduate academic programs. He was selected by unanimous vote of the Board of Trustees to assume the presidency of Clark in July 2010.</p> <p>Dr. Angel's research focused on issues of technological and industrial change and the environment. He has conducted work for the U.S. Department of Commerce, the U.S. Agency for International Development, the Asian Development Bank, the John D., and Catherine T. MacArthur Foundation, the U.S. National Science Foundation, and the United Nations Industrial Development Organization.</p> <p>Dr. Angel is the recipient of numerous major grants from the MacArthur Foundation, the National Science Foundation, the Social Science Research Council, and the U.S. Department of Commerce. He also has received awards, including an Abe Fellowship from the Center for Global Partnership in conjunction with the Social Science Research Council and the American Council of Learned Societies. He has consulted widely for public and private organizations around the world, has published a number of books and is active on issues of university accreditation.</p>
<u>Wendy and Rich Ardizzone</u>	<p>The Joy of Music Program recently celebrated their 25th anniversary of providing music lessons, concerts and outreach work for the community of Worcester, and this couple, Director/founder and Associate Director (respectively) have worked tirelessly to build their non-profit school and spread the gospel of music with an energy and devotion that has</p>

<p><u>Dr. Gail Carberry</u></p>	<p>Recently retired from the Presidency of Quinsigamond Community College and holds a Certificate in Small Business Management from Springfield Technical Community College, a B.S. from Worcester State University and a Master's and Doctorate degrees from the University of Massachusetts at Amherst, specializing in organizational development, strategic planning and staff development. She currently serves on numerous local, State and national Boards including the Massachusetts Clean Energy Center, Latino Education Institute, Bay Path Regional/Vocational High School Foundation, National Association for Community College Entrepreneurship, Worcester Educational Collaborative, Boys & Girls Club of Worcester, Central Mass Workforce Investment Board, Greater Worcester Community Foundation, Worcester Business Development Corporation and the Massachusetts Biomedical Initiatives. She co-chairs the Mayor's Commission for Hispanic Education Excellence and chairs the Early Education Matters Task Force.</p>
<p><u>Avram Noam Chomsky</u></p>	<p>is an American linguist, philosopher, cognitive scientist, historian, social critic, and political activist. Sometimes described as "the father of modern linguistics," Chomsky is also a major figure in analytic philosophy and one of the founders of the field of cognitive science. Considered the founder of modern linguistics, Noam Chomsky is one of the most cited scholars in modern history. Among his groundbreaking books are "Syntactic Structures", "Language and Mind," "Aspects of the Theory of Syntax," and "The Minimalist Program," each of which has made distinct contributions to the development of the field. He has received numerous awards, including the Kyoto Prize in Basic Sciences, the Helmholtz Medal and the Ben Franklin Medal in Computer and Cognitive Science.</p>
<p><u>Anwardul Karim Chowdury</u></p>	<p>The WSU President's Office nominated retired Ambassador Chowdhury for an honorary degree. He is described as a highly regarded United Nations official. Mr. Chowdhury's service included time as the Bangladesh permanent representative to the U.N. (he also served as Ambassador for his country to 4 countries in Latin America). He was President of the U.N. Security Council and Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States.</p> <p>Mr. Chowdhury is the recipient of the U Thant Peace Award and UNESCO Gandhi Gold Medal for Culture of Peace. He is an Honorary Patron of the Committee on Teaching About the UN (CTAUN), New York. In March 2003, Soka University of Japan conferred on Chowdhury an honorary Doctorate for his work on women's issues, child rights and culture of peace as well as for the strengthening of the United Nations.</p> <p>Perhaps his best known accomplishment while at the U.N. was securing the adoption of the groundbreaking U.N. Security Council Resolution 1325 on the role of women in peace and security. https://www.un.org/womenwatch/osagi/wps/</p>

<u>Jan Christian Lundberg</u>	<p>For more than 28 years, Jan has been an advocate for the adoption of a sustainable lifestyle. His earlier background as an oil industry analyst led him to an appreciation of the dangers of peak oil and the overuse of fossil fuels. Jan has also been a tireless opponent of the "plastic plague," and has attempted to heighten public awareness of the dangers posed to the ecosystem by overuse of plastics. Jan was an early proponent of alternative energy systems and has pioneered the Pedal Power Produce, the Alliance for a Paving Moratorium, and the Sail Transport Network. Jan also founded Culture Change, which maintains a website where articles and essays of interest are freely available to those concerned with the future of the ecosystem. He has published numerous articles and has been a featured speaker at conferences and has been interviewed by all forms of the media. Requested additional information.</p>
<u>Charles F. Monahan</u>	<p>The WSU President's Office nominated Dr. Monahan, the recently retired President of MCPHS, for CS. The following information was provided: "Mr. Monahan, a 1962 graduate of the University's pharmacy program, was instrumental in the transformation of MCPHS from a regional pharmacy college into a nationally ranked, world-class university offering more than 100 healthcare degree and certificate programs. Under his leadership, the University grew from a population of 1,000 students in Boston, almost all of whom were studying pharmacy, to a home for more than 7,000 students across three campuses." While the committee did not approve Dr. Monahan as a commencement speaker, it did approve him for an honorary degree.</p>
<u>Congressman Richard E. Neal</u>	<p>Congressman Richard E. Neal represents the First Congressional District of Massachusetts in the United States Congress. Richard Neal was born in Worcester, Massachusetts on February 14, 1949 and was raised and educated in the City of Springfield. He is a 1972 graduate of American International College, where he received his Bachelor's Degree in Political Science and was a member of the National Honor Society. He received his Master's Degree in Public Administration from the Barney School of Business and Public Administration at the University of Hartford in 1976.</p>
<u>JP Ricciardi</u>	<p>A graduate of WSU and former baseball coach with the 1983 NCAA Baseball Team. Former general manager of the Toronto Blue Jays.</p>

<u>Francis J. Ricciardone</u>	<p>The WSU President's Office nominated Mr. Francis J. Ricciardone for CS. The following was found on the University's website: He is the current President of the American University in Cairo and began his term on July 1, 2016. He had served as a Foreign Service Officer from 1978-2014, including appointments as U.S. Ambassador to Egypt, Turkey, and the Philippines, and Chargé d'Affaires and Deputy Ambassador to Afghanistan. After graduating from Dartmouth College Summa Cum Laude in 1973, he received a Fulbright Scholarship and taught in American international schools in Trieste, Italy, and Tehran, Iran. From 2014-2016 he was Vice President of the Atlantic Council and Director of the Rafik Hariri Center for the Middle East. He was a distinguished scholar at the US Institute of Peace in 2008-2009 for commencement speaker.</p>
<u>Joseph Bafaro</u>	<p>At a time when it seems as if everyone is focused on self-promotion and rewards, Joseph J. Bafaro is a welcome reminder that there are people out there who are motivated to do the right thing...because it is the right thing to do.</p> <p>For over five decades while building his plumbing business, Joe Bafaro has been committed to making our community a better place. Using the tried and true principles of integrity, honesty and respect to guide him, he has positively impacted Worcester County communities in his quiet manner. The list of Worcester- area organizations and institutions that have benefitted from his philanthropy would be too long to list. However, they include public and private schools, colleges and universities, and organizations that are connected with the arts, social services, children's sports, hospitals, health awareness, and those with religious affiliations. Yet when you 'google' his name...it doesn't appear. Why? Because he does not seek well-deserved accolades.</p> <p>To say Joe's accomplishments "go well beyond his formal duties" is an understatement. There is no question that Joe Bafaro is an accomplished entrepreneur and businessman who was able to take his vision and transform it from a one-man shop into a family-owned and operated, full-service mechanical contracting firm that is recognized throughout Massachusetts and beyond for their exceptional service. But more importantly, he exemplifies someone who is committed to Worcester State University's mission to equip students with the knowledge and skills necessary for lives of professional accomplishment, engaged citizenship, and intellectual</p>

<u>Dr. Debra Maddox '82</u>	<p>Alumna with a long record of community service, academic accomplishments, and is President of Multicultural Wellness Center. She is a licensed mental health counselor in the Commonwealth of Massachusetts and is also a licensed marriage and family therapist, a licensed rehabilitation counselor, a certified school psychologist and a nationally certified rehabilitation counselor. She received a B.A. in Psychology from WSU, a M.A. in Rehabilitation Counseling from Assumption College and a Psychology Doctorate from Antioch New England Graduate School. Dr.Maddox has been employed in a wide range of mental health and human services settings. She has worked in social, judicial, education and mental health clinical settings. She worked for the Department of Children and Families, conducting investigations of abuse and neglect, with an emphasis on children who were sexually abused. Within the judicial system, she worked as a probation officer and also worked as an independent court investigator for the Massachusetts Trial Court, Juvenile Division. Dr. Maddox has taught undergraduate and graduate level courses and supervised the clinical work of graduate students as a part-time faculty member at QCC and Assumption. She has clinical interest in race, and culture and the impact of culture on adjustment and acculturation.</p>
<u>Devin McCourty</u>	<p>-</p>
<u>Robert Moylan</u>	<p>Should be recognized for his leadership as the Commissioner of the Department of Public Works and Parks for the City of Worcester. He is considered, by his peers, to be one of the top 10 public works leaders in the nation. Although his accomplishments are numerous, it should be noted that he instituted the recycling program long before "sustainability" was popular. Recently, WSU benefitted from how quickly, and efficiently, the recent crisis involving the water main break was resolved. He is an excellent example of a leader who maintains high standards for his Department which benefits all residents of Worcester.</p>
<u>Sharon Shipley '74</u>	<p>Alumna with a career in industry and a record of charity work. Worked for Unilever for most of her career in the military section. She was instrumental in developing programs to enhance the quality of life for military families through promotions that funded scholarships for military children through the Fisher House Foundation and collaborated with Unilever's laundry team to build or refurbish 20 ball fields on military installations. She refers to WSU as the most amazing place and encouraged her two nieces to attend. She is an avid donor.</p>

<u>Patricia Yancey '00</u>	<p>Chapter President of local NAACP with a service record in the religious community. Active in the Faith in Worcester Day of Prayer (September 2016) with leaders from diverse communities of faith to include all cultures because that is what Worcester looks like. Married to Dr. George Yancey, first vice president of the local chapter of the NAACP the response was overwhelming.</p>
<u>Atule Gawande</u>	<p>Dr. Atul Gawande is the Assistant Administrator for Global Health. He is a renowned surgeon, writer, and public health leader. Prior to joining the Biden-Harris Administration, he was a practicing general and endocrine surgeon at Brigham and Women's Hospital and a professor at Harvard Medical School and the Harvard T.H. Chan School of Public Health. He was founder and chair of Ariadne Labs, a joint center for health systems innovation, and of Lifebox, a nonprofit making surgery safer globally. He also co-founded CIC Health, a public benefit corporation supporting pandemic response operations nationally, and served as a member of the Biden transition COVID-19 Advisory Board.</p> <p>From 2018-2020, he was CEO of Haven, the Amazon, Berkshire Hathaway, and JPMorgan Chase healthcare venture. In addition, Atul was a longtime staff writer for The New Yorker magazine and has written four New York Times best-selling books: Complications, Better, The Checklist Manifesto, and Being Mortal. He is a member of the National Academy of Medicine and the winner of two National Magazine Awards, Academy Health's Impact Award for highest research impact on healthcare, a MacArthur Fellowship, and the Lewis Thomas Award for writing about science.</p>
<u>Jim Rice</u>	<p>Originally from South Carolina, Jim Rice spent his entire career in Massachusetts playing for the Red Sox. His baseball career was extremely successful, and Rice was inducted into the Baseball Hall of Fame in 2009. Rice has a strong history of community involvement and charitable work as he is an honorary chairman of The Jimmy Fund, and raised funds for organizations such as the Dana-Farber Cancer Institute, as well as various children's charities. Rice is a good candidate to be the 2024 WSU Commencement Speaker as he has dedicated his life to chasing his dream of playing baseball, demonstrates good sportsmanship and strong moral character, and knows the importance of giving back to the community.</p>

John Elder
Robison

John Elder Robison is a New York Times bestselling American author born in Athens, Georgia. In his memoir, "Look Me in the Eye," he tells about his life as he grew up with undiagnosed autism. After writing his memoir, Robison became active in autism and neurodiversity advocacy and autism research. Autism and neurodiversity advocacy has been Robison's focus for the past 20 years. Robison served on the World Health Organization helping to redefine the standard definitions for autism all over the world. John served two terms on the Interagency Autism Coordinating Committee which is the group that produces the Strategic Plan for Autism for the United States, and he continues to advise the National Institutes of Health and the Centers for Disease Control and Prevention. He also served as the head of the philosophy department at the University of Massachusetts Amherst. Currently, Robison serves as the neurodiversity advisor to the Lawrence Livermore National Lab. Robison's life work is dedicated to educating the public about neurodiversity.