



Annual Audit Summary

BerryDunn has been engaged to perform the annual audits of the financial statements and Federal Uniform Guidance (Federal funds) as of and for the year ended June 30, 2020.

Roles and Responsibilities

System Management

- ✓ The preparation and fair presentation of the financial statements
- ✓ The preparation of the Management's Discussion and Analysis (MD&A) on pages 5-16 of the financial statements
- ✓ Design and maintain an appropriate level of internal controls
- ✓ Provide fair and complete data and information to the auditors including a written attestation

BerryDunn

- ✓ To express an opinion on the System's financial statements
- ✓ To design an audit to obtain reasonable assurance that the financial statements are free of material misstatement
 - Risk-based audit approach to design our audit procedures
 - Does not provide absolute assurance – procedures are performed on a test basis
- ✓ To gain an understanding of system internal controls, but not to express an opinion
- ✓ To work with management to complete the audit, but engaged by and work for the audit committee
- ✓ To express an opinion on the System's compliance under Federal Uniform Guidance

The Audit Committee

- ✓ Engage the auditors as well as review and accept the financial statements and reports

Financial Statement Highlights

Statement of Net Position

	<u>2020</u>	<u>2019</u>	<u>Change</u>		<u>%</u>
Cash and cash equivalents	\$27,687,372	\$18,243,436	\$9,443,936	↑	51.8%
Grants and contracts receivable	3,351,445	1,918,214	1,433,231	↑	74.7%
Total net position (deficit)	(34,092,573)	(53,001,780)	18,909,207	↑	35.7%

Statement of Revenues, Expenses and Changes in Net Position

	<u>2020</u>	<u>2019</u>	<u>Change</u>		<u>%</u>
Net Tuition and Fees	\$39,157,918	\$46,035,884	\$6,877,966	↓	15.0%
Other Auxiliary Enterprises	3,053,064	3,708,269	655,205	↓	17.7%
Employee Comp and Benefits	81,714,133	76,277,455	5,436,678	↓	7.1%
State of NH Appropriations	57,255,000	47,075,000	10,180,000	↑	21.6%
CARES Act Funding	5,435,377	-	5,435,377	↑	100.0%
Income before other Changes in Net Position	14,954,349	13,087,581	1,866,768	↑	14.3%

Overall Audit Results

- ✓ Expected Opinion – Unmodified (highest level)
- ✓ Internal control findings reported in letter to audit committee – None
- ✓ Federal Uniform Guidance Audit – Delayed awaiting guidance on auditing CARES Act funds