

**THE BOWLING GREEN STATE UNIVERSITY  
FOUNDATION, INC. AND SUBSIDIARY**

Bowling Green, Ohio

**CONSOLIDATED FINANCIAL STATEMENTS**

June 30, 2024 and 2023





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Board of Directors  
The Bowling Green State University Foundation, Inc. and Subsidiary  
1851 N. Research Drive  
Bowling Green, Ohio 43403

We have reviewed the *Independent Auditor's Report* of The Bowling Green State University Foundation, Inc. and Subsidiary, Wood County, prepared by Forvis Mazars, LLP, for the audit period July 1, 2023 through June 30, 2024. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Bowling Green State University Foundation, Inc. and Subsidiary is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

November 22, 2024

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THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
Bowling Green, Ohio

CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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## **Independent Auditor's Report**

Board of Directors  
The Bowling Green State University Foundation, Inc. and Subsidiary  
Bowling Green, Ohio

### **Report on the Audit of the Consolidated Financial Statements**

#### ***Opinion***

We have audited the consolidated financial statements of Bowling Green State University Foundation, Inc. and Subsidiary, a component unit of Bowling Green State University, which comprise the consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of Bowling Green State University Foundation, Inc. and Subsidiary as of June 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinion***

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

#### ***Prior Year Audited by Other Auditors***

The 2023 financial statements, before they were revised for the matter discussed in Note 1, were audited by other auditors, and their report thereon, dated September 28, 2023, expressed an unmodified opinion. Our opinion is not modified with respect to this matter.

#### ***Responsibilities of Management for the Consolidated Financial Statements***

Management is responsible for the preparation and fair presentation of the consolidated 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 consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Bowling Green State University Foundation, Inc. and Subsidiary's ability to continue as a going concern within one year after the date that these consolidated financial statements are available to be issued.

### ***Auditor's Responsibilities for the Audit of the Consolidated Financial Statements***

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

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated September 26, 2024, on our consideration of Bowling Green State University Foundation, Inc. and Subsidiary'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 Bowling Green State University Foundation, Inc. and Subsidiary'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 Bowling Green State University Foundation, Inc. and Subsidiary's internal control over financial reporting and compliance.

**Forvis Mazars, LLP**

Cincinnati, Ohio  
September 26, 2024



THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 2,501,216	\$ 2,914,180
Contributions receivable, net	<u>2,847,958</u>	<u>3,856,527</u>
Total current assets	5,349,174	6,770,707
Investments		
Fixed income mutual funds	61,601,517	57,069,367
Equity mutual funds	181,655,982	159,077,415
Alternative investments	41,458,618	36,793,968
Corporate stocks	-	849,143
Money market funds	<u>18,304,569</u>	<u>20,683,962</u>
Total investments	303,020,686	274,473,855
Prepaid and other assets		
Long-term contributions receivable, net	426,509	755,597
Beneficial interest in trust held by others	7,958,144	10,480,871
Cash value of life insurance	1,502,298	1,445,193
	<u>1,678,119</u>	<u>1,700,206</u>
Total assets	<u>\$ 319,934,930</u>	<u>\$ 295,626,429</u>
 <b>LIABILITIES AND NET ASSETS</b>		
Current liabilities		
Accounts payable	\$ 821,948	\$ 1,021,273
Total current liabilities	<u>821,948</u>	<u>1,021,273</u>
Annuities payable		
Total liabilities	<u>2,390,520</u>	<u>2,698,463</u>
	3,212,468	3,719,736
Net assets		
Without donor restrictions	33,159,743	24,431,944
With donor restrictions	<u>283,562,719</u>	<u>267,474,749</u>
Total net assets	316,722,462	291,906,693
Total liabilities and net assets	<u>\$ 319,934,930</u>	<u>\$ 295,626,429</u>

See accompanying notes to consolidated financial statements.

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF ACTIVITIES  
Year ended June 30, 2024

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support, revenue, gains and losses</b>			
Contributions and gifts	\$ 334,333	\$ 15,234,871	\$ 15,569,204
Contributions and gifts – nonfinancial	-	259,635	259,635
Provision for uncollectible contributions	-	916,852	916,852
University support	5,506,200	-	5,506,200
Interest and dividends	1,770,103	4,890,607	6,660,710
Net realized and unrealized gains (losses)	8,652,565	20,932,159	29,584,724
Change in split interest agreements	-	101,500	101,500
Other revenue	5,204	291,187	296,391
Net assets released from restriction	26,538,841	(26,538,841)	-
Total support, revenue, gains and losses	<u>42,807,246</u>	<u>16,087,970</u>	<u>58,895,216</u>
<b>Expenses</b>			
Program services	27,069,566	-	27,069,566
Fundraising	3,563,296	-	3,563,296
Management and general	3,446,585	-	3,446,585
Total expenses	<u>34,079,447</u>	<u>-</u>	<u>34,079,447</u>
Change in net assets	8,727,799	16,087,970	24,815,769
Net assets at beginning of year	<u>24,431,944</u>	<u>267,474,749</u>	<u>291,906,693</u>
Net assets at end of year	<u>\$ 33,159,743</u>	<u>\$ 283,562,719</u>	<u>\$ 316,722,462</u>

See accompanying notes to consolidated financial statements.

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENT OF ACTIVITIES  
Year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
<b>Support, revenue, gains and losses</b>			
Contributions and gifts	\$ 272,409	\$ 27,820,936	\$ 28,093,345
Contributions and gifts – nonfinancial	-	572,098	572,098
Provision for uncollectible contributions	-	(1,122,196)	(1,122,196)
University support	4,692,000	-	4,692,000
Interest and dividends	905,913	4,922,016	5,827,929
Net realized and unrealized gains (losses)	4,959,461	14,835,767	19,795,228
Change in split interest agreements	-	(989,325)	(989,325)
Other revenue	1,213	289,624	290,837
Net assets released from restriction	25,073,612	(25,073,612)	-
Total support, revenue, gains and losses	<u>35,904,608</u>	<u>21,255,308</u>	<u>57,159,916</u>
<b>Expenses</b>			
Program services	25,399,730	-	25,399,730
Fundraising	3,051,196	-	3,051,196
Management and general	2,950,611	-	2,950,611
Total expenses	<u>31,401,537</u>	<u>-</u>	<u>31,401,537</u>
Change in net assets	4,503,071	21,255,308	25,758,379
Net assets at beginning of year	<u>19,928,873</u>	<u>246,219,441</u>	<u>266,148,314</u>
Net assets at end of year	<u>\$ 24,431,944</u>	<u>\$ 267,474,749</u>	<u>\$ 291,906,693</u>

See accompanying notes to consolidated financial statements.

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
CONSOLIDATED STATEMENTS OF CASH FLOWS  
Years ended June 30, 2024 and 2023

	<u>2024</u>	<u>2023</u>
<b>Cash flows from operating activities</b>		
Change in net assets	\$ 24,815,769	\$ 25,758,379
Adjustments to reconcile change in net assets to net cash used by operating activities:		
Net realized and unrealized (gains) losses	(29,584,724)	(19,795,228)
Proceeds from contributions restricted for long-term purposes	(4,419,287)	(9,169,200)
Provision for uncollectible contributions	(916,852)	1,122,196
Changes in operating assets and liabilities:		
Contributions receivable	4,448,148	(3,776,701)
Change in beneficial interest in trusts held by others	(57,105)	329,171
Prepaid and other assets	329,088	(753,369)
Accounts and annuities payable	295,914	1,573,249
Net cash used by operating activities	(5,089,049)	(4,711,503)
<b>Cash flows from investing activities</b>		
Sales of investments	23,030,523	24,041,392
Purchases of investments	(21,992,630)	(25,845,699)
Net change in cash surrender value of life insurance	22,087	(6,831)
Net cash from (used by) investing activities	1,059,980	(1,811,138)
<b>Cash flows from financing activities</b>		
Proceeds from contributions restricted for long term purposes	4,419,287	9,169,200
Payments to annuitants	(803,182)	(1,460,986)
Net cash from financing activities	3,616,105	7,708,214
Change in cash and cash equivalents	(412,964)	1,185,573
Cash and cash equivalents at beginning of year	2,914,180	1,728,607
Cash and cash equivalents at end of year	\$ 2,501,216	\$ 2,914,180
<b>Supplemental disclosures of noncash information</b>		
In-kind gifts	\$ 259,635	\$ 572,098
University Support	5,506,200	4,692,000

See accompanying notes to consolidated financial statements.

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation: The consolidated financial statements include accounts of The Bowling Green State University Foundation, Inc. (the Foundation) and The Bowling Green State University Foundation LLC (the Corporation). Significant intercompany accounts and transactions have been eliminated.

The Foundation is a non-profit Ohio corporation that assists in the development and advancement of Bowling Green State University (the University). All program expenses are for the benefit of the University.

In July 2004, the Corporation was formed as a wholly owned subsidiary of the Foundation. The Corporation was organized to acquire, hold title to, and collect income from real property to the benefit of the Foundation and the University.

Significant accounting policies followed in preparing the consolidated financial statements of the Foundation are presented below.

Basis of Accounting: The consolidated financial statements of the Foundation have been prepared on the accrual basis of accounting.

Use of Estimates: The preparation of consolidated financial statements 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 consolidated financial statements and the reported amounts of revenues, expenses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents: The Foundation considers all highly liquid investments purchased with a maturity of three months or less to be cash equivalents. Deposits in banks are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. At June 30, 2024 and 2023, the Foundation had \$2,262,298 and \$2,633,841 in excess of the FDIC insured limit, respectively.

Investments: Investments are recorded at fair value. Realized gains or losses from sale of securities are determined using the cost basis of the securities sold. Interest and dividend income is reported when earned. The Foundation's endowment funds participate in an investment pool in which each fund receives a proportionate share of the total earnings pool. All investment income, including realized and unrealized gains and losses, derived from investments in the endowment investment pool is allocated to the participating endowment fund based upon the current three year rolling average balance of each endowment fund. Investment expenses are netted with investment income.

Split Interest Agreements: The Foundation is trustee and beneficiary of numerous irrevocable charitable trusts and gift annuities. Such assets are included in investment securities and are recorded at fair value. These assets have been donated to the Foundation for investment, in return for payments to the donor(s) or their designees. Annuity obligations are recorded at the net present value each year and are based on an actuarial calculation that considers the life expectancy of the annuitant and the expected rate of return to be earned on the annuitant's gift. Upon the satisfaction of the terms of each trust or annuity, the Foundation receives the balance of the invested assets. These assets are then added to the fund per the donor's direction.

The Foundation is also named as beneficiary of several irrevocable trusts for which third parties are the trustees. The Foundation's interest in the future income stream of perpetual trusts is recognized based on the present fair value of the trust assets. The Foundation's interest in such trusts is based on the estimated value of the assets to be received from each trust.

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**NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Net Asset Classifications: Resources of the Foundation are maintained in accounts that are classified into net asset categories based on the limitations and restrictions placed on the contributions and gifts received. The net assets of the Foundation are classified into the following types for financial reporting purposes:

- Net assets with donor restrictions represent contributions received whereby the donors have stipulated that the funds are to be used for a specific time or purpose.
- Net assets without donor restrictions are funds not restricted by donors, or the donor-imposed restrictions have expired. The Foundation's governing board has designated from net assets without donor restrictions, net assets for board-designated endowment. The governing board has the right to approve the use of these funds.

Expiration of Donor-Imposed Restrictions: The expiration of a donor-imposed restriction on a contribution or on endowment income is recognized in the period in which the restriction expires and at that time the related resources are reclassified to net assets without donor restriction. A restriction expires when either the stipulated time has elapsed or when the stipulated purpose for which the resource was restricted has been fulfilled, or both.

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of events specified by the donors or by the change of restrictions specified by the donors. When an expense is incurred for purposes for which both restricted and unrestricted resources are available, it is the Foundation's policy to apply restricted resources first, then unrestricted resources as needed.

Gifts and investment income that are originally restricted by the donor and for which the restriction is met in the same time period the gift is received are recorded as revenue with donor restrictions and then released from restriction.

Contributions and Gifts: All contributions and gifts are considered available for use without donor restriction unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as with donor restriction support.

Promises to Give: Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using a discount rate commensurate with the risks involved. Conditional promises to give are not included as support until the conditions are substantially met. The Foundation uses the allowance method to estimate uncollectible unconditional promises to give. The allowance is based upon prior experience and management's analysis of promises to give.

Contributions and Gifts – Nonfinancial Assets and University Support: In-kind gifts, when received, are recorded as Contributions and Gifts – Nonfinancial in the accompanying consolidated statement of activities at the estimated fair value at the date of receipt. Fair value measurement is determined based on various assumptions, judgments, and factors specific to the gift. In management's opinion, the values determined approximate fair value. Upon receipt, the donated nonfinancial assets are given to the University to support its educational mission.

Expenses related to occupancy of facilities and to certain salaries and fringe benefits of advancement, alumni, and development personnel are paid by the University on behalf of the Foundation and are recorded in the consolidated statement of activities as University Support.

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THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES (Continued)**

Contributions and gifts – nonfinancial assets were as follows for the years ended June 30:

	<u>2024</u>	<u>2023</u>
Supplies and Materials	\$ 162,440	\$ 57,692
Services	20,195	466,423
Buildings and Equipment	<u>77,000</u>	<u>47,983</u>
Contributions and gifts – nonfinancial assets	<u>\$ 259,635</u>	<u>\$ 572,098</u>

Income Taxes: The Foundation has been recognized by the Internal Revenue Service as an organization exempt from federal taxation under Section 501(c)(3) of the Internal Revenue Code. The Foundation is a public charity by reason of being described in Internal Revenue Code Section 170(b)(1)(A)(iv). The Foundation is exempt from federal income taxes except to the extent of income derived from unrelated business activities. Unrelated business income is not material to the consolidated financial statements. The Corporation is incorporated as a limited liability corporation.

Annuities Payable: The Foundation receives life annuity donations. Fixed payments from these funds are to be remitted to the donor from the donor’s specified date of commencement until death, at which time any remaining balance will revert to the Foundation. The Foundation reports as a contribution the difference between the funds received and the present value of all expected annuity payments to be made to the donor. A portion of the payments to the donors is charged to the annuities payable account each year.

Reclassification: Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no effect on previously reported changes in net assets or total net assets.

Revision: The June 30, 2023 financial statements have been revised for an immaterial error correction in the amount of \$563,885 between provision for uncollectible contributions and change in split interest agreements on the statement of activities.

Subsequent Events: The Foundation evaluated the effect of subsequent events through September 26, 2024, representing the date on which the consolidated financial statements were available to be issued. Management has determined no subsequent events have occurred requiring disclosure in these financial statements.

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(Continued)

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 2 - CONTRIBUTIONS RECEIVABLE**

Contributors to the Foundation have made written unconditional promises to give, on which management has set up an allowance for uncollectible pledges. Contributions receivable reflect net present value using discount rates ranging from 3.68% to 4.33%. Write-offs of uncollectible pledges for the years ended June 30, 2024 and 2023, amounted to approximately \$270,000 and \$95,000, respectively.

Contributions receivable at June 30 are due as follows:

	<u>2024</u>	<u>2023</u>
Within one year	\$ 4,219,039	\$ 5,986,228
One to five years	9,287,741	12,000,290
More than five years	<u>302,000</u>	<u>540,600</u>
	13,808,780	18,527,118
Less allowance	(1,850,568)	(2,756,745)
Present value discount	<u>(1,152,110)</u>	<u>(1,432,975)</u>
 Total	 <u>\$ 10,806,102</u>	 <u>\$ 14,337,398</u>

Contributions receivable from related parties totaled approximately \$744,000 and \$911,000 at June 30, 2024 and 2023, respectively. Related party contribution revenue recognized for the years ended June 30, 2024 and 2023 totaled approximately \$293,000 and \$534,000, respectively.

The Foundation has conditional promises from donors of approximately \$194,722,000 and \$111,252,000 for estates or planned gifts as of June 30, 2024 and 2023, respectively, which are not recorded in the accompanying consolidated financial statements until the condition has been fulfilled.

**NOTE 3 - INVESTMENTS**

Investments at June 30 are as follows:

	<u>2024</u>	<u>2023</u>
Fixed income mutual funds	\$ 61,601,517	\$ 57,069,367
Equity mutual funds	181,655,982	159,077,415
Corporate stocks	-	849,143
Money market funds	18,304,569	20,683,962
Alternative investments:		
Private investment funds – private equity	30,235,838	27,146,580
Private investment funds – private debt	5,920,902	4,655,688
Private investment funds – real assets	4,690,993	4,380,815
Real estate and other	<u>610,885</u>	<u>610,885</u>
Total alternative investments	<u>41,458,618</u>	<u>36,793,968</u>
 Total	 <u>\$ 303,020,686</u>	 <u>\$ 274,473,855</u>

Realized gains from sales of investment securities amounted to \$10,431,476 in 2024 and \$4,385,414 in 2023. The unrealized gains during the years ended June 30, 2024 and 2023 were \$19,153,248 and \$15,409,814, respectively.

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#### **NOTE 4 - DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES**

The Foundation measures certain financial assets and liabilities at fair value on a recurring basis. Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. The Foundation's assessment of the significance of a particular input to fair value measurement in its entirety requires judgment and considers factors specific to the asset or liability. The following three-tier fair value hierarchy prioritizes the inputs used in measuring fair value:

*Level 1* - Observable inputs such as quoted prices in active markets

*Level 2* - Inputs, other than quoted prices in active markets, that are observable either directly or indirectly

*Level 3* - Unobservable inputs for which there is little or no market data that requires the Foundation to develop assumptions

Following is a description of the valuation methodologies used for assets measured at fair value on a recurring basis and recognized in the accompanying statements of financial position, as well as the general classification of such assets pursuant to the valuation hierarchy.

In many cases, a valuation technique used to measure fair value includes inputs from multiple levels of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. Investments using net asset values ("NAV") per share (or its equivalent) as a fair value expedient have not been classified in the fair value hierarchy. These investments are presented as "NAV" in the following tables to permit reconciliation of the fair value hierarchy table to the total investments at fair value presented in the consolidated statements of financial position.

Investments: Investments of the Foundation include cash equivalents and money market funds, corporate stocks, fixed income funds, mutual funds and various alternative investment strategies. The Foundation records investments in cash equivalents and money market funds, corporate stocks, fixed income funds, and mutual funds at their current fair values based on quoted market prices in active markets for identical assets, which is consistent with Level 1 in the hierarchy.

Alternative Investments: For other investments for which there is no active market, generally referred to as "alternative investments", fair values are initially based on valuations determined by the investment managers using audited net asset values ("NAV") as of their most recent audited financial statements, adjusted for cash receipts, cash disbursements, and other anticipated income or loss through year end. The NAV's of the investment funds are determined on the accrual basis of accounting in conformity with GAAP. The managers utilize standard valuation procedures and policies to assess the fair value of the underlying investment holdings to derive NAV. Foundation management has performed considerable independent review of valuations reported by investment managers and determined that NAV is a reasonable and prudent estimate of fair value. Alternative investments are not readily marketable, and their estimated value is subject to uncertainty. Therefore, there may be a material difference between their estimated value and the value that would have been used had a readily determinable fair value for such investments existed. Fund strategies and fair value level classifications for each of the assets in this security type are summarized as follows:

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(Continued)

**NOTE 4 - DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES (Continued)**

For the private investment funds investments, the Foundation has estimated fair value using the net asset value per share of the investment, or its equivalent. Due to current market conditions as well as the limited trading activity of these securities, the market value of the securities is highly sensitive to assumption changes and market volatility. At June 30, 2024 and 2023, these investments consist mainly of limited partnerships, with a smaller percentage of investments in closely held companies. There are no redemption options on the majority of the funds. The partnerships are scheduled to terminate in 2024-2035. Commitments outstanding on these funds are approximately \$22,792,000 and \$21,266,000 at June 30, 2024 and 2023, respectively. The investment objectives of these funds are to obtain long term growth capital and they offer investors an opportunity to access the private equity market through a much smaller commitment than would be feasible investing directly in funds.

For other investments for which there is no active market, including real estate, Foundation management has estimated fair value using the net asset value per share of the investment, or its equivalent. The market value of the securities is highly sensitive to assumption changes and market volatility. Other than real estate owned directly by the Foundation, there are no redemption options on these funds. There were no outstanding commitments at June 30, 2024 and 2023. The investment objectives of the funds are overall long-term capital growth.

Split Interest Agreements: The Foundation's investments under charitable remainder trusts and charitable gift annuities are classified as Level 1. The Foundation records investments in cash equivalents and money market funds, mutual funds, and fixed income funds at their current fair values based on quoted market prices in active markets for identical assets, which is consistent with Level 1 in the hierarchy.

Beneficial Interest in Trust Held by Others: The Foundation's beneficial interest in irrevocable split interest agreements held or controlled by a third party are classified as Level 3, as the fair values are based on significant unobservable inputs. The fair values are estimated using the income approach and are measured at the present value of the future distributions the Foundation expects to receive over the term of the agreements.

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(Continued)

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

**NOTE 4 - DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES (Continued)**

The fair value of these financial assets was determined using the following inputs at June 30, 2024 and 2023:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>NAV</u>	<u>June 30, 2024</u>
<b>Investments</b>					
Cash equivalents and money market funds	\$ 18,167,561	\$ -	\$ -	-	\$ 18,167,561
<b>Mutual funds</b>					
Domestic equity funds	144,139,618	-	-	-	144,139,618
International equity funds	35,653,892	-	-	-	35,653,892
Fixed income funds	60,212,469	-	-	-	60,212,469
<b>Alternative investments</b>					
Private investment funds – private equity	-	-	-	30,235,838	30,235,838
Private investment funds – private debt	-	-	-	5,920,902	5,920,902
Private investment funds – real assets	-	-	-	4,690,993	4,690,993
Real estate and other	-	-	-	610,885	610,885
<b>Split interest agreements</b>					
Cash equivalents and money market funds	137,008	-	-	-	137,008
Equity mutual funds	1,862,472	-	-	-	1,862,472
Fixed income mutual funds	1,389,048	-	-	-	1,389,048
<b>Beneficial interest in trust held by others</b>					
	-	-	<u>1,502,298</u>	-	<u>1,502,298</u>
<b>Total assets</b>	<u>\$ 261,562,068</u>	<u>\$ -</u>	<u>\$ 1,502,298</u>	<u>\$ 41,458,618</u>	<u>\$ 304,522,984</u>
<b>Investments</b>					
Cash equivalents and money market funds	\$ 20,550,836	\$ -	\$ -	-	\$ 20,550,836
Domestic corporate stocks	849,143	-	-	-	849,143
<b>Mutual funds</b>					
Domestic equity funds	125,951,679	-	-	-	125,951,679
International equity funds	31,165,601	-	-	-	31,165,601
Fixed income funds	55,394,585	-	-	-	55,394,585
<b>Alternative investments</b>					
Private investment funds – private equity	-	-	-	27,146,580	27,146,580
Private investment funds – private debt	-	-	-	4,655,688	4,655,688
Private investment funds – real assets	-	-	-	4,380,815	4,380,815
Real estate and other	-	-	-	610,885	610,885
<b>Split interest agreements</b>					
Cash equivalents and money market funds	133,126	-	-	-	133,126
Equity mutual funds	1,960,135	-	-	-	1,960,135
Fixed income mutual funds	1,674,782	-	-	-	1,674,782
<b>Beneficial interest in trust held by others</b>					
	-	-	<u>1,445,193</u>	-	<u>1,445,193</u>
<b>Total assets</b>	<u>\$ 237,679,887</u>	<u>\$ -</u>	<u>\$ 1,445,193</u>	<u>\$ 36,793,968</u>	<u>\$ 275,919,048</u>

(Continued)

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 4 - DISCLOSURES ABOUT FAIR VALUE OF ASSETS AND LIABILITIES** (Continued)

The following is a reconciliation of the beginning and ending balances of recurring fair value measurements recognized in the accompanying statements of financial position using significant unobservable (Level 3) inputs:

	<u>2024</u>	<u>2023</u>
Beginning balance	\$1,445,193	\$1,774,364
Total gains or losses (realized/unrealized) included in earnings	38,594	(335,110)
Change in beneficial interest held by others	<u>18,511</u>	<u>5,939</u>
Ending balance	<u>\$1,502,298</u>	<u>\$1,445,193</u>

Certain investment securities are held by independent custodial and management agents. Custodial and management fees paid were approximately \$106,000 in 2024 and 2023 and are reported as reductions to interest and dividends in the accompanying consolidated statements of activities.

Other Financial Instruments: The Foundation's other financial instruments include cash and cash equivalents, contributions receivable, cash surrender value of life insurance, accounts payable, and annuities payable.

For cash and cash equivalents and accounts payable, the carrying amounts approximate fair value because of the short maturity of these items. The carrying amount of contributions receivable, cash surrender value of life insurance, and annuities payable are a reasonable estimate of the corresponding fair value.

**NOTE 5 - LIFE INSURANCE POLICIES**

The Foundation is owner and beneficiary of certain life insurance policies that have a total face value of approximately \$8,721,000 at June 30, 2024 and \$8,751,000 at June 30, 2023. Premiums on these policies are generally paid by the insured individuals. The cash surrender value of such policies approximated \$1,678,000 and \$1,700,000 at June 30, 2024 and 2023, respectively.

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(Continued)

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 6 - NET ASSETS**

Net assets with donor restrictions at June 30 are available for the following purposes:

	<u>2024</u>	<u>2023</u>
Scholarships	\$ 157,696,510	\$ 148,265,859
General and operational support	82,941,254	78,750,122
Professorships	20,590,168	18,777,835
Capital and equipment	9,868,675	10,359,206
Centers and institutes	4,655,096	4,330,430
Chair	3,890,409	3,532,841
Faculty and staff	1,757,831	1,606,911
Research	1,522,727	1,367,864
Fellowships	<u>640,049</u>	<u>483,681</u>
Total net assets with donor restrictions	<u>\$ 283,562,719</u>	<u>\$ 267,474,749</u>

The following represents a summary of the net assets released from restrictions during the years ended June 30:

	<u>2024</u>	<u>2023</u>
Scholarships	\$ 12,600,636	\$ 11,039,940
General and operational support	7,766,519	7,768,674
Capital and equipment	5,225,560	5,560,344
Professorships	465,483	347,710
Centers and institutes	248,086	176,293
Chair	102,832	62,774
Faculty and staff	62,437	66,616
Research	35,046	28,154
Fellowships	<u>32,242</u>	<u>23,107</u>
Total net assets released from restrictions	<u>\$ 26,538,841</u>	<u>\$ 25,073,612</u>

Board designated endowment funds included within the category of without donor restrictions have been earmarked for future allocations, grants or other uses as determined by action of the Board. The primary purpose of these amounts are to prevent an interruption or a reduction of services due to an unanticipated shortage of available funds.

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(Continued)

## **NOTE 7 - ENDOWMENT BALANCES**

The Foundation's endowment consists of 1,366 individual funds established for a variety of purposes. Net assets associated with endowment funds, including funds designated by the governing board to function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions. Governing board restrictions are reported in net assets without donor restrictions.

The governing Board of Directors of the Foundation has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. As a result of this interpretation, the Foundation classifies as net assets with donor restrictions (a) the original value of gifts donated to the endowment, (b) the original value of subsequent gifts to the endowment, and (c) accumulations to the endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund, less (d) the amounts appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted funds:

- The duration and preservation of the fund
- The purposes of the Foundation and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Foundation
- The investment policies of the Foundation

The Foundation has its investment and spending policies for endowment assets such that it attempts to provide a predictable stream of funding to programs supported by its endowment while seeking to maintain purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the Foundation must hold in perpetuity or for a donor-specific period(s). Under this policy, as approved by the governing board, the endowment assets are invested in a manner that is intended to produce a real return, net of inflation and investment management costs over the long term. Actual returns in any given year may vary.

To satisfy its long-term rate-of-return objectives, the Foundation relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Foundation targets a diversified asset allocation that places a greater emphasis on equity-based and alternative investments to achieve its long-term objective within prudent risk constraints.

The Foundation records the annual income of the endowment as restricted and appropriated for expenditure upon meeting donor stipulations. In establishing this policy, the Foundation considered the long-term expected return on its endowment. This is consistent with the Foundation's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment returns.

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(Continued)

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

**NOTE 7 - ENDOWMENT BALANCES** (Continued)

The Foundation has adopted a spending policy with respect to amounts available for distribution on all endowed funds. The spending policy provides for a range of 3.0% to 7.0% of the three year rolling average market value of endowed fund balances, with the Board of Directors approving 4.0% for 2024 and 2023.

The Foundation Board of Directors approved charging an administrative fee of 1.0% for the years ended June 30, 2024 and 2023, on all endowed funds, and certain non-endowed funds, unless prohibited by the guidelines of the fund. The fee is based on the prior three-year average market value balance for endowed funds.

The composition of net assets by type of endowment fund at June 30, 2024 and 2023 was:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
<u>June 30, 2024</u>			
Donor-restricted endowment funds	\$ -	\$ 230,572,770	\$ 230,572,770
Board-designated endowment funds	<u>2,715,980</u>	<u>-</u>	<u>2,715,980</u>
Total endowment funds	<u>\$ 2,715,980</u>	<u>\$ 230,572,770</u>	<u>\$ 233,288,750</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
<u>June 30, 2023</u>			
Donor-restricted endowment funds	\$ -	\$ 207,093,689	\$ 207,093,689
Board-designated endowment funds	<u>2,411,251</u>	<u>-</u>	<u>2,411,251</u>
Total endowment funds	<u>\$ 2,411,251</u>	<u>\$ 207,093,689</u>	<u>\$ 209,504,940</u>

Changes in endowment net assets for the years ended June 30, 2024 and 2023 were:

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
<u>June 30, 2024</u>			
Endowment net assets, beginning of year	\$ 2,411,251	\$ 207,093,689	\$ 209,504,940
Investment return			
Investment income	47,836	4,613,938	4,661,774
Net gains/(losses)	<u>256,414</u>	<u>20,776,854</u>	<u>21,033,268</u>
Total investment return	<u>304,250</u>	<u>25,390,792</u>	<u>25,695,042</u>
Contributions and additions			
Change in split interest agreement	-	(75,295)	(75,295)
Appropriation of endowment assets for expenditure	<u>(23,209)</u>	<u>(6,674,806)</u>	<u>(6,698,015)</u>
Endowment net assets, end of year	<u>\$ 2,715,980</u>	<u>\$ 230,572,770</u>	<u>\$ 233,288,750</u>

(Continued)

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

**NOTE 7 - ENDOWMENT BALANCES** (Continued)

	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Totals</u>
<u>June 30, 2023</u>			
Endowment net assets, beginning of year	\$ 2,189,550	\$ 183,275,347	\$ 185,464,897
Investment return			
Investment income	47,696	4,280,443	4,328,139
Net gains/(losses)	<u>197,908</u>	<u>14,736,998</u>	<u>14,934,906</u>
Total investment return	<u>245,604</u>	<u>19,017,441</u>	<u>19,263,045</u>
Contributions and additions	-	11,270,171	11,270,171
Change in split interest agreement	-	(425,440)	(425,440)
Appropriation of endowment assets for expenditure	<u>(23,903)</u>	<u>(6,043,830)</u>	<u>(6,067,733)</u>
Endowment net assets, end of year	<u>\$ 2,411,251</u>	<u>\$ 207,093,689</u>	<u>\$ 209,504,940</u>

From time to time, the fair value of assets associated with individual donor-restricted funds may fall below the level that the donor or UPMIFA requires the Foundation to retain as a fund of perpetual duration. Deficiencies of this nature that are in excess of related amounts with donor restrictions are reported in net assets with donor restrictions. There were no funds with deficiencies as of June 30, 2024 or 2023.

**NOTE 8 – AVAILABLE RESOURCES AND LIQUIDITY**

The Foundation receives significant contributions with donor restrictions to be used in accordance with the associated purpose restrictions. It also receives gifts to establish endowments that will exist in perpetuity; the income generated from such endowments is used to fund programs. In addition, the Foundation receives support without donor restrictions.

The Foundation considers investment income without donor restrictions, contributions without donor restrictions and contributions with donor restrictions for use in current programs which are ongoing, major, and central to its annual operations to be available to meet cash needs for general expenditures. General expenditures include administrative and general expenses, fundraising expenses and grant commitments expected to be paid in the subsequent year. Annual operations are defined as activities occurring during the Foundation's fiscal year.

The Foundation manages its cash available to meet general expenditures following three guiding principles:

- Operating within a prudent range of financial soundness and stability,
- Maintaining adequate liquid assets, and
- Maintaining sufficient reserves to provide reasonable assurance that long term grant commitments and obligations under endowments with donor restrictions and quasi-endowments that support mission fulfillment will continue to be met, ensuring the sustainability of the Foundation.

(Continued)



THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

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**NOTE 8 – AVAILABLE RESOURCES AND LIQUIDITY** (Continued)

The table below presents financial assets available for general expenditures within one year at June 30, 2024 and 2023.

	<u>2024</u>	<u>2023</u>
Financial assets at year end:		
Cash and cash equivalents	\$ 2,501,216	\$ 2,914,180
Investments	303,020,686	274,473,855
Net contributions receivable	10,806,102	14,337,398
Cash surrender value of life insurance	1,678,119	1,700,206
Beneficial interest in trusts held by others	<u>1,502,298</u>	<u>1,445,193</u>
Total financial assets	319,508,421	294,870,832
Less amounts not available to be used within one year:		
Investments for endowments or restricted purposes	(296,262,421)	(269,856,799)
Investments held in custodial and non-custodial trusts	(4,784,506)	(4,627,139)
Contributions receivable – due after one year	<u>(7,958,144)</u>	<u>(10,480,871)</u>
Financial assets not available to be used within one year	<u>(309,005,072)</u>	<u>(284,964,809)</u>
 Financial asset available to meet general expenditure within one year	 <u>\$ 10,503,349</u>	 <u>\$ 9,906,023</u>

The amount available for spending from endowed funds is determined on an annual basis as calculated by the Foundation's spending policy, which is currently 4.0% of the fund's three-year rolling average market value. Disbursements related to non-endowed restricted purposes are determined based on annual receipts. The estimate of these amounts is not included in the calculation of financial assets available for general expenditures within one year.

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(Continued)

THE BOWLING GREEN STATE UNIVERSITY FOUNDATION, INC. AND SUBSIDIARY  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
June 30, 2024 and 2023

**NOTE 9 – EXPENSES BY BOTH NATURE AND FUNCTION**

Expenses are presented below by functional classification in accordance with the overall service mission of the Foundation. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Support services include administration, accounting, facilities, public relations, and human resources. Most expenses are directly charged to the department/function incurring the expense. Costs are allocated based on direct costs charged to each department/function and time spent. Each functional classification displays all expenses related to the underlying operations by natural classification.

	<u>Program Services</u>	<u>Supporting Services</u>		<u>Totals</u>
	<u>Support of University</u>	<u>Fundraising</u>	<u>Management and General</u>	
<u>June 30, 2024</u>				
University programming	\$ 4,177,375	\$ 3,061,970	\$ 1,310,030	\$ 8,549,375
Capital projects	5,257,506	28,533	4,758	5,290,797
Scholarships & grants	14,079,768	-	2,560	14,082,328
Travel & meals	954,651	72,397	68,083	1,095,131
Stewardship events	125,049	76,892	795,249	997,190
Gift in kind expense	259,635	-	-	259,635
Printing & postage	216,665	47,604	82,994	347,263
Professional fees	190,636	1,674	351,808	544,118
Computer software & consulting	14,180	37,292	604,111	655,583
Professional development	187,618	13,417	63,750	264,785
Supplies	251,783	30,006	15,436	297,225
Maintenance & repairs	711,794	2,917	1,721	716,432
Insurance	77,813	-	3,779	81,592
Telephones & communication	136,044	171,261	18,464	325,769
Bank fees	8,119	-	87,184	95,303
Student wages	-	-	3,001	3,001
Advertising	60,791	18,907	7,409	87,107
Other expenses	<u>360,139</u>	<u>426</u>	<u>26,248</u>	<u>386,813</u>
Total expenses	<u>\$ 27,069,566</u>	<u>\$ 3,563,296</u>	<u>\$ 3,446,585</u>	<u>\$ 34,079,447</u>

	<u>Program Services</u>	<u>Supporting Services</u>		<u>Totals</u>
	<u>Support of University</u>	<u>Fundraising</u>	<u>Management and General</u>	
<u>June 30, 2023</u>				
University programming	\$ 3,326,817	\$ 2,550,406	\$ 1,099,227	\$ 6,976,450
Capital projects	6,134,182	26,118	541,156	6,701,456
Scholarships & grants	12,889,940	-	-	12,889,940
Travel & meals	726,610	95,424	85,465	907,499
Stewardship events	73,203	49,124	638,868	761,195
Gift in kind expense	572,098	-	-	572,098
Printing & postage	89,209	65,726	70,802	225,737
Professional fees	248,479	1,396	303,927	553,802
Computer software & consulting	47,917	51,446	(6,441)	92,922
Professional development	199,676	9,249	32,972	241,897
Supplies	239,049	3,276	12,741	255,066
Maintenance & repairs	515,390	8,583	11,952	535,925
Insurance	40,742	-	3,150	43,892
Telephones & communication	151,327	166,696	12,033	330,056
Bank fees	5,583	-	60,390	65,973
Student wages	-	-	4,439	4,439
Advertising	32,530	2,516	15,750	50,796
Other expenses	<u>106,978</u>	<u>21,236</u>	<u>64,180</u>	<u>192,394</u>
Total expenses	<u>\$ 25,399,730</u>	<u>\$ 3,051,196</u>	<u>\$ 2,950,611</u>	<u>\$ 31,401,537</u>

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

### **Independent Auditor's Report**

Board of Directors  
The Bowling Green State University Foundation, Inc. and Subsidiary  
Bowling Green, Ohio

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 consolidated financial statements of Bowling Green State University Foundation, Inc. and Subsidiary, a component unit of Bowling Green State University, which comprise Bowling Green State University Foundation, Inc. and Subsidiary's consolidated statement of financial position as of June 30, 2024, and the related consolidated statements of activities and changes in net assets and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated September 26, 2024.

### ***Report on Internal Control Over Financial Reporting***

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

***Report on Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Bowling Green State University Foundation, Inc. and Subsidiary's consolidated 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

***Purpose of This Report***

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

***Forvis Mazars, LLP***

**Cincinnati, Ohio  
September 26, 2024**

# OHIO AUDITOR OF STATE KEITH FABER



**BOWLING GREEN STATE UNIVERSITY FOUNDATION**

**WOOD COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 12/5/2024**

65 East State Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)