



**WRIGHT STATE
UNIVERSITY**

BOARD OF TRUSTEES

**Finance, Audit and Infrastructure
COMMITTEE**

**March 19, 2021
MEETING DATE**

SUBJECT: Monthly Cash Report as of January 31, 2021

PRESENTED BY: Don Borowy

The cash forecast and accompanying graphs are attached for reference. Cash balances and activity includes both unrestricted and restricted university funds.

The beginning balance of cash and investments for FY2021 was \$11.7 million higher than the beginning of FY2020 (\$84.1 vs. \$72.4). Ending cash and investments as of January 31, 2021 was \$136.2 million, an increase of \$24.9 million over January 31, 2020. The \$136.2 million includes approximately \$1.6 million of Nutter Center advance ticket sales for events which will be paid out in FY21/FY22.

The chart below shows a comparison to the prior year through December (in millions):

	<u>FY2021</u>	<u>FY2020</u>	<u>Fav <Unfav></u>
Cash Inflows	\$199.1	\$219.4	<\$20.3>
Cash Outflows	<153.5>	<180.9>	27.4
Investment Income	7.3	1.2	6.1
Perkins Reserve	<0.8>	<0.8>	0.0
Net Increase in Cash	52.1	38.9	13.2

FY2021 YTD cash inflows includes \$12.2 million in COVID-19 institutional funds and \$3.0 million sale of Cox Institute which helped offset lower tuition, SSI funding, gifts/other and sales & service collections. Cash outflows positively impacted by lower payroll/benefit outflows and operational costs compared to the prior year. Payroll/benefit outflows lower due to faculty VRIP, natural attrition and position reductions. Operational costs lower primarily due to the continued freeze on procurement cards and reduced discretionary spending. Investment income \$6.1 million favorable mainly due to the \$6.7 million 9/30 Venture Investment Associates (VIA) private equity valuation increase.

For the full fiscal year, ending cash and investment balance at June 30, 2021 is projected to be \$106.2 million, up \$22.1 million to the prior year. The chart below shows a full year comparison to the prior year (in millions):

	<u>Forecast</u> <u>FY2021</u>	<u>Actual</u> <u>FY2020</u>	<u>Fav <Unfav></u>
Cash Inflows	\$281.5	\$314.6	<\$33.1>
Cash Outflows	<265.3>	<304.0>	38.7
Investment Income	7.4	2.6	4.8
Perkins Reserve	<1.5>	<1.5>	0.0
Net Increase in Cash	22.1	11.7	10.4

Excluding the benefit of one-time cash inflows and COVID related lower expenditures, the net increase in cash would have been approximately \$5.6 million.

Days cash on hand as of June 30, 2021 is projected to be 148 days, an increase of 42 days over FY2020. The 42 days increase is attributable to positive operating cash flows (23.6 days); the shift of illiquid investments to working capital (4.7 days) and lower FY2021 forecasted operating expenses (base) (12.9 days). Excluding the benefit of one-time cash inflows and COVID related lower expenditures, days cash on hand would have been 133 days. Days cash on hand is calculated on working capital only.

BOARD RESOLUTION REQUESTED: No action is required. For information only.