



**WRIGHT STATE
UNIVERSITY**

BOARD OF TRUSTEES

**Finance, Audit and Infrastructure
COMMITTEE**

September 12, 2019

MEETING DATE

SUBJECT:

Cash Report as of June 30, 2019

PRESENTED BY: John Shipley

**BACKGROUND/CURRENT STATUS/MATTERS REQUIRING ACTION/
FINANCIAL IMPLICATIONS:**

The cash forecast and accompanying graphs are attached for reference. The cash report is segregated between “working capital” or cash readily available for expenditure, and restricted investments, which are not liquid. The number of days cash on hand is included in the working capital section of the report and on the accompanying graph. Days cash on hand is calculated on working capital only, excluding restricted investments.

Ending cash/investments as of June 30, 2019 was \$71.9 million, an increase of \$20.3M over June 30, 2018. The chart below shows a comparison to the prior year (in millions):

	<u>FY 2019</u>	<u>FY 2018</u>	<u>Fav <Unfav></u>
Cash Inflows	\$337.1	\$353.7	<\$16.6>
Cash Outflows	316.8	345.4	28.6
Investment Earnings	2.9	2.2	0.7
Perkins Reserve	<2.9>	0.0	<2.9>
Increase in Cash	20.3	10.5	9.8

Ending cash/investments include a \$2.97 million reserve for cash due the Federal Government for the closed Perkins Loan Program. The reserve is included to better reflect the University’s true cash position.

The \$16.6 million decrease in cash inflows compared to the prior year is due to lower enrollment and reimbursement/support from the Foundation (e.g., scholarships).

The \$28.6 million decrease in cash outflows compared to the prior year is due to \$19.6 million in reduced personnel related outflows (payroll/taxes/retirement/health insurance claims); \$7.9 million in lower operation related outflows and \$1.3 million in lower one-time costs.

Working capital benefited by \$1.4 million transfer from illiquid investments due to the liquidation of an alternative investment and the excess of distributions over capital calls.

Graphs of fiscal 2019 illustrate that month-end balances as well as days cash on hand consistently exceed the prior two fiscal years for each month of the year. Days cash on hand at June 30, 2019 was 83 days, an improvement of 30 days over FY2018.

BOARD RESOLUTION REQUESTED:

No action is required. For information only.