



**WRIGHT STATE
UNIVERSITY**

BOARD OF TRUSTEES

**Finance, Audit and Infrastructure
COMMITTEE**

**April 30, 2020
MEETING DATE**

SUBJECT:

Monthly Cash Report as of March 31, 2020

PRESENTED BY: Steve Sherbet

**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. Days cash on hand is calculated on working capital only, excluding restricted investments.

The beginning balance of cash and investments for FY2020 was \$20.8 million higher than the beginning of FY2019 (\$72.4 vs. \$51.6). Ending cash and investments as of March 31, 2020 was \$99.0 million, an increase of \$12.2 million over March 31, 2019.

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

	<u>FY2020</u>	<u>FY2019</u>	<u>Fav <Unfav></u>
Cash Inflows	\$257.2	\$271.8	<\$14.6>
Cash Outflows	<230.9>	<238.5>	7.6
Investment Income	1.3	2.0	< 0.7>
Perkins Reserve	<0.9>	0.0	<0.9>
Net Increase in Cash	26.7	35.3	<8.6>

Cash inflows to last year negatively impacted by lower enrollment. Cash outflows positively impacted by lower payroll/benefit outflows due to natural attrition and position vacancies offset by slightly higher operating related outflows.

For the fiscal year, the ending cash and investment balance at June 30, 2020 is projected to be \$64.9 million, down \$7.5 million to the prior year. The forecast includes a \$4.2 million reduction in the SSI for the remainder of the year and \$2.4 million refund of room and board fees due to COVID-19.

Investment income forecasted at \$1.25 million, flat to the prior month. Federal Reserve rate cuts and COVID-19 concerns have negatively impacted yields and the market. \$1.6 million of net capital calls/distributions have been transferred from illiquid investments to working capital. The forecast excludes the sale of both private equities by fiscal year end.

Days cash on hand at June 30, 2020 are projected to be 78 days, a decrease of 5 days over FY2019. Negative operating cash flows (-10.7 days) offset any gains from the shift of \$1.6 million from illiquid investments to working capital (2.3 days) and lower FY2020 budgeted operating expenses (base) (3.8 days).

BOARD RESOLUTION REQUESTED:

No action is required. For information only.