

SUBJECT: Monthly Financial Performance Reports Through January 31, 2020

PRESENTED BY: Sommer Todd

FY2019 to 2020 Financial Analysis #1

Revenue

Anticipated Tuition and Fee revenue for this fiscal year exceeds budget by 4% or \$5.8M. *Certainly, while this is welcome news, it must be remembered that overall enrollment continues to decline. Tuition and Fees comprise 57% of total operating revenues and projected Tuition and Fees for this fiscal year are \$13M (8%) lower than the actual FY19 tuition and fees.*

State appropriations, at 33%, are the second largest source of total revenues. SSI allocations from the Ohio Department of Higher Education (ODHE), indicate revenue will exceed budget by \$650k or 1%.

The modest SSI increase is offset by a reduction of \$780K in Facilities and Administrative (F&A) revenue. This is a result of a recalculated forecast completed by Research and Sponsored Programs. The lower estimate is due to the departure of some of our most active F&A producing researchers.

Other Revenues assumed a \$3M sale of property which has been removed from the revenue plan.

In summary, due to extremely conservative revenue forecasting in the approved budget, total actual revenues for FY20 are expected to be \$2.1M (1%) above the approved current year budget but \$18M (7%) below last year.

Expense

Balancing the budget over the last several years has been largely achieved through savings due to natural attrition and position vacancies. The same is true this year.

Contracted Labor / Professional Services expense has been increased to accommodate projected (but previously unbudgeted) legal expenses identified by General Counsel.

Other expenses include centrally budgeted funds for strategic initiatives and unanticipated capital needs. This anticipated year end expense has been reduced after reviewing available balances and expected spend.

The result of current changes to our operating situation project a net operating surplus of \$3M. We are monitoring several items which remain outstanding and could impact that number substantially.

FY2019 to FY2020 Actual Comparison #2

This report compares the actual results to date for the current fiscal year as a percent of the annual budget for the current fiscal year. The same calculation is provided for the same time period of the previous year as a percent of the actual annual results of the previous year.

Total revenues tracked similarly from 2019 to 2020. Expenses are at 63% of the 2020 adopted budget versus 66% in 2019.

FY2019 to FY2020 Single Month Comparison #3

This report presents the results for the month of January for the current and previous fiscal year.

Revenue and Expense variances in January 2019 compared to January 2020 represent timing differences. Overall both revenues and expenses are tracking similarly.

BOARD RESOLUTION REQUESTED:

For information only

Finance, Audit and Infrastructure Committee