



**WRIGHT STATE
UNIVERSITY**

BOARD OF TRUSTEES

**Finance, Audit and Infrastructure
COMMITTEE**

**September 17, 2020
MEETING DATE**

SUBJECT:

Monthly Cash Report as of June 30, 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 June 30, 2020 was \$84.1 million, an increase of \$11.7 million over June 30, 2019. Cash balances and activity includes both unrestricted and restricted university funds. The \$84.1 million includes approximately \$1.9 million of Nutter Center advance ticket sales for events which will be paid out in FY21.

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

	<u>FY2020</u>	<u>FY2019</u>	<u>Fav <Unfav></u>
Cash Inflows	\$314.6	\$337.1	<\$22.5>
Cash Outflows	<304.0>	<316.8>	12.8
Investment Income	2.6	3.4	< 0.8>
Perkins Reserve	<1.5>	<2.9>	1.4
Net Increase in Cash	11.7	20.8	<9.1>

Cash inflows to last year negatively impacted by lower enrollment and reduction in the State Share of Instruction. Cash outflows positively impacted by lower payroll/benefit outflows due to natural attrition and position vacancies, lower debt service payments, lower Nutter Center event payments due to postponed events and aggressive cost cutting moves. Both Cash Inflows and Outflows include \$4.5 million of CARES Act funds distributed as additional student financial aid.

Investment income ended at \$2.6 million, down \$0.8 million to the prior year. Private Equity investment income down \$0.7 million to the prior year. Federal Reserve rate cuts have negatively impacted yields on working capital investments. \$1.9 million of net capital calls/distributions have been transferred from illiquid investments to working capital.

Days cash on hand as of June 30, 2020 is 106 days, an increase of 23 days over FY2019. The 23 days improvement is attributable to positive operating cash flows (15.0 days), the shift of \$1.9 million from illiquid investments to working capital (2.7 days) and lower FY2020 forecasted operating expenses (base) (5.3 days).

BOARD RESOLUTION REQUESTED:

No action is required. For information only.