



BOARD OF TRUSTEES – FINANCE, AUDIT, GOVERNANCE, and COMPLIANCE COMMITTEE

SUBJECT; Monthly Financial Performance Reports Through May 31, 2021

PRESENTED BY: Sommer Todd

FY2020 to FY2021 Actual Comparison #2

Anticipated Fiscal Year 2021 revenue is unchanged since our last report to the Finance Committee.

Tuition and fee revenue for the year is currently performing 12.5M better than budget. However, it remains a matter of significant concern that anticipated tuition and fee revenue for FY 2021 is 12.2M below actual for FY 2020.

Summarized below are the trends in enrollment and tuition and fee revenue for FY 2017 through FY 2021.

<i>Fiscal Year</i>	<i>2017</i>	<i>2018</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>
<i>Enrollment Change (Fall term, year on year)</i>	-1.6%	-3.7%	-9.0%	-11.7%	-11.4%
<i>Tuition and Fee Change</i>	-\$7.0M -3.6%	-\$14.1M -7.5%	-\$10.5M -6.0%	-\$13.2M -8.1%	-\$12.2M -8.1%

State Appropriations are the second largest source of revenue for the University. Initial guidance provided by the Ohio Department of Higher Education (ODHE) highlighted a 20% reduction in state support. Guidance was adjusted to a four and a half percent reduction in July which reflected an upward adjustment of 12.8M in the September 2020 report. SSI has now been fully restored resulting in an upward adjustment of 4M.

Overall, anticipated State appropriations are 16.9M above budget.

Sales and Service, and Gifts and Contributions and Other revenues were revised downward as events were postponed, cancelled or held virtually. These revenues have been adjusted downward by 6M overall.

Total revenues are estimated at 30.9M higher than budget.

Anticipated Fiscal Year 2021 expenses have been updated to reflect the most recent reforecasts provided by our fiscal services managers. Several expenditure areas are lower than normal as a result of remote operations for most of the fiscal year. Further, the focus on critical expenses only, attrition, and reimbursements from Higher Education Emergency Relief Funds are also reflected in the 7.6M downward revision of total expenditures relative to estimate reported as of March 2021.

Compensation has been revised upward by 2.5M reflecting the net effect of a downward adjustment of 6.7M related to attrition and strategic hire initiatives and an estimated expense of 9M to be accrued in FY21 for faculty voluntary separations plan.

Contracted Labor, Supplies, Travel and Events, and Maintenance Repairs and Utilities have been revised downward by 4.3M reflecting lower activity due to remote operations and lower than budgeted legal expenditures.

Additional university reimbursements related to COVID-19 from Higher Education Emergency Relief Funds and lower than budgeted expenditures across that university are recorded as a downward revision of 6M in the Other Expenses category.

Total operating expenses are estimated to be 30.6M lower than budget.

FY2021 Anticipated Year End #3

This report tracks changes to Anticipated Year End estimates of unrestricted general and auxiliary operating revenue and expenses for fiscal year 2021.

FY2020 to FY2021 Actual Comparison #4

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.

Revenue

Tuition and Fees and State Appropriations are tracking higher compared to FY2020 as actuals will come in higher than originally budgeted.

Sales and Service and Other revenues are down as expected with the update to anticipated year end amounts.

Interest Income was removed from the base budget and will fluctuate throughout the fiscal year reflecting actual market conditions. As previously discussed, unrealized gains from private equity and other investments are estimated to end in one-time revenue of 7.3M.

Expenses

Along with one-time impacts from the sale of a leased property and use of CARES Act funds to reimburse the University for eligible expenses beginning March 2020, most expenses are tracking lower in FY2021 due to support from the university community as we continue to focus on critical expenditures only.

FY2020 to FY2021 Single Month Comparison #5

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

The differences in Sales and Service and Other Revenues are representative of the current environment.

Overall spending was up in May compared to the same period for the prior fiscal year as we move to more normal university operations.

There is one difference of note.

In the Other Expense category, we recorded reimbursements of eligible expenditures using Higher Education Emergency Relief funds.