



OFFICE OF THE BOARD OF TRUSTEES

## Public Meeting Notice

September 22, 2023

TO: Southern Oregon University Board of Trustees

FROM: Sabrina Prud'homme, University Board Secretary

RE: Board of Trustees Retreat

The Southern Oregon University Board of Trustees will hold its annual retreat on September 29-30, 2023. Details of the meeting appear below.

The meeting will occur as follows:

Day One: September 29, 2023, from 2:00 – 5:00 p.m. (or until business concludes)  
1250 Siskiyou Boulevard, Stevenson Union, Room 314, Ashland, OR 97520

Day Two: September 30, 2023, from 8:45 a.m. – 12:00 p.m. (or until business concludes)  
1465 Webster Street, Lithia Motors Pavilion, Room L034, Ashland, OR 97520

Members of the public may view the proceedings at <https://sou.zoom.us/j/88927453266> at the time of the meeting. Materials for the meeting are available at [governance.sou.edu](https://governance.sou.edu).

The board will discuss the role of the trustee and board culture; strengthening a culture of accountability; and preferences for communication and information on SOU's financial condition.

If special accommodations are required, please contact Christina Martin at (541) 552-8055 for assistance at least 72 hours in advance of the meeting.

*Before the start of the meeting, the board will engage in team-building exercises, and will have dinner in the Theatre Building on the campus of SOU in Ashland. On day 2, the board will attend a luncheon at the Hawk and an SOU athletics event on campus following the conclusion of the retreat. A quorum of the board is expected to be present at these events.*

Churchill Hall, Room 107 • 1250 Siskiyou Boulevard • Ashland, Oregon 97520-5015

(541) 552-6060 • [governance.sou.edu](https://governance.sou.edu) • [trustees@sou.edu](mailto:trustees@sou.edu)



Board of Trustees Retreat  
September 29-30, 2023  
Ashland Campus of SOU

**Participant Agenda**

Theme: The Culture of the Board and of the Institution: Strengthening a Culture of Accountability

Pre-Reading / Homework:

- Trustee Roles and Responsibilities
  - o [Some First Principles: Upholding Fiduciary Duties](#)
- The Role of the Board and Board Culture
  - o [Rx for a Successful Board: A Healthy Board Culture](#)
  - o [The 10 Habits of Highly Effective Boards](#)
- On Financial Oversight (Please read pages 12-13, and 64-72. Overall, the resource is a bit dated and not all parts of it are prescriptive for every university, but these two sections will provide helpful considerations for our discussion)
  - o [The Board's Role in Financial Oversight](#)

**Friday, September 29, 2023**  
**Stevenson Union**  
**DAY 1**

<b>12:00 p.m.</b>	<b>Welcome, Introductions, Retreat Overview</b> SU 314, Dankook Room	Chair Santos
<b>12:15</b>	<b>Lunch</b> SU 315, Guanajuato Room	
<b>1:15</b>	<b>Warm Up and Team Building</b> The Gallery	Facilitator, Cynthia Scherr, Scherr Consulting
<b>2:00</b>	<b>Role of the Trustee and Board Culture</b> SU 314, Dankook Room	
<b>BREAK: 3:30-3:45</b>		
<b>4:45</b>	<b>Day 1 Wrap Up</b>	
<b>5:00</b>	<b>Adjournment for Day 1</b>	
<b>5:30</b>	<b>Social Hour</b> SOU Theatre Building Lobby (entrance on Mountain Ave.) <i>Trustees and partners/spouses invited; Red/White wines</i>	
<b>6:30- 8:00 p.m.</b>	<b>Dinner</b>	

**Saturday, September 30, 2023**  
**Raider Village**  
**DAY 2**

**Be sure to wear your SOU “uniform” (red & black) for the football game!**

<b>8:00 a.m.</b>	<b>Breakfast</b> Lithia Motors Pavilion, Room L034 Park in Lot A next to the HAWK	
<b>8:45</b>	<b>Catch Up, Clean Up</b> Lithia Motors Pavilion, Room L034	Chair Santos, President Bailey, and Cynthia Scherr
<b>9:00</b>	<b>Strengthening a Culture of Accountability</b>	President Bailey
<b>BREAK: 10:00-10:15</b>		
<b>10:15</b>	<b>Communication and Information on SOU’s Financial Condition</b>	Cynthia Scherr; Dr. Neil Woolf, SOU, Executive Vice President; Josh Lovern, SOU, Director of Budget and Planning; Agnes Maina, SOU, Controller and Director of Business Services
<b>11:45</b>	<b>Wrap Up</b>	Cynthia Scherr; President Bailey; Chair Santos
<b>12:00 p.m.</b>	<b>Adjournment Day 2</b>	
<b>12:15-1:00</b>	<b>Lunch</b> The Hawk <i>Trustees and family welcome</i>	
<b>1:00-4:00 p.m.</b>	<b>Southern Oregon University vs. Montana Tech</b> Raider Stadium <i>Trustees and family welcome</i>	

# Example of Financial Condition Ratios from HECC Evaluation

*Excepted from SOU Review of  
Financial Conditions Report in 2022*

# Financial Condition Ratios

Are resources sufficient and flexible enough to support the mission?

Primary Reserve Ratio

Are debt resources managed strategically to advance the mission?

Viability Ratio

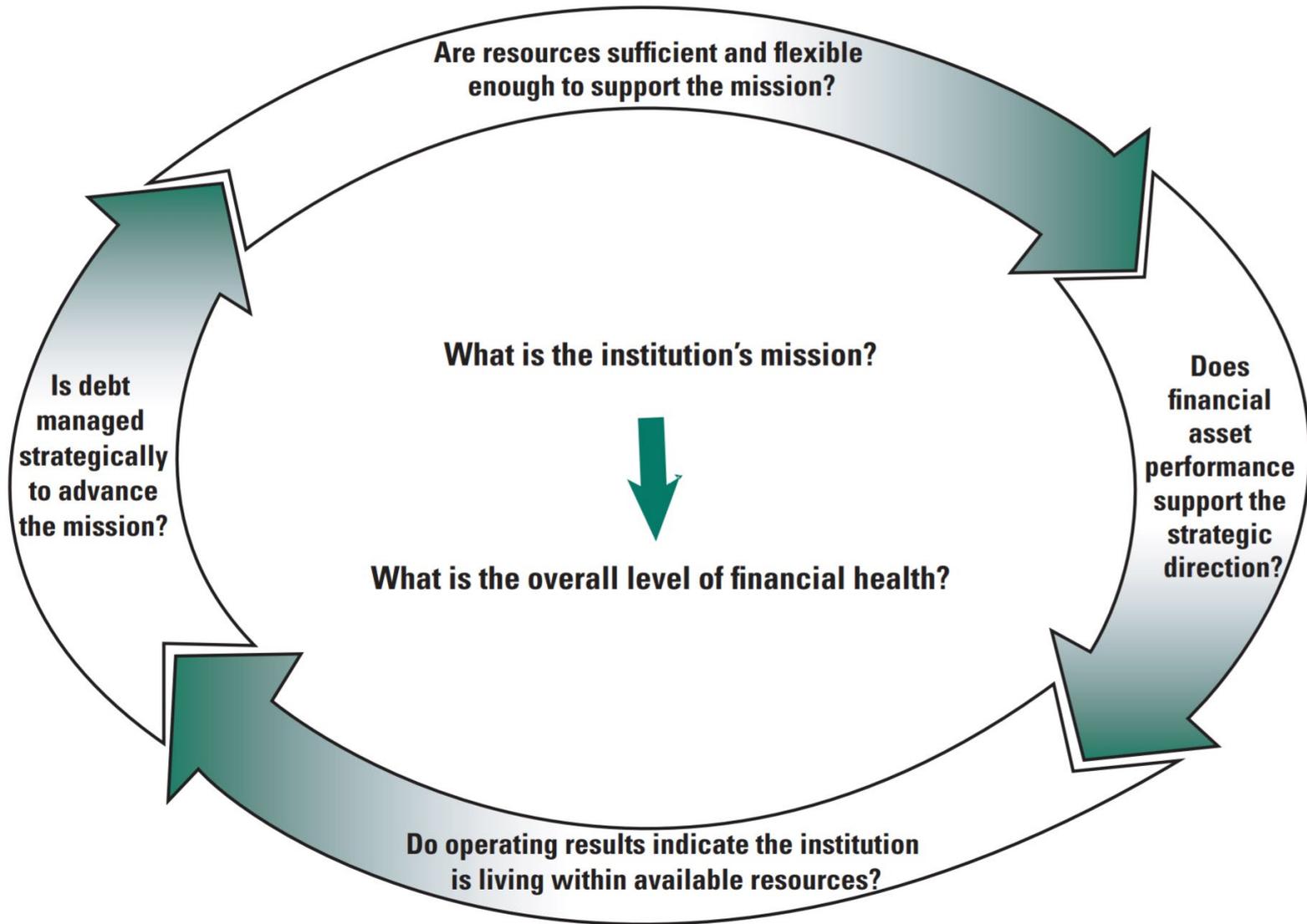
Does asset performance and management support the strategic direction?

Return on Net Assets Ratio

Do operating results indicate the institution is living within available resources?

Net Operating Revenues Ratio

# Mission Drives Financial Decisions



# SOU Financial Condition Ratios



Ratio	FY17	FY18	FY19	FY20	FY21	Benchmark
Primary Reserve Ratio	0.10	0.08	0.03	(0.04)	0.06	>0.4
Viability Ratio	0.21	0.16	0.07	(0.10)	0.14	>1.0
Return on Net Assets	11.2%	15.3%	(2.9%)	(5.0%)	7.5%	>6%
Net Operating Revenues	(4.1%)	(3.7%)	(9.3%)	(10.5%)	(8.6%)	>4%
Composite Financial Index	1.25	1.59	(0.85)	(1.50)	0.38	N/A
<b>Adjusted CFI*</b>	<b>4.24</b>	<b>3.53</b>	<b>1.15</b>	<b>0.78</b>	<b>3.11</b>	<b>&gt;3.0</b>
*adjusted to remove pension and OPEB related liabilities						

# SOU Financial Condition Ratios



Ratio	FY17	FY18	FY19	FY20	FY21	Benchmark
Primary Reserve Ratio	0.10	0.08	0.03	(0.04)	0.06	>0.4

## WHAT SHOULD A TRUSTEE DO WITH THIS INFORMATION?\*

Remember: “Are resources sufficient and flexible enough to support the mission?”

Trustees provide sound guidance to SOU’s leadership from a governance perspective when presented with decisions by keeping this question in mind

\*A trustee’s fiduciary responsibility obligates them to directly question campus leadership when they see an action that challenges resource sufficiency and flexibility and a trend of weakening financial conditions

# SOU Financial Condition Ratios FY21



Ratio	FY17	FY18	FY19	FY20	FY21	Benchmark
Viability Ratio	0.21	0.16	0.07	(0.10)	0.14	>1.0

## WHAT SHOULD A TRUSTEE DO WITH THIS INFORMATION?\*

Remember: “Are debt resources managed strategically to advance the mission?”

Together, the Viability Ratio along with the Primary Reserve Ratio discussed earlier help define the institution’s “margin for error”

\*Trustees can provide guidance and decisions on expense obligations the institution seeks to incur with a focus on net assets to ensure financial stability

# SOU Financial Condition Ratios FY21



Ratio	FY17	FY18	FY19	FY20	FY21	Benchmark
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**WHAT SHOULD A TRUSTEE DO WITH THIS INFORMATION??\***

Remember: “Does asset performance and management support the strategic direction of the institution?”

Return on Net Assets	11.2%	15.3%	(2.9%)	(5.0%)	7.5%	>6%
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In essence, is the institution better off than in previous years?

If not, then what must be done to enhance revenues or offset/reduce costs?

\*Trustees help direct spending decisions that bolster net assets and provide a positive return for the institution and advocate for more state support to offset exceptional cost escalation in categories where the university has little control over

# SOU Financial Condition Ratios FY21



Ratio	FY17	FY18	FY19	FY20	FY21	Benchmark
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**WHAT SHOULD A TRUSTEE DO WITH THIS INFORMATION?\***  
 Remember: “Do operating results indicate the institution is living within available resources?”

Net Operating Revenues	(4.1%)	(3.7%)	(9.3%)	(10.5%)	(8.6%)	>4%
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Continued negative operating revenues may indicate an institution does not have the capacity to develop a stronger fund balance or make strategic operating investments without the use of fund balance, expense reductions, or revenue enhancements.

\*Advocate for enhanced state support, alternative revenue streams, and support plans for expense reductions that do not impact the institution’s mission

Source: [Financial Conditions Analysis of Oregon Public Universities 2022](#)

# SOU Financial Condition Ratios FY21



Ratio	FY17	FY18	FY19	FY20	FY21	Benchmark
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**WHAT SHOULD A TRUSTEE DO WITH THIS INFORMATION?\***

The Composite Financial Index (CFI) blends the four core financial ratios into one metric to show a more balanced view of the institution’s finances

The CFI is not a single goal, but a set of metrics blended to provide a guidepost about how the university is holistically functioning

\*Trustee’s understanding of and engagement with each element of the composite financial index supports the board’s success and SOU’s sustainability

<b>Adjusted CFI*</b>	4.24	3.53	1.15	0.78	3.11	>3.0
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\*adjusted to remove pension and OPEB related liabilities

# Primary Reserve

$$\frac{\text{GASB Expendable Net Assets plus FASB Expendable Net Assets}}{\text{GASB Total Expenses plus FASB Total Expenses}}$$

The numerator includes all unrestricted net assets and all expendable restricted net assets, excluding those to be invested in plant, on a GASB basis plus unrestricted and temporarily restricted net assets on a FASB basis, excluding net investment in plant and those temporarily restricted net assets that will be invested in plant. GASB nonexpendable restricted net assets and FASB permanently restricted net assets are not included because they may not be used to extinguish liabilities incurred for operating or plant expenses without special legal permission. Although using total net assets in the numerator provides an informative ratio as to the overall net wealth of the institution, the ratios that exclude nonexpendable net assets provide a more accurate picture of the funds available to the institution.

The denominator comprises all expenses on a GASB basis in the statement of revenues, expenses and changes in net assets including operating expenses and nonoperating expenses such as interest expense, plus FASB total expenses in the statement of activities.

# Viability Ratio

$$\frac{\text{GASB Expendable Net Assets plus FASB Expendable Net Assets}}{\text{GASB Long-Term Debt plus FASB Long-Term Debt}}$$

The numerator is the same as the numerator for the *Primary Reserve Ratio*

The denominator is defined as all amounts borrowed for long-term purposes from third parties and includes all notes, bonds, and capital leases payable that impact the institution's credit, whether or not the institution directly owes the obligation. This would include debt of the institution's affiliated foundations, partnerships and other special-purpose entities. It would also include amounts owed to a system or state-financing agency as it represents debt issued on the institution's behalf. It includes both the current and non-current portions of debt used for long-term purposes; it does not include debt whose related assets are cash or assets convertible to cash in the normal course of business, such as unexpended bond proceeds for plant purposes and amounts borrowed for student loan programs.

# Return on Net Assets Ratio

$$\frac{\text{Change in Net Assets}}{\text{Total Net Assets}}$$

This ratio measures total economic return during the fiscal year. It answers the question “are they better off financially than they were a year ago?” It shows an institution’s total economic return. A positive return on net assets means an institution is increasing

its net assets and is likely to have increased financial flexibility and ability to invest in strategic priorities. A negative return on net assets ratio may indicate the opposite, unless the negative ratio is the result of strategic investments. A temporary decline in this ratio could be reasonable should it reflect a strategy to improve the institution’s financial condition.

Amounts in \$ Thousands	2017	2018	2019	2020	2021
Total Change in Net Position	\$11,419	\$17,415	(\$3,728)	(\$6,367)	\$9,038
Total Beginning Net Position	\$102,229	\$113,648	\$130,289	\$126,561	\$120,193
<b>Calculated Ratio</b>	<b>11.2%</b>	<b>15.3%</b>	<b>(2.9%)</b>	<b>(5.0%)</b>	<b>7.5%</b>

SOU’s performance on this ratio improved significantly in FY21, after declining the previous two years, due to a significant increase in the foundations net assets.

# Net Operating Revenues Ratio

GASB Operating Income (Loss) **plus** Net Nonoperating Revenues (Expenses)  
**plus** FASB Change in Unrestricted Net Assets

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GASB Operating Revenues **plus** Nonoperating Revenues  
**plus** FASB Total Unrestricted Income

The numerator is available from the GASB statement of revenues, expenses and changes in net assets and the FASB statement of activities. The numerator includes nonoperating revenues and expenses, including governmental appropriations, investment income, interest expenses on plant debt and operating gifts since these items support operating activities of the institution. Plant and endowment gifts and capital appropriations are excluded since these are not for operating activities. For FASB related entities, the numerator includes the total change in unrestricted assets from the statement of activities. The numerator includes depreciation expense; inclusion of depreciation expense reflects a more complete picture of operating performance as it reflects use of physical assets.

The denominator is equal to GASB total operating revenues plus total nonoperating revenues, excluding capital appropriations and gifts and additions to permanent endowments, plus FASB total unrestricted revenues, gains, and other support including net assets released from restrictions.

**Education and General**

(in thousands of dollars)

	2021-23 Biennium			2023-25 Biennium			2025-27 Biennium		
	2021-22 Actual (000's)	2022-23 FY23 Budget (000's)	2022-23 Actual (000's)	2023-24 FY24 Adopted (000's)	2023-24 FAST 24 Budget (000's)	2023-24 Est FY24 (000's)	2024-25 FORECAST (000's)	2025-26 FORECAST (000's)	2026-27 FORECAST (000's)
<b>REVENUES</b>									
<b>Total State Funding (SSCM,ETSF,SELP,BenNav)</b>	26,220	26,860	27,001	26,781	28,157	28,157	29,286	30,493	31,717
Tuition	34,281	34,611	33,178	34,583	34,711	34,711	34,972	36,289	37,672
Fees	3,581	4,015	4,254	3,772	4,157	4,157	4,337	4,423	4,632
Raider Aid (remissions)	(3,915)	(3,476)	(4,002)	(3,452)	(4,055)	(4,055)	(4,086)	(4,240)	(4,401)
<i>Oth tuition &amp; fee adjustments</i>					200	200			
<b>Tuition, net of Raider Aid</b>	33,947	35,149	33,430	34,903	35,013	35,013	35,223	36,473	37,903
<i>Non-Recurring 1-Time Revenue</i>					1,000	1,000	2,250		
Misc. Other Revenue	1,476	2,964	3,933	3,550	3,675	3,675	3,703	3,842	3,989
<b>TOTAL REVENUES</b>	<b>61,643</b>	<b>64,974</b>	<b>64,364</b>	<b>65,234</b>	<b>67,846</b>	<b>67,846</b>	<b>70,461</b>	<b>70,808</b>	<b>73,609</b>
<b>EXPENSES &amp; TRANSFERS</b>									
<u>Personnel Services</u>									
Faculty	(15,129)	(15,971)	(14,626)	(14,652)	(14,539)	(14,539)	(14,048)	(14,334)	(14,757)
Admin	(9,922)	(10,532)	(10,229)	(10,085)	(10,174)	(10,174)	(9,895)	(9,861)	(10,084)
Classified	(6,642)	(7,450)	(6,845)	(6,666)	(7,335)	(7,335)	(7,024)	(7,198)	(7,409)
Students, GA's, etc	(1,066)	(1,586)	(1,365)	(1,655)	(1,787)	(1,787)	(1,654)	(1,638)	(1,705)
<b>Salaries Sub-total</b>	<b>(32,760)</b>	<b>(35,539)</b>	<b>(33,065)</b>	<b>(33,057)</b>	<b>(33,834)</b>	<b>(33,834)</b>	<b>(32,621)</b>	<b>(33,031)</b>	<b>(33,955)</b>
PERS & ORP (Retirement Pgms)	(8,042)	(8,524)	(7,890)	(8,094)	(8,323)	(8,323)	(8,446)	(8,552)	(8,791)
PEBB (Healthcare)	(6,786)	(8,473)	(7,894)	(8,503)	(8,651)	(8,651)	(9,084)	(9,538)	(10,015)
Other (FICA, SAIF, OPL, etc.)	(2,987)	(3,500)	(2,683)	(2,934)	(3,423)	(3,423)	(3,300)	(3,341)	(3,435)
<b>OPE Sub-total</b>	<b>(17,815)</b>	<b>(20,497)</b>	<b>(18,467)</b>	<b>(19,531)</b>	<b>(20,397)</b>	<b>(20,397)</b>	<b>(20,829)</b>	<b>(21,431)</b>	<b>(22,241)</b>
<i>Vacancy Adj.</i>					250	250			
<i>Other Adj. to Labor</i>					(260)	(260)			
<b>Net Personnel Services</b>	<b>(50,575)</b>	<b>(56,036)</b>	<b>(51,532)</b>	<b>(52,588)</b>	<b>(54,241)</b>	<b>(54,241)</b>	<b>(53,451)</b>	<b>(54,462)</b>	<b>(56,196)</b>
<u>Supplies &amp; Services (S&amp;S)</u>									
S&S Expenses	(10,503)	(13,835)	(12,639)	(11,074)	(12,131)	(12,131)	(12,404)	(12,683)	(12,968)
AP Program Share (AP)	(1,608)		(1,104)	(1,210)	(1,389)	(1,389)	(1,446)	(1,449)	(1,442)
Capital Expenses (CapEx)	(117)	(263)	(99)	(81)	(240)	(240)	(246)	(251)	(257)
<i>Program Investment</i>									
<i>S&amp;S Adjustments</i>					100	100			
<b>Total S&amp;S, CapEx, AP</b>	<b>(12,228)</b>	<b>(14,098)</b>	<b>(13,843)</b>	<b>(12,365)</b>	<b>(13,660)</b>	<b>(13,660)</b>	<b>(14,096)</b>	<b>(14,383)</b>	<b>(14,667)</b>
1x Cost Reductions, Savings, Outside Support		3,664					As Modeled	As Modeled	As Modeled
Recurring S&S Cuts							0	0	750
<i>Personnel and S&amp;S before Transfers</i>	<b>(62,803)</b>	<b>(66,469)</b>	<b>(65,375)</b>	<b>(64,953)</b>	<b>(67,901)</b>	<b>(67,901)</b>	<b>(67,547)</b>	<b>(68,846)</b>	<b>(70,113)</b>
Net from Operations Before Transfers	(1,160)	(1,496)	(1,011)	281	(56)	(56)	2,915	1,962	3,496
Budgeted Transfers (In & Out)	(3,085)	(3,210)	(3,304)	(2,533)	(2,822)	(2,822)	(2,781)	(2,816)	(2,906)
<i>Transfers Adjustments</i>									
<b>Transfers Net (excluding relief funds)</b>	<b>(3,085)</b>	<b>(3,120)</b>	<b>(3,304)</b>	<b>(2,533)</b>	<b>(2,822)</b>	<b>(2,822)</b>			
<b>Federal Relief Funds Transferred to E&amp;G</b>	<b>3,336</b>	<b>3,312</b>	<b>3,312</b>	<b>2,879</b>	<b>2,879</b>	<b>2,879</b>			
<b>Transfers Net (In &amp; Out of E&amp;G)</b>	<b>251</b>	<b>192</b>	<b>8</b>	<b>346</b>	<b>57</b>	<b>57</b>	<b>(2,781)</b>	<b>(2,816)</b>	<b>(2,906)</b>
<b>TOTAL EXPENSES &amp; TRANSFERS</b>	<b>(62,552)</b>	<b>(66,277)</b>	<b>(65,367)</b>	<b>(64,607)</b>	<b>(67,844)</b>	<b>(67,844)</b>	<b>(70,328)</b>	<b>(71,662)</b>	<b>(73,019)</b>
<b>TOTAL EXPENSES (excluding Federal Relief)</b>	<b>(65,637)</b>	<b>(69,487)</b>	<b>(68,671)</b>	<b>(67,140)</b>	<b>(70,666)</b>	<b>(70,666)</b>	<b>(70,328)</b>	<b>(71,662)</b>	<b>(73,019)</b>
<b>FUND BALANCE</b>									
Change in Fund Balance	<b>(909)</b>	<b>(1,303)</b>	<b>(1,003)</b>	<b>627</b>	<b>1</b>	<b>1</b>	<b>134</b>	<b>(854)</b>	<b>590</b>
Beginning Fund Balance	7,794	6,501	6,886	5,272	5,883	5,883	5,884	17,601	5,164
Ending Fund Balance	6,886	5,198	5,883	5,899	5,884	5,884	6,018	5,164	5,754
<b>% Operating Revenues</b>	<b>11.17%</b>	<b>8.00%</b>	<b>9.14%</b>	<b>9.04%</b>	<b>8.67%</b>	<b>8.67%</b>	<b>8.54%</b>	<b>7.29%</b>	<b>7.82%</b>

AUGUST 2023 PRO FORMA

	Year-to-Date			Budget Forecast				
	FY2023 Final Results	Prior YTD Actual	Current YTD Actual	FY2024 Initial Budget	% Change	FY2023 Forecast	Variance from Approved Budget	% Variance from Approved Budget
<i>(in thousands except enrollment)</i>								
<b>Education &amp; General</b>								
State General Fund	\$ 27,001	\$ 9,683	\$ 10,074.89	\$ -	-100%	\$ 28,092.88	\$ 28,093	
Tuition & Resource Fees, net of Remissions	33,430	2,282	2,060	-	-100%	28,812	28,812	
Other	3,933	332	474	-	-100%	(21,101)	(21,101)	
<b>Total Revenues</b>	<b>\$ 64,364</b>	<b>\$ 12,297</b>	<b>\$ 12,609</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 35,805</b>	<b>\$ 35,805</b>	
Personnel Services	\$ 51,545	\$ 5,892	\$ 6,169	-	-100%	\$ 36,906	\$ 36,906	
Supplies & Services & Capital Outlay	14,024	2,004	3,284	-	-100%	24,329	24,329	#####
<b>Total Expenditures</b>	<b>\$ 65,569</b>	<b>\$ 7,896</b>	<b>\$ 9,453</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 61,235</b>	<b>\$ 61,235</b>	#####
<b>Net from Operations</b>	<b>\$ (1,205)</b>	<b>\$ 4,401</b>	<b>\$ 3,156</b>	<b>\$ -</b>		<b>\$ (25,430)</b>	<b>\$ (25,430)</b>	
Net Transfers In (Out)	8	(396)	(476)	-	-100%	(3,128)	(3,128)	
Transfers In	3,579	-	38	-	-100%	187	187	
Transfers Out	(3,571)	(396)	(514)	-	-100%	(3,315)	(3,315)	
Fund Additions/(Deductions)	-	-	-	-	-	-	-	
Change in Fund Balance	\$ (1,197)	\$ 4,005	\$ 2,680	-	-	\$ (28,559)	\$ (28,559)	
<b>Beginning Fund Balance</b>	<b>7,113</b>	<b>7,113</b>	<b>5,916</b>	<b>5,916</b>		<b>5,916</b>	<b>-</b>	
<b>Ending Fund Balance</b>	<b>\$ 5,916</b>	<b>\$ 11,118</b>	<b>\$ 8,596</b>	<b>\$ 5,916</b>		<b>\$ (22,643)</b>	<b>\$ (28,559)</b>	
<b>Ending FB as a % Operating Revenues</b>	<b>9.2%</b>	<b>90.4%</b>	<b>68.2%</b>	<b>#DIV/0!</b>		<b>-63.2%</b>		
<b>Days of expenditures</b>	<b>33</b>	<b>514</b>	<b>332</b>	<b>#DIV/0!</b>		<b>(135)</b>		
Student FTE Enrollment	4,357			4,239	-3%	4,418		4.2%
<b>All Auxiliaries (Including North Campus Village)</b>								
Enrollment Fees	\$ 5,274	\$ 90	\$ 96	\$ -	-100%	\$ 921	\$ 921	
Sales & Services	12,475	538	652	-	-100%	108,723	108,723	
Other	2,173	502	648	-	-100%	3,020	3,020	
<b>Total Revenues</b>	<b>\$ 19,921</b>	<b>\$ 1,130</b>	<b>\$ 1,397</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 112,664</b>	<b>\$ 112,664</b>	
Personnel Services	\$ 7,239	\$ 1,092	\$ 1,046	-	-100%	\$ 12,940	\$ 12,940	
Supplies & Services & Capital Outlay	14,653	1,099	(4,990)	-	-100%	226,557	226,557	
<b>Total Expenditures</b>	<b>\$ 21,892</b>	<b>\$ 2,191</b>	<b>\$ (3,944)</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 239,497</b>	<b>\$ 239,497</b>	
<b>Net from Operations</b>	<b>\$ (1,971)</b>	<b>\$ (1,061)</b>	<b>\$ 5,341</b>	<b>\$ -</b>		<b>\$ (126,833)</b>	<b>\$ (126,833)</b>	
Net Transfers In (Out)	2,662	306	288	-	-100%	1,450	1,450	
Transfers In	6,583	1,596	867	-	-100%	1,908	1,908	
Transfers Out	(3,921)	(1,291)	(578)	-	-100%	(458)	(458)	
Additions/(Deductions) to Unrestricted Net Assets	(528)	(476)	(983)	-	-	(938)	(938)	
Change in Unrestricted Net Assets	\$ 163	\$ (1,231)	\$ 4,646	\$ -	-	\$ (126,322)	\$ (126,322)	
<b>Beginning Fund Balance Available for Operations</b>	<b>6,877</b>	<b>6,877</b>	<b>3,728</b>	<b>3,728</b>		<b>3,728</b>	<b>-</b>	
<b>Ending Fund Balance Available for Operations</b>	<b>\$ 7,040</b>	<b>\$ 5,645</b>	<b>\$ 8,375</b>	<b>\$ 3,728</b>		<b>\$ (122,593)</b>	<b>\$ (126,322)</b>	
<b>Ending FB as a % Operating Revenues</b>	<b>35.3%</b>	<b>499.7%</b>	<b>599.6%</b>	<b>#DIV/0!</b>		<b>-108.8%</b>		
<b>Days of expenditures</b>	<b>117</b>	<b>940</b>	<b>(775)</b>	<b>#DIV/0!</b>		<b>(187)</b>		
<b>All Designated Operations</b>								
Enrollment Fees	\$ 1,210	\$ 282	\$ 277	\$ -	-100%	\$ 1,088	\$ 1,088	
Sales & Services	3,107	888	638	-	-100%	3,380	3,380	
Other	175	(10)	25	-	-100%	154	154	
<b>Total Revenues</b>	<b>\$ 4,493</b>	<b>\$ 1,161</b>	<b>\$ 939</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 4,622</b>	<b>\$ 4,622</b>	
Personnel Services	\$ 2,458	\$ 356	\$ 493	-	-100%	\$ 4,359	\$ 4,359	
Supplies & Services & Capital Outlay	1,897	570	445	-	-100%	2,788	2,788	
<b>Total Expenditures</b>	<b>\$ 4,355</b>	<b>\$ 926</b>	<b>\$ 938</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 7,148</b>	<b>\$ 7,148</b>	
<b>Net from Operations</b>	<b>\$ 138</b>	<b>\$ 235</b>	<b>\$ 1</b>	<b>\$ -</b>		<b>\$ (2,526)</b>	<b>\$ (2,526)</b>	
Net Transfers In (Out)	491	91	79	-	-100%	453	453	
Transfers In	733	91	79	-	-100%	453	453	
Transfers Out	(242)	-	-	-	-100%	-	-	
Additions/(Deductions) to Unrestricted Net Assets	25	(50)	(50)	-	-	(50)	(50)	
Change in Unrestricted Net Assets	\$ 654	\$ 276	\$ 31	\$ -	-	\$ (2,123)	\$ (2,123)	
<b>Beginning Fund Balance Available for Operations</b>	<b>367</b>	<b>367</b>	<b>1,021</b>	<b>1,021</b>		<b>1,021</b>	<b>-</b>	
<b>Ending Fund Balance Available for Operations</b>	<b>\$ 1,021</b>	<b>\$ 643</b>	<b>\$ 1,052</b>	<b>\$ 1,021</b>		<b>\$ (1,102)</b>	<b>\$ (2,123)</b>	
<b>Ending FB as a % Operating Revenues</b>	<b>22.7%</b>	<b>55.4%</b>	<b>112.0%</b>	<b>#DIV/0!</b>		<b>-23.8%</b>		
<b>Days of expenditures</b>	<b>86</b>	<b>254</b>	<b>409</b>	<b>#DIV/0!</b>		<b>(56)</b>		
<b>All Service Centers</b>								
Enrollment Fees	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	
Sales & Services	85	3	3	0	-100%	82	82	
Other	1,199	93	83	0	-100%	1,138	1,138	
<b>Total Revenues</b>	<b>\$ 1,284</b>	<b>\$ 97</b>	<b>\$ 86</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 1,220</b>	<b>\$ 1,220</b>	
Personnel Services	\$ 749	\$ 122	\$ 128	-	-100%	\$ 869	\$ 869	
Supplies & Services & Capital Outlay	431	44	43	0	-100%	316	316	
<b>Total Expenditures</b>	<b>\$ 1,181</b>	<b>\$ 166</b>	<b>\$ 171</b>	<b>\$ -</b>	<b>-100%</b>	<b>\$ 1,184</b>	<b>\$ 1,184</b>	
<b>Net from Operations</b>	<b>\$ 103</b>	<b>\$ (69)</b>	<b>\$ (84)</b>	<b>\$ -</b>		<b>\$ 35</b>	<b>\$ 35</b>	
Net Transfers In (Out)	1	0	0	0	-100%	0	0	
Transfers In	143	27	16	0	-100%	16	16	
Transfers Out	(143)	(27)	(16)	0	-100%	(16)	(16)	
Additions/(Deductions) to Unrestricted Net Assets	(71)	0	0	0	-	(71)	(71)	
Change in Unrestricted Net Assets	\$ 32	\$ (69)	\$ (84)	\$ -	-	\$ (36)	\$ (36)	
<b>Beginning Fund Balance Available for Operations</b>	<b>302</b>	<b>302</b>	<b>335</b>	<b>335</b>		<b>335</b>	<b>-</b>	
<b>Ending Fund Balance Available for Operations</b>	<b>\$ 335</b>	<b>\$ 233</b>	<b>\$ 250</b>	<b>\$ 335</b>		<b>\$ 299</b>	<b>\$ (36)</b>	
<b>Ending FB as a % Operating Revenues</b>	<b>26.1%</b>	<b>241.2%</b>	<b>290.3%</b>	<b>#DIV/0!</b>		<b>24.5%</b>		
<b>Days of expenditures</b>	<b>103</b>	<b>513</b>	<b>536</b>	<b>#DIV/0!</b>		<b>92</b>		



# *FINANCE & ADMINISTRATION COMMITTEE*

*June 8, 2023*

*FY2022-23 3rd Quarter Financial Reports*

# TOTAL UNIVERSITY Fiscal Year 2022-23 Quarter 3 Results

## All Funds

(000s)	FY23 Full Year Adopted Budget	FY23 Full Year Forecast	FY22 Full Year Actual	FY21 Full Year Actual	FY23 Q2 YTD Actual	FY22 Q2 YTD Actual
All Funds Revenue	\$588,255	\$582,317	\$606,411	\$573,514	\$498,622	\$521,518
All Funds Expenses	\$613,965	\$602,228	\$613,180	\$558,538	\$459,861	\$457,884
<b>All Funds Net before Depreciation</b>	<b>-\$25,710</b>	<b>-\$19,911</b>	<b>-\$6,770</b>	<b>\$14,976</b>	<b>\$38,761</b>	<b>\$63,633</b>
Depreciation	\$12,274	\$12,563	\$11,490	\$11,652	\$8,528	\$8,611
<b>All Funds Net Before HEERF Reimbursements</b>	<b>-\$37,984</b>	<b>-\$32,474</b>	<b>-\$18,260</b>	<b>\$3,324</b>	<b>\$30,233</b>	<b>\$55,023</b>
HEERF Lost Revenue Reimbursements			\$14,715	\$29,077		
<b>Net</b>	<b>-\$37,984</b>	<b>-\$32,474</b>	<b>-\$3,545</b>	<b>\$32,400</b>	<b>\$30,233</b>	<b>\$55,023</b>

- » Overall, we are on track to spend \$5 million less in reserves than included in the Adopted Budget.
- » All Funds Revenue and Expenses are stabilizing post Covid. Revenue and expenses are lower than budget, but expenses exceed revenue.
- » Forecast does not include the impact of the remaining HEERF Institutional Funds (~\$10.6 million)

# EDUCATION & GENERAL (E&G) Fiscal Year 2022-23 Quarter 3 Results

Education and General (E&G) Funds						
(000s)	FY23 Full Year Adopted Budget	FY23 Full Year Forecast	FY22 Full Year Actual	FY21 Full Year Actual	FY23 Q3 YTD Actual	FY22 Q3 YTD Actual
Gross Tuition & Fees	\$217,905	\$203,399	\$214,863	\$223,884	\$198,643	\$210,141
Fee Remissions	-\$23,162	-\$20,004	-\$16,713	-\$20,363	-\$18,441	-\$15,406
Government Resources & Allocations	\$124,583	\$122,254	\$118,379	\$110,608	\$102,506	\$99,360
Gifts, Grants and Contracts	\$13,713	\$15,737	\$13,622	\$12,964	\$12,743	\$9,908
All Other	\$10,443	\$13,703	-\$167	\$9,590	\$10,517	\$7,284
<b>Total Revenue</b>	<b>\$343,482</b>	<b>\$335,089</b>	<b>\$329,984</b>	<b>\$336,684</b>	<b>\$305,968</b>	<b>\$311,287</b>
Salaries & Wages	\$186,694	\$183,205	\$177,727	\$171,467	\$133,063	\$131,195
OPE (fringes)	\$101,191	\$93,256	\$90,572	\$89,616	\$68,367	\$69,056
Services & Supplies (net of transfers)	\$65,192	\$68,500	\$66,727	\$61,210	\$52,672	\$50,575
<b>Total Expenses</b>	<b>\$353,077</b>	<b>\$344,960</b>	<b>\$335,027</b>	<b>\$322,294</b>	<b>\$254,101</b>	<b>\$250,826</b>
Management Reserves	\$11,557	\$8,738	\$4,049	\$7,904	\$5,115	\$1,737
<b>Net before HEERF Reimbursements</b>	<b>-\$21,152</b>	<b>-\$18,610</b>	<b>-\$9,092</b>	<b>\$6,486</b>	<b>\$46,751</b>	<b>\$58,724</b>
HEERF Lost Revenue						
Reimbursements			\$8,708	\$13,735		
<b>Net</b>	<b>-\$21,152</b>	<b>-\$18,610</b>	<b>-\$383</b>	<b>\$20,221</b>	<b>\$46,751</b>	<b>\$58,724</b>

- » Similar to prior forecasts presented in November and April
- » Gross tuition & fees are tracking down from FY22 by \$11.5 million driven mostly by tuition declines, partially offset by an increase in state support
- » Overall expenses are trending up 4.3% from FY22 while staying slightly below the FY23 budget.

# NON-E&G FUNDS Fiscal Year 2022-23 Quarter 3 Results

Non E&G Funds						
(000s)	FY23 Full Year Adopted Budget	FY23 Full Year Forecast	FY22 Full Year Actual	FY21 Full Year Actual	FY23 Q3 YTD Actual	FY22 Q3 YTD Actual
Auxiliary Revenue	\$93,143	\$88,685	\$84,363	\$66,531	\$78,131	\$75,426
Auxiliary Expenses	\$97,095	\$88,504	\$84,276	\$58,622	\$66,808	\$68,374
<b>Auxiliary Net before Depreciation and HEERF</b>	<b>-\$3,952</b>	<b>\$181</b>	<b>\$87</b>	<b>\$7,909</b>	<b>\$11,323</b>	<b>\$7,052</b>
HEERF Lost Revenue Reimbursements			\$5,712	\$14,777		
<b>Auxiliary Net before Depreciation</b>	<b>-\$3,952</b>	<b>\$181</b>	<b>\$5,800</b>	<b>\$22,686</b>	<b>\$11,323</b>	<b>\$7,052</b>
Restricted Funds Revenue	\$139,711	\$147,541	\$180,506	\$161,804	\$107,211	\$128,195
Restricted Funds Expenses	\$139,711	\$147,537	\$180,392	\$161,611	\$124,698	\$130,799
<b>Restricted Funds Net</b>	<b>\$0</b>	<b>\$4</b>	<b>\$114</b>	<b>\$193</b>	<b>-\$17,486</b>	<b>-\$2,604</b>
All Other Funds Revenue	\$11,918	\$11,003	\$11,557	\$8,496	\$7,311	\$6,610
All Other Funds Expenses	\$12,525	\$12,489	\$9,437	\$8,107	\$9,139	\$6,148
<b>All Other Funds Net before Depreciation and HEERF</b>	<b>-\$606</b>	<b>-\$1,486</b>	<b>\$2,120</b>	<b>\$389</b>	<b>-\$1,827</b>	<b>\$462</b>
HEERF Lost Revenue Reimbursements			\$294	\$565		
<b>All Other Funds Net before Depreciation</b>	<b>-\$606</b>	<b>-\$1,486</b>	<b>\$2,414</b>	<b>\$954</b>	<b>-\$1,827</b>	<b>\$462</b>

- » Auxiliary revenue down from budget driven mostly by lower enrollment impacting Student Health and Counseling and lower than expected University Place revenue due to slow downtown recovery
- » Restricted funds up from budget due to higher than anticipated sponsored project activity

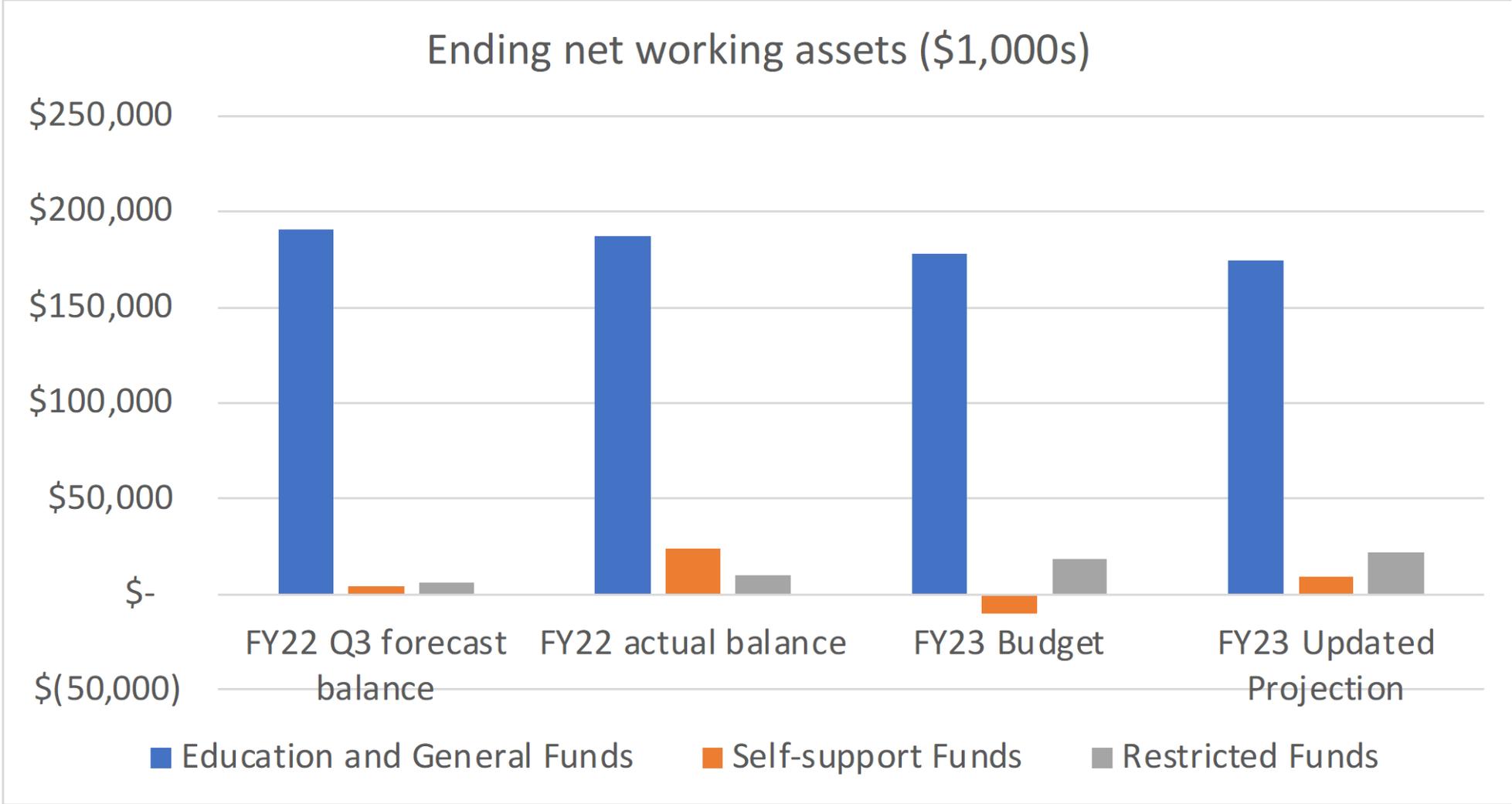


# FY2021 Operating Budget Update

Finance & Administration Committee  
October 27, 2022



# Principal changes—FY21 ending balances



# Principal changes—Education and General revenues

