

Finance & Administration Committee (FAC), April 2, 2024, FY2024 Management Report

Period 8 YTD Actual to Actual Variance:

This report provides eight months of actual revenue and expense activity (as of February 29, 2024) as compared to the same period in prior fiscal year.

Education & General Fund:

Revenues:

Tuition revenues are \$721K more than the prior year, reflecting partial Summer 2023, Fall 2023, and Winter 2024 assessed tuition, due to a combination of tuition increases (3.1% for resident & WUE UG, 0% for nonresident UG and all GR) and an approximate 1.2% UG enrollment increase in Fall 2023, and 0.8% UG enrollment decrease in Winter 2024, respective to the same term prior year. Overall, online course fees have increased \$103K from prior year and other fees have decreased \$309K. Fee remissions have decreased \$204K from the prior year. Altogether, this results in net tuition and fees for Period 8 being \$719K more than the prior year.

Government resources & allocations have increased by \$2.159M from the prior year based on the state's increased funding to the Public University Support Fund (PUSF) for the 2023-25 biennium of \$1B. 49% of PUSF is distributed in year 1 (FY24) and the remaining 51% will be distributed in year 2 (FY25) and allocated among the public universities according to the Student Success and Completion Model (SSCM). The \$29.336M received so far reflects the first, second, and third quarter distributions, as well as \$1.022M of sustainability funds.

Gift grants and contracts revenue has decreased by \$225K from prior year. Other revenues have increased by \$26K from the prior year.

Overall, total revenues are \$54.484M, \$2.680M more than the prior year.

Expenses:

Personnel expenses are \$458K more than the prior period and reflect variations in faculty/staff from the prior year. T/TT faculty received step increases, NTT faculty received a 1.7% COLA effective September 2023, unclassified staff received a 4% COLA effective July 1, 2023, and classified staff received step increases. Classified staff will also receive a 6.5% COLA effective April 1, 2024.

Services and supplies expenses are \$620K more than the prior year.

Overall, total expenses are \$41.775M, \$1.078M more than the prior year.

Net Revenues less Expenses:

Net revenues less expenses have increased by \$1.602M compared to prior year.

Auxiliary Enterprises:

Auxiliary Enterprises is comprised of Athletics, University Housing, Campus Dining, Parking, Bookstore, Student Health & Counseling Center (SHCC), Child Development Center (CDC), Incidental Fee, and other minor operations.

Revenues:

Enrollment Fees have increased by \$536K, due to a combination of increased enrollment, increase to the incidental fee (in FY23 the fee was \$372, with a reduced fee of \$200 for students not enrolled on the Monmouth campus; in FY24 this increased to \$415 and \$210, respectively), and increase to the health service fee (in FY23 the fee was \$154 mandatory for Monmouth-campus students only, in FY24 this increased to \$162, with a reduced fee of \$120 for students not enrolled on the Monmouth campus). Health Service Fee revenue is up \$310K and incidental fee revenue is up \$213K from the prior period. Sales and Services are up \$1.755M from the prior year, primarily in University Housing & Dining (\$1.431M), due to more students living on campus. Other Revenue decreased by \$272K, primarily in Housing due to decreased internal sales from Destination Western. Altogether, auxiliary revenue totals \$13.990M and has increased \$2.019M from the prior year.

Expenses:

Personnel expenses are \$157K more than the prior year. Service & Supplies are \$825K more than the prior year, primarily in Housing/Dining (\$338K) and Athletics (\$783K). Altogether, auxiliary expenses total \$15.626M, an increase of \$982K from the prior year.

Net Revenues less Expenses:

Net revenues less expenses total -\$1.637M and have increased by \$1.037M compared to prior year.

Designated Operations, Service Departments, Clearing Funds:

Designated Operations, Service Departments, and Clearing Funds is comprised primarily of Telecommunications and Oregon Council of Presidents. The Clearing Fund is cleared on a quarterly basis. As of February 29th, the clearing fund reflects temporary revenue and expense balances, these balances can cause misleading comparisons as a result.

Revenues are comparable to prior year, up \$312K. Expenses are up \$16K from the prior year, for a net difference from prior year of \$296K.

FY24 Projected Year-End:

This report provides year-end projections. The projected year-end methodology is a combination of actual revenues and expenses for the first eight months of operations and projections for the remaining four months of FY24. Projections for periods nine through twelve are based on the actual FY23 realization/burn rates for period nine, which are applied to FY24 revenues and expenses.

Education & General Fund:

Revenues:

Total revenues are projected to be \$70.735M, \$173K less than the FY24 adjusted budget. Altogether, net student fees & tuition are projected to be \$105K less than the adjusted budget; the adjusted budget assumed 6% attrition between fall and winter, and winter and spring terms, and actual attrition between fall and winter was 7.5% (based on total FTEs). Gifts, grants, and contracts are projected at \$2.217M, \$23K higher than the FY24 adjusted budget. Other revenues are projected to be \$2.587M, \$13K less than the FY24 adjusted budgeted amount.

Expenses:

Total expenses are projected to be \$68.864M, \$953K less than the FY24 adjusted budget. Personnel is projected to be \$57.434M, \$462K less than the budget due to salvage savings from vacant positions; \$1.357M of salvage savings were incorporated into the FY24 adjusted budget. The FY24 adjusted budget also incorporated \$215K of funds earmarked for upcoming bargaining; projections now incorporate \$350K for increases to classified staff based on negotiations (6.5% COLA effective April 1, 2024 and one-time payment of \$1,500). Service and supplies are projected to be \$11.430M, \$491K less than the FY24 adjusted budget.

Transfer Schedule:

A projected transfer schedule is attached to provide details for the projected transfers in and out. This includes the standard transfers out of support to Athletics and the Child Development Center.

Net Revenues less Expenses and Transfers:

Net revenues less expenses and transfers are projected to be a loss of \$3.232M versus the FY24 adjusted budget of a loss of \$4.015M. This difference is primarily due to projected savings in personnel and service and supplies expenses. Projected year-end fund balance is \$10.793M, or 15.26% of projected revenues.

Auxiliary Enterprises:

Revenues:

Total revenues are projected to be \$22.564M, \$2.695M more than the FY24 adjusted budget. Enrollment fees are projected to be \$5.871M, \$269K more than the budget, primarily due to increased enrollment resulting in increased fee revenue for incidental fee and health service. Sales and services are projected to be \$14.379M, \$2.273M more than budgeted, primarily due to the increase of students living on campus. Other revenues are projected to be \$2.314M, \$154K more than the FY24 adjusted budget.

Expenses:

Total expenses are projected to be \$24.617M, \$1.453M more than the budget. Personnel is projected to be \$10.801M, \$96K more than the adjusted budget. Service and supplies are projected to be \$13.816M, \$1.357M more than the adjusted FY24 budget.

Net Revenues less Expenses and Transfers:

Net revenues less expenses and transfers are projected to be a gain of \$1.307M compared to the FY24 adjusted budget of \$40K. This results in a projected year end fund balance of \$4.789M.

Designated Operations, Service Departments, Clearing Funds:

Revenues:

Total revenues are projected to be \$2.080M, \$187K less than budget.

Expenses:

Total expenses are projected to be \$2.271M, \$4K over the budget.

Net Revenues less Expenses and Transfers:

Net revenues less expenses and transfers are projected to be a loss of \$191K compared to the FY24 net zero budget.

STAFF RECOMMENDATION:

It is recommended that the Western Oregon University Finance and Administration Committee accept the FY24 Projected Year-End Report and the overall Management Report as of February 29, 2024.

Western Oregon University
P8 YTD Actual to Actual Variance

(Unaudited, non-GAAP, for management purposes only)
(in thousands)

As of February 29, 2024
For the Fiscal Year Ended June 30, 2024

	P8 FY23		P8 FY24		Variance		Note
	P8 FY23 Actuals	Realization/ Burn Rate %	P8 FY24 Actuals	P8 FY24 % of Budget	Actuals	%	
Education & General Fund							
Revenues							
Tuition	21,405		22,127		721		
Online Course Fees	2,250		2,353		103		
Other Fees	1,317		1,008		(309)		
Less: Fee Remissions	(3,417)		(3,213)		204		
Net Student Fees & Tuition	21,556	69.76%	22,275	71.27%	719	1.50%	
Government Resources & Allocations	27,177	83.89%	29,336	84.16%	2,159	0.26%	FY24 includes \$1.022M of Sustainability funds
Gift Grants and Contracts	1,314	49.15%	1,090	49.67%	(225)	0.51%	
Other Revenue	1,757	57.77%	1,783	68.58%	26	10.81%	
Total Revenues	51,804	75.07%	54,484	76.84%	2,680	1.77%	
Expenses							
Personnel	34,642	62.29%	35,100	60.63%	(458)	-1.66%	
Service & Supplies	6,055	64.00%	6,675	55.99%	(620)	-8.01%	
Total Expenses	40,697	62.54%	41,775	59.83%	(1,078)	-2.70%	
Net Revenues less Expenses	11,107		12,708		1,602		

Western Oregon University
P8 YTD Actual to Actual Variance

(Unaudited, non-GAAP, for management purposes only)
(in thousands)

As of February 29, 2024
For the Fiscal Year Ended June 30, 2024

	P8 FY23 Actuals	P8 FY23 Realization/ Burn Rate %	P8 FY24 Actuals	P8 FY24 % of Budget	Variance		Note
					Actuals	%	
Auxiliary Enterprises Funds							
Revenues							
Enrollment Fees	3,492	68.61%	4,028	71.90%	536	3.29%	
Sales and Services	6,458	57.12%	8,213	67.84%	1,755	10.72%	
Other Revenue	2,020	75.58%	1,749	80.96%	(272)	5.38%	
Total Revenues	11,971	62.77%	13,990	70.41%	2,019	7.64%	
Expenses							
Personnel	6,902	65.35%	7,059	65.94%	(157)	0.59%	
Service & Supplies	7,743	62.01%	8,567	68.76%	(825)	6.75%	
Total Expenses	14,645	63.54%	15,626	67.46%	(982)	3.92%	
Net Revenues less Expenses	(2,674)		(1,637)		1,037		
Designated Operations, Service Departments, Clearing Funds							
Revenues							
Enrollment Fees	366	695.49%	912	1895.39%	547	1199.89%	
Sales and Services	92	63.01%	88	69.23%	(4)	6.22%	
Other Revenue	1,416	65.49%	1,185	56.65%	(231)	-8.84%	
Total Revenues	1,873	79.38%	2,185	96.40%	312	17.02%	
Expenses							
Personnel	529	60.86%	691	70.47%	(161)	9.61%	
Service & Supplies	855	62.49%	710	55.18%	145	-7.30%	
Total Expenses	1,384	61.85%	1,401	61.79%	(16)	-0.06%	
Net Revenues less Expenses	489		784		296		

Western Oregon University
 FY24 Projected Year-End
 (Unaudited, non-GAAP, for management purposes only)
 (in thousands)

As of February 29, 2024
 For the Fiscal Year Ended June 30, 2024

	FY23 Year-End Actuals	FY24 Projected Year-End	FY24 Adjusted Budget	Variance FY24 Projected Year-End to Budget	Note
Education & General Fund					
Student Fees & Tuition (net of remissions)	30,898	31,150	31,255	(105)	Projection based on latest schedule from HECC
Government Resources & Allocations	32,394	34,782	34,859	(77)	
Gift Grants and Contracts	2,674	2,217	2,194	23	
Other Revenue	3,042	2,587	2,600	(13)	
Total Revenues	69,007	70,735	70,908	(173)	
Personnel	55,614	57,434	57,896	462	Projection based on transfer schedule
Service & Supplies	9,462	11,430	11,921	491	
Total Expenses	65,076	68,864	69,818	953	
Net Transfers	5,088	5,103	5,105	2	
Total Expenses and Transfers	70,164	73,968	74,923	955	
Net Revenues less Expenses	(1,156)	(3,232)	(4,015)	783	
Fund Balance at the Beginning of the Year	15,090	14,025	14,025		
Additions/Deductions to Fund Balance	92	-	-		
Fund Balance at the End of the Year	14,025	10,793	10,010		
Fund Balance as a Percentage of Revenues	20.32%	15.26%	14.12%		

Western Oregon University
 FY24 Projected Year-End
 (Unaudited, non-GAAP, for management purposes only)
 (in thousands)

As of February 29, 2024
 For the Fiscal Year Ended June 30, 2024

	<u>FY23 Year-End Actuals</u>	<u>FY24 Projected Year-End</u>	<u>FY24 Adjusted Budget</u>	<u>Variance FY24 Projected Year-End to Budget</u>	<u>Note</u>
Auxiliary Enterprises Funds					
Enrollment Fees	5,090	5,871	5,602	269	
Sales and Services	11,307	14,379	12,107	2,273	
Other Revenue	2,673	2,314	2,160	154	
Total Revenues	<u>19,070</u>	<u>22,564</u>	<u>19,869</u>	<u>2,695</u>	
Personnel	10,561	10,801	10,705	(96)	
Service & Supplies	12,486	13,816	12,459	(1,357)	
Total Expenses	<u>23,047</u>	<u>24,617</u>	<u>23,164</u>	<u>(1,453)</u>	
Net Transfers	(4,213)	(3,360)	(3,335)	25	Projection based on transfer schedule
Total Expenses and Transfers	<u>18,834</u>	<u>21,257</u>	<u>19,829</u>	<u>(1,428)</u>	
Net Revenues less Expenses	236	1,307	40	1,267	
Additions/Deductions to Fund Balance	(1,873)	(1,898)			
Fund Balance at the Beginning of the Year	<u>7,017</u>	<u>5,380</u>			
Fund Balance at the End of the Year	<u>5,380</u>	<u>4,789</u>			
Fund Balance as a Percentage of Revenues	28.21%	21.23%			
Designated Operations, Service Departments, Clearing Funds					
Enrollment Fees	53	131	48	83	
Sales and Services	146	139	127	12	
Other Revenue	2,162	1,809	2,092	(282)	
Total Revenues	<u>2,360</u>	<u>2,080</u>	<u>2,266</u>	<u>(187)</u>	
Personnel	870	1,135	980	(155)	
Service & Supplies	1,368	1,136	1,287	150	
Total Expenses	<u>2,238</u>	<u>2,271</u>	<u>2,266</u>	<u>(4)</u>	
Net Transfers	(1)	-	-	-	Projection based on transfer schedule
Total Expenses and Transfers	<u>2,237</u>	<u>2,271</u>	<u>2,266</u>	<u>(4)</u>	
Net Revenues less Expenses	123	(191)	-	(191)	
Additions/Deductions to Fund Balance	(243)	(221)			
Fund Balance at the Beginning of the Year	<u>2,741</u>	<u>2,621</u>			
Fund Balance at the End of the Year	<u>2,621</u>	<u>2,209</u>			
Fund Balance as a Percentage of Revenues	111.06%	106.21%			

Western Oregon University
Transfers Schedule - Projected FY24
(Unaudited, non-GAAP, for management purposes only)

	E&G		Auxiliary		Des Ops - Serv Dept.	Plant fund	Other	Total
Transfers In E&G							(a)	
Actual							2,141	2,141
Upcoming							408,893	408,893
Transfers Out E&G			(b)	(c)		(d)	(a)	
Actual			-	-		-	2,684	2,684
Upcoming			5,000,000	150,000		294,000	67,583	5,511,583
Transfers In AUX	(b)	(c)				(e)	(f)	
Actual	-	-				22,551	2,684	25,235
Upcoming	5,000,000	150,000				-	-	5,150,000
Transfers Out AUX							(f)	
Actual							-	-
Upcoming							1,814,917	1,814,917
Transfers In DO, SD								
Actual								-
Upcoming								-
Transfers Out DO, SD								
Actual								-
Upcoming								-

Type	Description
(a)	Miscellaneous (endowment matches, cost shares, etc.)
(b)	Athletic operations support
(c)	Child Development Center support
(d)	Small-Scale Energy Loan Program debt service
(e)	Auxiliary transfers to/from building/equipment reserves
(f)	Misc. auxiliary transfers, including debt payments for Housing and Recreation Center Building Fee
(g)	Misc. designated operations and service departments transfers