



EASTERN OREGON
UNIVERSITY

Board of Trustees

Title of Presentation or Item:	FY 2018 Quarter 2 Financial Management Report
Topic:	FY 2018 Quarter 2 Financial Management Report
Date of Board Meeting:	February 1, 2018
Lead Staff Contact Information:	Lara Moore lmoore@eou.edu 541-962-3773

SUMMARY

Approve FY18 Q2 Management Report

CONTEXT

The Finance & Administration Committee has recommended the FY18 Q2 Management Report to the full Board. The Committee has reviewed this report and recommends approval. The Q2 management report demonstrates that all funds are performing as projected, and there are no financial concerns in any fund at this time.

DISCUSSION QUESTIONS

N/A

RECOMMENDED ACTION

Approve

FISCAL IMPACT

None.

NEXT STEP

None.

ATTACHMENT

FY18 Quarter 2 Management Report Final



Eastern Oregon University

Board of Trustees

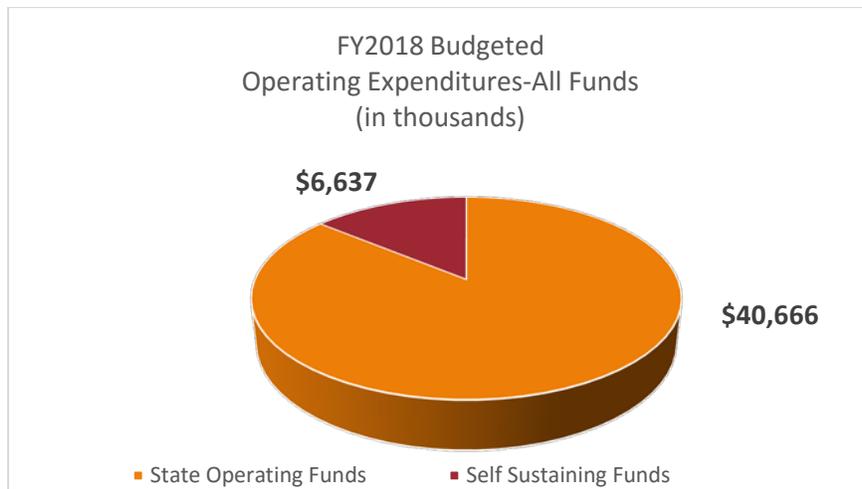
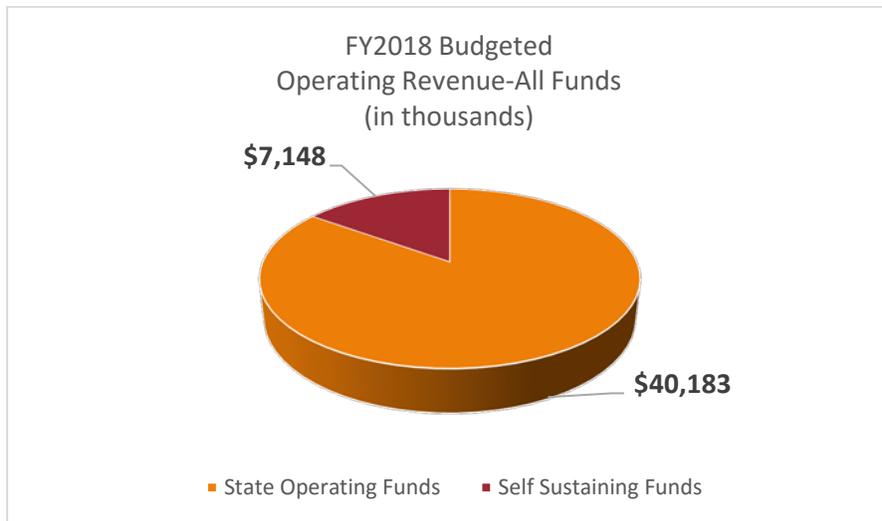
February 1, 2018

This report is prepared for internal management review and planning purposes. The quarterly management report summarizes resources and expenses at EOU by major fund type. Fund types include Education and General (E&G), Auxiliary Enterprise Funds, Designated Operations and Service Funds, all of which are defined herein.

Creating and maintaining institutional financial success is a collaborative effort. Eastern’s president, students, board of trustees, faculty and staff, senior management, and the community have all helped shape EOU’s values, mission, and vision, and the successful future of our university is underpinned by disciplined management and execution of our budgets. With the acceptance of the strategic plan – Ascent 2029, EOU has adopted a budgetary approach that ties budget allocation to strategic priorities, while engaging the campus in planning, through collaborative efforts. Financial stewardship and accountability ensure that Eastern maximizes opportunities and continues to foster a university of excellence.

All reports within this document contain FY2018 budgets for revenue, expenses and transfers as well as a quarterly review of actuals to FY2018 actuals.

The EOU all-funds operating revenue and expenditure budgets are each \$47.3M, excluding grants, financial aid and capital construction funds. The 2017-18 operating budget was approved by the EOU Board of Trustees on November 16, 2017.

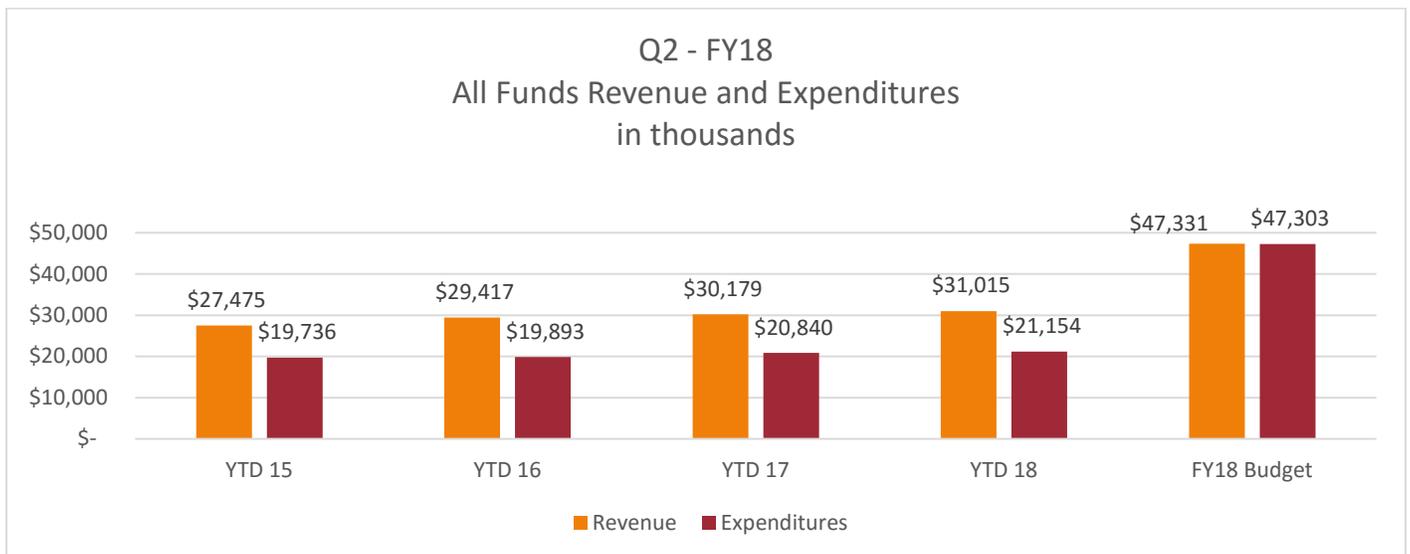
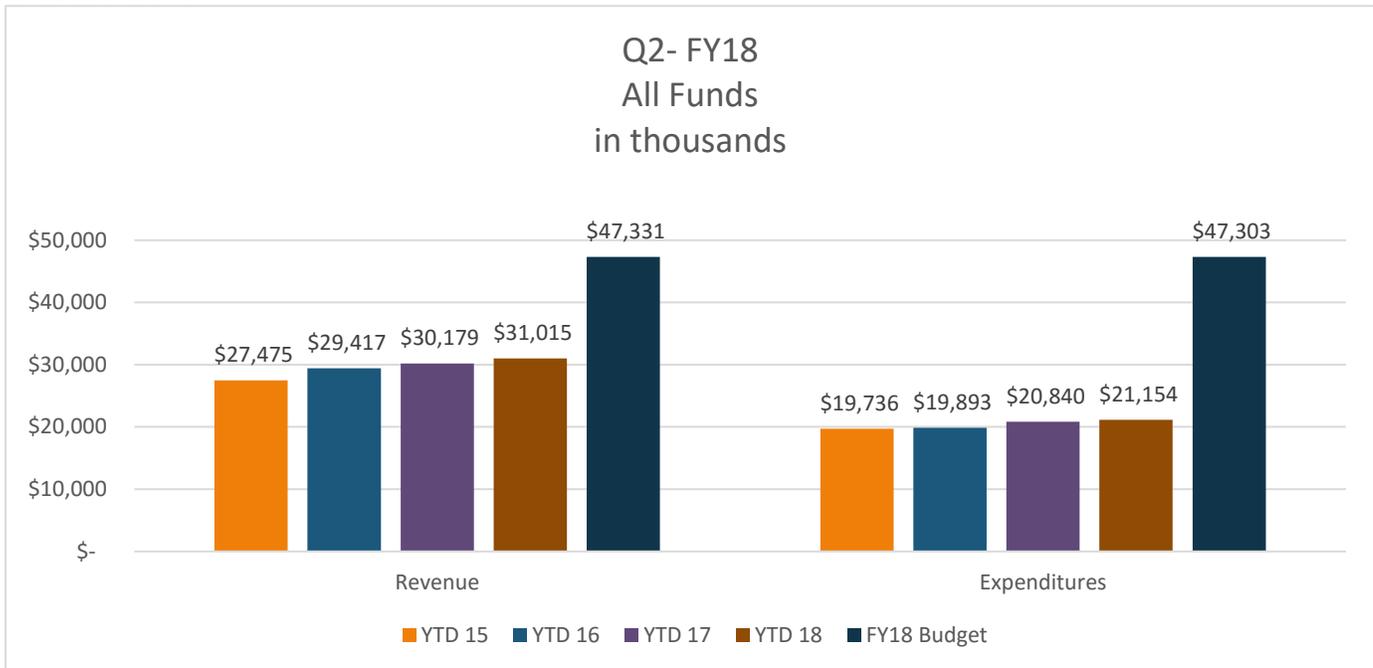


Q2 SUMMARY

At the end of Q2, the expenses and revenue for this year are tracking as predicted thus far. As part of the enhanced budget process, monthly and quarterly meetings are conducted with major units to provide assistance with budget monitoring and preparation for future years' budget planning. These meetings allow for continual refinement of our budget to actual projections and allow for accurate and timely reporting.

At the close of Q2, EOU had received \$31.0M in revenue (65.5%) and had expenditures of \$21.2M – all funds. Expenditures are up 2%, with labor expenses (Wages and OPE) being up 7% or \$1M over the Q2 FY17. The expenditures to date represent approximately 45% of the total budget for the major fund types in FY18. The net for all funds is running \$523K ahead of FY17Q2, however there will be an increase in expenditures during the remainder of the year for additional projects.

Expenditure variances from Q2FY18 are primarily related to salary and new positions in FY18 and post season athletic activities in the prior year. With the exception of the Service fund, all funds are positive and there are no financial concerns in any of the funds at this time.



EDUCATION AND GENERAL (E&G)

The Education and General revenue budget consist of state appropriations, tuition and student fees, internal sales and miscellaneous fees. The expense budget supports activities and services that are intrinsic to the university, including instruction, research, student services, libraries, administration, and maintenance of the campus physical plant.

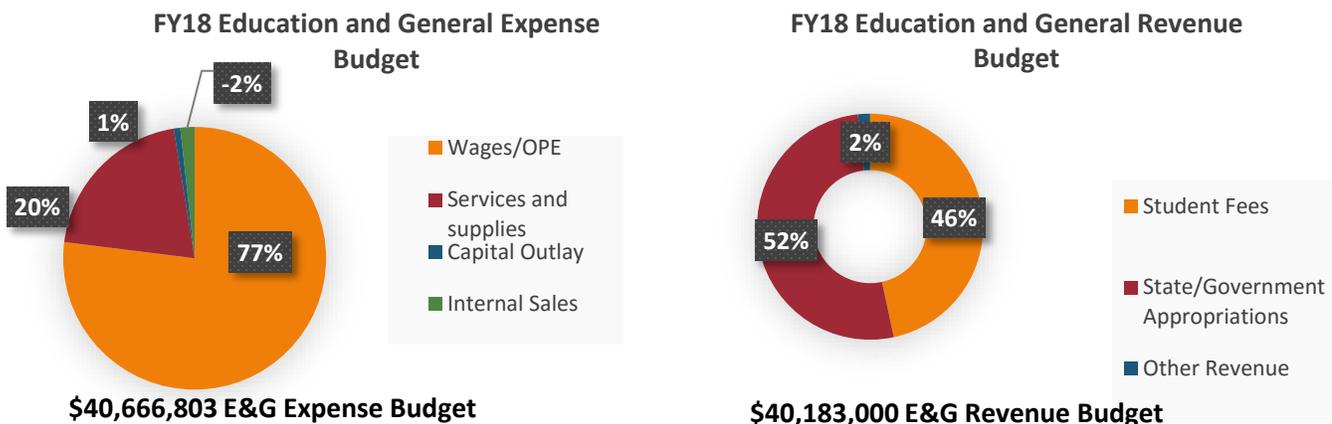
The 2017-18 EOU E&G Operating Budget once again portrays a reasonable and balanced budget, given the moderate tuition increases, enrollment realities, state allocations and increases in expenditures, such as PERS, PEBB and salary increases. The budget addresses needs associated with efforts to stabilize and increase overall university enrollment, including the restructure of the academic colleges, advising and regional outreach.

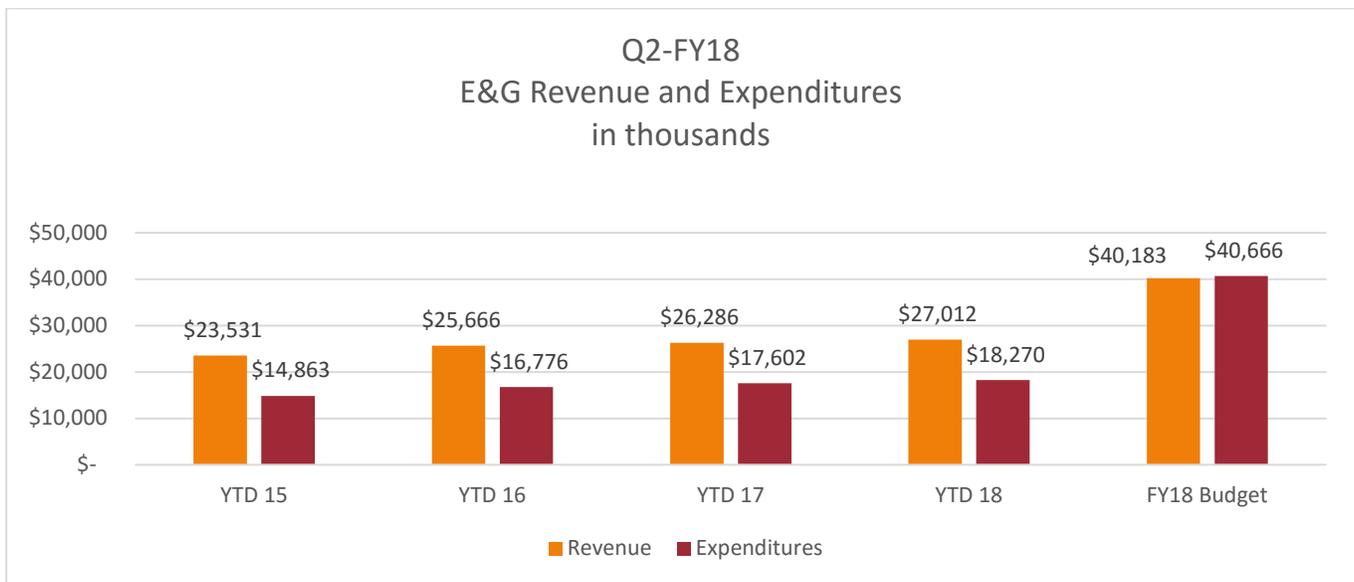
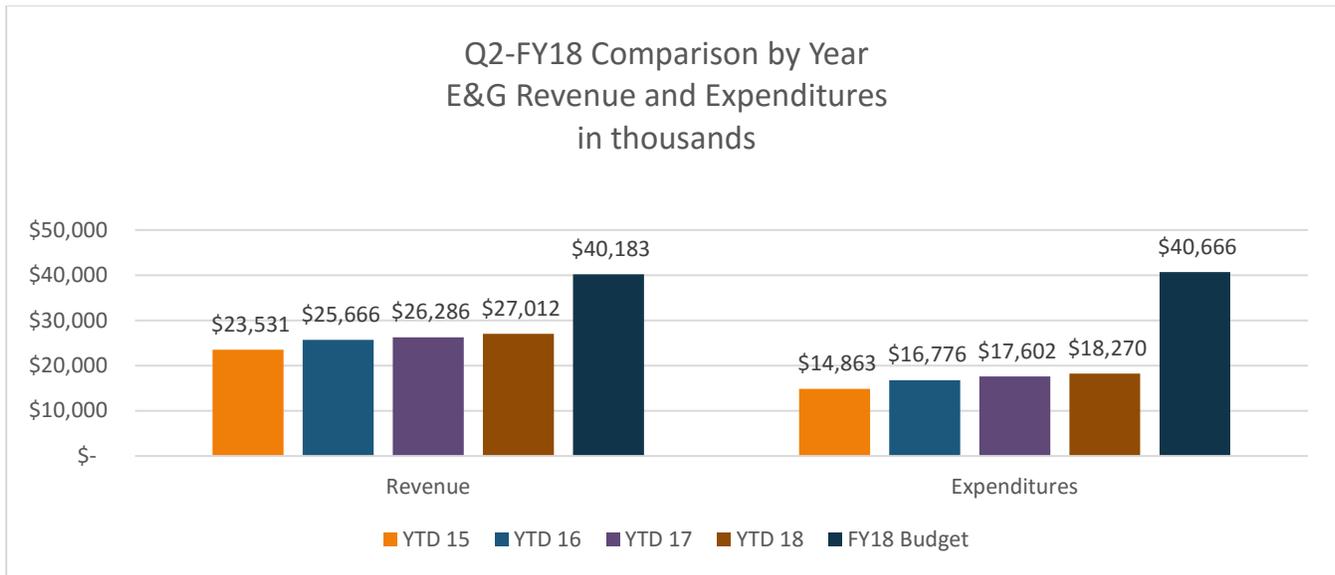
The E&G revenue budget \$40.2M includes state allocations from Student Success and Completion Model and Energy Loan Payments. In addition to the revenue received as part of the state allocation, EOU retains any tuition and fees generated by students, as well as receives revenue through indirect cost recoveries from grants and contracts, interest and other revenue (primarily fee based). The revenue budget also includes fee remission allocations of \$2.18M. Fee remissions are applied as a reduction of revenue at the beginning of each term.

The E&G expense budget \$40.6M is comprised of salaries and other payroll expenses (ope), services and supplies and net transfers. EOU's largest category of expense is personnel, consisting of approximately 79.8% of the overall E&G budget. Direct expenses, or service and supplies, include utility and physical plant costs, general office supplies, professional services contracts, information technology services, as well as services payments for support provided by University Shared Services Enterprise (USSE).

The expense budget includes increases in labor for contractual salary increases for classified and faculty as well as an increase for administrative faculty and retirement and health care increases. Administrative increases occurred in July, Faculty in September and Classified in October. In addition, classified staff receive a merit/step increase on their anniversary, provided they are not at the top step in their range.

Based on the proposed budget, EOU is projected to utilize approximately \$483K in fund balance by year end. The decrease will result in an ending fund balance of \$6,508,000 (16.2%)





Year to Date Variances over FY2017:

FY18 expenditures are up 3.61% over Q2 FY17, labor is up 7.25%. Capital expenditures are down 34.7% due to vehicle purchases in FY17 and timing of the purchases of library collections in FY18. As of December 31st, EOU has utilized approximately 45% of the expense budget. At the close of Q2, E&G revenue is also trending ahead of last year by 2.75%. EOU has received 67% of the E&G revenue budget as of December 31st. However, while winter tuition revenue has been accrued, winter fee remissions have not been disbursed, which will result in a decrease of \$795K in revenue. Interest and investment income is up over prior year, as the Public University Fund (PUF) investments returned 0.5% during the quarter. As of September 30, 2017, EOU had a total market value of \$20.8 million in cash and investments in the PUF. The new orientation fee yielded \$48,000, which was \$8,000 over the projected revenue budget and covered the additional expenses associated with the increased participation. . Note: \$130K in expenditures are related to the Quinn Roofing project, while the E&G expense line increased, there is an offsetting transfer in of \$130K from the Auxiliary fund.

AUXILIARY ENTERPRISES

Auxiliary Services include services that are essential to the support of the university's academic programs. Auxiliary units are expected to generate sufficient revenue to cover all costs of operating and capital need, and are not supported by State allocation/funding. Departments such as Housing and Dining, Family Housing, Student Health Center, Parking Services, Athletics, General Rentals, the Integrated Services Building (ISB) and the Incidental Student Services Fee are considered Auxiliaries at EOU. Ideally, all auxiliary enterprise units are required to pay an overhead fee to the campus for the support central services offered.

Housing and Dining Services provide services and support for our students living on campus. Eastern Oregon University has a mandatory live on policy for all new freshman. Targeted occupancy for fall 2017 was 371, with a 10 % annual attrition. Fall certified occupancy was 369, including Resident Assistants and EOCENE Courts. Although early in the term, winter occupancy is expected to be around 365. This occupancy exceeds the budgeted occupancy.

Dining Services is a contracted service operated by Sodexo. Sodexo operates all food services operations on the campus, including summer camp service. There were 278 meal plans associated with the 2017 Fall occupancy. This fund will have annual debt service payments of \$700,000 (est) until 2035.

Family Housing/EOCENE Courts is being converted into single occupancy rooms. This conversion supports our upper classman's desire to live on campus. The revenue in this fund is from the remaining family units. There will be a gradual decline in revenue in this fund, as the units are phased out. Revenue generated from the single rooms, is recorded in the housing fund.

Athletics Fund is also considered an auxiliary enterprise and receives funding from student fees, fund raising and self-support operations. However, at EOU, Athletic personnel expenses, athletic trainers, soccer and wrestling expenses as well as post season travel are funded through the E&G budget. Athletics also receives state support in the form of lottery funding for additional scholarships.

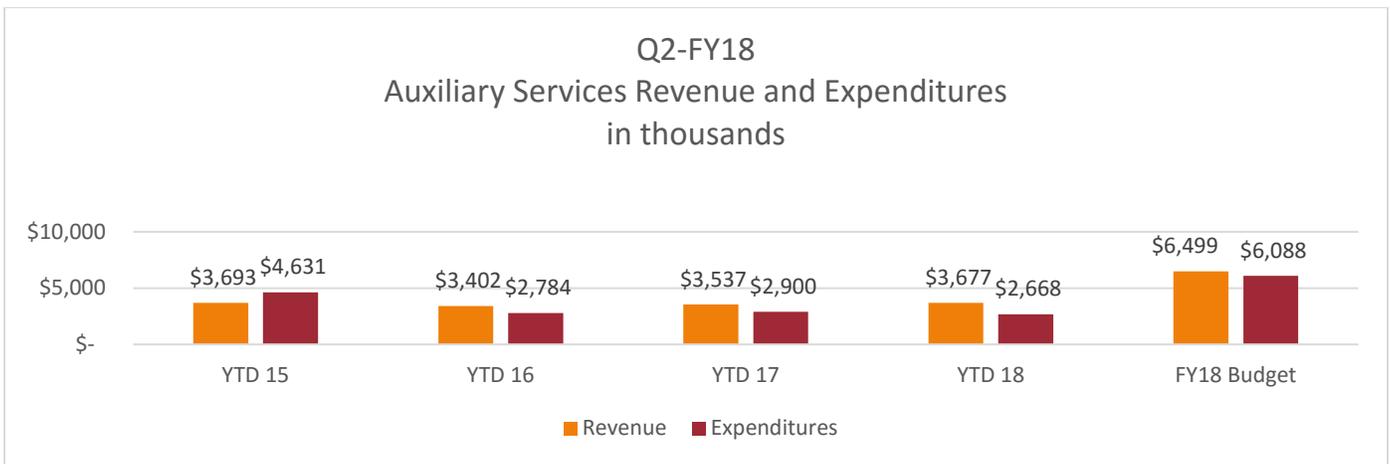
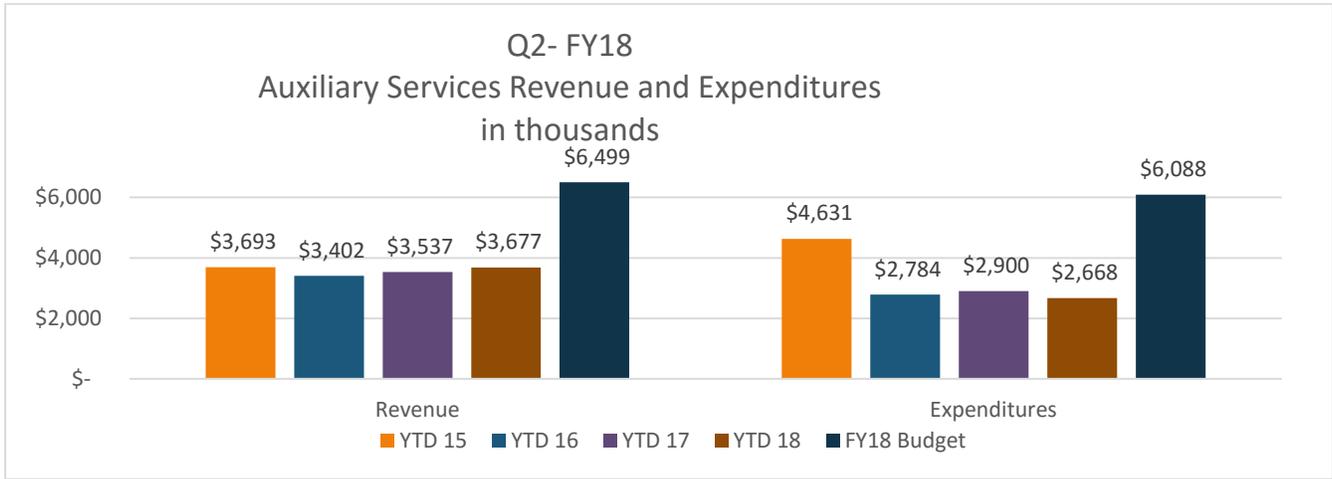
Student Health Center Operations is a contracted service with Oregon Health Sciences University. OHSU provides health service for all EOU students enrolled in a total of at least 6 credits and one or more of these credits is an "On-Campus" course, and to all students living on campus or part of an athletic team. Students pay a quarterly mandatory Health Service Fee that provides student access to the Student Health and Counseling Centers. The fee is \$150 per term. In addition to the contract with OHSU, this fund also supports a Health and Wellness Coordinator, two counselors and two athletic trainers.

Incidental Student Fee Fund supports institutional student programs that are beyond the academic mission of the institution. The incidental fee is assessed each term to all students taking "On-Campus" courses, and to all students living on campus or part of an athletic team. The fees in this fund are used for student union operations, student organizations, student governmental activities, and provides some support to athletics. The fee is \$255 per term.

Parking Services is a self-support operation, which generates revenues through the sale of annual and quarterly parking permits, special events fees, and parking citations. Revenue generated is used for facility and route improvement, parking lot repair and maintenance, signage, and labor expenses. Parking permits were increased in July 2017, for the first time in 4 years.

Bookstore Barnes and Noble operates the University bookstore to provide the textbook, course materials, retail merchandise and apparel the campus community. This contract has been negotiated through 2022. Barnes and Noble pays a management fee of \$65,000 annually and reimburses EOU for the Property Specialist position.

General Rentals/ISB EOU has a long term lease on the Integrated Services Building thru 2021. The lease is structured to pay for the debt service, maintenance and operations of the facility. EOU also leases space to OHSU and other campus partners.



Q2 - Auxiliaries by Fund			
Auxiliary Enterprises	Revenue	Expenditures	Net
Housing	\$ 1,738,483	\$ 1,626,428	\$ 112,055
Student Activities/Incidental Fees	\$ 586,055	\$ 349,492	\$ 236,563
Intercollegiate Athletics	\$ 611,372	\$ 568,973	\$ 42,399
Health Services	\$ 395,614	\$ 336,262	\$ 59,352
Parking Services	\$ 94,457	\$ 14,395	\$ 80,062
Other Rentals (Gilbert Center/OHSU Rent)*	\$ 80,675	\$ (359,394)	\$ 440,069
Other Auxiliaries (ISB/Student Clearing)	\$ 170,210	\$ 132,075	\$ 38,135
Total Auxiliary Enterprises	\$ 3,676,866	\$ 2,668,231	\$ 1,008,635

*Transfer in of \$363,919 from another fund within the auxiliary fund type to correct accounting in individual funds, no impact to the overall auxiliary fund.

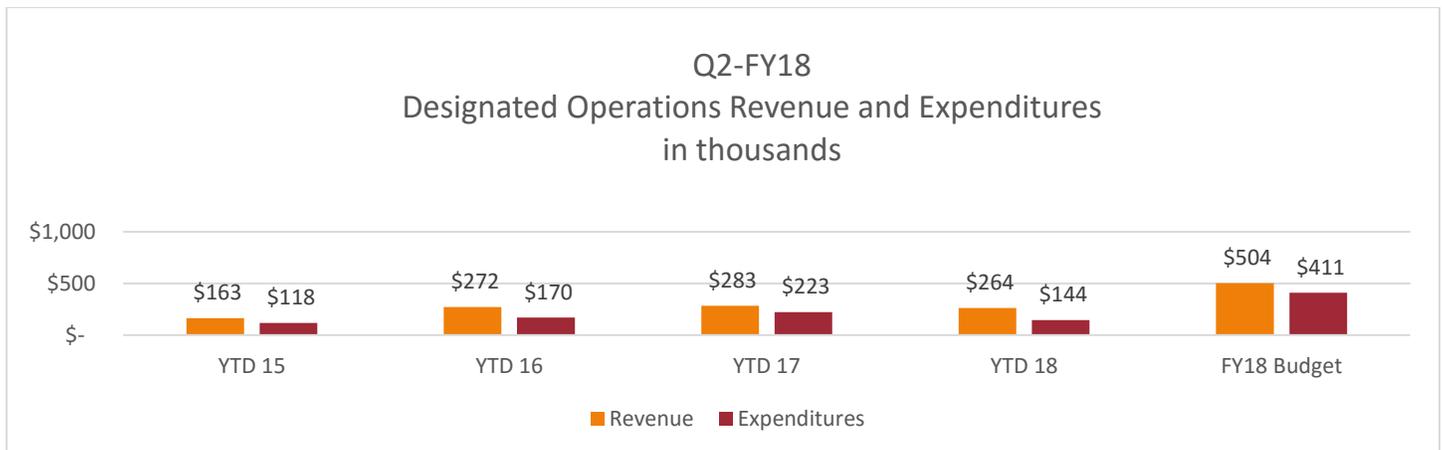
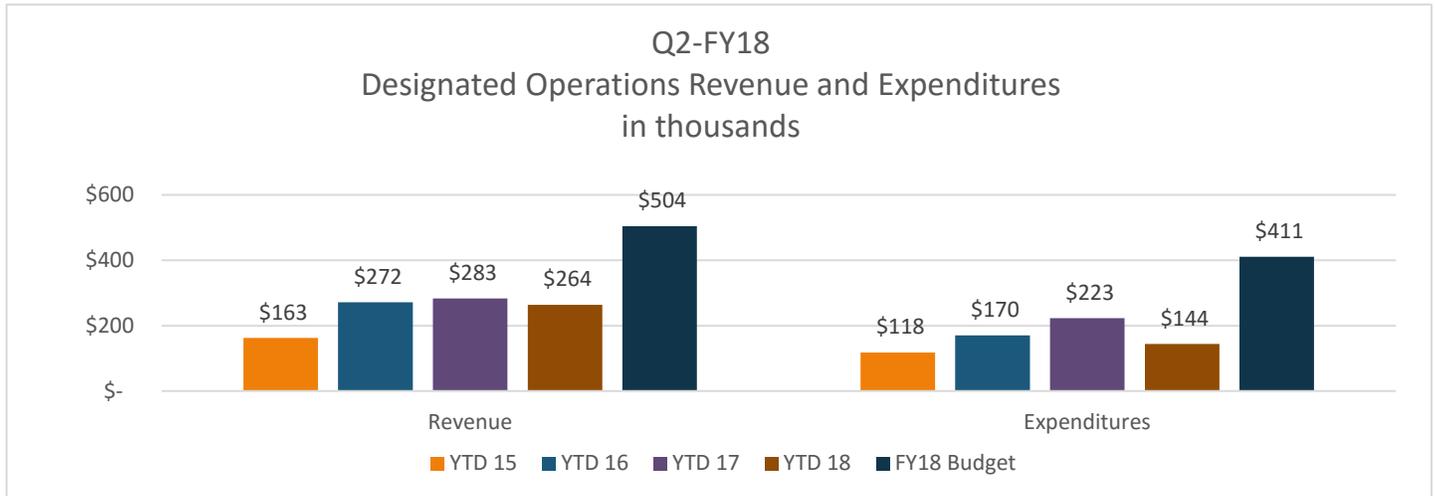
Year to Date Variances over FY2017:

Auxiliary Services units are performing as expected. All funds are currently showing a positive balance. Revenues are up 4% due to summer conference income, parking permit sales, lease income, recreation pass sales and the sale of the Highland Place property. At the close of Q2, expenses were down 11%, however it is anticipated that expenses will increase in the coming months due to facility maintenance projects in the ISB and housing facilities which have been delayed.

DESIGNATED OPERATIONS

Designated Operations are university functions that provide self-support operations related to non-instructional activities such as field trips and community education. A Designated Operations fund will be established when approximately 80% or greater of a self-support activity is funded from external sources, including student fees for field trips.

EOU's Designated Operations Funds are academic department field trips, athletic and academic camps, workshops and the BASALT Magazine.



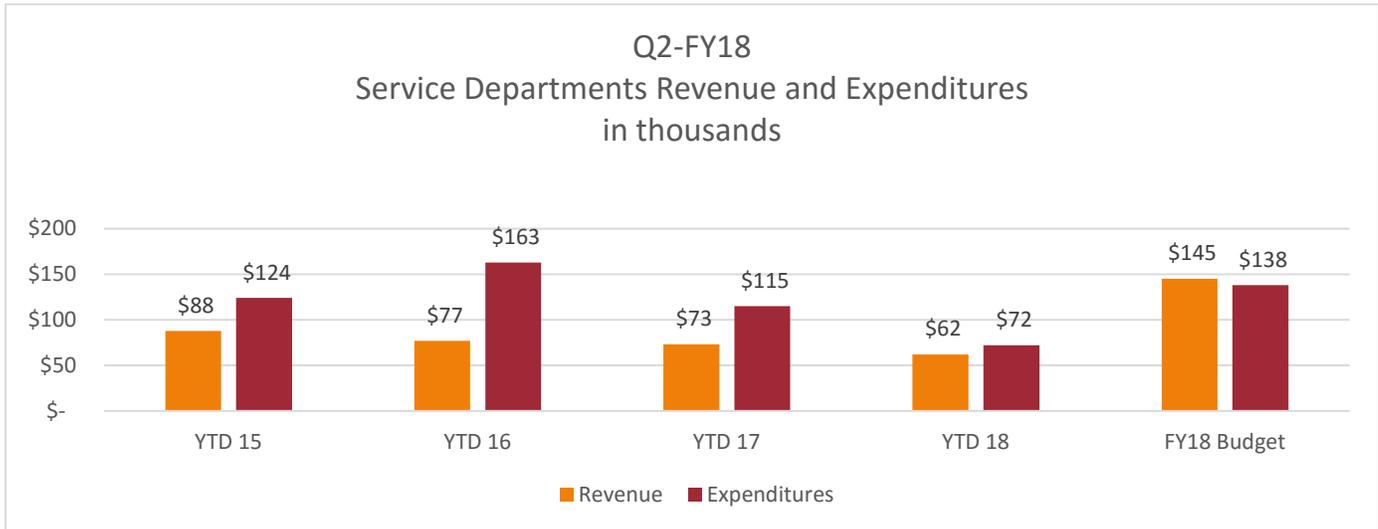
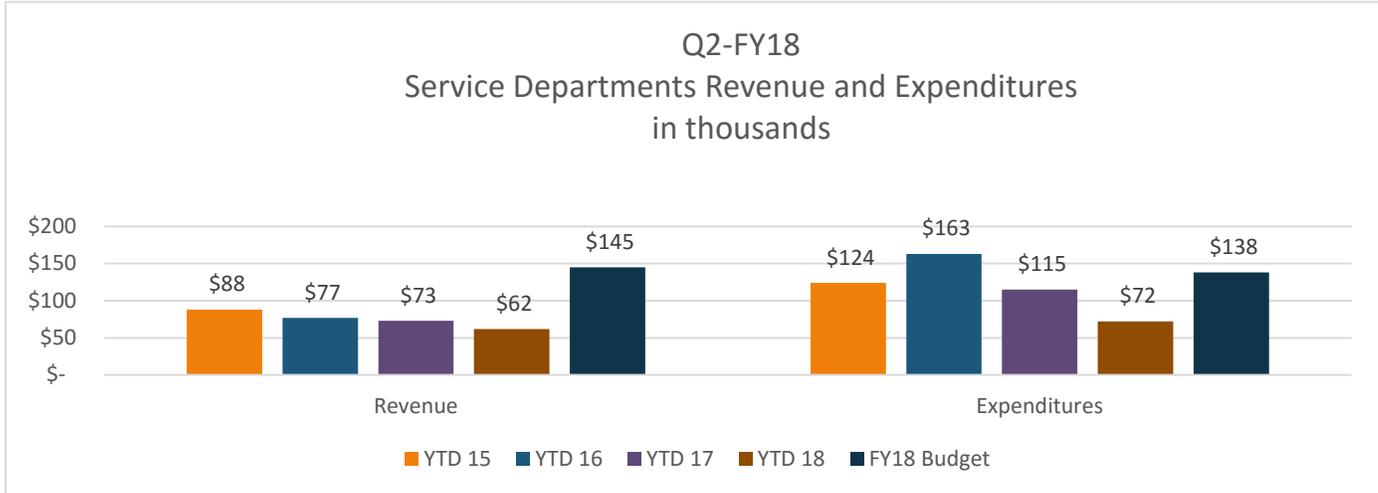
Year to Date Variances over FY2017:

Designated operations are trending as expected, at the end of Q2 revenue was down 7% (\$18,569) due to post season activities and significant fund raising associated with the wrestling program in FY17. However, the sales and services category is up by 18% due to summer camps. Expenses associated with 2017 post season athletics activities are included in FY17 Q2, these expense were not incurred in FY18, resulting in a 54% decline in expenses over the prior year.

SERVICE DEPARTMENTS

A Service Department fund is established with the majority of the activity is internal to the university. Eastern's primary service department is the copy center. EOU's Serviced Departments include: Surplus property, Telecommunications and Audio Visual departments, Copy Services and Motor Pool.

The FY18 revenue budget for these funds is \$145,425 and the expense budget is \$159,579, with additional net transfers of \$21,500. The transfer primarily supports the EOU copy center and telecommunication support. The transfer in has been reduced due to shifting of expenditures to E&G, which reduced the transfer from E&G funds.



Year to Date Variances over FY2017:

While the Service fund is showing a deficit at the end of Q2, this is expected due to timing and also due to the budgeted transfer in, which does not occur until Q4. Therefore, this fund is trending as predicted. At the close of Q2, labor expenses are down 37%, due to restructuring of motor pool labor costs. Direct expenses are also down over prior year due to telecommunications contracts and expenses being reduced in FY18. While the fund is currently showing a \$9,152 deficit, this is primarily due to timing of internal sales and other revenue categories at the close of Q2. The fund is expected to recover by YE. Based on the current budget, Service Departments will have a surplus of \$7,346 at YE2018.

GRANTS AND CONTRACTS

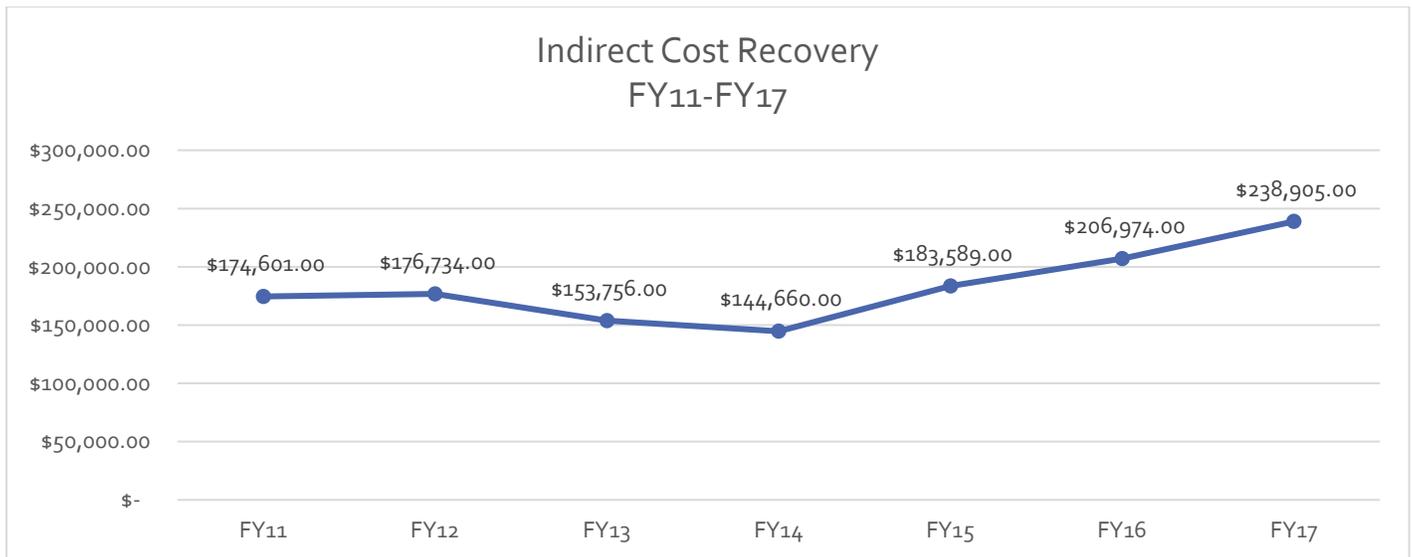
EOU currently has 39 grants and contracts. The current EOU Federal F&A rate is 66% of salaries excluding benefits, and the standard rate for non-federal grants is 8%; however, many grants have limitations on the amount of indirect cost recovery that can be charged to the grant budget.

The largest grant EOU currently has is the Eastern Oregon Headstart Program. EOU provides space and services for the program and serves as the fiscal administrator of the grant. All employees funded by this grant are paid through EOU payroll and receive EOU benefits, including retirement and healthcare benefits.

The table below shows grants with award amounts above \$50,000 currently administered at EOU:

GRANT TITLE	CURRENT FUNDING AMT
DHHS ACF Head Start Prog 2017-18	\$1,395,352.00
TRiO Student Support Services 2015	\$1,100,000.00
ODE Pre-Kindergarten Prgm 2017-18	\$654,552.00
NSF Science and Tech in EO 15-20	\$597,223.00
NSF Novel Heme Chem Cytochrome 14	\$298,161.00
Math/Science Partnership Grant 2016	\$259,997.50
BPA Grande Ronde Model Watershed 17	\$223,775.00
University Advancement Emp 2012-17	\$200,000.00
OBDD SBDC State Funds 2017-19	\$144,000.00
DOL Mine Safety 2016-17	\$140,810.00
OWEB Watershed Council Support 17	\$130,268.00
USDA Head Start Meal Prog 2017-18	\$95,031.00
OHSU Outdoor Physical Activity 2017	\$50,000.00

The chart below shows the indirect cost recovery received annually from the grants EOU administers.



DEFINITIONS

REVENUE CATEGORIES

- **Student Fees** include tuition and course fees charged for all credit courses at EOU. Course fees are charged in association with a particular class, typically these fees are for labs, academic field trips or course materials.
- **Government Resources and Allocations** are funds allocated through the Public University Support Fund (PUSF). The allocation also includes funding for special projects such as the Small Energy Loan Program (SELP) that is sponsored by the Oregon Department of Energy. The loans are for the purposes of providing partial funding for energy conservation or energy efficient projects. The loan must be repaid by Facilities from the energy savings and the allocation for the Wrestling Program.
- **Gifts, Grants and Contracts** can be funded through state, and local government agencies, and also private organizations. Each grant or contract is for a specific program or project, and functions associated with the award must be performed in accordance with the conditions of the agreement outlined by the sponsoring agencies. The revenue received in E&G funds is related to the indirect and administrative cost recovery on the grant or contracts.
- **Investment/Debt/Debt Service** is revenue from interest on accounts and investments as well as royalty and collections charges.
- **Sales and Services** is made up of event income, library fines, forfeited deposits, transcript and testing fees.
- **Other Revenue** is generated from rebates and contracts such as Barnes and Noble and the Law Library.
- **Internal Sales** is primarily used for revenue generated for internal telecommunication services and copy services.

EXPENSE CATEGORIES

- **Unclassified Salaries** include Faculty and Administrative Professionals salaries, as well as salary pay for those employees on sabbatical and any offsets/stipends received as part of the employees pay.
- **Unclassified Pay** is used for faculty overload pay, summer pay awards, vacation payouts, taxable moving expenses and employee discounts on services (athletic facility usage)
- **Classified Salaries** are those in the SEIU bargaining unit, this includes both full time and part time classified employees.
- **Classified Pay** includes overtime, temporary employees, vacation payouts for classified staff,
- **Student Pay** is for our students whose primary effort is directed toward receiving a formal education and whose work effort is part-time and secondary in nature. A student employee may be enrolled in either a secondary or a post-secondary institution.
- **Graduate Assistants** is for students working as graduate assistants within the university.
- **Benefit Compensation** this category is used for employee moving related expenses.
- **Other Payroll Expenses** is the amount paid for each employee by EOU based upon the type of employment, the gross pay amount, retirement system eligibility, and benefits. OPE varies monthly and annually, but a rate is estimated by the Budget Office so that departments can plan for this expense.
- **Services and Supplies** are expenses associated with the maintenance and administration of the day to day business of the institution. The operating expenses include supplies, utilities, repairs, travel and fees, but do not include capital expenses.
- **Capital Expenses** are purchases of equipment, buildings, major remodeling, or improvements other than buildings (such as art work, outside lighting systems, sidewalks, etc.) that meet the dollar threshold and other criteria for capitalization but are not funded through capital construction project funds. Capitalized equipment is tangible, personal property that is loaned, leased, controlled, or

possessed by an institution and is not consumed in the normal course of business, has a value in excess of \$5,000 and has a useful life that exceeds one year. For EOU this expense area is primarily used for purchases of Library Collection materials.

- **Student Aid** is used for tuition payments to other entities. For EOU this was related to MODA/ODS tuition. At this time we no longer have entries in this category.
- **Internal Sales Reimbursements** consist of all operations, which provide services or supplies to others and charge a fee for the recovery of the cost incurred. These are non-cash transactions for goods and services necessary to meet the mission of the university. These may be between departments and units; or charges to externally funded grants/contracts or state-wide public service projects.
- **Transfers In/Out Transfers (Net)** is used when moving from one fund type to another, such as in the case of providing funding from operations for a capital project. Transfers can be used within fund types to redistribute resources between individual operating funds, as in the case of funding for cost share. Transfer account codes are also used to move cash associated with budget within the Budgeted Operations fund type.
- **Fund balance** results when liabilities are subtracted from assets, creating a **fund balance**. A positive **fund balance** means there are more assets than liabilities.

Q2 All Operating Funds Summary
(in thousands)
As of December 31, 2017

FY2018

	YTD 12/31/16 Actual	2018 Budget	YTD 12/31/17 Actuals	Remaining Budget	% Budget Remaining
Education and General					
Revenue	\$ 26,287	\$ 40,183	\$ 27,011	\$ 13,172	33%
Expenditures	\$ 17,567	\$ 40,586	\$ 18,418	\$ 22,168	55%
Net Transfers (In)/Out	\$ 36	\$ 80	\$ (147)	\$ 227	284%
Beginning Fund Balance		\$ 6,991			
Net Change in Operations	\$ 8,684	\$ (483)	\$ 8,740		
Ending Fund Balance		\$ 6,508			
% fund balance		16.2%			
Auxiliary Enterprises					
Revenue	\$ 3,537	\$ 6,499	\$ 3,677	\$ 2,822	43%
Expenditures	\$ 3,018	\$ 6,226	\$ 2,695	\$ 3,531	57%
Net Transfers (In)/Out	\$ (118)	\$ (138)	\$ (27)	\$ (165)	119%
Beginning Fund Balance		\$ 8,367			
Net Change in Operations	\$ 636	\$ 410	\$ 1,009		
Ending Fund Balance		\$ 8,778			
Designated Operations					
Revenue	\$ 283	\$ 504	\$ 264	\$ 240	48%
Expenditures	\$ 211	\$ 374	\$ 150	\$ 225	60%
Net Transfers (In)/Out	\$ 13	\$ 37	\$ (6)	\$ 32	85%
Beginning Fund Balance		\$ 495			
Net Change in Operations	\$ 59	\$ 92	\$ 120		
Ending Fund Balance		\$ 587			
Service Funds					
Revenue	\$ 73	\$ 145	\$ 62	\$ 83	57%
Expenditures	\$ 115	\$ 160	\$ 71	\$ 88	55%
Net Transfers (In)/Out	\$ -	\$ (22)	\$ -	\$ (22)	100%
Beginning Fund Balance		\$ 72			
Net Change in Operations	\$ (41)	\$ 7	\$ (9)		
Ending Fund Balance		\$ 80			

Q2 All Operating Funds Summary
(in thousands)

	Education & General	Auxiliary Enterprises	Designated Operations	Service Departments		Total
FY2018 Approved Budget						
Revenue	\$ 40,183	\$ 6,499	\$ 504	\$ 145		\$ 47,331
Expenditures	\$ 40,586	\$ 6,226	\$ 374	\$ 160		\$ 47,346
Net Transfers (In)/Out	\$ 80	\$ (138)	\$ 37	\$ (22)		\$ (42)
Beginning Fund Balance	\$ 6,991	\$ 8,367	\$ 495	\$ 72		\$ 15,925
Net Change in Operations	\$ (483)	\$ 410	\$ 92	\$ 7		\$ 27
Ending Fund Balance	\$ 6,508	\$ 8,778	\$ 587	\$ 80		\$ 15,952
% fund balance	16.2%					
	Education & General	Auxiliary Enterprises	Designated Operations	Service Departments		Total
FY2018 Actuals as of 12-31-17 (Q2)						
Revenue	\$ 27,011	\$ 3,677	\$ 264	\$ 62		\$ 31,014
Expenditures	\$ 18,418	\$ 2,695	\$ 150	\$ 71		\$ 21,334
Net Transfers (In)/Out	\$ (147)	\$ (27)	\$ (6)	\$ -		\$ (180)
Fund Additions/Change in Fixed Assets		\$ -		\$ -		\$ -
Net Change in Operations	\$ 8,740	\$ 1,009	\$ 120	\$ (9)		\$ 9,859
	Education & General	Auxiliary Enterprises	Designated Operations	Service Departments		Total
FYE 2017 Actual						
Revenue	\$ 40,343	\$ 6,739	\$ 558	\$ 158		\$ 47,799
Expenditures	\$ 38,221	\$ 6,299	\$ 352	\$ 264		\$ 45,137
Net Transfers (In)/Out	\$ (289)	\$ 166	\$ 176	\$ (28)		\$ 25
Beginning Fund Balance	\$ 4,580	\$ 8,045	\$ 465	\$ 149		\$ 13,238
Fund Additions/Change in Fixed Assets		\$ 48	0	\$ 2		
Net Change in Operations	\$ 2,411	\$ 322	\$ 30	\$ (77)		\$ 2,687
Ending Fund Balance	\$ 6,991	\$ 8,367	\$ 495	\$ 72		\$ 15,925
% fund balance	17.3%					
Ending Cash Balance		\$ 4,157	\$ 49,763	\$ 42		

As of December 31st
Q2 All Operating Funds Summary
Summary All Funds
FY18 Quarterly Management Report - Q2
(in thousands)

	FY 2018 Adjusted Budget	FY17 Q2 Actuals	FY18 Q2 Actuals	\$ change YTD Prior Year	% Change	Notes
Revenue						
Student Fees	\$ 20,572	\$ 14,707	\$ 15,287	\$ 580	4%	1
State/Government Appropriations	\$ 21,154	\$ 12,581	\$ 12,552	\$ (29)	0%	2
Gifts Grants and Contracts	\$ 284	\$ 242	\$ 207	\$ (35)	-14%	3
Interest Income	\$ 394	\$ 180	\$ 218	\$ 38	21%	4
Sales and Service	\$ 4,477	\$ 2,172	\$ 2,551	\$ 379	17%	5
Other Revenue	\$ 280	\$ 208	\$ 122	\$ (86)	-41%	6
Internal Sales	\$ 170	\$ 89	\$ 76	\$ (13)	0%	7
Total Revenue	\$ 47,331	\$ 30,179	\$ 31,013	\$ 834	2.76%	
Expenses						
Wages/OPE	\$ 33,958	\$ 13,978	\$ 14,980	\$ 1,002	7%	8
Services and supplies	\$ 12,686	\$ 6,411	\$ 5,958	\$ (453)	-7%	9
Capital Outlay	\$ 389	\$ 298	\$ 194	\$ (104)	-35%	10
Student Aid	\$ 402	\$ 131	\$ 113	\$ (18)	-14%	11
Merchandise Resale	\$ 7	\$ 10	\$ 9	\$ (1)	-10%	12
Internal Sales	\$ (740)	\$ (308)	\$ (313)	\$ (5)	2%	
Depreciation	\$ 633	\$ 391	\$ 390	\$ (1)	0%	
Total Expenses	\$ 47,335	\$ 20,911	\$ 21,331	\$ 420	2%	
NET Transfers	\$ (42)	\$ (70)	\$ (179)			13
Increase (Decrease) Operating	\$ 38	\$ 9,338	\$ 9,861			

NOTES: Variance in Actuals

- (1) Student fees include accrued tuition for winter, but does not include fee remissions which reduces tuition/student fees by \$795,000
- (2) Prior year state allocation included wrestling allocation and seui funding. Also, FY18 is the first year of the biennium funding is 49% of total biennial allocation. (E&G)
- (3) FY17 included post season revenue allocated to this category.
- (4) Increase in cash and market returns resulted in an increase in interest earnings distributions (E&G)(Auxiliary)
- (5) Increases in conference revenue, recreation passes room and board for FY18,Q2. Also includes proceeds from sale of 408 Highland property.
- (6) Increases in wages, retirement and health care costs a well as filled position vacancies and and new
- (7) Decrease in FY18 due to timing of internal transactions and decline of internal sales at the end of Q2.
- (8) Prior year included expenses associated with Athletic Post Season Travel (E&G and Auxiliary)
- (9) Post season expenses included in FY17 Q2 expenditures (E&G, Auxiliary)
- (10) Capital expenses are down in FY18 due to timing of library collection purchases and prior year purchases of vehicle replacements (E&G, Auxiliary)
- (11) In FY18, ASEOU began providing additional scholarships for officers, also athletics has spent \$10K less in lottery scholarships. (Auxiliary)
- (12) FY17 Merchandise sales were slightly up due to post season activities. (Auxiliary)
- (13) Transfer in from capital to cover .5 project manager position and Quinn Roof project. (E&G)

Q2 E&G Summary
Quarterly Management Report - Q2
(in thousands)

	FYE 17 Actuals	FY18 Proposed Budget	FY17 Q2 Actuals	FY18 Q2 Actuals	\$ change YTD Prior Year	% Change	Notes:
Revenue							
Student Fees	\$ 18,765	\$ 18,737	\$ 13,598	\$ 14,193	\$ 595	4%	(1)
State/Government Appropriations	\$ 20,519	\$ 20,752	\$ 12,247	\$ 12,351	\$ 104	1%	(2)
Gifts Grants and Contracts	\$ 320	\$ 125	\$ 142	\$ 148	\$ 6	4%	(3)
Investment/Interest Income	\$ 419	\$ 370	\$ 168	\$ 208	\$ 40	24%	(4)
Sales and Service	\$ 151	\$ 166	\$ 85	\$ 81	\$ (4)	-5%	(5)
Other Revenue	\$ 169	\$ 33	\$ 47	\$ 30	\$ (17)	-36%	(6)
Total Revenue	\$ 40,343	\$ 40,183	\$ 26,287	\$ 27,011	\$ 724	2.75%	
Expenses							
Wages/OPE	\$ 29,726	\$ 32,491	\$ 13,296	\$ 14,259	\$ 963	7%	(7)
Services and supplies	\$ 8,671	\$ 8,497	\$ 4,342	\$ 4,316	\$ (26)	-1%	(8)
Capital Outlay	\$ 566	\$ 338	\$ 237	\$ 155	\$ (82)	-35%	(9)
Internal Sales	\$ (742)	\$ (740)	\$ (308)	\$ (312)	\$ (4)	1%	
Total Expenses	\$ 38,221	\$ 40,586	\$ 17,567	\$ 18,418	\$ 851	5%	
Net Change from Operations	\$ 2,122	\$ (403)	\$ 8,720	\$ 8,593	\$ (127)	-1%	
Net Transfers	\$ (289)	\$ 80	\$ 36	\$ (147)	\$ (171)	-475%	(10)
Net Increase (Decrease) in Fund Balance	\$ 2,411	\$ (483)	\$ 8,684	\$ 8,740	\$ 56		
Beginning Fund Balance	\$ 4,580	\$ 6,991					
Ending Fund Balance	\$ 6,991	\$ 6,508					
Fund Balance as a % of Revenue	17.3%	16.2%					

NOTES: Variance in Actuals

- (1) Increase in tuition, matriculation fee and new orientation fee
- (2) Slight increase in state funding in FY18, however FY17 included one time funding for SEIU compensation
- (3) Increased indirect from grants in FY18
- (4) Increase in interest earnings, due to PUF outperforming benchmarks.
- (5) Prior year includes post season gate receipts.
- (6) Prior year includes reimbursement from ODS/MODA contract.
- (7) Increase in wages, retirement and health care costs, as well as new hires
- (8) Prior year includes post season activity.
- (9) Prior year includes vehicle and equipment purchases. Also, timing of Library collection purchases in FY18.
- (10) FY18 includes transfer in from capital funds for .5 project manager and funds from auxiliaries for Quinn Roof.

Q2- Auxiliary Summary
Quarterly Management Report - Q2

	FYE 17 Actuals	2018 Initial Budget	FY17 Q2 Actuals	FY18 Q2 Actuals	\$ change YTD Prior Year % Change		Notes:
Revenue							
Student Fees	\$ 1,608,994	\$ 1,802,556	\$ 1,095,557	\$ 1,081,603	\$ (13,954)	-1%	1
State Allocations (Lottery)	\$ 624,827	\$ 401,828	\$ 334,714	\$ 200,913	\$ (133,801)	-40%	2
Gifts, Grants and Contracts	\$ 3,851	\$ -	\$ 2,972	\$ -	\$ (2,972)	-100%	3
Investments & Interest	\$ 19,348	\$ 17,150	\$ 8,618	\$ 5,779	\$ (2,839)	-33%	4
Sales and Services	\$ 4,169,170	\$ 4,156,672	\$ 1,969,608	\$ 2,333,127	\$ 363,519	18%	5
Other Revenue	\$ 308,195	\$ 120,575	\$ 121,119	\$ 52,163	\$ (68,956)	-57%	6
Internal Sales	\$ 4,650	\$ -	\$ 4,115	\$ 3,280	\$ (835)	-20%	7
Total Revenue	\$ 6,739,035	\$ 6,498,781	\$ 3,536,703	\$ 3,676,865	\$ 140,162	4%	
Expenses							
Wages and OPE	\$ 1,165,911	\$ 1,262,023	\$ 545,958	\$ 605,746	\$ 59,788	11%	8
Services and Supplies	\$ 3,964,588	\$ 3,917,271	\$ 1,895,109	\$ 1,553,290	\$ (341,819)	-18%	9
Capital Expense	\$ 13,256	\$ 21,000	\$ 53,705	\$ 29,563	\$ (24,142)	-45%	10
Student Aid	\$ 363,666	\$ 401,828	\$ 130,914	\$ 112,839	\$ (18,075)	-14%	11
Merchandise/Resale	\$ 15,906	\$ 6,600	\$ 9,509	\$ 10,750	\$ 1,241	13%	
Internal Sales Reimbursement	\$ -	\$ -	\$ -	\$ (189)	\$ (189)	#DIV/0!	
Depreciation	\$ 775,755	\$ 617,723	\$ 383,066	\$ 383,082	\$ 16	0%	
Total Expenses	\$ 6,299,082	\$ 6,226,445	\$ 3,018,261	\$ 2,695,081	\$ (323,180)	-11%	
					\$ -		
Net Change from Operations	\$ 439,953	\$ 272,336	\$ 518,442	\$ 981,784	\$ 463,342	89%	
Transfers In	\$ (482,800)	\$ (270,000)	\$ (166,141)	\$ (441,465)	\$ (275,324)	166%	12
Transfers Out	\$ 648,372	\$ 131,870	\$ 48,245	\$ 414,615	\$ 366,370	759%	13
Net Transfers	\$ 165,572	\$ (138,130)	\$ (117,896)	\$ (26,850)	\$ 91,046	-77%	
Fund Addition - Bonded Debt	\$ -						
Change In Fixed Assets	\$ 47,979						
Fund Deductions - Bonded Debt	\$ -						
Net Increase (Decrease) in Fund Balance	\$ 322,360	\$ 410,466	\$ 636,338	\$ 1,008,634	\$ 372,296		
Beginning Fund Balance	\$ 8,044,946	\$ 8,367,306					
Ending Fund Balance	\$ 8,367,306	\$ 8,777,772					

NOTES: Variance in Actuals

(1) Incidental and health service fee revenue is down slightly from FY17. However, this could be a timing issue related to winter term.

(2) Prior year included one time wrestling funds.

(3) Prior year included unanticipated gifts in Athletics related to post season.

(4) Investment earnings distribution slightly lower in this fund for FY18.

(5) Increases in Housing Room and Board, recreation passes, conference income, facility rent and the sale of the 408 Highland property.

(6) FY17 includes insurance recoveries and post season activity.

(7) Reduced internal sales

(8) Increases in wages, retirement and health care costs.

(9) FY17 included post season expenses for athletics, and construction services

(10) FY17 included vehicle replacement purchases.

(11) Prior year aid distribution was higher at the end of Q2 due to timing of disbursements.

(12) Transfer in of cash with in the fund to allocate cash to appropriate fund type. No impact to overall fund.

(13) Transfer out of cash with in the fund to allocate cash to appropriate fund type. No impact to overall fund.

Q2 Designated Operations Summary
Quarterly Management Report - Q2

	FYE 17 Actuals		2018 Initial Budget	FY17 Q2 Actuals	FY18 Q2 Actuals	\$ change YTD Prior Year	% Change	Notes:
Revenue								
Student Fees	\$ 33,091		\$ 32,200	\$ 13,708	\$ 12,119	\$ (1,589)	-12%	
Gifts Grant and Contracts	\$ 219,352		\$ 159,370	\$ 96,690	\$ 59,420	\$ (37,270)	-39%	1
Investments & Interest	\$ 7,497		\$ 7,005	\$ 3,205	\$ 4,394	\$ 1,189	37%	
Sales and Services	\$ 167,791		\$ 136,180	\$ 107,706	\$ 127,622	\$ 19,916	18%	2
Other Revenue	\$ 78,146		\$ 118,258	\$ 35,069	\$ 38,061	\$ 2,992	9%	
Internal Sales	\$ 52,495		\$ 50,800	\$ 26,159	\$ 22,352	\$ (3,807)	-15%	
Total Revenue	\$ 558,372		\$ 503,813	\$ 282,537	\$ 263,968	\$ (18,569)	-7%	
Expenses								
Wages and OPE	\$ 178,660		\$ 204,157	\$ 96,116	\$ 89,789	\$ (6,327)	-7%	3
Services and supplies	\$ 146,758		\$ 145,965	\$ 106,793	\$ 49,440	\$ (57,353)	-54%	4
Capital Expense	\$ 26,829		\$ 24,000	\$ 7,956	\$ 10,375	\$ 2,419	30%	
Merchandise-Resale	\$ -		\$ 100	\$ -	\$ -	\$ -	0%	
Total Expenses	\$ 352,247		\$ 374,222	\$ 210,865	\$ 149,604	\$ (61,261)	-29%	
						\$ -		
Net Change from Operations	\$ 206,125		\$ 129,591	\$ 71,672	\$ 114,364	\$ 42,692	60%	
Transfers In	\$ (91,766)		\$ (137,600)	\$ (8,000)	\$ (9,111)	\$ (1,111)	14%	
Transfers Out	\$ 267,652		\$ 174,915	\$ 20,600	\$ 3,461	\$ (17,139)	-83%	5
Net Transfers	\$ 175,886		\$ 37,315	\$ 12,600	\$ (5,650)	\$ (18,250)	-145%	
Fund Additions	\$ -							
Net Increase (Decrease) in Fund Bal	\$ 30,239		\$ 92,276	\$ 59,072	\$ 120,014	\$ 60,942		
Beginning Fund Balance	\$ 464,550		\$ 494,789					
Ending Fund Balance	\$ 494,789		\$ 587,065					

NOTES: Variance in Actuals

- (1) Prior year Individual Gifts related to post season athletics
- (2) Increases in conference and events income
- (3) Salary and retirement contribution savings from mid year vacant
- (4) Timing of conference housing and meal plan payments for athletics. Expenses will be charged in Q3FY18.
- (5) Prior year transfers related to post season activity.

Q2 Service Departments Summary
Quarterly Management Report - Q2

	FYE 17 Actuals	2018 Initial Budget	FY17 Q2 Actuals	FY18 Q2 Actuals	\$ change YTD Prior Year % Change		Notes:
Revenue							
Sales and Service	\$ 15,533	\$ 18,100	\$ 9,881	\$ 9,246	\$ (635)	-6%	
Other Revenue	\$ 8,465	\$ 8,325	\$ 4,696	\$ 2,317	\$ (2,379)	-51%	1
Internal Sales	\$ 134,231	\$ 119,000	\$ 58,677	\$ 50,768	\$ (7,909)	-13%	2
Total Revenue	\$ 158,229	\$ 145,425	\$ 73,254	\$ 62,331	\$ (10,923)	-15%	
Expenses							
Wages and OPE	\$ 58,386	\$ 50,454	\$ 39,699	\$ 25,019	\$ (14,680)	-37%	3
Services and supplies	\$ 185,423	\$ 88,440	\$ 67,023	\$ 39,412	\$ (27,611)	-41%	4
Capital Outlay	\$ 5,781	\$ 5,800	\$ -	\$ -	\$ -	0%	
Internal Sales Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Depreciation	\$ 14,886	\$ 14,885	\$ 7,990	\$ 7,052	\$ (938)	-12%	
Total Expenses	\$ 264,476	\$ 159,579	\$ 114,712	\$ 71,483	\$ (43,229)	-38%	
Net Change from Operations	\$ (106,247)	\$ (14,154)	\$ (41,458)	\$ (9,152)	\$ 32,306	-78%	
Transfers In	\$ (27,513)	\$ (21,500)	\$ -	\$ -	\$ -	0%	
Transfers Out	\$ -	\$ -	\$ -	\$ -	\$ -	0%	
Net Transfers	\$ (27,513)	\$ (21,500)	\$ -	\$ -	\$ -		
Instution Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Fund Additions	\$ -						
Change in Fixed Assets	\$ 1,988			\$ -			
Net Increase (Decrease) in Fund Bal	\$ (76,746)	\$ 7,346	\$ (41,458)	\$ (9,152)	\$ 32,306		
Beginning Fund Balance	\$ 148,978	\$ 72,232					
Ending Fund Balance	\$ 72,232	\$ 79,578					

NOTES: Variance in Actuals

- (1) Surplus Sales decreased in FY18
- (2) Change in accounting of internal sales of fuel for motor pool.
- (3) FY18 reallocate salary expenses for motor pool to appropriate fund.
- (4) Reduced teleom expenses in FY18 due to changes in vendor contracts.