



**WRIGHT STATE  
UNIVERSITY**

BOARD OF TRUSTEES

**Finance, Audit and Infrastructure  
COMMITTEE**

**March 27, 2020  
MEETING DATE**

**SUBJECT:**

**Monthly Cash Report as of February 29, 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 February 29, 2020 was \$107.5 million, an increase of \$16.2 million over February 28, 2019.

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

	<u>FY2020</u>	<u>FY2019</u>	<u>Fav &lt;Unfav&gt;</u>
Cash Inflows	\$239.8	\$250.2	<\$10.4>
Cash Outflows	<205.3>	<212.2>	6.9
Investment Income	1.3	1.8	< 0.5>
Perkins Reserve	<0.8>	0.0	<0.8>
Net Increase in Cash	35.0	39.8	<4.8>

Cash inflows to last year negatively impacted by lower enrollment. Cash outflows positively impacted by lower payroll/benefit outflows due to natural attrition and position vacancies offset by slightly higher operating related outflows.

For the fiscal year, the ending cash and investment balance at June 30, 2020 is projected to be \$73.9 million, up \$1.5 million to the prior year. The forecast however does not include the pending housing/meal plan refunds.

Investment income forecasted at \$1.2 million, a \$710k reduction to the prior month forecast as the recent Federal Reserve rate cuts and COVID-19 concerns have negatively impacted yields and the market. \$1.4 million of net capital calls/distributions have been transferred from illiquid investments to working capital. The forecast includes the sale of both private equities by fiscal year end.

Days cash on hand at June 30, 2020 are projected to be 103 days, an improvement of 20 days over FY2019. The 20 days improvement is largely attributable (14.5 days) to the shift of \$10.2 million from illiquid investments to working capital with the anticipated sale of the two private equities and previous private equities net distributions. Lower FY2020 budgeted operating expenses (base) and \$1.5 million increase in working capital constitute the remaining 5.5 days.

**BOARD RESOLUTION REQUESTED:**

No action is required. For information only.