

FY2019 Q4 OSU Operating Management Report

BACKGROUND

Oregon State University's FY2019 fourth quarter (Q4) operating management report presents the final fiscal year operating results for the three operating fund groups: Education & General, Self-Support, and Restricted funds.

Q4 OPERATING MANAGEMENT REPORT

Overall, actual revenue for the Education & General funds ended lower than budgeted revenue, with an operating reserve of 12.9% of revenues (\$89.4M on total actual revenues of \$693.2M), as compared to a budgeted operating reserve of 13.2% of revenues (\$92.8M on budgeted revenues of \$701.9M).

Self-Support funds ended the year with an operating reserve of 9.9% of revenues (\$24.4M on total actual revenues of \$246.9M), as compared to a budgeted operating reserve of 10.6% of revenues, or \$25.7M on budgeted revenues of \$243.0M.

Restricted funds ended the year with net assets higher than budgeted. Ending net assets were \$13.7M on total actual revenues of \$365.4M or 3.8%, compared to the budgeted net assets of \$7.0M on budgeted revenues of \$361.3M, or 1.9%.

This report will provide explanations for material variances from the prior quarter projection that are highlighted in the report (Column G in Attachment 1), which is intended to provide accountability with respect to the accuracy of projections. Variances are highlighted when greater than 1% of total revenues (plus or minus). In addition to the comments below, brief explanations for the variances noted from the prior quarter's projection are included in the footnotes at the end of the detail report.

The breakdown and discussion of the variances in the FY2019 Q4 report for each major operating fund type are as follows:

EDUCATION AND GENERAL

For the Education and General funds, there were no items of note.

SELF-SUPPORT

For the Self-Support funds, there were no items of note.

RESTRICTED

For the Restricted funds, the following items are of note:

Federal

The variance from prior quarter of \$5.3M is mainly due to the fact that the Regional Class Research Vessel had greater than projected reimbursement.

Supplies & Services & Capital Outlay

The variance from prior quarter of \$4.3M is due to greater than projected expenditures for the Regional Class Research Vessel.

RECOMMENDATION

Staff recommend that the Finance & Administration Committee accept the FY2019 Q4 Operating Management Report.

Attachment 1

Oregon State University
Quarterly Operating Management Report

(Unaudited, for management purposes only)

As of June 30, 2019
For the Fiscal Year Ended June 30, 2019

(in thousands except enrollment)

EDUCATION & GENERAL

	YTD Actual				Budget & YE Projection					Notes
	A	B	C	6/30/2018	D	E	F	G		
	YTD	YTD as a % of Projected	Prior 7 yr. avg. YTD %	Prior Yr. Actual	Budget	Adjusted Budget 6/30/2019	Variance from Budget	YE Projected 6/30/2019	Chg from prior qtr. projection	
State General Fund	\$212,449	102%	n/a	\$199,262	\$207,782	\$207,782	\$4,667	n/a	(\$546)	
Tuition & Resource Fees, net of Waivers	379,028	96%	n/a	367,279	394,787	385,716	(15,759)	n/a	(3,034)	
Other	101,693	102%	n/a	100,404	99,331	99,331	2,362	n/a	76	
Total Revenues	693,170			666,945	701,900	692,829	(8,730)		(3,504)	
Personnel Services	(525,225)	99%	n/a	(503,433)	(533,038)	(533,038)	7,813	n/a	787	
Supplies & Services & Capital Outlay	(156,339)	100%	n/a	(138,982)	(156,982)	(156,982)	643	n/a	(2,287)	
Total Expenditures	(681,564)			(642,415)	(690,020)	(690,020)	8,456		(1,500)	
Net from Operations	11,606			24,530	11,880	2,809	(274)		(5,004)	
Transfers In	10,013	215%	n/a	3,339	4,662	4,682	5,351	n/a	373	
Transfers Out	(30,157)	139%	n/a	(24,466)	(21,666)	(23,664)	(8,491)	n/a	(2,788)	
Fund Additions/(Deductions)	0			(0)	0	0	0	n/a	0	
Change in Unrestricted Net Assets	(8,538)			3,403	(5,124)	(16,173)	(3,414)		(7,419)	
Beginning Unrestricted Net Assets	97,933			94,530	97,933	97,933	0		0	
Ending Unrestricted Net Assets	\$89,395			\$97,933	\$92,809	\$81,760	(\$3,414)		(\$7,419)	
% Operating Revenues	12.9%			14.7%	13.2%	11.8%				
Student FTE Enrollment-YTD Summer thru Spring	28,159	99%		28,215	28,547	28,258	(388)		115	

Oregon State University
 Quarterly Operating Management Report

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As of June 30, 2019
 For the Fiscal Year Ended June 30, 2019

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	A	B	C	6/30/2018	D	E	F	G		
	YTD	YTD as a % of Projected	Prior 7 yr. avg. YTD %	Prior Yr. Actual	Budget	Adjusted Budget 6/30/2019	Variance from Budget	YE Projected 6/30/2019	Chg from prior qtr. projection	
(in thousands)										
SELF-SUPPORT - Auxiliaries, Designated Operations and Service Departments										
Enrollment Fees	\$39,230	94%	n/a	\$39,093	\$41,675	\$39,939	(\$2,445)	n/a	(\$553)	
Sales & Services	164,766	101%	n/a	161,623	163,571	164,082	1,195	n/a	(38)	
Other	42,927	114%	n/a	39,662	37,777	41,002	5,150	n/a	1,428	
Total Revenues	246,923			240,378	243,023	245,023	3,900		837	
Personnel Services	(116,924)	97%	n/a	(117,183)	(121,152)	(121,317)	4,228	n/a	808	
Supplies & Services & Capital Outlay	(124,022)	108%	n/a	(121,206)	(114,973)	(118,343)	(9,049)	n/a	(1,869)	
Total Expenditures	(240,946)			(238,389)	(236,125)	(239,660)	(4,821)		(1,061)	
Net from Operations	5,977			1,989	6,898	5,363	(921)		(224)	
Transfers In	12,074	131%	n/a	11,169	9,216	8,714	2,858	n/a	2,001	
Transfers Out	(22,159)	124%	n/a	(13,509)	(17,897)	(19,164)	(4,262)	n/a	325	
Additions/(Deductions) to Unrestricted Net Assets	(6,896)			(6,648)	(7,887)	(7,881)	991	n/a	1,068	
Change in Unrestricted Net Assets	(11,004)			(6,999)	(9,670)	(12,968)	(1,334)		3,170	
Beginning Unrestricted Net Assets	35,372			42,371	35,372	35,372	0		0	
Ending Unrestricted Net Assets	\$24,368			\$35,372	\$25,702	\$22,404	(\$1,334)		\$3,170	
% of Operating Revenues	9.9%			14.7%	10.6%	9.1%				
Total Unrestricted Net Assets	\$113,763			\$133,305	\$118,511	\$104,164				
Days of Expenditures in Total Unrestricted Funds	45			55	47	41				

**Oregon State University
Quarterly Operating Management Report**

(Unaudited, for management purposes only)

**As of June 30, 2019
For the Fiscal Year Ended June 30, 2019**

	YTD Actual				Budget & YE Projection					Notes
	A	B	C	6/30/2018	D	E	F	G		
	YTD	YTD as a % of Projected	Prior 7 yr. avg. YTD %	Prior Yr. Actual	Budget	Adjusted Budget 6/30/2019	Variance from Budget	YE Projected 6/30/2019	Chg from prior qtr. projection	
(in thousands)										
RESTRICTED FUNDS										
Federal	\$248,123	100%	n/a	\$240,697	\$247,401	\$247,401	\$722	n/a	\$5,328	(1)
State	20,139	96%	n/a	17,638	20,940	21,336	(801)	n/a	605	
Other	97,158	104%	n/a	93,993	93,000	96,550	4,158	n/a	(1,569)	
Total Revenues	365,420			352,328	361,341	365,287	4,079		4,364	
Personnel Services	(134,832)	95%	n/a	(134,789)	(141,336)	(141,336)	6,504	n/a	676	
Supplies & Services & Capital Outlay	(222,042)	102%	n/a	(215,222)	(218,000)	(219,534)	(4,042)	n/a	(4,325)	(2)
Total Expenditures	(356,874)			(350,011)	(359,336)	(360,870)	2,462		(3,649)	
Net from Operations	8,546			2,317	2,005	4,417	6,541		715	
Transfers In	15	4%	n/a	323	350	350	(335)	n/a	(59)	
Transfers Out	(5,545)	91%	n/a	(1,276)	(6,100)	(6,100)	555	n/a	(1,257)	
Additions/(Deductions) to Restricted Net Assets	0			0	0	0	0	n/a	0	
Change in Restricted Net Assets	3,016			1,364	(3,745)	(1,333)	6,761		(601)	
Beginning Restricted Net Assets	10,716			9,352	10,716	10,716	0		0	
Ending Restricted Net Assets	\$13,733			\$10,716	\$6,971	\$9,383	\$6,761		(\$601)	
% of Operating Revenues	3.8%			3.0%	1.9%	2.6%				

(1) The Regional Class Research Vessel had greater than projected reimbursement.

(2) The Regional Class Research Vessel had greater than projected expenditures.

OREGON STATE UNIVERSITY
Transfers schedule
 (in \$000's)

As of June 30, 2019
For the Fiscal Year Ended June 30, 2019

	Self-Support				Plant fund	Restricted	Other	Total
	E&G	Auxiliary	Designated Operations & Service Departments					
Transfers In - E&G		\$4,036	\$4,957 (d)	\$773	\$198	\$ 49	\$10,013	
Transfers Out - E&G		8,939 (a)	2,459 (b)	18,744 (c)	15		30,157	
Transfers In - Auxiliary	\$8,939 (a)			560			9,499	
Transfers Out - Auxiliary	4,036			12,995 (c)			17,031	
Transfers In - Designated Operations & Service Departments	2,459 (b)			100		16	2,575	
Transfers Out - Designated Operations & Service Departments	4,957 (d)			171			5,128	
Transfers In - Restricted	15						15	
Transfers Out - Restricted	198			5,347 (c)			5,545	

- (a) mainly support for athletics-\$8.8M
- (b) subsidies from E&G for supporting Designated Operations and Service Departments
- (c) transfers to plant fund for remodels and space renovations
- (d) mainly transfer of royalties to E&G

October 17-18, 2019 Board of Trustees Meetings