

Quarter Finance Meeting January 9, 2023

Agenda

- Welcome – Stuart Laing
- Financial Updates – Jamie Moffitt
 - Quarterly BOT Report
- BRP Announcements – Stuart Laing
 - CCT budget changes
 - FY24 Blended OPE rates
 - FY24 Beginning Budget
- BAO Announcements – Kelly Wolf
 - Audited Financial Statement

BOT Financial Report Update – Brian Fox

Highlights on finance information shared with Board of Trustees in December 2022.

- Entire slide deck available online: [Past Meetings | The Board of Trustees \(uoregon.edu\)](#)

E&G Fund FY2023 Q1 – Key Takeaways

- Projected tuition and fee revenue up due to strong first year enrollment, particularly among non-resident, domestic undergraduate students
- Personnel Services forecasted costs slightly up, however, estimate still includes significant compensation cost savings due to unprecedented level of faculty and staff vacancies
- Q1 projection shows an estimated gain of \$8.4 million. This compares to initial projected gain of \$9.3 million
- Projected year-end fund balance for FY23 is \$101.7 million (8.7 weeks of operating expenses)

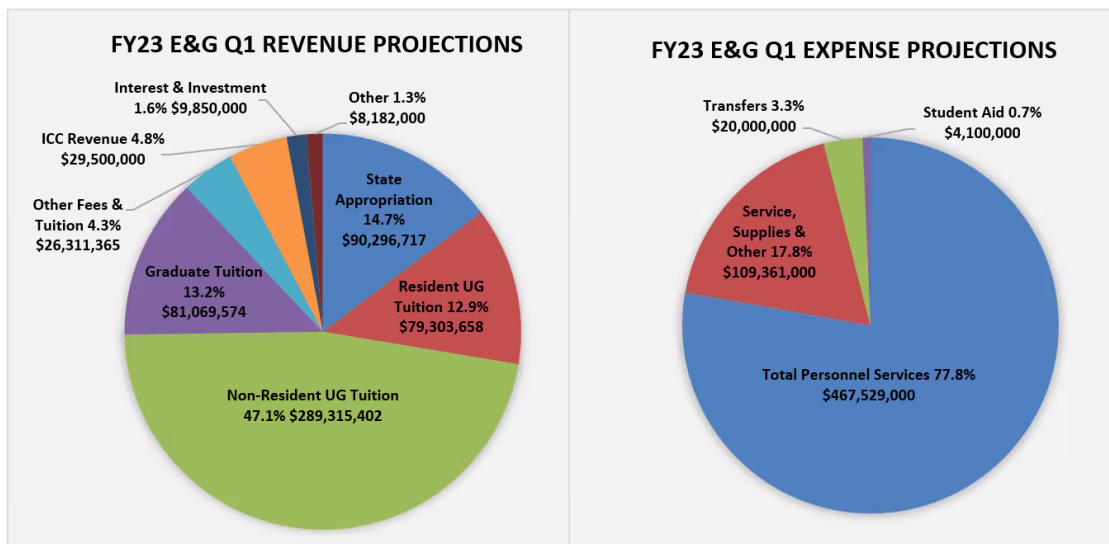
- Tuition and fee revenues are up due to strong first year enrollment and retention staying strong, seeing growth in non-resident and resident students
- Personnel Services has been revised up as projections are up due to rehiring
 - Continue to be down from pre-pandemic but we are seeing hiring come up and leaves from the institution going down, see change in hiring environment.
- Quarterly projections show an estimated gain on year of \$8.4 million in E&G.

E&G Fund FY2023 Q1 – Projection Status

Category	FY23 Initial Projection	FY23 Q1 Projection	FY23 Initial Proj vs FY22 Act	FY23 Q1 Actuals vs FY22 Q1	Projection Adjustment	Q1 Proj vs FY22	Notes
State Appropriation	\$89,200,000	\$90,296,717	3.0%	4.0%	Slightly Up	4.2%	• Due to HECC settle-up and one-time targeted funding
Tuition and Fees	\$469,808,045	\$476,000,000	5.7%	7.9%	Up	7.1%	• Due to strong first year enrollment, particularly among non-resident, domestic undergraduate students
ICC Revenue	\$28,815,000	\$29,500,000	0.5%	6.7%	Slightly Up	2.9%	• Due to strong grant activity
Personnel Services	\$465,884,000	\$467,529,000	7.1%	5.4%	Slightly Up	7.5%	• Personnel Services forecasted costs slightly up, however, estimate still includes significant compensation cost savings due to unprecedented level of faculty and staff vacancies
Service & Supplies	\$125,345,000	\$127,345,000	14.1%	22.6%	Slightly Up	15.9%	• Due to resumption of in-person activity and impact of inflation
Student Aid	\$5,100,000	\$4,100,000	33.3%	-16.9%	Slightly Down	7.2%	• Due to school/college projections. \$1M in Student Aid will be distributed from Foundation funds
Transfers	\$12,000,000	\$20,000,000	-56.0%	-94.2%	Up	-26.6%	• Due to increased E&G capital project costs

- State Appropriations is up a little due to a positive settle-up from HECC
- Tuition and Fees has some growth year over year
- Grant activity continues to be strong
- Personnel Services revised up
- S&S hard to forecast at start of year, very strong expenses in 1st quarter, will see if continues for 2nd quarter
- Student Aid down a bit, shift from GF to Foundation funds
- Transfers up as we continue to shift out for E&G projects

Education & General Funds



Student Aid Expense does not include \$78.9M of fee remissions awarded to students. Remissions are booked as negative revenue. Capital Expenditures not included.

UNIVERSITY OF OREGON										
Page 4										
FY23 Actuals Q1 Report Education and General										
	FY23 Initial		FY23 Q1 Actual as		FY23 Q1		FY23 Initial		FY23 Updated	
	Projection	FY23 Actual Q1	% of Proj.	FY22 Actual Q1	inc/(dec) from	FY22 Total Actual	Proj. vs FY22	FY23 Updated	Proj. vs. FY22	FY23 Updated
					FY22 Q1		Total as %	Proj. Q1	Total as %	
State Appropriation	\$ 89,200,000	\$ 32,598,236	36.5%	\$ 31,351,043	4.0%	\$ 86,620,558	3.0%	\$ 90,296,717	4.2%	
Tuition and Fees	\$ 469,808,045	\$ 185,884,232	39.6%	\$ 172,294,515	7.9%	\$ 444,343,185	5.7%	\$ 476,000,000	7.1%	
Gifts Grants & Contracts	\$ 400,000	\$ 540	0.1%	\$ 137,638	-99.6%	\$ 159,843	150.2%	\$ 400,000	150.2%	
ICC Revenue	\$ 28,815,000	\$ 8,618,130	29.9%	\$ 8,076,446	6.7%	\$ 28,676,144	0.5%	\$ 29,500,000	2.9%	
Federal Student Aid	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-	
Interest and Investment	\$ 9,100,000	\$ 2,433,627	26.7%	\$ 2,204,319	10.4%	\$ 9,609,350	-5.3%	\$ 9,850,000	2.5%	
Internal Sales	\$ 960,000	\$ 173,125	18.0%	\$ 96,715	79.0%	\$ 908,643	5.7%	\$ 960,000	5.7%	
Sales & Services	\$ 4,000,000	\$ 1,952,775	48.8%	\$ 1,383,364	41.2%	\$ 4,436,976	-9.8%	\$ 4,500,000	1.4%	
Other Revenues	\$ 2,322,000	\$ 710,306	30.6%	\$ 312,236	127.5%	\$ 2,473,372	-6.1%	\$ 2,322,000	-6.1%	
Transfers From Ore State Agencies	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-	
Total Revenue	\$ 604,605,045	\$ 232,370,972	38.4%	\$ 215,856,276	7.7%	\$ 577,228,069	4.7%	\$ 613,828,717	6.3%	
Total Personnel Services	\$ 465,884,000	\$ 70,657,929	15.2%	\$ 67,050,142	5.4%	\$ 434,891,343	7.1%	\$ 467,529,000	7.5%	
Service & Supplies	\$ 125,345,000	\$ 38,428,722	30.7%	\$ 31,345,626	22.60%	\$ 109,884,107	14.1%	\$ 127,345,000	15.9%	
Merchandise-Resale/Redistribution	\$ 10,000	\$ (59,656)	-596.6%	\$ (57,643)	3.5%	\$ 9,869	1.3%	\$ 10,000	1.3%	
Internal Sales Reimbursements	\$ (18,000,000)	\$ (3,707,433)	20.6%	\$ (3,114,058)	19.1%	\$ (16,518,752)	9.0%	\$ (18,000,000)	9.0%	
Indirect Costs	\$ 6,000	\$ 1,415	23.6%	\$ 2,735	-48.3%	\$ 4,677	28.3%	\$ 6,000	28.3%	
Depreciation/Amortization Expense	\$ -	\$ -	-	\$ -	-	\$ -	-	\$ -	-	
Student Aid	\$ 5,100,000	\$ 1,250,406	24.5%	\$ 1,503,885	-16.9%	\$ 3,826,346	33.3%	\$ 4,100,000	7.2%	
Total General Expense	\$ 112,461,000	\$ 35,913,454	31.9%	\$ 29,680,545	21.0%	\$ 97,206,247	15.7%	\$ 113,461,000	16.7%	
Net Transfers Out(In)	\$ 12,000,000	\$ 101,192	0.8%	\$ 1,757,630	-94.2%	\$ 27,254,440	-56.0%	\$ 20,000,000	-26.6%	
Total Expense	\$ 590,345,000	\$ 106,672,574	18.1%	\$ 98,488,316	8.3%	\$ 559,352,030	5.5%	\$ 600,990,000	7.4%	
Net before CapEx	\$ 14,260,045	\$ 125,698,397	881.5%	\$ 117,367,960	7.1%	\$ 17,876,039	-20.2%	\$ 12,838,717	-28.2%	
Beginning Fund Balance	\$ 93,309,351	\$ 93,309,351	100.0%	\$ 54,401,248	71.5%	\$ 61,285,476	52.3%	\$ 93,309,351	52.3%	
Capital Expenditures	\$ (5,000,000)	\$ (1,184,348)	23.7%	\$ (433,584)	173.2%	\$ (5,101,140)	-2.0%	\$ (5,000,000)	-2.0%	
Net (from above)	\$ 14,260,045	\$ 125,698,397	881.5%	\$ 117,367,960	7.1%	\$ 17,876,039	-20.2%	\$ 12,838,717	-28.2%	
Fund Additions/Deductions*	\$ -	\$ (11,780)	-	\$ -	-	\$ 548,976	-100.0%	\$ -	-100.0%	
Federal COVID-19 Relief One-Time Funds	\$ -	\$ -	-	\$ -	-	\$ 18,700,000	-100.0%	\$ 600,000	-96.8%	
Ending Fund Balance	\$ 102,569,396	\$ 217,811,620	212.4%	\$ 171,335,624	27.1%	\$ 93,309,351	9.9%	\$ 101,748,068	9.0%	
Year-End Accounting Entries **	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Net Capital Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Other Restricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Unrestricted Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	
Total Net Assets	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	

* - Due to Capital Improvements and Debt Accounting entries
 ** - Year-End Accounting - e.g. Allocate Pension Liability, Reclass Cash to Investments, Allocate Debt

- Far right column – highlighted number is where we have made changes
- Personnel Services expect to be up significantly from last year
- S&S significant jump from year prior, could be re-purchasing as we hit pre-pandemic back in person stride

BRP: Stuart

CCT Project - Moving to Teams phones

The project team over the last couple of years looked at how do we pay for Teams phones (software, licensing fees, etc.)

- Memo will be sent from VPFA and IS to announce CCT project is alive and going forward
- Communication with units, chief of staffs, etc. has taken place over the last year
- Email will be sent to Level 3 RUs asking units to provide index and FOPAL for budget change to move GF funds
 - Example: If Level 3 unit has been paying \$5,000 for telephones a budget change will be done to redistribute \$5,000 from unit's GF to Central then to IS
- The expense of the old phones (land lines) for all GF unit budgets will be shut off in January 2023

Blended OPE rates

- FY24 rates have been sent to federal government and are posted on BRP web site.
- Rates are a bit less because of UO buying down future PERS rates
- Will work with auxiliary units regarding their portion of the PERS buy down, a message will be sent to units soon
- Rates have not been officially approved by federal government but should start using for planning purposes.

FY24 Beginning Budget Dates

- February 27 BRP will send BB excel workbook files
- March 31 due back to BRP
- Dates will be the new normal due to timing with Board and expense authority
- If a unit does not return a Level 3 workbook, BRP will load what was sent out
 - the GF allocation will be given and then the unit would need to move budget within indexes for where they want to spend

Questions/Comments on Beginning Budget dates?

- Units will not know ICC distribution that usually goes out in workbooks shared by BRP. Distributions is based on period 9 thru period 8 so will not have numbers for February 27
- Will we still have position data available to us?
 - Yes, we will send the normal information - 3 years' worth of expenses and roster report, which generates OPE calculations by position for budgeting on Blended OPE account codes.
- Knight Campus concerns about shortened timeline, announcement today doesn't give us a lot of time to have internal conversations as we based our timeline on prior year processes

BA: Kelly Wolf

Announcements

- Going away from BAO (Business Affairs Office) to just BA (Business Affairs)
- Personnel – Travel Manager Laurie Jacoby is retiring, Brooke Mullet-Montgomery is the new manager
- Rob Freytag is leaving UO January 22, a search will be launched

Financial Audit Statements presented to Board at December meeting, Executive Summary

- Clean audit, no findings, no management letter comments

Recognition

- Huge thanks to all in this group who touches financial transactions – anything that happens financially at the university rolls up to these financial statements.
- Thank you to financial services group in Business Affairs for all the work compiling information, doing year end entries and for producing financial statements.

What did we do this year?

- Implemented GASB Statement 87, reclassifies all leases from regular monthly leases to long term financing. Changes balance sheet on back end, not a lot of the operational work on front end, may see slight changes in how paying.

Entire slide deck available online: [Financial Reports | Business Affairs \(uoregon.edu\)](#)