

Cash Flow Narrative FY24

Executive Summary:

- **Beginning cash balance is \$36,796,782**
- **Projected ending cash balance is \$23,952,721**
- **Projected ending cash balance includes \$4,210,000 restricted to the steam pipeline project**
- **The operating projected cash ending balance net of the restricted steam line fund is \$19,742,721.**

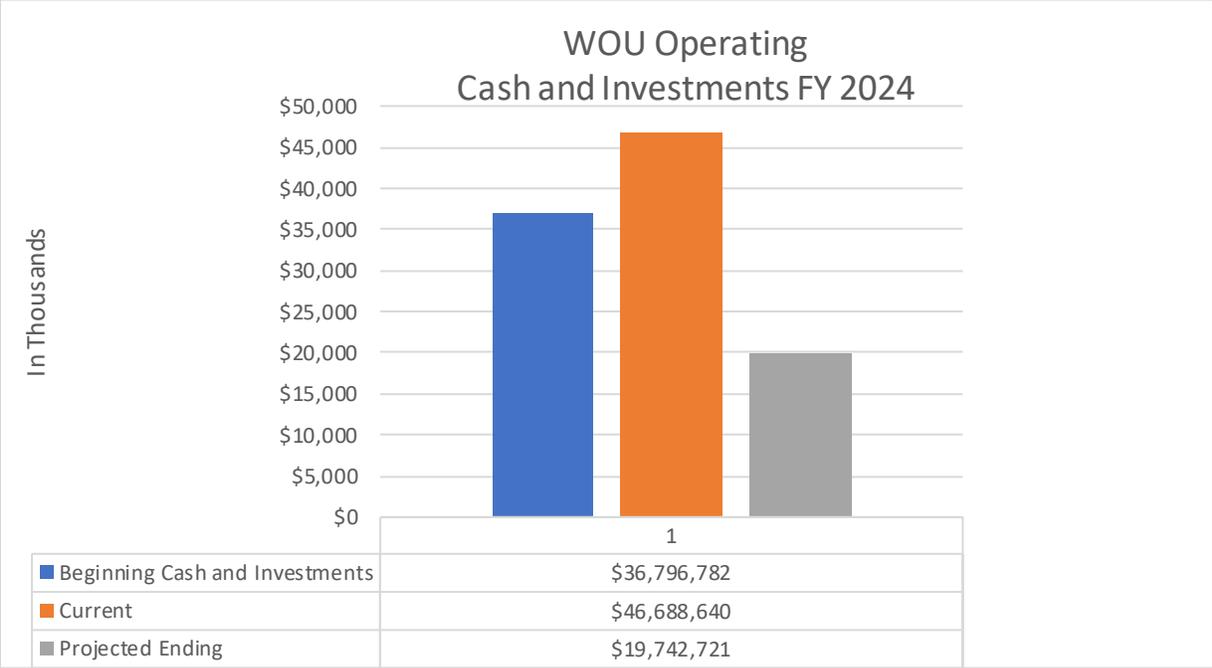
The statement of cash flows enables users of the financial statements to determine how well an entity's income generates cash and to predict the potential of an entity to generate cash in the future. The purpose of the cash flow forecast is to present cash inflows and outflows for a reporting period to the reader of the report. Cash flows are not readily apparent when just reviewing the income statement, especially when that document is created under the accrual basis of accounting. Accrual accounting requires that certain non-cash revenue and expense items be included in the income statement, potentially in substantial amounts.

We began FY2024 with a cash & investment balance of \$36.796M.

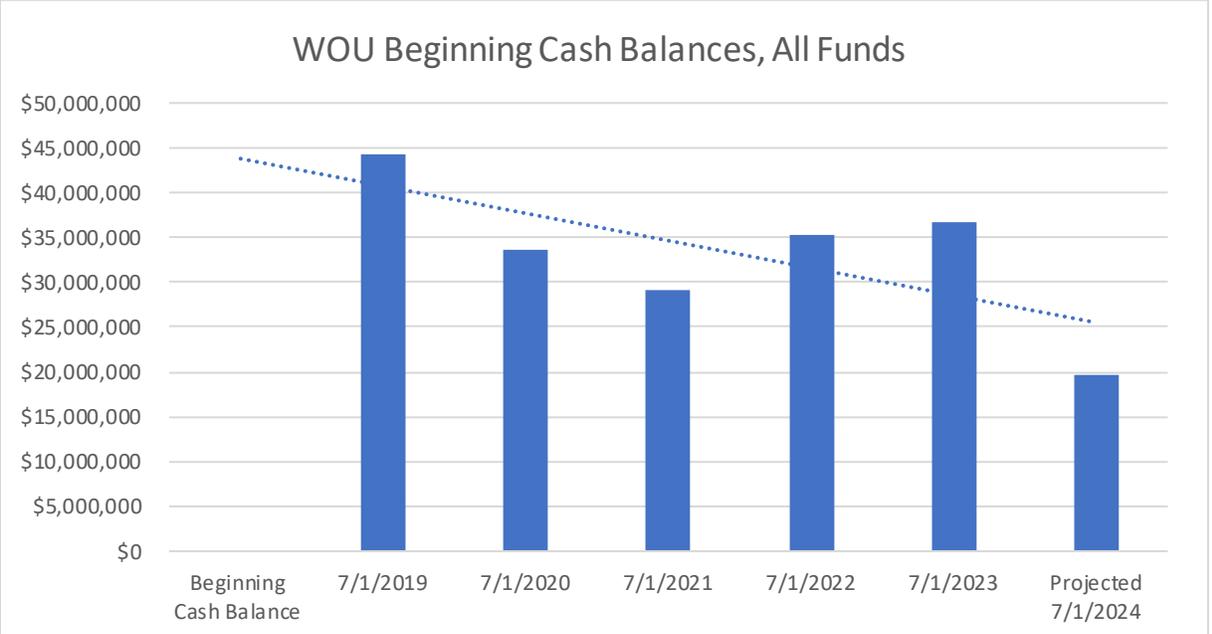
You will note this does not have a one-to-one relationship with the Management Report, this is due to two reasons. The Management Report looks at individual fund activity for Education & General, Auxiliaries, and Designated Operations & Service funds; while these funds are the main funds for the University, other funds exist as well (such as Capital, Grant and Agency funds). The Cash Flow forecast incorporates all cash & investments for the University other than the cash balance related to Perkins loans (\$676,749 as mandated) and the quasi endowment. Additionally, the Management Report shows accounting activity using accrual-based accounting. Accrual accounting creates timing differences between income statement accounts (revenues & expenses as shown on the Management Report) and cash. A revenue transaction may be recorded in a different fiscal year than the year the cash related to that revenue is received. One purpose of the statement of cash flows is that users of the financial statements can see the amount of cash inflows and outflows during a year in addition to the amount of revenue and expense shown on the income statement.

For FY2024, the cash flow projection is based on actuals through February then several assumptions including a flat enrollment revenue overall for the year, the Board approved tuition increases, a 5% increase in services & supplies (S&S). The Steam Line Project is included but noted below the cash flow since are restricted dollars and cannot be used for operations. Salary increases and Other Payroll Expenses (OPE) rate increases have been included as of what we understand currently. We forecasted in for the onetime classified payout of approximately 225K Overall, the cash flow projection shows a \$12.844M decrease.

We will continue to monitor and adjust monthly. Current financial conditions continue to put pressure on cash flow.



Data is based upon the accounting system information
 Actual cash and investments on deposit at 07/01/24 is projected as \$23,952,721
 Projected Ending Data excludes Restricted Cash for the Steam Line Project (\$4.21M)



Note: The positive amounts in 2021-2023 is primarily related to the Federal stimulus funding received
 Projected 7/1/2024 Balance is reduced by \$4.21M for Steam Line Project

Western Oregon University
Monthly Cash Flow and Accrual Forecast

	Actuals										Estimates		
	July 2023	August 2023	September 2023	October 2023	November 2023	December 2023	January 2024	February 2024	March 2024	April 2024	May 2024	June 2024	
<i>Starting Cash and investment FY2024 (June 30, 2023)</i>													
\$	36,796,782												
Beginning Cash Estimate	\$ 36,796,782	40,948,978	37,617,051	45,309,170	44,220,655	47,286,286	42,281,589	51,068,687	46,688,640	38,123,496	39,082,153	40,276,576	
<i>Adjusted Beginning Cash and investment Balance (Actual)</i>	36,796,782	40,948,978	37,617,051	45,309,170	44,220,655	47,286,286	42,281,589	51,068,687	46,688,640	-	-	-	
Inflows													
Monthly Revenue Estimates	9,853,202	20,914,823	9,276,900	5,683,729	11,528,177	7,315,106	28,692,740	4,452,474	20,580,792	12,816,235	15,979,650	12,443,206	
Estimated Cash Impacts GL Accrual Activity	4,163,809	(3,343,815)	7,735,916	(1,207,838)	3,232,393	(5,068,361)	8,817,029	(4,365,443)	(3,717,576)	1,992,726	(1,512,322)	(7,309,450)	
Total Revenue and GL Inflows	14,017,011	17,571,009	17,012,816	4,475,891	14,760,570	2,246,745	37,509,768	87,032	16,863,216	14,808,961	14,467,328	5,133,756	
Outflows													
Monthly Labor Estimates	4,446,939	4,375,792	4,637,892	7,125,694	7,030,884	6,901,384	7,012,371	6,990,748	7,257,134	7,503,971	7,329,379	8,241,431	
Monthly Expense Estimates	2,265,301	3,399,367	10,831,397	5,476,823	2,909,503	3,099,466	13,978,901	3,373,768	18,171,226	6,346,333	5,943,526	13,136,529.00	
Monthly Debt Estimates	616,288	-	-	-	-	-	69,793	-	-	-	-	79,651	
Total Operating Ledger Outflows	\$ 7,328,528	\$ 7,775,159	\$ 15,469,288	\$ 12,602,517	\$ 9,940,387	\$ 10,000,851	\$ 21,061,065	\$ 10,364,516	\$ 25,428,360	\$ 13,850,304	\$ 13,272,905	\$ 21,457,611	
Net Flows	6,688,483	9,795,849	1,543,527	(7,755,418)	4,820,183	(7,754,106)	16,448,703	(10,277,484)	(8,565,144)	958,657	1,194,423	(16,323,855)	
Ending Cash Estimate	43,485,264	50,744,827	39,160,578	37,553,752	49,040,838	39,532,180	58,730,293	40,791,203	38,123,496	39,082,153	40,276,576	23,952,721	
<i>Actual Ending Cash Balance (Banner)</i>	\$ 40,948,978	\$ 37,617,051	\$ 45,309,170	\$ 44,220,655	\$ 47,286,286	\$ 42,281,589	\$ 51,068,687	\$ 46,688,640					
<i>Actual Less Forecast</i>	(2,536,286)	(13,127,777)	6,148,592	6,666,903	(1,754,553)	2,749,409	(7,661,606)	5,897,437	(38,123,496)	(39,082,153)	(40,276,576)	(23,952,721)	
<i>% Deviation from Original Forecast</i>	-5.83%	-25.87%	15.70%	17.75%	-3.58%	6.95%	-13.05%	14.46%	-100.00%	-100.00%	-100.00%	-100.00%	
30 Day Cash Outflow Requirement	7,328,528	7,775,159	15,469,288	12,602,517	9,940,387	10,000,851	21,061,065	10,364,516	25,428,360	13,850,304	13,272,905	21,457,611	
Excess/(Shortfall) over 30 Day Outflow Requirement	\$ 29,468,253	\$ 33,173,819	\$ 22,147,763	\$ 32,706,653	\$ 34,280,268	\$ 37,285,435	\$ 21,220,524	\$ 40,704,171	\$ 21,260,280	\$ (13,850,304)	\$ (13,272,905)	\$ (21,457,611)	
60 Day Cash Outflow	15,103,687	23,244,447	28,071,805	22,542,904	19,941,237	31,061,915	31,425,581	35,792,876	39,278,664	27,123,209	34,730,516	21,457,611	
Excess/(Shortfall) over 60 Day Outflow	\$ 21,693,094	\$ 17,704,531	\$ 9,545,245	\$ 22,766,266	\$ 24,279,417	\$ 16,224,371	\$ 10,856,009	\$ 15,275,811	\$ 7,409,976	\$ (27,123,209)	\$ (34,730,516)	\$ (21,457,611)	
Forecast for Steamline Project Expenses, \$4.21M in FY25		30,000							4,199,349			4,199,349	
QT 1 Allotment if not received until October 2023 + est. increase			149,427	100,000	75,000		75,000			150,000			
Student Success 22M - 15 M on reimbursement	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	1,250,000.00	