

Cash Flow Narrative FY25

Executive Summary:

- **Beginning cash balance is \$35,290,407**
- **Projected ending cash balance is \$25,160,333**
- **The operating projected cash ending balance net of the \$1.3M restricted steam line fund is \$26,460,330.**

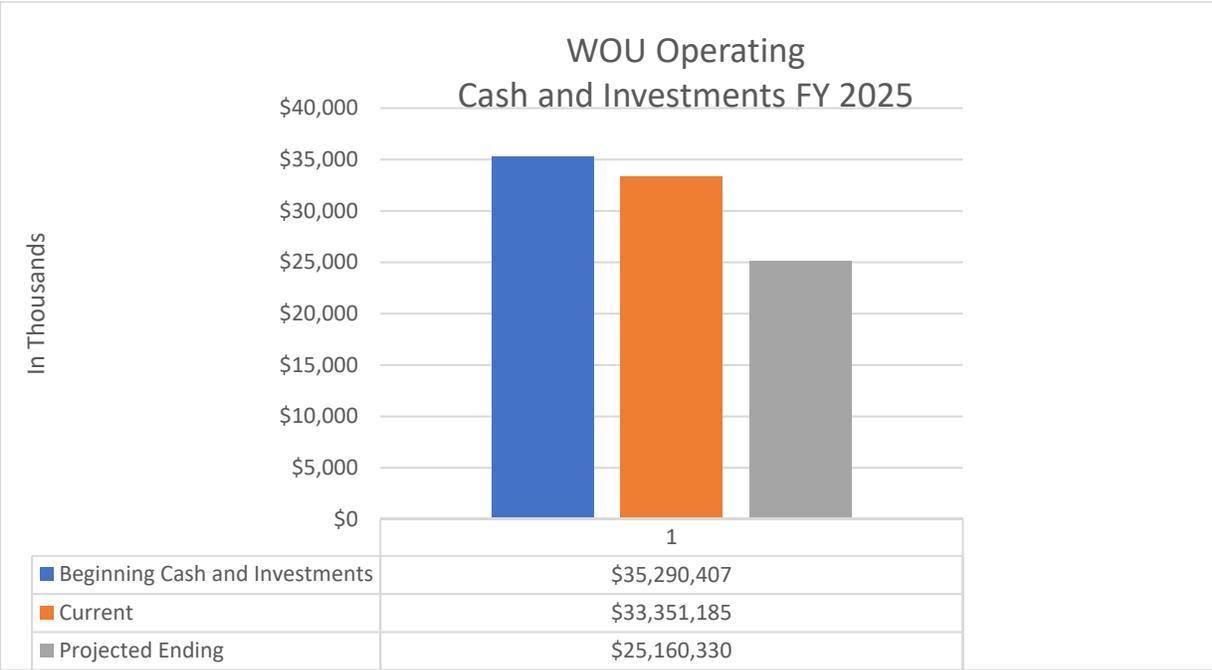
The statement of cash flows enables users of the financial statements to determine how well an entity's income generates cash and to predict the potential of an entity to generate cash in the future. The purpose of the cash flow forecast is to present cash inflows and outflows for a reporting period 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 FY2025 with a cash & investment balance of \$35.29M.

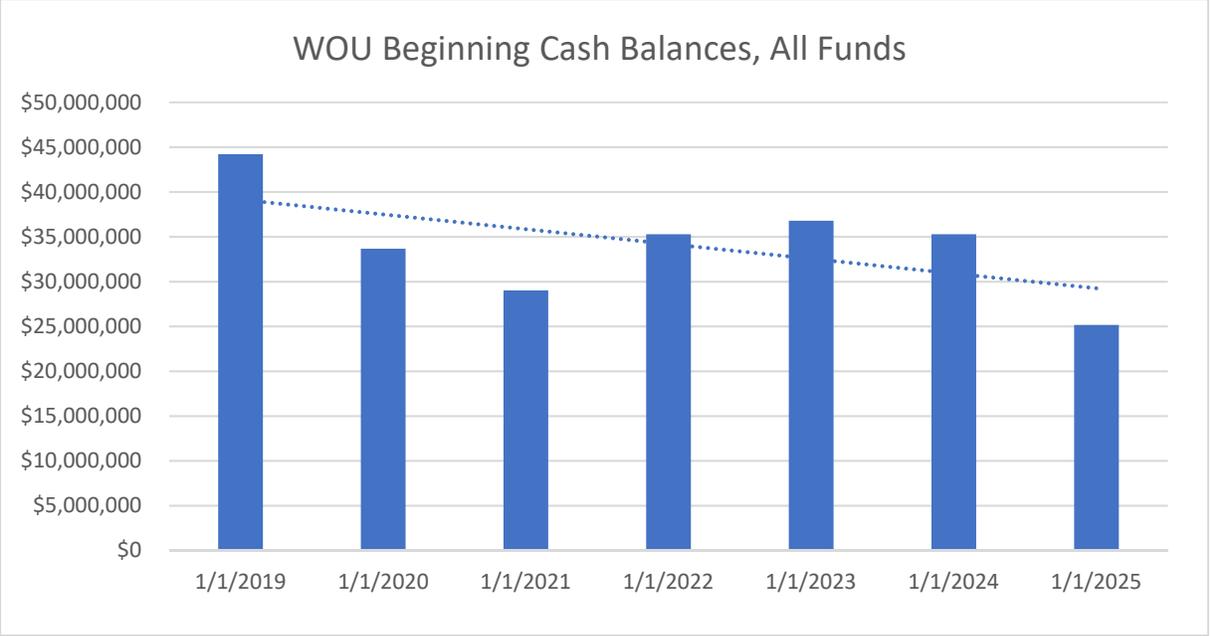
You will note this does not have a one-to-one relationship with the Management Report, this is due to two reasons. The Management Report looks at individual fund activity for Education & General, Auxiliaries, and Designated Operations & Service funds; while these funds are the main funds for the University, 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 (\$675,824 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 FY2025, the cash flow projection is based on actuals through March then several assumptions including an enrollment decrease of 2.5% overall for the year, the Board approved tuition increases, a 2% 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. The cash flow projection shows a \$8.830M 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 07/01/25 is projected as \$25,160,330. Projected Ending Data excludes Restricted Cash for the Steam Line Project (\$1.3M).



Note: The positive amounts in 2021-2023 is primarily related to the Federal stimulus funding received. Projected 7/1/2025 Balance is reduced by \$1.3M for Steam Line Project.

Western Oregon University
Monthly Cash Flow and Accrual Forecast

	July 2024	August 2024	September 2024	October 2024	Actuals			February 2025	March 2025	April 2025	Estimates	June 2025
					November 2024	December 2024	January 2025				May 2025	
<i>Starting Cash and investment FY2025 (June 30, 2024)</i>	<i>35,290,407</i>											
Beginning Cash Estimate	\$ 35,290,407	37,122,715	30,757,258	34,821,160	38,350,594	33,291,362	28,554,516	38,236,068	33,351,185	37,808,461	42,985,685	34,104,721
<i>Adjusted Beginning Cash and investment Balance (Actual)</i>	35,290,407	37,122,715	30,757,258	34,821,160	38,350,594	33,291,362	28,554,516	38,236,068	33,351,185	37,808,461	-	-
Inflows												
<i>Monthly Revenue Estimates</i>	17,393,250	7,204,602	19,549,351	15,051,504	4,114,074	14,805,403	25,943,425	5,479,674	24,901,987	10,588,556	1,363,759	12,991,162
<i>Estimated Cash Impacts GL Accrual Activity</i>	1,844,923	(6,368,804)	4,054,607	3,543,520	(5,058,808)	(3,603,358)	9,963,333	(5,155,534)	513,885	5,606,495	(208,936)	(2,604,323)
Total Revenue and GL Inflows	19,238,174	835,798	23,603,958	18,595,024	(944,734)	11,202,045	35,906,758	324,141	25,415,872	16,195,051	1,154,823	10,386,839
Outflows												
<i>Monthly Labor Estimates</i>	4,779,595	4,777,602	5,090,877	6,742,517	7,594,401	7,550,469	7,346,114	7,503,859	7,461,637	7,770,683	7,465,875	7,467,982
<i>Monthly Expense Estimates</i>	3,409,278	2,909,789	16,237,889	10,301,363	2,612,675	14,210,658	4,844,765	3,007,041	12,545,332	3,247,144	2,569,912	10,498,730
<i>Monthly Debt Estimates</i>	610,521	-	3,494	-	-	-	79,558	-	5,110	-	-	64,519
Total Operating Ledger Outflows	\$ 8,799,395	\$ 7,687,391	\$ 21,332,260	\$ 17,043,880	\$ 10,207,076	\$ 21,761,127	\$ 12,270,436	\$ 10,510,900	\$ 20,012,079	\$ 11,017,827	\$ 10,035,787	\$ 18,031,230
Net Flows	10,438,779	(6,851,593)	2,271,698	1,551,144	(11,151,810)	(10,559,082)	23,636,322	(10,186,759)	5,403,793	5,177,224	(8,880,964)	(7,644,391)
Ending Cash Estimate	37,122,715	30,271,121	33,028,957	36,372,304	27,198,784	22,732,280	52,190,839	28,049,308	38,754,978	42,985,685	34,104,721	26,460,330
<i>Actual Ending Cash Balance (Banner)</i>	\$ 37,122,715	\$ 30,757,258	\$ 34,821,160	\$ 38,350,594	\$ 33,291,362	\$ 28,554,516	\$ 38,236,068	\$ 33,351,185	\$ 37,808,461			
<i>Actual Less Forecast</i>	-	486,137	1,792,204	1,978,290	6,092,578	5,822,236	(13,954,771)	5,301,877	(946,517)	(42,985,685)	(34,104,721)	(26,460,330)
<i>% Deviation from Original Forecast</i>	0.00%	1.61%	5.43%	5.44%	22.40%	25.61%	-26.74%	18.90%	-2.44%	-100.00%	-100.00%	-100.00%
30 Day Cash Outflow Requirement	8,799,395	7,687,391	21,332,260	17,043,880	10,207,076	21,761,127	12,270,436	10,510,900	20,012,079	11,017,827	10,035,787	18,031,230
Excess/(Shortfall) over 30 Day Outflow Requirement	\$ 26,491,012	\$ 29,435,324	\$ 9,424,999	\$ 17,777,280	\$ 28,143,518	\$ 11,530,235	\$ 16,284,080	\$ 27,725,168	\$ 13,339,106	\$ 26,790,634	\$ (10,035,787)	\$ (18,031,230)
60 Day Cash Outflow	16,486,786	29,019,651	38,376,140	27,250,956	31,968,204	34,031,564	22,781,336	30,522,979	31,029,906	21,053,614	28,067,017	18,031,230
Excess/(Shortfall) over 60 Day Outflow	\$ 18,803,621	\$ 8,103,064	\$ (7,618,881)	\$ 7,570,204	\$ 6,382,391	\$ (740,201)	\$ 5,773,180	\$ 7,713,089	\$ 2,321,279	\$ 16,754,847	\$ (28,067,017)	\$ (18,031,230)
Forecast for Steamline Project Expenses, \$4.21M in FY25	1,202,969	1,792	-	4,067,178	1,625,599	-	1,187,160	-	-	-	-	-
Student Success 22M - 7 M on reimbursement	1,387,761	0	2,737,098	1,207,884	0	0	1,598,185	1,500,000	95,553	95,553	95,553	95,553
OT Salem Project ~ 1.3M I to finish by Oct	428,571	428,571	428,571					20,082				
Welcome Center							189,741.29	141,294.07				