

Report to Fiscal Operations Advisory Council

January 9, 2025

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Agenda

1. Review Meeting Minutes
2. YTD November FY 2024-2025 Management Report
3. FY 2024-25 Q-1 Investments Report
4. January 2025 Finance, Facilities and Audit Committee of the Board
5. FY 2025-2026 Budget Build

FY 2024-25 YTD November Revenue and Labor Expense

General Fund Monthly Report FY 2024-25 November (in thousands)

	YTD Comparison		FY 2024-25 Budget & Forecast					Notes
	FY 2023-24 November Actuals	FY 2024-25 November Actuals	FY 2023-24 Year End Actuals	FY 2024-25 Board Adopted Budget (BAB)	FY 2024-25 Adjusted Budget	FY 2024-25 Forecast	Forecast to Budget Variance	
Revenue								
State Appropriations	\$22,446	\$23,150	\$36,813	\$37,446	\$37,446	\$38,160	\$714	(1)
Tuition & Fees	25,756	27,618	38,691	38,056	38,056	40,951	2,895	(2)
Remissions	(2,634)	(2,900)	(7,318)	(7,520)	(7,520)	(7,712)	(192)	
Other	<u>1,211</u>	<u>1,673</u>	<u>3,774</u>	<u>3,136</u>	<u>3,136</u>	<u>3,904</u>	<u>769</u>	(3)
Total Revenue	<u>\$46,779</u>	<u>\$49,540</u>	<u>\$71,961</u>	<u>\$71,118</u>	<u>\$71,118</u>	<u>\$75,303</u>	<u>\$4,186</u>	
Expenses								
Administrative Staff Salary	\$3,504	\$3,959	\$8,723	\$10,190	\$10,238	\$9,930	(\$259)	
Faculty Salary	3,863	3,498	14,129	13,916	13,902	13,244	(672)	(4)
Adjunct and Admin/Faculty Other Pay	1,309	1,503	3,009	3,829	3,834	3,829	-	
Classified	2,610	2,840	6,691	6,951	6,898	7,031	80	
Student	411	362	1,105	932	999	1,087	155	
GTA	27	20	82	121	121	92	(29)	
OPE	<u>7,005</u>	<u>6,320</u>	<u>17,657</u>	<u>19,136</u>	<u>19,130</u>	<u>18,412</u>	<u>(724)</u>	
Total Labor Expense	<u>\$18,729</u>	<u>\$18,502</u>	<u>\$51,396</u>	<u>\$55,074</u>	<u>\$55,123</u>	<u>\$53,626</u>	<u>(\$1,449)</u>	(5)

FY 2024-25 YTD November Direct Exp. & Net from Operations

	YTD Comparison		FY 2024-25 Budget & Forecast					Notes
	FY 2023-24 November Actuals	FY 2024-25 November Actuals	FY 2023-24 Year End Actuals	FY 2024-25 Board Adopted Budget (BAB)	FY 2024-25 Adjusted Budget	FY 2024-25 Forecast	Forecast to Budget Variance	
Service & Supplies	\$8,441	\$8,060	\$16,992	\$15,633	\$15,623	\$16,521	\$888	(6)
Internal Sales	(535)	(539)	(1,256)	(1,363)	(1,363)	(1,220)	143	
Debt/Investment	1,083	965	1,719	1,317	1,317	1,317	-	
Capital	345	245	465	484	525	525	42	
Utilities	568	631	1,657	1,292	1,292	1,940	648	(7)
Transfers In	-	-	-	-	-	-	-	
Transfers Out	709	682	1,406	1,351	1,351	1,351	-	
Total Direct Expense	\$10,611	\$10,043	\$20,982	\$18,714	\$18,746	\$20,435	\$1,720	
Total All Expense	\$29,339	\$28,545	\$72,378	\$73,788	\$73,869	\$74,060	\$272	
Net from Operations before Other Resources (Uses)	\$17,440	\$20,995	(\$418)	(\$2,671)	(\$2,751)	\$1,243	\$3,914	
Other Resources (Uses)								
Transfers In	\$0	\$8	\$278	\$171	\$179	\$521	\$350	(8)
Transfers Out	(136)	-	(1,705)	-	-	(1,934)	(1,934)	(9)
Use of Reserve	-	-	1,845	2,500	2,500	170	(2,330)	(10)
Total Other Resources (Uses)	(\$136)	\$8	\$418	\$2,671	\$2,679	(\$1,243)	(\$3,914)	
Total from Operations and Other Resources (Uses)	\$17,304	\$21,003	\$ -	\$ -	(\$72)	\$ -	\$ -	
Beginning Fund Balance	\$16,613	\$14,789	\$16,613	\$14,789	\$14,789	\$14,789	\$-	
Fund Balance Adjustment	-	-	(1,824)	(2,500)	(2,500)	(170)	2,330	
Ending Fund Balance	\$33,918	\$35,792	\$14,789	\$12,289	\$12,217	\$14,620	\$2,330	
Fund Balance as % Operating Revenues	72.5%	72.2%	20.6%	17.3%	17.2%	19.4%		
Ending Cash Balance	\$23,531	\$24,911	\$17,944					(11)

Footnotes: Revenue & Expenses

Notes:

(1) **FY 2024-25 State Appropriations Forecast** - The increase in state appropriations reflects a minimal increase in Public University Support Fund appropriations from the October true-up, and the addition of a special line item appropriation for behavioral health received in quarter one.

(2) **FY 2024-25 Tuition & Fees Forecast** - Reflects the projected 7.5% increase in student credit hours over Board Adopted Budget assumptions.

(3) **FY 2024-25 Other Revenue Forecast** - Reflects a projected increase in budgeted indirect grant recovery and investment earnings.

(4) **FY 2023-24 Actuals** - Faculty overload was paid from the incorrect account code in FY 2023-24 – Faculty Salary is overstated by \$500k and Adjunct and Admin/Faculty Other Pay is understated by \$500k.

(5) **FY 2024-25 Labor Expense Forecast** - Reflects budgeted positions remaining unfilled for all or part of the year (mostly in administrative staff and faculty), and associated savings in other payroll expenses.

(6) **FY 2024-25 Services and Supplies Forecast** - Reflects the projected spend of the remainder of the FY 2023-24 TRU+PSU Sustainability state appropriation (offset with transfers in), the FY 2024-25 state appropriation for behavioral health (offset with increased revenue), and new investments.

(7) **FY 2024-25 Utilities Forecast** - Reflects the growing structural budget deficit in utilities.

(8) **FY 2024-25 Transfers In Forecast** - The increase in transfers in reflects the offset for the projected spend of the FY 2023-24 TRU+PSU Sustainability state appropriation.

(9) **FY 2024-25 Transfers Out Forecast** - The increase in transfers out reflects the city water connection project expenses, projected transfer out of unspent behavioral health state appropriations (for use in future fiscal years), and funding for miscellaneous capital projects.

(10) **FY 2024-25 Use of Reserve Forecast** - Forecasted use of reserve is lower than budgeted due to increased tuition revenue and unspent salary budget due to vacant positions.

(11) **FY 2023-24 Ending Cash Balance Actuals** - FY 2023-24 year end and monthly cash are restated due to an audit adjustment mid-year in FY 2023-24.

FY 2024-25 Q-1 Investments

Oregon Tech Investment Summary as of September 30, 2024 (Net of Fees)

	Quarter Ended 9/30/2024	Current Fiscal YTD	Prior Fiscal YTD	3 Yr Avg	5 Yr Avg	10 Yr Avg	Market Value	Actual Asset Allocation ¹
OIT Operating Assets								
Oregon Short - Term Fund	1.3%	1.3%	1.1%	3.2%	2.4%	1.9%	\$ 18,805,387	47.5%
Benchmark - 91 day T-Bill	1.4%	1.4%	1.3%	3.5%	2.3%	1.6%		
PUF Core Bond Fund	4.0%	4.0%	-0.7%	0.7%	2.1%	N/A	20,804,072	52.5%
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index ²	4.2%	4.2%	-0.8%	0.2%	1.3%	2.2%		
Investment Yield ³	1.1%	1.1%	1.1%	3.8%	3.4%	N/A		
Total Operating Assets							<u>\$ 39,609,459</u>	<u>100.0%</u>
OIT Endowment Assets								
Oregon Intermediate-Term Pool	4.0%	4.0%	-0.7%	0.6%	1.9%	N/A	\$ 7,117,824	100.0%
Benchmark - Bloomberg Barclays Intermediate U.S. Gov't./Credit Index ⁴	4.2%	4.2%	-0.8%	0.2%	1.1%	1.8%		

¹ University operating asset allocations based upon liquidity needs as determined by rolling 12-month cash flow forecasts.

Operating assets in excess of liquidity requirements are available for investment in the PUF Core Bond Fund and other long-term investments.

² 100% Bloomberg Barclays Intermediate U.S. Gov't./Credit Index as of February 1, 2021. From April 1, 2017 to January 31, 2021, the benchmark was 75% Bloomberg Barclay's Aggregate 3-5 Years Index, 25% Bloomberg Barclay's Aggregate 5-7 Years Index.

³ The reported investment yields for the quarter and fiscal year-to-date represent earned yields for the period and are not annualized rates.

⁴ 100% Bloomberg Barclays Intermediate U.S. Gov't./Credit Index as of January 1, 2021. From June 1, 2015 to December 31, 2020 the benchmark was Bloomberg Barclays 3-5 Year U.S. Aggregate Index.

Note: Outlined returns underperformed their benchmark.

January 2025 Board Meeting

FOAC Update

FY 2024-25 YTD November Management Report

Q1 FY 2024-25 Financial Dashboard

FY 2024-25 November Investment Report

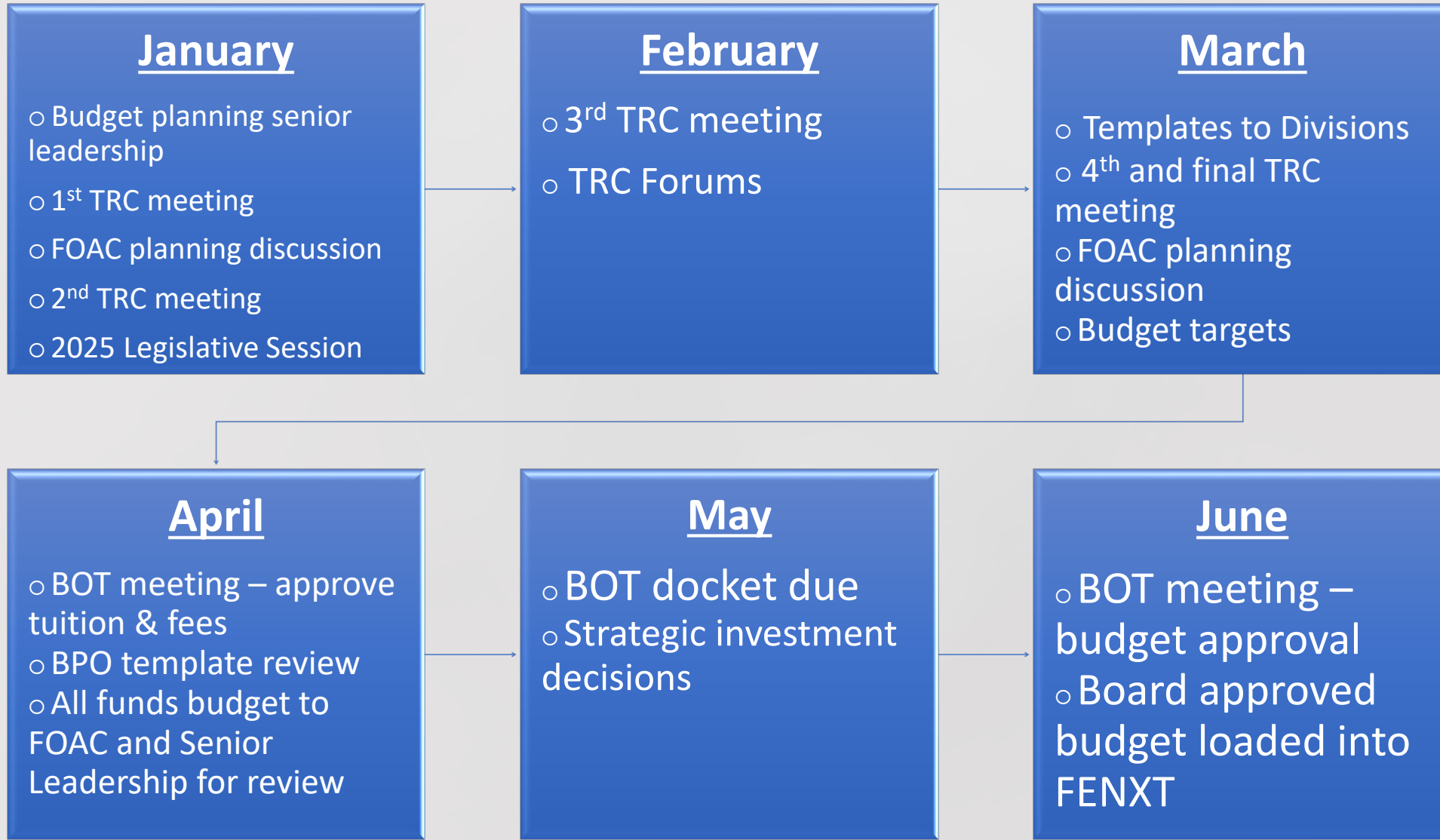
Q2 FY 2024-25 Facilities Report

CLA Update on Financial Statement Audit

Eide Bailly Internal Audit Update

Banner Finance Module Update

FY 2025-26 Budget Build Timeline



Schedule of Meetings

(Subject to change)

FOAC Meetings

- Thursday, March 27, 2025
- Thursday, May 22, 2025

Board of Trustees

- Friday, January 17, 2025
 - Friday, April 11, 2025
 - Thursday, June 12, 2025
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Questions?