

## QUARTERLY FINANCIAL REPORT: 2nd Quarter FY2024

The 2nd Quarter FY2024 financials are presented in a format that emphasizes the overall results of the fiscal year-to-date. These financials are unaudited. These schedules exclude the results from the Shepherd Entrepreneurial and Research Corporation (SERC).

### CASH:

**\$15.5 million – Increased by \$4.8 million**

The increase is mainly due to earlier collections of student revenue, as well as, the deferred maintenance grants for infrastructure work (\$3.5 million) that will be used in the upcoming year.

**Days Cash on Hand = 127**

**Days Cash on Hand (Unrestricted) = 50**

### TOTAL ASSETS:

**\$137.4 million – Increased by \$4.3 million**

An increase in cash of \$4.8 million in conjunction with an increase in Accounts Receivable contributed to the overall increase.

### TOTAL LIABILITIES:

**\$63.2 million – Increased by 5.3 million**

This increase is mostly due to an increase in deferred revenue. The majority of this is composed of grant revenue that has been collected but not disbursed, in addition to the deferred maintenance funds discussed in CASH section.

### TOTAL OPERATING REVENUES:

**\$18.9 million – Increased \$806K**

Comparing year-over-year, some of the increase can be attributed to higher collected fees, but the bulk of the difference is around Federal Grants which more than doubled from the year before.

### TOTAL OPERATING EXPENSES:

**\$26.7 million – Increased by \$480K**

Comparing to 2023, there is an increase in depreciation which is from the completion of some of the infrastructure projects that were in process. Another component to the increase is a rise in costs for PEIA and other benefits paid to

employees of Shepherd. These were slightly offset by a decrease in Supplies and Other Services.

**NONOPERATING REVENUES AND EXPENSES:**

**\$9.7 million – Increased by \$1.2 million**

State Appropriations and Federal Nonoperating Revenue are driving most of this variance. Gifts are also 50% higher than the previous year, largely driven by intercollegiate athletics.

**INCREASE (DECREASE) IN NET POSITION:**

**\$1.9 million – Increased by \$1.5 million**

The majority of this increase rests in Nonoperating Revenues with the remainder due to differences in the Operating Revenues and Operating Expenses elaborated on in their respected sections.

**SUMMARY:**

The University has entered FY2024 with focus on reducing the structural deficit. Progress has been made on reducing expenses and finding new revenue streams, but there is still a significant need to continue to reduce spending/increase revenue. Increased enrollment and enhancing the student experience continues to be the major focus as we move forward in 2024 along with our ongoing Tuition and Fees analysis.

**Shepherd University**  
**Statements of Net Position**  
**As of December 31, 2023 and 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>% Change</u>
<b>Current Assets</b>			
Cash and cash equivalents	\$ 15,533,433.03	10,756,193.71	44.41%
Accounts receivable net	15,183,816.72	14,267,509.03	6.42%
Grants and contracts receivable, net	1,283,664.22	1,540,953.09	-16.70%
Other assets	398,942.00	312,615.50	27.61%
<b>Total Current Assets</b>	<b><u>32,399,855.97</u></b>	<b><u>26,877,271.33</u></b>	20.55%
<b>Noncurrent Assets</b>			
Capital assets net	104,241,545.41	105,531,106.57	-1.22%
Loans receivable, net	44,560.62	80,281.43	-44.49%
Other Receivables NCA	94,858.37	100,773.63	-5.87%
<b>Total Noncurrent Assets</b>	<b><u>104,380,964.40</u></b>	<b><u>105,712,161.63</u></b>	-1.26%
<b>Total Assets</b>	<b><u>136,780,820.37</u></b>	<b><u>132,589,432.96</u></b>	3.16%
Deferred Outflows of Resources GASB 68	580,282.06	466,402.51	24.42%
<b>Total Assets and Deferred Outflows</b>	<b><u>\$ 137,361,102.43</u></b>	<b><u>\$ 133,055,835.47</u></b>	3.24%
<b>Current Liabilities</b>			
Accounts payable	\$ 838,176.02	\$ 584,717.11	43.35%
Accrued liabilities	1,189,453.27	1,185,230.71	0.36%
Deferred revenue	22,638,886.76	16,083,419.24	40.76%
Long-term liabilities - current portion	3,771,950.62	3,166,313.77	19.13%
<b>Total Current Liabilities</b>	<b><u>28,438,466.67</u></b>	<b><u>21,019,680.83</u></b>	35.29%
<b>Noncurrent Liabilities</b>			
Advances from federal sponsors	144,680.62	187,126.74	-22.68%
Compensated absences	545,749.52	602,292.63	-9.39%
OPEB	353,098.88	(105,526.12)	-434.61%
Net Pension Liability	52,959.00	47,790.00	10.82%
Deposits	193,295.72	162,148.98	19.21%
Bonds Payable - noncurrent	26,214,559.79	28,243,233.45	-7.18%
Leases Payable and SBITA - noncurrent	7,293,829.09	7,740,418.91	-5.77%
<b>Total Noncurrent Liabilities</b>	<b><u>34,798,172.62</u></b>	<b><u>36,877,484.59</u></b>	-5.64%
<b>Total Liabilities</b>	<b><u>63,236,639.29</u></b>	<b><u>57,897,165.42</u></b>	9.22%
Deferred Inflows of Resources GASB 68	1,911,150.05	4,223,766.05	-54.75%
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b><u>\$ 65,147,789.34</u></b>	<b><u>\$ 62,120,931.47</u></b>	4.87%
<b>Net Assets</b>			
<b>Total Net Assets</b>	<b><u>72,213,313.09</u></b>	<b><u>70,934,904.00</u></b>	1.80%
<b>Total Liabilities, Deferred Inflows, and Net Position</b>	<b><u>\$ 137,361,102.43</u></b>	<b><u>\$ 133,055,835.47</u></b>	3.24%

**Shepherd University**  
**Statements of Revenue, Expenses and Changes in Net Position**  
**For the Quarters Ending December 31, 2023 and 2022**

	<u>12/31/2023</u>	<u>12/31/2022</u>	<u>% Change</u>
<b>Operating Revenues</b>			
Tuition and Fees	\$ 13,805,891.53	13,602,602.87	1.49%
Scholarship Allowances	(6,515,013.95)	(5,996,822.16)	8.64%
Federal Grants and Contracts	1,860,395.94	793,153.28	134.56%
State Grants and Contracts	2,540,807.98	2,528,964.23	0.47%
Auxiliary enterprise revenue	6,987,881.08	6,984,311.52	0.05%
Other Operating Revenues	272,848.14	234,639.41	16.28%
<b>Total Operating Revenues</b>	<u><b>18,952,810.72</b></u>	<u><b>18,146,849.15</b></u>	4.44%
<b>Operating Expenses</b>			
Salaries and Wages	12,379,230.15	12,498,486.18	-0.95%
Benefits	2,840,013.40	2,528,295.84	12.33%
Supplies and Other Services	5,966,474.18	6,131,600.22	-2.69%
Utilities	915,792.25	1,165,070.13	-21.40%
Scholarships and Fellowships	1,442,580.76	1,139,064.27	26.65%
Depreciation and Amortization	3,183,263.54	2,784,506.32	14.32%
<b>Total Operating Expenses</b>	<u><b>26,727,354.28</b></u>	<u><b>26,247,022.96</b></u>	1.83%
<b>Operating Income/(Loss)</b>	<b>\$ (7,774,543.56)</b>	<b>\$ (8,100,173.81)</b>	-4.02%
<b>Nonoperating Revenues (Expenses)</b>			
State appropriations	6,861,414.00	6,513,415.00	5.34%
Federal Nonoperating revenues	2,363,488.18	1,897,657.39	24.55%
Interest on capital asset related debt	(652,326.34)	(660,118.77)	-1.18%
Investment Income	179,952.66	95,461.51	88.51%
Fees assessed by the Commission for debt service	(8,311.00)	(8,320.00)	-0.11%
Gifts	945,359.40	626,410.42	50.92%
<b>Total Nonoperating Revenues (Expenses)</b>	<u><b>9,689,576.90</b></u>	<u><b>8,464,505.55</b></u>	14.47%
<b>Increase (Decrease) in Net Position</b>	<u><b>\$ 1,915,033.34</b></u>	<u><b>\$ 364,331.74</b></u>	425.63%

Q3 and Q4 projections will be discussed at the BOG Meeting