Shepherd University Board of Governors
June 11, 2026
Presentation Agenda Item 5b

QUARTERLY FINANCIAL REPORT: 3rd Quarter FY2026

Mr. Alexander will provide the Committee with Quarterly Financial Report: 3rd Quarter FY2026.

The 3rd Quarter FY2026 financials are presented in a format that emphasizes the overall results of the fiscal year-to-date. These schedules exclude the results from the Shepherd Entrepreneurial and Research Corporation (SERC).

CASH:

$42.99M – decreased by $3.67M
The decrease is mainly due to the spending of the special funding given to Shepherd by the State ($30M). Unrestricted cash is only up slightly from Q3 2025 to Q3 2026. Days of Cash on hand is up 2 days from last year at this time.

Unrestricted Days Cash on Hand = 79
Projected (UR) Days of Cash 6/30/2026 = 41 days
Approved Budget UR Days of Cash = 38 Days

TOTAL ASSETS:

$167.92M – Increased by $2.23M
Capital assets has also increased by $8.95M with Leased Assets falling by $590K and Non-Current Subscriptions increasing $1.56M. This large increase in due to a couple of long term investments: the website, Campus 3D imaging and CollegeNet (event management software). These along with the decrease of restricted cash composes the increase to Total Assets. The new construction and the deferred maintenance grants have also helped Shepherd to invest in much needed infrastructure projects.

TOTAL LIABILITIES:

$41.47M – Decreased by $2.95M
This is mostly due to a decrease in non-current payables. As with Total Assets the SBITA line in non-current liabilities has increased $884K.

TOTAL OPERATING REVENUES:

$39.12M – Decreased by $6.79M
Comparing year over year the entire decrease is attributed to two lines; Grants and Other Revenues. Grant funding is a product of timing and specific grant awards. The roofing projects over the summer account for some of the variance. Other revenue is related to the sale of the HR building that was accrued in FY25. Overall, there are minimal increases in tuition and fees

	and auxiliary services at this time last year. PELL has been moved to Operating to comply with GASB 103 in FY2026.
TOTAL OPERATING EXPENSES:	**$42.52 – Increased by $1.60M** Compared to FY2025, Personnel is up $515K from Q3 2026. Most of the difference is accounted for in the overall reinvestment into employees that began at the beginning of the calendar year and a couple of vacant positions being filled along with a few annual leave payouts from separations between Jan and March (127K). It is important to note, Shepherd is still projected to be under budget for FY2026 in Personnel. Depreciation is up from the large amount of capital improvements and supplies rise with usage and cost increases. With the academic year winding down, some of operating costs will start to be reduced.
NONOPERATING REVENUES AND EXPENSES:	**$11.30M – Increased by $58K (adjusted)** The adjustment is backing out the one-time $30M special appropriation in FY25. Contributing to this adjusted variance is small decreases in appropriations, gifts and a larger increase in investment income related to the high cash balances.
INCREASE (DECREASE) IN NET POSITION:	**$3.13M – Decreased by $2.39M** The vast majority of this can be attributed to grant activity, increasing student revenue and decreased operating expenses. The E&G change in net assets is at $5.29M

SUMMARY:

The University has made significant progress on strategically investing in key components including subscriptions, personnel and infrastructure in an effort to continue to strive to be a premier public university and academic hub for the region.

Statement of Net Position

Shepherd University

Q3 - March 2026

	FY2024 EndingBal	FY2025 EndingBal	YoY Change	FY2026 EndingBal	YoY Change
Current Assets					
[+] Cash and Cash Equivalents	19,521,333	47,510,948	143.38%	41,572,346	-12.50%
[+] Accounts Receivable Net	2,860,813	6,349,018	121.93%	4,144,879	-34.72%
[+] Due from Commission	-	-	0.00%	-	0.00%
[+] Prepaids	352,244	330,273	-6.24%	352,037	6.59%
[+] Loans to Student - Current Portion	35,100	35,100	0.00%	35,100	0.00%
[+] Inventories	397	999	151.87%	655	-34.43%
Total Current Assets	22,769,887	54,226,338	138.15%	46,105,017	-14.98%
Noncurrent Assets					
[+] Other Receivables NCA	94,150	68,102	-27.67%	47,446	-30.33%
[+] Loans to Students, Net	42,112	26,983	-35.92%	14,306	-46.98%
[+] Capital Assets Net	101,313,165	108,416,820	7.01%	117,364,012	8.25%
[+] Right to Use Leased Assets	2,291,421	1,404,059	-38.73%	813,630	-42.05%
[+] Subscription based information tech.	934,109	1,351,450	44.68%	2,908,710	115.23%
[+] Deferred Outflows of Resources Gasb 68	580,282	186,870	-67.80%	662,136	254.33%
Total Noncurrent Assets	105,255,238	111,454,284	5.89%	121,810,240	9.29%
Current Liabilities					
[+] Accounts Payable	300,968	1,333,083	342.93%	251,125	-81.16%
[+] Accrued Liabilities	2,171,341	2,285,213	5.24%	3,315,385	45.08%
[+] Due to Other State Agencies	-	2,304	0.00%	2,304	0.00%
[+] Compensated Absences - Current Portion	747,024	660,405	-11.60%	905,102	37.05%
[+] Deferred Revenue	6,158,718	3,916,532	-36.41%	2,466,051	-37.03%
[+] Deposits held in custody for others	203,776	199,116	-2.29%	183,934	-7.62%
[+] Payables - Current Portion	3,828,545	3,360,685	-12.22%	3,884,854	15.60%
Total Current Liabilities	13,410,371	11,757,338	-12.33%	11,008,757	-6.37%
Noncurrent Liabilities					
[+] Advances from Federal Sponsors	103,588	93,132	-10.09%	64,490	-30.75%
[+] Compensated Absences	579,762	485,590	-16.24%	482,601	-0.62%
[+] OPEB	353,099	(446,801)	-226.54%	(60,732)	-86.41%
[+] Net Pension Liability	52,959	8,104	-84.70%	-	-100.00%
[+] Bonds Payable net of Current Portion	26,214,009	24,462,914	-6.68%	22,534,644	-7.88%
[+] Notes Payable, net of Current Portion	896,000	578,000	-35.49%	260,000	-55.02%
[+] Leases Payable, net of Current Portion	6,148,579	6,065,711	-1.35%	5,430,540	-10.47%
[+] SBITA - net of Current Portion	375,191	469,033	25.01%	1,353,443	188.56%
[+] Deferred Inflows of Resources Gasb 68	1,911,150	949,466	-50.32%	401,151	-57.75%
Total Noncurrent Liabilities	36,634,336	32,665,150	-10.83%	30,466,138	-6.73%
Net Assets					
Total Net Assets	77,980,418	121,258,134	55.50%	126,440,363	4.27%

KPIs

Days Cash on Hand (Total)	151	364	213	296	(68)
Days Cash on Hand (Unrestricted)	67	77	10	79	2

Statements of Revenue, Expenses and Changes in Net Position

Shepherd University
Q3 - March 2026

	Q3 2024 Total to Date	Q3 2025 Total to Date	YoY Change	Q3 2026 Total to Date	YoY Change
Operating Revenues					
[+] Tuition and Fees	25,359,233	25,607,657	0.98%	25,751,129	0.56%
[+] Contracts and Grants	7,098,877	16,757,066	136.05%	8,530,086	-49.10%
[+] Interest on Student Loan Receivable	1,853	1,970	6.32%	1,652	-16.13%
[+] Sales and Services of Educational Departments	17,191	29,370	70.84%	22,375	-23.82%
[+] Auxiliary Enterprise Revenue	12,440,098	12,371,432	-0.55%	12,888,835	4.18%
[+] Scholarship Allowances	(12,627,890)	(15,025,950)	18.99%	(13,644,970)	-9.19%
[+] Federal Operating Revenues	4,498,793	5,254,537	16.80%	5,273,039	0.35%
[+] Other Operating Revenues	346,887	915,917	164.04%	293,449	-67.96%
Total Operating Revenues	37,135,042	45,911,999	23.64%	39,115,595	-14.80%
Operating Expenses					
[+] Salaries and Wages	18,517,703	17,950,410	-3.06%	18,465,797	2.87%
[+] Benefits	4,262,849	4,104,220	-3.72%	4,621,687	12.61%
[+] Supplies and Other Services	8,380,765	8,917,629	6.41%	9,682,805	8.58%
[+] Utilities	1,803,555	2,020,778	12.04%	2,069,324	2.40%
[+] Scholarships and Fellowships	2,334,870	2,702,133	15.73%	2,167,874	-19.77%
[+] Depreciation	4,893,315	5,229,877	6.88%	5,512,876	5.41%
Total Operating Expenses	40,193,057	40,925,046	1.82%	42,520,363	3.90%
Total Operating Income (Loss)	(3,058,015)	4,986,953	-263.08%	(3,404,768)	-168.27%
Nonoperating Revenues (Expenses)					
[+] State Appropriations	10,118,121	10,705,382	5.80%	10,278,253	-3.99%
[+] Special Funding (Special Funding)	-	30,000,000	0.00%	-	-100.00%
[+] Investment Income	313,040	410,033	30.98%	806,912	96.79%
[+] Interest On Capital Asset Related Debt	(981,607)	(970,562)	-1.13%	(931,685)	-4.01%
[+] Fees Assessed by the Commission For Debt Service	(16,621)	(15,929)	-4.16%	(15,940)	0.07%
[+] Gifts	1,251,336	1,248,313	-0.24%	1,184,900	-5.08%
[+] Other Nonoperating Revenues	(649,341)	(137,342)	-78.85%	(24,917)	-81.86%
Total Nonoperating Revenues (Expenses)	10,034,928	41,239,896	310.96%	11,297,523	-72.61%
Total Change in Net Assets (Loss)	6,976,913	46,226,848		7,892,755	

Pro Forma, Statement of Activities

Shepherd University

Q3 - March 2026

	Actual March 2026	Forecast June 2026	Total Budget 2026	Projected Variance
Operating Revenues				
[+] Tuition and Fees	25,751,129	27,213,480	27,552,336	**(338,856)**
[+] Contracts and Grants	8,530,086	14,000,000	14,000,000	**-**
[+] Interest on Student Loan Receivable	1,652	5,100	5,100	**-**
[+] Sales and Services of Educational Departments	22,375	35,100	35,100	**-**
[+] Auxiliary Enterprise Revenue	12,888,835	13,732,918	13,992,150	**(259,232)**
[+] Scholarship Allowances	(13,644,970)	(13,000,000)	(13,000,000)	**-**
[+] Federal Operating Revenues	5,273,039	5,273,039	4,600,000	**673,039**
[+] Other Operating Revenues	293,449	455,605	455,605	**-**
Total Operating Revenues	**39,115,595**	**47,715,242**	**47,640,291**	**74,951**
Operating Expenses				
[+] Salaries and Wages	18,465,797	24,121,063	24,825,538	**(704,475)**
[+] Benefits	4,621,687	6,162,249	6,585,712	**(423,463)**
[+] Supplies and Other Services	9,682,805	13,110,407	13,380,460	**(270,053)**
[+] Utilities	2,069,324	3,127,522	3,252,511	**(124,989)**
[+] Scholarships and Fellowships	2,167,874	2,890,499	3,429,825	**(539,326)**
[+] Depreciation	5,512,876	7,929,120	7,844,815	**84,305**
Total Operating Expenses	**42,520,363**	**57,340,860**	**59,318,861**	**(1,978,001)**
Total Operating Income (Loss)	**(3,404,768)**	**(9,625,618)**	**(11,678,570)**	**2,052,952**
Nonoperating Revenues (Expenses)				
[+] State Appropriations	10,278,253	13,704,338	13,704,338	**-**
[+] Investment Income	806,912	1,075,883	792,190	**283,693**
[+] Interest On Capital Asset Related Debt	(931,685)	(1,304,510)	(1,304,510)	**-**
[+] Fees Assessed by the Commission For Debt Service	(15,940)	(16,500)	(16,500)	**-**
[+] Gifts	1,184,900	1,579,867	1,710,870	**(131,003)**
[+] Other Nonoperating Revenues	(24,917)	145,000	145,000	**-**
Total Nonoperating Revenues (Expenses)	**11,297,523**	**15,184,078**	**15,031,388**	**152,690**
Total Change in Net Assets (Loss)	**7,892,755**	**5,558,460**	**3,352,818**	**2,205,642**

Grant Funded to Net Grants Comparison

Shepherd University
Q3 - March 2026

	March 2026			March 2025			YoY
	Income Statement	Grant Funded	Unrestricted	Income Statement	Grant Funded	Unrestricted	Variance
Operating Revenues							
[+] Tuition and Fees	25,751,129	-	25,751,129	25,607,657	-	25,607,657	**143,471**
[+] Contracts and Grants	8,530,086	4,525,961	4,004,125	16,757,066	10,758,116	5,998,950	**(1,994,825)**
[+] Interest on Student Loan Receivable	1,652	-	1,652	1,970	-	1,970	**(318)**
[+] Sales and Services of Educational Departments	22,375	-	22,375	29,370	-	29,370	**(6,995)**
[+] Auxiliary Enterprise Revenue	12,888,835	-	12,888,835	12,371,432	-	12,371,432	**517,403**
[+] Scholarship Allowances	(13,644,970)	-	(13,644,970)	(15,025,950)	-	(15,025,950)	**1,380,980**
[+] Federal Operating Revenues	5,273,039	-	5,273,039	5,254,537	-	5,254,537	**18,502**
[+] Other Operating Revenues	293,449	56,315	237,134	915,917	59,199	856,719	**(619,585)**
Total Operating Revenues	**39,115,595**	**4,582,277**	**34,533,319**	**45,911,999**	**10,817,315**	**35,094,684**	**(561,366)**
Operating Expenses							
[+] Salaries and Wages	18,465,797	841,725	17,624,072	17,950,410	923,662	17,026,748	**597,324**
[+] Benefits	4,621,687	144,404	4,477,283	4,104,220	179,525	3,924,695	**552,587**
[+] Supplies and Other Services	9,682,805	731,465	8,951,340	8,917,629	711,533	8,206,095	**745,245**
[+] Utilities	2,069,324	-	2,069,324	2,020,778	13,120	2,007,658	**61,666**
[+] Scholarships and Fellowships	2,167,874	435,044	1,732,830	2,702,133	475,011	2,227,122	**(494,292)**
[+] Depreciation	5,512,876	-	5,512,876	5,229,877	-	5,229,877	**282,999**
Total Operating Expenses	**42,520,363**	**2,152,639**	**40,367,725**	**40,925,046**	**2,302,851**	**38,622,195**	**1,745,529**
Total Operating Income (Loss)	**(3,404,768)**	**2,429,638**	**(5,834,406)**	**4,986,953**	**8,514,464**	**(3,527,511)**	**(2,306,895)**
Nonoperating Revenues (Expenses)							
[+] State Appropriations	10,278,253	-	10,278,253	10,705,382	-	10,705,382	**(427,129)**
[+] Special Funding (Special Funding)	-	-	-	30,000,000	-	30,000,000	
[+] Investment Income	806,912	33,526	773,387	410,033	60,946	349,088	**424,299**
[+] Interest On Capital Asset Related Debt	(931,685)	-	(931,685)	(970,562)	-	(970,562)	**38,876**
[+] Fees Assessed by the Commission For Debt Service	(15,940)	-	(15,940)	(15,929)	-	(15,929)	**(11)**
[+] Gifts	1,184,900	141,692	1,043,208	1,248,313	115,723	1,132,590	**(89,382)**
[+] Other Nonoperating Revenues	(24,917)	-	(24,917)	(137,342)	-	(137,342)	**112,425**
Total Nonoperating Revenues (Expenses)	**11,297,523**	**175,218**	**11,122,305**	**41,239,896**	**176,669**	**41,063,227**	**59,079**
Total Change in Net Assets (Loss)	**7,892,755**	**2,604,856**	**5,287,899**	**46,226,848**	**8,691,133**	**37,535,716**	**(2,247,816)**

Natural Classification

Shepherd University
Q3 - March 2026

Programs	Salaries and Wages	Benefits	Supplies and Other Services	Utilities	Scholarships and Fellowships	Depreciation	Total	% of University	% of University w/o Depreciation
Instruction	9,405,630	2,131,024	963,516	5,389	435,044	-	**12,940,603**	**30.4%**	**35.0%**
Research	142,167	23,093	19,349	-	-	-	**184,609**	**0.4%**	**0.5%**
Public Service	30,906	3,999	9,667	-	-	-	**44,573**	**0.1%**	**0.1%**
Academic Support	1,179,591	238,949	820,075	643	4,500	-	**2,243,758**	**5.3%**	**6.1%**
Student services	1,780,915	505,028	936,922	-	21,420	-	**3,244,286**	**7.6%**	**8.8%**
Institutional support	2,245,773	750,482	1,018,064	-	-	-	**4,014,319**	**9.4%**	**10.8%**
Operations and maintenance	985,927	275,900	843,134	1,005,198	-	-	**3,110,159**	**7.3%**	**8.4%**
Scholarships and Fellowships	-	-	-	-	1,523,588	-	**1,523,588**	**3.6%**	**4.1%**
Auxiliary Enterprises	2,694,887	693,212	5,072,078	1,058,095	183,322	-	**9,701,594**	**22.8%**	**26.2%**
Depreciation	-	-	-	-	-	5,512,876	**5,512,876**	**13.0%**	
Total	**18,465,797**	**4,621,687**	**9,682,805**	**2,069,324**	**2,167,874**	**5,512,876**	**42,520,363**		
						w/o Depreciation	***37,007,488***		