

# FY 23 Year End Cash Surplus

Fiscal year 2022-2023 ended with a cash surplus of **\$970K**

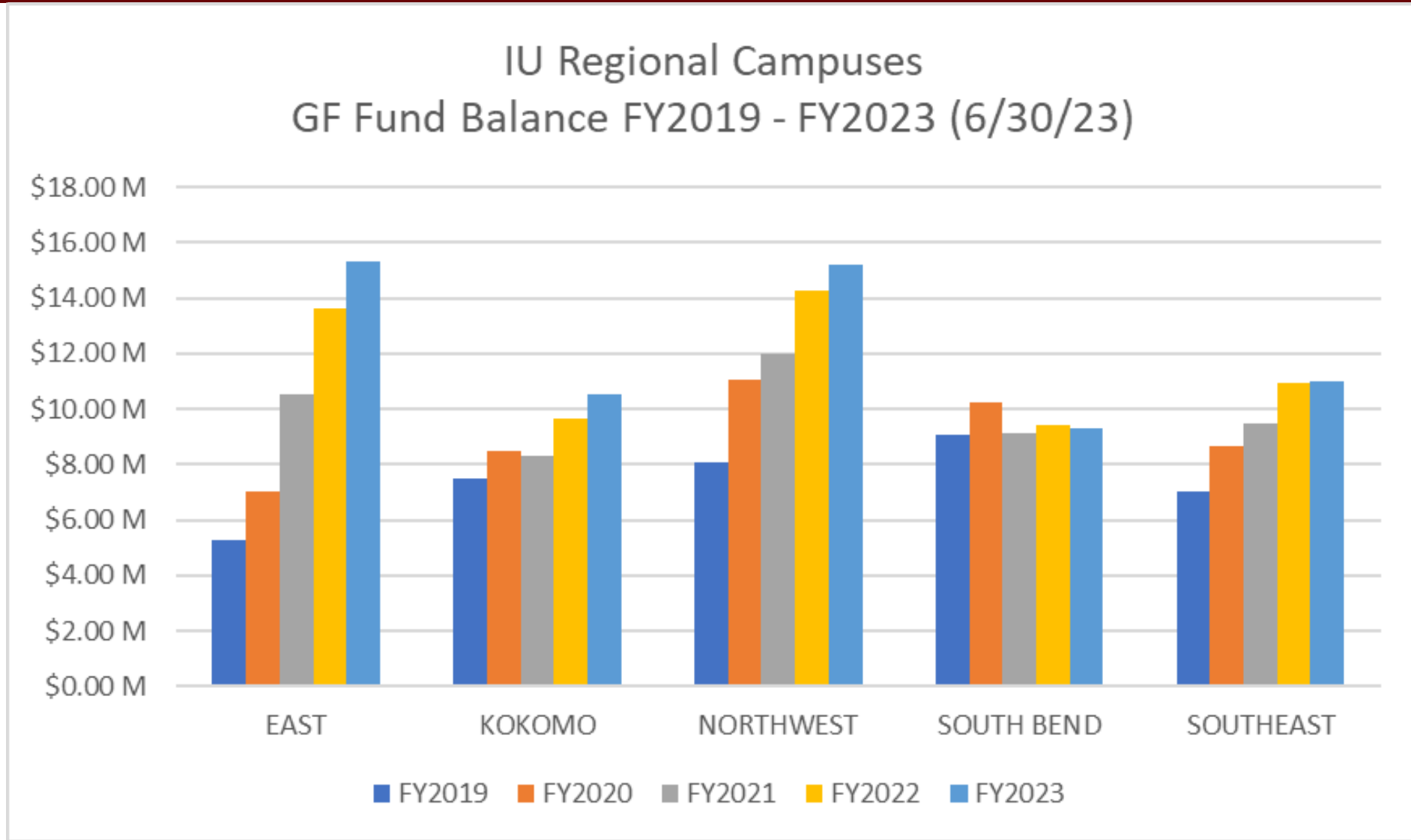
- Salary savings was \$250K more than prior year
- Student tuition and fee revenue surpassed budget by \$405K
- “Other” revenue surpassed budget by over \$200K as well, which includes bad debt collections, late fee revenue, and other misc.

Campus Reserve Contribution = \$500K

Remaining Unallocated Cash Surplus = \$470K



# Regional Campus Reserves



# FY 23 Year End Cash Surplus

CBAC provided input to the Chancellor, who ultimately decided on the following:

Initiative	Amount	Notes
Marketing Initiatives	\$ 175,000	Includes \$85K for digital marketing campaign, and other initiatives to raise brand awareness in the community
Prof. Development and Research	\$ 100,000	PD funding to benefit both faculty and staff. The distribution of funds is TBD.
AOD-I Implementation	\$ 95,000	Will cover costs associated with branding of new schools/colleges, signage, team building events and training, etc.
Campus Inclusion Center and DEI Programming	\$ 100,000	Location and scope are a work in progress. Funding is \$50K for DEI programming, and \$50K for space renovation, and furniture.
	\$ 470,000	



# Current Year Finances

## Enrollment is up this fall, so what does that mean for our financial situation?

- Fall enrollment boost equates to \$709K in additional revenue.
  - Annual amount should be in the \$1.3M range.
- Recall that our FY24 budget was built with a cash “plug” of \$1,324,855 to offset the elimination of the distance ed fee.
  - Using cash to balance the budget is not a sustainable practice.
  - At the time, we believed it would take up to 3 years to re-align the budget to compensate for the cash plug.



# Budget Scenarios Worksheet

The finance team has developed a planning tool to demonstrate our campus budget situation for the campus community.

The main objective is to show the effect that changes in enrollment have on our budget, so that we can effectively plan for two major categories of spend:

- Base Budgeting our Unmet commitments – these are programs and positions that we know we will spend money on, but are not included in the base budget. They cause us to rely on cash or savings in other budget lines (vacant positions, underspent supplies, etc.) and need to be base budgeted.
- Future Priorities – new recurring budget items that currently do not exist, but are needed to advance the university and achieve our strategic plan goals.

[Budget Scenarios 9.21.2023.xlsx](#)



# A Balancing Act Software Solution

We are considering investing in a software solution called “A Balancing Act”

- The tool allows anyone to enter assumptions and explore the financial impact of potential allocations for the upcoming fiscal year.
- Provides real-time output demonstrating the effects of those choices.
- No logins or special expertise required.
- <https://msu.abalancingact.com/meetings/657>

