




Department of
Higher Education

John R. Kasich, Governor
John Carey, Chancellor

Memorandum

To: Senator Scott Oelslager, Chairman, Senate Finance Committee
Representative Scott Ryan, Chairman, House Finance Committee
Senator Michael Skindell, Ranking Minority Member, Senate Finance Committee
Representative Jack Cera, Ranking Minority Member, House Finance Committee
Mr. Tim Keen, Director, Office of Budget & Management
Mr. Mark Flanders, Director, Legislative Service Commission

From: John Carey 
Chancellor

Date: November 19, 2018

Subject: First Quarter Financial Reports for FY 2019

Please find enclosed the quarterly financial reports for the first quarter of fiscal year 2019, which were submitted by Ohio's 37 public institutions of higher education. Pursuant to Ohio Revised Code §3345.72, these reports are to be distributed to you.

The report contains twelve questions to be answered by the campus fiscal officer or an appropriate designee. The questions are designed to probe for any serious cash flow problems and to provide early warnings of significant problems with the current year budget. The desirable answer to each question is *No*.

Shawnee State University responded to the following questions in the affirmative:

- Relative to its original budget for the fiscal year, [has your institution] experienced any actual or anticipate any projected financial changes that will result in a substantially reduced fund balance or larger deficit this fiscal year?
- [Do you have knowledge] that an unanticipated decrease in operating cash and investments this fiscal year will negatively impact your institution's annual SB 6 composite score?

Shawnee State realized a 9% decline in their fall 2018 enrollment and spring term enrollment is projected to decline by 3% from spring 2018. Shawnee State continues to monitor and reduce expenditures as needed and increase revenue through additional online course and program offerings.

Columbus State Community College responded affirmative to the following question:

- [Did or will the institution have] an increase in liabilities that do not occur during normal business operations (including new debt issues)?

Columbus State plans to issue \$9M in new debt in FY19. The funding will be used for a new building on campus for their hospitality and tourism center. The project will be supported by \$10 million from the State and \$10 million raised via a fundraising campaign.

I am pleased to report that there were no additional instances of a campus affirmatively responding to any of the six questions.

Should you have any questions concerning the content of the enclosed reports, please contact me at 466-6000.

Enclosures

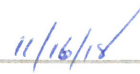
Date: November 16, 2018

RECOMMENDATION

The Office of the Vice Chancellor of Finance and Data Management has reviewed and analyzed the first quarter fiscal year 2019 Senate Bill 6 quarterly reports. The attached memo is ready for the Chancellor's signature.



Signature



Date