



Department of
Higher Education

Mike DeWine, Governor
Randy Gardner, Chancellor

To: Senator Matt Dolan, Chairman, Senate Finance Committee
Representative Scott Oelslager, Chairman, House Finance Committee
Senator Vernon Sykes, Ranking Minority Member, Senate Finance Committee
Representative Bride Rose Sweeney, Ranking Member, House Finance Committee
Ms. Kimberly Murnieks, Director, Office of Budget & Management
Ms. Wendy Zhan, Director, Legislative Service Commission

From: Randy Gardner
Chancellor

Date: November 19, 2021

Subject: First Quarter Financial Reports for FY22

Please find enclosed the quarterly financial reports for the first quarter of fiscal year 2022, 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*.

Of the 37 public colleges and universities, only one institution answered yes to at least one of the twelve questions in their quarterly report. The affirmative answers were related to the impact of COVID-19 on their SB 6 Composite Scores.

ODHE is monitoring the financial status of all our colleges and universities very carefully, and we are willing to discuss the information in this report at greater depth if it would be helpful.

Should you have any questions concerning the content of the enclosed reports, you are welcome to contact me on my personal cell phone at 614-448-7462.

Enclosures

The following yes responses have been received:

Universities

The University of Akron, fall enrollment down 11.3%.

- ❖ No yes responses, however, UA submitted a narrative response.
The extent to which the coronavirus may adversely impact business activity or investment results will depend on future developments, which are highly uncertain and cannot be predicted. COVID-19 contributed to declines in student enrollment of 5% and 6% for academic years 2020 and 2021, respectively. In anticipation of revenue challenges, during FY22, The University continues working on plans to offset the loss of revenue during this time by utilization of Federal grants provided to The University under the CARES Act and decreasing expenses for supplies and services and travel. The University continues to budget to align its revenues with expenditures to offset the enrollment declines by redesigning its scholarship program to address students' financial situations, which is anticipated to increase enrollment of new students while also increasing retention of existing students. The University does not expect the SB6 composite score to be negatively impacted by COVID-19 for fiscal year ending June 30, 2022 and will continue to monitor the situation and any potential effect to the SB6 composite score.

Community Colleges

Belmont College, fall enrollment down 4.4%.

- ❖ Composite Score # 1 An unanticipated decrease in operating cash and investments?
- ❖ Composite Score # 2 An increase in uncollectible accounts receivable?
- ❖ Composite Score # 6 Any other facts or circumstances that could negatively impact the SB 6 composite score?
The College anticipates an impact on our financial position due to the COVID-19 pandemic.