Date: May 18, 2020

To: Members of the Finance and Investment Committee

 Mr. Scott Apel

 Dr. Wendy Reiboldt

Dr. Praveen Soni

From: Robert de Wit, Controller

Subject: Operating Statement – April 2020

April operating results came in below plan as the Covid-19 pandemic forced continued closure of all the Shops customer facing venues. Sales were limited to campus supported purchases and residual Residential Hall meal activity. All other dining and retail outlets reported zero sales and remained closed for the month. On the positive side the Financial Markets partially recovered from the March lows thereby resulting in a positive contribution.

In addition to reported results, the Shops applied for and received a $2M loan through the Payroll Protection Program of the CARES Act. These monies do not impact the operating statement but are reflected on the balance sheet in both cash and long term liabilities.

Overall Sales came in at $498,208 and $2,805,307 (84.9%) below plan. The only sales that materialized were Bookstore related campus computer sales $303,589 and ongoing merchandize web sales including campus masks.

Cost of Goods percentages were upside down as April reflected $192,000 of perishable food stuff that ended up being donated to various food banks as part of store closures. Operating Expenses came in at $523,929 and $1,704,354 better than plan as payroll staffing has been reduced by 85%. In addition sales related commissions have all but dried up.

Credits & Revenues came in at $415,615 and $292,386 better than plan due to accelerated Grad Fair commission payments from Balfour. The above resulted in negative Operating Income of negative $140,080 and $616,793 below budget.

G&A expense continues to run below plan due to labor cuts while Investments turned around with a $619,264 gain for the month as the financial markets remained volatile. This positive impact resulted in an overall net contribution of $249,784 for the month. Capital expenditures in April included a credit for the Starbucks project with a net credit of $5,939. This combined with the above resulted in a positive cash flow of $346,211for the month.

Table 1 below highlights the April and Year-to-Date Operating Statement summary while table 2 provides the corresponding divisional breakdown.



Table 1



Table 2

Table 3 and 4 below provides a similar total year comparison with prior year in summary and divisional format given the April pandemic impact. Both reveal current year operating results trailing in all aspects.



Table 3



Table 4