Date: October 4, 2021

To: Members of the Finance and Investment Committee

 Mr. Scott Apel

 Mr. John Barcelona

Dr. Beth Lesen

Dr. Praveen Soni

From: Robert de Wit, Controller

Subject: Operating Statement – August 2021

August results were mixed but net results came in better than budget. Textbook sales were slow to materialize with August inclusive of just one week of semester activity. Trending on the positive side was Residential dining with an occupancy rate close to 90% vs budget of 70%. In addition labor cost were held down as Rush staffing did not materialize due to a limited labor market.

Sales came in at $2,488,533 and $1,147,170 (31.6%) below budget and driven by textbook shortfall of $1,188,134 (54.1%). We have yet to see a recovery in this area as some classes returned to campus. Res Dining saw a $200,984 sales uptick resulting from increased occupancy while retail dining was on plan with limited offerings. ID card variance was due to pass through billing timing for software that was booked last month.

Gross Margin dollars were down proportionally with both decreased sales and increasing supply chain challenges to fulfill orders. Operating expenses were held in check as hiring and staffing shortfalls prevailed through the month.

Credit & Revenues came in at $159,548 and up $100,393 as Digital Textbook content was up by $28,343 but at the expense of traditional sales. In addition, Red Bull sponsorship of $10,000 came in ahead of plan and $56,991 of commission from Grad Images was settled.

G&A expense remained in line with budget at $214,291 while the financial markets saw a steady return with $146,771. This resulted in an overall Net Contribution of $182,388 vs a budgeted loss of ($24,723)345,002 for the month. (See Table 1).

Capital Expenditures for the month were $31,890 Library Coffee Shop and Oracle project. In combination with the above operating results, this netted a cash flow of $236,313for the month.

Tables 1 & 2 below depict the Operating Statement summary and the corresponding divisional breakdown.



Table 1



Table 2

Comparison to prior year (Tables 3&4) revealed a slight sales improvement although cost of staffing increases in preparation for Fall hurt the bottom line.



Table 3



Table 4