Date: November 22, 2019

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 – October 2019

October results came in better than plan overall but were mixed by key categories.

Sales for the month came in at $3,723,428 and $124,645 (3.2%) below budget with the primary shortfall in Retail Dining and Catering which continues to experience price pressure. All other areas came in as expected while Residential Dining variance is a function of prepaid meal plan reporting.

Cost of Goods came in .4 points better than plan overall but was mixed as both price pressure and market costs play into the product mix. Bookstore was 3 points higher as Textbook affordability is a primary theme while Food Services continues to focus on product savings.

Operating Expenses came in at $1,862,721 and $87,832 43.9%) above budget as Labor and Credit Card Fees continue to run higher than plan. Credits & Revenues came in at $265,657 and $142,213 better than plan. Bookstore received an additional $76,397 in part due to additional regalia rebates and guaranteed commissions while Food Services benefited from a 5 week accounting month that caught up vendor commissions from August and September.

As a result of the above, Operating Income came in at $885,358 and $14,829 (1.6%) unfavorable to budget. G&A expense came below plan while investments experienced a market turn around with a gain of $219,275 for the month resulting in an overall Net Contribution of $805,534. (See Table 1).

Capital Expenditures for the month were $20,984 for various awning replacements conducted over the summer and facilities repair. In combination with the above operating results, this netted a positive cash flow of $416,698 for the month.

Table 1 below highlights the October 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 comparison with prior year in summary and divisional format. Both reveal current year operating activity trailing across the board while investment results have seen a positive swing compared to last year’s volatility.



Table 3



Table 4