FUNDS MANAGEMENT PROJECT

University Senate Meeting
January 30, 2017
PROGRESS TO DATE

• Cash balances have been studied and analyzed
  • Major fund group
  • Groups of accounts supporting a common use

• Recommendations are currently under development

• Beginning to craft the report of the Committee
THE FINANCIAL FACTS

• At the end of FY16, University balances totaled $1.8B at WL (all funds)
• $651M was in units reporting to the Provost
  (excluding sponsored program accounts)

• Balances in the Provost units have increased . . .
  $367M in FY11  $651M in FY16
Funds Management Project

Subcommittee Studies

- Central Bank Concept
- Faculty Start-up
- Professorships
- Faculty Discretionary Funds
- Scholarships
- Fellowships
- Appropriated Funds
- State Line Items
- Income Producing Funds
- Student Life
- Gifts
- Provost Central Reserves
GENERAL FINDINGS

• The University’s investment strategy fully capitalizes on the investment of cash balances

• Significant commitments exist against year-end balances; uncommitted balances are far less in every fund group

• Agency or university restrictions can limit the ability to use cash
GENERAL FINDINGS, CONTINUED

• Timing of program activities or accounting transactions impact balances on 6/30

• Process and reporting improvements can enhance the use of balances in some funds

• Cash flowing commitments is an alternative to fully funding multi-year commitments
GENERAL FINDINGS, CONTINUED

• University requires full funding for facilities expenses before planning process begins

• Some funds need to accumulate balances to achieve purpose

• Stewardship of some funds require balances to be maintained at a specific level
RECOMMENDATIONS

• Subcommittees are developing recommendations
• Maximize benefit to the academy
• Assure financial stability
• Account for unit needs
• Address current and ongoing balances
Faculty, staff and colleagues are encouraged to provide feedback and input by emailing the FMP Committee at:

fundsmangement@purdue.edu

Questions?