

Business Administrators' Forum



WAKE FOREST
UNIVERSITY

Welcome

Presenter: Sharon Anderson, Financial Services

Financial Highlights

Presenter: Marnie Matthews, Associate Controller

Mid-Year Close

Presenter: Jolene Cox, Senior Accountant, Financial Services

Capital Campaign Update & Impact on Restricted Initiatives

Presenters: Wade Stokes, Assistant Dean, College Development

Tim Snyder, Associate VP, Alumni & Donor Services

Milton King, Associate Director, Financial Aid Office

*Kim Wieters, Senior Business Manager, Dean of Wake
Forest College*

Marnie Matthews, Associate Controller



Financial Highlights

Financial Highlights: Balance Sheet

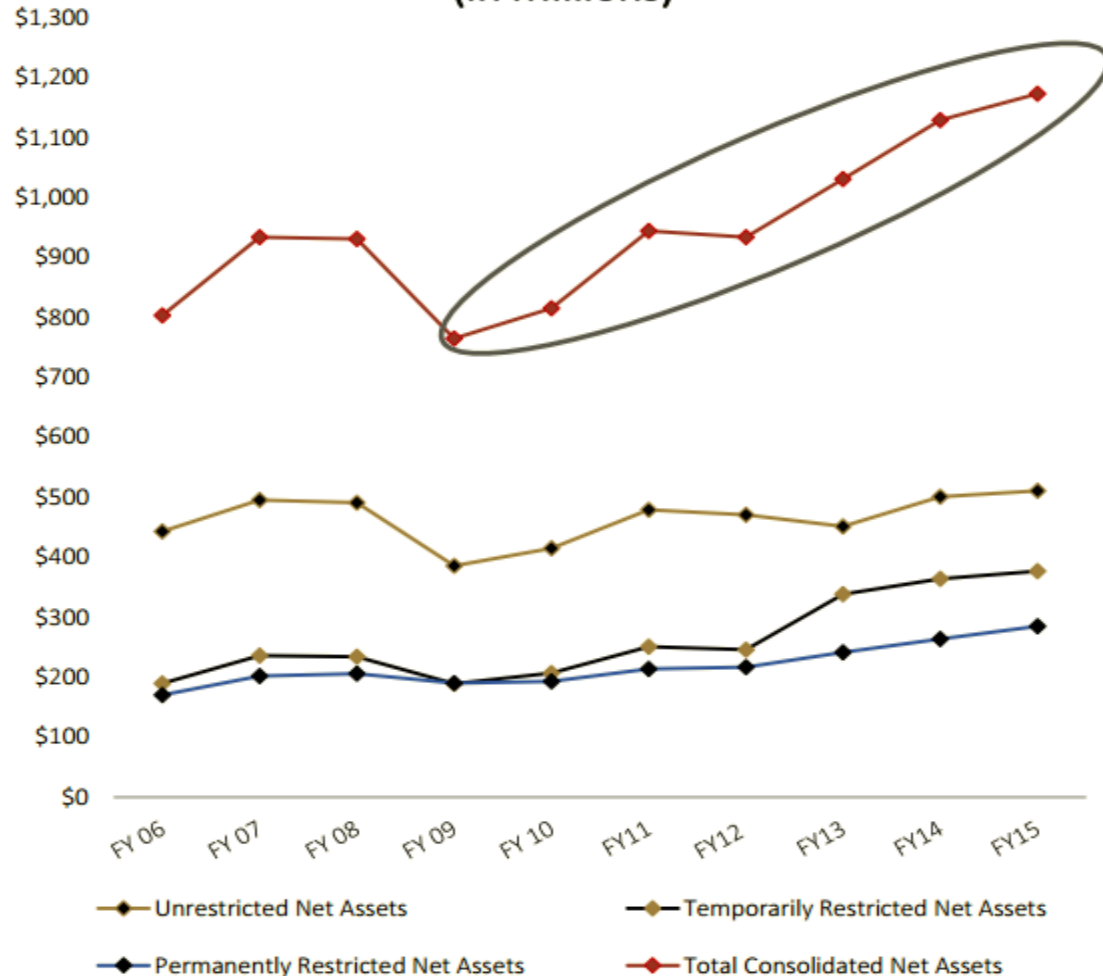
(Dollars in thousands)

Assets	June 30, 2015	June 30, 2014	Increase (Decrease)	%
Cash and cash equivalents	\$ 50,574	\$ 42,163	8,436	20.0%
Accounts receivable, net	8,618	8,677	(59)	-0.7%
Contributions receivable, net	114,307	102,528	11,779	11.5%
Notes receivable, net	22,313	22,124	189	0.9%
Investments	936,827	908,811	28,016	3.1%
Investments in real estate	22,800	23,731	(931)	-3.9%
Other assets	6,740	7,288	(548)	-7.5%
Land, buildings, and equipment, net	455,947	440,921	15,026	3.4%
Total assets	1,618,126	1,556,243	61,883	4.0%
Liabilities and Net Assets				
Liabilities:				
Accounts payable and accruals	30,012	24,631	5,381	21.8%
Other liabilities and deferrals	78,983	73,604	5,379	7.3%
Annuities payable	24,661	22,765	1,896	8.3%
Notes payable and capital leases	16,408	5,905	10,503	177.9%
Bonds payable	269,417	275,585	(6,168)	-2.2%
Postretirement benefits	15,862	15,258	604	4.0%
Government grants refundable	9,582	9,688	(106)	-1.1%
Total liabilities	444,925	427,436	17,489	4.1%
Net assets:				
Unrestricted	511,185	500,687	10,498	2.1%
Temporarily restricted	377,246	364,550	12,696	3.5%
Permanently restricted	284,770	263,570	21,200	8.0%
Total net assets	1,173,201	1,128,807	44,394	3.9%
Total liabilities and net assets	\$ 1,618,126	\$ 1,556,243	61,883	4.0%

Net assets increased due to continued philanthropic support and strong operating results

- Total net assets of \$1.2 billion reflected an increase of 3.9%
- Unrestricted net assets of \$511 million increased \$10 million, or 2.1% *(Generated by operating activities, gifts and athletics)*
- Temporarily restricted net assets of \$377 million, increased \$13 million, or 3.5% *(Gifts)*
- Permanently restricted net assets of \$285 million, increased \$21 million, or 8.0% *(Endowment gifts)*

Historical Presentation of Net Assets
(in Millions)



Financial Highlights: Unrestricted Operating Performance

	FY 2015 Total	FY 2014 Total	Increase (Decrease)	%
Operating revenues:				
Student tuition and fees	\$ 293,431	280,636	12,795	4.6%
Less student aid	(86,770)	(81,786)	(4,984)	6.1%
Net student tuition and fees	206,661	198,850	7,811	3.9%
Government grants and contracts	8,623	9,038	(415)	-4.6%
Private grants, and contracts	2,040	2,364	(324)	-13.7%
Contributions	21,416	20,001	1,415	7.1%
Investment return designated for current operations	16,210	17,848	(1,638)	-9.2%
Other	7,536	7,078	458	6.5%
Sales and services of auxiliary enterprises	90,196	80,284	9,912	12.3%
Net assets released from restrictions	26,468	22,955	3,513	15.3%
Total operating revenues	379,150	358,418	20,732	5.8%
Operating expenses:				
Salaries and wages	177,471	173,795	3,676	2.1%
Employee benefits	46,618	45,094	1,524	3.4%
Student aid	3,409	3,415	(6)	-0.2%
Services	41,228	40,502	726	1.8%
Other operating expenses	53,281	51,674	1,607	3.1%
Interest on debt	12,294	11,952	342	2.9%
Total operating expenses	334,301	326,432	7,869	2.4%
Operating cash flow margin	44,849	31,986	12,863	40.2%
Depreciation and amortization	32,051	32,236	(185)	-0.6%
Operating margin	\$ 12,798	(250)	13,048	



Mid-Year Close

Key Dates for Fiscal 2016 Mid-Year Close First Departmental Close

December 23rd

- * Final 2015 Bi-Weekly Payroll posted by 5PM
- * All deposits to cashier by 2:30PM
- * Final 2015 Exempt payroll posted by 5PM



January 5th

- * Journal entries in FAR by 5PM
- * All December gifts in Advancement by 4PM

January 6th

- * Payroll reallocations and redistribution in Payroll by 5PM (will be posted in 2nd close)
- * Final Invoices in Accounts Payable (AP) by 5PM (will be posted in 1st close)

January 8th

- * Procurement card (Pcard) updated in Works by 5PM for statement ending 1/2/16
 - * All December gifts posted by Advancement by 5PM
 - * All December receiving completed through Deacon Depot by 5PM
 - * **FIRST Departmental Close – Draft reports available after 5PM**
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January 9th -
January 13th

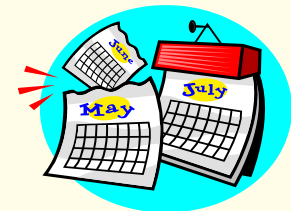
* Accruals, deferrals and adjustments posted by Financial Services (including expenditure vouchers and employee travel expense reports)

January 11th

* Final day send accrual documentation to AP

January 13th

* **FINAL Departmental Close – Reports available after 5PM**



**1st Departmental
Close
1/8/16**

- Deposits made by 12/23/15
- MO12 and BW26 payrolls
- December gifts
- Receiving completed in Deacon Depot

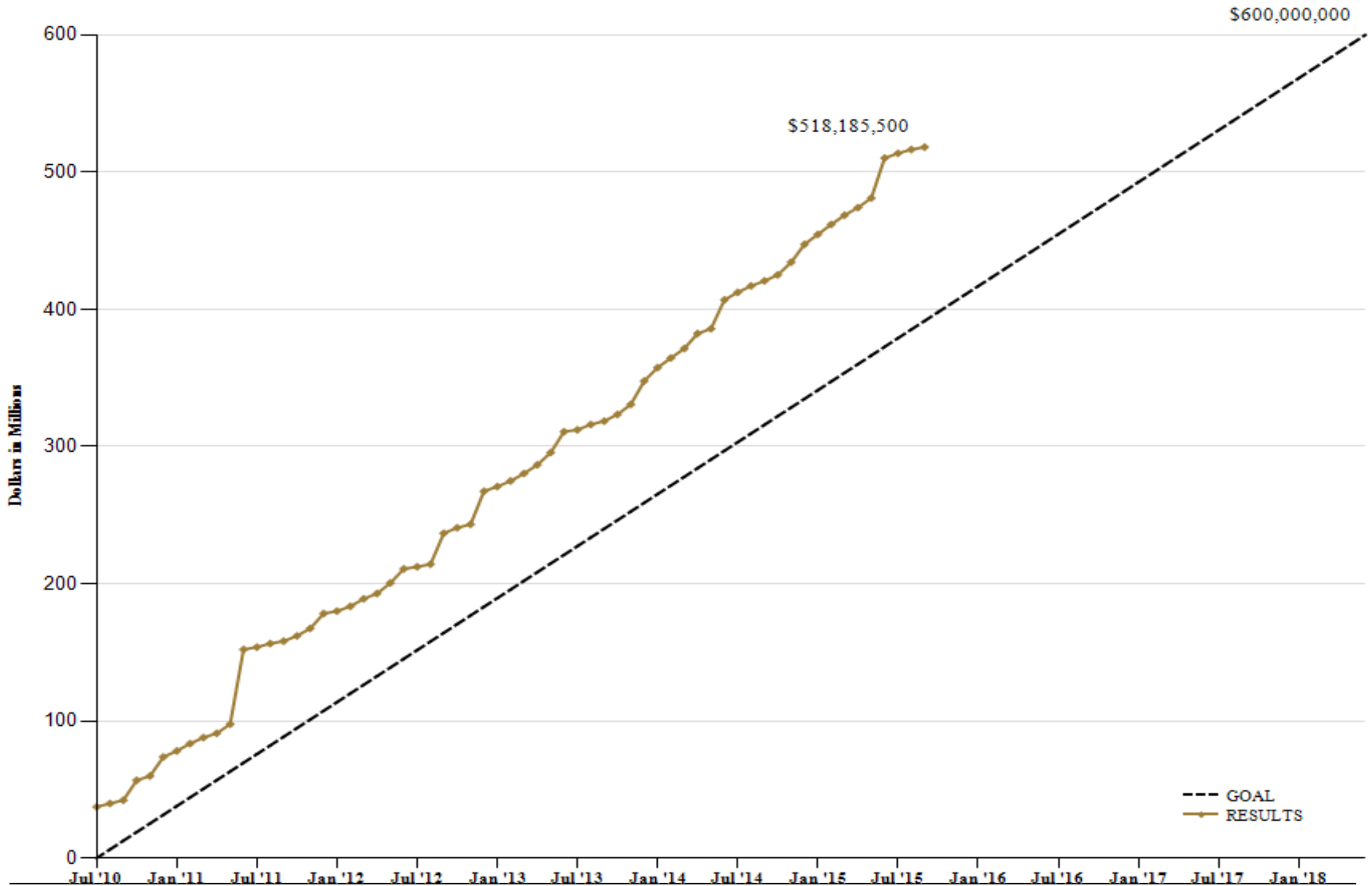
**Final Close
1/13/16**

- Deferral of Spring Tuition Revenue billed in December
- Deferral of Tuition Prepayments
- Pcard for statement ending 1/2/16 accrued
- Invoice accruals by Accounts Payable
- ST01 payroll 90% accrued
- BW01 payroll 90% accrued
- Payroll reallocations and redistributions



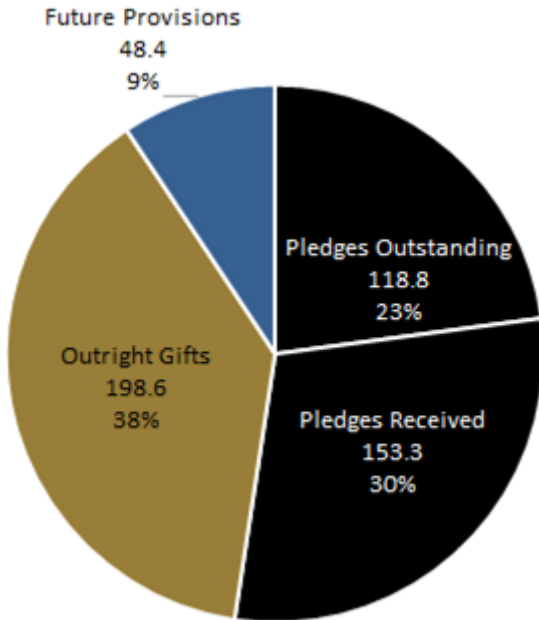
Capital Campaign Update & Impact on Restricted Initiatives

- Wade Stokes
 - Campaign Update
 - Campaign Initiatives specifically within restricted gifts and endowments
- Tim Snyder
 - The importance of taking fiduciary care of the funds donated,
 - The importance of supporting the purpose, and
- Milton King
 - Example of a more mature stewardship process
 - Identification of the administration of scholarships
 - Communication between Financial Aid and Development on restricted expenditures
- Kim Wieters
 - Review of Dean of the College gifts and endowments to ensure proper spending and feedback to Development, when funds cannot be used
 - Reports
- Marnie Matthews
 - Present new Fund Balance Template and feedback
 - Discuss other ways Financial Services can help inform the community on their restricted funds

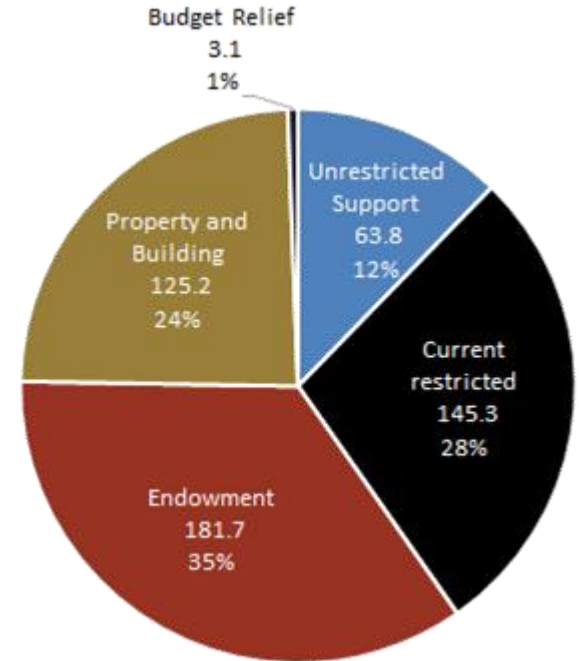


Total commitments as of September 2015: \$518.2M

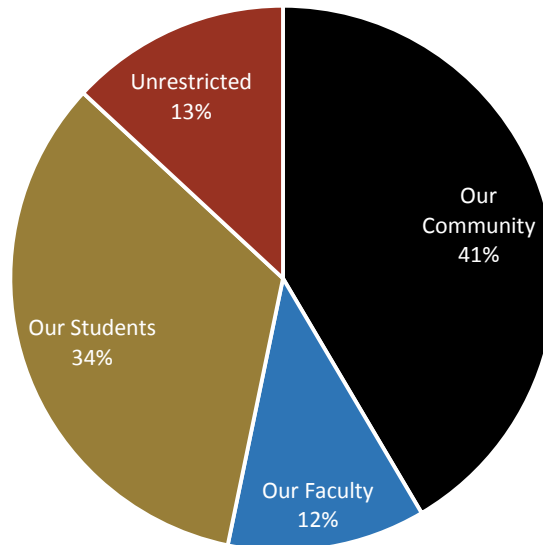
Giving by Gift Type



Giving by Purpose



Revenue by Strategic Initiative



- Why do Donors give?
 - There is a story behind each gift.
 - Donors want to make an impact.
 - Out of obligation.
- What is Stewardship
 - Expression of gratitude
 - Demonstration of the impact of someone's gift
 - Why does it matter?
- How do we Steward gifts?
 - Annual reports
 - Connect donors with beneficiaries
 - Celebrate not only the gift, but what is truly unique about the donor
 - Create moments
- Impact of good Stewardship
 - How to turn \$200 into a quarter of a million

Contact		E-mail	Phone
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Kameron Gress	Manager, Endowment Planned Giving	gresskh@wfu.edu	5223
Masha Wall	Assistant Director, Stewardship Operations	wallmc@wfu.edu	4146

Mon., 12/14/15	3:00 – 4:30 PM	409 Benson
Thurs., 1/21/16	9:00 – 10:30 AM	409 Benson
Mon., 2/22/16	2:00 – 3:30 PM	401 A/D Benson
Mon., 3/21/16	11:00 – 12:00 PM	401 A/D Benson
Wed., 4/20/16	1:00 – 2:30 PM	409 Benson
Tues., 5/10/16	9:00 – 10:30 AM	404 ZSR Library-Auditorium

Your input is essential as we continue to collaborate and discuss items of interest so that we can improve how we do business at Wake. So, please continue to send along suggestions, questions, and topics you want to hear about, know about, or discuss with others.