



Finance, Audit and Facilities Planning Committee Meeting

October 7, 2026 | 11 a.m.

Shawkey Dining Room, Memorial Student Center



October 2026 Finance, Audit and Facilities Planning Committee Meeting - Copy

AGENDA

11 a.m.

Finance, Audit and Facilities Planning Committee

Donnie Holcomb, Chair

Action Items

None

Information Items

Committee Annual Activity Calendar

3

Matt Tidd, Chief Financial Officer

Finance Update

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Matt Tidd, Chief Financial Officer

Facilities and Operations Update

10

Brandi Jacobs-Jones, Senior Vice President for Operations

Internal Audit Update

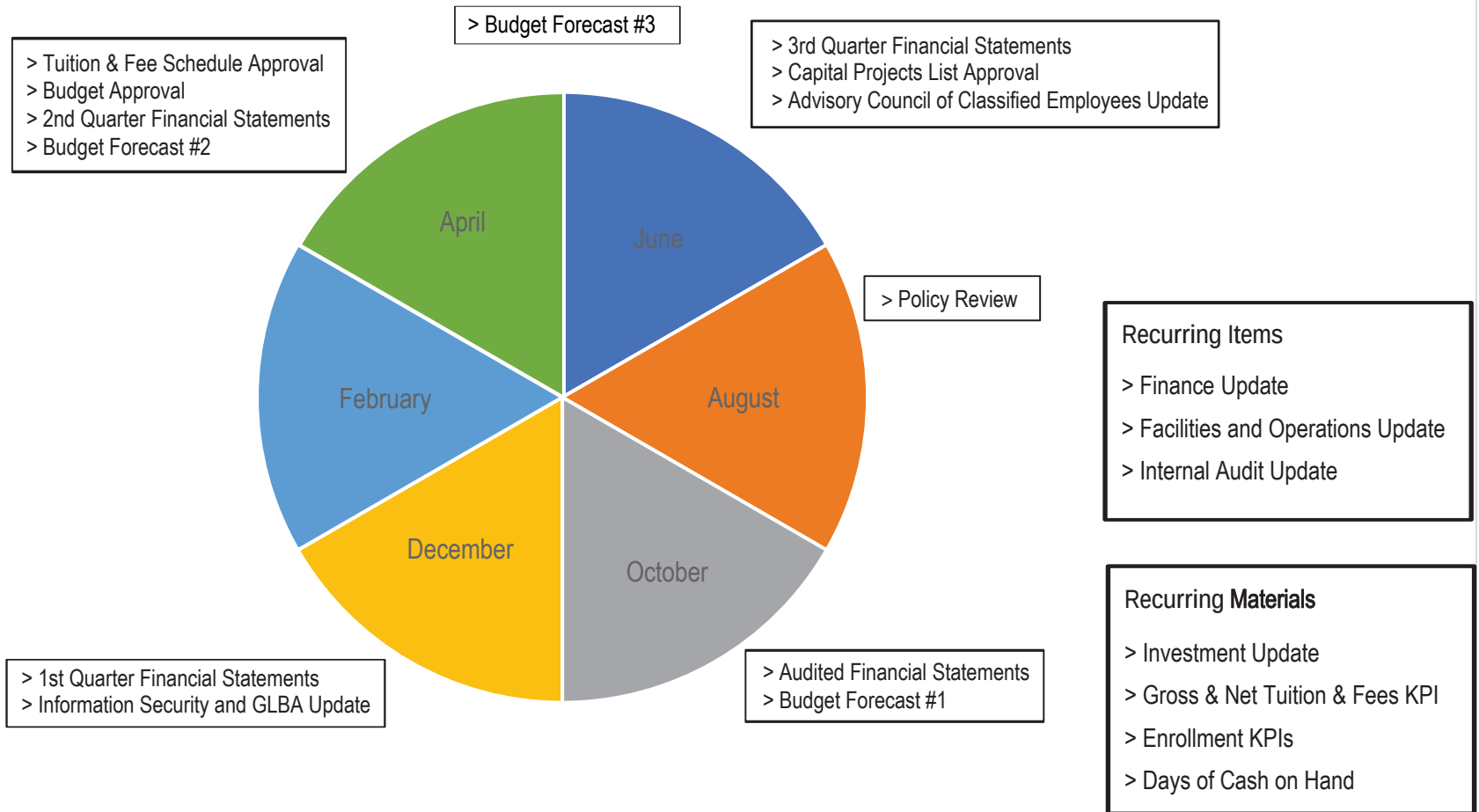
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Perry Chaffin, Director of Audits

Lunch

Annual Activity Calendar

Finance, Audit and Facilities Planning Committee



FY26 FINANCIAL STATEMENTS

DRAFT



FY26 FINANCIAL STATEMENTS VS PRIOR YEAR

	Marshall University		
	FY25 Actuals	FY26 Projection	FY26 vs FY25
Operating Revenues			
Student Tuition and Fees (net of allowance)	65,616,000	67,777,000	2,161,000
Grants and Contracts	122,880,000	138,686,000	15,806,000
Auxiliary Enterprise Revenue	30,242,000	31,178,000	936,000
Other Operating Revenues	12,804,000	9,168,000	(3,636,000)
Total Operating Revenues	231,542,000	246,809,000	15,267,000
Operating Expenses			
Salaries and Wages	164,392,000	168,239,000	3,847,000
Benefits	46,402,000	48,746,000	2,344,000
Supplies and Other Services	95,020,000	87,838,000	(7,182,000)
Utilities	12,277,000	11,929,000	(348,000)
Scholarships and fellowships	18,312,000	7,712,000	(10,600,000)
Depreciation	25,692,000	26,897,000	1,205,000
Other Operating Expenses	229,000	-	(229,000)
Total Operating Expenses	362,324,000	351,361,000	(10,963,000)
Operating Income (Loss)	(130,782,000)	(104,552,000)	26,230,000
Nonoperating Revenues (expenses)			
State Appropriations	76,037,000	77,336,000	1,299,000
Payments on behalf	462,000	1,461,000	999,000
Federal Pell Grants	22,872,000	23,016,000	144,000
Gifts	3,922,000	3,578,000	(344,000)
Investment Income	6,508,000	10,924,000	4,416,000
Interest on indebtedness	(7,775,000)	(7,290,000)	485,000
Fees assessed by Commission for Debt Service	(234,000)	(157,000)	77,000
Other nonoperating revenues (expenses)	(2,000)	858,000	860,000
Total Nonoperating Revenues (expenses)	101,790,000	109,726,000	7,936,000
Increase/Decrease in Net Assets	(28,992,000)	5,174,000	34,166,000
Capital Grants and Gifts	11,330,000	11,633,000	303,000
Increase/Decrease in Net Assets	(17,662,000)	16,807,000	34,469,000
Remove SOM Building Grant - One Time	-	(30,000,000)	(30,000,000)
Increase/Decrease in Net Assets - Adjusted	(17,662,000)	(13,193,000)	4,469,000

ANALYSIS

- **Operating Revenue (+\$15.3M)**
 - **Grants and Contracts (+\$15.8M):**
 - ❖ **Federal (+\$3M)** – Increase attributed to additional federal research grants at MURC.
 - ❖ **State (+\$22.7M)** – Increase includes +\$30.9M increase in School of Medicine (SOM) due to the funding associated with the SOM building, a +\$1M increase at MURC offset by a decrease at the General University of -\$11.7M due to the one-time FY25 doubling of the WV Higher Education Grant program (WVHEG).
 - ❖ **Private (-\$9.7M)** – Decrease due to the SOM third-party contract. Associated decrease in supplies and other services.
 - **Tuition and Fees (+\$2.2M):** Increase in Gross tuition and fees due to enrollment and rate increases (+\$2.7M) offset by an increase in the scholarship allowance (-\$0.5M).
 - **Auxiliary Revenue (+\$0.9M):** Increase primarily due to increased housing revenue from rate increases in FY26.
 - **Other Revenue (-\$3.6M):** Decrease in General University (-\$2M), SOM (-\$0.5M) and MURC (-\$1.1M).
- **Non-Operating Revenues (+\$7.1M)**
 - **Investment Income (+\$4.4M):** Primarily due to investment gains as compared to last year at MURC (+\$4.2M) combined with General University and SOM combined investment gains as compared to last year (+\$0.2M).
 - **State Appropriations (+\$1.3M):** Increase due to SOM (+\$2.1M) offset by decrease in General University (-\$0.8M) due to one-time surplus appropriation in FY25.
 - **Pell Grants (+\$0.1M):** Flat to FY25.
 - **Other (+\$1.1M):** Increase in payments made by the State on behalf of Marshall and lower interest expense in FY26.
- **Operating Expenses (-\$6.9M)**
 - **Salaries & Wages (+\$4M):** Increase due to MURC (+\$2.5M) due to increased grant activity and a 1.2% (+\$1.3M) increase in the General University due to off-cycle raises and slightly higher employee headcount year over year.
 - **Benefits (+\$2.4M):** Increase due to continued PEIA increases.
 - **Scholarships (-\$10.6M):** Decrease in Scholarship expenses primarily due to the FY25 doubling of the WVHEG program in FY25 combined with a change in calculation methodology.
 - **Supplies & Other Services (-\$3.4M):** Primarily due to the timing of a third-party contract at the SOM in FY25; offset by a decrease in Private grant revenue noted above. MURC Supplies increased \$4.7M in FY26 due increased grant activity.
 - **Misc. Other (+\$0.6M):** Due to increased Depreciation (+\$1.2M) and decreases in Utilities and other expenses (\$0.6M).

FY26 FINANCIAL STATEMENTS VS BUDGET

Marshall University			
	FY26 Projection	FY26 Budget	FY26 Projection vs FY26 Budget
Operating Revenues			
Student Tuition and Fees (net of allowance)	67,777,000	76,146,000	(8,369,000)
Grants and Contracts	138,686,000	122,439,000	16,247,000
Auxiliary Enterprise Revenue	31,178,000	43,827,000	(12,649,000)
Other Operating Revenues	9,168,000	12,303,000	(3,135,000)
Total Operating Revenues	246,809,000	254,715,000	(7,906,000)
Operating Expenses			
Salaries and Wages	168,239,000	166,072,000	2,167,000
Benefits	48,746,000	41,518,000	7,228,000
Supplies and Other Services	87,838,000	95,954,000	(8,116,000)
Utilities	11,929,000	12,450,000	(521,000)
Scholarships and fellowships	7,712,000	27,100,000	(19,388,000)
Depreciation	26,897,000	20,500,000	6,397,000
Other Operating Expenses	-	-	-
Total Operating Expenses	351,361,000	363,594,000	(12,233,000)
Operating Income (Loss)	(104,552,000)	(108,879,000)	4,327,000
Nonoperating Revenues (expenses)			
State Appropriations	77,336,000	76,188,000	1,148,000
Payments on behalf	1,461,000	-	1,461,000
Federal Pell Grants	23,016,000	22,500,000	516,000
Gifts	3,578,000	2,550,000	1,028,000
Investment Income	10,924,000	2,750,000	8,174,000
Interest on indebtedness	(7,290,000)	(7,242,000)	(48,000)
Fees assessed by Commission for Debt Service	(157,000)	(285,000)	128,000
Other nonoperating revenues (expenses)	858,000	-	858,000
Total Nonoperating Revenues (expenses)	109,726,000	96,461,000	13,265,000
Increase/Decrease in Net Assets	5,174,000	(12,418,000)	17,592,000
Capital Grants and Gifts	11,633,000	-	11,633,000
Increase/Decrease in Net Assets	16,807,000	(12,418,000)	29,225,000
Remove SOM Building Grant - One Time	(30,000,000)	-	(30,000,000)
Increase/Decrease in Net Assets - Adjusted	(13,193,000)	(12,418,000)	(775,000)

Analysis

Summary: The FY26 draft financial statements as compared to the FY26 Budget saw a variance of ~(\$775K) after removing the School of Medicine (SOM) State grant of \$30M. There are variances in each line but the bottom line was very close to the original budget. Key variance analysis is included in the following commentary.

	FY26 Fcst	FY26 Budget	Variance	Comments
Tuition and Fees	\$ 67.8	\$ 76.1	\$ (8.3)	Change in scholarship allowance methodology shifted from expense to net revenue
Auxiliary Revenue	\$ 31.2	\$ 43.8	\$ (12.6)	Change in scholarship allowance methodology shifted from expense to net revenue
Scholarship Expenses	\$ (7.7)	\$ (27.1)	\$ 19.4	Change in scholarship allowance methodology shifted from expense to net revenue
Net Student Revenue	\$ 91.3	\$ 92.8	\$ (1.5)	
➤ Grants and Contracts (+\$16.2M)				
Increase due to SOM State grant for new building (+\$30M) and other State Grants (+4.9M) offset by a decrease in Federal Grants and Contracts at MURC (-\$11M), a decrease in Private Grants at the SOM (corresponding decrease in supplies) (-\$7.7M).				
➤ Salaries and Benefits (-\$9.4M)				
- Increase in Salaries and Wages (+\$2.2M) driven by increases at the General University (+\$4.6M) and MURC (+\$0.9M) offset by a decrease at the SOM (-\$3.4M). - Increase in benefits due to a budgeted 25% benefit rate compared to an average actual rate of ~30% due to increased PEIA costs.				
➤ Supplies and Services (-\$8.1M)				
Decrease driven by the SOM (-\$6.5M) (corresponding decrease in Private grant revenue and MURC (-\$3.4M) (corresponding decrease in Grant revenue) offset by an increase in the General University of (+\$1.8M).				
➤ Scholarships and Fellowships (-\$19.4M)				
Decrease in scholarship expense is driven by the change in scholarship allowance calculation methodology. Expense was shifted to Net Student Tuition and Fees.				



FY27 Updates



FY27 Forecast vs Budget

	FY27 Projection	FY27 Budget	FY27 Budget vs FY27 Projection
Operating Revenues			
Student Tuition and Fees (net of allowance)	72,162,000	81,060,000	(8,898,000)
Grants and Contracts	127,151,000	126,821,000	330,000
Auxiliary Enterprise Revenue	32,425,000	40,018,000	(7,593,000)
Other Operating Revenues	13,367,000	12,849,000	518,000
Total Operating Revenues	245,105,000	260,748,000	(15,643,000)
Operating Expenses			
Salaries and Wages	171,038,000	171,038,000	-
Benefits	49,300,000	51,000,000	(1,700,000)
Supplies and Other Services	-	(3,539,000)	(3,539,000)
Utilities	-	(43,000)	(43,000)
Scholarships and fellowships	-	(11,484,000)	(11,484,000)
Depreciation	-	23,081,000	2,827,000
Other Operating Expenses	-	-	-
	358,279,000	368,377,000	(10,098,000)
	(113,174,000)	(107,629,000)	(5,545,000)
Nonoperating Revenues (expenses)			
State Grants	81,386,000	81,386,000	-
Federal Grants	23,016,000	23,400,000	(384,000)
Gifts	3,578,000	2,950,000	628,000
Investment Income	10,924,000	4,900,000	6,024,000
Interest on indebtedness	(7,245,000)	(7,670,000)	425,000
Fees assessed by Commission for Debt Service	(285,000)	(285,000)	-
Other nonoperating revenues (expenses)	-	-	-
Total Nonoperating Revenues (expenses)	111,374,000	104,681,000	6,693,000
Increase/Decrease in Net Assets	(1,800,000)	(2,948,000)	1,148,000
Capital Grants and Gifts	-	-	-
Increase/Decrease in Net Assets	(1,800,000)	(2,948,000)	1,148,000

The FY27 Forecast and FY27-FY31 Financial Plan are under construction as the university continues to assess various revenue enhancement and cost saving opportunities that have been identified by both internal working groups and external assessments.

During the December board meeting we will have a fully formed FY27-FY31 Financial Plan that will include the opportunities that have been identified.

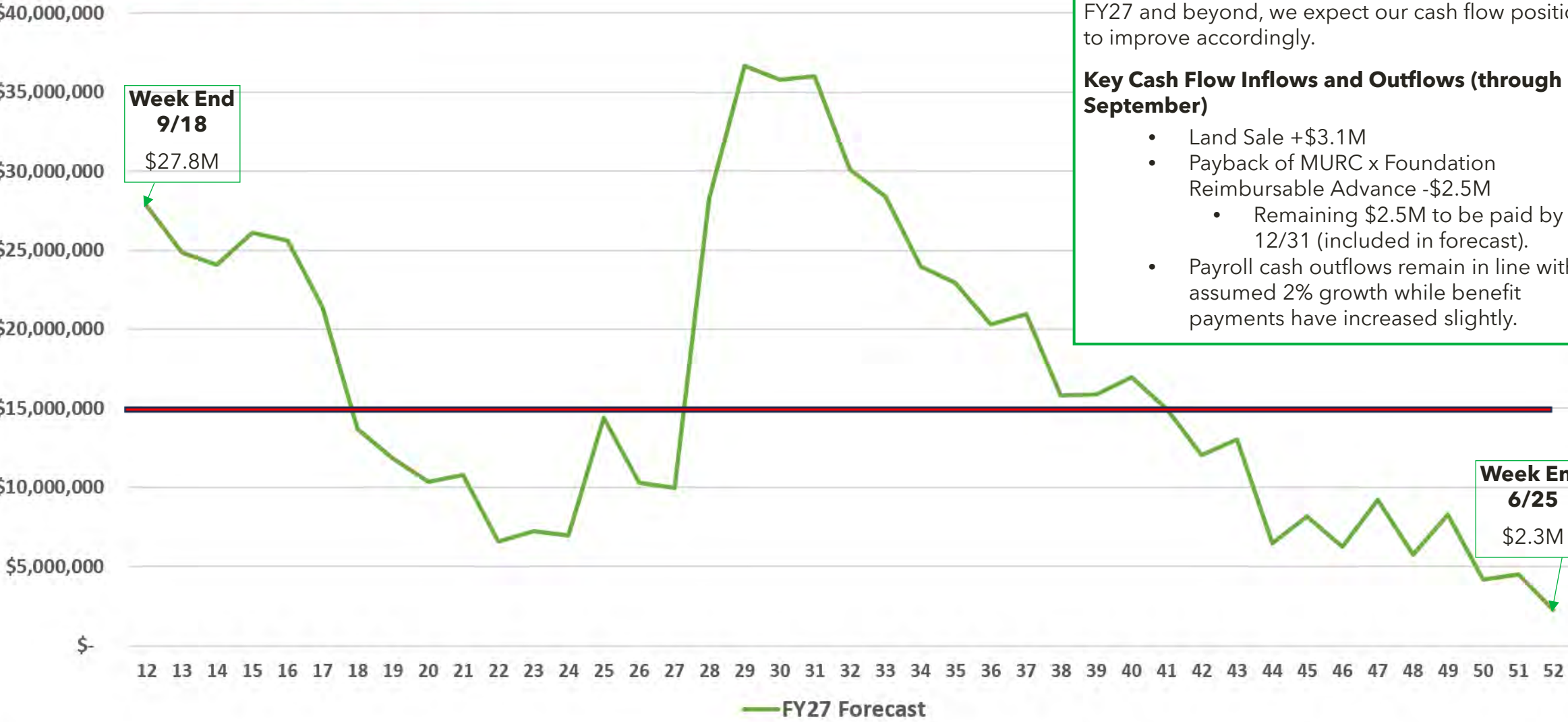
FY27 Fall Update:

- Gross Tuition and Fees increased slightly vs FY27 budget despite flat enrollment. Favorable student mix as compared to budget drove the increase. The change in scholarship methodology impacted top line revenue but is offset by a large decrease in Scholarship expense.
- Salaries and Wages remain in line with the 2% budgeted increase while benefits increased to align with FY26 rates
- Investment income increased as compared to budget to align with FY26 actuals



Cash Flow Forecast

Current FY27 Cash Forecast



The FY27 Cash Flow Forecast has improved slightly as compared to the April forecast.

As the university continues to evaluate revenue enhancement and cost saving opportunities for FY27 and beyond, we expect our cash flow position to improve accordingly.

Key Cash Flow Inflows and Outflows (through September)

- Land Sale +\$3.1M
- Payback of MURC x Foundation Reimbursable Advance -\$2.5M
 - Remaining \$2.5M to be paid by 12/31 (included in forecast).
- Payroll cash outflows remain in line with assumed 2% growth while benefit payments have increased slightly.



Marshall University

Accelerating Individual Success, Innovative Ideas and Economic Impact

October 2026
Facilities and Operations Update

Take Care of the House

DEFERRED MAINTENANCE

PROJECT “SHOCK AND AWE” I

\$21.8M from State for Deferred Maintenance

- ✓ **Chiller Replacements - Smith Hall and Drinko Library (\$3.3M)**
- ✓ **Roof Replacements - South Charleston, Drinko Library (\$3.6M)**
- ✓ **Structural Repairs - Old Main (\$1M)**
- ✓ **Air Handler Units - Science Building (\$1.3M)**
- ✓ **Emergency Generator/Safety Phase I (\$687K)**
- ✓ **Fire Alarm Upgrades (\$363K)**
- ✓ Elevator Modernization (\$1.1M)
- ✓ **Sanitary Pipe Replacement - Henderson Center E-Level (\$540K)**
- ✓ Morrow Library ADA Updates (\$1.2M)
- ✓ **Locks - Smith Hall and Fine Arts (\$300K)**
- ✓ **Floor Renovations - Erma Ora Byrd Clinical Center (\$268K)**
- ✓ **Concrete - Smith Hall and Henderson Center (\$250K)**
- ✓ **Stormwater Improvements Phase I (\$1.1M)**
- ✓ **Demolition - Laidley and Holderby Halls (\$1.6M)**
- ✓ **Renovations - Fine Arts (\$2.3M)**
- ✓ **Restroom Renovations - Memorial Student Center (\$880K)**
- ✓ **HVAC Replacement - Former MRI Building (\$222K)**
- ✓ **Classroom/Restroom Repair/Renewal - Campus-wide (\$1.4M)**
- ✓ **Band Bleacher Replacement - Henderson Center (\$400K)**

Completed projects are bolded. Other projects are in final stages.

\$19.4 M total invoiced as of September 3, 2026.

PROJECT “SHOCK AND AWE” II

Phase II from State for Deferred Maintenance

- ✓ Corbly Hall Chiller Replacement (\$550K)
- ✓ Morrow Library HVAC Unit Replacement (\$212K)
- ✓ Science Building Chiller Replacement (\$1M)
- ✓ Air Handler Units - Science Building (\$825K)
- ✓ Memorial Student Center Roof Replacement (\$1.6M)

Pending approval from Governor's Office as of September 17, 2026.

Safe and Prepared

CAMPUS SAFETY AND EMERGENCY READINESS

RESIDENTIAL CASE MANAGER

New role, Fall 2026



Liz Thompson
Residential Case
Manager

- ✓ **Shared** among MUPD, Housing and Residence Life, Counseling Center
- ✓ **Connects students with resources** on campus and in the community
- ✓ **Crisis response** and intervention
- ✓ **Case management**, follow up, and **proactive outreach**
- ✓ **Evening** office hours

SAFETY INITIATIVES

Ongoing readiness work across campus

- ✓ Resumed **monthly meeting with City** and campus stakeholders to discuss safety issues
- ✓ October 1 release of **the 2026 Annual Security and Fire Safety Report**
- ✓ Emergency preparedness **Tabletop Exercise** with Cabinet

Tornado Tabletop Exercise Situation Manual



This Situation Manual (SitMan) provides exercise participants with all necessary tools for their roles in the exercise. Some exercise material is intended for the exclusive use of exercise planners, facilitators, and evaluators, but players may view other materials that are necessary to their performance.

TTX Situation Manual: Tornado

Grow Students

STUDENT LIVING AND RECREATION

HOUSING

Fall 2026



Housing and Residence Life resident activities Dirty Birds Game

✓ Greatest challenge remains medical single occupancy requests; accommodations have increased from 25 in Fall 2024 to 77 in Fall 2026.

CAMPUS RECREATION

Rec Fest Engagement



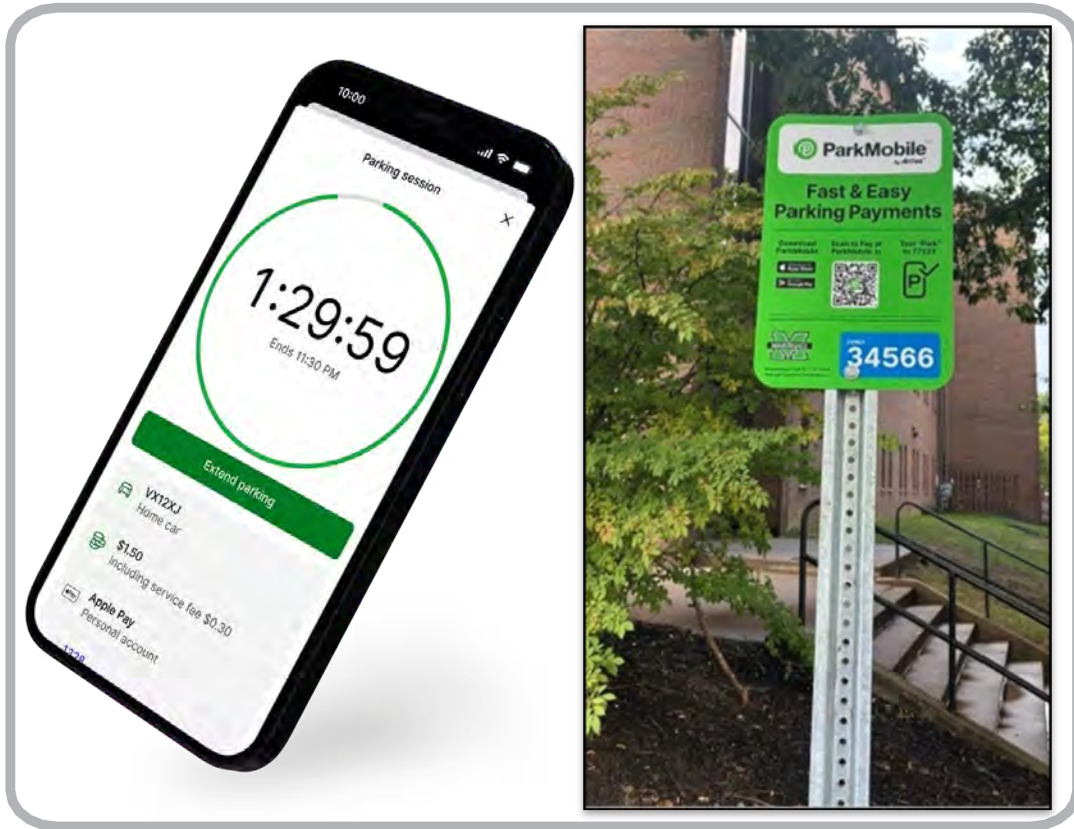
109 tables and **1,733 people** attended

Third Party Partnerships

NEW FOR FALL 2026 SEMESTER

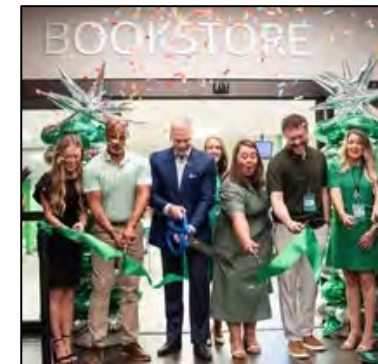
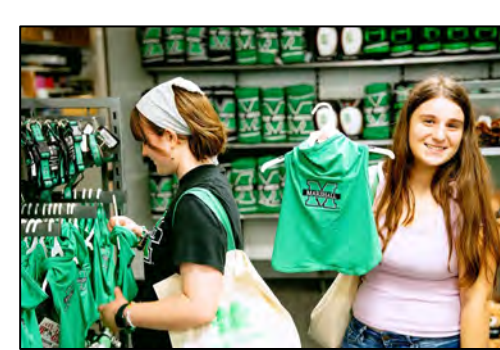
PARK MOBILE

Addition of electronic solution for temporary parking



BARNES & NOBLE COLLEGE

New contract for Campus Bookstore and Spirit Store



Images: Huntington Regional Chamber of Commerce

MU Internal Audit BOG Informational Report October 7, 2026

1 ACTIVITY SINCE THE LAST MEETING

- A. Advisory Services – Year-End planning and consultation with Accounting/Financial Reporting Department.
- B. Audit Projects – Year-end schedule preparation and footnote information gathering.
- C. Other – No significant Whistleblower Hotline activity for this reporting period. Began process for renewal of Whistleblower Hotline administration with 3rd party vendor.

2 PLANNED ACTIVITIES BEFORE THE NEXT MEETING

- A. Monitoring of Whistleblower Hotline and finalize renewal of system administration agreement for upcoming annual period.
- B. Year-End data gathering and schedule preparation, as needed.
- C. Adhere to planned activities in the approved Audit Plan and Continued Monitoring of other Institutional Activities.

3 PROFESSIONAL DEVELOPMENT ACTIVITIES

- A. No significant activities in this reporting period.