



DRAFT

FINANCIAL AFFAIRS COMMITTEE  
June 27, 2024

The Financial Affairs Committee met participating by video conference. Joel Nkounkou and Kevin Knarr were present at the meeting location (UNH). Wayne Jones, Sam Fucile; (KSC) Nathalie Houder, Jennifer Kirk, (PSL) Tracy, Tina Miller, and Nate Bowditch (USNH), Catherine Provencher, Chad [unclear], and additional Faculty, Staff and students attended both in person and by video conference.

Call to Order:

At 3:15 pm Chairman Pilot called the meeting to order and reviewed the items on the agenda.

Approve Consent Agenda (Moved and duly seconded)

MOVED, that the consent agenda of the June 27, 2024 meeting of the Financial Affairs Committee be approved.

Items of the Consent Agenda were approved unanimously, by roll call vote, in favor of this motions}

- 1) Approve minutes of the Financial Affairs Committee meeting of March 8, 2024.

End of Consent Agenda

ACTION ITEMS

Approval of Systemwide FY25 Operating and Capital Budget (Moved and duly seconded)

VOTED,

projects She said USNH June 30, 2025 cash and short-term investments are projected to be \$132 million; which is consistent with the projected balance at the time the strategic investments were approved back in October 2022. She said financial pressures for the System continue and appear to be more challenging than expected, indicating a need for increased shared services / facilities restructuring and downsizing / pricing strategy to increase revenue and market share. She recommends developing updated multi-year plans during the summer of 2024 to include updated information including updated enrollment, the FY25 budget as a new baseline, updated return estimates on strategic investments and financial sustainability plans, information from campus masters plans being finalized, etc.

Risks and Opportunities were discussed including Fall enrollment may be lower than budgeted, Targeted operating margin improvements may not be realized, rising medical, higher employment costs associated with Fair Labor Standards Act (FLSA) changes, potential credit rating downgrade based on budgeted operating activity. Opportunities include the possibility that Short-Term Investment Returns will be higher than the 4.5% assumption, employee benefits redesign/changes that are currently being evaluated by USNH Presidents' Council, and the ability to pause/delay addition 1-0.0-2 (a)4 (t)-2 (e)4 (d) 2 by U)2 (S s)-1 (e)4 (d) -10 ddit Sbiplay.]R-2 (I2 (H)-8 2

