



WAYNE STATE UNIVERSITY

Financial Sustainability

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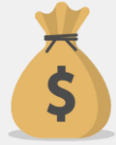
Financial Stability Focus Area:

- **Goal** - Strengthen and improve financial and budgetary management policies, procedures, and practices.
- **Goal** - Enhance the culture of philanthropy across Wayne State.



University Financial Scorecard:

Strengthen and improve financial and budgetary position



Moody's Financial Ratios & Revenues

WSU Metrics	Prior 3 Yr Avg	FY 2023	Difference	% Change
Operating Margin ¹	4.90	1.50	-3.40	-69%
Monthly Days Cash on Hand ¹	175.5	172.9	-2.57	-1%
Revenue from Tuition per FTE	11,138	11,202	64	1%
State Appropriation per FTE	7,738	8,385	647	8%



Peer Institutions

Peer Metrics	Prior 3 Yr Avg	FY 2023	Difference	% Change
Operating Margin ^{1,2,3}	5.53	2.71	-2.82	-51%
Monthly Days Cash on Hand ^{1,2,3}	169.0	170.2	+1.19	+1%
Revenue from Tuition per FTE	10,173	10,297	124	1%
State Approp per FTE	8,661	9,500	839	10%



Endowment & Giving

WSU Metrics	2023	2020	Difference	% Change
Market Value ⁴	\$513M	\$402M	\$111M	28%
New Gifts & Pledges	\$103.2M	\$48.9M	\$54.3M	111%
Cash Giving	\$68.3M	\$47.4M	\$20.9M	44%
Student Financial Needs (\$M)	\$23.5M	\$8.4M	\$15.1M	180%
Endowed Faculty Positions (#)	85	81	4	5%
Program Support	\$19M	\$16M	\$3M	23%



Peer Institutions

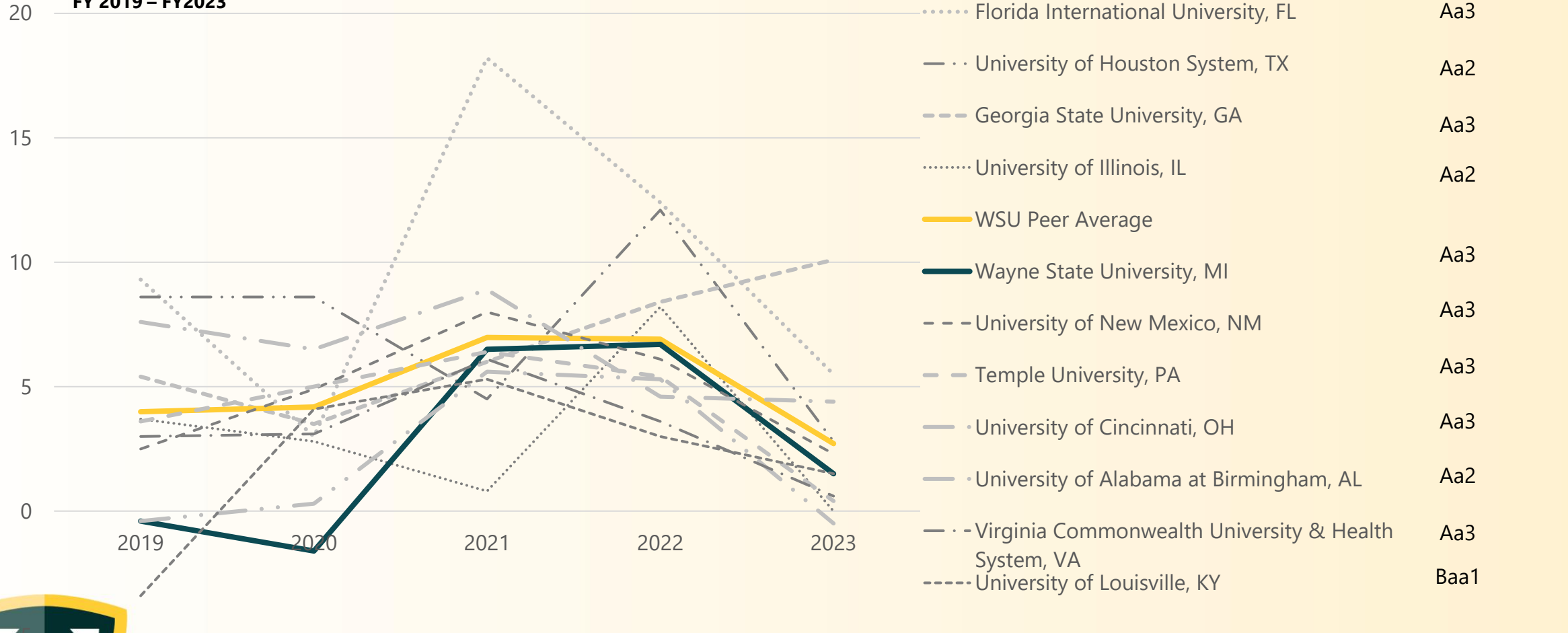
Peer Metrics	2023	2020	Difference	% Change
Average Market Value ⁴	\$1,269M	\$996M	\$273M	27%
Average Cash Giving ⁵	\$86M	\$75.7M	\$10.3M	14%



1. Data from Moody's Investor Service.
2. Data for the University of Alabama–Birmingham, University of Illinois-Chicago, and University of Houston is reported at the system level.
3. University of Louisville, University of New Mexico, and Virginia Commonwealth University were omitted from the peer group for consistency.
4. Values as of 6/30 for comparability from U.S. College and University Endowments and Affiliated Foundations that Participated in the 2023 NACUBO-Commonfund Study of Endowments average return for all endowments.
5. Average Cash Giving data comes from the CASE Voluntary Support of Education (VSE) Survey and does not represent total fundraising annually. It only reflects cash giving received (no pledge totals).

Operating Margin: *In Line with WSU Peer Average*

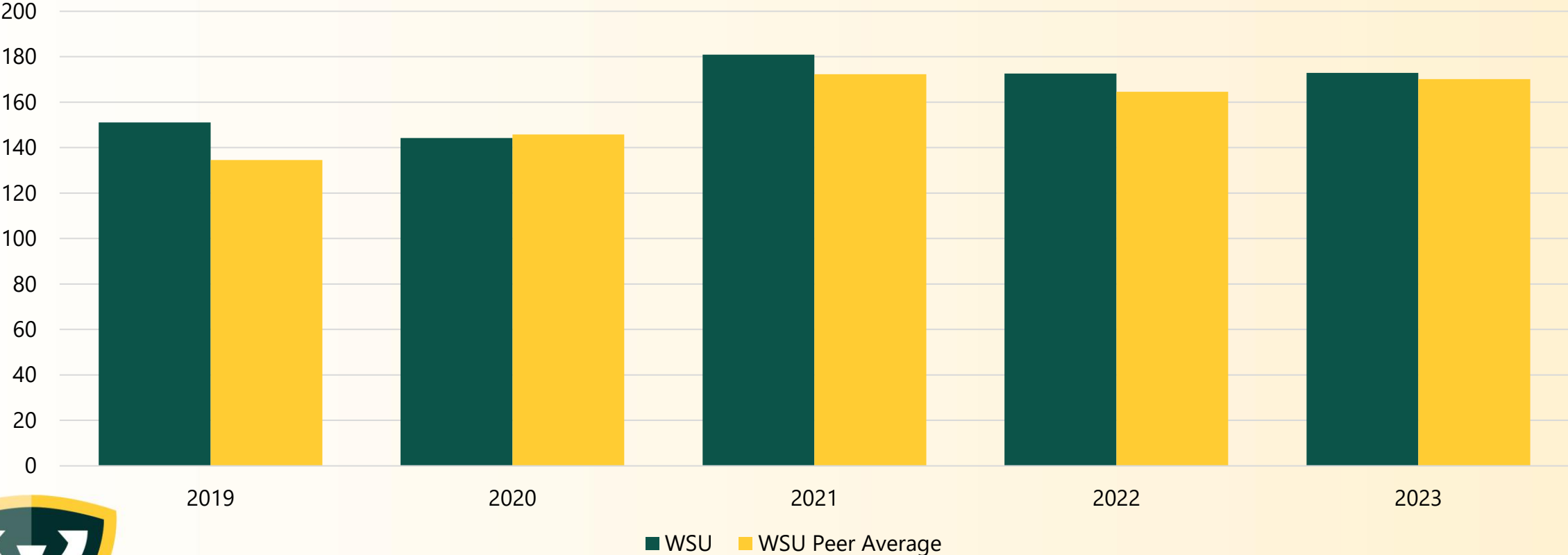
WSU and Peer Operating Margin
FY 2019 – FY2023



1. Data from Moodys Investor Service.
 2. In FY20, WSU's operating margin increased in part due to federal economic relief funds. Those funds rolled off in FY23, contributing to the decline in operating margin.

Monthly Days Cash on Hand: *Increased Since 2018*

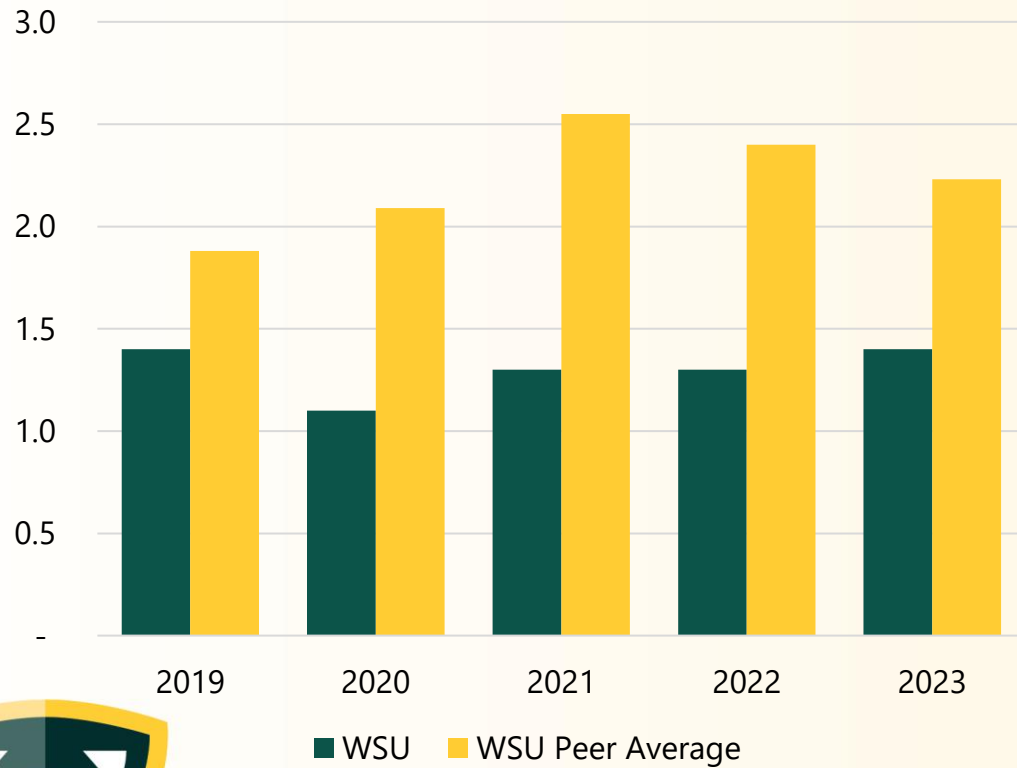
Monthly Days Cash on Hand
FY 2019 – FY2023



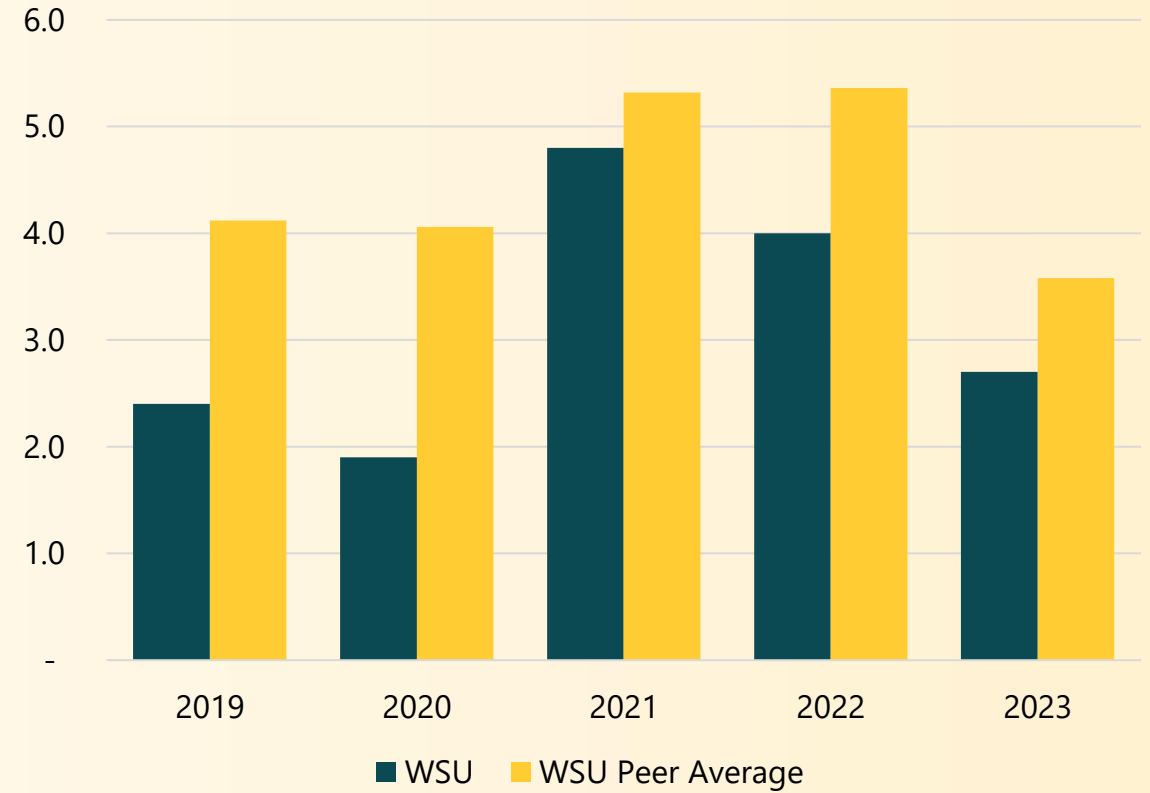
1. Data from Moodys Investor Service.

Debt Ratios: *Lower than WSU Peers*

Spendable Cash and Investments to Total Debt
FY 2019 – FY2023

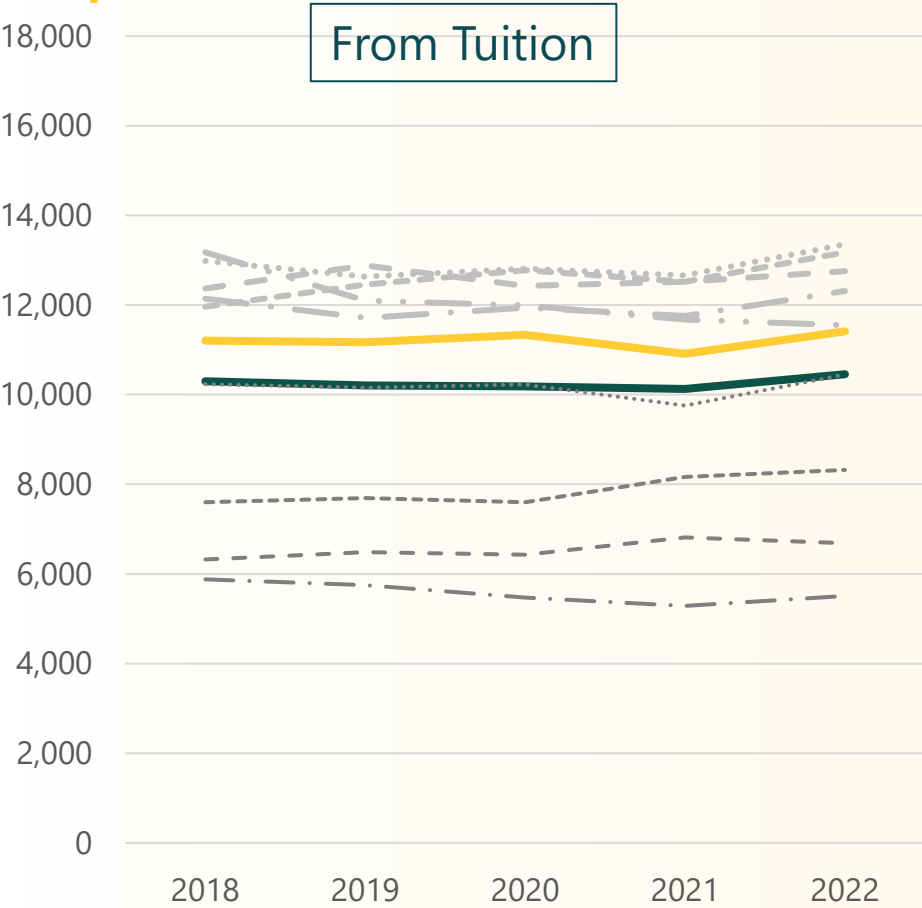


Annual Debt Service Coverage
FY 2019 – FY2023

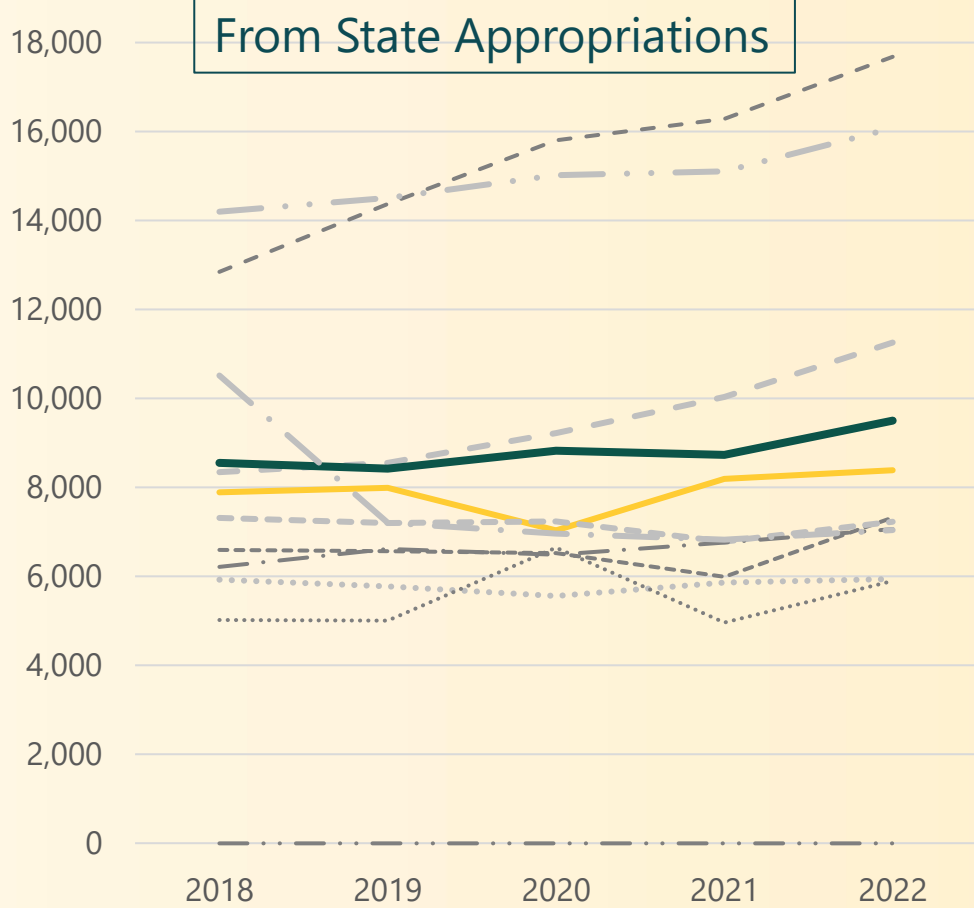


1. Data from Moodys Investor Service.

Revenue per Full Time Equivalent (FTE) Student



- University of Cincinnati-Main Campus
- - - University of Louisville
- - - Virginia Commonwealth University
- - - University of Illinois Chicago
- - - University of Alabama at Birmingham
- Wayne State University, MI
- WSU Peer Average
- University of Houston
- - - Georgia State University
- - - University of New Mexico-Main Campus
- . - Florida International University

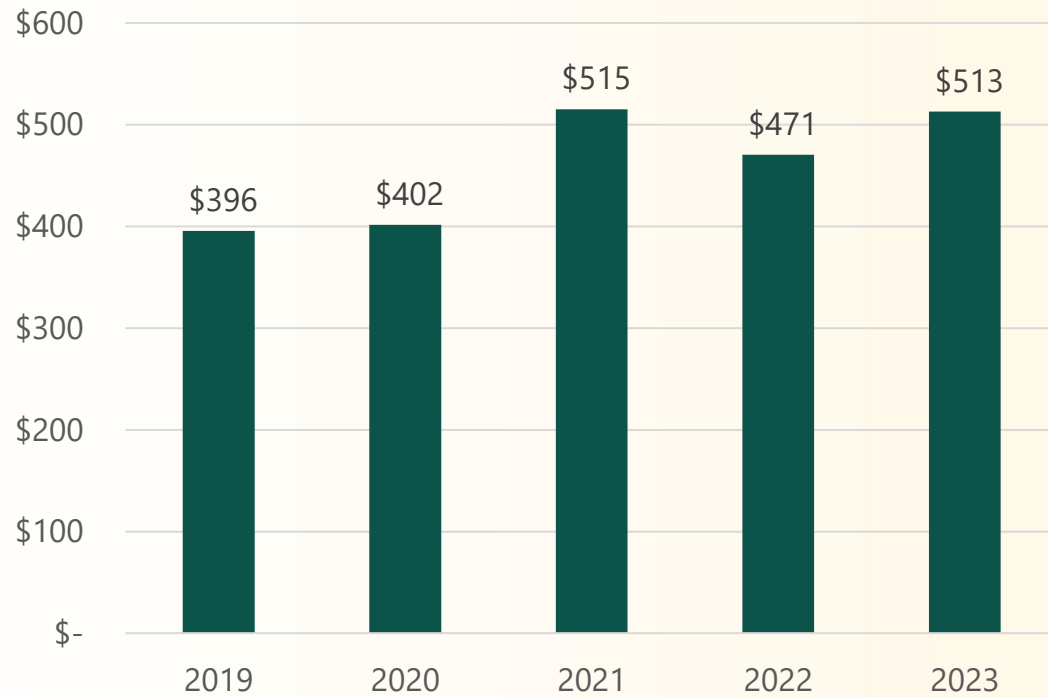


1. Excludes Temple University, which doesn't report similarly

Endowment Market Value

Trend and Rank Among Peers

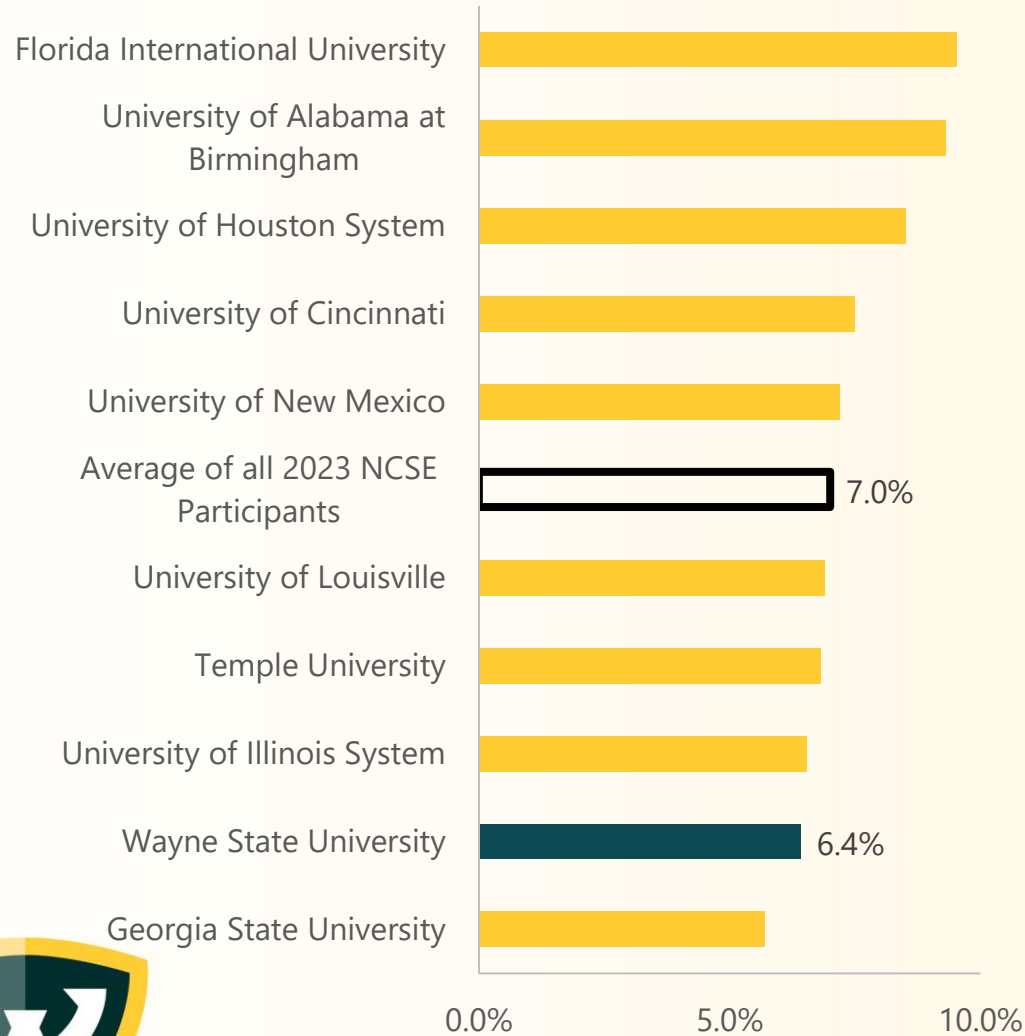
Total Investments as of June 30
(\$ in millions)



Institution	Endowment Market Value* (in thousands)
Virginia Commonwealth University	2,582,571
University of Cincinnati	1,345,894
University of Alabama at Birmingham	1,090,000
University of Houston System	1,019,350
University of Louisville	918,348
Temple University	839,078
University of New Mexico	661,070
Wayne State University	512,807
Florida International University	306,631
Georgia State University	227,449
University of Illinois - Chicago	N/A

1. U.S. College and University Endowments and Affiliated Foundations that Participated in the 2023 NACUBO-Commonfund Study of Endowments average return for all endowments. - Data as of 6/30 for comparability.

Endowment 5-Year Annualized Returns for Peers¹:



Institution Size	25th Percentile (Lower Quartile)	50th Percentile (Median)	75th Percentile (Upper Quartile)
Under \$50 Million	5.3%	6.0%	6.6%
\$51 Million to \$100 Million	5.5%	6.1%	6.8%
\$101 Million to \$250 Million	5.7%	6.5%	7.2%
\$251 Million to \$500 Million	6.0%	6.7%	7.9%
\$501 Million to \$1 Billion	6.5%	7.2%	8.3%
\$1 Billion to \$5 Billion	7.2%	8.1%	9.1%
Over \$5 Billion	8.1%	9.5%	10.4%
All Institutions	6.0%	6.8%	8.0%

Type of Institution	25th Percentile (Lower Quartile)	50th Percentile (Median)	75th Percentile (Upper Quartile)
All Public Colleges/Universities	6.0%	6.7%	7.8%
Public College, University, or System	6.1%	6.8%	8.0%
Institutionally Related Foundation	5.8%	6.5%	7.3%
Combined Endowment/Foundation	6.4%	7.2%	8.1%
All Private Colleges/Universities	5.9%	6.8%	8.1%
All Institutions	6.0%	6.8%	8.0%

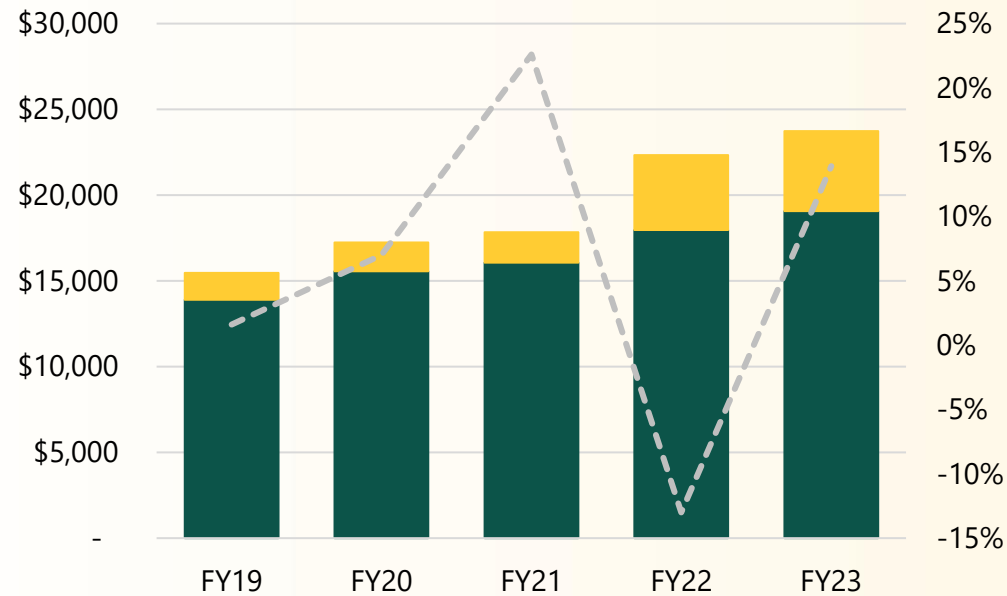


1. U.S. College and University Endowments and Affiliated Foundations that Participated in the 2023 NACUBO-Commonfund Study of Endowments average return for all endowments. - Data as of 6/30 for comparability.

Campus Support and Endowment Inflows: *Steadily Increasing Support*

Campus Support v Returns

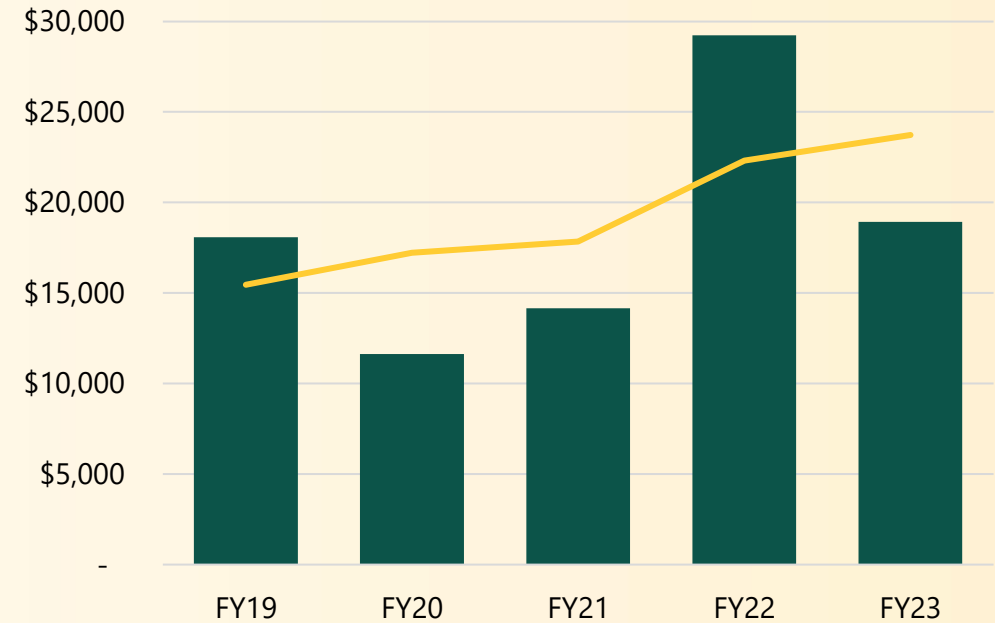
FY 2019 – FY2023
(\$ in thousands)



■ Program Support
 ■ Development Support
 - - - Endowment Return

Endowment Inflows v Campus Support

FY 2019 – FY2023
(\$ in thousands)



■ Endowment Inflows
 — Total Campus Support

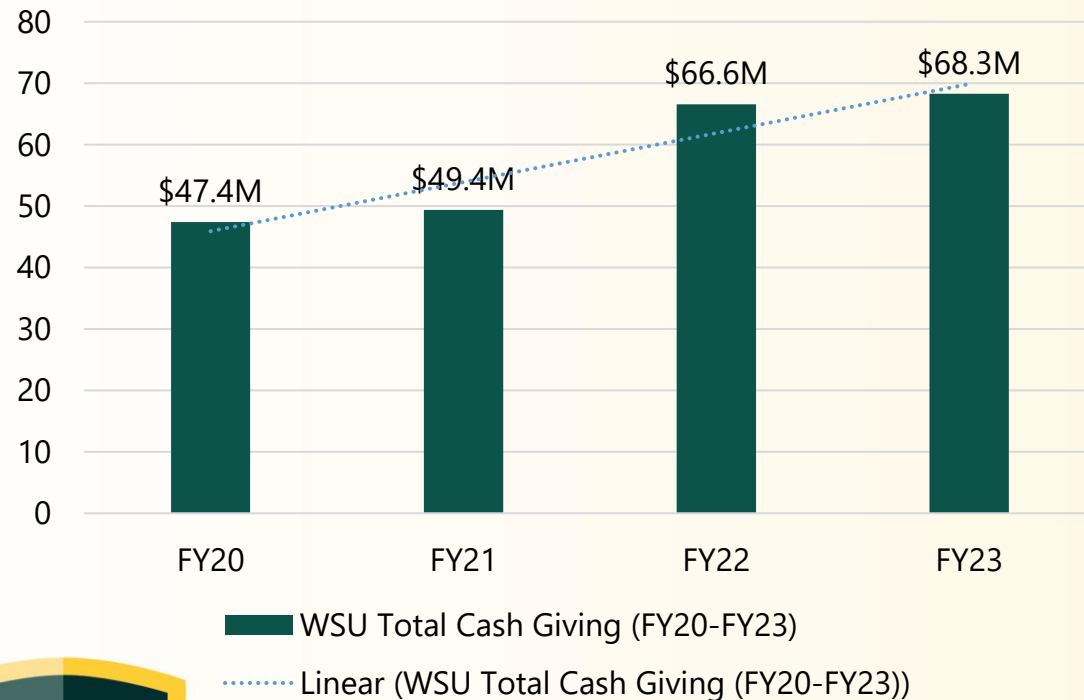


1. In October 2021, the Board of Governors approved an increase in Development support from 0.45% to 1.0%.

Total Cash Giving¹

Rank Among National Peers

WSU Total Cash Giving (FY20-FY23)
(\$M)



Institution ²	Total Cash Giving (FY23)
Virginia Commonwealth University	\$172,167,898
Temple University	\$117,517,218
University of Houston	\$109,116,435
University of Cincinnati	\$107,930,193
University of Alabama at Birmingham	\$83,814,006
University of Illinois at Chicago	\$77,079,860
University of New Mexico	\$76,656,800
Wayne State University	\$68,286,797
Georgia State University	\$46,352,720
Florida International University	\$45,198,568
University of Louisville	\$41,969,457

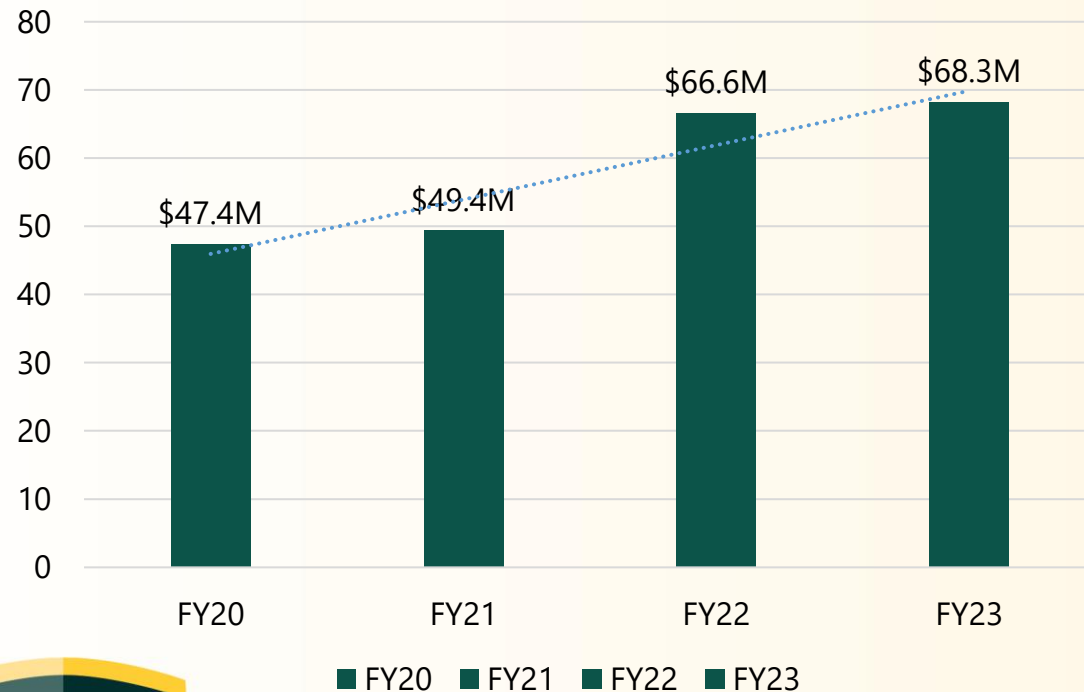


1. Data Source: CASE Voluntary Support of Education (VSE) Survey. Represents only cash giving; does not count cash pledge totals or planned/deferred commitments.
 2. Totals for VCU, University of Cincinnati, University of Louisville, and University of New Mexico include total cash giving to a hospital system

Total Cash Giving¹

Rank Among Michigan Publics

WSU Total Cash Giving (FY20-FY23)
(\$M)



Institution ^{2, 3}	Total Cash Giving (FY23)
University of Michigan	\$461,255,933
Michigan State University	\$196,437,791
Western Michigan University	\$83,325,204
Wayne State University	\$68,286,797
Grand Valley State University	\$18,813,617
Central Michigan University	\$18,563,476
Michigan Technological University	\$15,851,389
Ferris State University	\$6,579,712
Saginaw Valley State University	\$5,602,092



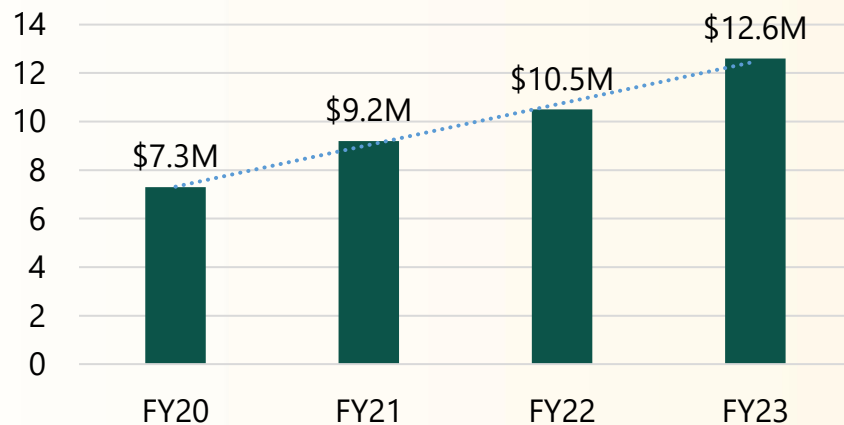
1. Data Source: CASE Voluntary Support of Education (VSE) Survey. Represents only cash giving; does not count cash pledge totals or planned/deferred commitments.
2. Data Unavailable for Eastern Michigan University, Northern Michigan University, and Oakland University.
3. Total cash giving for the University of Michigan includes total cash giving to a hospital system.

Student Financial Needs: Increasing Student Support through Fundraising Activity



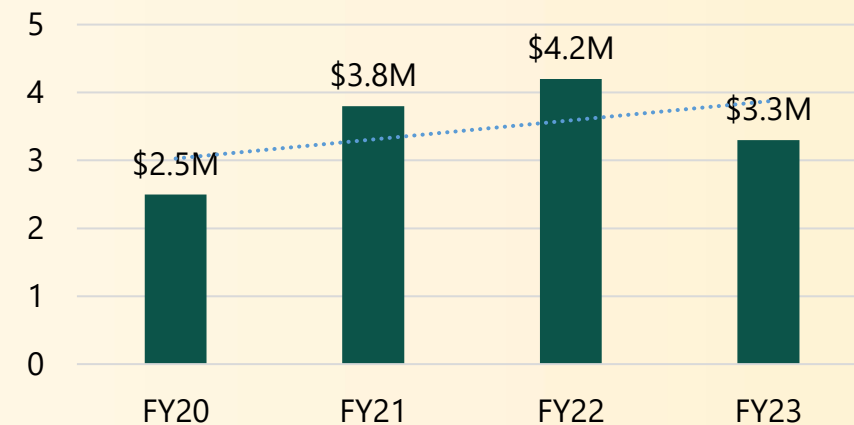
WSU Metric ¹	2023	2020	Difference	% Change
Student Financial Needs (\$M)	\$23.5M	\$8.4M	\$15.1M	180%

Student Financial Needs
(Cash Giving to Endowment)²



■ Cash Gifts for Student Financial Needs
⋯ Linear (Cash Gifts for Student Financial Needs)

Student Financial Needs
(Expendable Cash Giving)²



■ Cash Gifts for Student Financial Needs
⋯ Linear (Cash Gifts for Student Financial Needs)

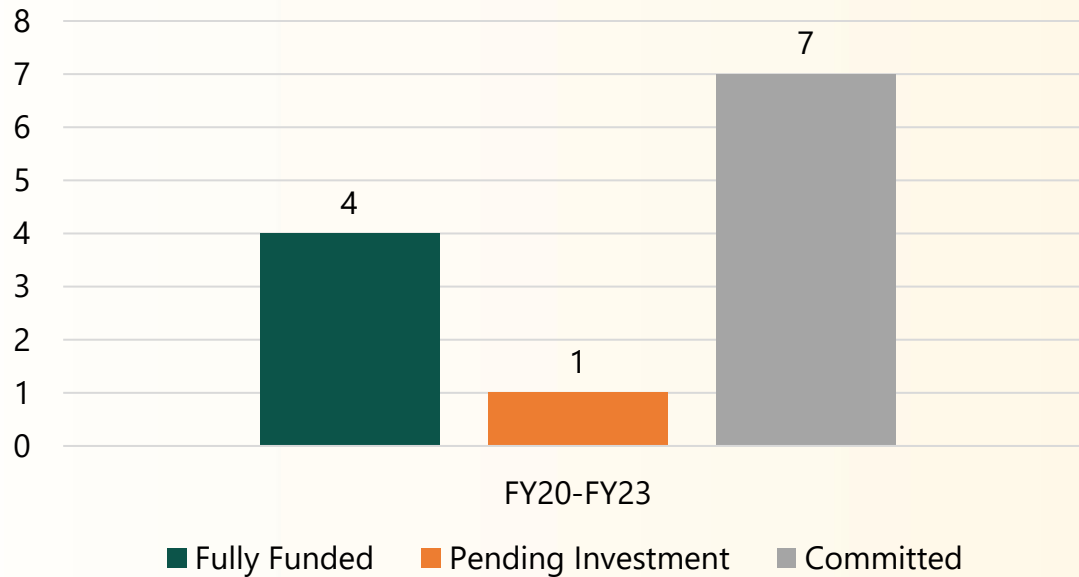


1. WSU's Strategic Plan metric is a 'total fundraising production' metric, not a 'cash giving' metric.
 2. Tables reflect only outright cash giving restricted to support student financial needs. New cash pledges and planned/deferred commitments are not included.

Enhance the Culture of Philanthropy across Wayne State:

Increase the number of endowed chairs, professorships, fellowships, and endowed or funded faculty titles

New Endowed Faculty Positions
(FY20-FY23)



Since FY20:

- We've added four (4) fully funded new endowed faculty positions
- We have one (1) new endowed faculty position that has not yet achieved the minimum endowment threshold for investment
- We have commitments for an additional seven (7) new endowed faculty positions that will be established through the realization of planned gift expectancies.



Discussion



Peer Groups

WSU Institutional Peers

Florida International University, FL

Georgia State University, GA

Temple University, PA

University of Alabama at Birmingham, AL

University of Cincinnati, OH

University of Houston System, TX

University of Illinois, IL

University of Louisville, KY

University of New Mexico, NM

Virginia Commonwealth University & Health System, VA



1. University of Illinois - Chicago is consolidated with the University of Illinois