

UNTS Board of Regents

FY 2024 Q3 Financial Update

Susan Alanis, Deputy Chancellor for Finance & Operations
August 15, 2024

Enterprise Strategic Priority

- Continue to develop/update **financial policies and practices** to:
 - Manage risk (reserve policy; fiscal health ratios) and maintain appropriate liquidity
 - Support operations (effective/efficient resource management and forecasting)
 - Invest in capital renewal (deferred maintenance strategy and master planning of built environment)
 - Preserve credit rating and flexibility to pursue strategic initiatives
- Establish **financial strategies and objectives** for:
 - Philanthropy
 - Research and Other Grants

Key Financial Drivers

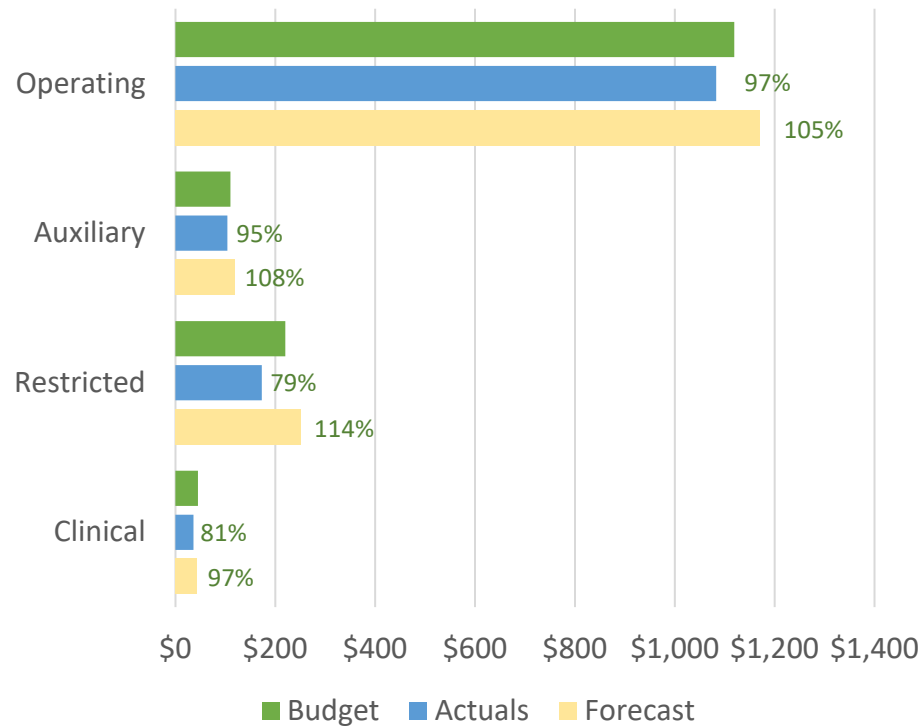
FY2024 Year-End Forecast as of Q3

- Projected revenue performing above budget with anticipated enterprise-wide **contributions to fund balance of \$24.3m**
 - **Tuition and Sales of Goods & Services** revenue increases driven by UNT and UNTD's enrollment growth
 - Increased **Grants and Contracts** from Pell, Texas Grants and AIM-AHEAD

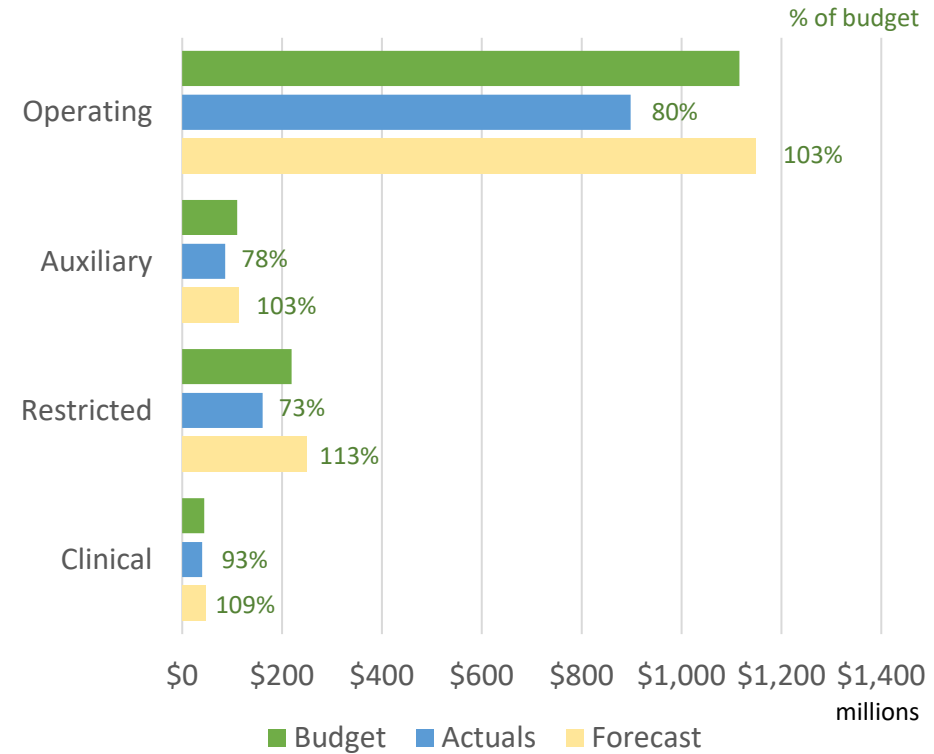
FY 2024 Q3 Budget Performance

UNTS Consolidated

REVENUES & TRANSFERS IN



EXPENSES & TRANSFERS OUT



Forecasted Net Impact to Fund Balance

Operating \$21.3m + Auxiliary \$5.7m + Restricted \$1.8m + **Clinical -\$4.5m** = **\$24.3m**

FY 2024 Q3 Budget Performance



Revenues and Transfers-In Drivers (received 95% of budget, forecast 7% over budget):

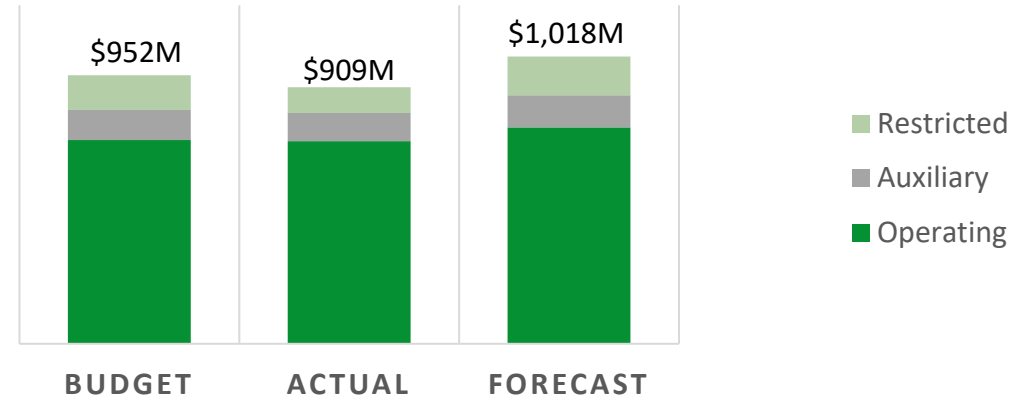
- **Tuition and Fees** forecasted to be 1% over budget due to Fall and Spring enrollment; an increase of 6% year over year
- **Grants and Contracts** projected to be 25% over budget due to an increase in Texas Grants

Expenses and Transfers-Out Drivers (spent 79% of budget, forecast 5% over budget):

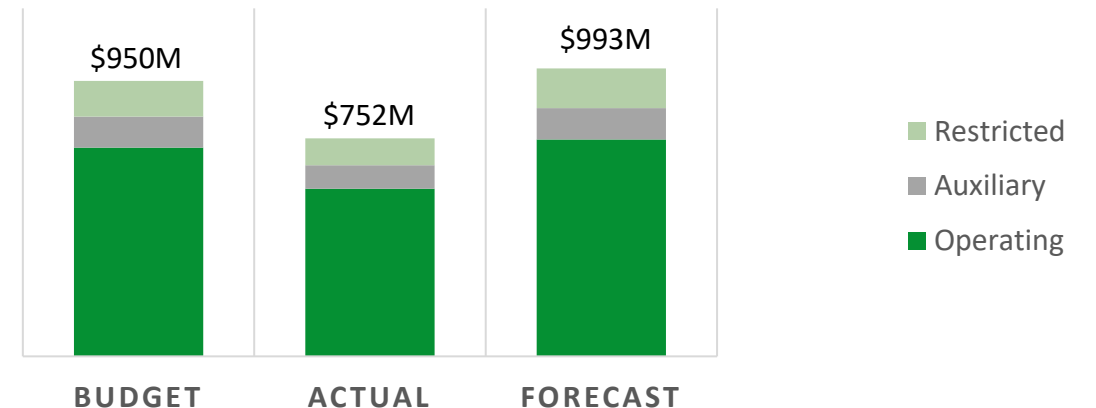
- **Personnel Costs** expended 81% of budget, on track to be 2% over budget at end of year due to enrollment growth
- **Scholarships and Financial Aid** projected 11% over budget due to increase in Grants and Contracts revenue

Forecasted impact to fund balance \$24.5M;
\$18.3M operating, \$6.2M auxiliary and \$0M restricted.

REVENUES & TRANSFERS IN



EXPENSES & TRANSFERS OUT



FY 2024 Q3 Budget Performance

Revenues and Transfers-In Drivers (received 86% of budget, forecast 5% over budget):

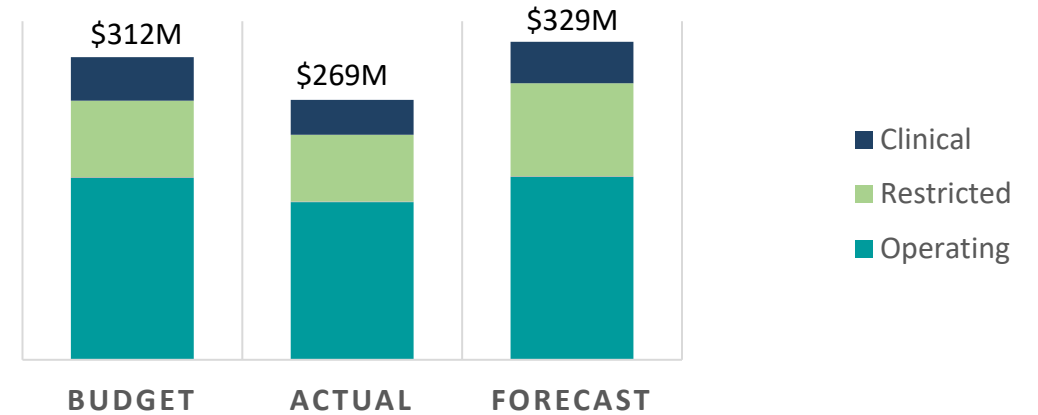
- **Tuition and Fees** received 85% of budget, projecting to be 2% over budget
- **Grants and Contracts** forecasted to be \$17m/22% over budget due to AIM-Ahead carryover revenue from FY23 and Texas Child Mental Health Care Consortium (TCMHCC) revenue

Expenses and Transfers-Out Drivers (spent 83% of budget, forecast 6% over budget):

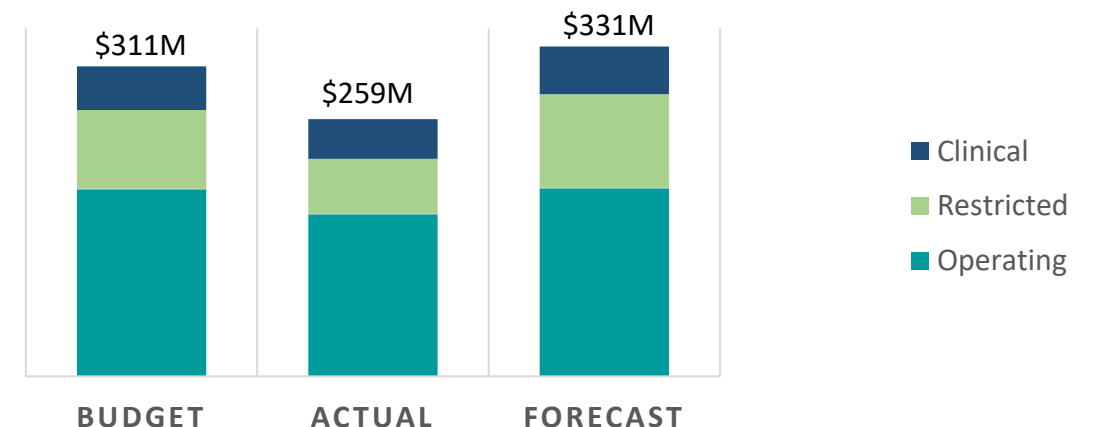
- **Personnel Costs** expended 77% of budget
- **Other Expenses** projected to be \$16m over budget because AIM-Ahead carryover expenses and TCMHCC payments

Forecasted impact to fund balance **-\$2.1M**;
\$0.4M operating, \$0M auxiliary, \$2.0M restricted, and **-\$4.5M clinical**.

REVENUES & TRANSFERS IN



EXPENSES & TRANSFERS OUT



FY 2024 Q3 Budget Performance

Revenues and Transfers In Drivers (received 94% of budget, forecast 4% over budget):

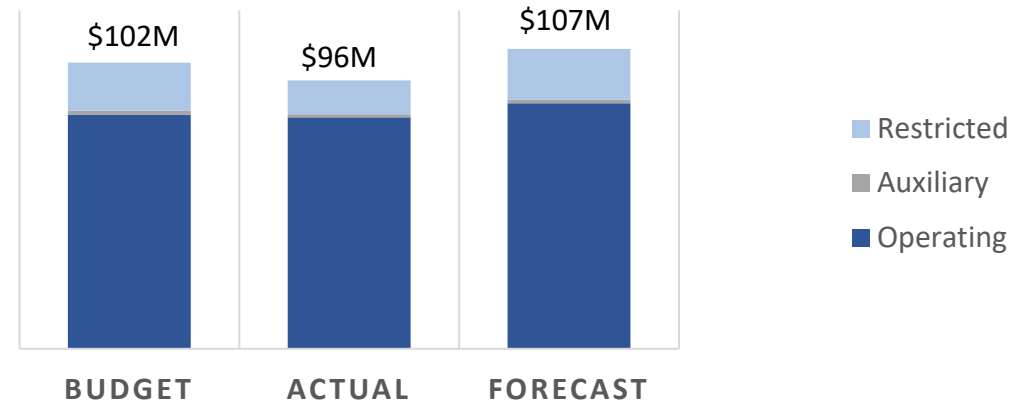
- **Tuition and Fees** forecasted to be 3% over budget because increased Fall and Spring enrollment
- **Grants and Contracts** projected to be 2% over budget due to an increase in Texas Grants and THECB Bilingual Education Grants

Expenses and Transfers Out Drivers (spent 81% of budget, forecast 4% over budget):

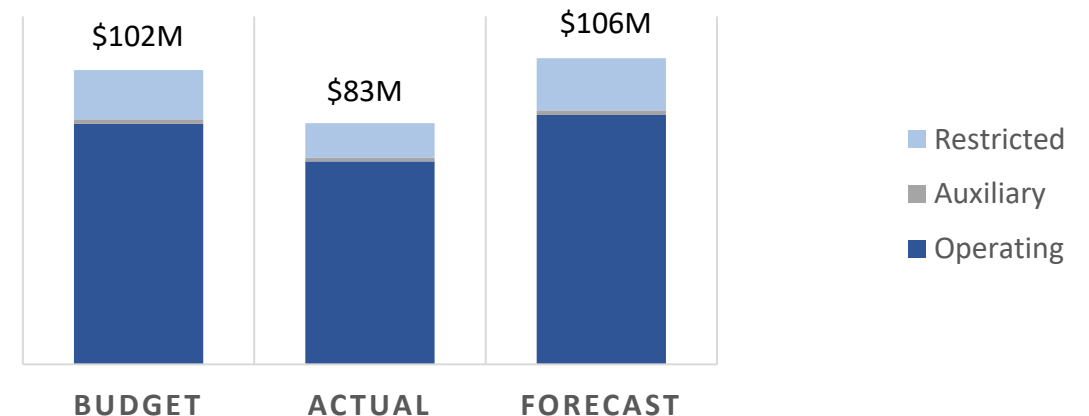
- **Personnel Costs** are 78% expended of budget
- **Maintenance & Operation Costs** forecasted to be 10% above budget related to STEM building equipment purchases

Forecasted impact to fund balance \$0.6M; \$1.2M operating, **-\$0.3M auxiliary** and **-\$0.2M restricted**.

REVENUES & TRANSFERS IN



EXPENSES & TRANSFERS OUT



FY 2024 Q3 Budget Performance

Revenues and Transfers-In Drivers (received 95% of budget, forecast 3% over budget):

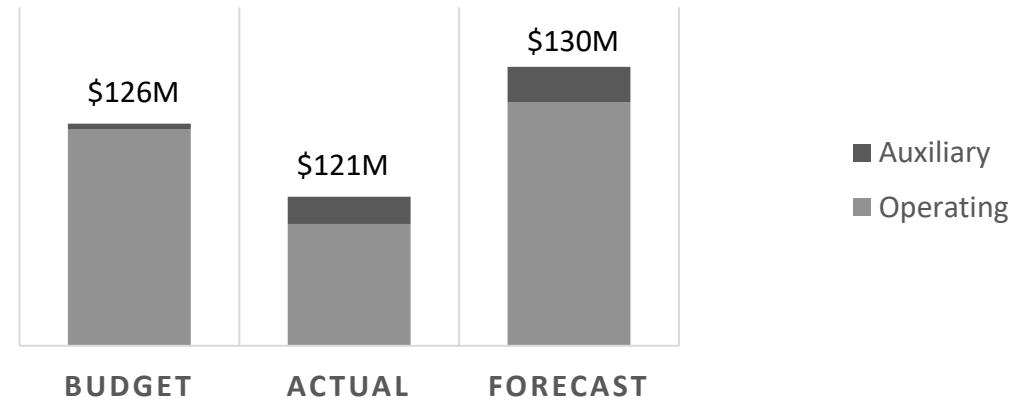
- **Sales of Good and Services** expected to be higher than budget due to building related revenue not included in the FY24 Budget

Expenses and Transfers-Out Drivers (spent 72% of budget, forecast 3% over budget):

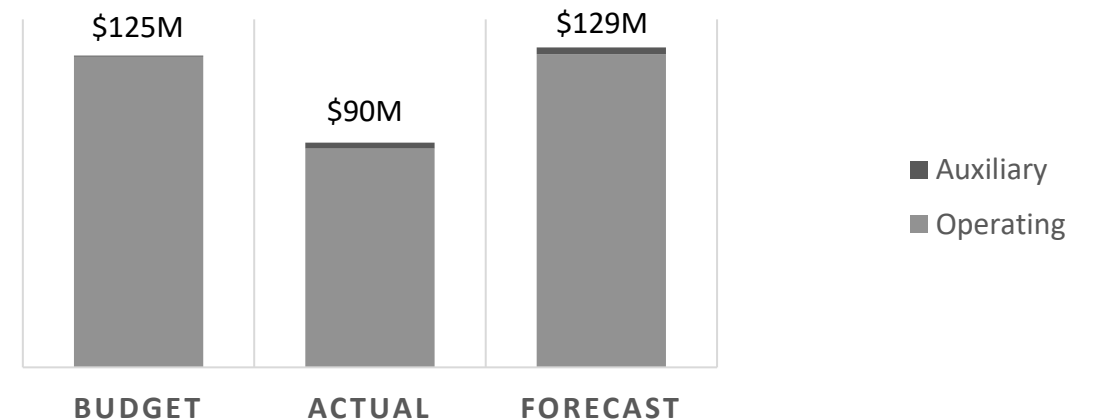
- **Personnel Costs** expended 74% of budget
- **Maintenance & Operation Costs** forecasted to be 12% above budget related to the delay in the sale of the System Building

Forecasted impact to fund balance \$1.2M;
\$1.3M operating and **-\$0.1M auxiliary.**

REVENUES & TRANSFERS IN



EXPENSES & TRANSFERS OUT



Net Position Q3 2024 over Q3 2023

Increased \$119m due to:

- Increased enrollment (\$12m)
- Increased State appropriation (\$51m)
- Frisco Phase II Land (\$33m)
- Increased research activity (\$17m)
- Increase in Fair Market Value of Assets (\$20m)

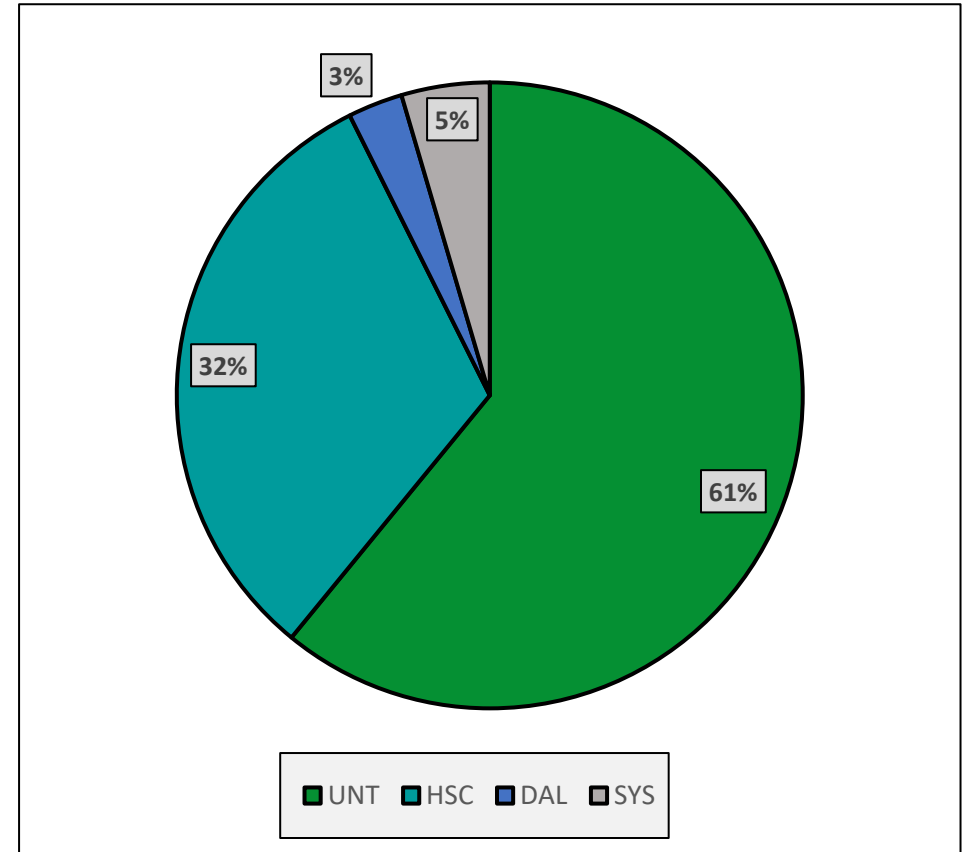
	2024	2023	% Increase (Decrease)
Assets and Deferred Outflows of Resources			
Current Assets	\$ 745,364	\$ 560,593	33.0%
Non-Current Assets:			
Capital Assets, Net	1,481,467	1,424,489	4.0%
Other Non-Current Assets	712,572	606,998	17.4%
Deferred Outflows of Resources	223,240	277,723	(19.6%)
Total Assets and Deferred Outflows of Resources	\$ 3,162,643	\$ 2,869,803	10.2%
Liabilities and Deferred Inflows of Resources			
Current Liabilities	\$ 512,420	\$ 308,490	66.1%
Non-Current Liabilities:			
Bonded Indebtedness	690,788	742,431	(7.0%)
Other Non-Current Liabilities	668,379	636,343	5.0%
Deferred Inflows of Resources	213,291	223,924	(4.7%)
Total Liabilities and Deferred Inflows of Resources	\$ 2,084,878	\$ 1,911,188	9.1%
Net Position			
Net Investment in Capital Assets	\$ 645,440	\$ 618,044	4.4%
Restricted:			
Funds Held as Permanent Investments:			
Non-Expendable	68,230	65,543	4.1%
Expendable	46,842	46,959	(0.2%)
Other Restricted	82,146	72,947	12.6%
Total Restricted	197,218	185,449	6.3%
Unrestricted	235,107	155,122	51.6%
Total Net Position	\$ 1,077,765	\$ 958,615	12.4%
Total Liabilities and Net Position	\$ 3,162,643	\$ 2,869,803	10.2%

FY 2024 Q3 Operating Cash and Investments

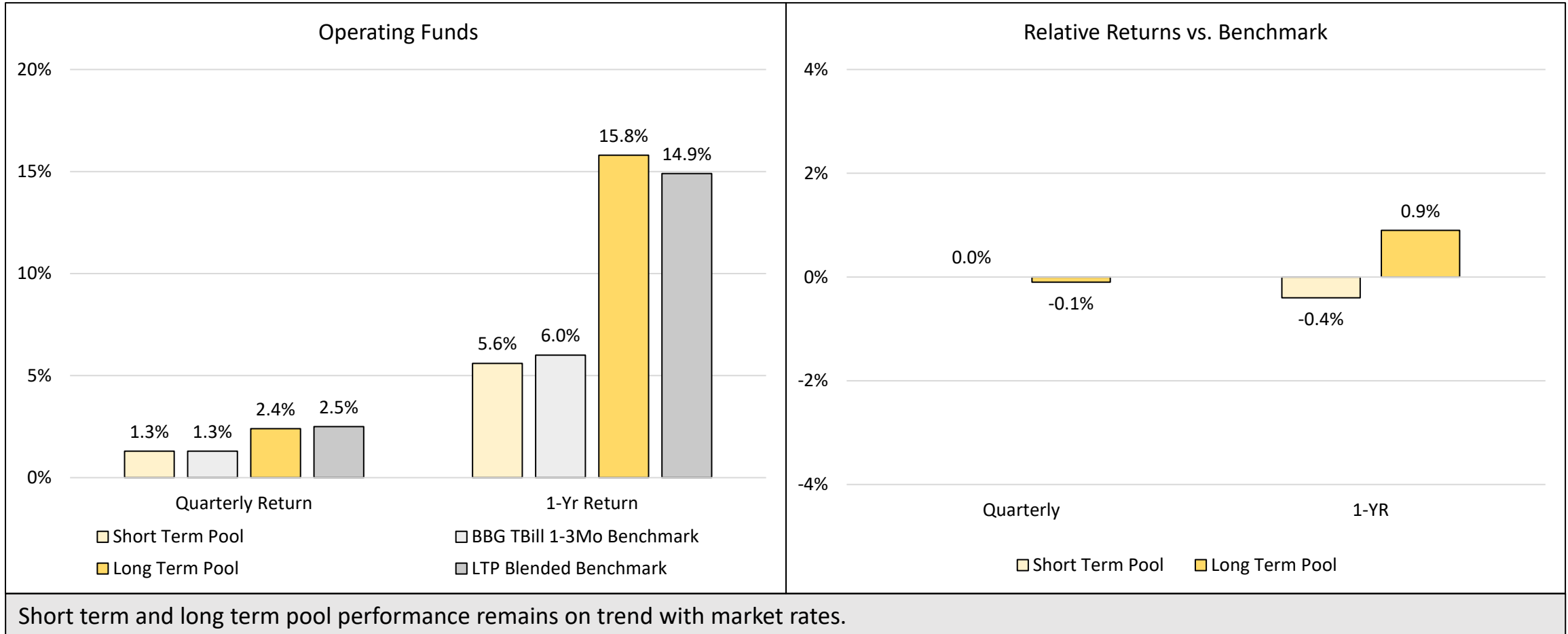
Short-Term Pool (STP) and the Long-Term Pool (LTP)



Operating Funds By Business Unit



FY 2024 Q3 Investment Performance – Operating Funds

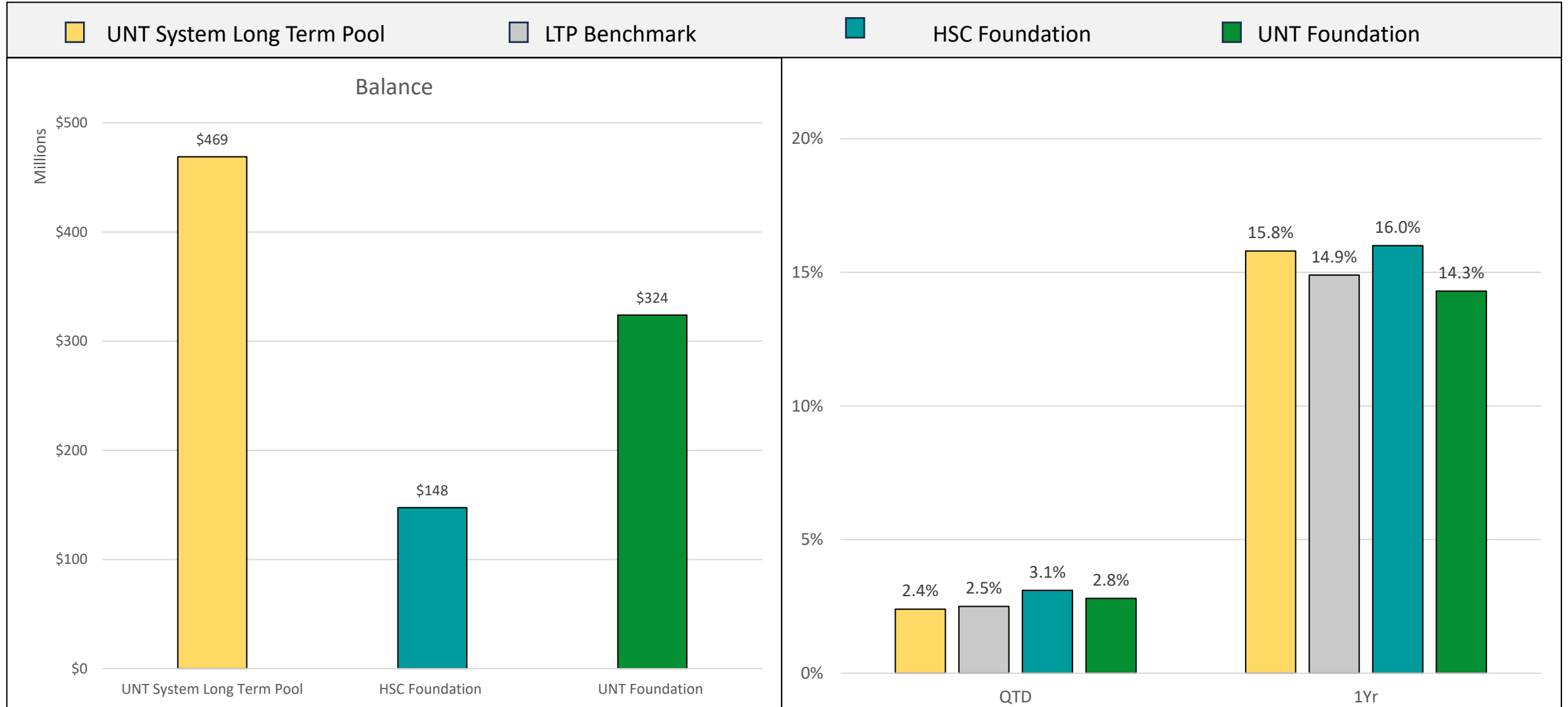


Debt Program Cost



- **Next debt sale** planned in early Fall
- Watching upcoming peer credit rating to determine **impact of Texas University Fund**
- Commercial Paper Rate (short-term financing) is 3.69%

FY 2024 Q3 Long Term Pool and Foundations



Note: Excludes Private Equities and Credit performance

Questions