

FY22

Financial Report Quarter 3 Ended 03/31/2022



Executive Summary

With three quarters of the year completed, the FY22 forecast reflects an anticipated \$22.7 million operating surplus, compared to the budget surplus of \$2.9 million. The University's cash position is projected to be at \$77.1 million at fiscal year-end, \$20.6 million more than the FY21 ending cash position of \$56.5 million.

Two significant, revenue sources have contributed to that sizeable surplus and positive variance: \$4.8 million in proceeds from oil and gas lease royalties, and \$10.9 million from the institutional portion of the supplemental federal relief package, referred to as HEERF III. These revenues of \$15.7 million have more than offset a net revenue shortfall of \$3.2M from other, primarily enrollment-extractions and positive variance:

Cash

Total cash, as of March 31, 2022, was \$97.8 million, with \$20.8 million in uncommitted cash. Campus Commons bond proceeds of less than \$100,000 held by the University are not included in the cash tables below. Cash is projected to be \$77.1 million on June 30, 2022, as shown in Table 1.

Figure 1. Cash at March 31, 2022

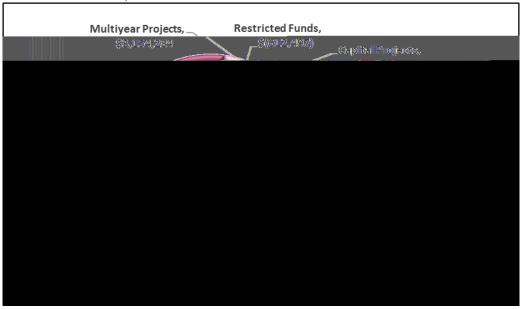


Table 1. Committed and Uncommitted Cash

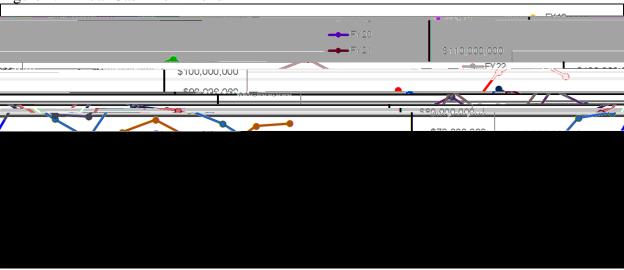
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Cash

The cash flow trend is relatively consistent as shown in Figure 2. The low point during the year has traditionally occurred in mid-August and is a good point for benchmarking purposes. This is noted with the letter "A" in the graph.

The increase in cash in October, 2021 (FY22) is also noteworthy as the month in which approximately \$17 million in HEERF II and III grants were received, in addition to the typical increase related to the receipt of payments for student charges at the beginning of the fall term.





Operating Budget Operating Budget Variances:

Undergraduate Net Tuition and Fee Revenue: The forecast is \$1.7 million less than budget. The forecast for full fiscal-year undergraduate FTE is 6,238

Operating Budget

Table 2: Operating Budget

Table 2: Operating Budget In millions	FY21 Actuals	FY22 Budget	FY22 Forecast	Variance Budget to Forecast fav/(unfav)	Actuals at 03/31/22	% Actual to Budget
OPERATING REVENUES	Actuals	Budget	Torecast	ιαν/(αιπαν)	03/31/22	to Budget
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Tuition and Room & Board Discounting

Our institutional discount rate demonstrates the financial impact on UNC of offering scholarships and waivers funded by institutional revenue. The tables below take it a step further and calculate the net tuition revenue per FTE.

Table 3. Undergraduate Tuition and Fee Discounting

	FY21 Actual	FY22 Budget	FY22 Forecast	Variance Budget to Forecast fav/(unfav)
Net Tuition Revenue	\$ 64,403,170	\$ 62,069,705	\$ 60,390,499	\$ (1,679,206)

Table 4. Graduate Tuition and Fee Discounting

Variance

\$ 29,011,915 \$ 30,658,237 \$ 29,653,394 \$

Table 5. Room and Board Discounting

Net Tuition Revenue

(1,004,843)

Multiyear Projects

Capital

Although forecasted expenditures by fiscal year are provided for context, new projects of \$16.1 million were fully approved by the Board of Trustees and funded at the beginning of the fiscal year. The FY22 forecast is \$2.3 million less than budget due to the expectation that more spending will carry forward to FY23 than budgeted.

Table 7. Capital Projects

Approved Prior Year(s) FY22 Budget Forecast Out Year(s) Budget Actual FY22 Budget Forecast Out Year(s) Forecast UNC Funded Projects						Variance	
Budget Actual FY22 Budget Forecast fav/(unfav) Forecast		Annuared	Dries Veer(e)		EVaa	Budget to	Out Vaar(a)
		Approved Budget	Actual	FY22 Budget	Forecast	fav/(unfav)	Forecast
	UNC Funded Projects					, ,	
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Foundation Support

Table 8. Foundation Support Expended*

Table 8. Poundation Support Expended	FY21	FY22	FY22	Variance Budget to Forecast
Foundation Support Expended	Actual	Budget	Forecast	fav/(unfav)
Restricted Program Support				
Total Restricted Program Support	2,968,415	3,428,232	4,217,206	(788,974)
Scholarships				
Total Scholarship Support	6,428,356	6,001,000	6,475,031	(474,031)
Capital Support	£02 249	5 207 222	E 14E 904	144 222
Total Capital Support Grants	603,218	5,287,223	5,145,891	141,332
Giants				
Total Grants Support	524,367	750,000	600,000	150,000
Total Foundation Support Expended	\$ 10,524,356	\$ 15,466,455	\$ 16,438,128	\$ (971,673)

^{*}Includes the Foundation Support funds expended in the fiscal years shown, as opposed to funds raised by the Foundation in those fiscal years.

Restricted Grants and Contracts

Table 9. Restricted Grants and Contracts

	Restricted Grants Budget	Restricted Grants Actual	HEERF Grants Actual	FY22 Actual as of 03/31/2022
REVENUE				

TOTAL REVENUE	6,320,000	5,588,013	28,806,842	34,394,855
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EXPENSES/TRANSFERS

Personnel Expenses