

UNTS Board of Regents

FY 2024 Q2 Financial Update

Susan Alanis, Deputy Chancellor for Finance & Operations
May 16, 2024

Enterprise Strategic Priority

- Establish/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

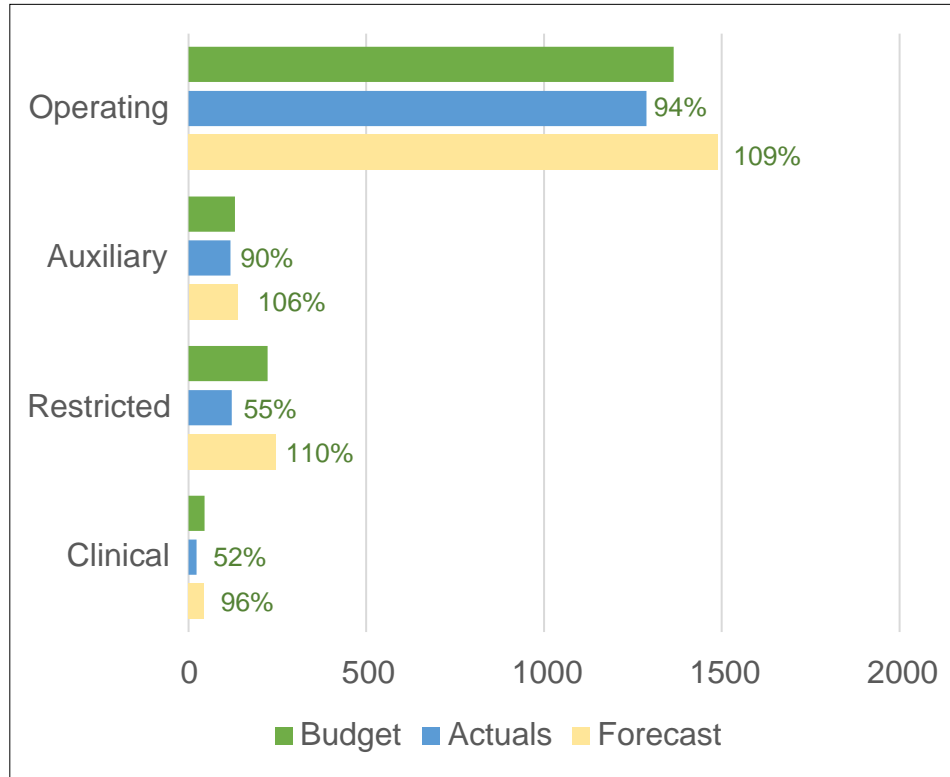
FY2024 Year-End Forecast as of Q2

- Actual revenue performing above budget with anticipated enterprisewide contributions to fund balance of \$29.3m
 - Tuition revenue increases driven by UNT and UNTD's enrollment growth
 - Increased Grants and Contract from Pell, Texas Grants and ANHEAD

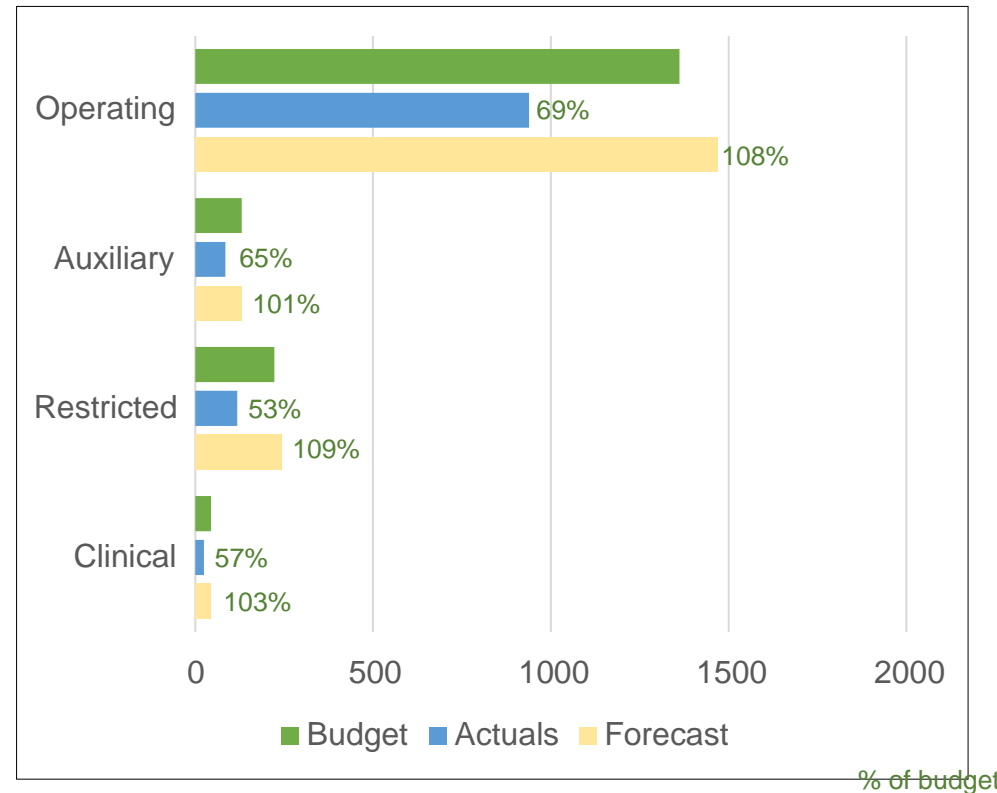
FY 2024 Q2 Budget Performance

UNTS Consolidated

REVENUES & TRANSFERS IN

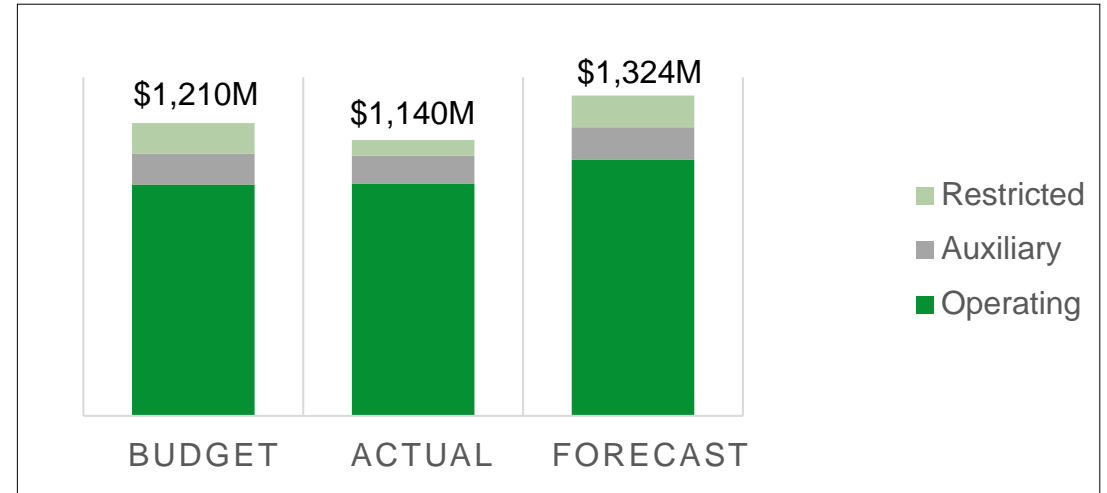


EXPENSES & TRANSFERS OUT



Forecasted Net Impact to Fund Balance
 Operating \$22.5m + Auxiliary \$6.9m + Restricted \$2.2m + ~~Clinical \$2.3m~~ = \$29.3m

FY 2024 Q2 Budget Performance



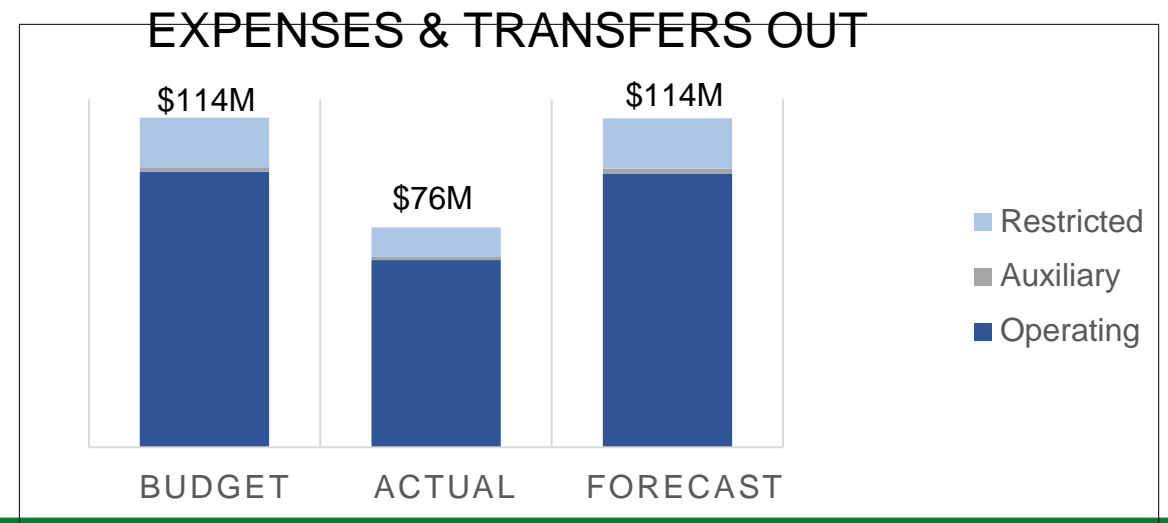
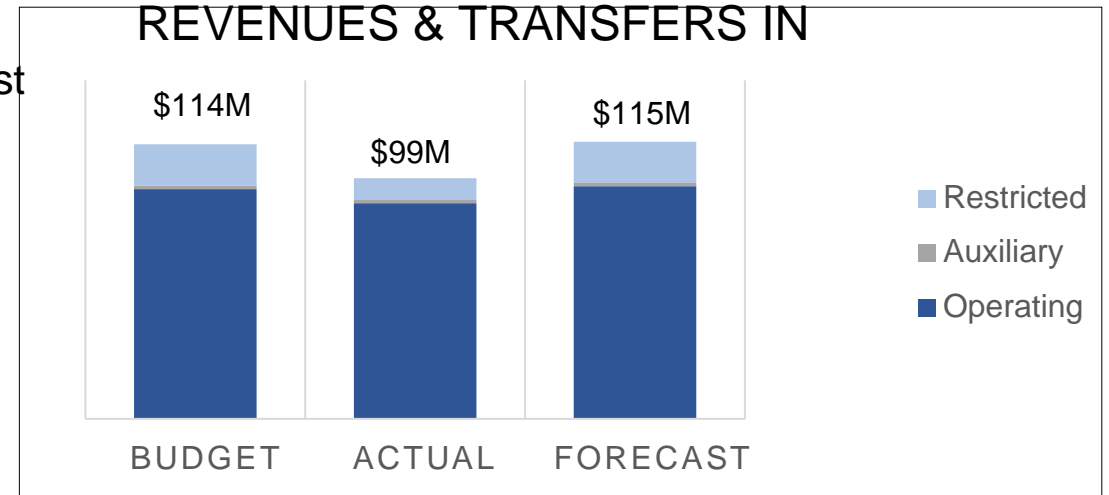
FY 2024 Q2 Budget Performance

Revenues and Transfers In Drivers (received 87% of budget, forecast 1% over budget)

- Tuition and Fees forecasted to be 4% over budget because Fall and Spring enrollment increased, 5.6% and 2.5% respectively, compared to prior year

Expenses and Transfers Out Drivers (spent 67% of budget, forecast flat to budget):

- Personnel Cost are 52% expended of budget
- Scholarships are projecting 3% over budget due to additional spend on endowed and sponsor project scholarships



FY 2024 Q2 Budget Performance

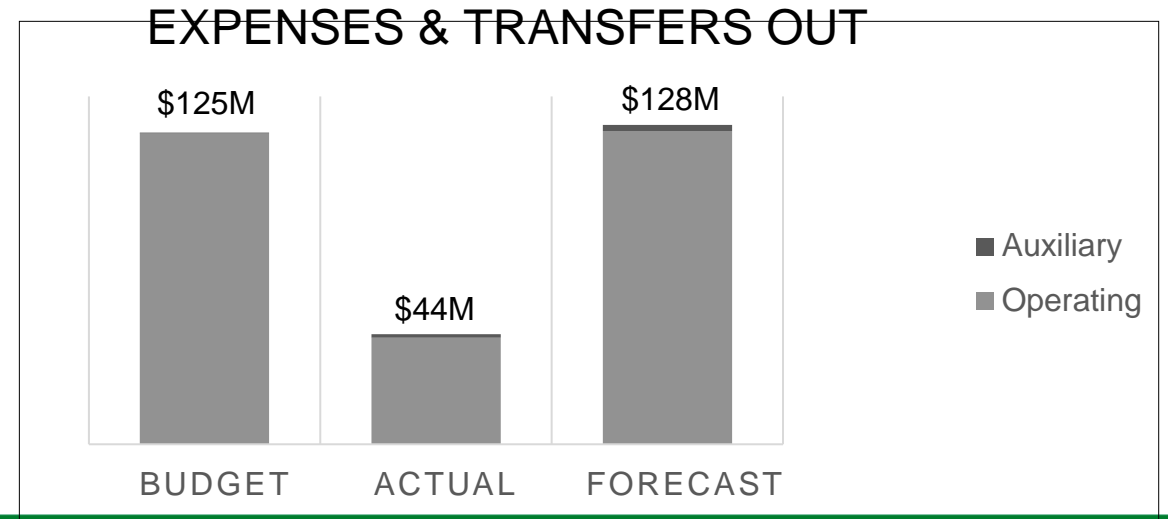
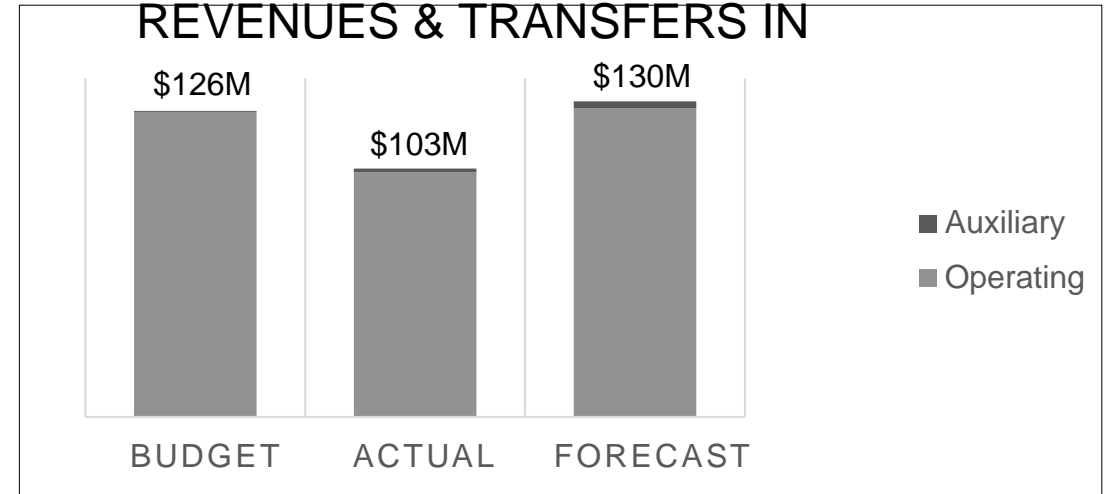
Revenues and Transfers In Drivers (received 81% of budget, forecast 3% over budget)

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

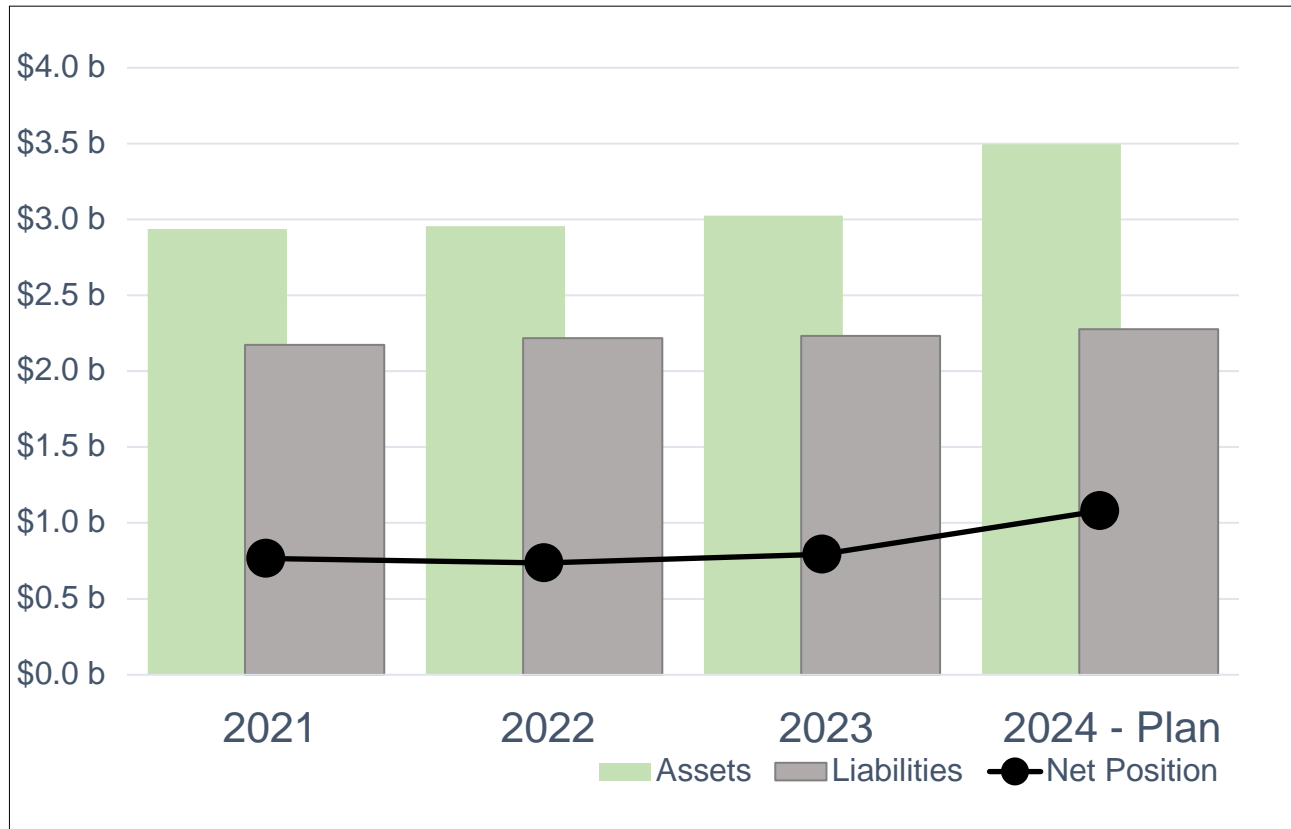
Expenses and Transfers Out Drivers (spent 35% of budget, forecast 2% over budget):

- Personnel Costs expended 49% of budget
- Maintenance & Operation Costs forecasted to be 10% above budget related to the delay in the sale of the System Building

Forecasted impact to fund balance \$1.9M
\$1.6M operating and \$0.4M auxiliary.



Balance Sheet Trends (FY21-FY24)

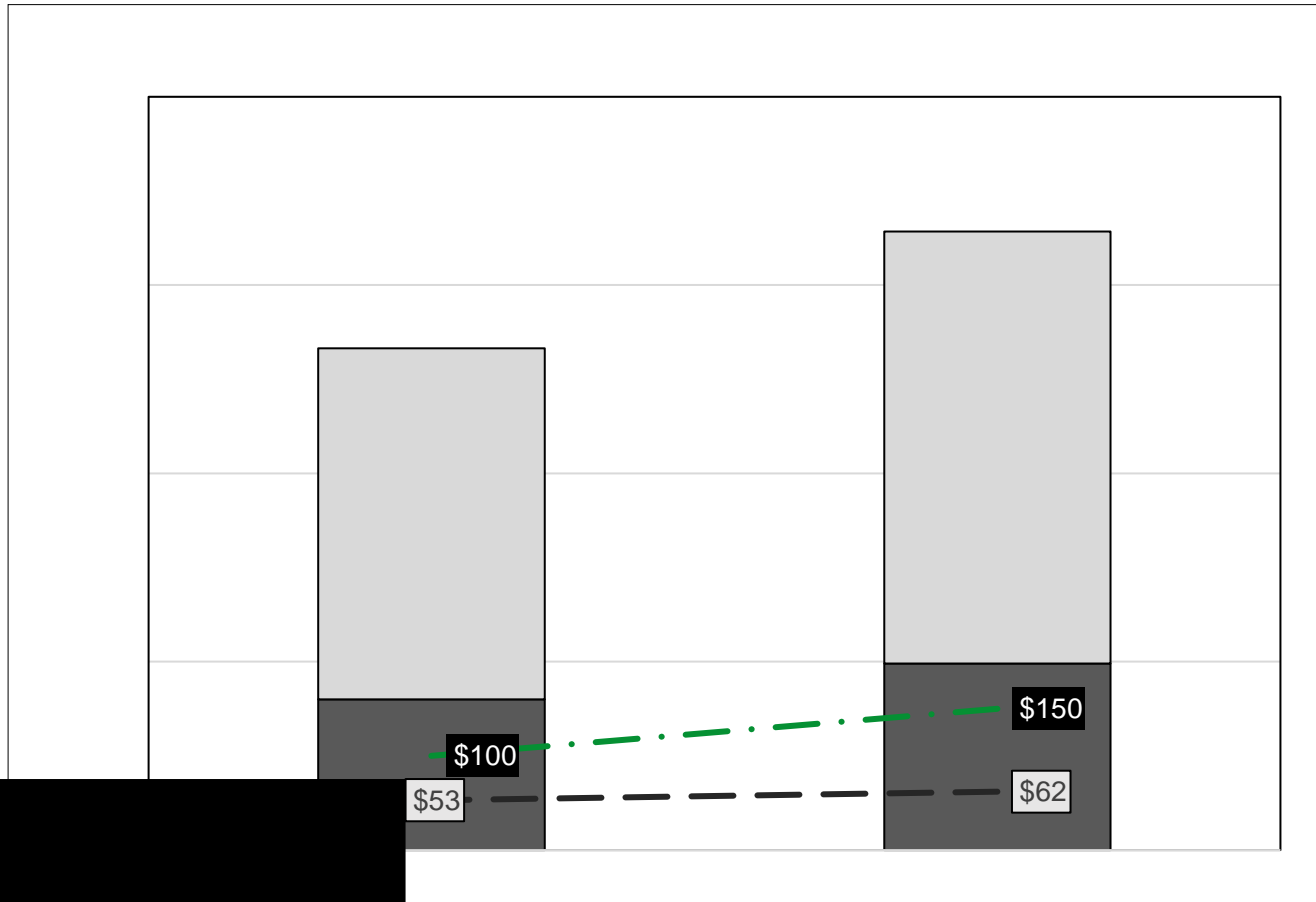


- Assets increased by 19% while liabilities increase by 4%
- Net Position forecasted to grow **41%** due to TUF allocation for FY2024 (excluded from Plan)

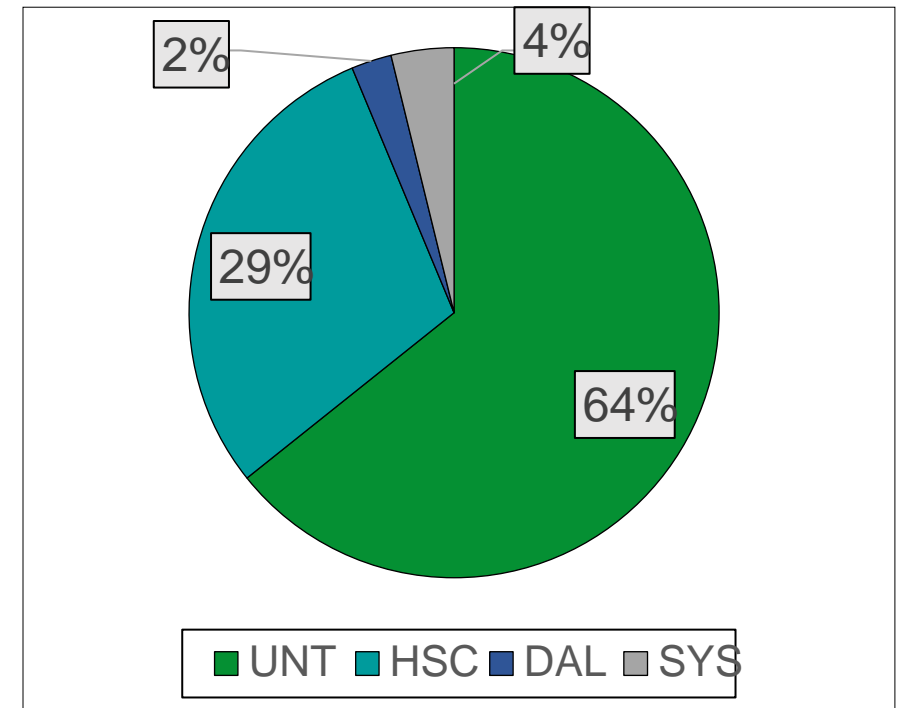
(in billions)
Based on Audited Financial Statements (including pension & OPEB) and FY24 Plan

FY 2024 Q2 Operating Cash and Investments

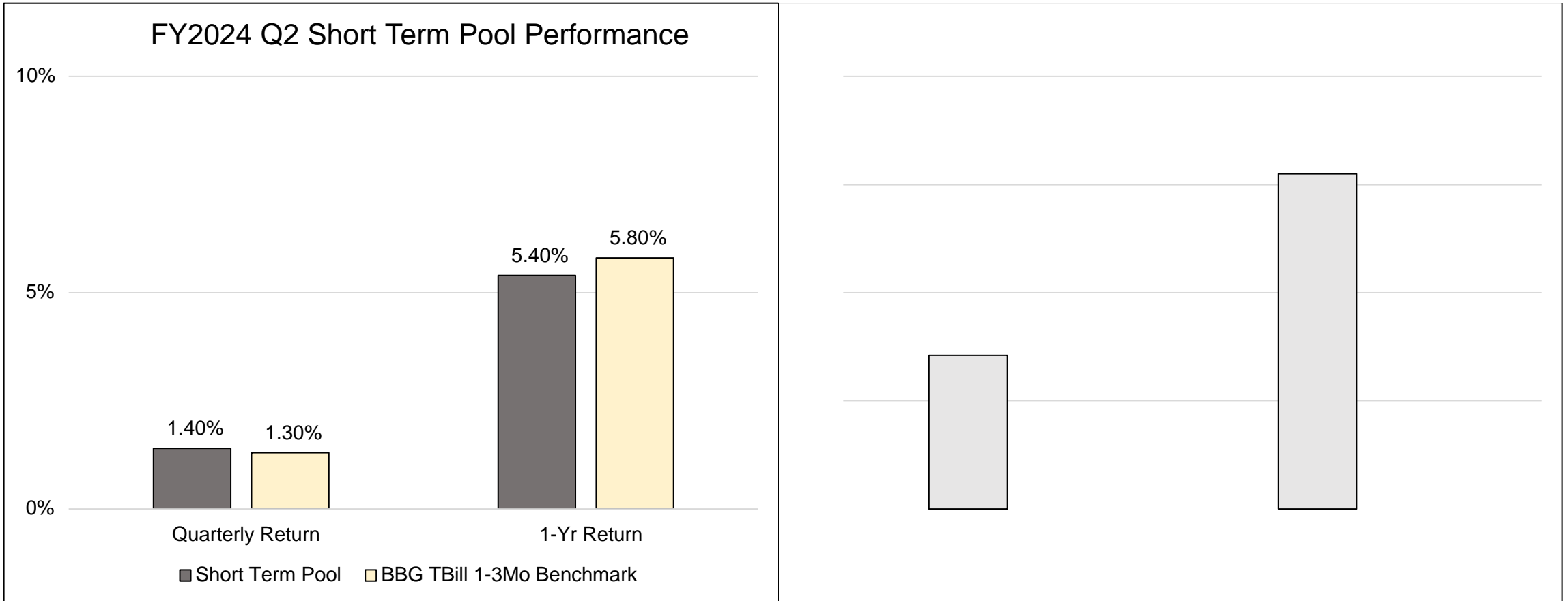
Short-Term Pool (STP) and the Long-Term Pool (LTP)



Operating Funds By Business Unit

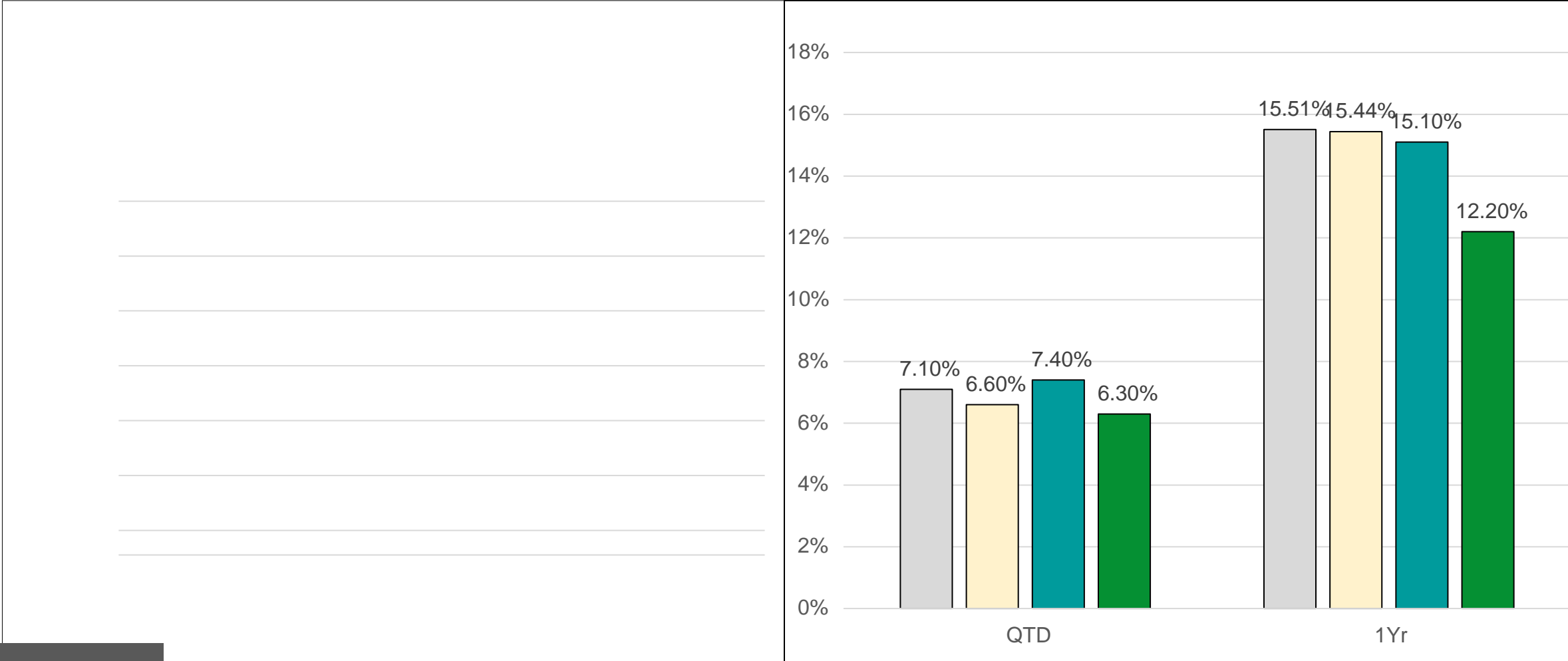


FY 2024 Q2 Investment Performance – Operating Funds



Short term and long term pool performance remains on trend with market rates.
Long term pool investment REITs usually play the role of hedging inflation but has not performed as such recently.

FY 2024 Q2 Long Term Pool and Foundations



Questions