

UNIVERSITY OF NORTHERN COLORADO: FINANCIAL REPORT

12/31/17

OVERVIEW

Financial highlights of the fiscal year 2017-18 2nd quarter financial report are summarized below:

Cash (pages 2-3)

- The University's cash position is \$39.9 million with \$22.3 million in centralized reserves.
- UNC's low point in cash is August 15th and is typically \$20-\$25 million less than cash at June 30. Cash at June 30, 2018 is forecasted to be \$43.9 million.

Reserves (page 4)

- Reserves are currently \$22.3 million, with \$12.6 million in the University Reserve after funding FY18 strategic investments and FY18 capital projects.

Accounts Receivable (page 5)

- The 2nd quarter net accounts receivable is \$5.0 million, which is \$0.2 million higher than last year at this time. The timing of receivables can vary noticeably from year to year; therefore, the most consistent benchmark is the fiscal year-end. Trend information is shown in Tables 4 and 5.

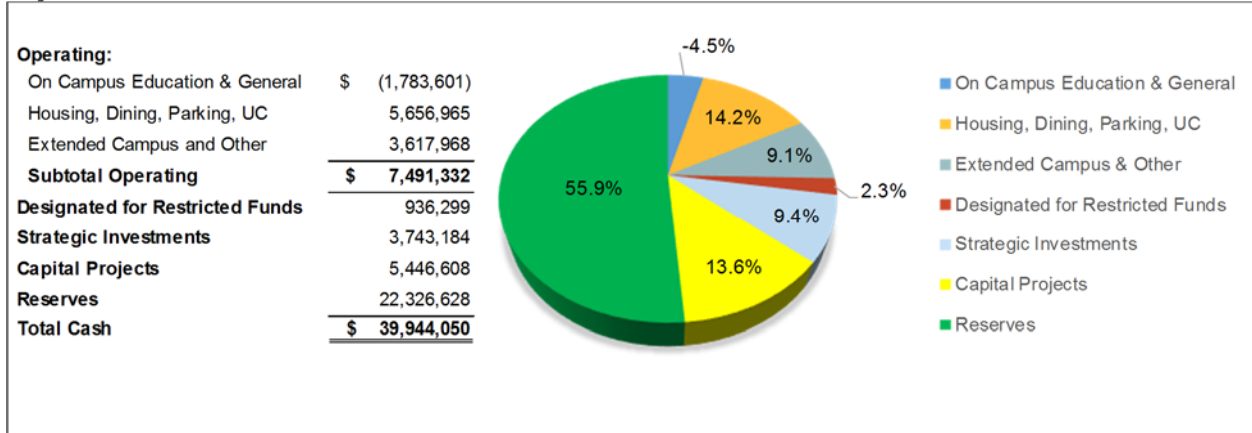
Operating Budget (page 6)

- The fiscal year 2017-18 operating budget at 2nd quarter forecast shows operating results of \$3.3 million before internal transfers of UNC Foundation capital gifts and transfers of student fees and other operating funds to capital reserves to finance future capital projects. Operating results less transfers is a deficit of \$6.2 million. Details of revenues, expenditures and transfers are as follows:
 - Net revenue - \$199.2 million
 - Gross tuition, fees and room & board - \$170.8 million
 - Discounting - \$40.9 million
 - State appropriations - \$39.6 million
 - Foundation support - \$12.0 million
 - All other revenue - \$17.7 parking, athletics, theater, etc.)
 - Personnel expenditures - \$139.2 million
 - Non-personnel expenditures - \$44.9 million
 - Debt payments for bonds and capital leases - \$11.8 million
 - Transfer of restricted Foundation and other operating funds to the Capital Budget - \$2.9 million
 - Transfer to Capital Budget - \$6.6 million

CASH

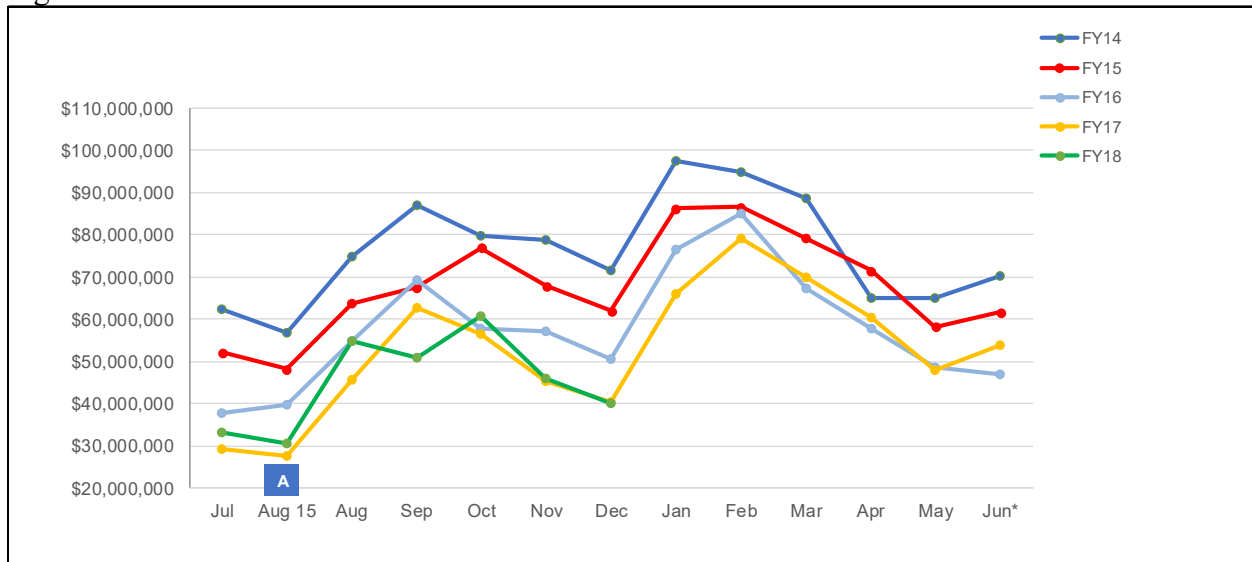
Total cash, as of December 31, 2017, is \$39.9 million. Campus Commons bond proceeds of \$27.4 million are not included in the cash balances in Figure 1.

Figure 1. Cash Balance at December 31, 2017



The cash flow trend has been relatively consistent over the last four years, 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.

Figure 2. Annual Cash Flow Trend



The University's cash position is \$0.3 million less than the previous year at this time, as shown in Table 1.

Table 1. Overall Cash Balance

Month	FY14	FY15	FY16	FY17	FY18
Jul	62,564,780	52,203,773	37,814,641	29,249,252	33,276,779
Aug 15	56,778,921	48,277,445	39,776,437	27,569,804	30,695,963
Aug	75,042,476	63,727,315	54,843,178	45,569,608	55,010,566
Sep	87,172,851	67,633,545	69,407,889	62,576,984	50,974,277
Oct	79,928,173	77,000,173	57,813,291	56,504,939	60,844,876
Nov	78,689,806	67,829,386	57,080,941	45,297,668	46,089,205
Dec	71,509,152	61,966,401	50,684,129	40,268,950	39,944,050
Jan	97,526,719	86,298,922	76,476,844	66,080,438	
Feb	94,867,317	86,539,392	85,070,248	79,274,077	
Mar	88,777,015	79,278,071	67,433,066	69,900,428	
Apr	65,053,621	71,527,719	57,968,958	60,462,128	
May	65,053,621	58,214,450	48,614,786	47,864,971	
Jun*	70,241,267	61,721,397	46,873,470	53,966,795	

*The June balance in 2014 was updated for the GASB 31 FMV

The University also has Campus Commons bond proceeds of \$27,365,315. It is not included in the cash table for comparative purposes.

The cash forecast below is intended to give a quick summary of the effect of FY18 operating results, strategic investments and capital expenditures on cash. The total column may be most helpful, as it reflects the forecasted decrease in cash for FY18 of \$10.0 million.

Table 2. Cash Forecast – Preliminary comparison of 6/30 actual to 6/30 forecast

	Operating	Restricted	Strategic Investments	Capital Projects	Reserves	Total
Cash at 06/30/2017 (a)	\$ 19.5	\$ 0.5	\$ 1.9	\$ 4.7	\$ 27.3	\$ 53.9
FY18 Transfers						
Strategic Investments	-	-	3.8	-	(3.8)	-
Capital Projects/Small Equipment	(4.8)	-	-	6.5	(1.7)	-
Perkins UNC Portion	0.1	(0.1)	-	-	-	-
Fiscal Year End Transfers	(1.8)	-	-	-	1.8	-
Foundation Capital Gifts	(2.9)	-	-	2.9	-	-
Subtotal Transfers	(9.4)	(0.1)	3.8	9.4	(3.7)	-
FY18 Net Cash Inflows (Outflows)						
Operating Results FY18	3.3	(0.2)	-	-	-	3.1
Sale of Assets	-	-	-	-	0.3	0.3
Strategic Investments	-	-	(4.1)	-	-	(4.1)
Capital Cash State & Debt	-	-	-	38.4	-	38.4
Capital Projects/Small Equipment	-	-	-	(47.7)	-	(47.7)
Subtotal Inflows (Outflows)	3.3	(0.2)	(4.1)	(9.3)	0.3	(10.0)
Cash at 06/30/2018 (a)	\$ 13.4	\$ 0.2	\$ 1.6	\$ 4.8	\$ 23.9	\$ 43.9

(a) The 6/30/2018 year-end annual report will include \$0.5 million of unexpended Campus Commons bond proceeds in Restricted Cash and Cash Equivalents in addition to the amount on this schedule.

CASH RESERVES

Our cash reserves, which is cash that is segregated from our operating, strategic investment and capital balances, provide a cushion for operational contingencies and more significant risks. The University Reserve is declining as we continue to make strategic investments and fund capital projects.

Table 3. Cash Reserves Summary at December 31, 2017

	09/30/2017		FY18 Q2 Activity	12/31/2017
Mandatory				
Bonded R&R	\$ 750,000		\$ -	\$ 750,000
Capital				
Student Fees	4,860,433	a	(24)	4,860,409
Other Capital Reserves	908,098	b	519,416	1,427,514
Other				
Risk Management and Insurance	2,650,000		-	2,650,000
University Reserve	12,638,705		-	12,638,705
Total Reserves	\$ 21,807,236		\$ 519,392	\$ 22,326,628

a. Closed 4 projects for less than budgeted, one project for more than budgeted and opened one new LEAF project.

b. Closed 7 projects for less than budgeted, 6 projects for more than budgeted and increased one project.

ACCOUNTS RECEIVABLE

Table 4 and Figure 3 show that the December 31, 2017, 2nd quarter balance in student accounts receivable is \$197,931 more than the previous year. Net student accounts receivable includes the accounting estimate for uncollectible accounts or “bad debt.”

Table 4. Student Accounts Receivable (Net)

	FY16	FY17	FY18
Q1 - Sep 30	\$ 16,299,215	\$ 15,904,277	\$ 23,082,213
Q2 - Dec 31	\$ 4,598,349	\$ 4,791,141	\$ 4,989,072
Q3 - Mar 31	\$ 6,811,815	\$ 8,322,159	\$ -
Q4 - Jun 30	\$ 6,212,773	\$ 6,853,821	\$ -

Figure 3. Student Accounts Receivable (Net)

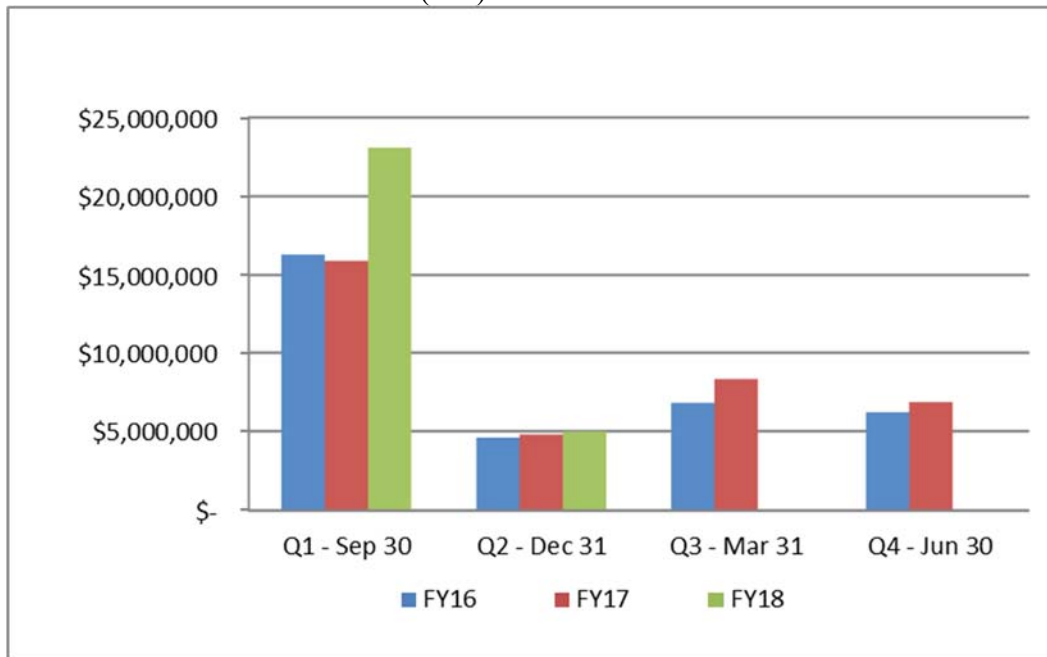


Table 5 represents accounts receivable as a percentage of tuition, fees and room and board revenue at fiscal year-end.

Table 5. Year-end Student Accounts Receivable as a Percent of Billings

	FY13	FY14	FY15	FY16	FY17
Total Student Accounts Receivable	\$ 7,212,570	\$ 6,435,476	\$ 6,120,899	\$ 6,212,773	\$ 6,853,281
Net Tuition, Fees, Room and Board	\$116,054,460	\$114,489,682	\$111,033,128	\$116,043,009	\$124,393,382
A/R as a % of Net Tuition, Fees & Room and Board	6.2%	5.6%	5.5%	5.4%	5.5%

OPERATING BUDGET

For the Quarter Ended December 31, 2017¹

Notes	Original Budget	Annual Forecast	% of Total	Variance fav (unfav)	Actual at 12/31/2017	% Actual to Budget
REVENUES						
Tuition-Undergraduate Main Campus	2	\$ 79,507,990	\$ 77,401,777	38.9%	\$(2,106,213)	\$ 38,263,683 48.1%
Tuition-Graduate Main Campus	2	18,051,905	16,022,856	8.0%	(2,029,049)	7,098,338 39.3%
Tuition-Undergraduate Extended Campus	2	4,388,691	4,934,143	2.5%	545,452	1,919,414 43.7%
Tuition-Graduate Extended Campus	2	16,425,485	16,137,831	8.1%	(287,654)	6,189,462 37.7%
Student Fees	2	15,841,871	15,100,602	7.6%	(741,269)	7,072,517 44.6%
Academic Fees - General Funds	3	6,441,309	6,036,493	3.0%	(404,816)	2,974,796 46.2%
Academic Fees - Extended Studies	3	111,658	133,446	0.1%	21,788	50,959 45.6%
Room and Board	4	34,621,092	35,064,875	17.6%	443,783	18,168,307 52.5%
Subtotal Tuition, Fees and Room & Board		175,390,001	170,832,023	85.8%	(4,557,978)	81,737,476 46.6%
Scholarships (includes Foundation)	5	(32,730,444)	(34,589,848)	-17.4%	(1,859,404)	(17,979,123) 54.9%
Graduate GA/TA Waivers	5	(5,026,539)	(5,237,500)	-2.6%	(210,961)	(2,676,171) 53.2%
R & B Waivers	5	(1,200,000)	(1,129,200)	-0.6%	70,800	(546,245) 45.5%
Subtotal Discounting		(38,956,983)	(40,956,548)	-20.6%	(1,999,565)	(21,201,539) 54.4%
COF Resident	6	15,477,118	15,261,728	7.7%	(215,390)	7,832,581 50.6%
Fee For Service	6	24,120,290	24,335,680	12.2%	215,390	12,060,145 50.0%
Subtotal State Support		39,597,408	39,597,408	19.9%	-	19,892,726 50.2%
Foundation Restricted Gifts for Operations	7	2,839,817	3,141,809	1.5%	301,992	1,590,379 56.0%
Foundation Restricted Capital Gifts	8	1,955,000	2,936,971	1.5%	981,971	52,532 2.7%
Foundation Restricted Scholarships	7	4,225,000	4,354,277	2.2%	129,277	1,882,310 44.6%
Foundation Unrestricted (design. for scholarships)	7	1,550,000	1,550,000	0.8%	-	775,001 50.0%
Subtotal Foundation Support		10,569,817	11,983,057	6.0%	1,413,240	4,300,222 40.7%
Other Auxiliary Services	9	6,580,468	6,512,889	3.2%	(67,579)	3,645,491 55.4%
Restricted Grant Facilities/Admin Recovery	9	520,000	720,000	0.4%	200,000	308,438 59.3%
Other Revenue	9	8,672,753	8,775,485	4.4%	102,732	4,463,180 51.5%
Net Non-Operating Revenues	9	1,446,250	1,730,290	0.9%	284,040	761,587 52.7%
Subtotal Other Revenue		17,219,471	17,738,664	8.9%	519,193	9,178,696 53.3%
NET REVENUES		\$203,819,714	\$ 199,194,604	100.0%	\$(4,625,110)	\$ 93,907,581 46.1%
EXPENDITURES AND DEBT PAYMENTS						
Faculty Salaries	10	\$ 45,779,792	\$ 46,602,200	23.8%	\$ (822,408)	\$ 23,147,351 50.6%
Exempt Salaries	10	30,419,120	30,500,000	15.6%	(80,880)	15,200,993 50.0%
Classified Salaries	10	19,332,589	19,100,000	9.8%	232,589	9,459,002 48.9%
Graduate Stipends	10	5,201,241	5,865,000	3.0%	(663,759)	3,020,241 58.1%
Student and Other Wages	10	6,112,630	6,148,700	3.1%	(36,070)	3,005,888 49.2%
Fringe Benefits	10	30,734,000	30,953,000	15.8%	(219,000)	14,960,066 48.7%
Subtotal Personnel Expenses		137,579,372	139,168,900	71.1%	(1,589,528)	68,793,541 50.0%
Cost of Sales	11	4,661,933	4,904,412	2.5%	(242,479)	2,690,346 57.7%
Other Current Expenses	11	12,198,696	11,719,863	6.0%	478,833	7,424,709 60.9%
Purchased Services	11	10,613,938	10,126,330	5.1%	487,608	5,090,946 48.0%
Supplies	11	6,327,710	6,320,424	3.2%	7,286	2,927,021 46.3%
Cost Allocation and Recoveries	11	(888,767)	(744,150)	-0.4%	(144,617)	(327,828) 36.9%
Utilities	11	5,783,641	5,600,456	2.9%	183,185	2,626,364 45.4%
Travel	11	4,460,905	4,422,572	2.3%	38,333	2,130,945 47.8%
Capital	11	2,476,516	2,550,093	1.3%	(73,577)	1,230,251 49.7%
Subtotal Non-personnel Expenses		45,634,572	44,900,000	22.9%	734,572	23,792,754 52.1%
Debt Service on Bonds	12	10,608,286	10,625,571	5.4%	(17,285)	5,316,892 50.1%
Capital Lease Payment	12	1,116,145	1,163,052	0.6%	(46,907)	671,659 60.2%
Subtotal Debt Payments		11,724,431	11,788,623	6.0%	(64,192)	5,988,551 51.1%
TOTAL EXPENDITURES AND DEBT PAYMENTS		\$194,938,375	\$ 195,857,523	100.0%	\$ (919,148)	\$ 98,574,846 50.6%
OPERATING RESULTS		\$ 8,881,339	\$ 3,337,081		\$(5,544,258)	\$ (4,667,265)
Transfer to Capital Budget - Foundation	8	1,955,000	2,936,971		(981,971)	52,532
Transfers to Capital Budget	13	6,912,682	6,632,630		280,052	4,828,922
OPERATING RESULTS LESS TRANSFERS		\$ 13,657	\$ (6,232,520)		\$(6,246,177)	

See Explanation of Notes on page 7.

Recap of FY18 Forecasted Cash Outflow	
Operating Results (above)	\$ 3,337,081
Strategic Investments (page 9)	(4,114,154)
Capital (page 10)	(9,304,024)
Other (page 3)	(6,666)
Total (Table 2, page 3)	\$ (10,087,763)

Notes to Second Quarter Budget to Forecast Report (page 6)

1	This report includes operating funds and restricted gift funds from the UNC Foundation. This report does not include strategic investments, internal sales, capital projects, restricted grants and contracts, or restricted financial aid.
2	Main campus tuition and fees are 57.5% of the net operating revenue and are forecasted to be \$5.3 million under budget for FY18.
3	Extended Campus tuition and fees are 10.7% of net operating revenue and are forecasted to be \$0.3 million over budget for FY18.
4	Room and Board revenues represent 17.6% of net operating revenue and are forecasted to be \$0.4 million over budget for FY18.
5	Discounting includes scholarship expense, graduate tuition waivers and room and board waivers. Total discounting is forecasted to be \$2.0 million more than budget, primarily due to undergraduate need-based awards and undergraduate merit awards exceeding budgeted amounts.
6	State support is 19.9% of net operating revenue.
7	Support from the UNC Foundation consists of gifts that are restricted for program support, capital, or scholarships. UNC also has an agreement with the Foundation to receive \$1.6 million in unrestricted support, which funds institutional scholarships. Total Foundation support in the operating budget is \$12.0 million, or 6.0% of net operating revenue.
8	The forecast for FY18 includes \$3.0 million in gifts to be utilized for the construction of the Campus Commons. This is shown in the Operating Budget as Foundation Restricted Capital Gift revenue in the top section with a corresponding transfer out to the capital budget at the bottom of the report. In FY17, the University planned to utilize \$3.0 million in gifts for the construction of Campus Commons; however, state capital appropriated funds were utilized instead of capital gifts. UNC plans to utilize \$2.9 million in capital gifts for FY18, rather than the \$1.9 million that is budgeted.
9	Other sources of revenue comprised 8.9% of net operating revenue and come from parking, retail sales, athletics events, vending machines, licensing, theatre, grant administrative revenue, late fees and treasury interest. Other revenue is forecasted to be \$0.5 million more than budget.
10	Personnel expenditures are 71.1% of total expenditures. Personnel expenditures are \$1.6 million over budget.
11	Non-personnel expenditures are 22.9% of total expenditures. The university is working to contain costs this year and we currently forecast being \$0.7 million under budget.
12	Debt service and capital leases are 6.0% of total expenditures.
13	Transfers to capital budget include \$0.1 million from the facilities management capital budget, \$4.3 million from student capital fee revenue and \$2.2 million of housing, dining and parking revenue.

RESIDENT AND NON-RESIDENT TUITION DETAIL

	Budget					Forecast					Variance at 12/31/2017
Undergrad	Fall	Interim	Spring	Summer	Total	Fall	Interim	Spring	Summer	Total	Total
Resident	\$ 27,548,244	\$ 422,438	\$ 24,713,431	\$ 3,557,057	\$ 56,241,170	\$ 27,282,693	\$ 413,381	\$ 24,599,725	\$ 3,425,199	\$ 55,720,998	\$ (520,172)
Non-Resident	6,030,635	51,565	5,388,412	899,218	12,369,830	5,632,652	88,684	5,027,780	914,179	11,663,295	(706,535)
WUE	5,300,851	58,307	4,805,540	732,292	10,896,990	4,865,139	72,496	4,412,682	667,167	10,017,484	(879,506)
Subtotal	38,879,730	532,310	34,907,383	5,188,567	79,507,990	37,780,484	574,561	34,040,187	5,006,545	77,401,777	(2,106,213)
Extended Campus	1,750,110	65,268	1,303,390	1,269,923	4,388,691	1,824,173	132,213	1,417,385	1,560,372	4,934,143	545,452
FY18 Total	\$ 40,629,840	\$ 597,578	\$ 36,210,773	\$ 6,458,490	\$ 83,896,681	\$ 39,604,657	\$ 706,774	\$ 35,457,572	\$ 6,566,917	\$ 82,335,920	\$ (1,560,761)
Graduate	Fall	Interim	Spring	Summer	Total	Fall	Interim	Spring	Summer	Total	Total
Resident	\$ 5,183,200	\$ -	\$ 4,925,320	\$ 1,993,970	\$ 12,102,490	\$ 4,075,589	\$ -	\$ 3,863,629	\$ 1,731,678	\$ 9,670,896	\$ (2,431,594)
Non-Resident	3,006,278	-	2,378,376	564,761	5,949,415	2,989,379	-	2,785,121	577,460	6,351,960	402,545
Subtotal	8,189,478	-	7,303,696	2,558,731	18,051,905	7,064,968	-	6,648,750	2,309,138	16,022,856	(2,029,049)
Extended Campus	5,971,331	-	5,571,485	4,882,669	16,425,485	6,050,826	-	5,325,170	4,761,835	16,137,831	(287,654)
FY18 Total	\$ 14,160,809	\$ -	\$ 12,875,181	\$ 7,441,400	\$ 34,477,390	\$ 13,115,794	\$ -	\$ 11,973,920	\$ 7,070,973	\$ 32,160,687	\$ (2,316,703)
Total	Fall	Interim	Spring	Summer	Total	Fall	Interim	Spring	Summer	Total	Total
Resident	\$ 32,731,444	\$ 422,438	\$ 29,638,751	\$ 5,551,027	\$ 68,343,660	\$ 31,358,282	\$ 413,381	\$ 28,463,354	\$ 5,156,877	\$ 65,391,894	\$ (2,951,766)
Non-Resident	9,036,913	51,565	7,766,788	1,463,979	18,319,245	8,622,031	88,684	7,812,901	1,491,639	18,015,255	(303,990)
WUE	5,300,851	58,307	4,805,540	732,292	10,896,990	4,865,139	72,496	4,412,682	667,167	10,017,484	(879,506)
Subtotal	47,069,208	532,310	42,211,079	7,747,298	97,559,895	44,845,452	574,561	40,688,937	7,315,683	93,424,633	(4,135,262)
Extended Campus	7,721,441	65,268	6,874,875	6,152,592	20,814,176	7,874,999	132,213	6,742,555	6,322,207	21,071,974	257,798
FY18 Total	\$ 54,790,649	\$ 597,578	\$ 49,085,954	\$ 13,899,890	\$ 118,374,071	\$ 52,720,451	\$ 706,774	\$ 47,431,492	\$ 13,637,890	\$ 114,496,607	\$ (3,877,464)

STRATEGIC INVESTMENTS BUDGET

For the Quarter Ended December 31, 2017

Strategic Investment Cash

Unexpended balances committed to FY17	\$ 1,331,899
Cash Transferred from University Reserve	3,359,115
Cash from NCAA Endowment Distribution	544,330
Total Cash in Strategic Investments at July 1, 2017	\$ 5,235,344
Accounts Payable from FY17 paid in FY18	(7,264)
Accounts Payable in FY18	1,214
Prepaid Expenses	81,250
Year to date FY18 expenditures	(1,567,117)
Cash in Strategic Investments at December 31, 2017	\$ 3,743,427

Multiyear Commitments	Total FY18 Budget	Actual Expenditures at 12/31/2017	Available Balance
Enrollment and Pricing	\$ 75,000	\$ 32,242	\$ 42,758
Equity and Diversity	52,525	21,520	31,005
Integrated Student Support Plans			
Student Success Collaborative	210,000	81,250	128,750
Student Food Insecurity Project	40,000	23,670	16,330
Subtotal Integrated Student Support Plans	\$ 250,000	\$ 104,920	\$ 145,080
Academic Portfolio			
Accreditation	150,000	103,029	46,971
Program Review & Assessment	60,000	3,619	56,381
Various Academic Portfolio	70,000	-	70,000
Subtotal Academic Portfolio	\$ 280,000	\$ 106,648	\$ 173,352
Research Scholarship and Creative Works			
Grant Match Funds	400,000	149,904	250,096
Faculty Start-Up Packages	325,000	88,441	236,559
Faculty Awards & Development	395,000	144,603	250,397
Innovation Dev. & Enterprise Adv. (IDEA)	60,000	47,146	12,854
UNC Cancer Rehabilitation Institute	164,376	111,655	52,721
Other Institutes	100,624	-	100,624
RSCW Faculty Reassign Program	120,000	1,946	118,054
Education Innovation Institute	150,000	57,426	92,574
Unrestricted Research Incentive	650,000	234,734	415,266
Subtotal Research Scholarship and Creative Works	\$ 2,365,000	\$ 835,855	\$ 1,529,145
Total Core Plan Investments	\$ 3,022,525	\$ 1,101,185	\$ 1,921,340
Support Plan Investments			
Information Management Plan	900,000	231,486	668,514
Total Support Plan Investments	\$ 900,000	\$ 231,486	\$ 668,514
Other Strategic Investments			
I@UNC	175,000	6,298	168,702
Emergency Management	40,000	-	40,000
Circulation/Master Planning	95,975	-	95,975
Emerging University Priorities	120,000	1,397	118,603
Athletics NCAA Distribution	144,000	14,898	129,102
Campus Commons	1,500	3,155	(1,655)
Compensation Identity Initiative	-	1,950	(1,950)
Innovation - Online Course Development	410,000	206,748	203,252
Total Other Strategic Investments	\$ 986,475	\$ 234,446	\$ 752,029
Grand Total	\$ 4,909,000 ⁽¹⁾	\$ 1,567,117	\$ 3,341,883

⁽¹⁾The total includes the original budget of \$4,765,000 approved by the Board of Trustees plus \$144,000 of the NCAA distribution for Athletics to be expended in FY18. The total NCAA distribution was \$544,330 and will be expended over five years.

CAPITAL PROJECTS

For the Quarter Ended December 31, 2017

	Board Approved Budget June, 2017	Committed Projects at 12/31/2017	Expended FY18	Remaining To be Expended FY18	To be Expended FY19
A. Fiscal Year 2017-18 New Projects	(1)	(2)			
General Fund					
FY18 projects with budgets less than \$200,000	\$ 2,763,897	\$ 2,692,896	\$ 358,149	\$ 1,348,446	\$ 986,301
Arts Annex silica dust capture system (Design & Phase I)	200,000	200,000	825	99,175	100,000
Frasier interior painting	250,000	250,000	-	-	250,000
Heating Plant underground storage tanks replacement	450,000	450,000	1,461	-	448,539
Michener floor tile replacement in basement corridors	300,000	300,000	59	-	299,941
Skinner roof replacement	250,000	250,000	1,016	248,984	-
Subtotal General Funded Projects	4,213,897	4,142,896	361,510	1,696,605	2,084,781
Housing, Dining, Extended Studies, Student Fees					
FY18 projects with budgets less than \$200,000	529,650	550,485	6,124	249,615	294,746
Parking Lot "L" reconstruction upper level (\$850K total)	350,000	350,000	-	-	350,000
Arlington wireless data system replacement	300,000	300,000	502	299,498	-
Residence halls carpet and paint (\$4.7M total)	500,000	500,000	74,743	325,257	100,000
Lawrenson carpet replacement Phase II (\$420K total)	220,000	110,881	110,881	-	-
UC main lobby ceiling & lighting replacement	250,000	250,000	616	-	249,384
Subtotal Auxiliary and Other Funded Projects	2,149,650	2,061,366	192,866	874,370	994,130
State Capital Appropriations					
Butler Hancock pool AHU replacement	937,268	937,268	-	-	937,268
Frasier tunnel piping replacement & abatement	339,146	339,146	-	-	339,146
Fire sprinkler upgrade-Frasier (Phase I)	1,611,931	1,611,931	-	100,000	800,000
Fire sprinkler upgrade-Gunter (Phase II)	-	863,187	-	-	863,187
Subtotal State Capital Appropriations	2,888,345	3,751,532	-	100,000	2,939,601
Equipment	925,834	916,342	621,585	219,757	75,000
Total Fiscal Year 2017-18 New Projects	\$ 10,177,726	\$ 10,872,136	\$ 1,175,961	\$ 2,890,732	\$ 6,093,512
B. Fiscal Year 2016-17 Projects in Progress					
General Fund					
FY17 projects with budgets less than \$200,000	\$ 498,277	\$ 847,812	\$ 417,676	\$ 326,078	\$ 104,058
Campus wireless improvements	-	124,069	124,069	-	-
Parsons roof replacement	172,500	267,940	248,678	19,262	-
Subtotal General Funded Projects	670,777	1,239,821	790,423	345,340	104,058
Housing, Dining, Extended Studies, Student Fees					
FY17 projects with budgets less than \$200,000	322,768	353,555	93,990	81,971	177,594
Residence halls carpet and paint	206,000	90,918	90,918	-	-
Lawrenson carpet replacement Phase I	90,000	-	-	-	-
Harrison Hall roof replacement	240,000	197,939	193,934	4,005	-
UC roof replacement lobby area 2	108,000	127,750	126,740	1,010	-
Parking Lot "L" reconstruction lower level	500,000	499,384	4,617	494,767	-
Subtotal Auxiliary and Other Funded Projects	1,466,768	1,269,546	510,199	581,753	177,594
Debt Funded Capital Projects					
Energy Performance Contract	379,364	493,589	6,545	487,044	-
Subtotal Restricted Capital Grants/Gifts	379,364	493,589	6,545	487,044	-
State Capital Appropriations					
Fire sprinkler upgrade-McKee	991,131	993,949	20,502	482,316	491,131
Fire sprinklers Phase II of III	87,355	83,565	25,884	57,681	-
Fire sprinklers Phase III of III	1,120,923	1,450,923	-	1,000,000	450,923
Wireless & network upgrade	-	20,785	6,052	14,733	-
Subtotal State Capital Appropriations	2,199,409	2,549,222	52,438	1,554,730	942,054
Campus Commons (multi-year)⁽³⁾					
State Capital Appropriation and Debt Funding	54,354,982	51,702,640	10,925,984	25,327,379	15,449,277
Capital Gifts from Foundation and Bridge Funding	4,575,216	7,174,834	32,532	2,879,439	4,262,863
Subtotal Campus Commons (multi-year)	58,930,198	58,877,474	10,958,516	28,206,818	19,712,140
Equipment	50,000	197,645	88,620	109,025	-
Total Fiscal Year 2016-17 Projects in Progress	\$ 63,696,516	\$ 64,627,297	\$ 12,406,741	\$ 31,284,710	\$ 20,935,846
Total Capital Projects	\$ 73,874,242	\$ 75,499,433	\$ 13,582,702	\$ 34,175,442	\$ 27,029,358

(1) Board Approved Budget includes (A) new FY18 project commitments and (B) estimated remaining expenditures on FY17 projects.

(2) Committed projects at 12/31/2017 includes (A) new FY18 projects commitments +/- project changes and (B) actual remaining commitments to complete FY17 projects at 12/31/2017.

(3) \$2.6 million of Campus Commons was expended in FY16 & \$12.2M in FY17.

RESTRICTED GRANTS AND CONTRACTS

Budget to Actual

For the Quarter Ended December 31, 2017

	Original Budget	Actual at 12/31/2017
REVENUE		
Federal Grants	\$ 4,197,000	\$ 2,438,893
State and Local Grants	210,000	230,128
Other Private Grants	187,000	102,699
UNC Foundation Grants	432,000	356,670
TOTAL REVENUE	\$ 5,026,000	\$ 3,128,390
EXPENSES/TRANSFERS		
Personnel Expenses		
Faculty Salaries	\$ 841,000	\$ 525,743
Administrative Exempt Salaries	896,000	589,035
Graduate Teaching Assistants	140,000	58,035
GA/TA/GRA Tuition Scholarships	50,000	16,848
Classified Salaries	7,000	2,181
Student Wages	127,000	64,879
Other Wages/Compensations	62,000	60,357
Fringe Benefits	519,000	344,266
Subtotal Personnel Expenses	\$ 2,642,000	\$ 1,661,343
Non-Personnel Expenses		
Other Current Expenses	\$ 227,000	\$ 113,975
Purchased Services	418,000	301,425
Supplies	183,000	78,853
Cost Allocation & Utilities	-	11,305
Grant Facility and Administrative Recovery	498,000	272,021
Scholarships	897,000	588,716
Travel	157,000	99,785
Capital	4,000	731
Subtotal Non-Personnel Expenses	\$ 2,384,000	\$ 1,466,810
TOTAL EXPENSES/TRANSFERS	\$ 5,026,000	\$ 3,128,153
REVENUE LESS EXPENSES/TRANSFERS	\$ -	\$ 237

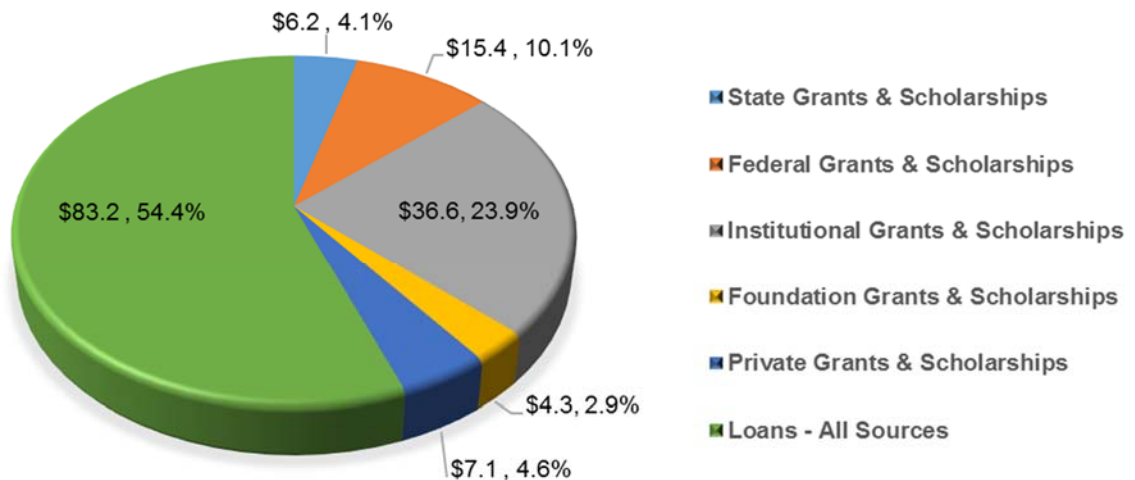
FINANCIAL AID

Table 6 and Figure 4 show the total financial aid available to students from all funding sources, including state, federal, institutional, private funds and loans. Table 6 includes the FY18 budget (aid expected when the budget was developed), the FY18 forecast (aid expected as of December 31, 2017) and the actual aid paid to date (the Actual at 12/31/2017 column). Figure 4 shows the allocation of the forecasted financial aid by source. Approximately 70% of total financial aid is used to pay student bills, while 30% is “refunded” to the students for living expenses and books.

Table 6. FY18 Total Financial Aid by Source and Type - Undergraduate and Graduate

Aid Type and Source	FY18 Budget	FY18 Forecast	Actual at 12/31/2017
Grants & Scholarships			
State	\$ 6,158,675	\$ 6,158,675	\$ 3,034,263
Federal	13,601,952	15,402,502	8,056,647
UG Institutional ^(a)	27,915,144	29,687,390	15,853,061
UG Room & Board Waivers ^(a)	1,200,000	1,129,200	546,245
GR Institutional ^(a)	5,616,839	5,785,681	2,919,923
UNC Foundation (UG & GR) ^(b)	4,225,000	4,354,277	1,882,310
Private	6,798,100	7,133,467	3,873,472
Subtotal Grants & Scholarships	\$ 65,515,710	\$ 69,651,192	\$ 36,165,921
Loans-All Sources	82,349,000	83,189,400	38,766,262
Total Financial Aid	\$ 147,864,710	\$ 152,840,592	\$ 74,932,183
<i>(a) Total Institutional Aid</i>	\$ 34,731,983	\$ 36,602,271	\$ 19,319,229
<i>(b) UNC Foundation</i>	4,225,000	4,354,277	1,882,310
<i>Total Discounting on Operating Budget</i>	\$ 38,956,983	\$ 40,956,548	\$ 21,201,539

Figure 4. FY18 Financial Aid Forecast at 12/31/2017 (\$152.8 million)



Our institutional discount rate demonstrates the financial impact on UNC of offering institutional scholarships and waivers. Our institutional discount rate is the percentage of tuition revenue we use for scholarships and waivers. Table 7 shows the undergraduate discount rate.

Table 7. Undergraduate Tuition Discounting

	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Budget	FY18 Forecast
Undergraduate Tuition (Main & Extended)	\$ 67,163,518	\$ 70,403,863	\$ 77,598,529	\$ 83,896,681	\$ 82,335,920
Institutional Scholarships	(16,810,417)	(18,229,527)	(23,449,422)	(27,915,144)	(29,687,390)
Discounted Revenue	\$ 50,353,101	\$ 52,174,336	\$ 54,149,107	\$ 55,981,537	\$ 52,648,530
Discount Percent	25.03%	25.89%	30.22%	33.27%	36.06%

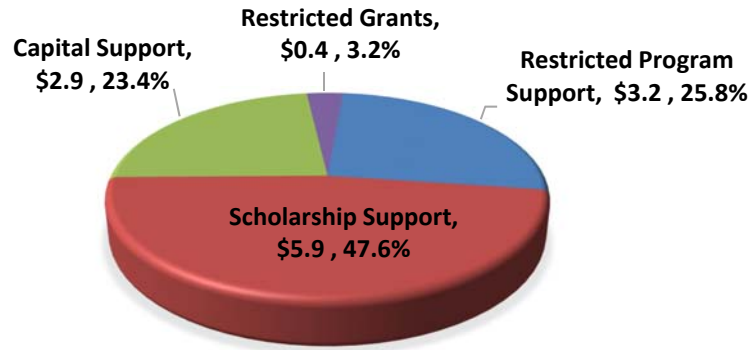
Institutionally funded financial aid for graduate students includes tuition and fee waivers and stipends for students who are awarded teaching, research, or administrative assistantships, as well as a limited number of scholarships. Only tuition and fee waivers and scholarships are included in graduate discounting calculations; stipends are budgeted as personnel expense for teaching, conducting research, or performing administrative tasks. Table 8 shows the graduate discount rate.

Table 8. Graduate Tuition Discounting

	FY15 Actual	FY16 Actual	FY17 Actual	FY18 Budget	FY18 Forecast
Graduate Tuition (Main & Extended)	\$ 24,950,925	\$ 26,658,783	\$ 30,518,580	\$ 34,447,390	\$ 32,160,687
Institutional Scholarships and Waivers	(4,144,139)	(4,680,713)	(5,473,747)	(5,516,839)	(5,785,681)
Discounted Revenue	\$ 20,806,786	\$ 21,978,070	\$ 25,044,833	\$ 28,930,551	\$ 26,375,006
Discount Percent	16.6%	17.6%	17.9%	16.0%	18.0%

FOUNDATION SUPPORT EXPENDED*

\$12.4 Million



	FY18 Budget	FY18 Forecast	Variance
Restricted Program Support			
Athletics	\$ 482,125	\$ 702,125	\$ 220,000
Provost	65,919	11,100	(54,819)
Library	364,010	335,010	(29,000)
EBS	201,439	281,000	79,561
HSS	161,425	175,675	14,250
MCB	638,330	638,330	-
NHS	122,093	122,093	-
PVA	160,300	160,300	-
Stryker Institute	275,876	275,876	-
Tointon Institute	228,000	300,000	72,000
Other	140,300	140,300	-
Total Restricted Program Support	\$ 2,839,817	\$ 3,141,809	\$ 301,992
Scholarships			
Institutional Scholarship Support	\$ 1,550,000	\$ 1,550,000	\$ -
Restricted Scholarships			
Named and Endowed Scholarships	3,450,000	3,579,277	129,277
Athletics Scholarships	525,000	525,000	-
Greeley Promise & Other Scholarships	250,000	250,000	-
Total Scholarship Support	\$ 5,775,000	\$ 5,904,277	\$ 129,277
Capital Support			
Campus Commons	\$ 1,900,000	\$ 2,911,971	\$ 1,011,971
Athletics Softball Backstop	35,000	5,000	(30,000)
PVA Gray Hall	20,000	20,000	-
Total Capital Support	\$ 1,955,000	\$ 2,936,971	\$ 981,971
Grants			
Daniels Fund	\$ 161,121	\$ 161,121	\$ -
Frontiers of Science	185,615	185,615	-
Grants under \$100,000	85,264	85,264	-
Total Grants Support	\$ 432,000	\$ 432,000	\$ -
Total Foundation Support	\$ 11,001,817	\$ 12,415,057	\$ 1,413,240

* Reflects the forecast for funds that will be transferred to UNC and used in the current year. It does not reflect funds raised.