

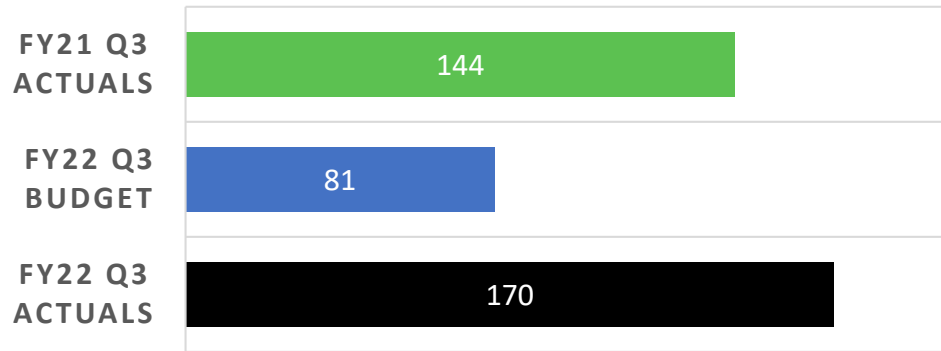
UNTS Board of Regents

FY 2022 Q3 Financial Highlights

Greg Anderson, Deputy Chancellor for Finance & Ops.
August 11, 2022

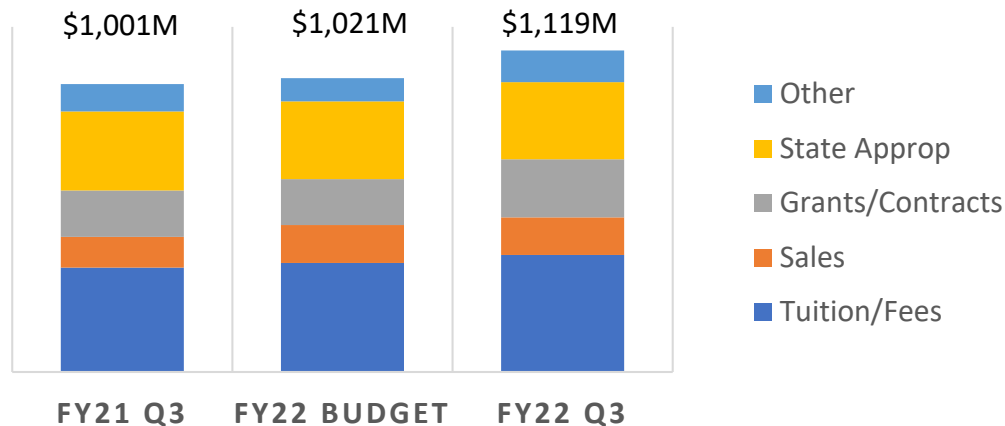
FY 2022 Q3 Performance: UNTS Consolidated

Net contribution to fund balances (\$M)

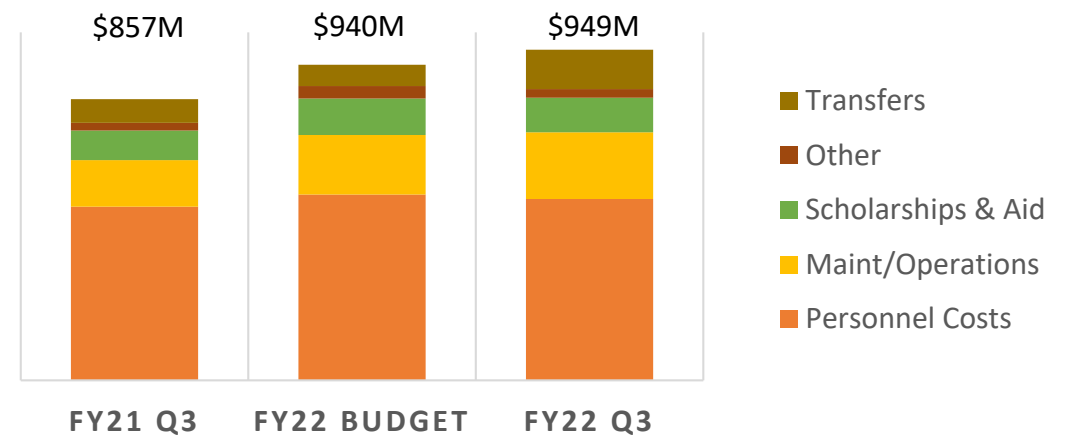


- Net contribution to fund balances higher than plan
 - Higher than budget by \$89m; higher than 2021 actuals by \$26m
- Revenues higher than planned
 - Tuition/Fees higher than plan by \$28m/8% due to increased enrollment
 - Grants and Contracts higher than plan by \$43m/27% due to timing of COVID relief funding
- Expenses and Transfers higher than planned by \$9m/1%
 - Above plan due to return to campus; mostly driven by maintenance/operations

REVENUES



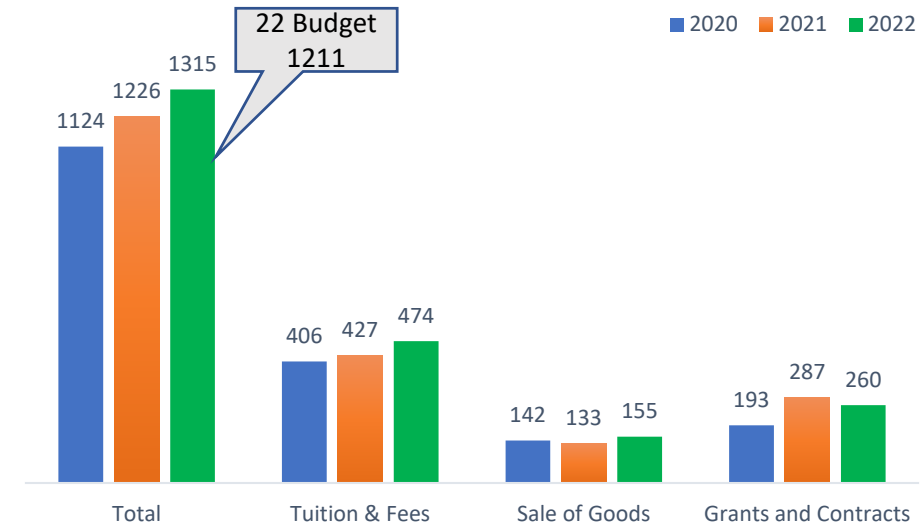
EXPENSES & TRANSFERS



FY 2022 UNTS End of year financial estimates (\$m)

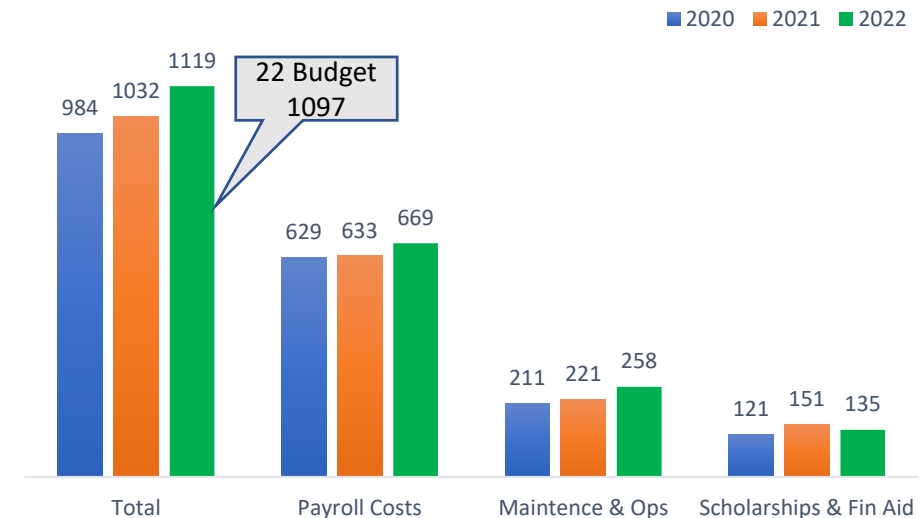
• Projected Revenue:

- FY22 Revenue projecting higher than FY21 by \$89m; higher than budget plan by \$104m;
- Tuition & Fees projecting higher than FY21 by \$47m due to increased student enrollment;
- Sales of goods projecting \$22m higher than FY21 due to full reopening of campuses;
- Grants and Contracts lower than prior year by \$27m because a majority of COVID relief funding was recognized in FY21.



• Projected Expenses:

- FY22 Expenses projecting higher than FY21 by \$87m; higher than budget plan by \$22m;
- Payroll costs projecting higher than prior year by \$36m due to increased enrollment support, faculty & auxiliary enterprises;
- Maintenance & Operations higher than FY21 by \$37m due to planned reopening costs;
- Scholarships & Aid projecting \$16m lower compared to prior year due to less COVID relief funding in FY22.



*Note: These are the main drivers, and do not total

FY 2022 Statement of Net Position (Assets, Liabilities & Net Position)

Net Position increased by \$85m (6.5%)

Assets & Deferred Outflows: increased \$152m (6.4%)

- Cash – \$83m
- Accounts Receivable – \$23m
- Investments – \$14m
- Capital Assets (GASB 87) – \$24m

Liabilities & Deferred Inflows: increased \$67m (6.3%)

- Notes & Loans (decrease) – (\$57m)
- Bonded Debt – \$62m
- Deferred Inflows (GASB 87) – \$19m

Condensed Comparative Statement of Net Position As of May 31, 2022 and 2021 (in thousands of dollars)

	May 31 2022	May 31 2021	% Increase (Decrease)
Assets and Deferred Outflows of Resources			
Current Assets	\$ 612,102	\$ 512,332	19.5%
Non-Current Assets:			
Capital Assets, Net	1,424,807	1,400,356	1.7%
Other Non-Current Assets	496,928	468,267	6.1%
Deferred Outflows of Resources	6,284	6,822	-7.9%
Total Assets and Deferred Outflows of Resources	\$ 2,540,121	\$ 2,387,777	6.4%
Liabilities and Deferred Inflows of Resources			
Current Liabilities	\$ 274,083	\$ 251,437	9.0%
Non-Current Liabilities:			
Bonded Indebtedness	807,242	782,718	3.1%
Other Non-Current Liabilities	37,616	36,473	3.1%
Deferred Inflows of Resources	19,977	1,082	1746.3%
Total Liabilities and Deferred Inflows of Resources	\$ 1,138,918	\$ 1,071,710	6.3%
Net Position			
Net Investment in Capital Assets	\$ 553,386	\$ 520,500	6.3%
Restricted:			
Funds Held as Permanent Investments:			
Non-Expendable	64,322	58,517	9.9%
Expendable	44,246	63,174	-30.0%
Other Restricted	62,596	61,689	1.5%
Total Restricted	171,164	183,380	-6.7%
Unrestricted	676,653	612,187	10.5%
Total Net Position	\$ 1,401,203	\$ 1,316,067	6.5%
Total Liabilities and Net Position	\$ 2,540,121	\$ 2,387,777	6.4%

FY 2022 Statement of Revenues, Expenses & Changes in Net Position

Net Position increased by \$85m (6.5%)

Operating Revenues increased by \$77m (13.5%)

- Tuition – \$45m
- Auxiliary Revenue – \$20m

Operating Expenses increased by \$95m (11.8%)

- Salary & Benefits – \$21m
- Scholarships – \$14m
- Professional Fee Expense – \$15m
- Auxiliary Expenses – \$14m

Non-operating Revenues decreased by (\$58m) (14.4%)

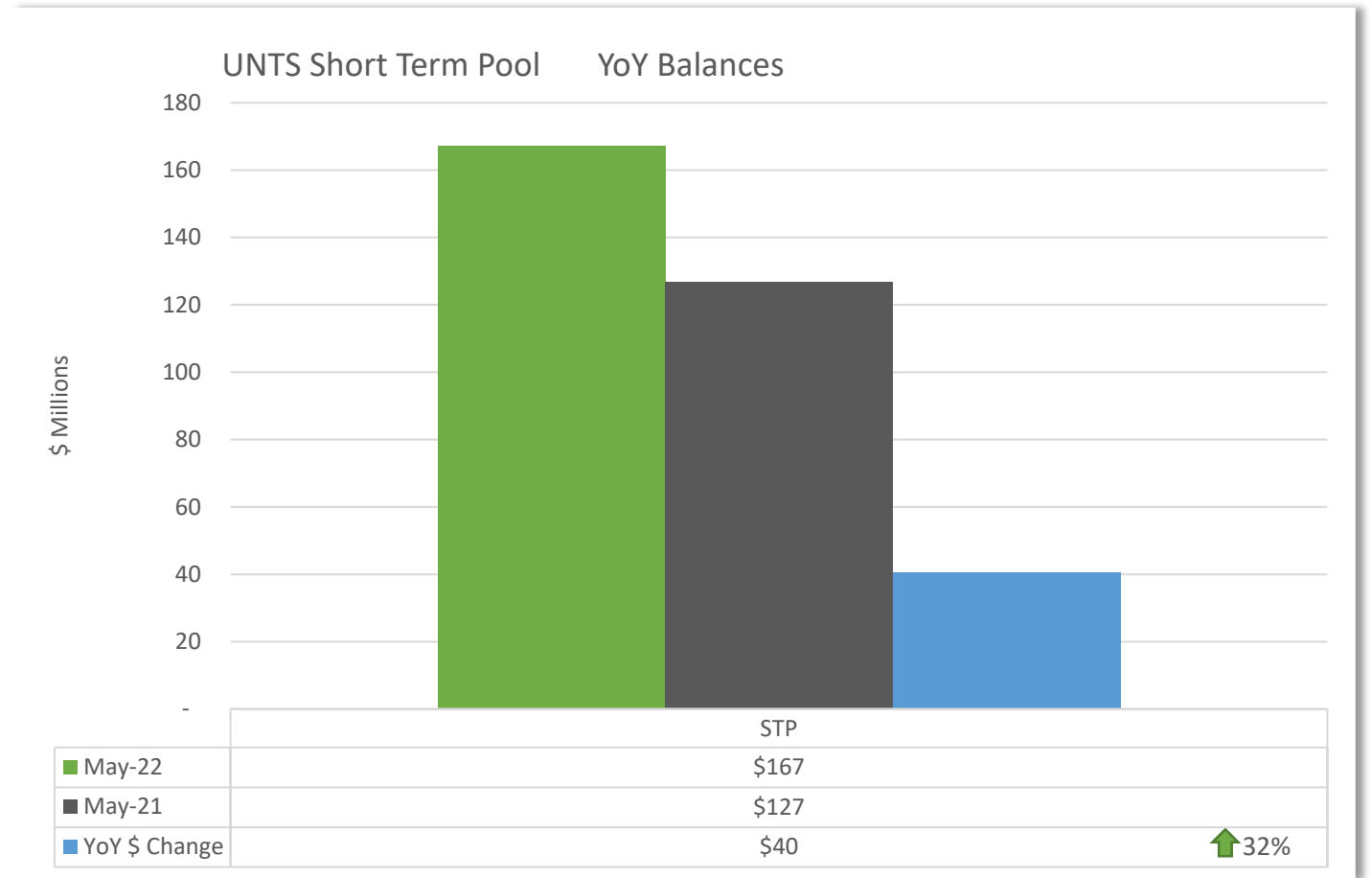
- Appropriations (decrease) – (\$8m)
- Federal Revenue (HEERF) – \$33m
- FMV of Investments (decrease) – (\$96m)

UNAUDITED			
Condensed Comparative Statement of Revenues, Expenses and Changes in Net Position			
For the Nine Months Ended May 31, 2022 and 2021			
(in thousands of dollars)			
	May 31, 2022	May 31, 2021	% Increase (Decrease)
Operating Revenues	\$ 646,865	\$ 570,164	13.5%
Operating Expenses	898,900	803,994	11.8%
Operating Income (Loss)	\$ (252,035)	\$ (233,830)	7.8%
Nonoperating Revenues (Expenses)	346,650	404,963	(14.4%)
Income (Loss) Before Other Revenues, Expenses and Transfers	\$ 94,615	\$ 171,133	(44.7%)
Other Revenues, Expenses and Transfers	59,196	51,576	14.8%
Change in Net Position	\$ 153,811	\$ 222,709	(30.9%)
Net Position, September 1	\$ 1,247,854	\$ 1,093,358	14.1%
Restatement	(462)	-	0.0%
Restated Net Position, September 1	1,247,392	1,093,358	14.1%
Net Position, May 31	\$ 1,401,203	\$ 1,316,067	6.5%

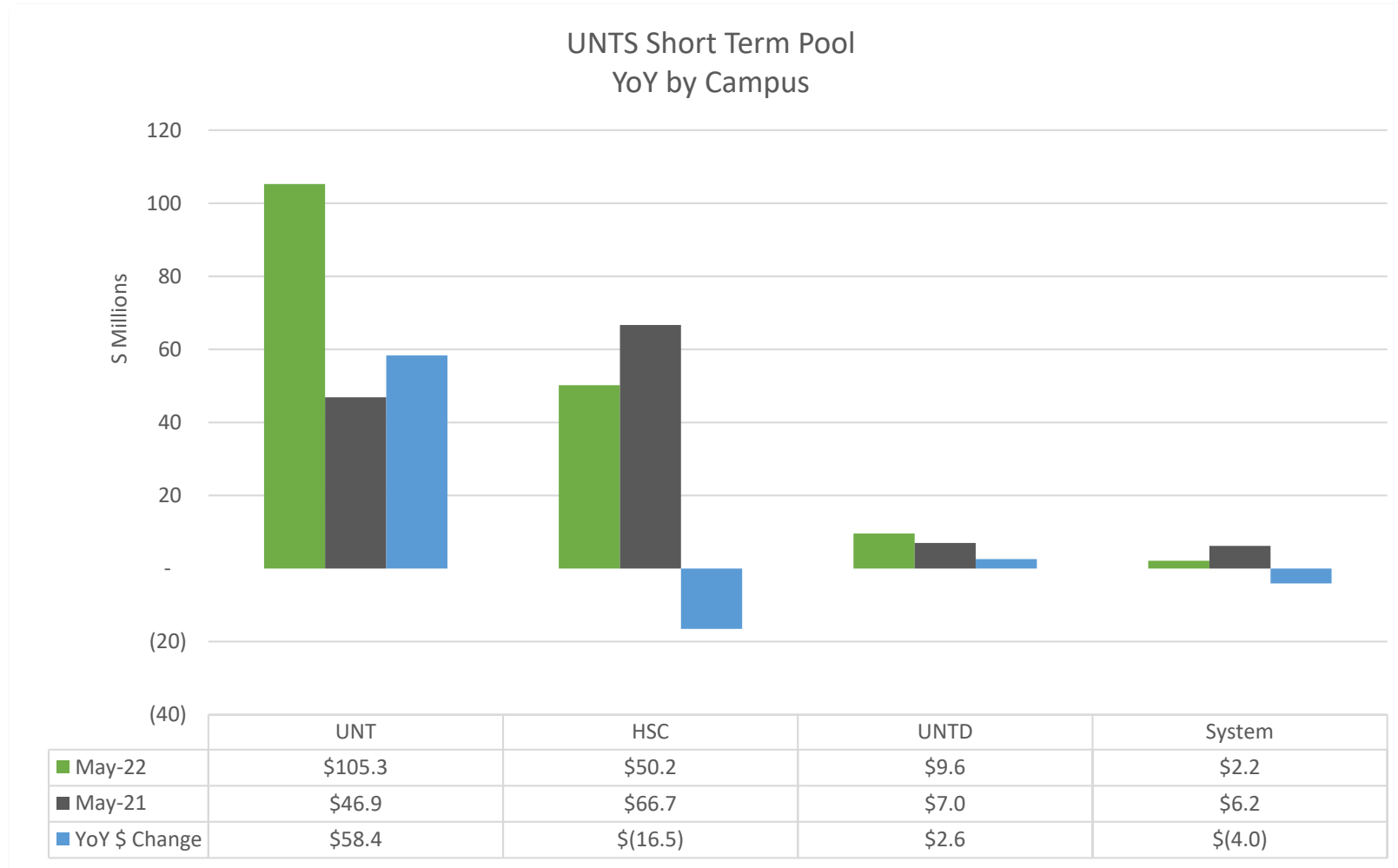
FY 2022 Q3 Cash Highlights

Highlights:

- Higher enrollments led to higher than anticipated tuition and fee revenues
- Sufficient reserve balances maintained
- Overall, improved operating liquidity over FY21



FY 2022 Q3 Cash Highlights – Cont.



Note: FY22 HSC balance reflects \$50m less due to transfers to long-term investments

FY 2022 Q3 UNTS Cash Flow Projections

Q3 FY 22 financials sustained a positive liquidity position for start of the fiscal year

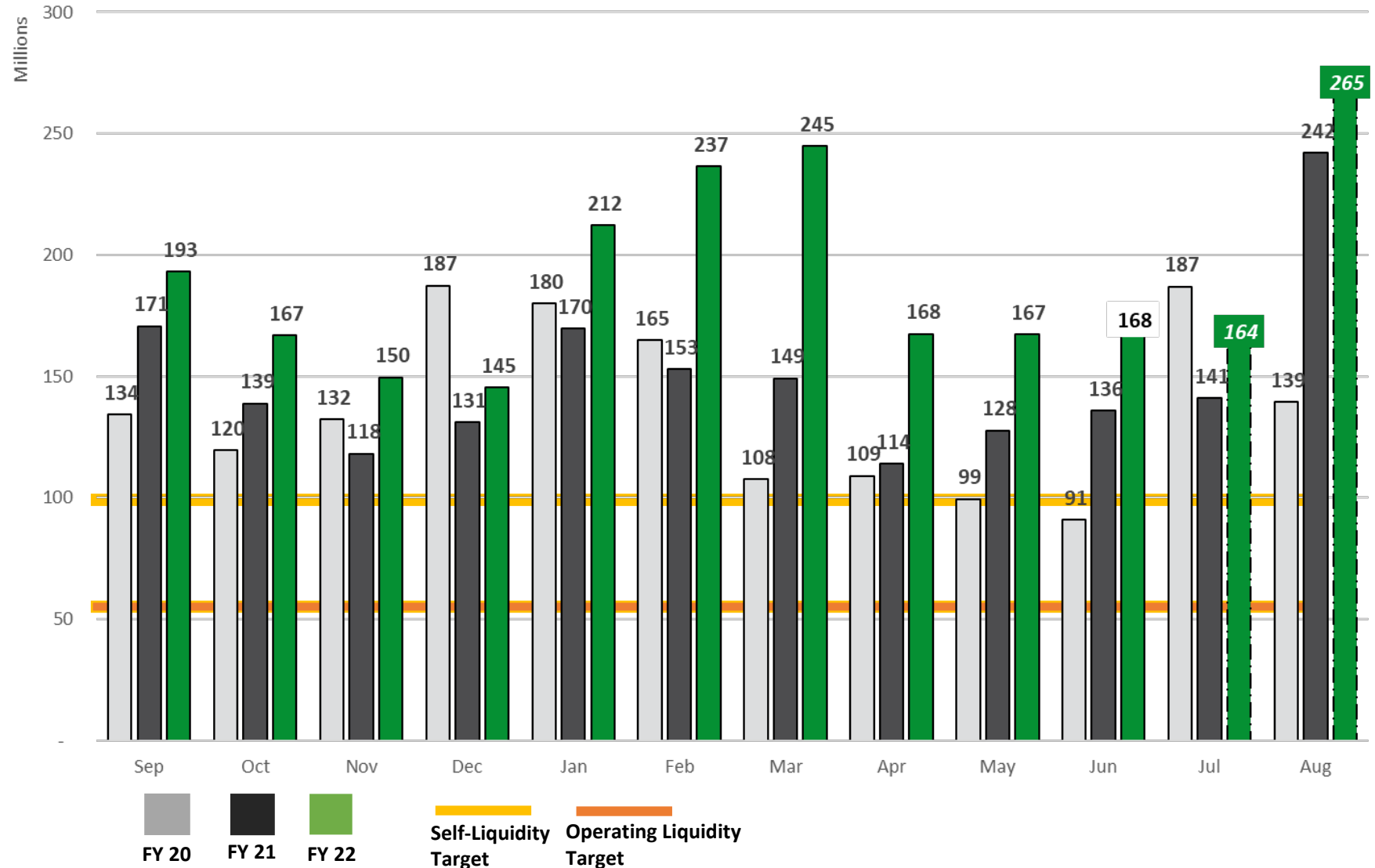
- Self-liquidity target of \$100m = 2x CP
- Operating liquidity target \$53m coverage of monthly PR and 5 days of AP

Days Cash on Hand

8/31/2021	11/30/2021	2/28/2022
226	183	223

5/31/2022	8/31/2022
190	227

Benchmark – 169 days



Questions