

DIVISION OF BUSINESS & FINANCE

COMPTROLLER'S UPDATE

February 23, 2024

AGENDA

Bond Issue

Audits and Reviews

Financial Statement Highlights



Bond Issue -DRAFT

- We issued bonds of \$58,450,000 to finance the construction and equipping of a new five-story residence hall to be known as the Bluford Residence Hall
- This bond issue was well received and the bonds sold out in just a few hours, highlighting our credit strength.
- We received an upgraded rating from Moody from A1 to Aa3 and a revised outlook to stable.





Audits and Reviews

Annual Financial Audit

No findings = Clean Audit

Report available at Office of the State Auditor site:

<https://www.auditor.nc.gov/documents/reports/financial/fin-2022-6070>

State Single Audit – Title IV (Financial Aid)

Field work completed; Auditors finalizing their report
Will be included in the State Single Audit report that is usually released in April. Management letter to be available for March SACSCOC accreditation visit.

Athletics Procedures Review for NCAA Compliance (AUP)

The NCAA requires a review by an independent accountant of over 50 Division I athletics fiscal and procedural areas with certification by the Chancellor.
No findings or recommendations noted.

STATE OF NORTH CAROLINA

OFFICE OF THE STATE AUDITOR
BETH A. WOOD, CPA



NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY

GREENSBORO, NORTH CAROLINA
FINANCIAL STATEMENT AUDIT REPORT
FOR THE YEAR ENDED JUNE 30, 2023

DIVISION OF BUSINESS & FINANCE

COMPTROLLER'S UPDATE

February 23, 2024

Financial Statement Highlights



Statement of Revenue, Expenditures, and Change in Net Position

	FY 2023	FY 2022	Change
Operating Revenues			
Tuition and Fees	91,329,848	82,022,631	9,307,217
Federal Appropriations	9,045,109	9,084,397	(39,288)
Grants and Contracts	41,442,045	32,414,635	9,027,410
Sales and Services	32,828,617	29,535,567	3,293,050
Other	3,342,002	6,172,694	(2,830,692)
Total Operating Revenues	177,987,621	159,229,924	18,757,697
Operating Expenses			
Salaries and Benefits	182,351,818	177,051,609	5,300,209
Supplies and Materials	135,549,674	96,517,761	39,031,913
Scholarships	46,317,587	43,929,545	2,388,042
Utilities	8,211,891	7,325,719	886,172
Depreciation	18,749,127	16,621,441	2,127,686
Total Operating Expenses	391,180,097	341,446,075	49,734,022
Total Operating Loss	(213,192,476)	(182,216,151)	(30,976,325)

The University's Net Position increased \$67M in FY 2023, a drop of \$36M from FY 2022. Increases in tuition and fees, contracts and grants, and state appropriations helped to off-set the increases in operating expenses.

	FY 2023	FY 2022	Change
Nonoperating Revenues (Expenses)			
State Appropriations	126,463,127	114,318,189	12,144,938
Federal and State COVID-19 Aid	53,582,446	63,477,980	(9,895,534)
Student Financial Aid	50,095,834	48,417,168	1,678,666
Noncapital Contributions	35,414,781	30,867,347	4,547,434
Interest and Fees on Debt	(3,552,884)	(3,573,036)	20,152
Income Earned on Investments	2,766,821	(151,917)	2,918,738
Loss on Disposal of Property	(905,990)	(546,909)	(359,081)
Total Nonoperating Revenues	263,864,135	252,808,822	11,055,313
Income Before Other Revenues	50,671,659	70,592,671	(19,921,012)
Other Revenues			
Capital Aid and Gifts	8,006,901	24,213,417	(16,206,516)
Additions to Endowments	8,108,897	8,483,978	(375,081)
Total Other Revenues	16,115,798	32,697,395	(16,581,597)
Increase in Net Position	66,787,457	103,290,066	(36,502,609)
Net Position			
Net Position - July 1	504,404,471	401,114,405	103,290,066
Net Position - June 30, 2020	571,191,928	504,404,471	66,787,457



	FY 2023	FY 2022	Change
Assets			
Current Assets			
Cash and Cash Equivalents	178,454,375	181,753,226	(3,298,851)
Receivables and Other Assets	44,026,399	20,699,297	23,327,102
Total Current Assets	222,480,774	202,452,523	20,028,251
Noncurrent Assets			
Cash and Cash Equivalents	23,221,377	29,674,376	(6,452,999)
Investments	155,059,930	142,216,566	12,843,364
Other Assets	7,394,597	3,358,894	4,035,703
Capital Assets, Net	487,667,582	478,594,491	9,073,091
Total Noncurrent Assets	673,343,486	653,844,327	19,499,159
Total Assets	895,824,260	856,296,850	39,527,410
Deferred Outflows of Resources			
Related to Refunding	601,639	648,677	(47,038)
Related to Pensions	38,556,063	21,656,191	16,899,872
Related to OPEB	33,206,971	39,624,639	(6,417,668)
Deferred Outflows of Resources	72,364,673	61,929,507	10,435,166

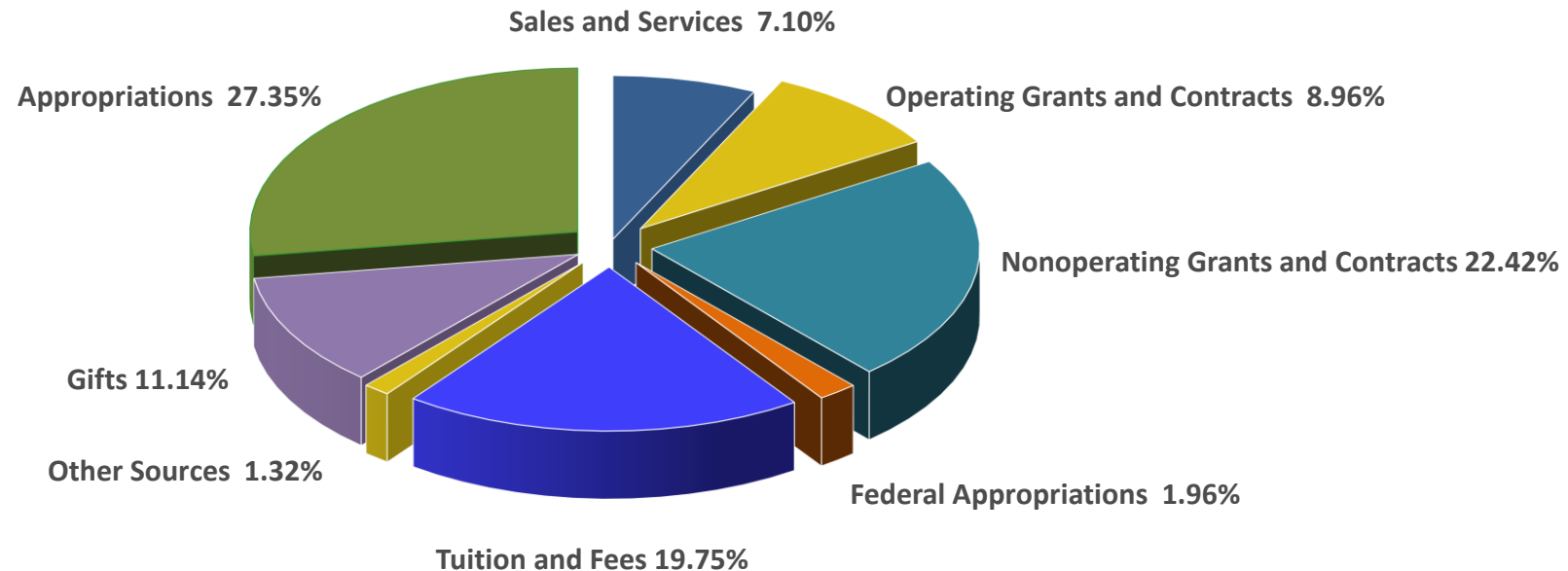
	FY 2023	FY 2022	Change
Liabilities			
Current Liabilities			
Liabilities and Unearned Revenue	14,528,134	12,428,494	2,099,640
Long-Term Liabilities - Current	5,308,118	5,540,041	(231,923)
Total Current Liabilities	19,836,252	17,968,535	1,867,717
Noncurrent Liabilities			
Long-Term Liabilities	104,514,852	106,530,446	(2,015,594)
Pension Liability	60,557,815	20,101,001	40,456,814
Liability for OPEB	139,707,472	188,462,629	(48,755,157)
Other Noncurrent Liabilities	500,269	416,126	84,143
Total Noncurrent Liabilities	305,280,408	315,510,202	(10,229,794)
Total Liabilities	325,116,660	333,478,737	(8,362,077)
Deferred Inflows of Resources			
Related to Nonexchange Transactio	30,000	50,029	(20,029)
Related to OPEB and Pensions	71,850,344	80,293,120	(8,442,776)
Deferred Inflows of Resources	71,880,344	80,343,149	(8,462,805)
Net Positions			
Net Investment in Capital Assets	389,012,498	379,163,612	9,848,886
Restricted - Nonexpendable	76,824,711	69,262,796	7,561,915
Restricted - Expendable	97,841,353	80,152,078	17,689,275
Unrestricted	7,513,366	(24,174,015)	31,687,381
Total Net Position	571,191,928	504,404,471	66,787,457

Statement of Net Position



Operating and Nonoperating Income

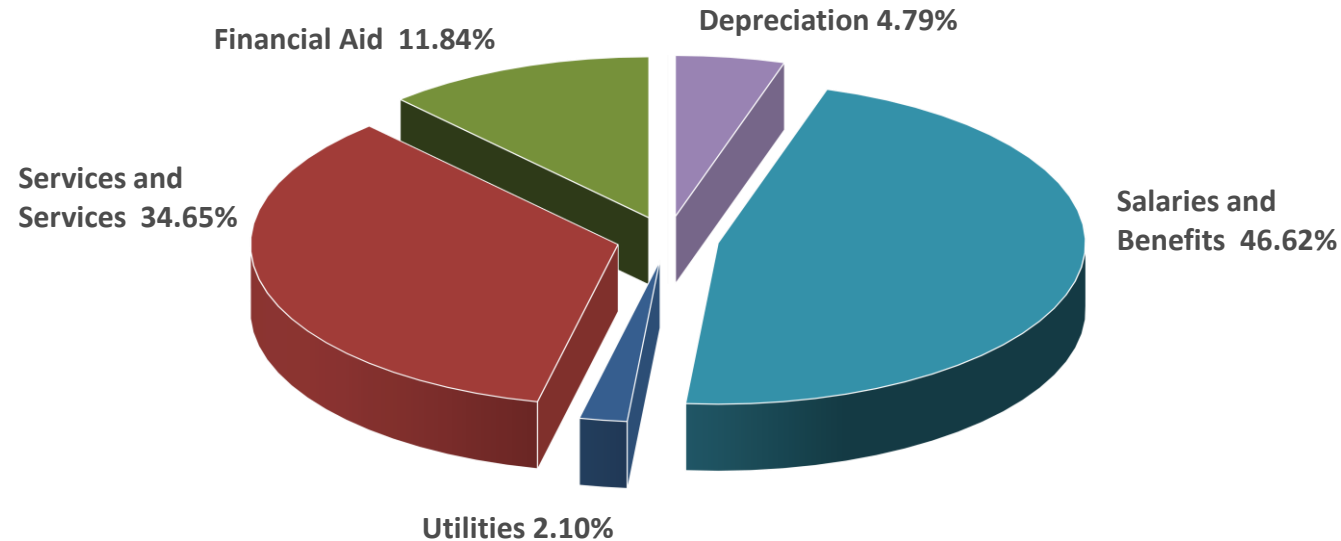
- Tuition and fees and sales and services increased during the year by \$12,6M as the University continues to enjoy strong enrollment.
- Nonoperating income increased by \$11M. A \$12M increase in State Appropriations, a \$2.7M in investment earning, as well as an increase of \$6.2M in gifts and grants offset declines of \$9M in COVID-19 funding.
- Capital Aid and Gifts for FY2022 decreased by \$16.2M as large projects reached completion.





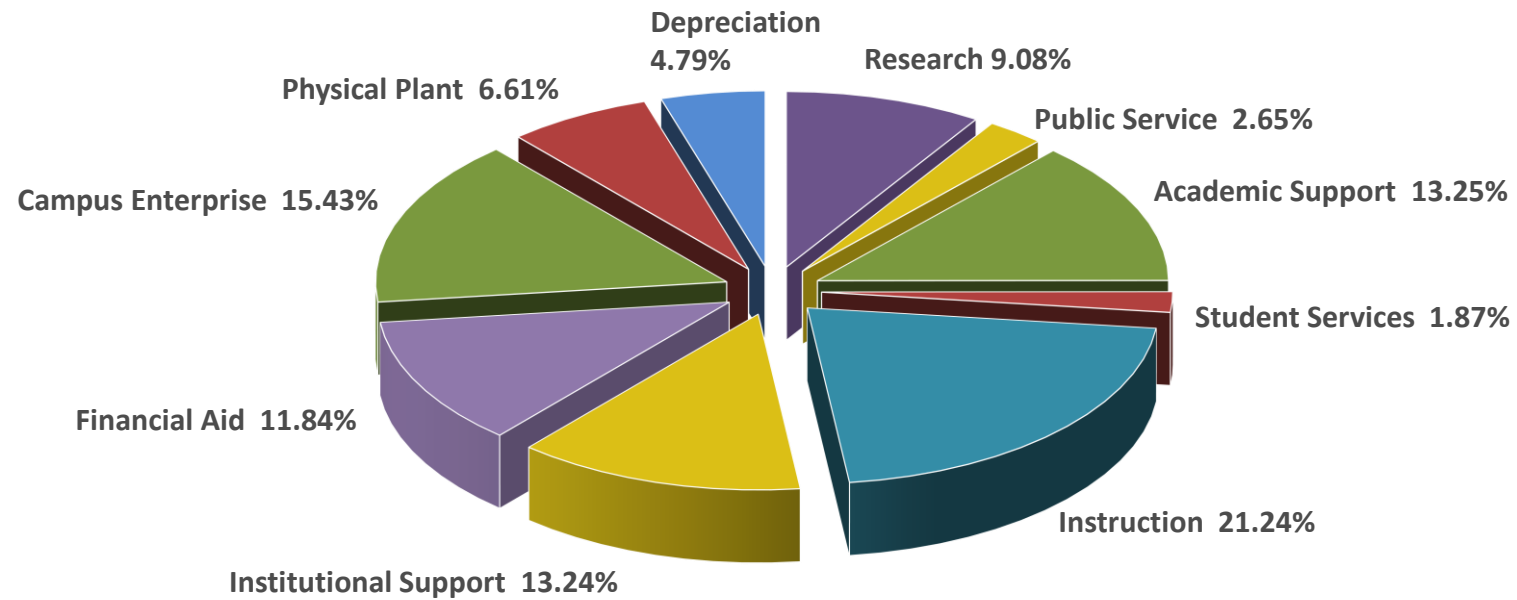
Operating Expenses by Classification

- Salaries and benefits increased by overall by \$5.3M in fiscal year 2023. This is as a result of an adjustment for pension and OPEB of \$26M. However wage increases, increases in benefit costs, and new employees off-set that amount by about \$31M.
- Services and materials increased by \$39M. As conferences are transitioning back to in-person, travel has increased by \$4.5M. The rising cost of goods and services has contributed to cost increases across a wide range University expenses, including food services, utilities, and maintenance.





Operating Expenses by Purpose



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Thank-you

