

### Key Performance Indicators (KPI)

		FY23 YTD	FY23 Full Year Forecast	FY23 Budget	FY22 Actual	FY21 Actual
<b>Operating Income (Total)</b>	Operating Revenues (\$M)	551.7	706.1	663.9	690.5	616.4
	Operating Expenses (\$M)	390.9	700.1	683.8	656.7	631.0
	Operating Income (\$M)	160.7	6.0	(20.0)	33.7	(14.5)
	Operating Income Pct	29.1%	0.8%	-3.0%	4.9%	-2.4%
<b>Undergraduate Enrollment</b>	Undergrad Enrollment (Fall R30)	11,903	11,903	12,173	12,073	12,358
	Undergrad Gross Tuition (\$M)	300.9	298.0	304.7	284.5	285.8
	Undergrad Financial Aid (\$M)	(133.9)	(138.2)	(142.9)	(130.1)	(125.6)
	Undergrad Net Tuition (\$M)	167.0	159.7	161.8	154.4	160.2
	Undergrad Net Tuition/Student (Fall, \$)	7,553	7,553	7,473	7,374	7,353
<b>Graduate Enrollment (Total)</b>	Grad Enrollment (Fall R30)	2,974	2,974		2,948	2,925
	Grad Gross Tuition (\$M)	59.4	61.7	66.1	55.3	50.6
	Grad Financial Aid (\$M)	(26.8)	(26.9)	(26.4)	(24.2)	(21.3)
	Grad Net Tuition (\$M)	32.6	34.8	39.8	31.1	29.3
<b>Balances</b>	Unrestricted Reserves (\$M)	299.7	129.8	107.9	132.5	65.4
	Total External Debt (\$M)	146.7	142.1	142.1	152.8	163.4
	Unrestricted Reserves/Debt	2.0	0.9	0.8	0.9	0.4
	Current Use Gift Fund Balance (\$M)	47.5	43.6	51.0	46.3	43.5
	Restricted Reserves (\$M)	1,068.6	1,119.4	1,113.5	1,068.3	1,088.0

### Commentary

Note: FY23 Full Year Forecast is as of 12/31/22

**Operating Income:** FY23 Operating Income full year forecast is \$26M favorable versus budget primarily due to the higher FEMA recovery of \$28.3M and increase in Grants & contract direct revenue of \$11.1M, partially offset by decreased Net tuition & fees of \$6.1M and increase in employee compensation \$6.7M. \*FY23 YTD Operating Income is temporarily inflated due to the recognition of the spring semester estimated net tuition revenue; however, the offsetting expenses have yet to be fully recognized.

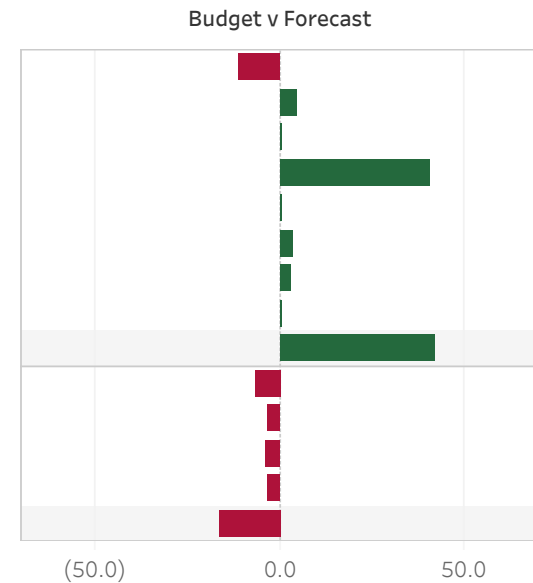
**Undergraduate Enrollment:** FY23 Undergraduate Net tuition full year forecast is \$2.1M unfavorable versus budget, primarily driven by the lower-than-budgeted total student enrollment on the Durham and Manchester campus. FY23 YTD Undergraduate Enrollment reflects Fall '22 R30 census data. Net tuition per student calculations excludes grant-funded financial aid. \*YTD FY23 net tuition is overstated due to the timing of financial aid disbursements.

**Graduate Enrollment:** FY23 Graduate Net Tuition full year forecast is \$5M unfavorable versus budget due to lower-than-projected enrollment. Graduate net tuition fluctuates throughout the year due to differing programmatic schedules and the timing of financial aid postings. \*YTD FY23 net tuition is overstated due to the timing of financial aid disbursements.

**Balances:** YTD Unrestricted reserves balance is temporarily inflated due to the timing of Operating Income described above. Current Use Gift fund balance excludes certain funds not available for spending (i.e., pledges, investments, future capital projects, accounting adj). Restricted reserves include endowment corpus and net investment in the capital plant and equipment.

### Operating Income (Total)

		FY23 YTD	FY23 Full Year Forecast	FY23 Budget	FY22 Actual
<b>Operating Revenues (\$M)</b>	Gross Tuition & Fees	375.5	376.0	386.9	367.9
	Financial Aid	(161.2)	(165.9)	(170.7)	(155.7)
	State Appropriation	35.2	60.4	60.4	60.4
	Grants & Contracts/F&A/Pell	129.6	222.1	181.2	219.5
	Non Cap Gifts & Endowment Income	18.0	38.0	37.4	37.1
	Sales of Aux Services	136.6	145.4	141.7	133.4
	Other Operating Revenue	17.8	29.9	26.8	27.7
	Other Chgs Impacting Op Margin	0.1	0.1	0.0	0.2
<b>Total</b>	<b>551.7</b>	<b>706.1</b>	<b>663.9</b>	<b>690.5</b>	
<b>Operating Expenses (\$M)</b>	Employee Compensation	234.2	420.5	413.8	387.2
	Supplies & Services	115.9	206.5	203.6	202.7
	Depreciation	30.9	54.1	50.6	53.1
	Other Operating Expense	9.9	19.0	15.8	13.7
	<b>Total</b>	<b>390.9</b>	<b>700.1</b>	<b>683.8</b>	<b>656.7</b>
<b>Operating Income (\$M)</b>	<b>160.7</b>	<b>6.0</b>	<b>(20.0)</b>	<b>33.7</b>	
<b>Operating Income Pct</b>	<b>29.1%</b>	<b>0.8%</b>	<b>-3.0%</b>	<b>4.9%</b>	



Green bars/positive amounts reflect favorable impact on Operating Income; Red bars/negative amounts reflect unfavorable impact on Operating Income

### Commentary

**Operating Income:** FY23 Operating Income full year forecast is \$26M favorable versus budget primarily due to the higher FEMA recovery of \$28.3M and increase in Grants & contract direct revenue of \$11.1M, partially offset by decreased Net tuition & fees of \$6.1M (tuition & fees decrease \$10.9M offset by a projected reduction of financial aid \$4.8M due to lower total student enrollment) and increase in employee compensation \$6.7M. FY23 YTD Operating Income is temporarily inflated due to the recognition of spring semester net tuition revenue without all the offsetting employee compensation and support expenses.

**Gross Tuition & Fees** full year forecast is \$10.9M unfavorable versus budget, primarily due to a lower than the projected total undergraduate enrollment of \$6M, Grad enrollment of \$3.8M, and a decrease in summer tuition of \$1M.

**The Financial Aid** full year forecast is \$4.8M favorable versus budget, primarily due to lower than projected enrollment.

**Grants & Contracts/F&A/Pell** full year forecast is \$40.9 favorable versus budget, primarily due to \$11.1M additional grant revenue, FEMA recovery of \$28.3M, and an increase of F&A of \$1.5M.

**Employee Compensation** full year forecast is \$6.7M unfavorable versus budget, primarily driven by an increase in grant funds \$4.9M, and \$1.9M in other funds (mainly in student labor \$.7M, full benefit salaries \$.5M, and partial benefit salaries \$.5M).

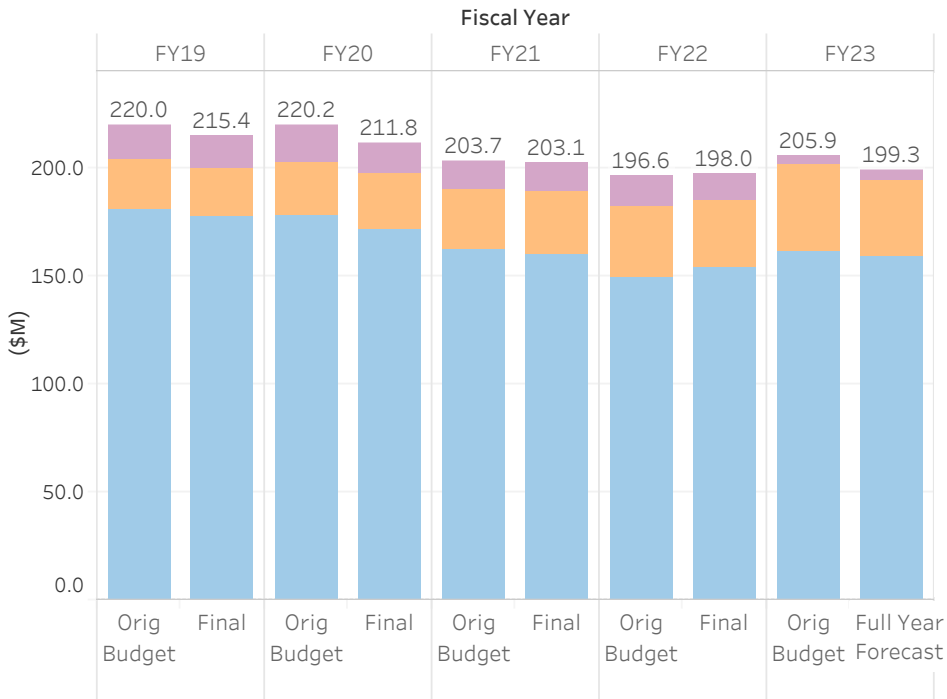
**Notes:**

- The FY23 full year forecast is as of 12/31/22

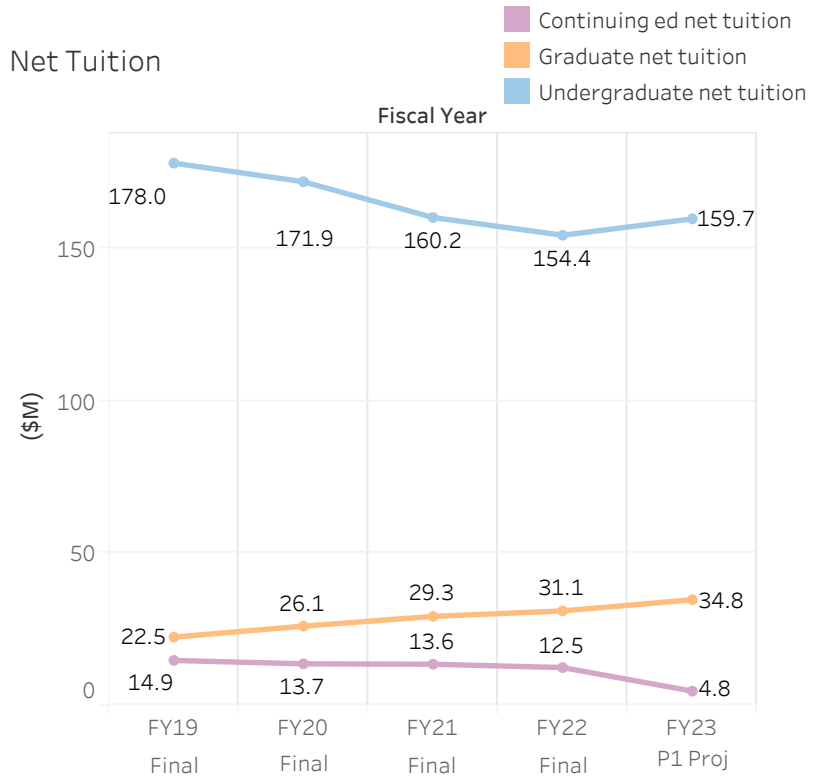
- 'Budget v Forecast' is calculated as Forecast-Budget for Operating Revenues and Budget-Forecast for Operating Expenses.

## Net Tuition

Net Tuition



Net Tuition



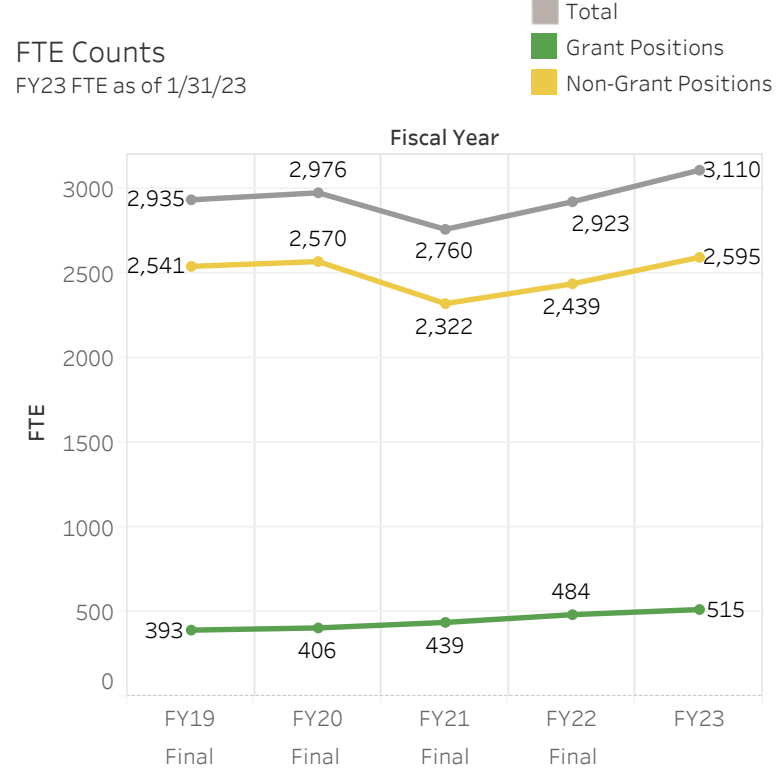
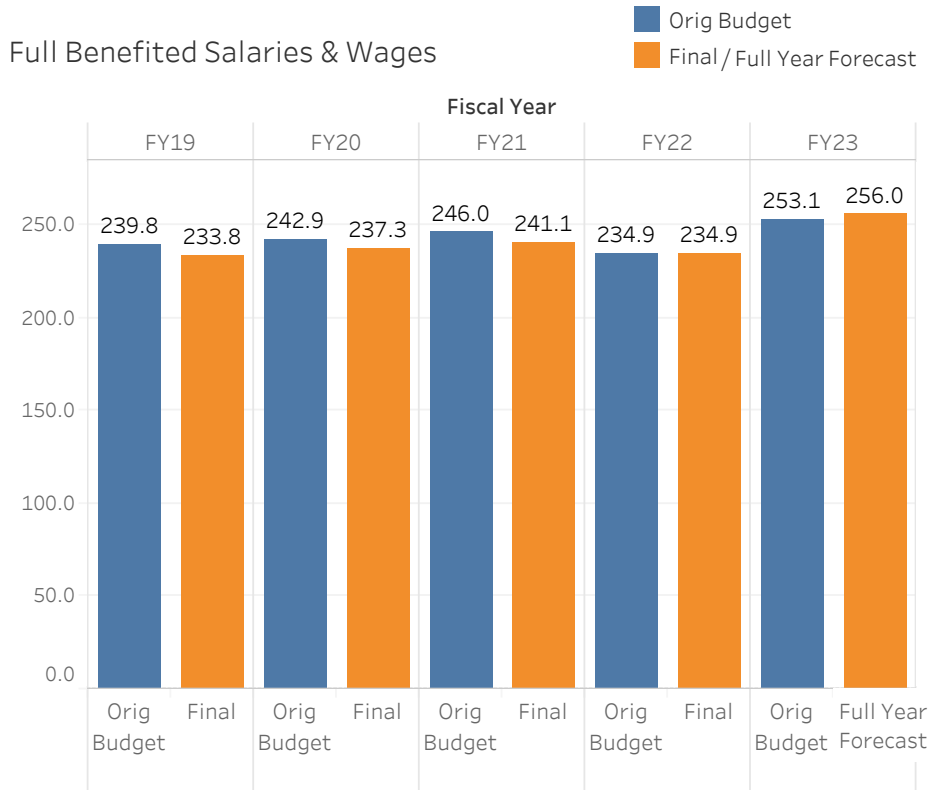
## Commentary

**Net tuition** full year forecast is \$6.6M unfavorable versus budget primarily due to a decrease in overall UG enrollment(\$6M), a decrease in graduate enrollment (\$3.8M), and summer tuition (\$1M), partially offset by a reduction of financial aid of \$4.1M. Five years of the historical amount of net tuition has declined over FY19-22.

\* Prior to FY23, Summer, and J-term were coded as continuing education. Starting in FY23, they are now recorded as undergraduate & graduate net tuition.

\* Graduate net tuition includes Durham, Law, & Manchester.

**Full Benefited Salaries & Wages and FTE**



**Commentary**

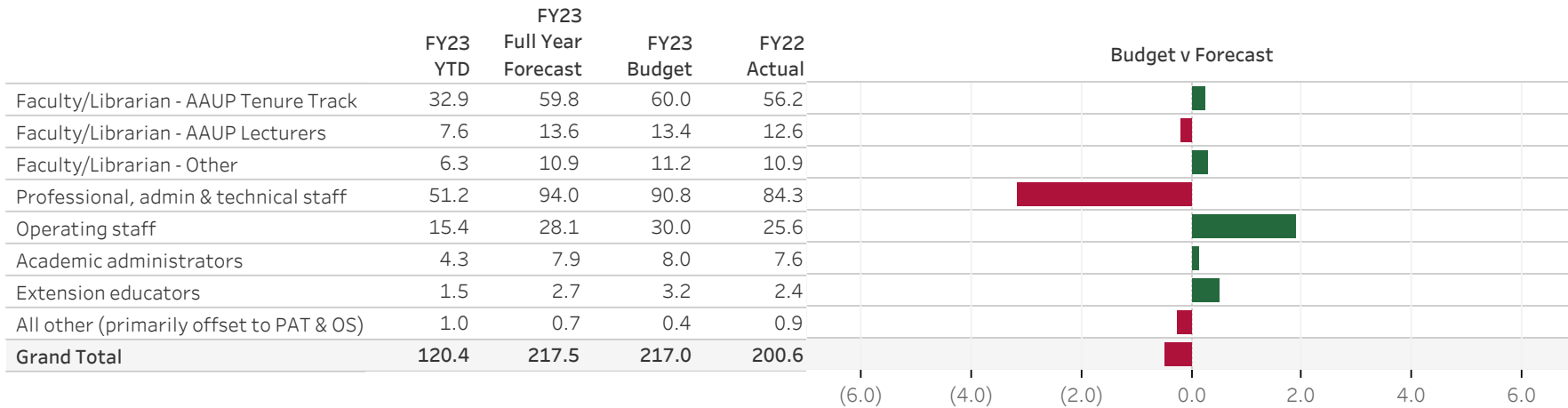
**Full Benefited Salaries & Wages** full year forecast is \$2.9M unfavorable versus budget and \$21.1M unfavorable versus FY22 final, primarily due to the salary increase and the increase in PAT and additional approved positions. Five years of historically Full Benefited Salaries and Wages has an increasing trend over FY19-21 and declined \$6.2M in FY22 due to the COVID Early Retirement Program (CERP) impact.

**FTE Counts - as of 1/31/23**

**Grant Positions** increased by 31 FTEs, and **Non-Grant Positions** increased by 156 FTEs versus FY22 FTE final counts.

### Salary Expense - Fully Benefited Positions

(\$M, excluding Grant Funds)



Green bars/positive amounts reflect favorable impact on Operating Income; Red bars/negative amounts reflect unfavorable impact on Operating Income

### FTE - Permanently Budgeted, Term and Perm-Term Positions (Non-Grant)

	FY23 1/31/23	FY22 1/31/22	Variance
Faculty/Librarian - AAUP Tenure Track	519	520	(1)
Faculty/Librarian - AAUP Lecturers	171	162	9
Faculty/Librarian - Other	120	110	10
Professional, admin & tech staff	1,092	991	100
Operating staff	600	565	35
Academic administrators	37	37	0
Extension educators	56	55	1
<b>Grand Total</b>	<b>2,595</b>	<b>2,440</b>	<b>155</b>

### Commentary

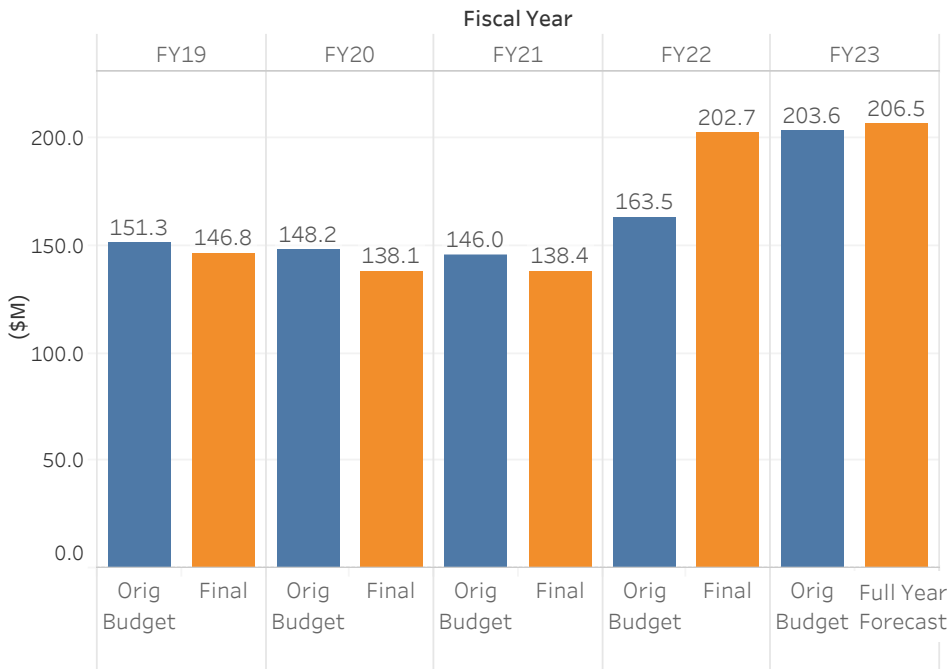
**Notes:**

- FY23 full year forecast is as of 12/31/22
- Principal administrators are included in 'Professional, admin & technical staff' rows;
- Postdoctoral associates are included in 'Faculty/Librarian - Other' rows

## Supplies & Services

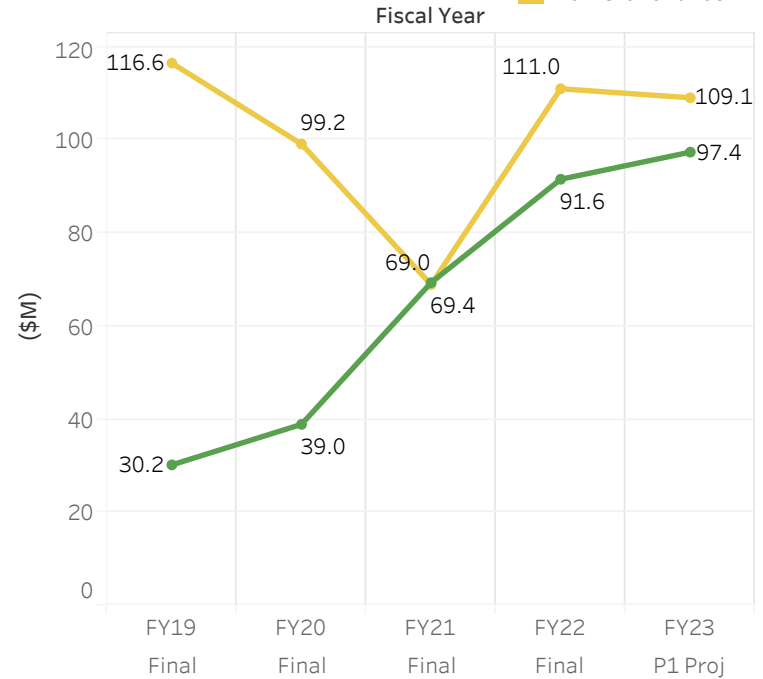
Supplies & Services  
(Total Supplies & Services, including Travel)

■ Orig Budget  
■ Final / Full Year Forecast



Supplies & Services

■ Grant Funds  
■ Non-Grant Funds



## Commentary

Supplies & Services full year forecast is \$2.9M unfavorable versus budget primarily due to a \$3.4M increase in Travel and partially offset by \$0.5M decrease in supplies.

\*Total Supplies & Services, including Travel

### FY23 - Recurring vs Non-Recurring Operating Income

	Recurring			Non-Recurring			Total		
	FY23 YTD	FY23 Full Year Forecast	FY23 Budget	FY23 YTD	FY23 Full Year Forecast	FY23 Budget	FY23 YTD	FY23 Full Year Forecast	FY23 Budget
<b>Operating Revenues (\$M)</b>									
Gross Tuition / Fees	375.5	376.0	385.0	0.0	0.0	2.0	375.5	376.0	386.9
Financial Aid	(161.1)	(165.9)	(170.7)	(0.1)	0.0	0.0	(161.2)	(165.9)	(170.7)
State Appropriation	35.2	60.4	60.4	0.0	0.0	0.0	35.2	60.4	60.4
Grants & Contracts/F&A/Pell	118.6	190.5	178.4	11.0	31.7	2.8	129.6	222.1	181.2
Non Cap Gifts & Endowment Income	18.0	38.0	37.4	0.0	0.0	0.0	18.0	38.0	37.4
Sales of Aux Services	136.6	145.4	141.7	0.0	0.0	0.0	136.6	145.4	141.7
Other Operating Revenue	17.8	29.9	26.8	0.0	0.0	0.0	17.8	29.9	26.8
<b>Grand Total</b>	<b>540.7</b>	<b>674.3</b>	<b>659.1</b>	<b>10.9</b>	<b>31.7</b>	<b>4.8</b>	<b>551.6</b>	<b>706.0</b>	<b>663.9</b>
<b>Operating Expenses(\$M)</b>									
Employee Compensation	231.7	413.6	406.8	2.5	6.9	6.9	234.2	420.5	413.8
Supplies & Services	112.4	187.4	184.4	3.5	19.1	19.2	115.9	206.5	203.6
Depreciation	30.9	54.1	50.6	0.0	0.0	0.0	30.9	54.1	50.6
Other Operating Expense	9.9	19.0	15.8	0.0	0.0	0.0	9.9	19.0	15.8
<b>Grand Total</b>	<b>385.0</b>	<b>674.1</b>	<b>657.7</b>	<b>6.0</b>	<b>26.0</b>	<b>26.1</b>	<b>390.9</b>	<b>700.1</b>	<b>683.8</b>
<b>Operating Income</b>	<b>155.8</b>	<b>0.4</b>	<b>1.4</b>	<b>5.0</b>	<b>5.6</b>	<b>(21.3)</b>	<b>160.8</b>	<b>6.0</b>	<b>(20.0)</b>
<b>Operating Margin</b>	<b>28.8%</b>	<b>0.1%</b>	<b>0.2%</b>				<b>29.1%</b>	<b>0.8%</b>	<b>-3.0%</b>

### Commentary

The Non-Recurring Operating Income contains the impact of one-time items not expected to repeat in future fiscal years. This primarily includes expenses related to key strategic initiatives such as the GSC merger, ERP, and Online Infrastructure.