FY 2017 AUDITED STATEMENTS
FY 2017 Financial Highlights

• State Auditor issued unqualified opinion

• No management letter comments or findings

• No material weaknesses in internal control over financial reporting

• Continued growth in net position, $37.3 million
### 2017 Change in Net Position

<table>
<thead>
<tr>
<th></th>
<th>FY 2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Loss</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Revenues</td>
<td>$166,305</td>
<td>$169,106</td>
<td>$174,917</td>
</tr>
<tr>
<td>Operating Expense</td>
<td>277,217</td>
<td>287,628</td>
<td>300,801</td>
</tr>
<tr>
<td>Total Operating Loss</td>
<td>(110,912)</td>
<td>(118,522)</td>
<td>(125,884)</td>
</tr>
<tr>
<td><strong>Nonoperating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>123,586</td>
<td>132,752</td>
<td>157,713</td>
</tr>
<tr>
<td><strong>Income Before Other Revenues</strong></td>
<td>12,674</td>
<td>14,229</td>
<td>31,829</td>
</tr>
<tr>
<td><strong>Other Revenues</strong></td>
<td>6,396</td>
<td>6,860</td>
<td>5,451</td>
</tr>
<tr>
<td><strong>Change in Net Position</strong></td>
<td><strong>19,070</strong></td>
<td><strong>21,089</strong></td>
<td><strong>37,280</strong></td>
</tr>
<tr>
<td><strong>Net Position July 1</strong></td>
<td>426,494</td>
<td>445,564</td>
<td>466,653</td>
</tr>
<tr>
<td><strong>Change in Net Position (above)</strong></td>
<td>19,070</td>
<td>21,089</td>
<td>37,280</td>
</tr>
<tr>
<td><strong>Net Position June 30</strong></td>
<td>445,564</td>
<td>466,653</td>
<td>503,933</td>
</tr>
<tr>
<td><strong>Change in Net Position (%)</strong></td>
<td><strong>4.47%</strong></td>
<td><strong>4.73%</strong></td>
<td><strong>7.99%</strong></td>
</tr>
</tbody>
</table>
Net Position Increased $37.3 million

2017 Net Position $503,933
($ Thousands)

Net Investment in Capital Assets $298,892 (59%)

Restricted - Nonexpendable $57,883 (11%)

Unrestricted $103,454 (21%)

Restricted - Expendable $43,704 (9%)
Net Position Increased $37.3 million

Net Position Growth Components
($ in 000s)

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2016</th>
<th>FY 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Investment in Capital</td>
<td>$282,012</td>
<td>$298,892</td>
</tr>
<tr>
<td>Restricted - Nonexpendable</td>
<td>$55,102</td>
<td>$57,883</td>
</tr>
<tr>
<td>Restricted - Expendable</td>
<td>$32,357</td>
<td>$43,704</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$97,182</td>
<td>$103,454</td>
</tr>
</tbody>
</table>
Diverse Revenue Sources

2017 Revenue by Source $347,510
($ Thousands)

- Student Tuition & Fees, Net $111,043 (32%)
- Additions to Endowments $2,815 (<1%)
- Federal Grants & Contracts $5,934 (2%)
- State Appropriations $124,218 (36%)
- Capital Appropriations $1,186 (<1%)
- Other Operating Revenues $7,100 (2%)
- Capital/Noncapital Grants $25,200 (7%)
- Investment Income, Net $10,636 (3%)
- Capital/Noncapital Gifts, Net $7,846 (2%)
- Non-Federal Grants & Contracts $2,602 (1%)
- Other Nonoperating Revenues $694 (<1%)
- Residential Life, Net $22,325 (6%)
- Dining, Net $14,088 (4%)
- Parking, Net $3,332 (1%)
- Recreation Services, Net $3,434 (1%)
- Other Sales & Services, Net $2,641 (1%)
- Sales & Services of Education & Related Activities $2,416 (1%)

Other $48,236 (14%)

2017 Revenue by Source $347,510
($ Thousands)
Total Expenses by Nature

2017 Operating Expense by Nature $300,801
($ Thousands)

- Salaries and Benefits $183,155 (61%)
- Supplies and Materials $21,991 (7%)
- Services $59,051 (20%)
- Scholarships and Fellowships $17,604 (6%)
- Utilities $7,752 (2%)
- Depreciation $11,248 (4%)

Total Expenses $300,801

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UNIVERSITY OF NORTH CAROLINA WILMINGTON
Total Expenses by Function

2017 Operating Expense by Function $300,801
($ Thousands)

- Instruction $117,841 (39%)
- Research $9,622 (3%)
- Public Service $4,565 (2%)
- Academic Support $22,434 (7%)
- Student Services $13,327 (4%)
- Institutional Support $29,906 (10%)
- Operations & Maintenance of Plant $25,943 (9%)
- Student Financial Aid $16,400 (5%)
- Auxiliary Enterprises $49,515 (17%)
- Depreciation $11,248 (4%)
Debt Summary 2008-17

($ in millions)
Financial Statement Audit Report


• Distributed to external constituents and posted to UNCW Controller’s webpage: http://www.uncw.edu/controller/financial_reports.html