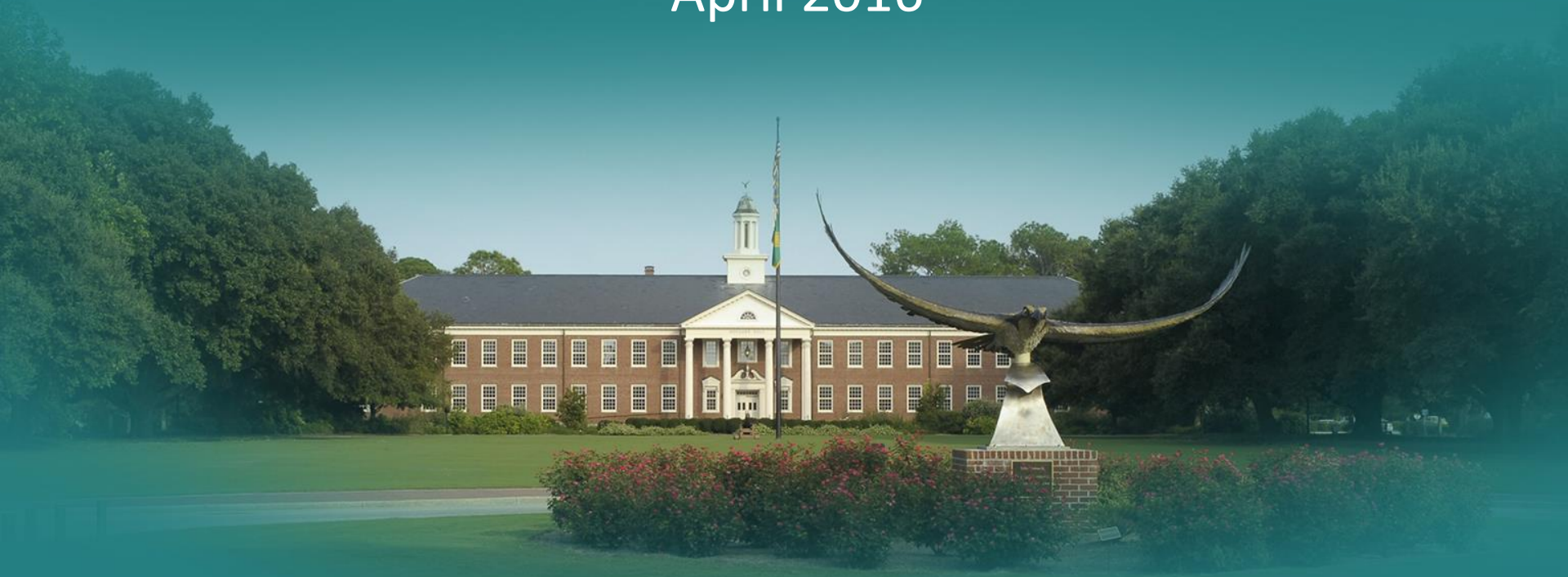


Trustee Business Affairs Committee VCBA Briefing

April 2016



UNIVERSITY *of* NORTH CAROLINA WILMINGTON

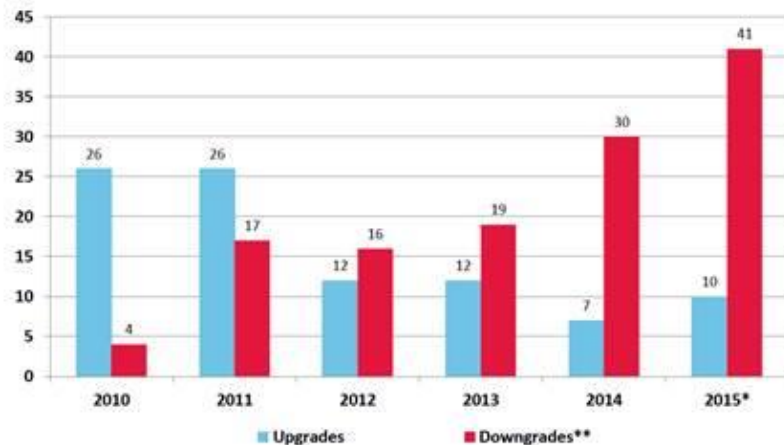
S&P Debt Rating Upgrade



2008 COPs Standard & Poor's Upgrade

- March 18th Upgrade to A (stable outlook) from A- (stable outlook)
- Drivers: Strong Debt Service Coverage and Healthy Housing and Auxiliary Performance
- S&P awarded few upgrades in 2015. Rising number of upgrades in 2016.

History of U.S. Higher Education Rating Actions



* As of December 31, 2015.

** Includes University of Puerto Rico and Sweet Briar multiple downgrades.



General Revenue Bonds	
<i>Outstanding Par: \$97.2 million</i>	
Moody's	S&P
Aaa	AAA
Aa1	AA+
Aa2	AA
Aa3	AA-
A1	A+
A2	A
A3	A-
Baa1	BBB+
Baa2	BBB
Baa3	BBB-
<i>Non Investment Grade</i>	

Special Indebtedness (LOBs/COPs)	
<i>Outstanding Par: \$118 million</i>	
Moody's	S&P
Aaa	AAA
Aa1	AA+
Aa2	AA
Aa3	AA-
A1	A+
A2	A
A3	A-
Baa1	BBB+
Baa2	BBB
Baa3	BBB-
<i>Non Investment Grade</i>	

FY 2015-16

Projected Tuition Revenue

FY 2015-16 Projected Tuition Revenue

	Student	FY 15-16 Budget	FY 15-16 Projected Tuition Revenue	Variance
FY 15-16 Regular Term	Resident	\$42,010,863	\$42,950,878	\$940,015
	Non-Resident	\$31,181,625	\$29,045,323	(\$2,136,301) *
	Total	\$73,192,487	\$71,996,201	(\$1,196,286)
FY 15-16 Distance Ed	Resident	\$3,748,207	\$5,517,724	\$1,769,517
	Non-Resident	\$1,769,455	\$1,978,851	\$209,396
	Total	\$5,517,662	\$7,496,575	\$1,978,913
Subtotal		\$78,710,149	\$79,492,776	\$782,627
FY 15-16 RN to BSN - OAP	Resident	\$2,948,421	\$2,402,939	(\$545,482)
	Non-Resident	\$67,728	\$76,849	\$9,121
	Total	\$3,016,149	\$2,479,788	(\$536,361)
Grand Total		\$81,726,298	\$81,972,564	\$246,266

* Veterans Choice reclassified non-resident military students to resident status resulting in UNCW receiving \$793,293 to compensate for this change

FY 2016-17

Enrollment Growth

Tuition and Fees

FY 2016-17 Potential Budget Increases

- Enrollment Growth, excluding RN to BSN - OAP
 - RTI and DE \$9.6M
- Campus Initiated Tuition Increase (CITI)
 - Tuition \$2.3M
- RN to BSN – OAP
 - RTI and DE \$1.8M

Summary Enrollment Growth

FY 2015-16	Requirement	Tuition	Appropriation	# Faculty
FY 15-16 RTI	\$4,646,216	\$1,609,989	\$3,036,227	24.26
FY 15-16 DE	<u>\$1,140,736</u>	<u>\$1,101,328</u>	<u>\$39,408</u>	<u>5.17</u>
Total	\$5,786,952	\$2,711,317	\$3,075,635	29.43
OAP	<u>\$9,616,161</u>	<u>\$2,190,067</u>	<u>\$7,426,094</u>	<u>50.99</u>
Grand Total (BOG Approved)	\$15,403,113	\$4,901,384	\$10,501,729	80.42

FY 2016-17	Requirement	Tuition	Appropriation	# Faculty
FY 16-17 RTI	\$2,109,390	\$156,030	\$1,953,360	11.01
FY 16-17 DE	<u>\$7,474,826</u>	<u>\$2,120,367</u>	<u>\$5,354,459</u>	<u>39.02</u>
Total	\$9,584,216	\$2,276,397	\$7,307,819	50.03
OAP	<u>\$1,835,610</u>	<u>\$451,200</u>	<u>\$1,384,410</u>	<u>9.58</u>
Grand Total (BOG Approved)	\$11,419,826	\$2,727,597	\$8,692,229	59.61

CITI Tuition Rates

	FY 15-16 Rate	FY 15-16 % Increase	FY 16-17 Rate	FY 16-17 % Increase
Undergrad Students				
In-State	\$4,188.00	4.02%	\$4,355.50	4.00%
Out-of-State	\$18,053.75	0.00%	\$18,324.55	1.50%
Graduate Students				
In-State	\$4,329.23	4.00%	\$4,448.23	2.75%
Out-of-State	\$16,420.18	2.00%	\$16,667.18	1.50%
MBA Students				
In-State	\$5,138.78	3.35%	\$5,257.78	2.32%
Out-of-State	\$16,962.26	1.94%	\$17,209.26	1.46%
MSA Students				
In-State	\$4,911.08	3.51%	\$5,030.08	2.42%
Out-of-State	\$16,962.26	1.94%	\$17,209.26	1.46%

CITI Tuition Increases

	U/G Resident	U/G Non-Resident	Grad Resident	Grad Non-Resident	Total Revenue
FY 15-16 Increase	\$162.00	\$0	\$166.50	\$322.00	
FY 15-16 Revenue	\$1.6M	\$0	\$163K	\$47K	\$1.8M
FY 16-17 Increase	\$167.50	\$270.80	\$119.00	\$247.00	
FY 16-17 Revenue	\$1.7M	\$495K	\$117K	\$36K	\$2.3M

FY 2015-16 CITI Expenditures

Component	Funding	FTE
Faculty Positions	\$441,850	4.0
Expanded Course Offerings (UNI 101)	\$43,340	
UBP Applied Learning: Program Leader Stipends (50)	\$50,000	
UBP Applied Learning: CSURF Awards (50)	\$75,000	
Graduate School – TA Stipends	\$177,125	
Research Catalyst Awards	\$120,000	
Title IX Coordinator	\$104,758	1.0
Title IX Investigator	\$65,680	1.0
Title IX Admin Associate	\$44,800	1.0
Excellence and Equity	\$691,898	
Total	\$1,814,451	7.0

FY 2016-17 CITI Expenditures

Component	Funding	FTE
Faculty Positions	\$644,775	6.0
Graduate School – TA Stipends	\$177,125	
Assistant Dean of Students	\$91,526	1.0
Counseling Center Psychologist	\$94,224	1.0
Career Center Counselor	\$77,042	1.0
Student Accounts Accountant	\$89,748	1.0
Excellence and Equity	\$1,132,008	
Total	\$2,306,448	10.0

Approved Fee Increases

	FY 15-16 Increase	FY 15-16 Fee	FY 16-17 Increase	FY 16-17 Fee
Athletics	\$28.00	\$682.55	\$42.00	\$724.55
Health Services	\$0	\$190.50	\$0	\$190.50
Student Activities	\$13.00	\$677.15	\$8.00	\$685.15
Educational & Technology	\$51.96	\$450.46	\$42.50	\$492.96
Security Fee	\$30.00	\$30.00	\$0	\$30.00
Total General Fees	\$122.96	\$2,030.66	\$92.50	\$2,123.16



FY 2016-17

Budget Reduction



FY 2016-17 Potential Budget Reductions

- Management flexibility reduction
 - Permanent UNC cut - \$25M
 - Estimated permanent UNCW cut - \$1.3M
 - One-time UNC cut - \$3M
 - Estimated one-time UNCW cut - \$150K
- Private fundraising cap – GA is requesting removal in short session
 - UNC Cut - \$16M
 - Estimated permanent UNCW cut - \$900K

FY 2016-17

Board of Governor
Budget Priorities

FY 2016-17 BOG Budget Priorities

Education Attainment = Growing NC's Economy \$29M

- Innovative Intervention Strategies to Improve Completion Rates \$18M
- Build Data-Centric Systems of Success and Accountability \$ 3M
- Leveraging Technology & Learning Innovations for Part-Way Students \$ 3M
- STEM and Health Degrees Merit Scholarship Program \$ 5M

Retain Top Talent \$61M

- 2% Compensation Adjustment Reserve \$58M
- Faculty Recruitment and Retention Fund \$ 3M

Technical Adjustments \$18M

- Fully Fund Enrollment Change (in addition to 2016-17 reserve) \$ 1M
- Eliminate Private Fundraising Cap \$17M