



MINUTES

Trustees Present: Greg Anton (*chair*), Dick Monfort, Prateek Dutta, Steve Jordan, Annette Martinez

Trustees Absent: Maia Babbs, Patricia Barela Rivera, Jazmin Martinez, Angela Vaughan

University Staff Present: Andy Feinstein, Jennifer Almquist, Darren Dunn, Kirsty Fleming, Tobias Guzmán, Cedric Howard, Dale Pratt, Lori Riley, Dan Satriana, Dawit Senbet, Allie Steg Haskett

I. **Call to Order / Roll / Approval of Agenda**

Finance and Audit Committee Chair Greg Anton called the meeting to order at 11:32 a.m.

A motion to approve the agenda was made, seconded, and approved by all board members in attendance.

II. **Welcome and Update**

Feinstein began by remarking on the recent passage of House Bill 24-1231, which will provide funding for the university's proposed osteopathic medical college. He then previewed several of the topics on the agenda, starting with an update to the FY24 forecast based on results through the third fiscal quarter. He reported that this year's projected budget shortfall is now down to \$2.3M from the \$4.2M reported at the end of the first fiscal quarter, which is due to work by leaders across the university to make prudent decisions about short-term spending. Feinstein also shared an update on meetings with the Budget Advisory Committee, which is guiding the university's budget planning process for the next fiscal year. He reported that one item that has been discussed with the committee is proposed strategic investments for FY25, including budgeting for an increase to institutional grants and scholarships to help bolster student retention and success and making a proposed one-time faculty minimum parity adjustment that will increase compensation for the lowest paid

faculty members. Feinstein concluded with an update on enrollment and said the university continues to make steady progress toward targets for fall.

III. Discussion Items

A. FY24 Q3 Financial Report and Forecast

Vice President Pratt began with an overview of the projected cash balance for the end of the fiscal year, which now includes the escrow proceeds for the university's proposed osteopathic medical college. He then reviewed the operating budget noting that non-personnel expenses are projected to be \$2.5M under budget, which is a \$3.1M improvement from the initial forecast. There is also an improvement in personnel spending, with a shortfall now projected to be \$1.7M over budget, which is an improvement from the initial forecast of a \$2.2M overspend.

During discussion, trustees focused on several areas of variance from the initial forecast.

B. Enrollment Update

Vice President Howard began with an update on the U.S. Department of Education's revisions to the process students use to apply for financial aid and the adjustments the university is making to address delays and minimize the impact on students. He then shared progress toward enrollment targets for fall 2024, noting that UNC continues to trend ahead of last year's confirmation numbers for new, first-time students. Howard added that the university is currently trending ahead of the 25% threshold required to maintain designation as a Hispanic Serving Institution. Howard also provided updates on the admission of transfer and graduate students. He then spoke about new contracts and renewals for university housing, noting that the current projection is a 62% occupancy rate in the fall.

C. FY25 Preliminary Budget Preview

Pratt started with a review of revenue factors and planning assumptions in developing the next fiscal year's budget. He also spoke about expense factors, noting personnel expense increases that include compensation pools for faculty and professional administrative staff and across-the-board increases for classified staff. Pratt described efforts to work toward a balanced budget while also prioritizing investments in several important strategic initiatives.

Next, Pratt provided an update on proposed FY25 tuition and fees. He noted a proposed increase of 3% for undergraduate resident students, a 4% increase in

non-resident and graduate student tuition, and a 4% increase in fees. Pratt said the proposed additional 1% increase in undergraduate and graduate fees and in graduate tuition were due to the shortfall in state funding.

IV. Adjourn

With no further discussion or business Chair Anton adjourned the meeting at 1:25 p.m.