



NCCU BOARD OF TRUSTEES

September 24, 2025

Business and Finance Division

Finance Update

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Vice Chancellor for
Business and Finance/CFO





WHERE **PURPOSE TAKES FLIGHT**

- ☐ Government Accounting & University Finances Overview
- ☐ FY25 Preliminary Year-end Review
- ☐ FY26 Enrollment Revenue Highlights
- ☐ Strategic Plan: Vision 2030 Update





Government Accounting & University Finances Overview

All Funds Budget Resource Groups

General Funds

Sources

- State Funding:
 - Appropriation
 - Sports Wagering Revenue
- Tuition

Uses

- Instruction
- Financial Aid
- Academic & Institutional Support

Auxiliary & Trust Funds

Sources

- Student Fees
- Auxiliary Revenues
- Miscellaneous Revenues

Uses

- Financial Aid
- Auxiliaries
 - Housing
 - Dining
 - Athletics

Overhead Receipts

Sources

- Indirect Cost Recovery from Grants

Uses

- Research
- Other Grant Activity

Restricted Funds

Sources

- Research Funding
- Gifts/Endowments
- Federal Financial Aid

• Uses

- Research
- Financial Aid
- Professorships

Each type of fund has specific revenue sources, intended uses, and rules.

Government vs Private/For-Profit Accounting

(GASB vs FASB)

Income Statement – Material Differences

	<u>Government</u>	<u>Private/For-Profit</u>	<u>FY25</u> <u>Amts</u>
Revenues			
State Appropriation (non-capital)	Non-Operating	Operating	\$98M
Non-Capital Grant Revenue	Non-Operating	Operating	\$56M
			<u>\$154M</u>
Expenses			
Interest and Fee Expense	Non-Operating	Operating	<u>\$3M</u>
			\$3M

Financial Projection Overview

FY26 = July 1, 2025 – June 30, 2025

BOT Meeting	Projection	Basis/Key Factors
September	Enrollment Revenues	Summer Session II & Fall Enrollment @ Census
December	Revenues and Expenses	Summer II & Fall Term <i>(YTD Activity as of Oct 31)</i>
March	Revenues and Expenses	Summer II, Fall & Spring Enrollment @ Census <i>(YTD Activity as of January 31)</i>
June	Revenues and Expenses	Summer Session II, Fall, Spring & Summer I Early Enrollment <i>(YTD Activity as of April 31)</i>





FY25 Financial Update



FY25 Financial Closing Activities

- Annual Comprehensive Financial Report was submitted to State Controller's Office on August 25, 2025
- State Auditors were on campus in July for preliminary work
- Financial Statements are due to State Auditor's Office on *September 19, 2025*
- Completion of Audit – TBD (November+)



FY25 Notable Updates

- Management Flex *Approved* Carry-Forward = \$2.5M
(provides for FY26 one-time strategic investments and contingency support)
- \$4.6M in Cost Transfers to State from 'Auxiliary/Trust' Funds
- Athletics Fund Balance improved by \$100K from start of FY25.
 - FY25 Budget anticipated a \$5M increase in the deficit balance
 - Improvement in fund balance is the combined result of increased self-generated revenues, increased state sports wager funding, expense reductions and institutional support funding.

Preliminary FY25 Income Statement

July 1, 2024 – June 30, 2025
(In Millions)

Figures subject to change; Financial
Statements not due to State Auditors
until 9/19/2025.

As of 8/25 ACFR Report

	Preliminary	Audited
	FY25	FY24
Operating Revenues	125.4	113.5
Operating Expenses	280.8	246.9
Operating Income (Loss)	-155.4	-133.3
Net Non-Operating Revenue (Expense)	161.0	135.5
Net Income before Capital/Transfers	5.6	2.1
Transfers and Capital Expenses	4.3	11.1
Total Net Income	9.9	13.2

*State Appropriations are reported as non-operating revenues

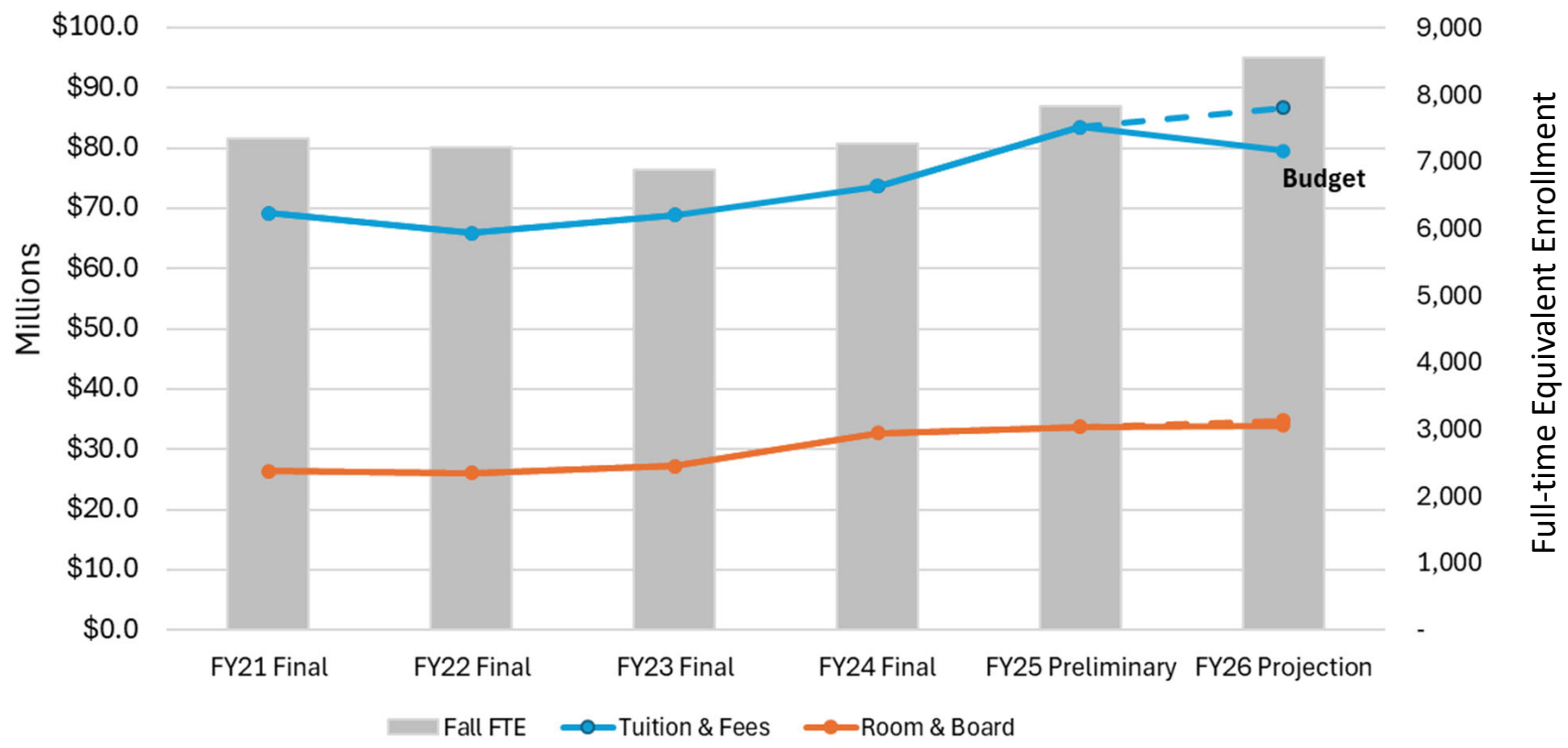


FY26 Financial Update



FY26 *Gross Enrollment Revenues*

FY26 Tuition, Fees, Room & Board



*FY25 financial figures are preliminary and subject to change.



NORTH CAROLINA CENTRAL UNIVERSITY

Strategic Plan: Vision 2030 Update

Building the Foundation (Year 1)

3.1 Strengthen financial stewardship, accountability and transparency

Action Item	Champion	Start	End	Evaluation	Investment Cost by FY	Type of Resource
3.1.1 Provide Financial Management Trainings to Business and Budget Manager	VC Laurie Wilcox (Kick-off); AVC Aubrey Clark-Brown (Recurring)	August 2025	December 2025	Develop the training information; Deliver the Training;	No resources needed at this time	
3.1.2 Implement new General Ledger/Chart of Accounts Structure	VC Laurie Wilcox	October 2025	June 2025	Design the new structures for Funds, Orgs, Accounts, & Activities; Utilize new Org structure for transaction approval workflows; Load FY27 Budget using new GL/CoA Structure	Temporary/ Contracted Services \$50K FY26	One-time \$
3.1.3 Create Management Suite of Financial Reports	VC Laurie Wilcox	September 2025	June 2025	Develop Report List; Hire report writers; Produce new reports; Distribute new Reports	Temporary Contracted Services; \$50K FY26	One-time \$
3.1.4 Implement zero-based budgeting process	AVC Aubrey Clark-Brown	October 2025	June 2025	Distribute templates and guidelines to Budget and Business Managers;		

3.1 Strengthen financial stewardship, accountability and transparency (Cont'd)

Action Item	Champion	Start	End	Evaluation	Investment Cost by FY	Type of Resource
3.1.5 Optimize Banner Student Billing Activities	AVC Gina Knight	September 2025	June 2025	Develop Statement of Work; Hire Banner consultant to assess current operations and deliver recommendations; Implement recommendations; Title IV refunds are issued within 14 days	Temporary Contracted Services; ITS Support \$75K FY26	One-time \$
3.1.6 Develop a strategy to address structural deficits (i.e. Eagle Card, Ticket Office, Athletics, and Student Stores)	AVC Derrick Magee	October 2025	June 2025	Multi-year Financial Analysis performed; Discussions held with AVC for Budget/Planning; FY26 operating deficits reduced from FY25; FY27 Budget Plan illustrates a reduced or zero deficit.	No resources needed at this time	

4.1 Enhance performance and support internal growth for faculty/staff

Action Item	Champion	Start	End	Evaluation	Investment Cost by FY	Type of Resource
4.1.3 Train and Develop Finance Staff	AVC Gina Knight	August 2025	June 2025	Identify knowledge gaps; identify training opportunities (one-time & recurring); Staff attend trainings; Performance reflects increased knowledge base	Webinar and/or conference costs \$30K FY26 & \$8K annually thereafter	One-time & On-going



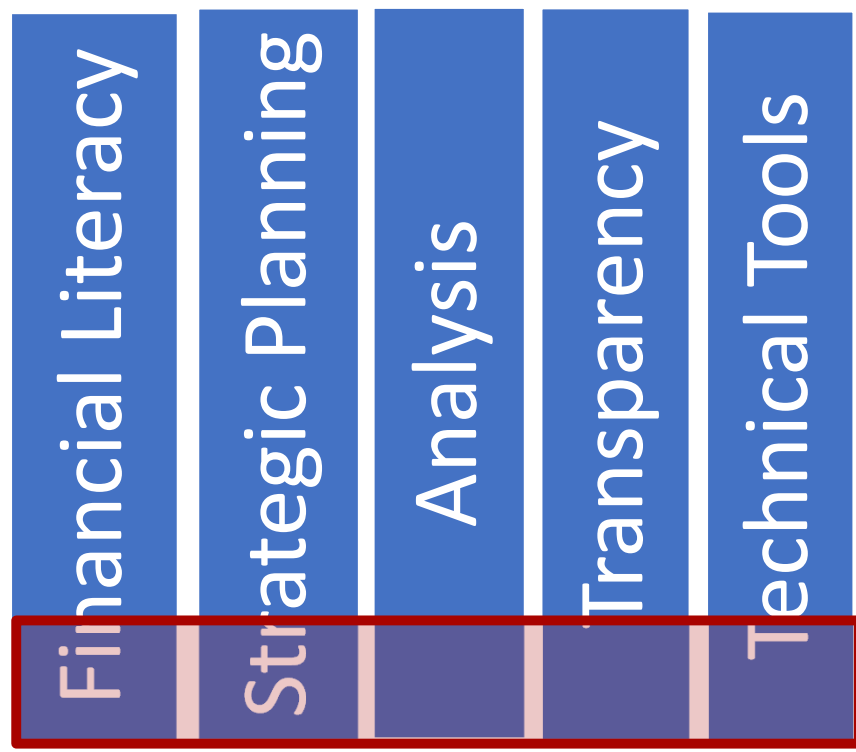
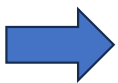
4.2 Develop a performance-based accountability framework across divisions

Action Item	Champion	Start	End	Evaluation	Investment Cost by FY	Type of Resource
4.2.3 Implement Team Dynamix for Finance Service Units to improve service delivery and gain performance visibility	VC Laurie Wilcox	October 2025	June 2025	Provide System Demo to Division Leadership team; Develop Implementation Plan; ITS Implements the Plan; NCCU Community uses the tool	ITS Support	



Strategic Plan Year 1 Overview

Building the Foundation



A solid foundation in each of these layers allows for **more informed and rational choices**, leading to **long-term financial sustainability**

SOARING TO NEW HEIGHTS

*Whatever
It Takes!*



NCCentral
UNIVERSITY

Where Purpose Takes Flight