



NORTH CAROLINA CENTRAL UNIVERSITY

NCCU BOARD OF TRUSTEES

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# Division of Administration and Finance Update

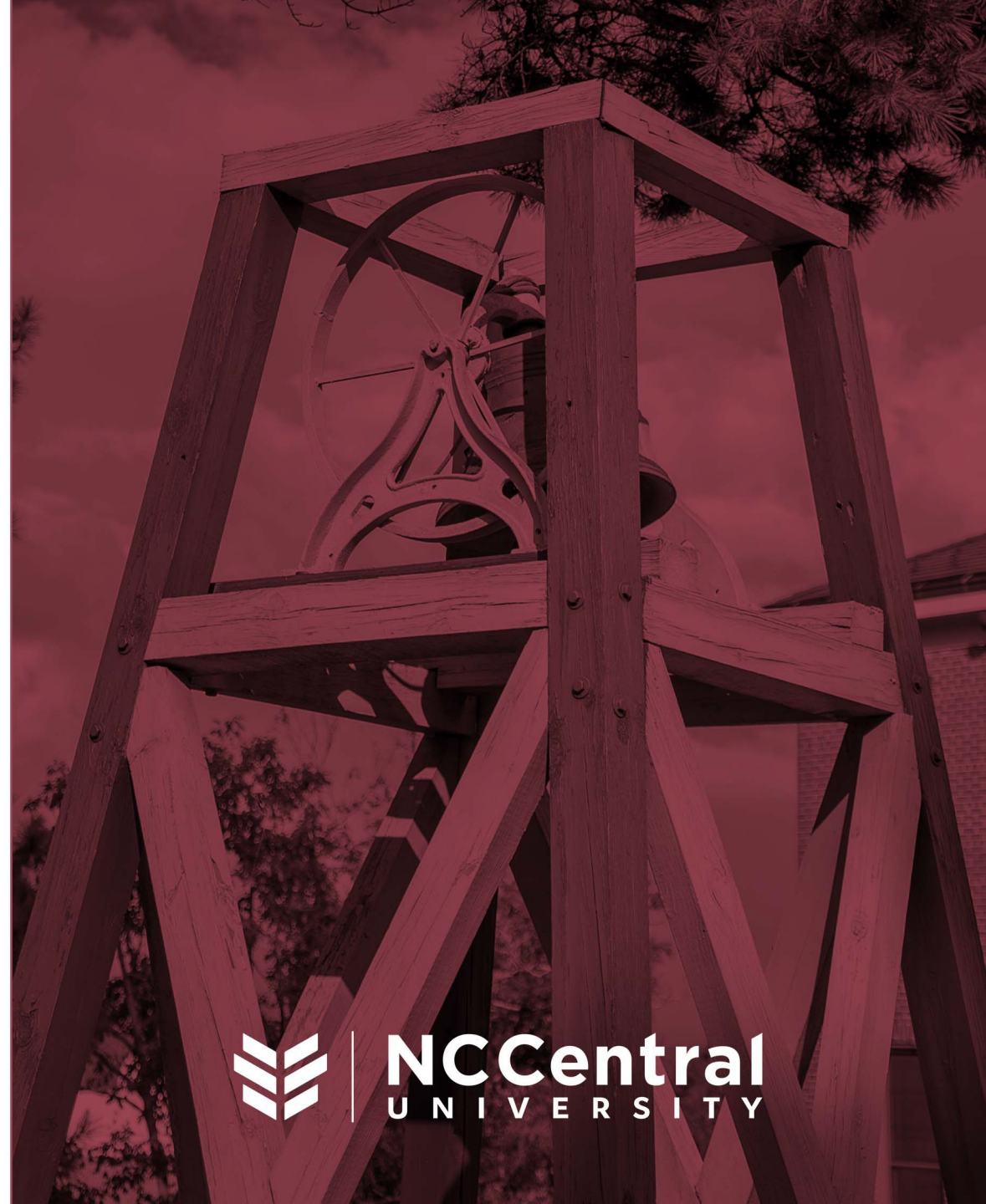
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Mary Peloquin-Dodd, Interim CFO  
Alyn Goodson, Executive Vice Chancellor

December 18, 2024



**NCCentral**  
UNIVERSITY





# WHERE PURPOSE TAKES FLIGHT

- September – November 2024 Update
- Administration and Finance Organization Changes
- Recent Audit Activity
- Fiscal 2024 Results and State Auditor
- NCCU Financial Overview – Mid Year 2025
- Budget Re-Engineering and Looking Ahead to Fiscal 2026 All Funds Budget

# Admin and Finance Organization Changes

- Personnel Changes
  - Malissa Evans-Hall, Interim AVC Budget and Planning
  - Gina Knight, Interim AVC and Comptroller – on site Jan 2025
  - VC for Finance and Administration Search
  - Jerry Guerrier, AVC for Facilities Management
- UNC System Support of Initiatives and Consultant Activity
  - PFM
  - First Tryon Advisors
  - Controller and Disbursement Director, ECSU

# Admin and Finance Organization Changes

- Reorganization of Procurement/Accounts Payable/Travel Office and Pcards
  - Creation of a unified team--Moved Purchasing from the Budget Office to the AVC/Comptroller's Office
  - Adoption of new Regulation to comply with UNC System Changes
  - Rolled out training on Eagle Purch – 283 registrations
  - Survey sent to all participants for feedback

# Recent Audit Activity

- Audit Activity
  - State Auditors Fiscal 2024 Audit
    - On schedule for December completion
  - Radio Station Audit (CPB Requirement)
  - Associated Entities Activity
    - Rural Health Hub, NCCU Foundation, Real Estate Foundation
- Regulatory Activity
  - State Purchasing and Contract Audit (standard review every 18 months)



# Fiscal 2024 Results

## Balance Sheet—FY 24 and FY 23

	FY 24	FY 23
Current Assets	\$53.5 mil	\$57.6 mil
Total Assets	\$559.9	\$550.6
Current Liabilities	\$34.4	\$26.9
Total Liabilities	\$296.3	\$289.0
Current A/L Ratio	1.6 times	2.1 times
Total A/L Ratio	1.9 times	1.9 times

Balance sheet showed an increase in Accounts Payable and a slight drop in Current Assets. As a result the current asset/liability dropped from 2.1 times to 1.6 times.

Fiscal 2024 data is based on draft, unaudited data while Fiscal 2023 data is based on audited data. Draft audits are subject to change.



# Fiscal 2024 Results

## Income Statement – FY 24 and FY 23

	FY 24	FY 23
Total Operating Rev	\$113.1 mil	\$108.1 mil
Total Net Nonoperating	\$148.5	\$159.0
Total Operating Expenses	\$256.1	\$237.6
Net Oper Income Before Cap	\$5.5	\$29.5

Net operating income fell by \$24 million but was still positive at \$5.5 million. The growth of expenses in fiscal 2024 exceeded the growth of revenue, and net nonoperating income fell due to the depletion of COVID funds in fiscal 2023.

State appropriations shows up in nonoperating revenue.



# Fiscal 2025 Financial Mid-Year Overview

- Chancellor’s communication on Budget – November 11, 2024

“We have engaged budget consultants, hired temporary support, and brought in experienced personnel from other institutions to help us revamp our controls and business processes.

As a result, the finance team has rebuilt the budget for the current fiscal year to ensure it remains within the scope of the 2024 operating budget.

Additionally, vacant positions—except for select faculty positions—unfilled for over a year will be eliminated and repurposed to strengthen our operations and create an appropriate reserve for emergencies.

This budget reengineering will help address critical facility maintenance needs and support strategic investments”





# Fiscal 2025 Financial Mid-Year Overview

- Starting December 1, the university will implement a new policy requiring the use of our electronic purchasing and payment system, *Eagle Purch*, for purchases of goods and services.
- Payments will not be processed without a purchase order or requisition in the system.
- Mandatory training for all Budget Officers and Administrative Support who engage in the purchasing process was held this month.
- Tuition and Fees for Fall semester 2024 exceeded budget estimates.
- Payroll for the first five months of Fiscal 2025 was lower than Fiscal 2025 budget and lower than prior YTD actuals. A soft hiring freeze was implemented this fall.
- Operating expense trends are affected by the payment of Accounts Payable.

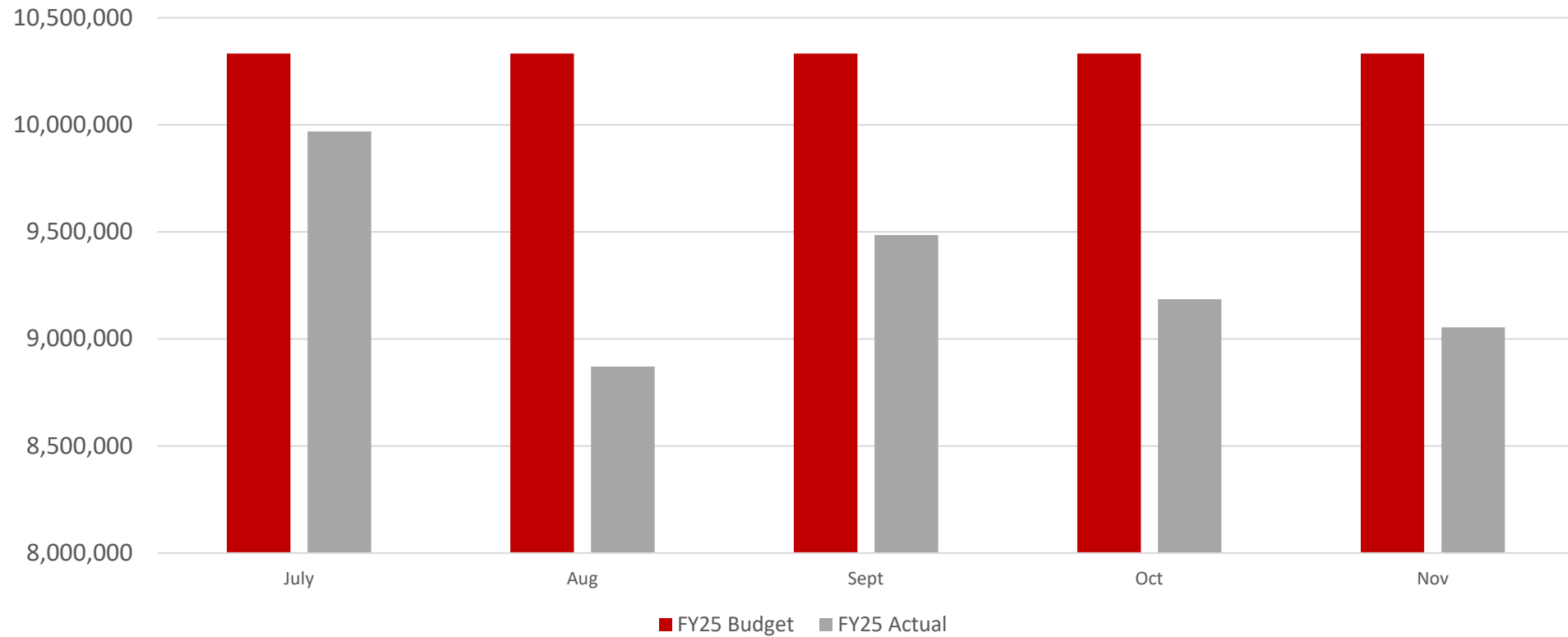
# Financial Mid-Year Overview

Tuition and Fees  
FY25 Budget vs. Actual  
(millions)



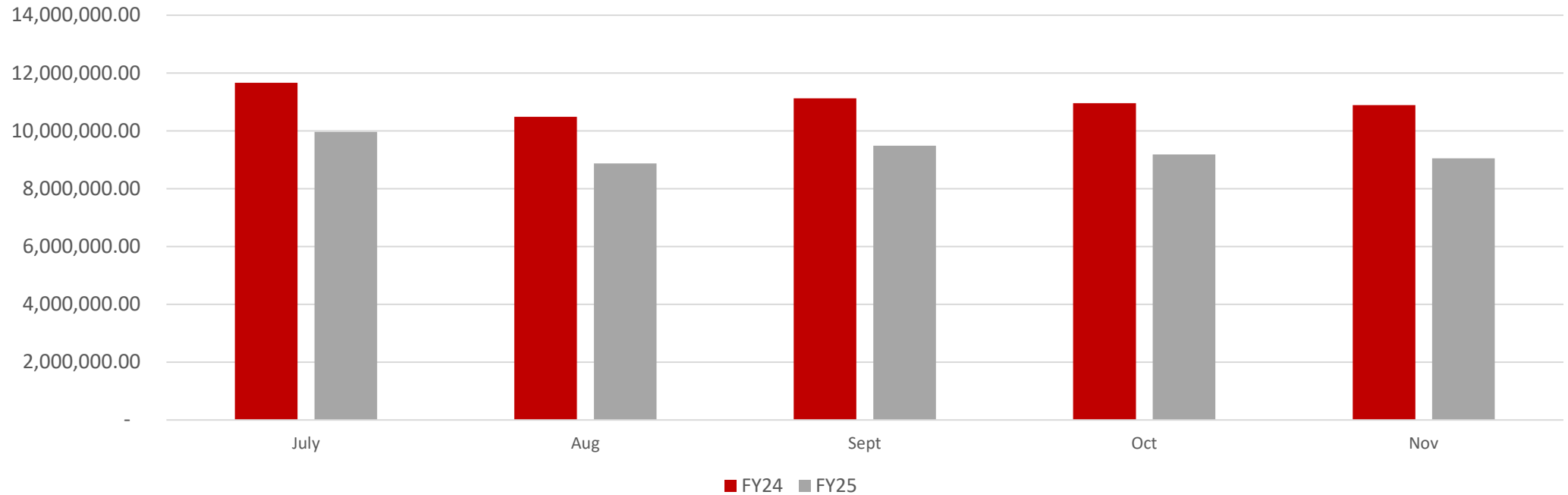
# Financial Mid-Year Overview

Payroll Comparison  
FY25 Budget vs. Actual  
(millions)



# Financial Mid-Year Overview

## Payroll Comparison Actuals FY24 vs. FY25 (millions)





# Fiscal 2026 All Funds Budget Process

- The university is developing mandatory budget training to provide campus with more flexibility and accountability to manage their own resources on a local level.
- The BOT will be reviewing NCCU's All Funds Budget for approval in Spring 2025.
- The BOT recently approved an increase in the mandatory student health fee and increases for housing and dining.
- Unit-level discussions will start in the new calendar year.
- The university is working with First Tryon to develop a budget that is actionable and realistic.
- Banner is the recordkeeping financial system, but Anaplan is a budgeting tool that extracts information from Banner.
- Other projects include Banner clean up in preparation for a simplified budget process.

**WHERE  
PURPOSE TAKES  
FLIGHT**

