



Financial Report

Prepared for presentation to the Board of Trustees

November 16, 2017

AGENDA

1. **FY17 End of Year Results
(unaudited)**
2. **State Receivables and Cash Position**

Positive Results

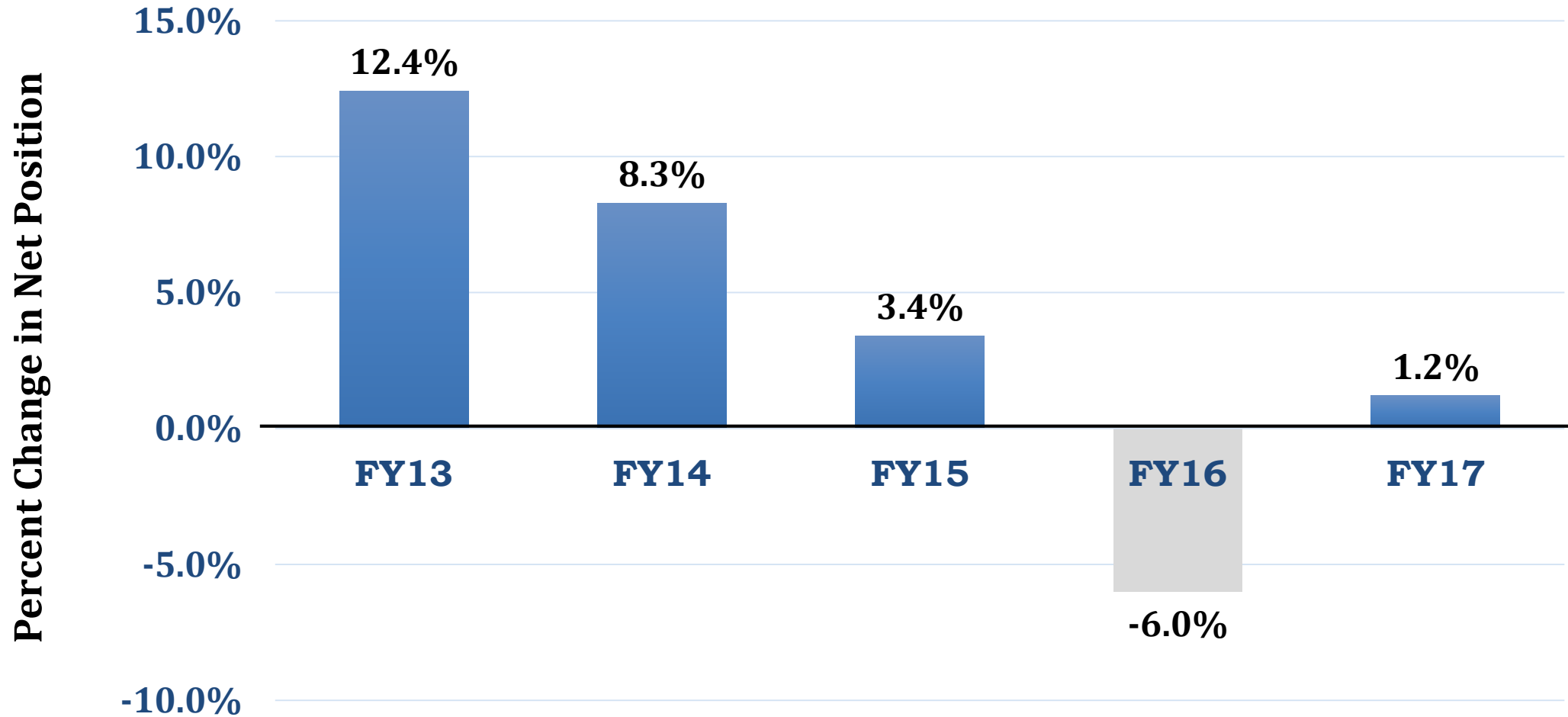
\$53M Improvement in Net Position
\$276M Decline in FY 2016

FY17 FINANCIAL SUMMARY

Unaudited Figures in Thousands of Dollars

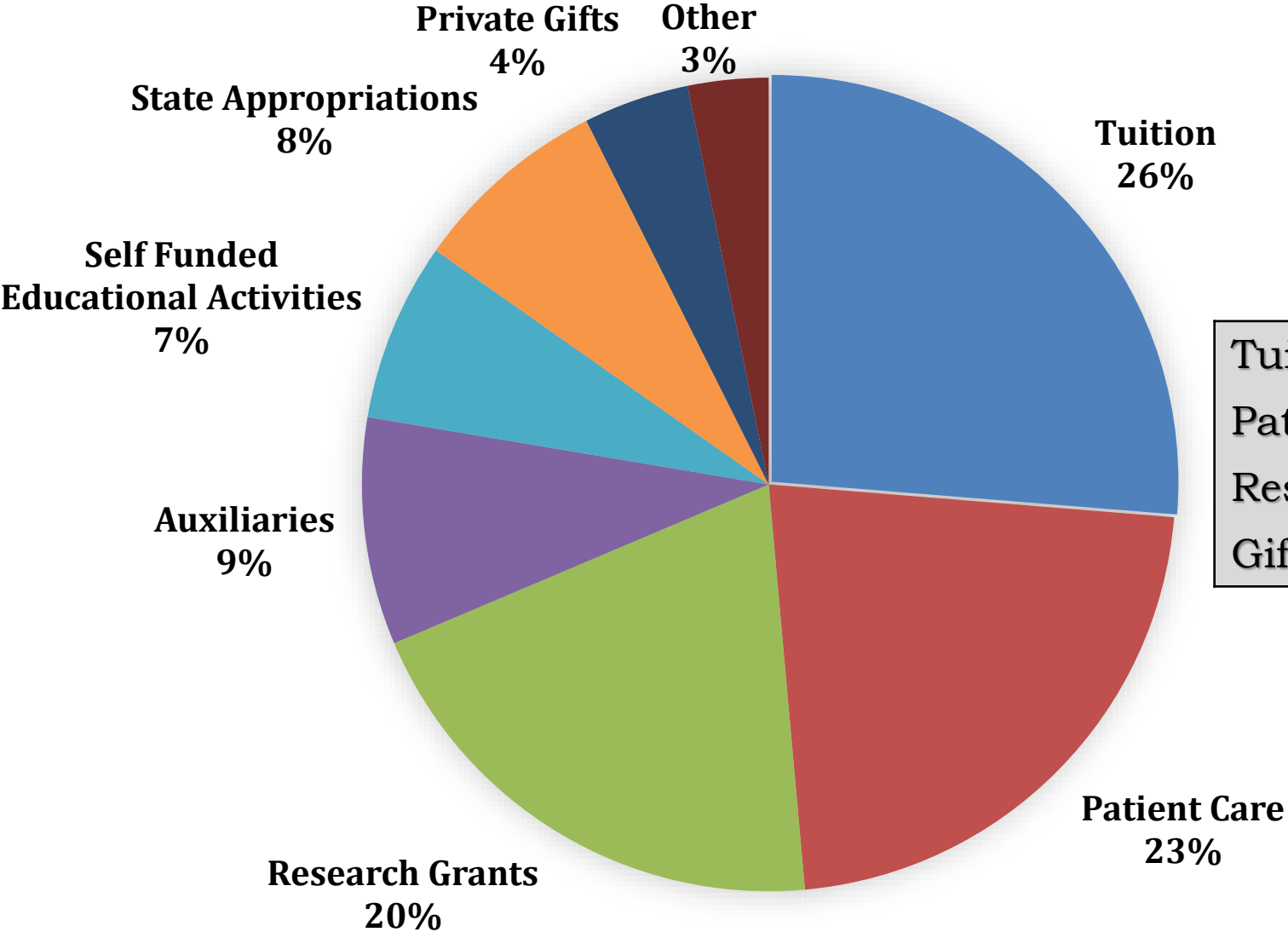
	Without Payments on Behalf	Including Payments on Behalf
Revenues Used to Fund Operations	\$4,572,479	\$6,183,923
Operating Expenses	(4,262,643)	(5,874,087)
Income before interest, depreciation and net other revenues	309,836	309,836
Depreciation	(262,534)	(262,534)
Interest expense	(65,734)	(65,734)
Capital Appropriations, Gifts & Grants	24,928	24,928
Net Other Revenues	46,209	46,209
Change in Net Position	52,705	52,705

CHANGE IN NET POSITION FIVE YEAR TREND



SOURCES OF REVENUE

(EXCLUDING PAYMENTS ON BEHALF)



Major Revenue Sources

Tuition	\$1,191.5 million
Patient Care	\$1,010.6 million
Research Grants	\$908.4 million
Gifts	\$190.2 million

KEY CHANGES FROM 2016

State
Appropriation

96%

increase

\$355.8 M

FY15 \$653.1 M

Tuition

4%

increase

\$1,191.5 M

Research
Grants

7%

increase

\$908.4M

Patient Care

11%

increase

\$1,010.6 M

Gifts

20%

increase

\$190.2 M

Payments on
Behalf

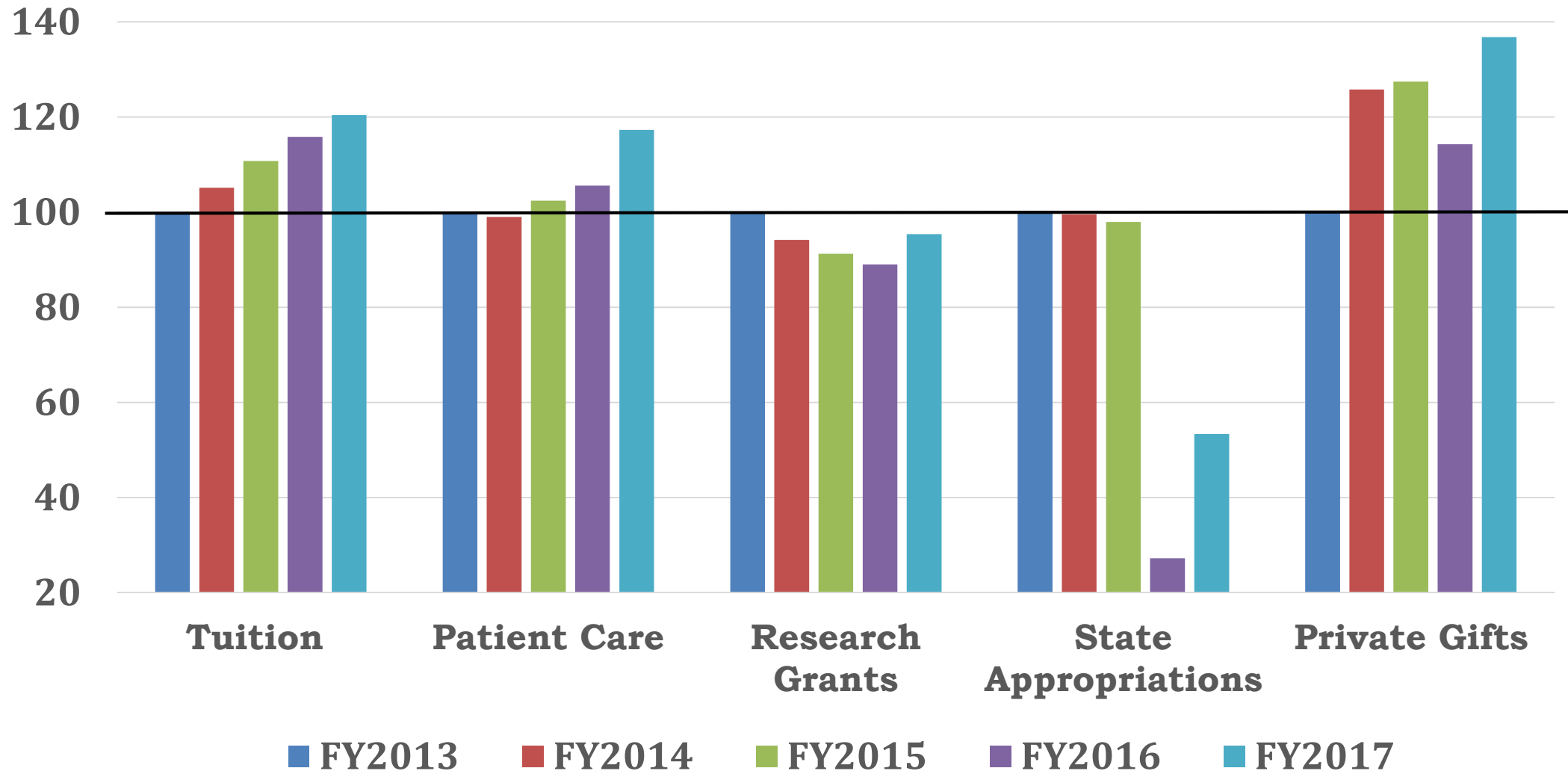
21%

increase

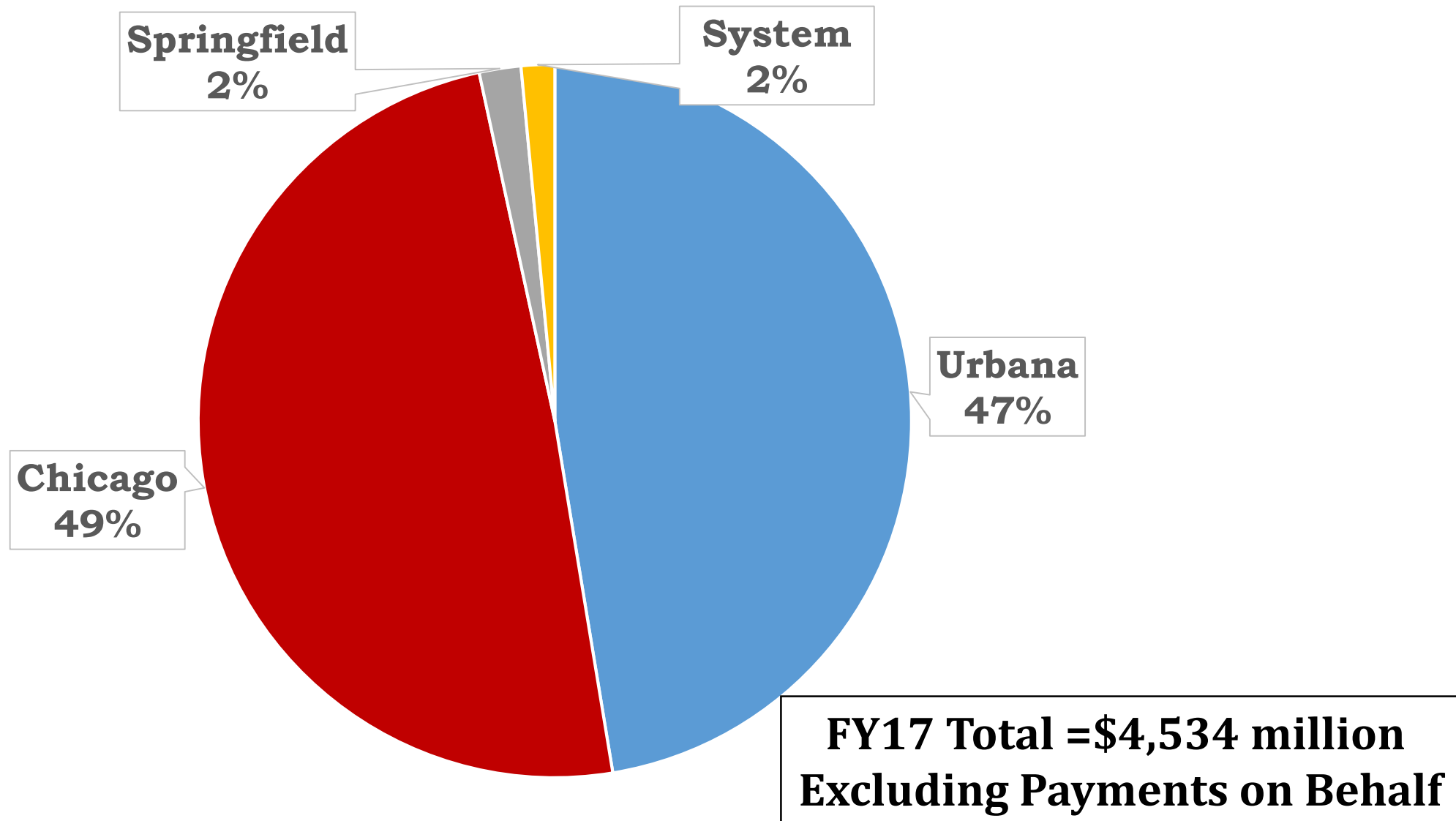
\$1,611.4 M

KEY REVENUE SOURCES: FIVE YEAR TREND

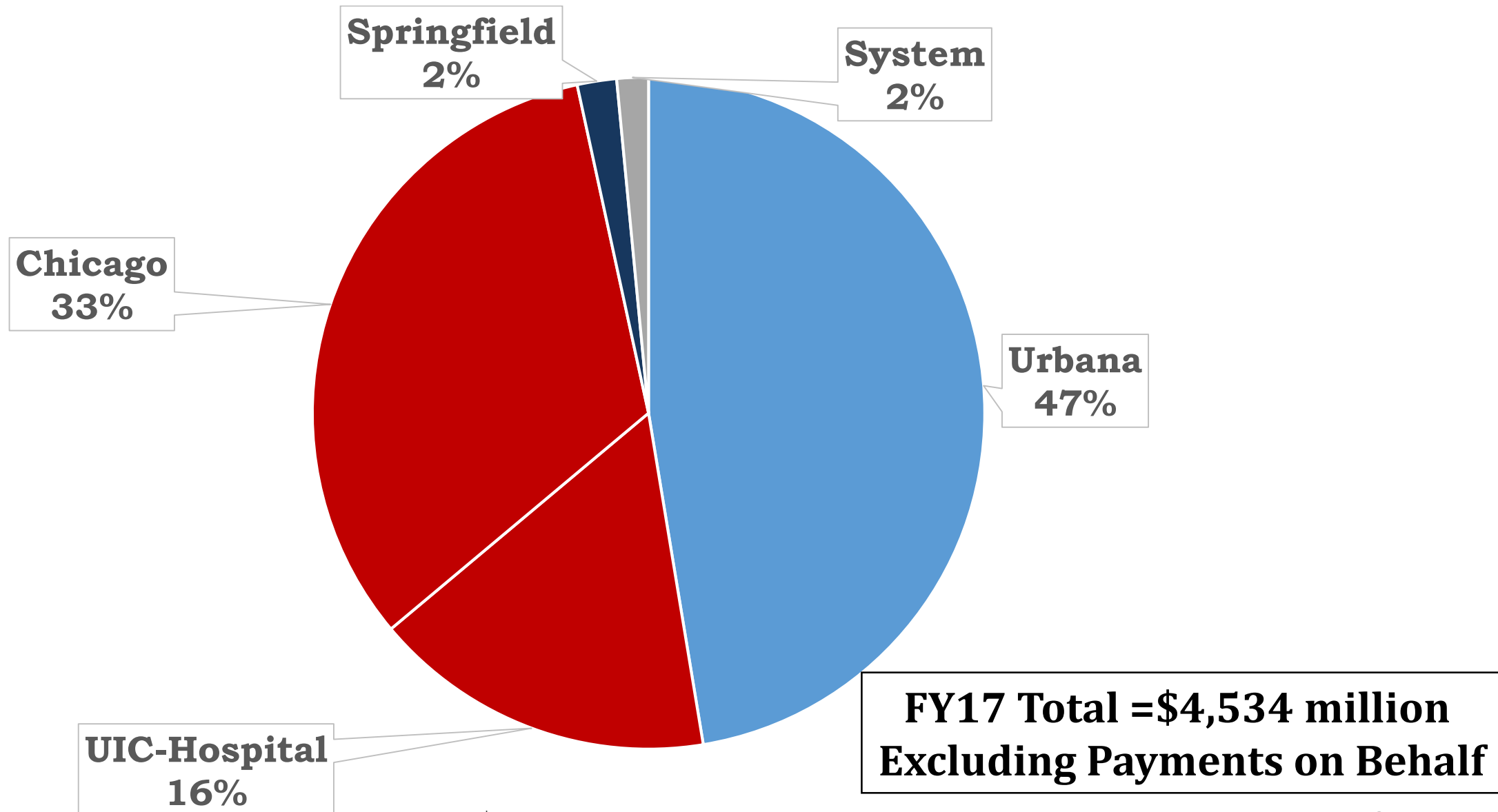
FY2013 = 100



FY17 REVENUE FUNDING OPERATIONS BY UNIT

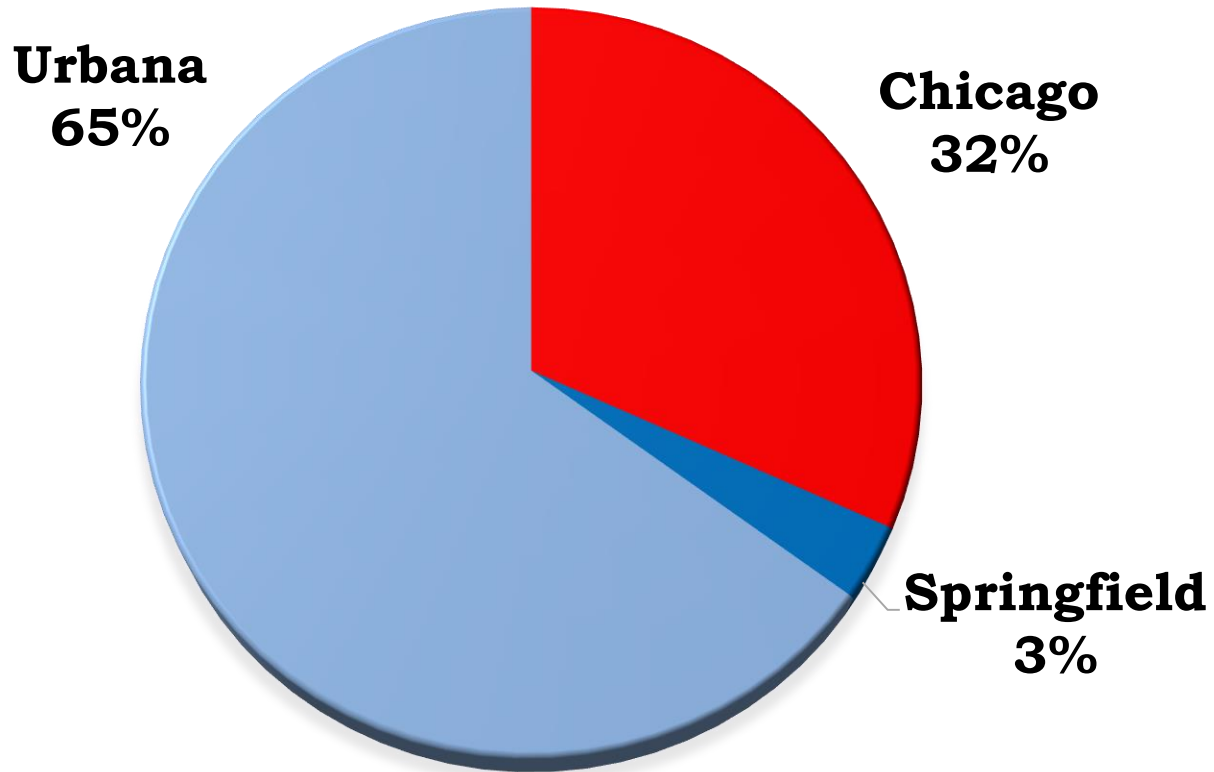


FY17 REVENUE FUNDING OPERATIONS BY UNIT



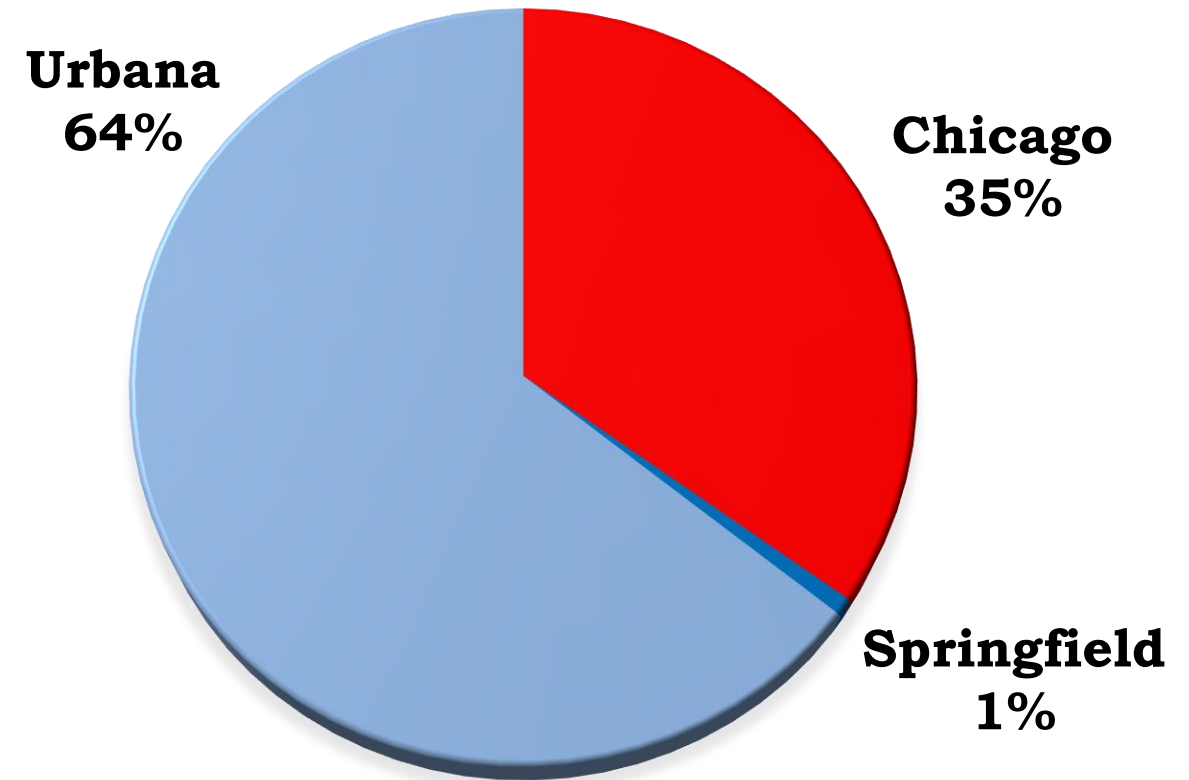
MAJOR REVENUE TYPES BY UNIVERSITY

Tuition and Fees



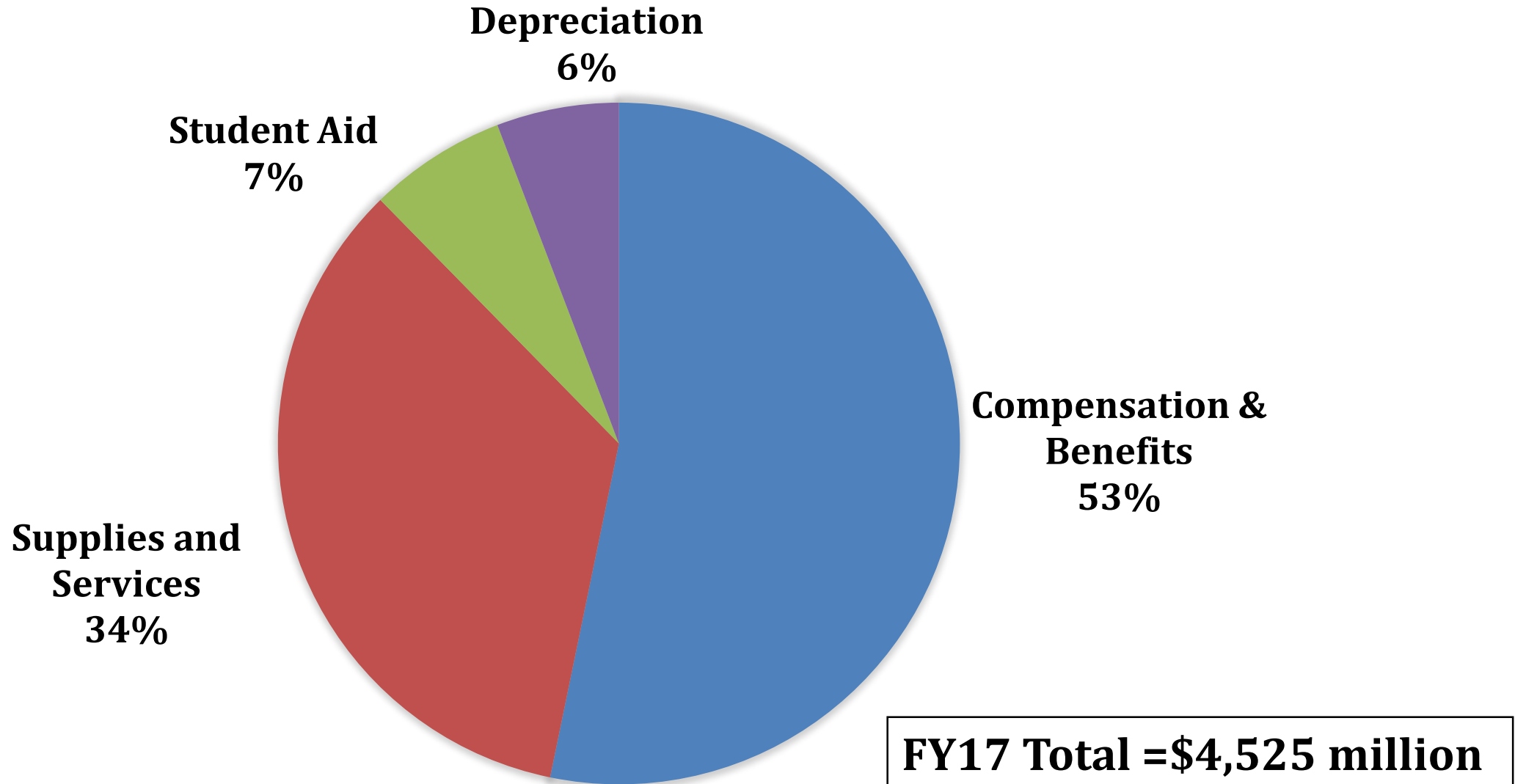
FY17 Total = \$1,195 million

Research Grants



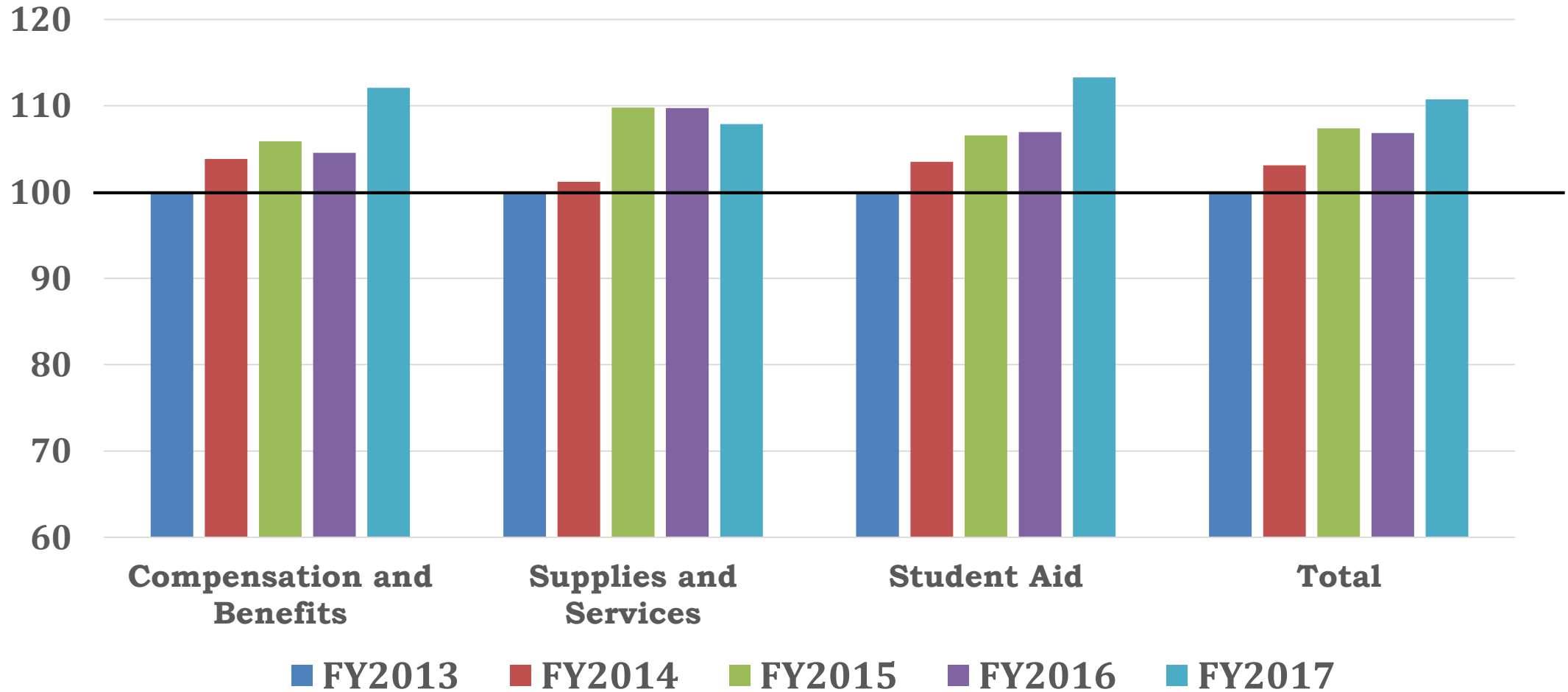
FY17 Total = \$908 million

FOUR MAJOR CATEGORIES OF EXPENSES (excluding Payments on Behalf)



KEY EXPENSE CATEGORIES: 5 YEAR TREND (excl. POB)

FY2013 = 100



EXPENSES BY FUNCTION (excl. POB)

Category	FY17 Total \$ Millions	% of Total	Change from FY16
Instruction	876.9	19.4%	3.3%
Hospital	700.7	15.5%	6.1%
Research	683.5	15.1%	3.6%
Public Service	411.1	9.1%	-0.3%
Academic Support	373.8	8.2%	5.0%
Student Services	146.8	3.2%	5.2%
Institutional Support	152.2	3.3%	-15.2%

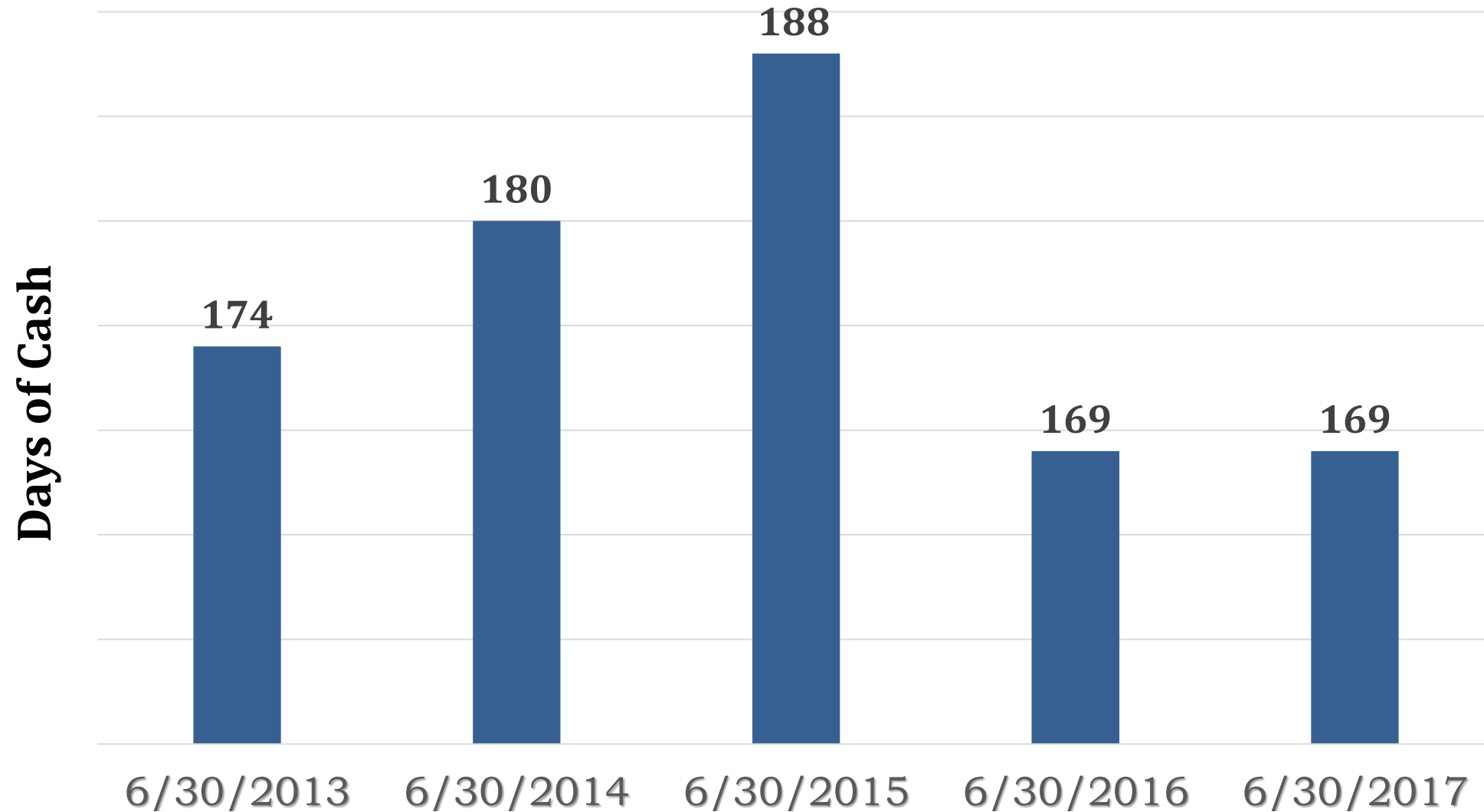
STATE RECEIVABLES AND CASH POSITION

FY18 STATE APPROPRIATION RECEIVABLE

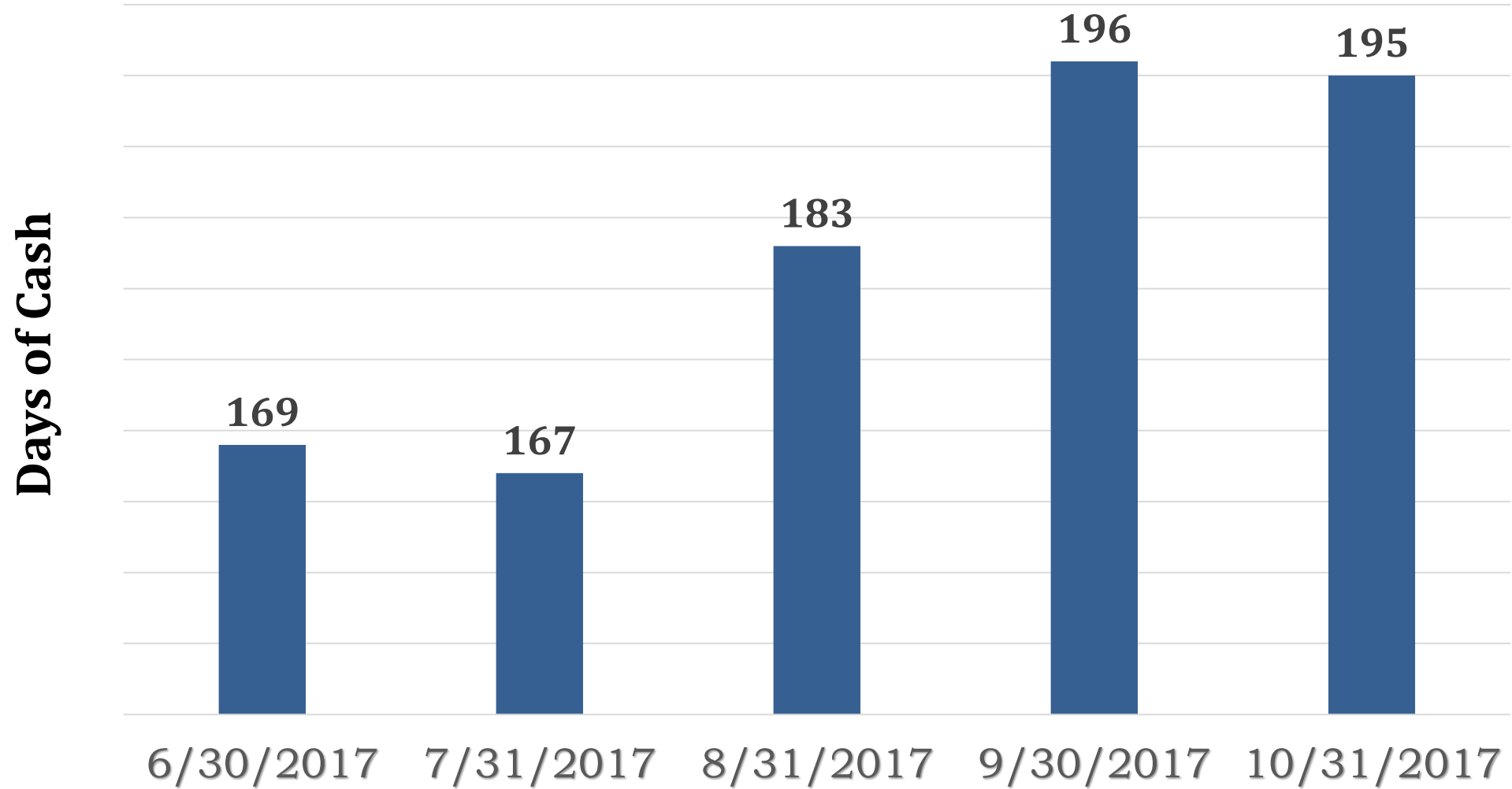
AS OF OCTOBER 31, 2017

	Appropriated	Billed	Collected	Receivable
Education Assistance Fund	\$616.2	\$439.8	\$246.8	\$193.0
General Revenue Fund	\$266.6	\$216.2	\$0	\$216.2
Other State Funds	\$6.2	\$1.6	\$1.5	\$0.1
Total	\$889.0	\$657.6	\$248.3	\$409.3

DAYS CASH ON HAND: FIVE YEAR TREND



DAYS CASH ON HAND FY2018



- Continued Diversification of Revenue Sources
- Revenue Growth
- Prudent Spending
- Plan for Pension Cost Shifts

