



January 29, 2020, 1:00PM  
Chancellor's Ballroom West, Carolina Inn

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**OPEN SESSION**

**FOR ACTION**

1. Elections to Endowment Fund and UNC-CH Foundation Boards  
*Jonathan Pruitt, Vice Chancellor for Finance and Operations* Attachment A
2. Withdrawal from the Quasi-Endowment for Kenan Flagler Business School  
*Jonathan Pruitt, Vice Chancellor for Finance and Operations* Attachment B
3. Designer Selection  
  - Avery Residence Hall Renovations Attachment C
  - Carmichael Arena – Women's Basketball Phase III Attachment D*Anna Wu, Associate Vice Chancellor for Facilities Services*

**FOR INFORMATION ONLY** (No formal action is requested at this time)

1. Office of Internal Audit Report  
*Dean Weber, Chief Audit Officer* Attachment E
2. Development Report  
*David Routh, Vice Chancellor for University Development*
3. Semi-Annual Lease Report  
*Gordon Merklein, Associate Vice Chancellor for University Real Estate Operations* Attachment F
4. Semi-Annual Capital Projects Report  
*Anna Wu, Associate Vice Chancellor for Facilities Services* Attachment G
5. Year-End Financial Summary and Review of Comprehensive Annual Financial Report (CAFR)  
*Jonathan Pruitt, Vice Chancellor for Finance and Operations*

**COMMITTEE MEMBERS**

**Haywood D. Cochrane Jr., Chair**

**John P. Preyer, Vice Chair**

**Richard Y. Stevens, ex-officio**

**David L. Boliek Jr. Jefferson (Jeff) W. Brown**

**R. Gene Davis Jr. Charles (Chuck) G. Duckett**

**Allie Ray McCullen G. Munroe Cobey**

*Administrative Liaison:*

*Jonathan Pruitt, Vice Chancellor for Finance & Operations*

*David Routh, Vice Chancellor for University Development*

## ATTACHMENT A

### **ELECTION OF MEMBER TO THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND AND ELECTION OF DIRECTOR TO THE BOARD OF DIRECTORS OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.**

North Carolina General Statute §116-36 and Board of Governors' regulations require that the Board of Trustees elect the membership of the Endowment Fund Board of Trustees. There is one (1) vacancy which must be a BOT officer or a BOT committee officer. Attached is a chart showing the names and terms of the current Endowment Fund Trustees. The nominee is shown in bold on the chart.

In addition, The University of North Carolina at Chapel Hill Foundation, Inc.'s bylaws require that the Board of Trustees elect from its the membership two directors to the Foundation. There is currently one (1) vacancy. Attached is a chart showing the names and terms of the current Foundation Board of Directors. The nominee is shown in bold on the chart.

### **RECOMMENDED ACTION**

A motion to elect John P. Preyer to the Board of Trustees of the Endowment Fund for a term concurrent with his BOT tenure and Teresa Artis Neal to the Board of Directors of the Foundation for a term concurrent with her BOT tenure.

THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND OF  
THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL

MEMBERSHIP – MINIMUM 6; MAXIMUM 9  
(three year term)\*

MEMBERS ELECTED BY BOARD OF TRUSTEES

TERM

Chairman Board of Trustees (Richard Y. Stevens) (Ex-Officio)

Chancellor (Kevin Guskiewicz) (Ex-Officio)

**BOT Member (John P. Preyer\*) (Ex-Officio)**  
*(vacancy created by the resignation of Dwight Stone)*

David Carroll 2020

John Ellison 2020

Sallie Shuping-Russell 2021

John Townsend 2021

Michael Kennedy 2022

David Craver 2022

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\* Effective with appointments after July 26, 1996, individuals are eligible for a maximum of two consecutive 3 year terms. Individuals are eligible for reappointment after one year has elapsed from conclusion of most recent term.

**THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL FOUNDATION, INC.**

**BOARD OF DIRECTORS  
UP TO 19 MEMBERS; METHOD OF SELECTION**

**I. NINE EX-OFFICIO MEMBERS**

A. 4 BY VIRTUE OF OFFICE (term concurrent with office tenure)

Chair of the Board of Trustees (Richard Y. Stevens)  
Chancellor (Kevin Guskiewicz)  
Vice Chancellor for Finance and Administration (Jonathan Pruitt)  
Vice Chancellor for University Advancement (David Routh)

B. 2 ELECTED BY BOARD OF TRUSTEES FROM BOARD OF TRUSTEES  
MEMBERSHIP (term concurrent with Board tenure)\*

John P. Preyer	2023
<b><u>Teresa Artis Neal</u></b>	<b>2023</b>
<i>(vacancy created by resignation of Dwight Stone)</i>	

C. 3 ELECTED BY BOARD OF TRUSTEES FROM MEMBERSHIP OF THE BOARD OF  
TRUSTEES OF THE ENDOWMENT FUND (term concurrent with Endowment tenure)\*

Sallie Shuping-Russell	2021
David Craver	2022
Michael Kennedy	2022

**II. UP TO TEN DIRECTORS ELECTED BY THE NINE EX-OFFICIO DIRECTORS  
(four year term)**

John Townsend	2020
Steve Lerner	2020
Julia Sprunt Grumbles	2021
Kel Landis	2021
Nelson Schwab	2022
Roger Perry	2022
J.K. Brown	2023
Munroe Cobey	2023
David Carroll	2023
Ed Fritsch	2023

**WITHDRAWAL FROM QUASI-ENDOWMENT**

In 2015, the Kenan-Flagler School of Business requested creation of a quasi-endowment fund in the amount of \$247,620.20 with funds provided to it by a donor with the intent of taking advantage of long-term endowment rates of returns as the funds were expended over time. The purpose of these funds are to fund MBA Fellowship Awards each year through use of the payout and a withdrawal, if necessary, from the principal. The School wishes to withdraw \$60,000 from principal to support FY20 and FY21 awards, consistent with donor instructions.

The remaining market value of the fund is approximately \$161,324.78.

The Board of Trustees of the Endowment Fund approved this withdrawal by mail ballot dated November 12, 2019 with the support of the Chancellor and Vice Chancellor for Finance and Operations. Regulations adopted by the Board of Governors require that the Trustees approve any transfer of Endowment principal or income to the useful possession of the institution.

**RECOMMENDED ACTION**

A motion to approve the withdrawal described above.

## ATTACHMENT C

### **DESIGNER SELECTION – AVERY RESIDENCE HALL RENOVATIONS**

This project will provide replacement of all windows, building envelope repairs, a new centralized HVAC system, accessibility improvements, including a new elevator, finishes upgrades to all residence rooms, and office and support space renovations.

The project budget is \$1,300,000 for the design phase only and will be funded from Housing Trust funds. The project was advertised on November 25, 2019. Thirteen (13) proposals were received. Five (5) firms were interviewed on January 9, 2019. Members of the Board of Trustees did not participate in the interviews.

The committee recommended the selection of three (3) firms in the following priority order:

- |        |         |
|--------|---------|
| 1. XXX | XXX, XX |
| 2. XXX | XXX, XX |
| 3. XXX | XXX, XX |

The firms were selected for their past performance on similar projects, the strength of their consultant team, and experience with campus projects.

### **RECOMMENDED ACTION:**

A motion to approve three (3) firms in the following priority order:

- |        |         |
|--------|---------|
| 1. XXX | XXX, XX |
| 2. XXX | XXX, XX |
| 3. XXX | XXX, XX |

## ATTACHMENT D

### **DESIGNER SELECTION – WOMEN’S BASKETBALL RENOVATIONS PHASE III**

This project will install a demising wall separating the Women’s Basketball/Volleyball Practice Gym from the remainder of Woollen Gym. The scope of work will provide necessary, basic components to the Practice Gym area to achieve full functionality as a varsity practice area (game clocks, scoreboard, lighting, shot clocks, etc.). The project will also provide a new HVAC system to serve the entire facility.

The project budget is \$400,000 for the design phase only and is being funded by Athletic department reserves. The project was advertised on December 16, 2019. Six (6) proposals were received. Three (3) firms were interviewed on January 22, 2020. Members of the Board of Trustees did not participate in the interviews.

The committee recommended the selection of three (3) firms in the following priority order:

- |        |         |
|--------|---------|
| 1. XXX | XXX, XX |
| 2. XXX | XXX, XX |
| 3. XXX | XXX, XX |

The firms were selected for their past performance on similar projects, the strength of their consultant team, and experience with campus projects.

### **RECOMMENDED ACTION:**

A motion to approve three (3) firms in the following priority order:

- |        |         |
|--------|---------|
| 1. XXX | XXX, XX |
| 2. XXX | XXX, XX |
| 3. XXX | XXX, XX |

# University of North Carolina at Chapel Hill

## Finance, Infrastructure and Audit Committee

### Informational Item:

Fiscal Year 2019/2020

Second Quarter Update of Activities of the Office of Internal Audit

#### Fiscal Year 2019/20 Internal Audit Work Plan

The Finance, Infrastructure, and Audit Committee and the University's Chancellor approved the Office of Internal Audit's (OIA) *Fiscal Year 2019/20 Work Plan* on August 1, 2019. The plan provides for the completion of 16 defined engagements plus two carry-over engagements ongoing but not completed as of June 30, 2019. Separately, the OIA allotted budgeted hours for the completion of Special Project requests arising during the work plan year, as requested by University leadership. Ten Special Project requests have been received fiscal year-to-date.

#### Fiscal Year 2019/20 OIA Work Plan Engagement Composition

##### Special Projects (10)

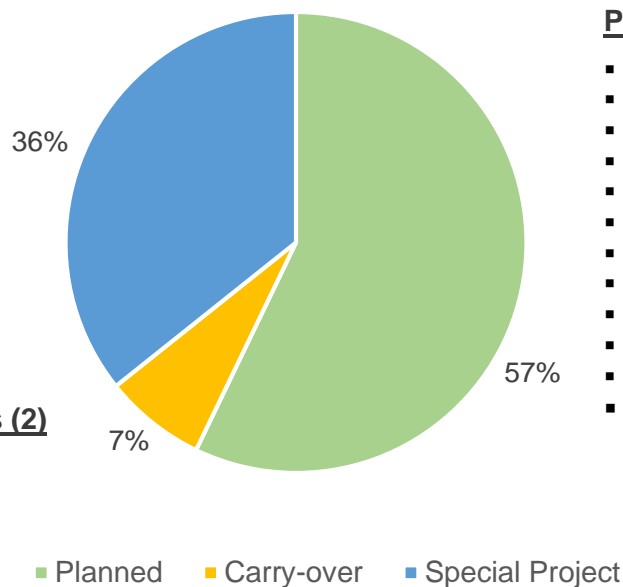
- Work-Study
- Employee Embezzlement
- Preferential Treatment
- Conflict of Interest
- Personnel Issue
- Improper Travel
- Sprinkler Room
- Nepotism & Procurement
- Housekeeping Staffing
- HUB Contracting

##### Carry-over Engagements (2)

- Athletic Ticket Sales
- Chemistry Department

##### Planned Engagements (16)

- Grant Closeout Controls
- Campus Safety & Risk Management
- Clinical Trials – Participant Remuneration
- Donor Intent – Fundraising Restrictions
- Athletics Compliance (5 Areas)
- Digital Education
- New Hire Onboarding
- Revenue Recognition – School of Pharmacy
- PeopleSoft User Access
- IT General Controls
- Undergraduate Admissions
- Higher Education Opportunity Act





## Fiscal Year 2019/20 Work Plan Achievements

At the mid-point of the 2019/20 fiscal year, one of the two prior year's carry-over engagements is concluded and the second is nearing completion. Of the sixteen planned engagements, seven are underway. Additionally, through the end of the second quarter, the OIA received a total of ten special project requests. Work is completed on nine of the special projects with final engagement outcomes issued. Work on the one remaining special project is underway.

Project Source	Total Engagements	Number Concluded	Number Underway	Number Not Initiated	Percent Concluded/Underway
Planned Audits	16	0	7	9	44%
Carry-over Audits	2	1	1	--	100%
Work Plan Total:	18	1	8	9	50%
Special Projects	10	9	1	--	100%
Cumulative Total:	28	10	9	9	68%

## Engagements Concluded Through Second Quarter Fiscal Year 2019/20 (10)

The OIA accomplished significant progress in meeting defined work plan initiatives with the completion ten engagements fiscal year-to-date. The following nine special projects and one work plan engagement concluded providing management with information and recommendations to strengthen operations and improve internal controls.

Engagement	Report Issued
Work Study*	7/19/2019
Employee Embezzlement*	8/23/2019
Preferential Treatment*	9/13/2019
Conflict of Interest*	9/30/2019
Personnel Issue*	10/03/2019
Improper Travel*	11/04/2019
Sprinkler Room*	11/05/2019
Nepotism & Procurement*	11/21/2019
Athletic Ticket Sales	12/03/2019
Housekeeping Staffing*	12/20/2019

\* Special Project Request

## Engagements Underway Through Second Quarter Fiscal Year 2019/20 (9)

At the close of the second quarter, project work remained underway on the following nine engagements. Additional approved work plan audits will be initiated in the third quarter.

<u>Engagement</u>	<u>Project Status</u>
Higher Education Opportunity Act	Draft Report Issued
IT User Access Controls	Draft Report Issued
Historically Underutilized Business (HUB) Contracting*	Draft Report Issued
Chemistry Department	Draft Report Development
Grant Closeout Controls	Fieldwork Ending
Campus Safety & Security	Fieldwork Initiated
Clinical Trials Patient Remuneration	Fieldwork Planning/Receiving Data
Digital Education	Audit Program Development
Athletics NCAA Eligibility Compliance	Audit Program Development

\* Special Project Request

## Management Corrective Actions - OIA Follow-up Assessments

The OIA maintains a formalized process to follow-up on prior audit report recommendations provided to leadership and to assess successful implementation of management correction action plans defined in response to internal audit recommendations. At the close of the second quarter, 47 management responses supporting audit recommendations require follow-up assessment for implementation of improvement measures.

## Office of Internal Audit Staffing

New staff onboarding, as well as reclassification of some existing staff, occurred during the first half of fiscal year 2019/20. Through attrition comprising retirements and departures, re-staffing the OIA was a top priority to ensure necessary talent exists to accomplish the department's mission supporting Carolina's ongoing success and growth.

Providing for business continuity and succession planning, a formerly flat staffing model was redesigned. Two existing auditors were promoted to the position of audit supervisor. Four vacant positions were staffed with two senior auditors and two journey auditors. Additionally, one part-time administrative/audit assistant position supports the office, in addition to leadership by the chief audit officer.

Maintaining talented professional skillsets, OIA staff hold credentials comprising Certified Public Accountant (2), Certified Internal Auditor (2), Certified Fraud Examiner (3), Certified Risk Manager (1), Certified Internal Control Analyst (1), and ten specialized Information Technology associated certifications.

## UNC Hotline Incident Reporting Platform

Concerns from employees, students, and others about alleged matters of wrongdoing at Carolina are important. UNC-Chapel Hill maintains an active Incident Reporting Platform, led by the Office of Ethics and Integrity and co-sourced by the OIA, to confidentially identify situations perceived as inappropriate and provides an opportunity for proper review and consideration of cited concerns.

Through the second quarter of fiscal year 2019/20, 28 new case reports were received through the Incident Reporting Platform. On December 31, 2019, investigative review had concluded on seven of the 28 reports; the remaining 21, plus several prior-year reports, remain in-process of review by various University personnel assigned investigative responsibility.

Dean A. Weber, CIA, CRMA  
Chief Audit Officer  
January 29, 2020

# Office of Internal Audit Status Update of Achievements

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*UNIVERSITY of NORTH CAROLINA  
at CHAPEL HILL*

Dean Weber, CIA, CRMA  
Chief Audit Officer  
January 29, 2020



INTERNAL  
AUDIT

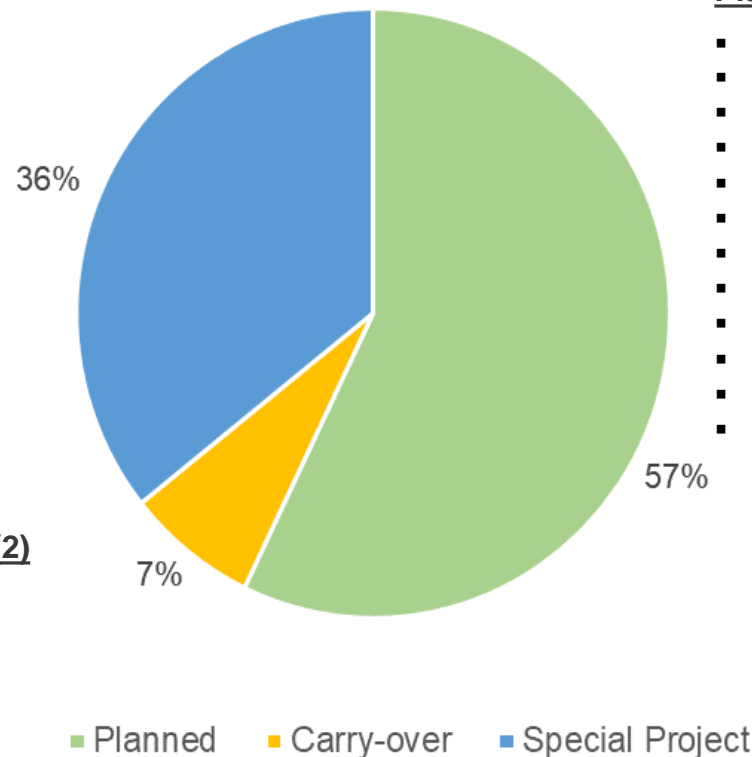
# Office of Internal Audit Fiscal Year 2019/20 Work Plan Engagement Composition

## Special Projects (10)

- Work-Study
- Employee Embezzlement
- Preferential Treatment
- Conflict of Interest
- Personnel Issue.
- Improper Travel
- Sprinkler Closet
- Nepotism & Procurement
- Housekeeping Staffing
- HUB Contracting

## Carry-over Engagements (2)

- Athletic Ticket Sales
- Chemistry Department



## Planned Engagements (16)

- Grant Closeout Controls
- Campus Safety & Risk Management
- Clinical Trials – Participant Remuneration
- Donor Intent – Fundraising Restrictions
- Athletics Compliance (5 Areas)
- Digital Education
- New Hire Onboarding
- Revenue Recognition – School of Pharmacy
- PeopleSoft User Access
- IT General Controls
- Undergraduate Admissions
- Higher Education Opportunity Act

# Fiscal Year 2019/20 Achievements - Through Second Quarter

- Nine special projects and one carry-over engagement are concluded with the issuance of final reports to leadership.
- Seven planned engagements, one carry-over, and one special project are underway at December 31, 2019.
- Nine projects contained in the work plan are not yet initiated, but efforts are on-track to accomplishment completion of the majority of planned audits by June 30, 2020.

<b>Project Source</b>	<b>Total Engagements</b>	<b>Number Concluded</b>	<b>Number Underway</b>	<b>Number Not Initiated</b>	<b>Percent Concluded/Underway</b>
Planned Audits	16	0	7	9	44%
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# Fiscal Year 2019/20 Achievements - Through Second Quarter

## Engagements Completed

<u>Project</u>	<u>Report Issued</u>
Work-Study*	7/19/2019
Employee Embezzlement*	8/23/2019
Preferential Treatment*	9/13/2019
Conflict of Interest*	9/30/2019
Personnel Issue*	10/03/2019

<u>Project</u>	<u>Report Issued</u>
Improper Travel*	11/04/2019
Sprinkler Room*	11/05/2019
Nepotism & Procurement*	11/21/2019
Athletic Ticket Sales	12/03/2019
Housekeeping Staffing*	12/20/2019

## Engagements Underway

<u>Project</u>	<u>Project Status</u>
Higher Education Opportunity Act	Draft Report Issued
IT User Access Controls	Draft Report Issued
Historically Underutilized Business (HUB) Contracting*	Draft Report Issued
Chemistry Department	Draft Report Development
Grant Closeout Controls	Fieldwork Ending
Campus Safety & Security	Fieldwork Initiated
Clinical Trials Patient Remuneration	Fieldwork Planning
Digital Education	Audit Program Development
Athletics NCAA Eligibility Compliance	Audit Program Development

\* Special Project Request

# Office of Internal Audit

## Management Corrective Actions

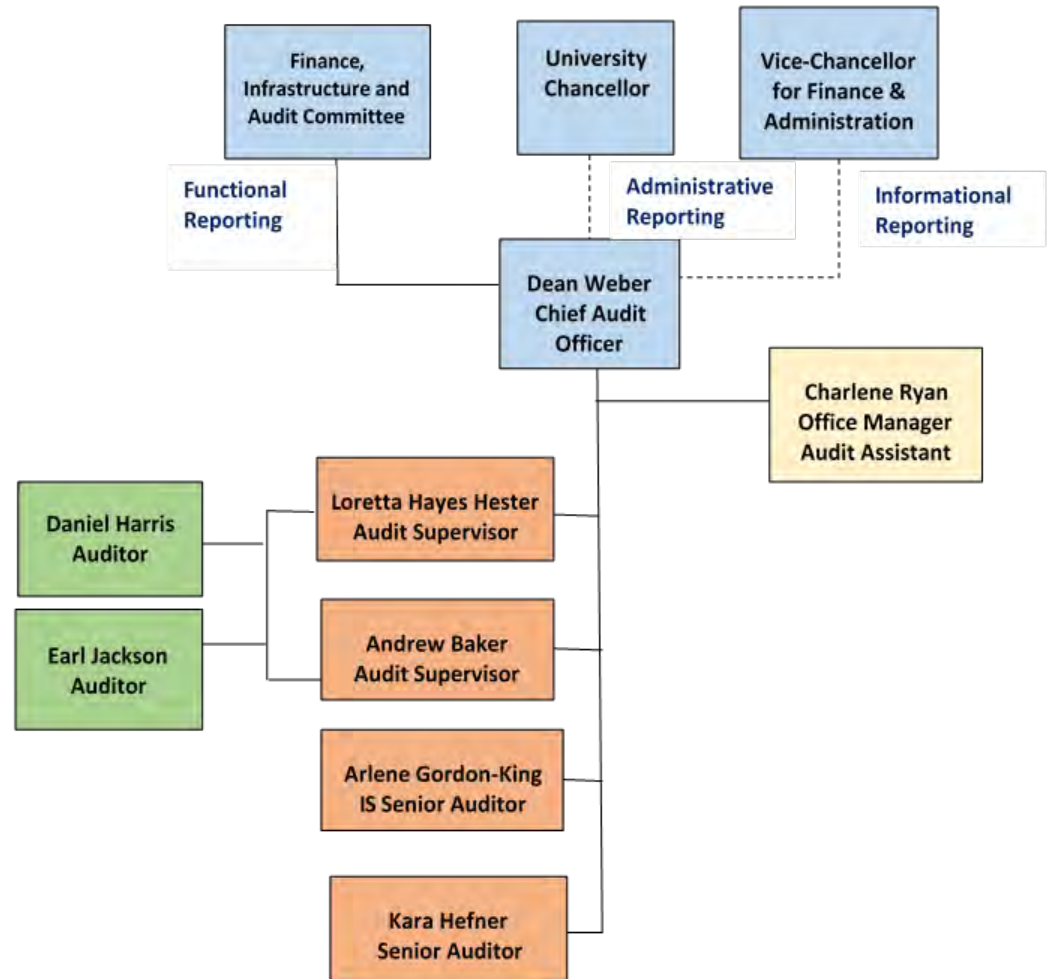
- The OIA maintains a formal tracking and reporting process to periodically assess the disposition of management responses in reply to all completed internal audit engagements.
- The following chart summarizes the current fiscal year's activity:

Summary of Corrective Action Activity Fiscal Year 2019/20 (as of December 31, 2019)	
Total Recommendations Unverified as of July 1, 2019	40
New Recommendations Added During Fiscal Year 2019/20	7
Prior Recommendations Verified as Resolved During Fiscal Year 2019/20	-
Total Recommendations Unverified as of December 31, 2019	47

# Office of Internal Audit

## Departmental Staffing and Organization

- Realignment of the organizational structure to provide layered supervision and position responsibility
- Four vacant positions have been staffed
- Staffing compliment comprises the chief audit officer, six auditors, and a part-time office manager





# Office of Internal Audit

## Peer Staffing Benchmarking Comparison

### Staffing Comparative Benchmark:

Within higher education, internal audit professional staffing benchmarks may include institutional operating budgets, research funding, enrollment, and personnel per auditor.

Benchmarking data compared Carolina within a cohort group of 20 peer higher education university's (public and private) instructional operations, excluding healthcare operations.

#### PUBLIC UNIVERSITIES (14)

UNIVERSITY OF COLORADO DENVER  
UNIVERSITY OF MINNESOTA  
UNIVERSITY OF CALIFORNIA LOS ANGELES  
OHIO STATE UNIVERSITY  
UNIVERSITY OF MICHIGAN AT ANN ARBOR  
UNIVERSITY OF CALIFORNIA AT DAVIS  
UNIVERSITY OF WASHINGTON  
UNIVERSITY OF PITTSBURGH AT PITTSBURGH  
UNIVERSITY OF CALIFORNIA, SAN DIEGO  
UNIVERSITY OF CALIFORNIA, BERKELEY  
UNIVERSITY OF ALABAMA AT BIRMINGHAM  
UNIVERSITY OF VIRGINIA  
UNIV OF NORTH CAROLINA CHAPEL HILL  
UNIVERSITY OF WISCONSIN-MADISON

#### PRIVATE UNIVERSITIES (6)

HARVARD  
COLUMBIA UNIVERSITY HEALTH SCIENCES  
DUKE UNIVERSITY  
UNIVERSITY OF PENNSYLVANIA  
WASHINGTON UNIVERSITY  
EMORY UNIVERSITY

# Office of Internal Audit

## Peer Staffing Benchmarking Comparison

### Outcomes:

Carolina's internal audit staff size (7 full-time-equivalent audit personnel) compared within the cohort group ranks:

- Overall, 19<sup>th</sup> lowest in staffing among cohort member institutions (average 11.5 FTE)
  - Employees per auditor – Carolina ranks 10<sup>th</sup>
  - Operating budgeted expenditures per auditor – Carolina ranks 13<sup>th</sup>
  - Total research dollars per auditor – Carolina 17<sup>th</sup>
  - Student enrollment per auditor – Carolina ranks 17<sup>th</sup>
  - NIH research funding per auditor – Carolina ranks 19<sup>th</sup>

(Outcomes identifying fewer budgeted expenditures, employees, research funding, enrollment, and NIH funding per auditor, the better.)

### Conclusion:

Carolina's internal audit staffing level is conservative in comparison to peer institutions benchmarked within the study, falling in the lowest quartile for three of the five measured categories.

# Office of Internal Audit

## Carolina's Incident Reporting Platform

### Fiscal Year 2019/20 Statistics (As of December 31, 2019)

Carolina maintains an Incident Reporting platform to receive accounts from employees, students, and others regarding alleged matters of wrongdoing or concern.

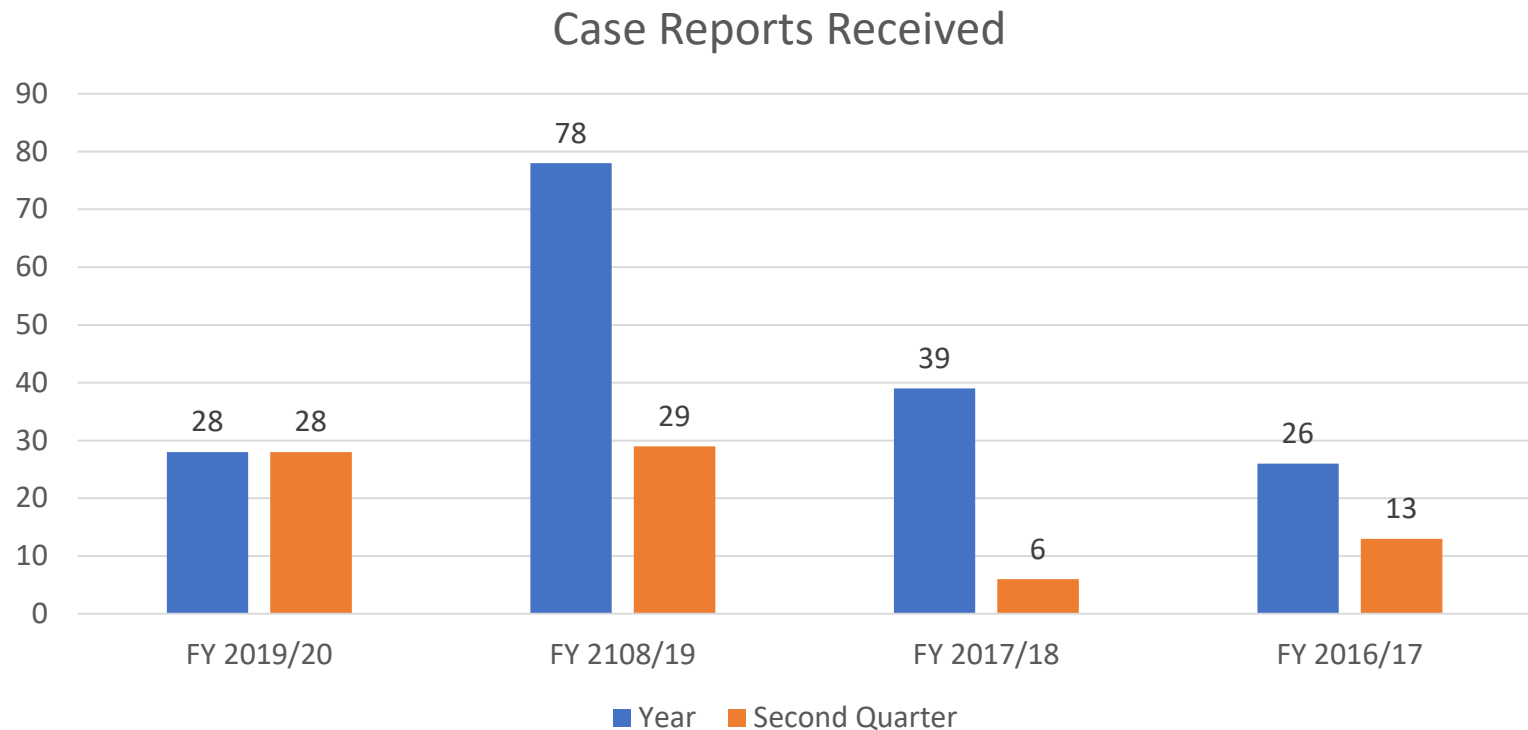
- Fiscal year to date, 28 case reports were processed through the Incident Reporting platform, of which 7 cases are closed while 21 remain in process of review.
- Of the 28 case reports filed through the second quarter:
  - 23 were filed by anonymous reporters and 5 self-identified
  - 25 were filed via website entry and 3 by telephone to the call center
  - 15 indicated management was aware of the matter, 4 indicated management was not aware, and 9 were unsure or did not want to disclose

# Office of Internal Audit

## Carolina's Incident Reporting Platform

### Historical Perspective of Report Activity

Information depicts reporting trend based on the total number of case reports received by fiscal year and through the second quarter.





• *the* CAMPAIGN *for* CAROLINA •

**David S. Routh**

*Vice Chancellor for Development*





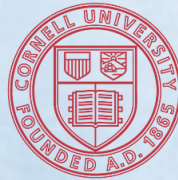
**\$3 billion**

**TOTAL CAMPAIGN COMMITMENTS**



# Higher Education's Most Successful Campaigns

## \$6B+ Club



## \$5B Club



## \$4B Club



## \$3B Club



THE UNIVERSITY  
of NORTH CAROLINA  
at CHAPEL HILL



# Higher Education's Most Successful Campaigns

\$6B+ Club

\$5B Club



\$4B Club



\$3B Club



THE UNIVERSITY  
of NORTH CAROLINA  
at CHAPEL HILL



TEXAS A&M  
UNIVERSITY



UNIVERSITY OF MINNESOTA

Berkeley  
UNIVERSITY OF CALIFORNIA



TEXAS  
The University of Texas at Austin



UNIVERSITY  
of VIRGINIA

Source: Council for Advancement and Support of Education (CASE)



# Campaign Dashboard

DATA AS OF Jan. 6, 2020.\*

# \$3,052,227,837

## TOTAL CAMPAIGN ACTIVITY

PERCENT TO  
GOAL

72%

TIME  
ELAPSED

63%

TOTAL  
DONORS

180,115

ALUMNI  
PARTICIPATION

25%

## × Campaign Pillars

\$1.06B

THE NEW  
GRADUATE

\$450M

THE 21<sup>ST</sup> C.  
PROFESSORiate

\$1.54B

A CULTURE  
OF INNOVATION

\$1.11B

SIGNATURE  
INITIATIVES

\*2019 year-end gifts still being processed.

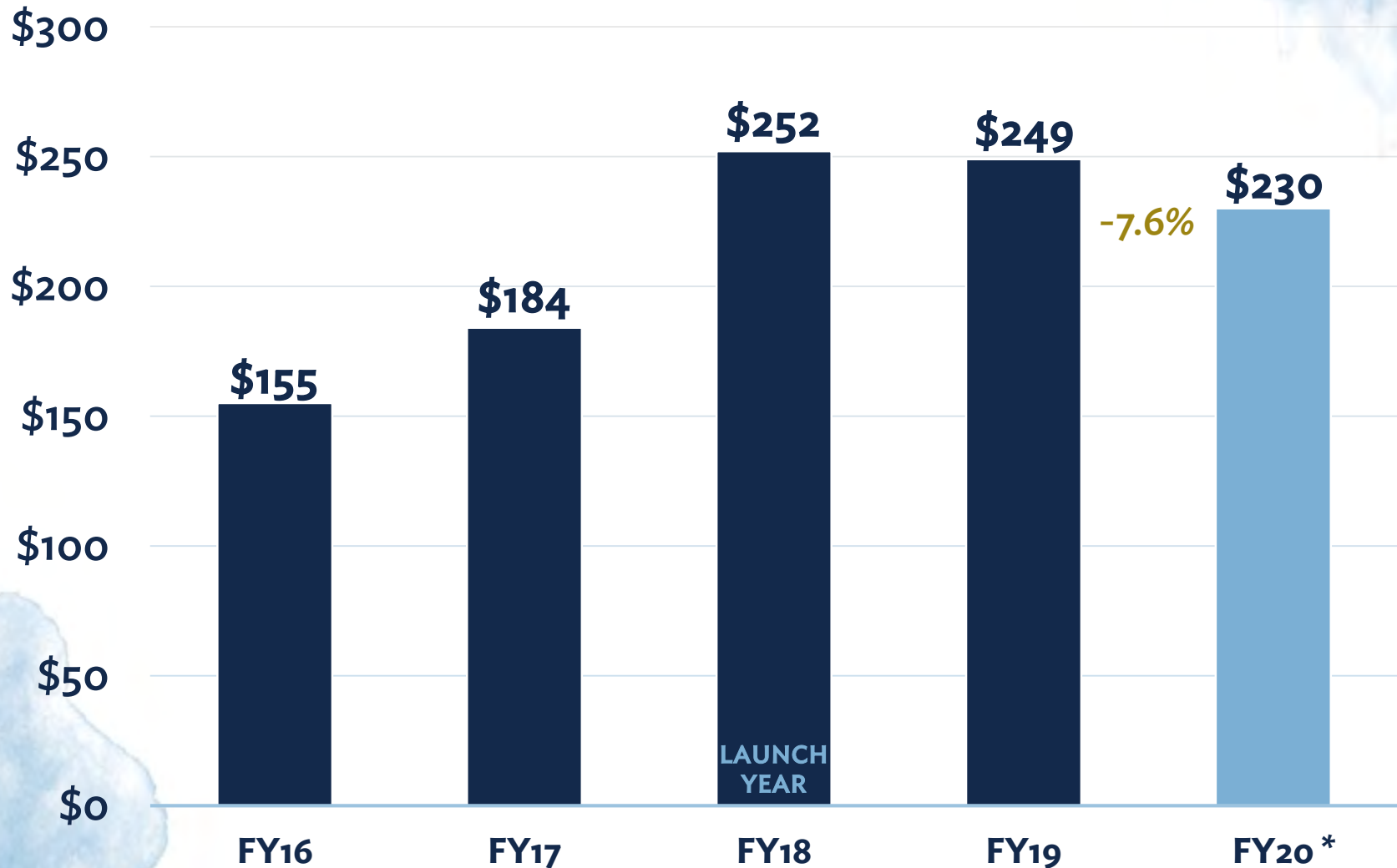
## × Unit Progress

		Goal
ACK	33%	\$250M
ASD	80%	\$70M
ATHL	59%	\$500M
CAS	70%	\$750M
CCPS	103%	\$6M
CPA	85%	\$25M
EDU	44%	\$35M
ESOP	91%	\$175M
GOV	59%	\$50M
GRAD	75%	\$10M
GSGPH	83%	\$200M
HSJM	91%	\$75M
IE	59%	\$12M
KFBS	60%	\$400M
LAW	66%	\$75M
LIB	72%	\$50M
MCF	86%	\$75M
MED	77%	\$1B
MPSC	73%	\$20M
NCBG	71%	\$30M
NRI	102%	\$3M
NURS	100%	\$22M
OSSA	40%	\$400M
SAFF	51%	\$15M
SILS	118%	\$20M
SSW	45%	\$23M

▶ Has met goal.

Acronyms key available online at:  
<https://unc.live/acronyms>

# New Cash & Commitments Totals *Through* 1/6/2020\*

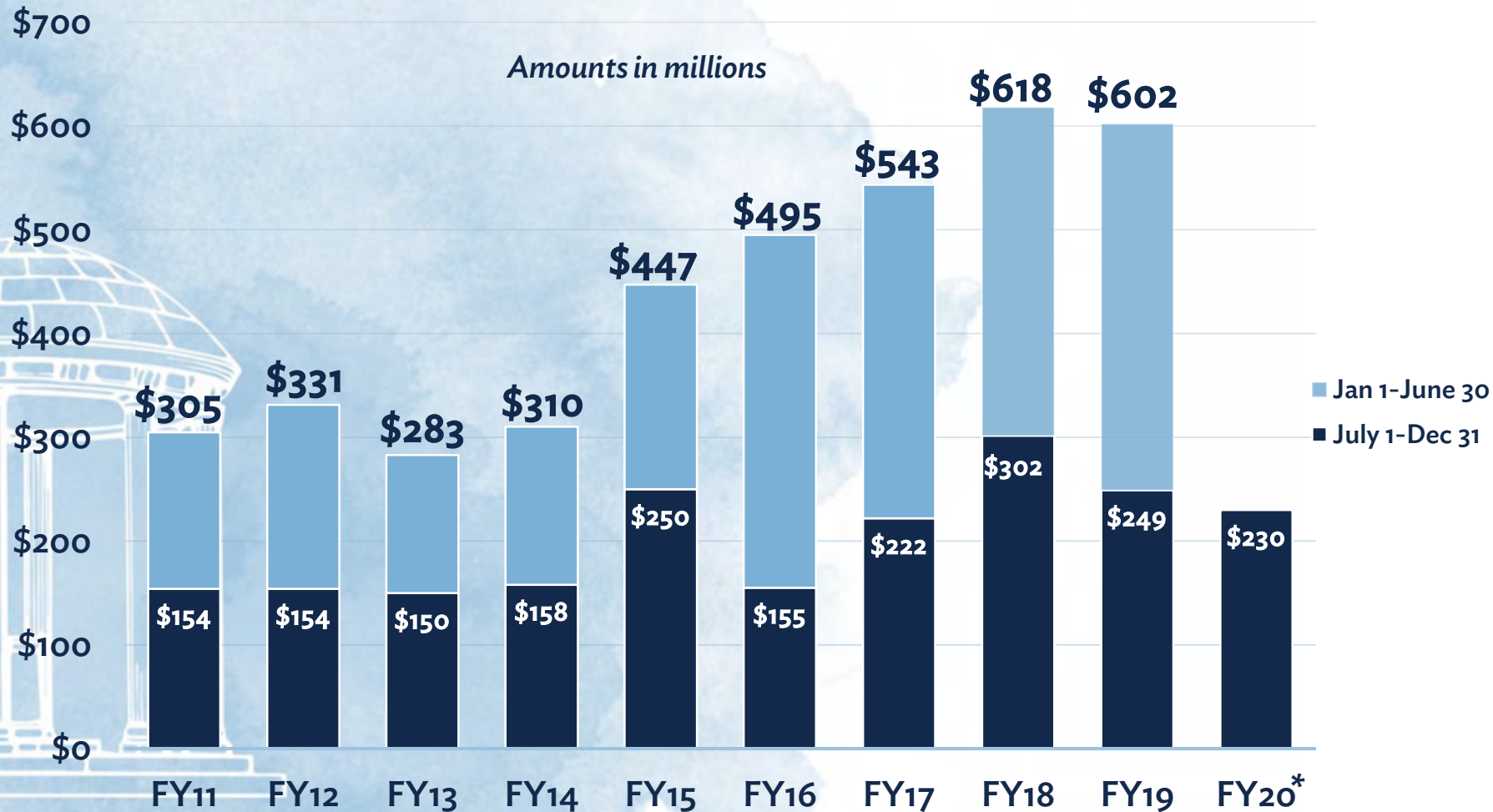


\*2019 year-end gifts still being processed.

Amounts in millions

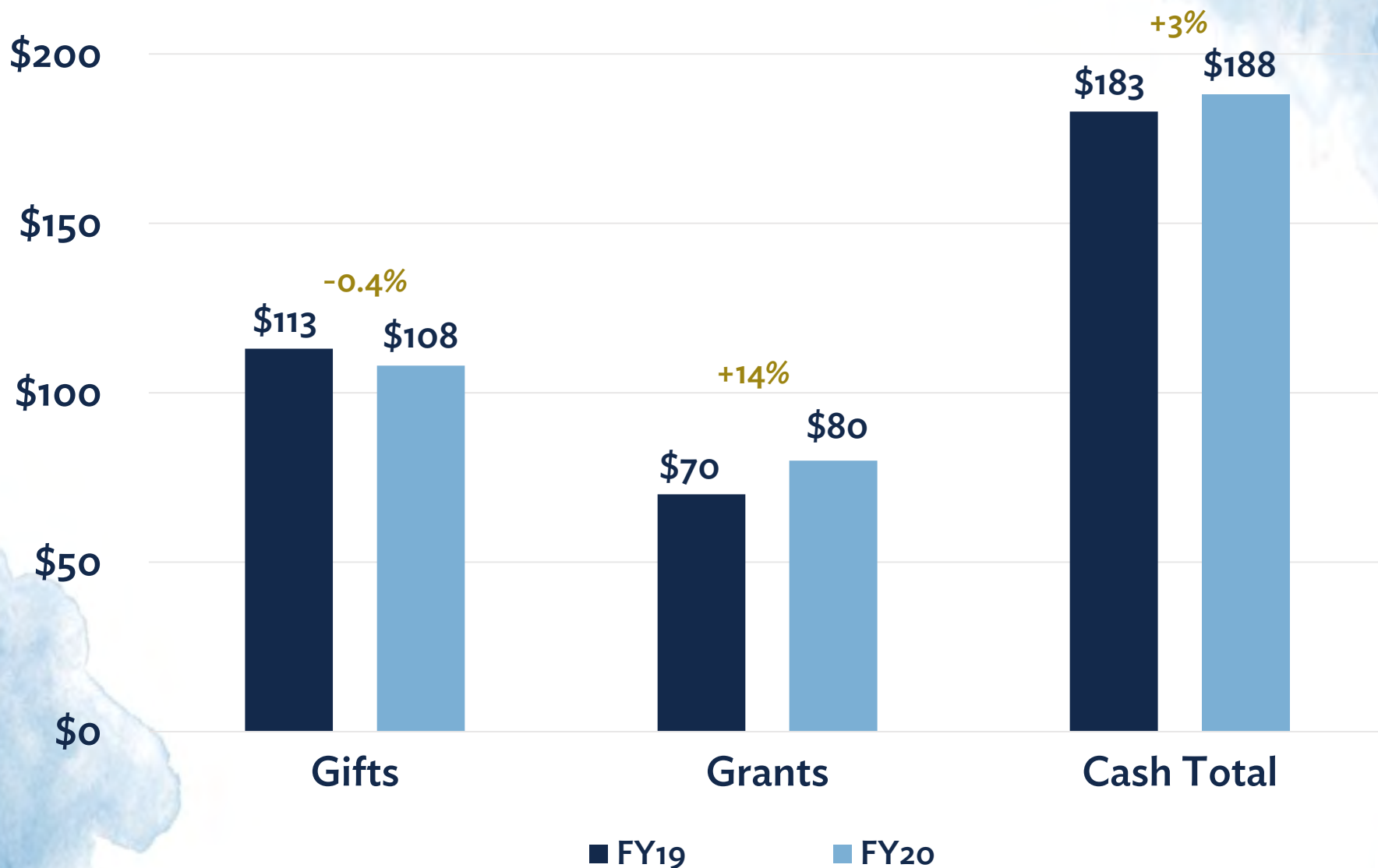
# New Cash & Commitments Totals

Prior FYs through June 30.



\*2019 year-end gifts still being processed.

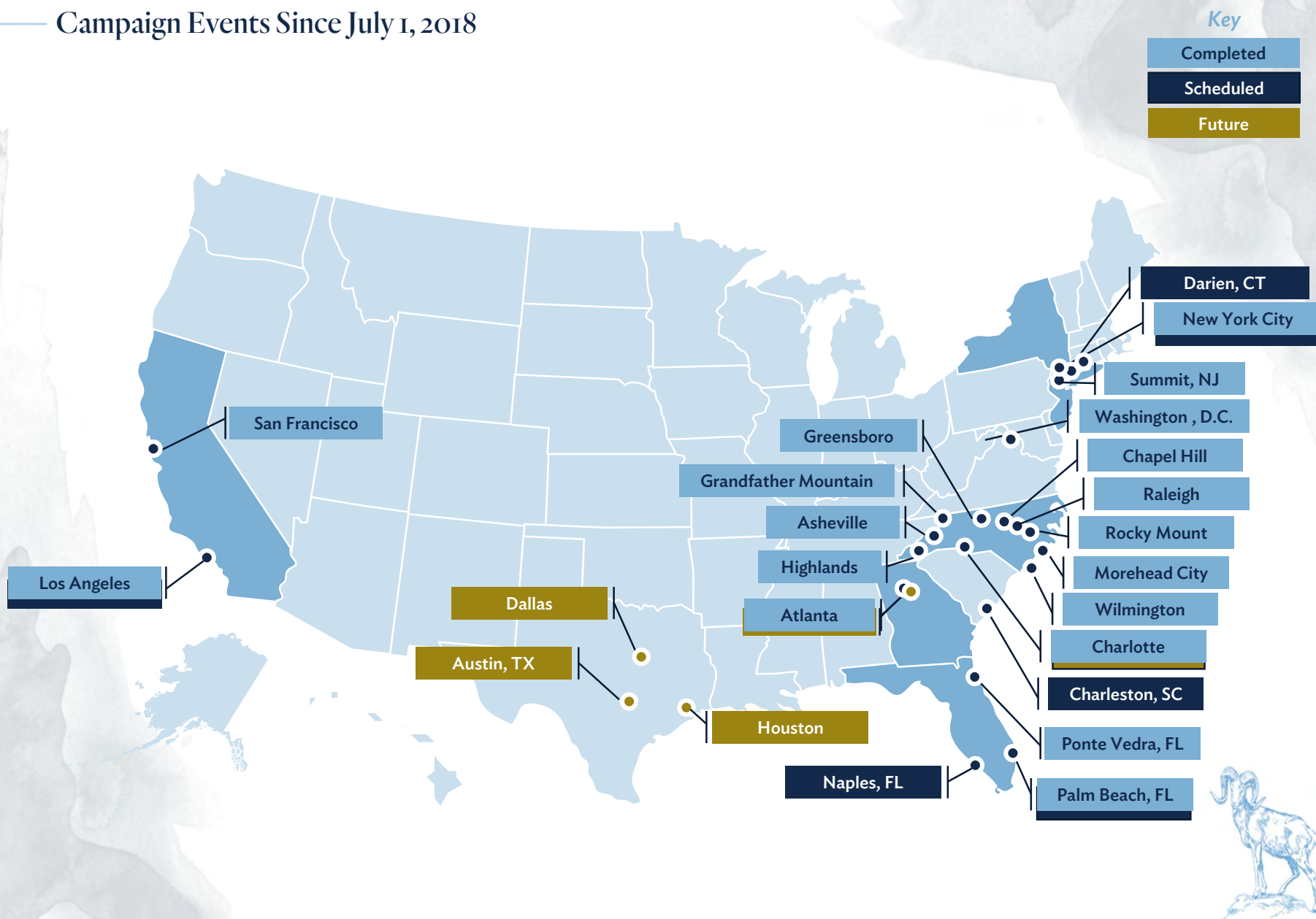
## Cash Totals *Through 1/6/2020*



\*2019 year-end gifts still being processed.

Amounts in millions

## Campaign Events Since July 1, 2018

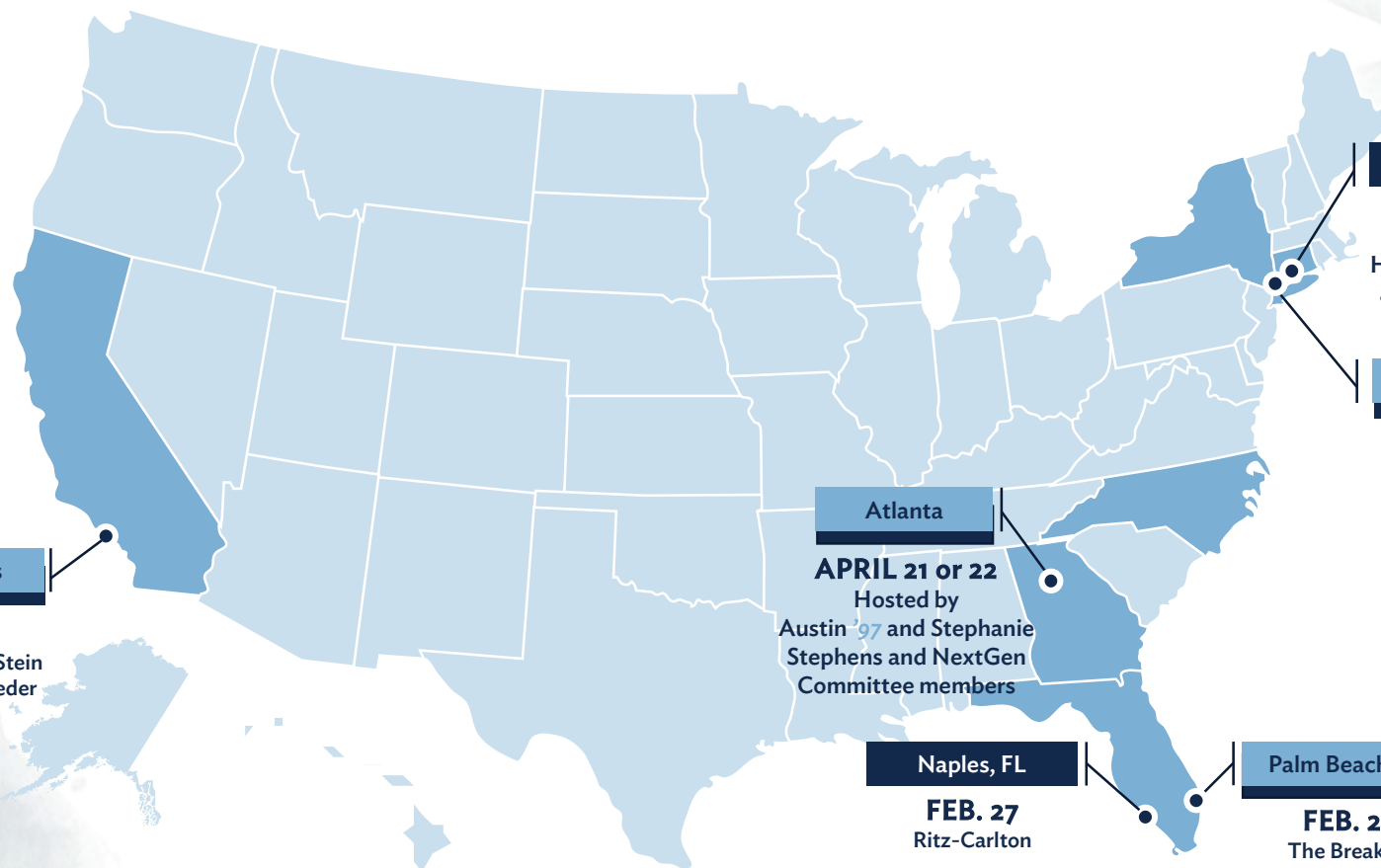


## Upcoming Campaign Events

Key

Completed

Scheduled







• *the* CAMPAIGN *for* CAROLINA •

**David S. Routh**

*Vice Chancellor for Development*

# Real Estate Operations Board of Trustees January 29, 2020

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- FY 2020 Mid-Year Lease Review



# 2020 Mid-Year Lease Review

Property Type	SF	Annual Rent	# of Leases
Office	616,912	\$15,215,057	60
Residential	55,315	\$512,388	39
Clinical	30,669	\$604,032	11
Theater	8,667	\$217,628	1
Lab	5,327	\$145,487	2
Retail	2,218	\$55,450	1
<b>Grand Total</b>	<b>719,108</b>	<b>\$16,750,043</b>	<b>114</b>

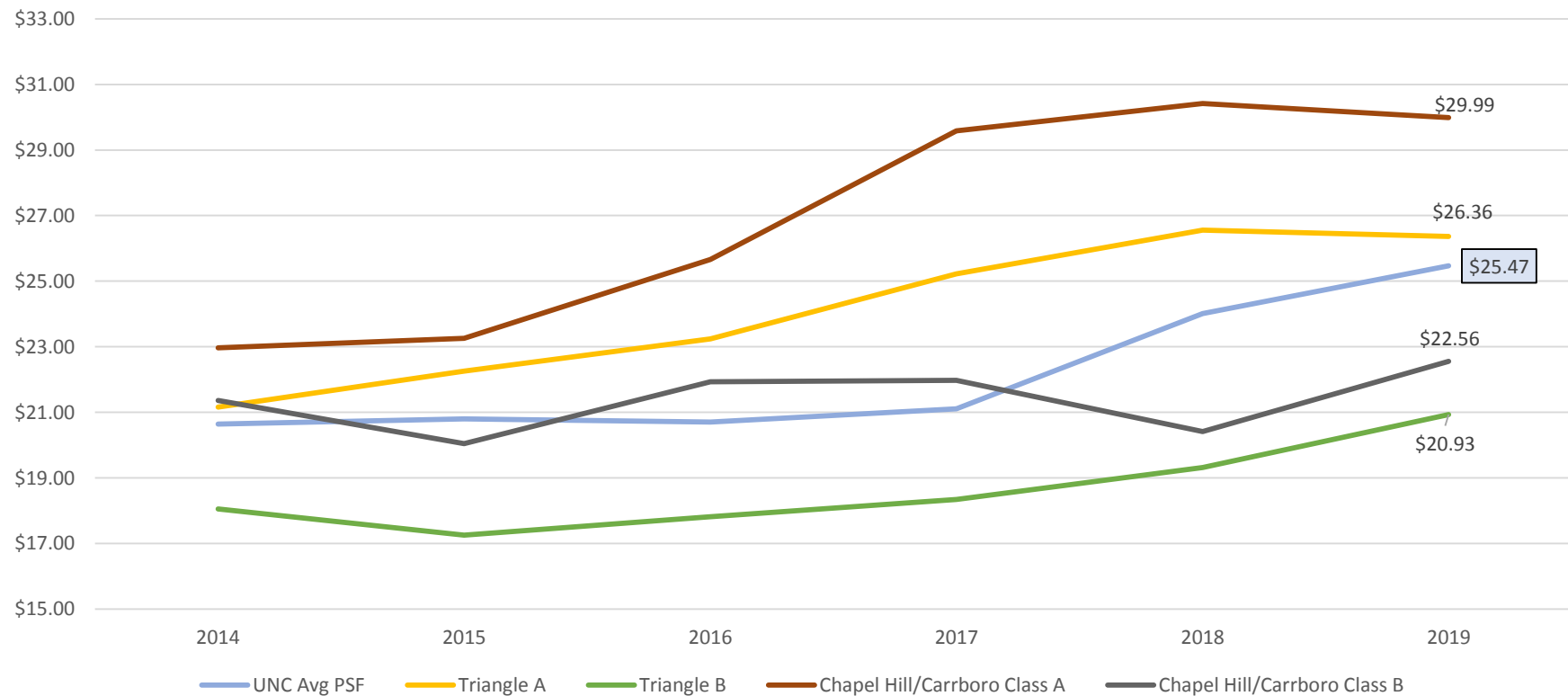
Cost Category	SF	Annual Rent	# of Leases
> \$50k	125,670	\$1,244,690	67
\$50k to \$150k	94,365	\$2,063,814	24
\$150k to \$350k	104,689	\$2,546,924	12
\$350k to \$500k	53,909	\$1,355,810	3
\$500k+	340,475	\$9,538,805	8
<b>Grand Total</b>	<b>719,108</b>	<b>\$16,750,043</b>	<b>114</b>

- Consolidation of Frank Porter Graham from two leased bldgs to one bldg at 517 S. Greensboro.
  - Actively pursuing opportunities to backfill 521 S. Greensboro
- Added 12k sf at Europa Center to accommodate moving Sheps Center out of 725 MLK to allow for an Endowment funded renovation.
  - Will vacate in this space in late Summer 2020 once renovation is complete.
- Added 21k sf at Carolina Square, expense to begin in 2021.
- \$3.4m of the expense is related to our lease in Kannapolis as part of the North Carolina Research Campus.

# Users of Leased Space

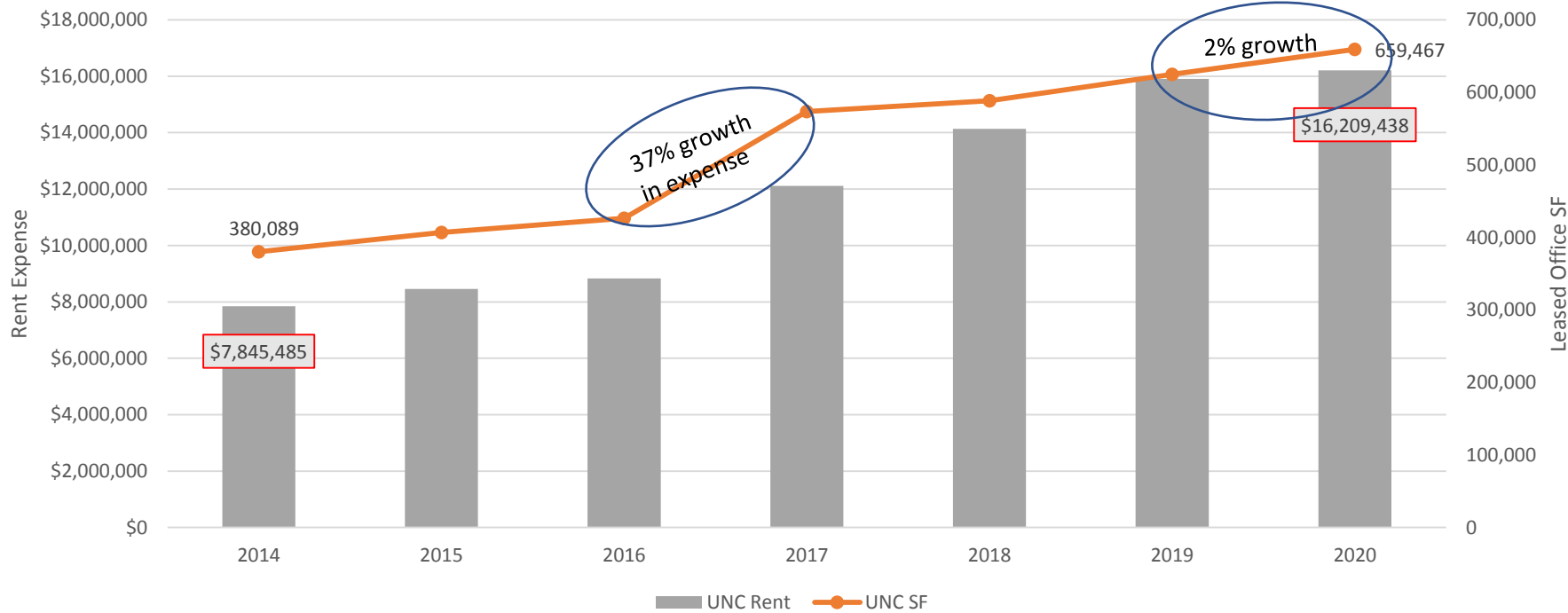
Department Users/Tenants	SF	Annual Rent	# of Leases
Vice Chancellor for Research	248,963	\$6,477,990	16
School of Public Health	166,163	\$4,767,072	6
School of Medicine	175,126	\$3,344,375	64
Division of Finance and Operations	17,864	\$429,450	1
Office of University Development	15,919	\$327,687	3
Provost Office	13,111	\$289,347	4
College of Arts and Sciences	9,213	\$189,706	3
Vice Chancellor for Workforce Strategy, Equity and Enga	6,927	\$187,464	1
Chancellor's Office	9,163	\$186,077	4
School of Pharmacy	7,688	\$186,022	2
Vice Chancellor for Innovation, Entrepreneurship and E	6,669	\$130,613	2
School of Social Work	4,453	\$97,743	1
School of Education	2,797	\$52,807	1
School of Law	3,000	\$51,171	2
Communications	9,874	\$32,520	2
North Carolina Botanical Garden	250	\$0	1
<b>Grand Total</b>	<b>719,108</b>	<b>\$16,750,043</b>	<b>114</b>

# UNC Avg PSF Office Rent Rate = \$25.47



# Growth in UNC Leased Portfolio since 2014

UNC Leased Portfolio has grown at 12% Compound Annual Growth Rate since 2014  
UNC Leased Rent expense has grown at 16% Compound Annual Growth Rate since 2014



**PROJECTS COMPLETED SINCE LAST REPORT**

CIP#	Project Name	Const. Type	Fund Source	Spending Authority	\$/SF	Phase Start	Phase Complete
679	Art Lab Building - Paint Spray Booth	R	SA/RR	\$ 458,678		3/29/2019	10/15/2019
674	UNC Chapel Hill Outdoor Education Center Pond Retrofit	R	UN	\$ 475,000		4/1/2019	10/1/2019
738	Quail Hill HVAC Upgrades	R	UN	\$ 550,400		3/11/2019	11/15/2019
530	Phillips Hall HVAC Repair	R	SA/RR	\$ 800,000		8/6/2018	10/15/2019
691	Kenan Stadium Backflow Preventers and Booster Pumps	R	UN	\$ 900,000		1/3/2019	5/1/2019
627	Morehead Planetarium and Health Science Library Elevator Modernization	R	SA/RR	\$ 1,170,000		10/3/2017	7/1/2019
673	Carolina Union Auditorium Renovation	R	UN	\$ 2,300,000		12/26/2018	8/31/2019
642	Taylor Campus Health- Sports Medicine and Specialty Clinics renovations	R	UN	\$ 2,750,000		11/5/2018	8/31/2019
637	Mountain Area Health Education Center	NC	SA	\$ 8,000,000		12/5/2017	8/1/2019
585	Morehead Planetarium Building- Classroom Renovations	R	UN	\$ 8,076,122		5/6/2019	12/31/2019
551	Davis Library Sprinklers & Fire Alarm Panel Replacement	R	UN	\$ 8,627,500		5/1/2017	6/20/2019
<b>Sub-Total:</b>				<b>\$ 34,107,700</b>		<b>Avg Duration:</b> 12 months	

**PROJECTS IN CONSTRUCTION**

CIP#	Project Name	Const. Type	Fund Source	Spending Authority	\$/SF	Phase Start	Phase Complete
701	UNC Visitors Center	R	UN	\$ 347,721	\$ 62.00	2/1/2019	2/1/2020
725	Knapp-Sanders - Emergency Elevator Replacement	R	SA/RR	\$ 350,000	N/A	1/6/2020	7/1/2020
724	Cardinal-Dogwood Parking Deck - Emergency Elevator Replacement	R	UN	\$ 350,000	N/A	1/6/2020	7/1/2020
703	Institute of Marine Sciences (IMS)	R	RR	\$ 370,604	\$ 250.00	3/21/2019	2/1/2020
FSP17235	Cardinal-Dogwood Parking Deck Repairs	R	UN	\$ 485,000	N/A	7/24/2019	3/1/2020
689	Friday Center Bus Loop Road Repair	R	UN	\$ 400,000	N/A	12/13/2018	8/31/2019
736	Genome Sciences Building- Café & Commons Renovation	R	UN	\$ 492,000	\$ 100.00	11/21/2019	3/15/2020
740	Peabody Hall - Graduate Student Hub	R	UN	\$ 497,067	\$ 250.00	7/15/2019	2/1/2020
741	Peabody Hall Lobby	R	UN	\$ 551,143	\$ 300.00	7/15/2019	2/1/2020
653	Taylor Air Flow Reduction Energy Project	R	UN	\$ 580,000	N/A	1/6/2020	8/1/2020
694	West Drive Street Improvements	R	COPS	\$ 650,000	N/A	8/2/2019	2/15/2020
700	High Frequency Throughput Sequencing Facility Relocation	R	UN	\$ 675,000	\$ 150.00	7/24/2019	3/1/2020
671	Glaxo Research Bldg- Infrastruct Support for Cryo-Electron Microscope	R	UN	\$ 850,000	N/A	7/26/2018	3/1/2020
668	Burnett Womack- 4th Floor Renovation	R	UN	\$ 976,677	\$ 150.00	5/25/2018	6/1/2019
711	Swain Hall Emergency Repairs	R	SA/RR	\$ 1,000,000	N/A	11/29/2018	8/1/2020
682	Institute of Marine Sciences Fisheries Research Lab	R	UN	\$ 1,113,040	\$ 300.00	3/21/2019	2/1/2020
664	Lineberger Cancer Center- Faculty Recruitment Lab Renovation	R	UN	\$ 1,400,000	\$ 300.00	4/29/2019	2/1/2020
669	UNC Parking Decks- LED Lighting Safety Upgrades	R	UN	\$ 1,500,000	N/A	12/1/2019	4/1/2020
655	New East- Install New ADA Compliant Elevator	R	UN	\$ 1,650,000	\$ 300.00	4/4/2019	3/1/2020
709	Burnett Womack Conference Center	R	UN	\$ 1,720,000	\$ 225.00	1/8/2020	6/1/2020
663	Marsico Hall – Mech, Elec, and Plmb Upfits & Recommissioning	R	COPS	\$ 2,300,000	N/A	2/26/2019	12/1/2020
662	Marsico- Large Animal Expansion	R	COPS	\$ 2,550,000	\$ 375.00	1/28/2019	2/15/2020
623	Wilson Library Slate Roof, Dome Roofing Replacement, Envelope Repair	R	SA/RR	\$ 2,645,000	N/A	10/26/2018	2/1/2020
693	NRB MBRB Vivarium Enabling Project Renovations	R	UN	\$ 4,000,000	\$ 275.00	11/12/2018	1/31/2020
613	Chase Dining Hall Expansion	NC/R	UN	\$ 5,900,000	\$ 625.00	1/2/2019	1/31/2020
739	Morehead Chemistry HVAC Renovation - Emergency Declaration	R	UN	\$ 6,000,000	N/A	12/1/2019	12/31/2020
683	Joyner Residence Hall HVAC Improvements	R	UN	\$ 6,616,825	\$ 140.00	12/30/2019	5/1/2020
UNC-H	Ambulatory Care Center – Musculoskeletal Enhancement Service	R	UNCH	\$ 7,177,219	\$ 177.14	8/1/2018	4/1/2020
675	Cameron Cogen – Dry Sorbent Injection System	R	UN	\$ 7,490,000	N/A	9/17/2018	4/1/2020
643	Everett, Lewis, & Stacy- Window & HVAC Improvements	R	UN	\$ 9,243,404	\$ 125.00	5/14/2018	8/1/2020
607	Beard Hall	R	UN	\$ 9,713,728	\$ 275.00	8/2/2018	4/1/2020
657	Media and Communications Studio	NC	UN	\$ 15,000,000	\$ 600.00	6/28/2018	7/15/2019
644	Medical Education Bldg- Berryhill Vivarium Migration	R	UN/SB	\$ 26,730,000	\$ 776.00	3/2/2018	2/15/2020
633	Medical Education Building Replacement	NC	SB	\$ 108,600,000	\$ 450.00	12/20/2019	7/1/2021
<b>Sub-Total:</b>				<b>\$ 229,924,428</b>		<b>Avg Duration:</b> 13 months	

**PROJECTS IN DESIGN**

CIP#	Project Name	Const. Type	Fund Source	Spending Authority	\$/SF	Phase Start	Phase Complete
706	Replace Fire Alarm- Dey Hall, Hanes Hall, 134 East Franklin	R	SA, RR	\$ 148,000	N/A	2/1/2020	10/1/2020
696	School of Dentistry Pipe Remediation	R	UN	\$ 150,000	N/A	2/28/2019	12/1/2020
678	Replace Electrical Switchgear - Mitchell Hall, Dey Hall	R	SA, RR	\$ 200,000	N/A	2/1/2020	10/1/2020
702	Morehead Planetarium and Science Center Roof Repair	R	SA/RR	\$ 250,000	N/A	4/26/2019	6/1/2020
698	Koury Dental Tarrson Hall Amalgam Separator & Receiver	R	SA/RR	\$ 300,000	N/A	12/17/2019	5/1/2020
744	Parking Deck and Lot Camera Upgrades	R	UN	\$ 300,000	N/A	2/1/2020	10/1/2020
586	South Building Accessibility Improvements	R	UN	\$ 319,700	\$ 50.00	6/26/2019	5/1/2020
697	Hwy 54 Park & Ride Lot Stormwater Pond Repair & Retrofit	R	UN	\$ 350,000	N/A	7/10/2018	6/1/2020
676	Foundation Water Proofing - Ackland Art Museum	R	SA/RR	\$ 400,000	N/A	3/12/2018	2/1/2020
707	Carrington Hall Abate Asbestos, Replace Wall, floor, Lighting	R	SA/RR	\$ 426,600	\$ 118.50	5/2/2019	1/14/2020
710	Tarrson Hall Medical Gas Alarm System	R	UN	\$ 450,000	N/A	2/28/2019	12/1/2020
699	Copper Telecommunication Replacement Phase 1	R	SA/RR	\$ 500,000	N/A	12/16/2019	8/1/2020
708	Kenan Labs- Replace Main Distribution Electrical Panel	R	SA/RR	\$ 750,000	N/A	1/6/2020	7/1/2020
715	National Pan-Hellenic Council Garden	NC	GI	\$ 750,000	N/A	11/1/2019	2/1/2020
742	Womens Basketball Renovations Phase II	R	UN	\$ 750,000	\$ 200.00	12/16/2019	4/1/2020
666	Kenan-Flagler School of Business- McColl Bldg Addition & Renovation (Advance Planning)	NC	SA	\$ 1,000,000	\$ 550.00	5/15/2018	12/31/2020
684	Kenan Stadium – Fire Alarm Upgrades	R	UN	\$ 1,060,000	N/A	1/6/2020	7/1/2020
704	Art Lab HVAC and Electrical Systems Improve & Modify Restroom	R	SA/RR	\$ 1,220,000	N/A	3/25/2019	2/1/2020
677	Supplement to Replace Laboratory Ventilation System Morehead Lab	R	SA	\$ 1,250,000	N/A	4/24/2019	5/1/2020
712	Morehead Chemistry Teaching Labs	R	UN	\$ 1,500,000	\$ 250.00	5/22/2019	3/1/2020
654	Thurston Bowles Air Flow Reduction Energy Project	R	UN	\$ 1,650,000	N/A	10/4/2017	3/1/2020
645	Horace William Airport Property Solar and Energy Storage Demo	NC	UN	\$ 1,700,310	N/A	8/1/2019	5/1/2020
570	Campus Master Plan	P	UN	\$ 2,150,000	N/A	1/20/2016	2/1/2020
588	Campus Safety Upgrades	R	UN	\$ 4,750,000	N/A	5/1/2019	3/1/2020
713	Classroom Renewal	R	UN	\$ 5,000,000	\$ 235.00	5/24/2019	3/1/2020
672	School of Media & Journalism - Media & Communication Studio	NC	UN	\$ 7,200,000	\$ 500.00	12/14/2018	12/1/2019
690	Parking Deck at S1 Lot	NC	UN	\$ 14,443,516	\$ 110.00	11/7/2018	2/24/2020
714	School of Dentistry New Programs	R	UN/SB	\$ 15,000,000	\$ 250.00	7/1/2019	5/1/2020
659	Translational Research Building	NC	UN	\$ 19,000,000	\$ 600.00	4/6/2019	1/1/2021
				<b>Sub-Total: \$</b>	<b>82,968,126</b>	<b>Avg Duration: 14 months</b>	

**PROJECTS ON HOLD/INACTIVE****Sub-Total: \$ 159,489,477**

# Board of Trustees Finance, Infrastructure and Audit Committee

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Capital Improvements Projects  
Facilities Services  
January 2020



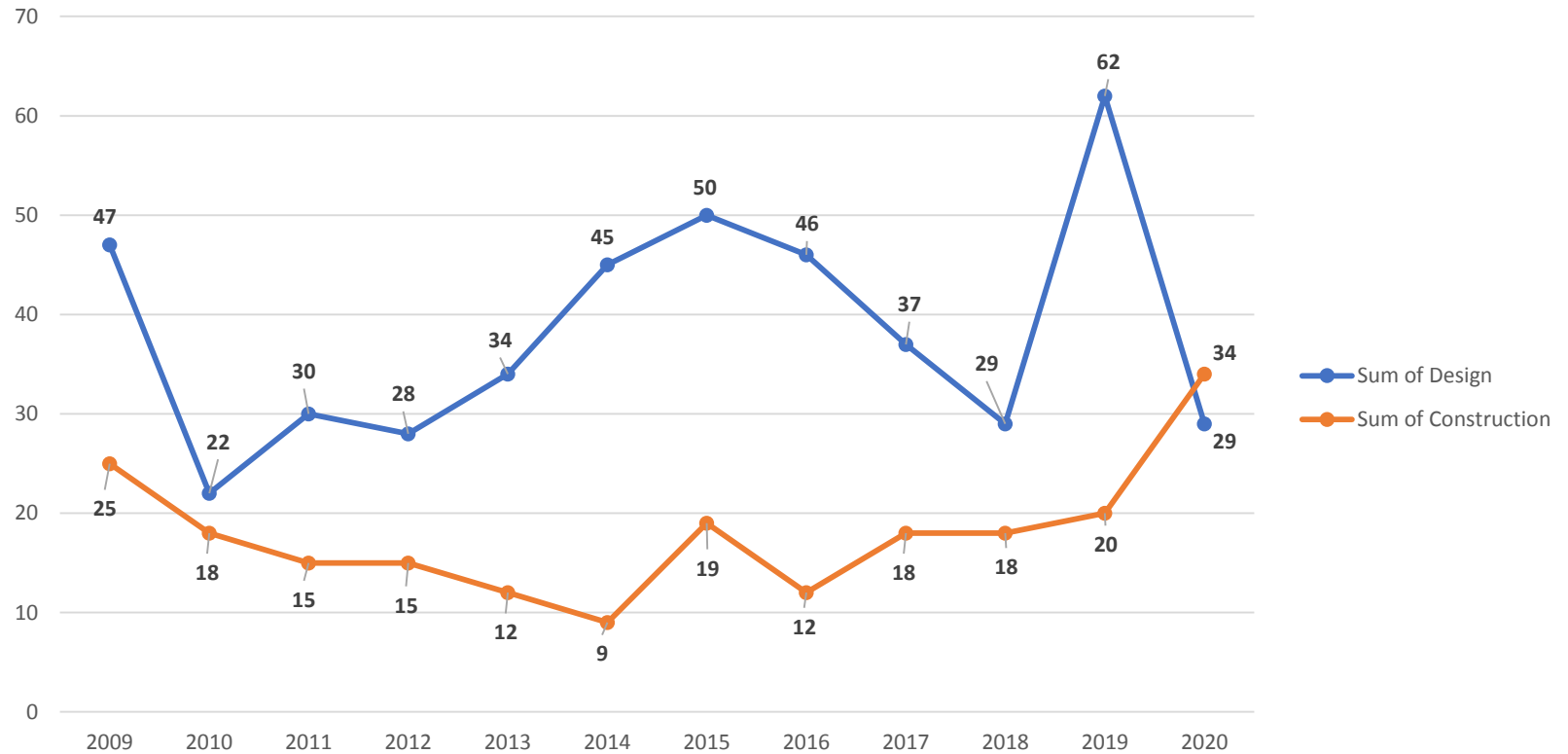
# Semi-annual Capital Report

## Projects in Design and Construction, 2010- 2020

Year	Total Projects	# in Design	\$ In Design	# In Construction	\$ In Construction
2010	40	22	\$ 409,120,032	18	\$ 600,252,605
2011	45	30	\$ 474,190,032	15	\$ 605,745,206
2012	43	28	\$ 313,100,000	15	\$ 742,125,183
2013	46	34	\$ 389,726,000	12	\$ 550,585,206
2014	54	45	\$ 337,177,000	9	\$ 338,372,095
2015	69	50	\$ 423,639,550	19	\$ 377,846,839
2016	58	46	\$ 324,057,991	12	\$ 333,622,316
2017	55	37	\$ 372,416,500	18	\$ 175,227,717
2018	47	29	\$ 344,807,071	18	\$ 274,080,528
2019	82	62	\$ 346,795,502	20	\$ 286,371,191
2020	74	40	\$ 242,457,603	34	\$ 229,924,428
TOTAL	613	423	\$ 3,977,487,281	190	\$4,514,153,314

# Semi-annual Capital Report

Number of Projects in Design and Construction, 2009-2020

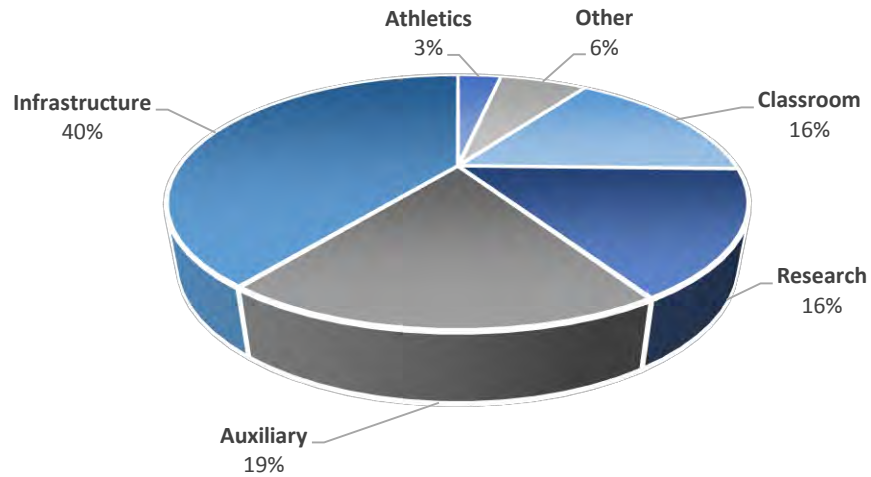


# Semi-annual Capital Report

## Projects by Facility Type

### All Active Projects

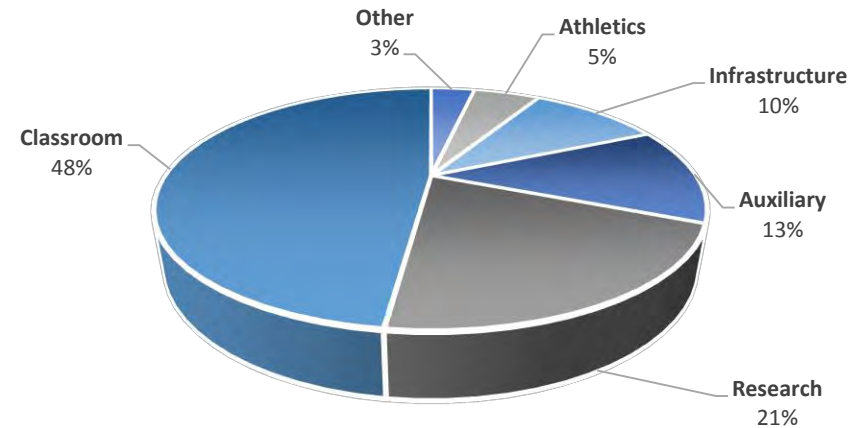
Facility Type - % of Number of Projects



Note: % in pie chart reflects percentage of number of projects (design & construction)

### All Active Projects

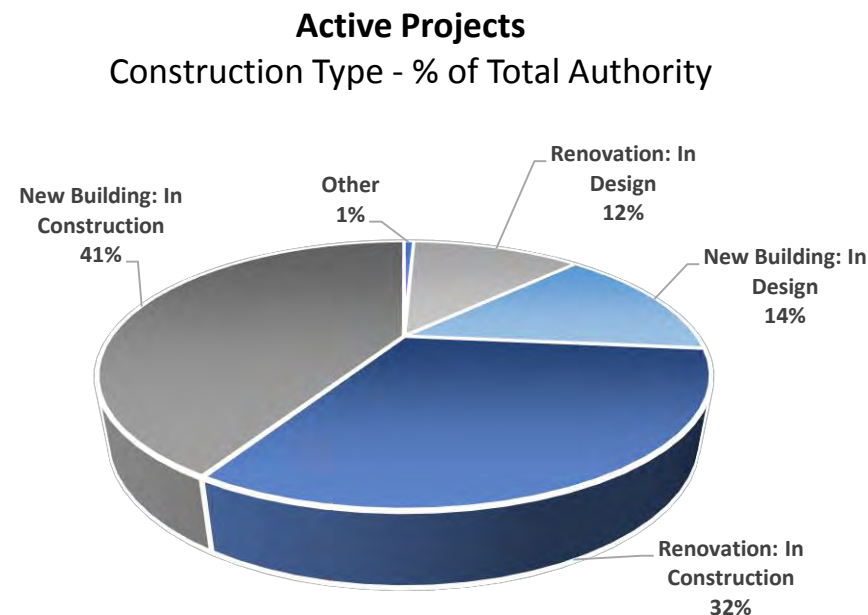
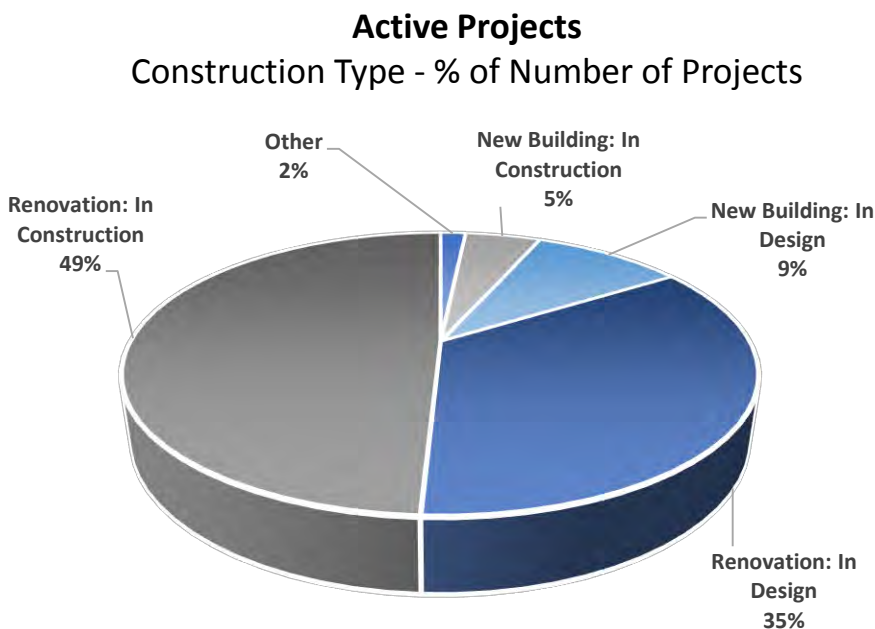
Facility Type - % of Total Authority



Note: % in pie chart reflects percentage of total authority (design and construction)

# Semi-annual Capital Report

## Distribution of Projects by Construction Type



# Finance, Infrastructure & Audit Committee

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Fiscal Year Ending June 30, 2019  
Financial Review

# Agenda

- Audit Summary
- Statement of Revenues, Expenses and Changes in Net Position & Notable Highlights
- Revenue Composition by Source
- Peer Comparison
- Statement of Net Position & Notable Highlights

# Audit Summary

For the fiscal year ended June 30, 2019, the University successfully received an unqualified opinion from the Office of the State Auditor.

Notable audit highlights include:

- No audit findings, management comments or material misstatements recorded.
- Audit report was issued six days earlier than in 2018, five days earlier than in 2017, and 28 days earlier than in 2016.
- Continued focus on process improvement cross functionally and timely submission of audit requirements.

# Revenues, Expenses, and Changes in Net Position Highlights

UNC's financial results for the fiscal year ended June 30, 2019 showed operating revenues increasing at a higher rate than operating expenses, leading to a lesser operating loss of \$754.7 million than the previous year.

Total **net position increased by \$460.2 million** or 24.9% from the previous year to reflect the ending balance at June 30, 2019 of \$2.3 billion, notable highlights include:

- Operating revenues increased by \$79.6 million, or 3.6 percent, to \$2.3 billion in FY2019 from \$2.2 billion in FY2018 due to strong performance in patient services and contracts and grants revenue.
- Operating expenses increased by \$6.3 million, or 0.2 percent, primarily driven by an increase in supplies and materials offset by decreases in scholarships, salaries and benefits.
- Two non-cash accounting adjustments; the change in accounting methodology for funds held for pooled participants (captured in non-operating revenue) and OPEB liability decrease (captured in salaries and benefit expense).

Net Non-Operating Revenues and Expenses notable highlights include:

- State appropriations increased by \$25.1 million from the previous year.
- UNC Investment Fund return of 7.7 percent exceeded benchmark performance in FY19, slightly less than the FY18 return of 12 percent.
- Capital gifts and grants increased \$45.7 million driven by multiple gifts for Athletics received from The Educational Foundation.



# Statement of Revenues, Expenses, and Changes in Net Position

\$ in millions, audited

Revenues	FY 2019	FY 2018 (as restated)	\$ Change	% Change*
<i>Operating Revenues:</i>				
Student tuition and fees, net	\$ 424.4	\$ 438.4	\$ (14.0)	-3.2%
Patient services, net	506.8	481.9	24.9	5.2%
Federal, state and local, and non-governmental grants and contracts	866.1	838.5	27.6	3.3%
Sales and services, net	488.6	447.9	40.7	9.1%
Other operating revenues	10.1	9.7	0.4	4.4%
<b>Total operating revenues</b>	<b>\$ 2,296.0</b>	<b>\$ 2,216.4</b>	<b>\$ 79.6</b>	<b>3.6%</b>
<b>Expenses</b>				
<i>Operating Expenses:</i>				
Salaries and benefits	\$ 1,716.7	\$ 1,730.1	\$ (13.4)	-0.8%
Supplies, materials, and services	1,013.2	960.1	53.1	5.5%
Scholarships and fellowships	88.9	131.5	(42.6)	-32.4%
Utilities, depreciation, and amortization	231.9	222.7	9.2	4.1%
<b>Total operating expenses</b>	<b>\$ 3,050.7</b>	<b>\$ 3,044.4</b>	<b>\$ 6.3</b>	<b>0.2%</b>
<b>Operating loss</b>	<b>\$ (754.7)</b>	<b>\$ (828.0)</b>	<b>\$ (73.3)</b>	<b>-8.9%</b>

\* % Change is calculated using unrounded data

# Statement of Revenues, Expenses, and Changes in Net Position (continued)

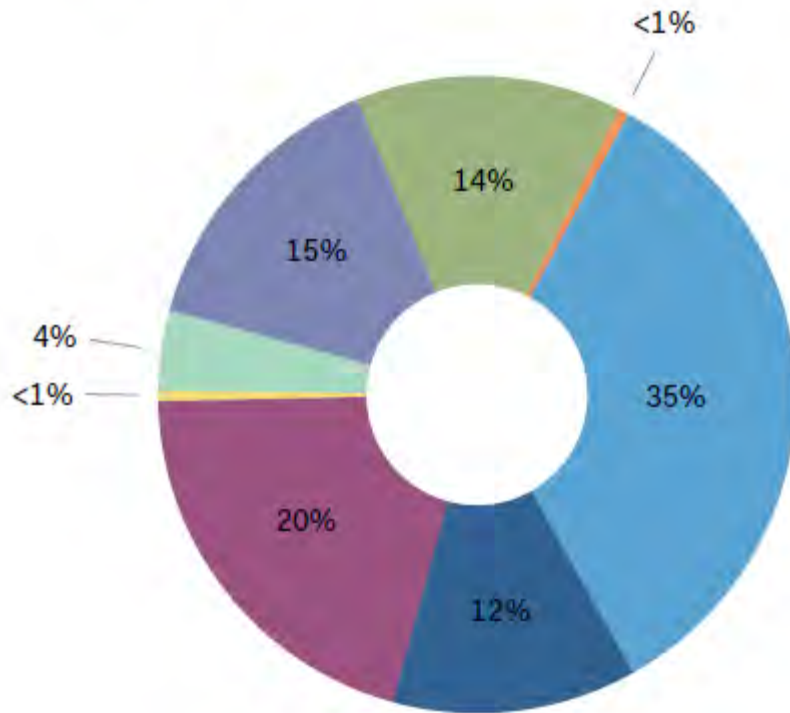
\$ in millions, audited

Nonoperating Revenues (Expenses)	FY 2019	FY 2018 (as restated)	\$ Change	% Change*
State appropriations	\$ 543.3	\$ 518.2	\$ 25.1	4.8%
Non-capital grants	125.8	139.8	(14.0)	-10.0%
Non-capital gifts, net	191.5	172.4	19.1	11.0%
Investment income	206.5	292.2	(85.7)	-29.3%
Interest and fees on debt	(51.1)	(53.5)	2.4	4.6%
Other nonoperating revenues (expenses)	104.5	(62.4)	166.9	267.5%
<b>Net nonoperating revenues (expenses)</b>	<b>\$ 1,120.5</b>	<b>\$ 1,006.7</b>	<b>\$ 113.8</b>	<b>11.3%</b>
<b>Income (loss) before other revenues, expenses, gains, or losses</b>	<b>\$ 365.8</b>	<b>\$ 178.7</b>	<b>\$ 187.1</b>	<b>104.7%</b>
Capital appropriations	4.1	9.0	(4.9)	-55.1%
Capital gifts and grants	62.8	17.1	45.7	267.3%
Additions to endowments	27.5	22.1	5.4	24.6%
<b>Total other revenues, expenses, gains, or losses</b>	<b>\$ 94.4</b>	<b>\$ 48.2</b>	<b>\$ 46.2</b>	<b>95.5%</b>
<b>Increase in Net Position</b>	<b>\$ 460.2</b>	<b>\$ 226.9</b>	<b>\$ 233.3</b>	<b>102.8%</b>
<b>Net Position - July 1</b>	<b>1,851.4</b>	<b>1,611.1</b>		<b>14.9%</b>
Restatements		13.4		
<b>Net Position - June 30</b>	<b>\$ 2,311.6</b>	<b>\$1,851.4</b>	<b>\$ 460.2</b>	<b>24.9%</b>

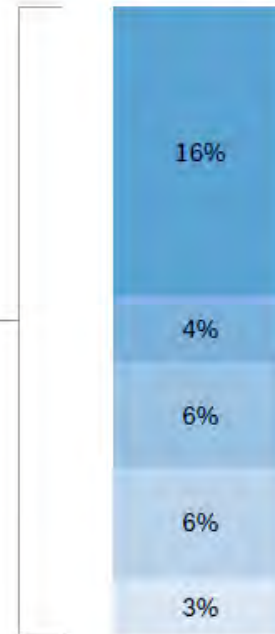
\* % Change is calculated using unrounded data

# Revenues by Source

2019 Revenues by Source: \$3,467,521  
Dollars in thousands



- Student Tuition and Fees, Net—\$424,391
- Federal Grants and Contracts—\$710,288
- State and Local Grants and Contracts—\$12,172
- Nongovernmental Grants and Contracts—\$143,681
- Patient Services, Net—\$506,766
- Sales and Services, Net—\$488,582
- Other Operating Revenues—\$10,128
- Other—\$1,171,513



- State Appropriations—\$543,274
- Noncapital Grants—\$125,698
- Noncapital Gifts—\$191,455
- Investment Income, Net—\$206,536
- Other Non Op—\$104,550

# Revenue Composition – Peer Comparison

Revenue Type	FY18 Comprehensive Public University Medians*	UNC FY19
Tuition & Auxiliaries	40.3%	42.5%
Government Appropriations	20.3%	16.3%
Grants & Contracts	14.2%	25.9%
Gifts	3.0%	5.7%
Investment Income	2.9%	6.2%
Other	3.9%	3.4%

\*Moody's classified Comprehensive Public Universities as universities with over 25,000 FTE or greater than 20% revenue reliance on patient care plus grants and contracts revenue and over \$100M in revenue from these sources. Moody's classified 70 universities as such for its medians report.

## **Notes:**

Since values represent the median university for each contribution ratio, each individual university's ratios will sum to 100%, but the median values may not total 100%.

Patient care (included in tuition & auxiliaries) is a significant revenue stream for UNC (15.2% of total revenue).

# Assets, Liabilities, and Net Position Highlights

The University is in a stable financial position as of June 30, 2019, net position increased by \$460.2 million, or 24.9 percent, from the previous year to end at \$2.3 billion.

Notable highlights include:

- Total assets increased \$561.5 million, or 5.3 percent primarily driven by short term and long term investment performance.
- Total liabilities increased \$163.4 million, or 2.0 percent primarily driven by investment performance and external additions to the Investment Fund offset by a decrease of the University's share of OPEB liability.

# Statement of Net Position

\$ in millions, audited

Assets	FY 2019	FY 2018 (as restated)	\$ Change	% Change*
<i>Current Assets</i>				
Cash and cash equivalents	\$ 692.1	\$ 655.5	\$ 36.6	5.6%
Short-term investments	652.5	507.3	145.2	28.6%
Receivables, net	295.1	294.3	0.8	0.3%
Other current assets	42.3	28.6	13.7	48.0%
<b>Total current assets</b>	<b>\$ 1,682.0</b>	<b>\$ 1,485.7</b>	<b>\$ 196.3</b>	<b>13.2%</b>
<i>Noncurrent Assets</i>				
Restricted cash and cash equivalents	126.3	96.3	30.0	31.2%
Restricted investments, endowment and other investments	6,193.3	5,905.9	287.4	4.9%
Capital assets, net	3,122.9	3,097.4	25.5	0.8%
Other noncurrent assets	127.1	104.8	22.3	21.3%
<b>Total noncurrent assets</b>	<b>\$ 9,569.6</b>	<b>\$ 9,204.4</b>	<b>\$ 365.2</b>	<b>4.0%</b>
<b>Total assets</b>	<b>\$11,251.6</b>	<b>\$ 10,690.1</b>	<b>\$ 561.5</b>	<b>5.3%</b>
<i>Deferred Outflows of Resources</i>				
Deferred loss on refunding	\$ 10.5	\$ 11.2	\$ (0.7)	-5.9%
Accumulated decrease in fair value of hedging derivatives	109.7	82.9	26.8	32.2%
Deferred outflows related to pensions	185.3	135.9	49.4	36.4%
Deferred outflows related to OPEB	231.8	73.0	158.8	217.6%
<b>Total deferred outflows of resources</b>	<b>\$ 537.3</b>	<b>\$ 303.0</b>	<b>\$ 234.3</b>	<b>77.4%</b>

\* % Change is calculated using unrounded data

# Statement of Net Position (continued)

\$ in millions, audited

Liabilities	FY 2019	FY 2018 (as restated)	\$ Change	% Change*
<i>Liabilities</i>				
Accounts payable and accrued liabilities	\$ 187.1	\$ 167.9	\$ 19.2	11.5%
Funds held for others and unearned revenue	117.1	98.0	19.1	19.4%
Long-term liabilities - current portion	99.6	104.3	(4.7)	-4.5%
Short term debt and other current liabilities	71.8	48.5	23.3	48.1%
<b>Total current liabilities</b>	<b>\$ 475.6</b>	<b>\$ 418.7</b>	<b>\$ 56.9</b>	<b>13.6%</b>
<i>Noncurrent Liabilities</i>				
U.S. Government grants refundable	27.0	26.1	0.9	3.3%
Funds held in trust for pool participants	3,864.4	3,688.5	175.9	4.8%
Hedging derivative liability	109.7	82.9	26.8	32.2%
Long-term liabilities - noncurrent portion	3,757.1	3,854.2	(97.1)	-2.5%
<b>Total noncurrent liabilities</b>	<b>\$ 7,758.2</b>	<b>\$ 7,651.7</b>	<b>\$ 106.5</b>	<b>1.4%</b>
<b>Total liabilities</b>	<b>\$ 8,233.8</b>	<b>\$ 8,070.4</b>	<b>\$ 163.4</b>	<b>2.0%</b>
<b>Deferred Inflows of Resources</b>				
Deferred inflows related to split interest agreement	\$ 18.4	\$ 18.7	\$ (0.3)	-2.0%
Deferred inflows related to pensions	3.6	9.4	(5.8)	-61.0%
Deferred inflows related to OPEB	1,221.5	1,043.2	178.3	17.1%
<b>Total deferred inflows of resources</b>	<b>\$ 1,243.5</b>	<b>\$ 1,071.3</b>	<b>\$ 172.2</b>	<b>16.1%</b>
<b>Net Position</b>				
<b>Total net position</b>	<b>\$ 2,311.6</b>	<b>\$ 1,851.4</b>	<b>\$ 460.2</b>	<b>24.9%</b>

\* % Change is calculated using unrounded data