Budget Broadcast with the University Budget Office

April 2025

Agenda

- Moody's Outlook

- Legislative Update

- FY26 Budget/ Transformation Update

- UNT Procurement Updates

- Compliance Update

- Announcements

Moody's Outlook

Moody's Outlook:
March 18, 2025

- Moody's is a global credit rating agency
- Potential changes with implications:
  - Cuts to research funding
  - Enforcement action against diversity programs
  - Staff reductions at the US Dept of Education
  - Uncertainty over federal student aid
  - Possible expanded taxes on endowments
  - Potential for reductions/ eliminations of visas for international students
  - Volatile macroeconomic conditions are presenting greater challenges

Moody's Outlook:
March 18, 2025

EXHIBIT 1

Credit impact ● Negative ○ Neutral ● Positive   Severity ● High ● Medium ● Low

Policy risk	Institutions affected	Credit impact	Severity
Federal research cuts	All, predominantly R1 institutions	● Negative	● High
Enforcement actions related to DEI programs	All	● Negative	● Low
Department of Education restructuring	All	● Negative	● Medium
Reduction or interruption in Pell Grants	All, institutions serving low-income students	● Negative	● High
Changes or disruptions to federal student loans	All	● Negative	● High
Endowment tax	Wealthy private colleges and universities	● Negative	● Medium
Reduction in foreign student visas	Many, especially those with STEM or art and design programs	● Negative	● Low

Source: Moody's Ratings

[Outlook revised to negative as federal policy actions raise risk across the sector | Outlook | Moody's](#)

Legislative Update

Texas Legislative Update:

- Emily Deardorff – AVC, Gov't Relations, spoke at Dean's council in early April

- Senate and House drafts are similar:

  - $211.8M – GR in Senate draft (net of CCAP)

  - $211.1M – GR in House draft (net of CCAP)

  - $253.0M – current GR in FY24/ FY25 biennial appro (net CCAP)

- Not finalized, but holding steady through drafts

- Legislative session ends late May/ early June

Texas Legislative Update:

- Concerns:
  - State appropriations used for salary include benefits cost
    - ie. $100 appropriation salary sourcing is equivalent to $130 in local funds
  - Biennial funding – 2 years

Texas Legislative Update: House Draft

UNIVERSITY OF NORTH TEXAS

	Expended 2023	Estimated 2024	Budgeted 2025	Requested 2026	Requested 2027	Recommended 2026	Recommended 2027
Method of Financing:							
General Revenue Fund	$ 135,837,124	$ 144,666,313	$ 144,284,514	$ 184,632,558	$ 184,634,128	$ 123,547,231	$ 123,548,801

A769-LBE Program - House-3-C   III-322   January 5, 2025

https://www.lbb.texas.gov/Documents/Appropriations_Bills/89/LBB_Recommended_House/HouseIntro_GAB_89R.pdf

https://www.lbb.texas.gov/Documents/Appropriations_Bills/89/LBB_Recommended_House/LBE_House_Program_III_HE_89R.pdf

Texas Legislative Update: Senate Draft

UNIVERSITY OF NORTH TEXAS

	Expended 2023	Estimated 2024	Budgeted 2025	Requested 2026	Requested 2027	Recommended 2026	Recommended 2027
Method of Financing:							
General Revenue Fund	$ 135,837,124	$ 144,666,313	$ 144,284,514	$ 184,953,514	$ 184,955,084	$ 123,868,187	$ 123,869,757
General Revenue Fund - Dedicated							
Estimated Board Authorized Tuition Increases Account No. 704	$ 10,669,623	$ 10,882,757	$ 10,991,585	$ 10,882,757	$ 10,882,757	$ 10,882,757	$ 10,882,757
Estimated Other Educational and General Income Account No. 770	103,306,487	105,525,573	104,404,998	104,851,814	105,050,872	100,472,309	100,472,309
Subtotal, General Revenue Fund - Dedicated	$ 113,976,110	$ 116,408,330	$ 115,396,583	$ 115,734,571	$ 115,933,629	$ 111,355,066	$ 111,355,066
License Plate Trust Fund Account No. 0802, estimated	$ 11,233	$ 10,916	$ 10,500	$ 10,500	$ 10,500	$ 10,500	$ 10,500
Total, Method of Financing	$ 249,824,467	$ 261,085,559	$ 259,691,597	$ 300,698,585	$ 300,899,213	$ 235,233,753	$ 235,235,323

Appropriations by Program:
1: FORMULA FUNDING - INSTRUCTIONS AND OPERATIONS SUPPORT
Description: Funding intended for faculty salaries, departmental operating expense, library, instructional administration, research enhancement, student services, and institutional support.
Legal Authority:
   State: Education Code, Ch. 105.001

A769-LBE Program - Senate-3-C   III-313   January 9, 2025

https://www.lbb.texas.gov/Documents/Appropriations_Bills/89/LBB_Recommended_Senate/LBE_Senate_Program_III_HE_89R.pdf

FY 26 Budget/ Transformation Update

FY26 Budget/ Transformation Update

- Strategy meetings concluded on March 31

    - If haven't submitted strategy deck/ 5 year forecast to Budget Office, please do so

- Sizing impact of State Appropriation change and potential enrollment changes

    - Every Friday, International Affairs providing email updates regarding I20/ visa status
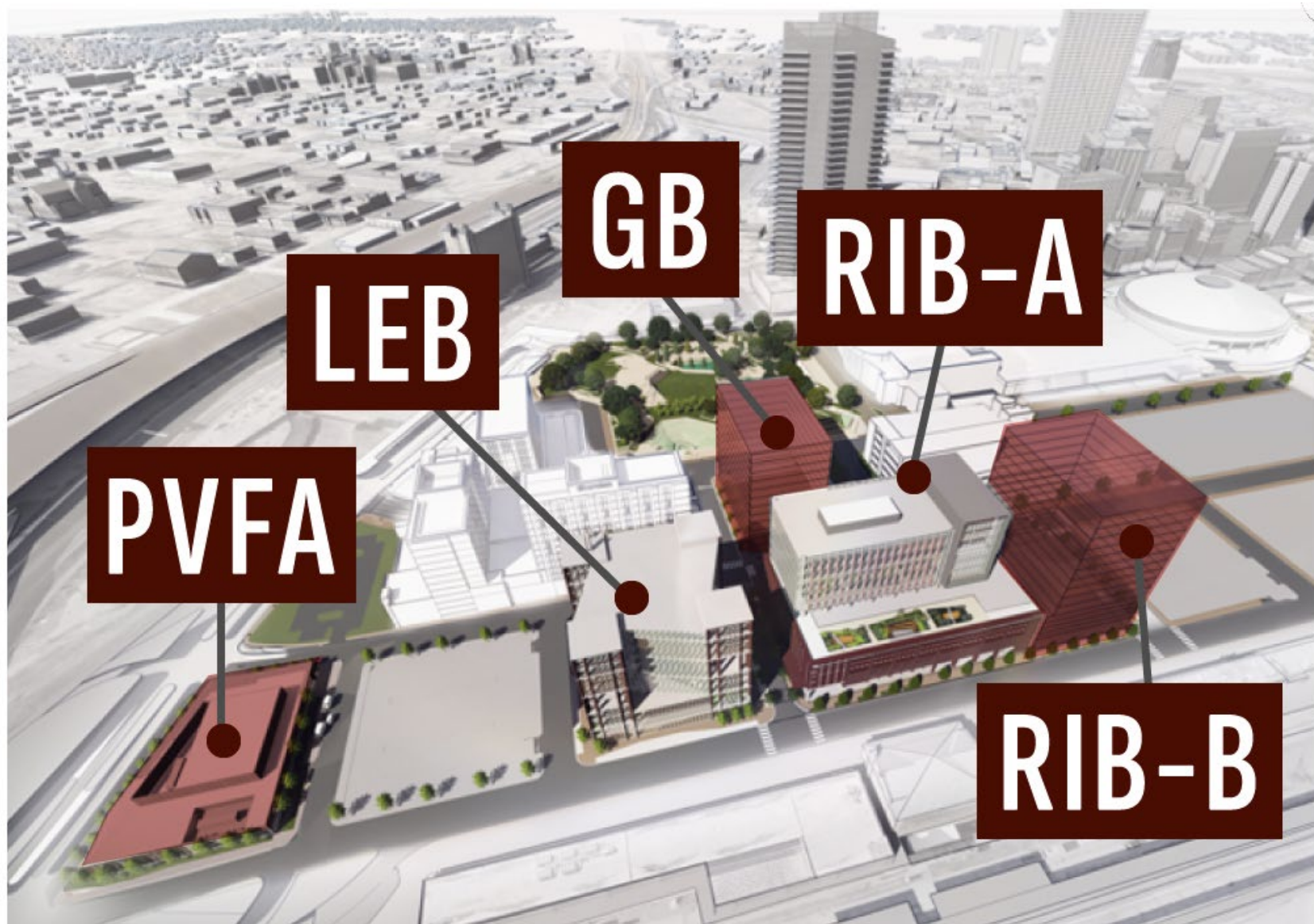
FY26 Budget/ Transformation Update -2

- Factors impacting FY26 budget

  - Enrollment cliff - roughly 2008 recession plus 18 years

  - International student enrollment declines

  - Lower State appropriation

  - Lower percent of high school graduates attending college/ participating in work force

  - Incr competition due to financial aid support from UT System

  - Government decisions affecting grant funding, indirect support, financial aid, ability to administer, immigration

Texas A&M in Fort Worth

https://fort-worth.tamus.edu/

Texas A&M in Fort Worth

UNTS Procurement Department

Jamon Hill

Associate Vice Chancellor, Business Services-Procurment

Exciting Enhancements to Procurement Processes

Coming Soon!

We're making exciting updates to our procurement processes that will streamline ordering, improve efficiency, and ensure compliance—all while making it easier for you to access the products and services you need.

Procurement Updates

- Amazon Business

- Two-Way Match

- Threshold Increase for Formal Procurement

- P-Card Limit Increase to $10,000

- Enhancing our Informal Bid Process

- Inter-Agency Payment Request Form

- Summus/Dell

- Coupa

Amazon Business
Now Integrated with ePro!

🛒 Amazon Business – Now Integrated with ePro!

✓ All Amazon.com and AB orders will now be placed through the ePro catalog. No separate login or PCard reconciliation needed!

✓ Same shopping experience

✓ **New for Shopper Roles:** Create custom shopping lists for frequently purchased items.

✓ Opens up to a larger group of shoppers – non Pcard holders

✓ No more Pcard reconciliation needed

Two-Way Match
Simplifying Invoice Processing

Two-Way Match – Simplifying Invoice Processing

✓ **New two-way matching for catalog-only suppliers, local funds only, and non-asset items ≤ $3,000.**

✓ **No receipt required** for low-dollar catalog invoices.

Benefits:

✓ **Reduces Redundancy** – Less manual entry for users and Accounts Payable.

✓ **Faster Processing** – Speeds up invoice approvals and supplier payments.

✓ **Ensures Contract Compliance** – Reduces administrative burden.

Threshold Increase for Formal Procurement

Threshold Increase for Formal Procurement

$0 – $15,000   Department Discretion (One Verbal Bid)

Single-Year or One-Time
$15,000.01 – $50,000   Informal Quotes
$50,000.01 and above   Public Solicitation

Multi-Year
$15,000.01 – $100,000   Informal Quotes
$100,000.01 and above   Public Solicitation

Benefits:

✓ Less paperwork for multi-year contracts.

✓ Faster vendor contracting.

✓ Aligns with best procurement practices.

P-Card Limit Increase to $10,000

P-Card Limit Increase to $10,000

We're improving purchasing flexibility!

✓ **Aligns with federal micro-purchase threshold.**

✓ **Streamlines purchasing** for routine, low-risk items.

✓ **Reduces need for POs** for small-dollar transactions.

✓ **Enhances department flexibility** while maintaining proper oversight.

Enhancing Our Informal Bid Process

Enhancing Our Informal Bid Process

📝 **The Informal Quote Summary (IQS) Form**

✓ Streamlining purchases in the informal bid range **($15,000.01 – $50,000.00).**

🔍 **Improved HUB Vendor Search**

✓ Easily find and engage **Historically Underutilized Business (HUB)** vendors.

📣 **Training sessions coming soon!** Stay tuned.

What's New in Saving Time?

🔄 Inter-Agency Payment Request Form – Now in ePro!

✓ **Automated Approval Workflow** – No more passing around physical forms!

✓ **Centralized Access** – Find Payment Requests and Inter-Agency Payment Requests in one place

💻 Summus/Dell – Simplifying Your Tech Purchases

✓ **Find what you need quickly!** Non-standard Dell items are now in the catalog.

✓ **Need something custom?** Request a quote for special orders.

✓ **Dell Quotes = Seamless Checkout!** Dell-generated quotes can now be pulled into ePro.

✓ **Non-Dell purchases through Summus?** No changes! These orders continue as usual.

🚀 **Big News!**

Concur will be replaced with Coupa on September 1

✓ **Coupa** is a user-friendly expense tool designed to make **reimbursements easier and less cumbersome.**

✓ **Seamless Integration:** Coupa can integrate with **web-based** travel booking tools similar to Orbitz and Expedia. We are vetting options.

✓ **Improved User Experience:** A more **intuitive, streamlined process** for managing travel and expenses.

Stay tuned for training and support as we transition to Coupa!

Don't forget Multi-Year POs!

Texas Education Code § 51.3525

Overview:

- Since, October 2024 – UIC overview of the statute

  - *Continued* intense scrutiny by the Legislature

  - University's risk tolerance *remains* very low

  - Penalties *continue* to be severe, including disciplinary actions by the university against individuals and loss of state funding for UNT

What's new?

- Bridge Training
  TEC § 51.3525 Acknowledgement Course

Prohibited Activities

- Promoting differential treatment or providing special benefits to individuals on the basis of race, color, or ethnicity

- Promoting policies designed in reference to race, color, or ethnicity

- Conducting training or activities designed in reference to race, color, ethnicity, gender identity, or sexual orientation

- Compel, require, induce, or solicit a person to provide a diversity, equity, and inclusion statement

- Require participation in diversity, equity, and inclusion training

Exceptions

(1) **academic course instruction**

(2) **scholarly research or a creative work** by an institution of higher education's students, faculty, or other research personnel or the dissemination of that research or work

(3) an activity of a **student organization registered** with or recognized by an institution of higher education

(4) **guest speakers** or performers on short-term engagements

(5) a policy, practice, procedure, program, or activity to **enhance student academic achievement or postgraduate outcomes** that is designed and implemented without regard to race, sex, color, or ethnicity

(6) **data collection**

(7) **student recruitment or admissions**

Texas Education Code § 51.3525

Awareness:
- Scholarships
- Disbursement Funds/ Other Funding
- Registered Student Organization Funding

Ask questions:
- Is the activity impacted by SB17?
- Generally, does the activity give preference?
- Discuss the activity with your supervisor

Remember:
- Activities are fact-specific, and determinations vary

Seek guidance:
- Send review items to compliance@unt.edu

Scholarships

Potentially Prohibited Criteria:

- All qualified applicants must provide a **500-word essay demonstrating their commitment to diversity, equity, and inclusion**

- **Preference** will be given to **female students** enrolling full-time in any of the College of Business Doctoral programs

- Applicants must be a member of the **India Students Association**

- **Preference** will be given to active members of **UNT Chinese Students and Scholars Association**

- Applicants must be **actively working** on a service **project** focused on issues related to **racial justice and equality**

Disbursement of Gifts/ Other Funding

Potentially Prohibited Criteria:

- $1,000 pledge payment will go toward a fund for **student travel** for members of the **National Association of Black Journalists**

- $2,000 **partnership opportunity** to sponsor **Women in Sports and Events** initiatives

- $5,000 **grant obligation** to a Diversity Scholars Program for **minorities only**

Funding

- Applied generally and equally to all
  - Student leaders' discretion

- Directed to a specific event
  - All activities associated with the event must be permissible

Texas Education Code § 51.3525

Training, Program, and Activity Review

- UIC serves as point of contact for UNT campus

- Questions should be raised through an employee's chain of command and be forwarded to UIC by the Program Director

- Email questions to compliance@unt.edu

- Resources:
  - SB17 Decision Tool
  - UNT System Office of General Counsel (OGC) SB17 Guidance & FAQs
  - Bridge Training TEC § 51.3525 Acknowledgement Course

UNT Trust Line

UNT TRUST LINE

Report non-compliant behavior **anonymously**

(877) 606-9187

trustline.unt.edu

text "Hello" to (940) 340-5156

Available 24 hours a day, 7 days a week

Confidentiality will be maintained to the greatest extent allowed by law and under the circumstances of the report.

Announcements & Reminders

Annual Physical Inventory Certification

Important Dates: May 1 - July 31

- **Certification Period:**
The annual physical inventory certification will begin on **May 1** and must be completed no later than **July 31**.

- **Key Reminder:**
A common issue each summer is that faculty often don't submit photos of their devices because they're "not working." To avoid delays, **faculty should check in with their inventory coordinators before the summer begins** to ensure all assets are properly documented and certified.

- **State of Texas Requirement:**
Please note, **inventory certification is a requirement set by the State of Texas**.

Announcements & Reminders

University Budget Open Lab: SSB 102 10-12pm
Join this newly reimagined Open Lab, featuring both new and familiar faces from Card Services and Asset Management.

Tuesday, April 15th
Tuesday, May 20th

Cash Handling Training Changes:
Cash handling training now has a fill-in webform employees can fill out to enroll in training.

Also, Any questions related to cash handling should be directed to Cash@unt.edu

Announcements & Reminders

Join us for our next **Budget Broadcast** in **May** where we will be covering Financials through period 7, FY2025:

May Budget Broadcast

Date: Thursday May 8th

Time: 3:00pm

Location: TBA

May Board of Regents Quarterly Meeting

May 15 at UNT

https://www.untsystem.edu/board-regents/meetings/index.php

Alison, Congratulations on your promotion to Associate Director! Your dedication and perseverance have made this achievement possible.

Questions?