

**NOTES TO THE FINANCIAL STATEMENTS****NOTE 18: COMPONENT UNITS – FINANCIAL INFORMATION**

Financial statements as of and for the fiscal year ended June 30, 2024 are presented below (dollars in thousands).

**Statement of Net Position**

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
<b>Assets</b>					
Cash and cash equivalents	\$ 3,829,769	\$ 514,795	\$ 636,061	\$ 346,196	\$ 5,326,821
Investments	5,008,101	213,862	-	1,477,296	6,699,259
Securities lending collateral	422,833	48,227	57,605	3,639	532,304
Receivables, net	1,672,809	97,451	227,897	79,989	2,078,146
Due from component units	1,402	-	-	13,507	14,909
Due from primary government	264,204	-	-	-	264,204
Inventories	171,867	12,926	-	687	185,480
Prepaid items	140,792	15,802	-	5,523	162,117
Hedging derivatives asset	782	-	-	-	782
Notes receivable, net	96,196	1,376	-	494,189	591,761
Lease receivable	132,021	2,603	-	77,520	212,144
Investment in joint venture	257,767	-	-	-	257,767
Restricted/designated cash and cash equivalents	2,291,093	604,310	-	1,892,467	4,787,870
Restricted investments	7,903,576	527,824	-	7,142,315	15,573,715
Restricted due from primary government	-	3,018	-	-	3,018
Restricted due from component units	-	5,983	-	2,062	8,045
Advances to outside entities	-	-	-	-	-
Beneficial interest in assets held by others	4,170	68	-	-	4,238
Capital assets-nondepreciable	2,120,791	427,070	-	200,385	2,748,246
Capital assets-depreciable, net	15,101,377	3,999,996	-	831,628	19,933,001
<b>Total Assets</b>	<b>39,419,550</b>	<b>6,475,311</b>	<b>921,563</b>	<b>12,567,403</b>	<b>59,383,827</b>
<b>Deferred Outflows of Resources</b>					
Accumulated decrease in fair value of hedging derivatives	40,274	-	-	391	40,665
Deferred loss on refunding	37,689	-	-	-	37,689
Deferred outflows for asset retirement obligation	14,191	-	-	-	14,191
Deferred outflows for pensions	1,612,434	578,708	2,058	19,831	2,213,031
Deferred outflows for OPEB	1,555,972	325,712	1,748	13,186	1,896,618
Other deferred outflows	-	872	-	-	872
<b>Total Deferred Outflows of Resources</b>	<b>3,260,560</b>	<b>905,292</b>	<b>3,806</b>	<b>33,408</b>	<b>4,203,066</b>
<b>Liabilities</b>					
Accounts payable and accrued liabilities	1,385,490	87,100	25,627	381,289	1,879,506
Medical claims payable	-	-	368,878	-	368,878
Interest payable	42,969	1	-	48,144	91,114
Obligations under securities lending	422,833	48,227	57,605	3,639	532,304
Short-term debt	19,000	-	-	-	19,000
Due to component units	-	-	-	22,954	22,954
Due to primary government	8,097	-	-	2,362	10,459
Unearned revenue	675,767	49,421	102,410	66,594	894,192
Advance from primary government	-	-	-	1,441	1,441
Deposits payable	29,541	-	-	2,876	32,417
Funds held for others	33,829	11,182	-	4,538,652	4,583,663
Hedging derivatives liability	40,274	-	-	516	40,790
Long-term liabilities:					
Due within one year	635,117	31,186	52	68,161	734,516
Due in more than one year	15,859,835	2,396,837	8,697	2,926,125	21,191,494
<b>Total Liabilities</b>	<b>19,152,752</b>	<b>2,623,954</b>	<b>563,269</b>	<b>8,062,753</b>	<b>30,402,728</b>

**NOTES TO THE FINANCIAL STATEMENTS****Statement of Net Position**

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
<b>Deferred Inflows of Resources</b>					
Deferred inflows for PPP arrangements	326,261	-	-	-	326,261
Deferred state aid	263,540	-	-	202,374	465,914
Deferred inflows for lease agreements	115,792	2,400	-	74,886	193,078
Deferred inflows for pensions	46,745	16,656	110	224	63,735
Deferred inflows for OPEB	2,018,698	417,301	1,724	11,366	2,449,089
Deferred inflows for irrevocable split-interest agreements	25,648	-	-	-	25,648
Accumulated increase in fair value of hedging derivatives	782	-	-	-	782
Other deferred inflows	3,472	-	-	-	3,472
Total Deferred Inflows of Resources	2,800,938	436,357	1,834	288,850	3,527,979
<b>Net Position</b>					
Net investment in capital assets	10,559,987	4,311,434	-	936,811	15,808,232
Restricted for:					
Nonexpendable:					
Higher education	3,679,038	277,890	-	-	3,956,928
Expendable:					
Higher education	6,206,005	798,774	-	152,418	7,157,197
Health and human services	526,702	-	-	13	526,715
Economic development	-	-	-	1,262,428	1,262,428
Unrestricted	(245,312)	(1,067,806)	360,266	1,897,538	944,686
Total Net Position	\$ 20,726,420	\$ 4,320,292	\$ 360,266	\$ 4,249,208	\$ 29,656,186

**Statement of Activities**

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
Total expenses	\$ 17,980,461	\$ 2,831,993	\$ 4,145,974	\$ 1,680,574	\$ 26,639,002
Program revenues:					
Charges for services [1]	12,391,997	311,646	4,083,521	540,845	17,328,009
Operating grants and contributions:					
Federal aid - COVID-19	10,197	17,956	-	-	28,153
State aid - program	-	-	-	513,951	513,951
Other operating grants and contributions	3,004,649	1,097,270	42,938	577,412	4,722,269
Capital grants and contributions:					
State capital aid	57,212	168,691	-	-	225,903
Other capital grants and contributions	363,739	346,157	-	77,960	787,856
Net program (expense) revenue	(2,152,667)	(890,273)	(19,515)	29,594	(3,032,861)
Non-tax general revenues:					
Unrestricted investment earnings	-	-	-	208,105	208,105
State aid - coronavirus	50,168	5,228	-	-	55,396
State aid - general	4,231,771	1,346,031	-	190,189	5,767,991
Noncapital contributions	8,877	1,701	6	22,047	32,631
Miscellaneous	38,456	(6)	-	12,384	50,834
Total non-tax general revenues	4,329,272	1,352,954	6	432,725	6,114,957
Contributions to endowments	191,369	13,594	-	-	204,963
Change in net position	2,367,974	476,275	(19,509)	462,319	3,287,059
Net position — July 1, as previously reported	18,230,690	3,793,172	379,775	3,783,339	26,186,976
Adjustments to July 1 balances	127,756	50,845	-	3,550	182,151
Net position — July 1, as restated	18,358,446	3,844,017	379,775	3,786,889	26,369,127
Net position — June 30	\$ 20,726,420	\$ 4,320,292	\$ 360,266	\$ 4,249,208	\$ 29,656,186

[1] The State Health Plan's charges for services include \$1.7 billion from the primary government.

**NOTES TO THE FINANCIAL STATEMENTS**

**Significant Transactions Between Component Units**

	University of North Carolina System	Community Colleges	State Health Plan	Other Component Units	Total
State Health Plan - premium revenue (expense)	\$ (426,162)	\$ (115,334)	\$ 545,179	\$ (3,683)	-

**Intra-Entity Balances — Between Primary Government and Component Units**

	Due From/Restricted Due From Component Units			Due From/Restricted Due From Primary Government		
	General Fund	Other Governmental Funds	Total	University of North Carolina System	Community Colleges	Total
<b>Due To Component Units:</b>						
General Fund	\$ —	\$ —	\$ —	\$ 256,129	\$ —	\$ 256,129
Other Governmental Funds	—	—	—	—	3,018	3,018
Other Funds	—	—	—	8,075	—	8,075
<b>Due To Primary Government:</b>						
University of North Carolina System	8,097	—	8,097	—	—	—
Other Component Units	—	2,362	2,362	—	—	—
<b>Total</b>	<u>\$ 8,097</u>	<u>\$ 2,362</u>	<u>\$ 10,459</u>	<u>\$ 264,204</u>	<u>\$ 3,018</u>	<u>\$ 267,222</u>