

BUDGET BOOK

2026



UMKC

MISSOURI

S&T

UMSL

University of Missouri System

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Fiscal Year 2026 Operating Budget UM

At the June 26, 2025, Board of Curators Meeting, Executive Vice President for Finance and Operations Ryan Rapp will present the FY2026 budget. The University is in a strong financial position with a favorable credit rating, a history of positive operations and a strong balance sheet. Operating performance for FY2025 is projected to end the year above budget and the FY2026 budget improves upon FY2025 performance.

The FY2026 budget reflects efforts made by each institution throughout the spring to reallocate resources to key priorities and respond to known revenue disruptions. The FY2026 budget includes consolidated financial performance above both FY2025 projection and financial plans outlined in February. This enhanced performance is largely attributable to improvements at MU and MU Healthcare.

The FY2026 all funds budget is \$5.3 billion, the following table shows budget by unit.
(\$'s presented in millions)

	MU					UM	University		
	MU	Healthcare	UMKC	MOS&T	UMSL	System	Wide Units	Total	
Net Tuition and Fees	\$ 374.1	\$ -	\$ 143.0	\$ 64.3	\$ 67.2	\$ (0.0)	\$ (0.0)	\$ 648.4	
Federal Pell Grants	32.5	-	19.7	7.5	14.8	-	-	74.5	
Government Scholarship Funding	17.2	-	6.3	5.9	4.2	-	-	33.6	
Grants and Contracts	385.1	0.1	80.0	58.3	75.6	-	-	599.2	
Auxiliary Enterprises	497.6	21.2	39.4	31.6	14.6	20.7	-	625.2	
Patient Medical Services Net	407.9	2,047.3	42.7	-	0.0	-	-	2,497.9	
Other Operating Revenues	38.2	0.5	20.3	4.5	2.1	9.6	-	75.3	
State Appropriations	281.7	-	93.9	63.9	72.8	-	7.8	520.1	
Federal Appropriations	18.9	-	-	-	-	-	9.1	28.0	
Private Gifts	48.2	0.8	22.0	19.9	14.5	0.2	0.0	105.6	
Spendable Investment Income	88.7	-	17.9	15.4	10.0	5.5	(7.8)	129.7	
Total Operating Revenue	\$ 2,190.1	\$ 2,069.9	\$ 485.1	\$ 271.3	\$ 276.0	\$ 36.0	\$ 9.1	\$ 5,337.5	
Salaries and Wages	1,217.1	652.0	249.5	128.0	112.4	44.4	0.0	2,403.3	
Benefits	363.2	198.3	82.4	42.5	38.0	16.4	0.0	740.8	
Supplies, Services & Other	363.7	1,002.4	116.5	62.5	104.5	(32.4)	1.9	1,619.1	
Depreciation	132.7	107.8	25.8	27.4	20.5	6.2	-	320.4	
Interest Expense	32.2	22.3	5.8	4.1	4.3	0.2	(2.9)	66.0	
Total Operating Expense	\$ 2,108.9	\$ 1,982.7	\$ 480.0	\$ 264.4	\$ 279.7	\$ 34.8	\$ (1.0)	\$ 5,149.6	
Net Operating Income	\$ 81.2	\$ 87.2	\$ 5.1	\$ 6.9	\$ (3.7)	\$ 1.2	\$ 10.1	\$ 187.9	
Net Operating Margin	3.7%	4.2%	1.0%	2.5%	-1.4%	3.4%	111.0%	3.5%	

FY2026 Consolidated Budget

The FY2026 consolidated budget reflects the work undertaken throughout the spring to ensure resource allocation aligned with changes in the higher education marketplace. Budgets incorporate expected changes to federal research funding and shifting enrollment patterns. The Universities in the system are not heavily dependent upon international enrollments, and undergraduate enrollment leading indicators remain positive. State revenues have been budgeted at the amounts agreed to within the final legislative budget. The Universities remain careful in committing to permanent commitments of recurring costs (such as tenured faculty) up against revenue streams that remain uncertain. Each institution undertook a reallocation process through the FY2026 budget, cumulatively reallocating over \$40 million in funding to the highest priorities in the budget.

June 26, 2025

Resource Allocation Principles

Each University retains their own revenues and the benefit of any efficiencies they generate. The financial performance of each university and the health system determines their ability to make investments. Capital projects are the largest use of financial resources generated through operating performance. UM System Administration does not receive any revenue and is charged as a service to the universities where scale can be utilized to deliver services across institutions. The resource allocation principles give the Chancellors autonomy to make their universities successful. These principles also require each University to maintain integrity to their financial targets, as the autonomy also comes with accountability for performance to expectations.

Next Steps

The Board of Curators will approve the FY2026 dividend at the September Board meeting and receive an update on FY2025 performance at the November Board meeting. Throughout the fall, each university and the health system will update their 2025 financial plans and financial performance targets to be presented at the February Board of Curators Meeting. The financial plan serves as the link between the strategic plan, capital plan, and operating budget and provides a basis for setting financial performance targets as codified in Collected Rule 140.025. Targets recommended to the Board in February will consider industry trends or significant shifts in strategy necessitating a change in target for either the consolidated enterprise or amongst the units.

Attached is the recommended action followed by supporting narrative and FY2026 budget.

No. 1

Recommended Action - UM Fiscal Year 2026 Operating Budget, UM

It was recommended by the respective Chancellors, endorsed by President Choi, recommended by the Finance Committee, moved by Curator _____ and seconded by Curator _____ that the following recommendations be approved:

- that the President of the University System be authorized to develop the FY2026 budgets in accordance with the attached planning assumptions and financial summaries, which include the allocation of FY2026 state appropriations less 3.0% statutory withholdings.
- that the President of the University System be authorized to: (a) make required changes to working capital and reserve funds and (b) make supplemental allocations within the funds available to several campuses and programs, such allocations to be made on the basis of priority and need. The President will report periodically to the Board of Curators any material changes in sources and uses of current funds;
- that the operating budget for FY2026 and allocation as stated herein can be modified as necessary by the President to bring the same into harmony with the state appropriations as finally approved by the governor and any withholdings in excess of those shown above.

Roll call vote Finance Committee:	YES	NO
Curator Krewson		
Curator Blitz		
Curator Fry		
Curator Luetkemeyer		

The motion _____.

Roll call vote:	YES	NO
Curator Blitz		
Curator Fry		
Curator Graves		
Curator Krewson		
Curator Layman		
Curator Luetkemeyer		
Curator Raines		
Curator Sinquefield		
Curator Williams		

The motion _____

The Purpose of a University's Budget

A critical aspect of any institution's financial health is the dedication of its leadership to sound fiscal management coupled with governance's oversight of the institution's finances. The University outlines the financial accountability policy framework in Collected Rule 140.025 *Financial Performance and Accountability*:

- Financial performance must fall within an acceptable, defined range of the individual targets on an annual basis. Average performance over the preceding five-year period should meet the defined financial performance targets.
- The four Universities and MU Healthcare (Unit) leadership is accountable for maintaining performance at or above target over time. Failure by a Unit to perform at targeted levels will require a corrective action plan to be presented to and approved by the President and Board of Curators.
- Units that fail to perform at targeted levels may experience preventative or corrective measures.

The financial performance metric approved during the annual budget process is presented on each Unit's Statement of Revenues, Expenditures, and Changes in Net Position is the "operating margin" on line 22. The operating margin reflects management's ability to balance operating expenses within revenues each year. A positive operating margin indicates available revenues exceed annual operating expenses. Operating margin serves as the funding stream to invest in growth initiatives, fund capital projects, and repay debt. Consolidated margin for FY2026 is budgeted at 3.5%, above target of 3.0%. Performance should be reviewed across multiple years due to the length of the higher education business cycle. The University's performance across the previous four cycles coupled with the current budget is at target of 3.0%.

Budgeting and Performance Builds Credibility

Over the past decade, the University maintained balanced financial performance and academic quality through an enrollment crisis, a global pandemic, and price caps that forced revenue growth below inflation. The results achieved by the University were the result of sound budgeting practices coupled with active management of financial results. Moody's recognizes the University's history of solid results in its rating report:

"Strong financial management contributes to consistently favorable operating performance, with EBIDA margins averaging 14% over the last five years."

A component of the institution's credit rating considers governance and financial policy. Moody's scores the institution's governance as strong (G-2 Rating) which contributes to the positive view of the institutional credit:

"MU's G-2 incorporates its active fiscal oversight and conservative budgeting practices, which contribute to good predictability in financial results across the consolidated enterprise. A demonstrated record of favorable operating performance and ample liquidity reflect management credibility. Sound financial strategy, reflected by detailed strategic and capital planning practices, mitigate the risks of operating a large, complex organization consisting of academic, healthcare, and

research enterprises.”

Over the past decade, the University has improved financial management processes by adding five-year financial plans, improving the capital planning process, and adopting new policies for financial accountability, resource allocation, and pension risk mitigation. The University continued to deliver results in line with plans and budgets, leading to credibility with rating agencies, investment banks, and investors. The University’s budget and actual performance remain above thresholds cited for a negative watch and scorecard metrics remain within the Aa1 indicated range.

Resource Allocation Principles

The University has established the following resource allocation principles. The resource allocation principles give the Chancellors at each institution more autonomy to make their universities successful while establishing additional accountability for them in achieving sustainable financial results. These principles also require each unit to maintain integrity to their financial targets, as revenues generated stay at that institution.

1. Each university will retain all resources, such as tuition and fees, gifts, sales and services, that it generates through its own activities.
2. Each university will retain resources that it generates through cost reductions.
3. Resource allocation for state funding will consider the different missions and unique nature of each university with funding based on enrollments, programs, and levels of students (undergraduates versus graduates and professionals). The Council of Chancellors will propose the allocation of state funding to the Board for approval. The Board has full discretion of the allocation of State Appropriations.
4. University Outreach and Extension (Extension) is an integral part of the University’s mission. Extension has been funded primarily by county, state, and federal appropriations. Extension will remain at MU and serve all four universities where collaboration opportunities exist.
5. Investment in research remains a key priority for each university to maintain their status and rankings. Research investments will be managed by each Chancellor, with all research related revenues and overhead reimbursement retained by the university generating the awards.
6. Each Chancellor is responsible for ensuring the auxiliary operations generate income streams to meet their obligations, with the first and foremost being the obligations that arise from the debt issued for the university. Failure by a University to meet financial performance expectations as a whole will result in sanctions, as defined in CRR 140.025.
7. Investment income from the University’s working capital will be allocated based upon each university’s relative assets that generated the income. Investment income will be allocated through an annual dividend. The Board will retain approval rights for the use of the dividend portion of the proceeds, which represents the excess earnings above a cash rate of return provided to each university. Each Chancellor

will submit a plan for the use of the dividend to the Board for approval at the September Board meeting.

8. System administration, which provides university-wide services in finance, human resources, information technology, government relations, and legal counsel, had been funded primarily by state appropriations and investment income. System administration currently operates as a cost center funded by the four universities and health system.
 - a. The cost for providing these services will be allocated to each university based on its share of the total operating expense or other cost drivers for specific services.
 - b. Cost growth in these services will be capped at one percent less revenue growth for the consolidated entity.
 - c. The President may override this cap as needed for additional services in consultation with the Council of Chancellors.

These principles provided the universities with an increased level of autonomy with which to operate. That autonomy was also coupled with the increased level of accountability defined in CRR 140.025 Financial Performance and Accountability, which outlines the process for setting financial performance expectations and holding units accountable. These principles guide the budget process, with each University and MU Healthcare building their budgets in line with their own goals.

Key Risks & Planning Assumptions

In April 2025, Moody's downgraded the higher education sector outlook from stable to negative, citing a heightened risk environment for US colleges and universities. The negative sector outlook highlights the following key risks:

- Targeted enforcement represents greater federal scrutiny of higher education.
- Possible changes to federal student aid impacting students' ability to attend college.
- Cuts to research funding will impact a small portion of the sector.
- More restrictive immigration stance impacting international enrollment.
- Expanded endowment taxes limiting wealth growth.

In addition to the risks cited by Moody's, the University continues to monitor the federal budget and flow through impacts on the state budget, especially as it relates to Medicaid reform and the Healthcare enterprise.

Throughout the FY2026 budget process, the University incorporated the risks above into the FY2026 budget:

- Research Funding: The FY2026 budget includes a 1% reduction in grants and contracts revenue after multiple years of funding growth. Reductions in federal funding will flow into several budget cycles, as awards tend to cross multiple fiscal years. The University of Missouri is also less exposed than the rest of the industry, with about 10% of total spending going towards research compared to a sector average of 13%. The University of Missouri is part of the 60% of institutions rated

by Moody's where the indirect rate caps are expected to have less than a 0.50% impact on operating margins. Risks related to research reductions were incorporated into the budget.

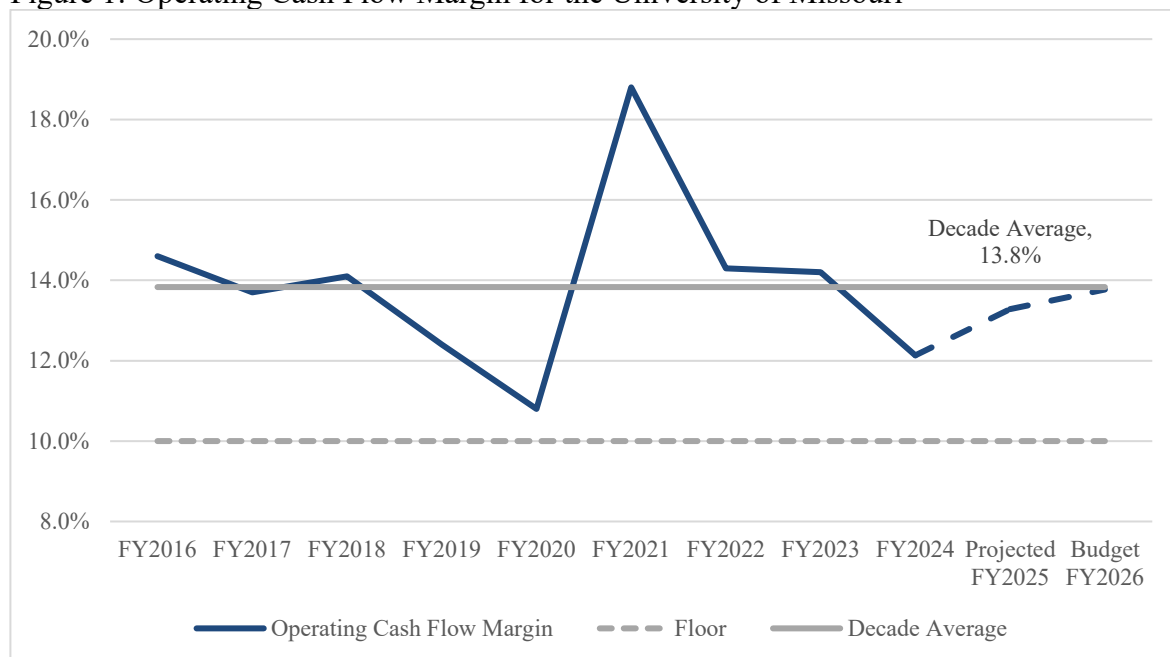
- **International Enrollment:** The University of Missouri System only enrolls 6% of its student population internationally, largely in graduate programs. 82% of undergraduate enrollment is from the State of Missouri, and no institution in the system enrolls less than three quarters of undergraduates from Missouri. The only institution with significant international exposure is Missouri S&T, which enrolls 15% of total students from international sources, largely in graduate programs. Missouri S&T built an international enrollment risk into the budget.
- **Student Aid Changes:** To date, there have not been changes to the federal student aid programs that have flowed to the University of Missouri. Leading indicators for enrollment remain positive, and the state continues to fund its state aid programs. The University of Missouri remains a good value compared to private institutions and will continue to work to drive enrollment on pricing strategy and value proposition. Student aid has been worked into the budget based on current enacted policy and aid offers to students.
- **Endowment Tax Expansion:** current provisions in federal tax legislation only apply the endowment tax to private institutions. For private institutions, endowment taxes kick in at \$500,000 in asset value per student and move to a maximum at \$2,000,000 per student. The University's endowment value currently is less than \$40,000 per student, so even if the tax was subjected to public institutions, the University would be well below threshold. These taxes were not worked into the budget as they will not apply.

While the Moody's update focuses on key federal impacts to specific to higher education, the University continues to monitor the potential changes to Medicaid. Changes in Medicaid reimbursement levels would flow through to patient service revenues. If more cost share is required of states to match Federal funding for Medicaid, the state budget would have less funding available in the FY2027 budget cycle.

Consolidated Performance

Operating margin (earnings after interest and depreciation) for the FY2025 budget is 3.5% and above the consolidated target of 3.0%. Operating cash flow margin (otherwise known as EBIDTA) represents operating earnings before any depreciation of capital or interest on debt. Moody's monitors operating cash flow margin as a key indicator of financial performance and expects the University to achieve a minimum of 10%. Figure 1 presents operating cash flow margin as calculated by Moody's for the University over the past decade compared to the 10% floor in the credit rating report.

Figure 1: Operating Cash Flow Margin for the University of Missouri



Note: Operating Cash Flow Margin presented in Figure 1 is based on Moody's Methodology normalizes spendable investment income in a consistent manner across rated Universities instead of using the actual University of Missouri policies.

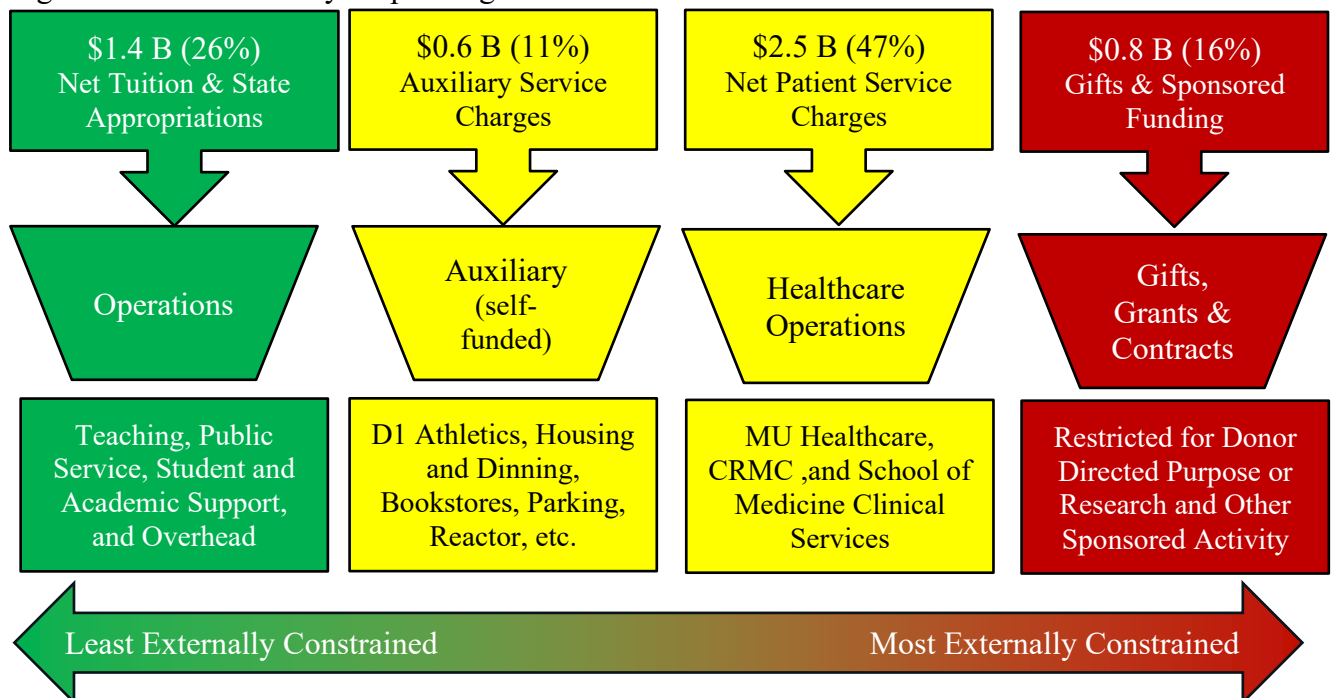
Over the past decade, the University consolidated operating cash flow margin average was 13.8%, which is close to the Moody's Aa1 median of 14.3%. For FY2026, the University projects operating cash flow margin to return to historical levels of 13.8%. The key driver of the consolidated improvement is MU Healthcare's financial performance improvement close to pre-pandemic averages.

The operating cash flow margin of each unit for FY2026 budget is sufficient to support current capital plans as outlined in the financial plan. The annual fall financial planning process aims to align strategic plans together with financial performance and capital plans to set financial targets while maintaining the credit rating. The FY2026 budget achieves performance across the targeted metrics.

Budgets By Unit Using the "Colors of Money"

The University benefits from a diverse revenue stream. The "Colors of Money" illustration in Figure 2, presents the different types of revenue sources that support the University's mission. This graphic depicts the different types of funding sources for the University, color coded like a stoplight to represent the level of spending restriction on the funding source. This is a useful way to segment the University's operation and move a layer beneath the consolidated performance.

Figure 2: Color of Money - Operating Revenue



The operations fund, shown in green on the chart, is where the bulk of the University's teaching, academic creative works, public service, and supporting service activities occur. Its primary funding sources are tuition and fees and state appropriations, although it does receive some support from unrestricted auxiliary operations and grants in the form of overhead payments for services provided by the operations fund (such as accounting, procurement, legal, grant management, facilities, etc.). Operations fund revenues contribute 26% of total current fund revenues.

Auxiliary funds are shown in shades of yellow on the chart. The primary source of funding for auxiliaries is fees for services provided. These operations are treated as separate enterprises and are expected to set fees for their services to cover their current operating costs plus depreciation, which is set aside for future capital and equipment replacement. Including healthcare, these activities comprise 58% of the current fund budget.

Third parties, primarily donors and granting agencies, restrict the remainder of the current funds between Gifts and Grants & Contracts. These funds are shown in red on the chart because there is very little flexibility in how the funds are spent. Gift funds must be spent within donor stipulations. Grants and Contracts require delivery on a set scope of work. Restricted funds contribute to 16% of the current funds budget.

Figure 3: Operating Margin by Fund Type FY2026 Budget

	Operations ¹ \$1.4B	Auxiliaries \$0.6B	Healthcare & MU Clinical Operations \$2.5B	Gifts & Grants \$0.8B	Operating Cash Flow Margin	Depreciation & Interest Expense	Operating Margin
MU	15.9%	22.4%	-4.1%	2.8%	11.2%	-7.5%	3.7%
UMKC	4.6%	4.6%		20.0%	7.6%	-6.5%	1.0%
S&T	9.8%	43.4%		12.2%	14.1%	-11.6%	2.5%
UMSL	9.3%	18.4%		2.3%	7.6%	-9.0%	-1.4%
MUHC			10.5%		10.5%	-6.3%	4.2%
Consol. Margin	12.7%	9.4%	8.1%	6.2%	10.8%	-7.3%	3.5%
	Moody's Investment Adjustment				3.0%	0.3%	3.3%
	Moody's Calculated Consolidated Margin				13.8%	-7.0%	6.8%

1: Non-capital maintenance and repairs funded by plant reserves and service operations are included in operations.

Figure 3 demonstrates the University's operating budget by "color of money". Overall, the academic enterprise (which is primarily composed of the green and red buckets) maintains higher margins in operations paying for the lower cash flow margins in gifts and grants. The margins in the operating fund and gifts and grants are in line with historical averages and financial plans. Figure 3 also demonstrates the relationship between operating cash flow margin and operating margin, and the impact of depreciation (capital) and interest (debt) on performance (higher cash flow margin supports more capital and more debt).

Table 1: FY2026 Operating Margin to Target by Unit

	Budget FY2026	5-yr Average (FY2022A – FY2026B)	Target
MU	3.7%	3.6%	2.5%
UMKC	1.0%	4.4%	1.5%
S&T	2.5%	5.4%	3.0%
UMSL	-1.4%	-0.1%	1.0%
MU Healthcare	4.2%	1.7%	4.5%
Consolidated	3.5%	3.0%	3.0%

Table 1 shows the operating margin performance to target for the consolidated enterprise and by unit. Given the long business cycle for higher education, performance should be reviewed over multiple years. On a consolidated basis, performance is at target with the five year average (three years of actual performance and FY2025 projection and FY2026 budget). Healthcare operations work into the consolidated average, but the healthcare business cycle is shorter and industry expectations are for faster adjustments. The FY2026 budget for MU Healthcare is close to target and represents an improvement over the FY2025 projection and the five-year average. Key takeaways for the budget from each unit include:

MU's budget achieves a 3.7% operating margin, driven by a \$102 million of growth in revenues coupled with \$96 million in expenditure growth. The revenue growth is driven by growth in auxiliaries based on known revenue contracts and growth in net tuition revenue

from enrollment growth and discounting strategies. Expenditure growth is driven by increases in medical benefits costs and depreciation, reflecting large recent capital investments. MU identified over \$25 million in cuts and reallocations through the FY2026 budget process coupled with the \$16 million already identified through FY2025 mid-year adjustment exercise. The improved operating performance is in line with financial plans and necessary for the level of capital investment contemplated over the coming five years. Key assumptions in the budget include:

- 2% total enrollment growth
- A 2% performance raise pool
- \$25 million in budget reallocations.

UMKC's budget achieves a 1.0% operating margin, driven by a \$10 million decline in revenues coupled with a \$7 million decline in operating expenses. The primary driver of the decrease in revenues is a \$10M reduction in grants and contracts revenue and associated expenditure reductions. The FY2026 budget process included a deeper review of spending in response to expected revenue changes, with UMKC implementing \$5 million in reallocations through the budget process. Key assumptions in the budget include:

- Flat enrollment
- A 2.5% performance raise pool
- \$5 million in budget reallocations.

Missouri S&T's budget achieves a 2.5% operating margin, with \$11 million in revenue growth coupled with \$12 million in expenditure growth. The primary driver of the increase in revenues is net tuition and fees which is up by \$7 million driven by price increases without corresponding aid increases. The FY2026 budget process included a deeper review of spending in response to expected revenue changes, with S&T implementing \$2 million in reallocations through the budget process. Key assumptions in the budget include:

- Flat enrollment
- A 2% performance raise pool
- \$2 million in budget reallocations.

UMSL budgeted a negative 1.4% operating margin, which is the fourth consecutive year of operating losses. Non-recurring, non-capital demolition costs are a driver of underperformance in the current budget. Without the one-time capital costs, UMSL's operating margin would be a positive 0.4%. On a long-term basis, negative operating margins are not sustainable. UMSL's recent underperformance has been offset by \$80 million in state capital appropriations. Achieving enrollment and revenue growth would improve UMSL's ability to invest in new programs and finance additional capital. Key assumptions in the budget include:

- 1% enrollment growth
- A 2% performance raise pool.
- \$10 million in grants revenue growth driven by a known pass through from the state.
- \$4 million in budget reallocations.

MU Healthcare's budget improves operating margin to 4.2%, close to both target and pre-pandemic performance levels. The budget incorporates continued volume growth at historical rates that increases throughput in existing facilities to improve operating margin.

The budget includes a raise pool that deals with market and retention for healthcare roles and continued support for the academic and research missions in the school of medicine. Reimbursement rates in the budget are more uncertain than a normal budget year, with an expected level of erosion through governmental payment reform incorporated into the budget. Actual reimbursement changes bring revenues higher or lower than budgeted, depending on the specifics of several policy proposals at the federal level. MU Healthcare will adjust operations to revenue changes as they become known.

Budgeted revenue numbers reflect the best available information at the time of the budget, which is finalized in mid-May. The budget serves as the guidepost for the year, with each institution managing actual resources throughout the year and comparing to the expectations set in the budget. Units will continue adjusting operating expenditures as they monitor final enrollments and other key revenue drivers throughout the summer and fall.

Full statements for the consolidated enterprise are included in Appendix 1 and details for each unit are included in Appendix 2. Financial results will be presented using the Moody's framework, in three columns:

- FY2024 Actuals: actual performance for FY2024.
- FY2025 Projected: projected performance for FY2025, which includes performance through April with a projection for the final two months to close.
- FY2026 Budget: budgets completed for FY2026.

Next Steps: Review of FY2026 and Financial Plan Development

At the September Board of Curators meeting, the Board will approve the annual strategic dividend uses. At the November Board of Curators meeting, the Board will review final FY2026 financial performance. Each University will spend the fall completing the five-year financial plans for each university and the health system. Financial plans will focus on aligning resources to the strategic plans and resetting performance targets to reflect the balance between capital investment and operating performance to achieve strategic plans. Targets recommended to the Board in February will consider industry trends or significant shifts in strategy necessitating a change in target for either the consolidated enterprise or amongst the units.

APPENDIX 1: FY2026 BUDGET CONSOLIDATED INCOME STATEMENT

Schedule 1: University of Missouri System FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP – Unaudited

Line No.		Actuals FY 2024	Projected FY 2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ 1,059,136	\$ 1,133,084	\$ 1,204,144	6.3%
2	Less Scholarship Allowances	471,325	523,551	555,702	6.1%
3	Net Tuition and Fees	587,811	609,533	648,442	6.4%
4	Federal Pell Grants	60,867	75,473	74,540	-1.2%
5	Government Scholarship Funding	35,098	33,665	33,590	-0.2%
6	Grants and Contracts	545,677	604,201	599,179	-0.8%
7	Auxiliary Enterprises	551,044	583,938	625,176	7.1%
8	Patient Medical Services Net	2,114,788	2,313,940	2,497,874	7.9%
9	Other Operating Revenues	93,455	68,718	75,279	9.5%
10	State Appropriations	480,977	496,709	520,098	4.7%
11	Federal Appropriations	28,953	28,639	28,002	-2.2%
12	Private Gifts	97,534	109,508	105,621	-3.5%
13	Spendable Investment Income	123,225	126,790	129,688	2.3%
14	Total Operating Revenues	4,719,430	5,051,114	5,337,489	5.7%
Operating Expenses					
15	Salaries and Wages	2,161,883	2,277,166	2,403,322	5.5%
16	Benefits	619,290	675,459	740,801	9.7%
17	Supplies, Services and Other Operating Expenses	1,503,573	1,576,613	1,619,139	2.7%
18	Depreciation	284,512	296,548	320,421	8.1%
19	Interest Expense	67,631	69,930	65,972	-5.7%
20	Total Operating Expenses	4,636,889	4,895,716	5,149,655	5.2%
21	Net Operating Income	82,541	155,398	187,834	20.9%
22	Net Operating Margin	1.7%	3.1%	3.5%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	481,166	363,588	309,265	-14.9%
24	Spendable Investment Income	(123,225)	(121,790)	(129,688)	6.5%
25	Other Nonoperating Revenues (Expenses)	(9,862)	64,411	71	-99.9%
26	Capital Appropriations and Grants	252,527	272,474	204,120	-25.1%
27	Capital Gifts	79,948	108,335	67,822	-37.4%
28	Private Gifts for Endowment Purposes	30,670	40,939	34,800	-15.0%
29	Pension and OPEB Impact on Income Statement	1,049	31,055	(70,463)	0.0%
30	Mandatory Transfers	(29)	-	-	0.0%
31	Non-Mandatory Transfers	1,569	-	-	0.0%
32	Net Nonoperating Revenues (Expenses)	713,812	759,012	415,927	-45.2%
33	Increase in Net Position	796,353	914,411	603,761	-34.0%
34	Net Position, Beginning of Year	6,465,148	7,249,567	8,141,584	
35	Cumulative Effect of Change in Accounting Principle	(11,934)	(22,394)	-	
36	Net Position, Beginning of Year, Adjusted	6,453,214	7,227,173	8,141,584	
37	Net Position, End of Period	\$ 7,249,567	\$ 8,141,584	\$ 8,745,345	

June 26, 2025

The University's budget includes an **operating revenue** increase of 13.1% over FY2024 and 5.7% over FY2025:

Net Tuition and Fees (Line 3) are projected to grow by 6.4% or \$38.9 million year over year. Budgeted amounts include the tuition rate increases approved by the Board in May 2025. Consolidated enrollment is budgeted to increase by 1%. Tuition and fee growth is lower than the approved rate changes due to a changing mix of students, with resident undergraduate enrollment increasing and non-resident/international enrollment declining. The long-term success of the academic enterprise is dependent on successful growth of tuition and state support. Additional discussion for each university is provided in appendix 2.

Grants and Contracts (Line 6) are projected to decline by 0.8% or \$5.0 million year over year given the uncertainty of federal funding and trends in research proposals and awards. After multiple years of growth above inflation, the budget reflects an expected slowdown in sponsored funding from federal sources. Units are expected to curtail spending as sponsored projects expire. Reductions in awards take several budget cycles to work through into revenues, as sponsored projects typically cover multiple budget cycles.

Auxiliary Enterprises (Line 7) are projected to grow by 7.1% or \$41.2 million over the prior year. Examples of auxiliary operations include MU Research Reactor (MURR), student housing, student dining, athletics and bookstores. The growth in revenues reflect growth in production contracts of radioisotopes, inflationary rate increases for student supporting auxiliaries and stable enrollment.

Patient Medical Services (Line 8) are projected to grow by 7.9% or \$183.9 million over the prior year. MU Healthcare continues to focus on expanding service offerings in the mid-Missouri market. The budget reflects new growth opportunities, management of expenditures within available revenue streams, and the necessary investments in capital to maintain a successful academic medical center.

Other Operating Revenues (Line 9) are projected to increase by \$6.6 million over the prior year. Other operating revenues include patent royalties, youth camps, and merchandise sold (i.e. t-shirts) by schools or colleges, and application and deposit fees. These revenues typically will not generate resources for academic units but will cover the cost associated for the goods or services provided.

State Appropriations (Line 10) are budgeted at the amount Truly Agreed and Finally Passed (TAFP) by the legislature for the 2025 legislative session. Appropriations for capital projects are reported as "Capital Appropriations and Grants" on line 26.

Federal Appropriations (Line 11) are budgeted to decline due to reduced Build America Bond Tax Credits aligned with debt service. Federal appropriations represent federal capacity funds received from the United State Department of Agriculture (Smith-Lever, Hatch, etc.) which require an annual match from the State. Federal appropriations reported under the University-wide unit represent Build America Bond Tax Credits which provide a subsidy for qualified bond interest payments.

Private Gifts (Line 12) are budgeted to decrease by \$3.9 million over prior year. Several large gifts from FY2025 are not expected to repeat in FY2026. Gift funds from donors provide

support for scholarships, faculty salaries, and academic programs. Budgeted expenditures supported by private gifts are dependent on the availability of the related revenues.

Spendable Investment Income (Line 13) reflects the earnings from investments that can be utilized towards current operating purposes. This amount includes the spending distribution from endowments, interest on cash balances from the general pool, and the strategic dividend from the general pool.

The University's **operating expenses** are projected to increase over FY2024 by 11.1% and grow over the projection for FY2025 by 5.2%:

Salaries and Wages (Line 15) are projected to grow by \$126.1 million or 5.5% over prior year. The increased budget for salaries and wages largely reflects the impact of a 2% - 2.5% merit pool across the different business units. Additional growth in FTE is tied to operations with known revenue increases.

Benefits (Line 16) are projected to grow by \$65.3 million or 9.7% over the prior year. The faster growth in benefits is driven primarily by increased medical costs. Drug costs grew by 11.5% per member in 2025 and claims expense grew by 10.0%. The University is implementing a range of cost management initiatives, including changing plan coverages, adjusting premiums, and changing management of pharmaceuticals with the pharmacy benefit managers to bring medical cost growth in line with revenues.

Supplies, Services and Other Operating Expenses (Line 17) are projected to grow by \$42.5 million or 2.7%. The increase is largely driven by inflation offset with expenditure reductions implemented in the FY2026 budget cycle. Additional details for each University are included in Appendix 2.

Depreciation (Line 18) and Interest (Line 19) expenses grow in line with the capital investments, completions of projected capital projects and repayment of external debt.

Details for each university are included in Appendix 2.

Key Assumptions & Risks in FY2026 Budget

The key variables that will drive variances to budget include:

- 1) Enrollment
- 2) Grants & Contracts
- 3) Healthcare Volumes & Reimbursement

Enrollment

Final enrollment numbers are not known until August 2025. The following presents key metrics which the universities monitor on a weekly basis to determine projected enrollment for Fall 2025.

	Undergraduate Enrollment			Graduate Enrollment			Total Budget Enrollment	Budget Enrollment Change
	Prior Year Change	Budget Change	Total Budget	Prior Year Change	Budget Change	Total Budget		
MU	4.4%	6.1%	24,729	-1.2%	0.7%	4,851	29,580	1.7%
UMKC	2.2%	0.0%	7,632	-10.6%	0.0%	3,642	11,275	0.0%
Missouri S&T	2.5%	2.0%	5,643	-3.5%	-11.0%	928	6,571	-0.1%
UMSL	1.5%	1.2%	7,554	-8.2%	2.4%	1,501	9,054	1.4%

As of May 2025, deposit and enrollment trends remain flat or moderately positive for the undergraduate population. These trends informed each institution's budget for tuition revenue and related auxiliaries. Each university is reporting an increase in undergraduate enrollment compared to the previous year; however, this increase is offset by declining graduate enrollment. Budgeted enrollment numbers reflect the best available information at the time of the budget, which is finalized in mid-May.

- **MU's** first-time college freshman cohort is projected to increase by 1.6%, supported by positive trends in both deposits and enrollment. The total increase in undergraduate enrollment is also driven by smaller graduating cohorts being replaced by larger incoming cohorts. Budgeted graduate growth is based on increase professional doctoral program enrollment.
- **UMKC's** enrollment mix is unique compared to the other three universities, with 30% of its student population being graduate students. UMKC has seen a decline in non-professional graduate enrollment but anticipates growth in professional graduate enrollment. Both graduate and undergraduate enrollments are budgeted flat. First-time college deposits and enrollments are higher than last year and transfer enrollments have declined with declining community college enrollments.
- With positive trends in both deposits and enrollments for first-time college freshmen, **Missouri S&T** has planned for a 4% increase in the first-time college cohort. The overall rise in undergraduate enrollment is attributed to a larger incoming cohort and improved retention rates of existing students. Graduate enrollment is projected to decline due to uncertainty surrounding international students.
- **UMSL's** budget includes new growth related to the School of Engineering. The remaining budgeted growth is based on trends in deposits and enrollments for first-time college students. UMSL's first-time college cohort makes up less than 10% of the undergraduate student population. While recent recruitment efforts for the freshman cohort have increased enrollment, the overall impact on total enrollment is minimal due to UMSL's historical focus on transfer students, with a smaller population of first-time freshmen compared to transfer students. It will take several years for changes in the student population mix to result in overall enrollment growth.

Overall enrollment is budgeted to increase by 1% across the four Universities. Higher melt (students cancelling deposits and enrollments) remains a key risk for the upcoming year with the uncertainty around key federal financial aid programs. Fall enrollments remain a key risk in the operating budget based on actual outcomes Universities will adjust operating expenditures as they monitor key leading indicators.

Grants and Contracts

The University budgeted a decline in grants and contracts given the uncertainty of federal funding and trends in research proposals and awards. The following presents the budgeted growth in grant revenue by university any budget to actual variance in grant revenue growth will be offset by an expense.

	MU	UMKC	S&T	UMSL
Grants and Contracts ¹				
Budgeted Revenue FY2026	\$385 M	\$80 M	\$58 M	\$76 M
Change from FY2025	-1%	-11%	-2%	16%
Average Annual Growth FY22-FY26 ²	10%	5%	6%	23%

Note 1: Amount reflects grant and sponsored program revenue recognized from the Federal, State and Other Organizations

Note2: Average growth from FY2022-2026

UMSL is the only university with planned growth in grants and contracts. Federal grants account for less than 10% of UMSL's total grant revenue. The overall 16% annual growth can be attributed entirely to a grant awarded by the State of Missouri. Variances in grant and contract revenue to budget will only impact financial performance to the extent that costs funded by grants are not cut upon the grant's expiration. Historically, the University has been able to reduce cost at the time of grant expiration, but the pace of change and degree of revenue drop may present a new risk.

Patient Medical Services

Healthcare's patient revenues will have a heightened risk in the FY2026 budget from both a volume and rate standpoint. The FY2026 budget assumes a level of payment reform, but more adjustments to operations may be required once the details regarding Medicaid program changes become known. Volume growth is projected based on historical averages and anticipates an agreement with Anthem during FY2026. Healthcare operates on a shorter business cycle and maintains an ability to adjust operations more quickly than the academic enterprise. Staffing to actual volume and reimbursement is a key to maintaining healthcare financial performance. Staffing plans align with volume growth and assume that recruitment and retention efforts will maintain sufficient staff levels to support this growth. Updates about any identified risks or opportunities associated with Medicare and Medicaid programs will be communicated with the Health Affairs Committee, with impacts on finances included in the quarterly financial update.

Detailed statements of Revenues, Expenses, and Changes in Net Position are provided with explanations in Appendix 2 for each operating unit.

APPENDIX 2: BUDGET DETAILS BY UNIT

The details that follow show the breakout of the budget by operating unit. The key drivers of consolidated performance remain MU and MU Healthcare (MUHC), which in total encompass three quarters of the University's operating expenditures.

MU

MU launched Mizzou Forward with the goal of enhancing the university's research and education missions. Mizzou Forward has provided investments to achieve excellence as a public research, AAU institution guided by accountability and ambition.

Figure 4: MU Operating Margin History

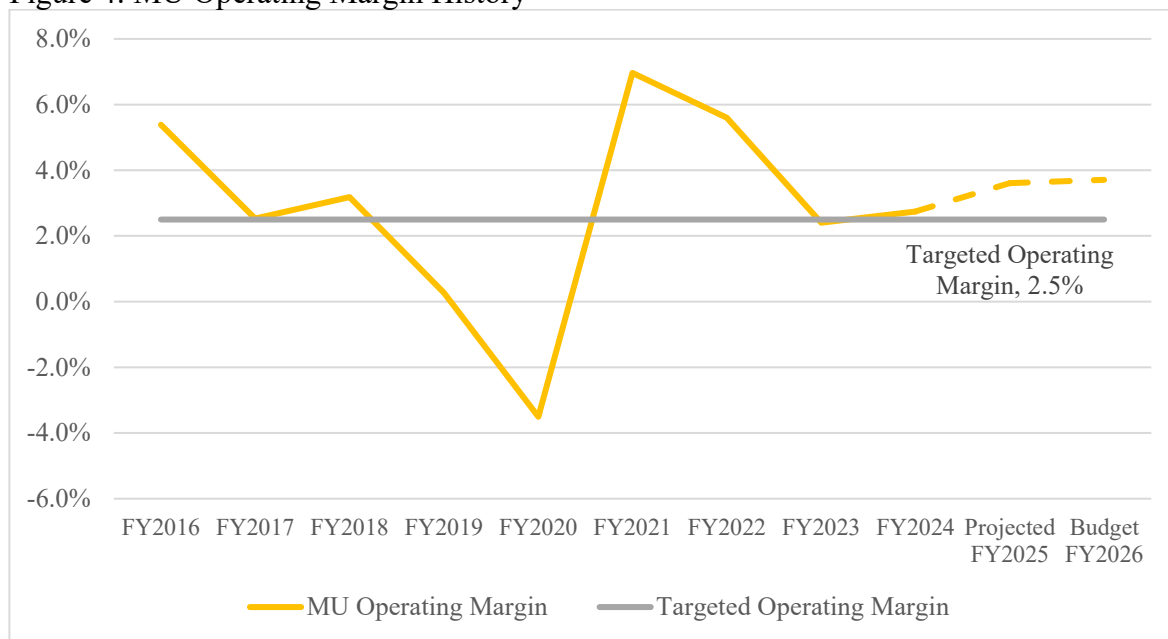


Figure 4 demonstrates MU's performance on operating margin over the past decade. With the onset of the pandemic, MU's operating performance dropped below target, resulting in a significant adjustment through the FY2021 budget process and overperformance for several years with stimulus funding replacing former losses. MU's operations encompass a diverse range of activities, distinguishing them from peer institutions. The integration of clinical operations and a research reactor, along with various auxiliary operations, contribute to over 40% of MU's total operating revenue.

MU's operating performance has improved due to expenditure management in anticipation of potential revenue disruptions. The state appropriation budget for MU was initially based on the Governor's recommended 1.5%. By May, legislators provided an additional \$10 million for extension services and first professional degrees, along with a 3% increase in core appropriations. MU's budget incorporates these increases along with planned one time uses to allow for flexibility if additional risks are realized.

MU							
Key Drivers							

	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	Average Historical Annual Growth	% Change FY25-26
Enrollment FTE	28,110	28,157	28,129	29,085	29,525	1.0%	1.5%
Tuition less Institutional Aid ¹	\$309 M	\$336 M	\$368 M	\$397 M	\$428 M	7.7%	7.8%
Grants and Contracts ²	\$257 M	\$300 M	\$343 M	\$390 M	\$385 M	10.0%	-1.3%

Financial Accountability Metrics							
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	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	5-yr Average	Target
Operating Margin	5.6%	2.4%	2.7%	3.6%	3.7%	3.6%	>2.5%
Spendable Cash to Operations	0.85	0.80	0.82	0.85	0.80	N/A	>0.80
Spendable Cash to Debt	1.69	1.87	2.24	2.62	2.56	N/A	>2.00

Note 1: Amount is calculated Net Tuition and Fees (Line 3) plus Federal Pell Grants (Line 4) plus Government Scholarship Funding (Line 5)

Note 2: Amount reflects grant and sponsored program revenue recognized from the Federal, State and Other Organizations

MU's budget includes a 1.5% enrollment growth driven by the incoming freshman cohort and improved retention rates. Additional resources have been allocated to support enrollment growth and enhance student academic success. Through the budgeting process, MU identified \$26.5 million in reductions and reallocations. These reductions were targeted towards areas with declining budgeted resources, while administrative areas identified efficiencies.

Schedule 2: MU FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP - Unaudited

Line No.		Actuals FY 2024	Projected FY 2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ 585,270	\$ 641,294	\$ 690,726	7.7%
2	Less Scholarship Allowances	263,160	294,588	316,654	7.5%
3	Net Tuition and Fees	322,110	346,706	374,072	7.9%
4	Federal Pell Grants	26,286	33,037	32,500	-1.6%
5	Government Scholarship Funding	19,250	17,372	17,244	-0.7%
6	Grants and Contracts	343,073	390,095	385,142	-1.3%
7	Auxiliary Enterprises	411,568	453,844	497,624	9.6%
8	Patient Medical Services Net	334,494	392,345	407,905	4.0%
9	Other Operating Revenues	51,435	30,308	38,233	26.1%
10	State Appropriations	255,921	265,071	281,681	6.3%
11	Federal Appropriations	19,566	19,000	18,867	-0.7%
12	Private Gifts	41,274	52,865	48,200	-8.8%
13	Spendable Investment Income	84,789	87,841	88,660	0.9%
14	Total Operating Revenues	1,909,766	2,088,484	2,190,128	4.9%
Operating Expenses					
15	Salaries and Wages	1,043,945	1,162,492	1,217,080	4.7%
16	Benefits	289,531	329,200	363,238	10.3%
17	Supplies, Services and Other Operating Expense	381,863	373,450	363,671	-2.6%
18	Depreciation	110,723	115,886	132,693	14.5%
19	Interest Expense	31,271	32,098	32,228	0.4%
20	Total Operating Expenses	1,857,334	2,013,126	2,108,910	4.8%
21	Net Operating Income	52,433	75,358	81,218	7.8%
22	Net Operating Margin	2.7%	3.6%	3.7%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	174,156	130,490	131,266	0.6%
24	Spendable Investment Income	(84,789)	(82,841)	(88,660)	7.0%
25	Other Nonoperating Revenues (Expenses)	3,058	1,937	47	-97.6%
26	Capital Appropriations and Grants	207,940	129,940	98,428	-24.3%
27	Capital Gifts	37,428	45,334	16,228	-64.2%
28	Private Gifts for Endowment Purposes	22,670	24,948	25,649	2.8%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	233	12	-	-100.0%
31	Non-Mandatory Transfers	45,724	52,376	18,283	-65.1%
32	Net Nonoperating Revenues (Expenses)	406,419	302,196	201,241	-33.4%
33	Increase in Net Position	458,852	377,554	282,459	-25.2%
34	Net Position, Beginning of Year	3,679,479	4,126,615	4,496,002	
35	Cumulative Effect of Change in Accounting Princip	(11,716)	(8,167)		
36	Net Position, Beginning of Year, Adjusted	3,667,763	4,118,448	4,496,002	
37	Net Position, End of Period	\$ 4,126,615	\$ 4,496,002	\$ 4,778,461	

June 26, 2025

Schedule 3: FY2026 Budget Income Statement by Funding Source (Dollars in thousands)

	Operations	MU Clinical Operations	Auxiliary	Gifts & Grants	Operating Cash Flow Margin	Depreciation & Interest	Budget FY2026
Operating Revenues							
1 Tuition and Fees	\$ 690,726	\$ -	\$ -	\$ -	\$ 690,726	\$ -	\$ 690,726
2 Less Scholarship Allowances	225,708	-	-	90,946	316,654	-	316,654
3 Net Tuition and Fees	465,018	-	-	(90,946)	374,072	-	374,072
4 Federal Pell Grants	-	-	-	32,500	32,500	-	32,500
5 Government Scholarship Funding	-	-	-	17,244	17,244	-	17,244
6 Grants and Contracts	-	-	-	385,142	385,142	-	385,142
7 Auxiliary Enterprises	18,003	1,905	477,716	-	497,624	-	497,624
8 Patient Medical Services Net	-	407,905	-	-	407,905	-	407,905
9 Other Operating Revenues	104,490	-	-	(66,257)	38,233	-	38,233
10 State Appropriations	276,649	-	-	5,032	281,681	-	281,681
11 Federal Appropriations	-	-	-	18,867	18,867	-	18,867
12 Private Gifts	-	-	8,419	39,781	48,200	-	48,200
13 Spendable Investment Income	35,315	-	(322)	53,667	88,660	-	88,660
14 Total Operating Revenues	899,474	409,810	485,813	395,030	2,190,128	-	2,190,128
Operating Expenses							
15 Salaries and Wages	495,285	417,863	130,053	173,879	1,217,080	-	1,217,080
16 Benefits	172,501	98,432	39,919	52,386	363,238	-	363,238
17 Supplies, Services & Other	88,316	(89,556)	207,085	157,826	363,671	-	363,671
18 Depreciation	-	-	-	-	-	132,693	132,693
19 Interest Expense	-	-	-	-	-	32,228	32,228
20 Total Operating Expenses	756,102	426,739	377,057	384,091	1,943,989	164,921	2,108,910
21 Net Operating Income	143,372	(16,929)	108,756	10,939	246,139	(164,921)	81,218
22 Net Operating Margin	15.9%	-4.1%	22.4%	2.8%	11.2%	-7.5%	3.7%

Within the detailed sections the use of highlighted text will correspond to the “Colors of Money” presented above.

Operating Revenues:

Tuition and Fees (Line 1) are budgeted to increase by \$49.4 million or 7.7% over the prior year. Budgeted amounts include the tuition rate increases approved by the Board in May 2025. MU has budgeted 1.5% enrollment growth overall. The projected growth is based on growth in new first time college students over the prior year, and a projected shift in resident mix.

Scholarship Allowances (Line 2) are budgeted to increase by \$22.1 million or 7.5% over the prior year. MU changes programs annually to ensure scholarships are competitive with peer institutions and provide appropriate support to students.

Grants and Contracts (Line 6) are projected to decrease by 1.3% over the prior year. The budgeted revenue accounts for the uncertainty of federal grants and current trends in proposals and awards linked to Mizzou Forward initiatives.

Auxiliary Enterprises (Line 7) revenue is projected to increase by \$43.8 million over FY2025 representing 9.6% growth. The growth in revenue is driven by the MU Research Reactor (MURR) multi-year agreement which is budgeted to increase by \$30 million over FY2025. The remaining budgeted increase is from inflationary rates.

Net Patient Medical Service (Line 8) primarily represents revenues from University Physicians and is projected to increase by 4.0% over FY2025. The growth aligns with MU

Healthcare's budgeted growth. The revenues from University Physicians fund clinical compensation for Medical School faculty appointments.

State Appropriations (Line 11) reflects the 3% core increase, or \$6.6 million, an additional \$5 million for extension services, and an additional \$5 million for the MU School of Medicine.

Operating Expenses

Overall, MU's operating expenses are projected to increase by 4.8%. Salaries and wages are budgeted to increase by 4.7% and include the effect of a 2% performance-based merit raise pool. Expense increases are broken down by the colors of money:

Schedule 4: MU Salaries and Wages by Funding Source (Dollars in Thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
	\$465,509	\$495,285	\$29,776	6.4%
	122,182	130,053	7,871	6.4%
	401,947	417,863	15,916	4.0%
	172,854	173,879	1,025	0.6%
Total Salaries and Wages (Line 15)	\$1,162,492	\$1,217,080	\$54,588	4.7%

Salaries and Wages (Line 15)

- *Operations and Service Operations* are budgeted to increase from FY2025 projection by \$29.8 million or 6.4%. \$9.4 million of the increase reflects of the 2% raise pool. MU included \$10 million in compensation expense to allow for potential one-time costs from personnel transitioning off grants. The remaining increase represents additional faculty and staff necessary to support expected enrollment growth.
- *Auxiliary Enterprises* wages are budgeted to increase by \$7.9 million over the prior year. The budget for FY2026 addresses market compensation pressure and vacant positions needed to support revenue growth at MURR.
- *School of Medicine Clinical Operations* wages are budgeted increase \$15.9 million from FY2025. The FY2026 budgeted wage growth aligns with 4.0% revenue growth.
- *Restricted* funded wages from grants and gifts are anticipated to increase by \$1.0 million, with the reallocation of salaries from the operating fund to gift accounts. This compensation and workforce size are dependent on the availability of the related revenues sources.

Schedule 5: MU Supplies, Services and Other Operating Expenses Detail

(Dollars in Thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
Operations and Service Operations	\$108,885	\$88,316	\$(20,569)	-18.9%
Auxiliary Enterprises	195,477	207,085	11,608	5.9%
School of Medicine Clinical Operations	(86,602)	(89,556)	(2,954)	3.4%
Restricted (Gifts & Grants)	155,690	157,826	2,136	1.4%
Total Supplies, Services and Other Operating Expenses (Line 17)	\$373,450	\$363,671	\$(9,779)	-2.6%

Supplies, Services and Other Operating Expenses (Line 17)

- *Operations and Service Operations* expenditures are budgeted to decrease by \$20.5

million over FY2025 projection. MU's budget reflects \$26.5 million in cost reductions driven by efficiencies in administrative areas.

- *Auxiliary Enterprises* expenditures are budgeted to increase by \$11.6 million over FY2025 projection. The primary driver for this increase is related to MURR and its related production costs which has budgeted a \$17 million increase. This growth is offset by budgeted cost reductions from student auxiliaries totaling \$5.4 million.
- *Patient Services* expenditures are presented as a negative expense as a charge to the Hospital for clinical services provided by University Physicians and CRMC community practice, including anesthesia coverage, call coverage, and other purchased services common in healthcare operations. Budget increase aligns with revenue growth.
- *Restricted* expenditures funded from grants and gifts are anticipated to increase \$2.1 million from FY2025 projection. This increase is due to expenditures for the MURR production expansion facility, with restricted revenue resources received in FY2025 funding these expenditures. The increase related to MURR was balanced by a decrease resulting from the decline in grant revenue.

UMKC

UMKC continues to focus on furthering its educational and research mission through UMKC Forward, an initiative launched in Spring of 2021. *UMKC Forward's* overall objective is to provide students with the best educational experience and faculty and staff with the best resources and support to continue world-class work. Funding in FY2026 continues to prioritize student recruitment and retention to slow the decline in enrollment. Faculty development and research initiatives are also funded through UMKC Forward.

Figure 5: UMKC Operating Margin History

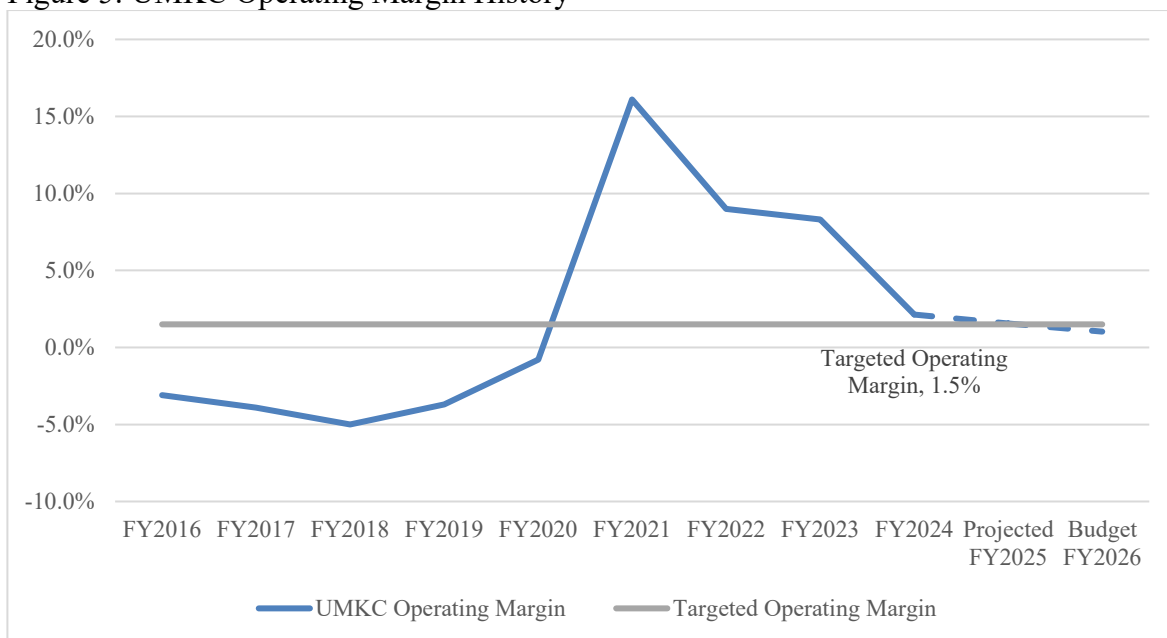


Figure 5 depicts the operating margin performance of UMKC over the past decade. Prior to the onset of the pandemic, UMKC's operating performance fell below target, resulting in a deterioration of the overall financial health of UMKC. Before the pandemic, UMKC faced difficulties in growing net tuition, state support, and auxiliary resources at a rate faster than their associated expenditures. UMKC's financial health saw improvement due the implementation recurring cost reductions to match recurring revenues. UMKC has successfully increased philanthropic resources for capital projects enabling more capital investment.

UMKC							
Key Drivers							
	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	Average Historical Annual Growth	% Change FY25-26
Enrollment FTE	11,778	11,697	11,540	11,275	11,275	-1%	0%
Tuition less Institutional Aid ¹	\$154 M	\$157 M	\$162 M	\$164 M	\$169 M	2%	3%
Grants and Contracts ²	\$63 M	\$82 M	\$93 M	\$90 M	\$80 M	5%	-11%
Financial Accountability Metrics							
	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	5-yr Average	Target
Operating Margin	9.0%	8.3%	2.1%	1.6%	1.0%	4.4%	>1.5%
Spendable Cash to Operations	0.79	0.89	0.89	0.84	0.80	N/A	>0.75
Spendable Cash to Debt	1.78	2.27	2.59	3.04	2.71	N/A	>1.75

Note 1: Amount is calculated Net Tuition and Fees (Line 3) plus Federal Pell Grants (Line 4) plus Government Scholarship Funding (Line 5)

Note 2: Amount reflects grant and sponsored program revenue recognized from the Federal, State and Other Organizations

UMKC has budgeted to perform at similar levels in FY2026 as FY2025. Through the budget process, UMKC has identified \$5.2 million in budget reductions and reallocations necessary to manage expenditure growth within the available revenue resources. These measures are intended to ensure financial stability and support capital investments. UMKC's spendable cash to operations metrics peaked in FY2024 with the advance collection of capital giving related to the Health Science District and the Olson Performing Arts Center resulting in projected excess reserves of \$44.0 million over target. UMKC has budgeted to spend \$41.0 million of these reserves in FY2026 towards the aforementioned capital projects.

Schedule 6: UMKC FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP – Unaudited

Line No.		Actuals FY 2024	Projected FY 2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ 224,700	\$ 231,086	\$ 240,512	4.1%
2	Less Scholarship Allowances	85,490	93,000	97,561	4.9%
3	Net Tuition and Fees	139,210	138,086	142,951	3.5%
4	Federal Pell Grants	15,633	20,000	19,740	-1.3%
5	Government Scholarship Funding	5,771	6,300	6,250	-0.8%
6	Grants and Contracts	92,875	90,000	80,000	-11.1%
7	Auxiliary Enterprises	43,903	41,318	39,399	-4.6%
8	Patient Medical Services Net	39,565	42,950	42,652	-0.7%
9	Other Operating Revenues	25,159	25,000	20,302	-18.8%
10	State Appropriations	88,463	91,160	93,937	3.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	22,742	23,000	22,000	-4.3%
13	Spendable Investment Income	17,249	17,403	17,886	2.8%
14	Total Operating Revenues	490,572	495,216	485,117	-2.0%
Operating Expenses					
15	Salaries and Wages	239,490	245,000	249,543	1.9%
16	Benefits	70,321	75,000	82,398	9.9%
17	Supplies, Services and Other Operating Expenses	136,675	133,656	116,535	-12.8%
18	Depreciation	26,729	26,932	25,816	-4.1%
19	Interest Expense	6,882	6,930	5,830	-15.9%
20	Total Operating Expenses	480,097	487,518	480,122	-1.5%
21	Net Operating Income	10,474	7,699	4,995	-35.1%
22	Net Operating Margin	2.1%	1.6%	1.0%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	31,962	30,000	26,183	-12.7%
24	Spendable Investment Income	(17,249)	(17,403)	(17,886)	2.8%
25	Other Nonoperating Revenues (Expenses)	9,094	88	-	-100.0%
26	Capital Appropriations and Grants	6,595	57,737	25,000	-56.7%
27	Capital Gifts	18,570	18,072	7,000	-61.3%
28	Private Gifts for Endowment Purposes	438	300	400	33.3%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	27	-	-	0.0%
31	Non-Mandatory Transfers	6,797	11,000	33	-99.7%
32	Net Nonoperating Revenues (Expenses)	56,236	99,794	40,730	-59.2%
33	Increase in Net Position	66,710	107,493	45,725	-57.5%
34	Net Position, Beginning of Year	739,502	806,212	911,998	
35	Cumulative Effect of Change in Accounting Principle	-	(1,707)		
36	Net Position, Beginning of Year, Adjusted	739,502	804,505	911,998	
37	Net Position, End of Period	\$ 806,212	\$ 911,998	\$ 957,723	

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Overall, UMKC's operating margin is \$5.0 million, or 1.0%. UMKC's margin is at target.

Schedule 7: FY2026 Budget Income Statement by Funding Source (Dollars in thousands)

	Operations	Auxiliary	Gifts & Grants	Operating Cash Flow Margin	Depreciation & Interest	Budget FY2026
Operating Revenues						
1 Tuition and Fees	\$ 240,512	\$ -	\$ -	\$ 240,512	\$ -	\$ 240,512
2 Less Scholarship Allowances	57,289	-	40,272	97,561	-	97,561
3 Net Tuition and Fees	183,223	-	(40,272)	142,951	-	142,951
4 Federal Pell Grants	-	-	19,740	19,740	-	19,740
5 Government Scholarship Funding	-	-	6,250	6,250	-	6,250
6 Grants and Contracts	-	-	80,000	80,000	-	80,000
7 Auxiliary Enterprises	2,161	37,238	-	39,399	-	39,399
8 Patient Medical Services Net	3,470	39,182	-	42,652	-	42,652
9 Other Operating Revenues	25,506	-	(5,204)	20,302	-	20,302
10 State Appropriations	93,937	-	-	93,937	-	93,937
11 Federal Appropriations	-	-	-	-	-	-
12 Private Gifts	30	-	21,970	22,000	-	22,000
13 Spendable Investment Income	6,929	-	10,957	17,886	-	17,886
14 Total Operating Revenues	315,255	76,420	93,441	485,117	-	485,117
Operating Expenses						
15 Salaries and Wages	173,733	41,049	34,761	249,543	-	249,543
16 Benefits	57,260	12,217	12,921	82,398	-	82,398
17 Supplies, Services & Other	69,762	19,668	27,105	116,535	-	116,535
18 Depreciation	-	-	-	-	25,816	25,816
19 Interest Expense	-	-	-	-	5,830	5,830
20 Total Operating Expenses	300,755	72,934	74,787	448,476	31,646	480,122
21 Net Operating Income	14,500	3,486	18,654	36,640	(31,646)	4,994
22 Net Operating Margin	4.6%	4.6%	20.0%	7.6%	-6.5%	1.0%

Within the detailed sections the use of highlighted text will correspond to the “Colors of Money” presented above.

Operating Revenues:

Tuition and Fees (Line 1) are budgeted to increase by \$9.4 million or 4.1% over the prior year. The gross tuition and fee budgeted amounts reflect the rates approved by the Board in May 2025. FY2026 enrollment is budgeted as flat to FY2025. Leading indicators of deposits and applications suggest an increase in the incoming freshman cohort. However, graduate applications are trending downward, counterbalancing the anticipated increase from undergraduate enrollment. UMKC's primary revenue source remains its graduate and professional programs, with professional programs constituting nearly 60% of the tuition revenue.

Scholarship Allowances (Line 2) are budgeted to increase by \$4.5 million or 4.9% from the prior year. This increase corresponds with the rise in tuition rates.

Grants and Contracts (Line 6) are projected to decrease by \$10 million over the prior year. Due to uncertainties regarding future federal funding, UMKC decreased federally funded grants compared to the previous fiscal year. Correspondingly, budgeted expenditures have been adjusted to align with the reduction in revenue. Sponsored projects are expected to

balance expenditures to revenues on an individual project basis.

Auxiliary Enterprises (Line 7) revenue is projected to decrease by \$1.9 million over FY2025. The decrease in auxiliary revenues is attributed to a reduction in program revenues for the Institute of Human Development. The budget revenues for student auxiliaries remain consistent with the previous fiscal year.

Net Patient Medical Service (Line 8) revenues are projected to decrease \$298,000 over FY2025. These revenues are contract services provided to the School of Medicine's hospital affiliates through the graduate medical education programs and the budget reflects contracted amounts.

Other Operating Revenues (Line 9) revenues are projected to decrease by \$5 million over FY2025. These revenues include pass through aid from third parties such as KC Scholars and application and deposit fees. These revenues typically will not generate resources for academic units but will cover the cost associated for the goods or services provided. The budgeted decline in revenues is based on anticipated declines in aid from third parties.

State Appropriations (Line 10) reflects the 3% core increase, or \$2.8 million, approved by the legislature during the 2025 legislative session.

Operating Expenses

Overall, UMKC's operating expenses are projected to decrease by 1.5%. Salaries and wages are budgeted to increase by 1.9% and include the effect of a 2.5% performance-based merit raise pool.

Schedule 8: UMKC Salaries and Wages Detail (Dollars in thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
Operations and Service Operations	\$164,465	\$173,733	\$9,268	5.6%
Auxiliary Enterprises	39,767	41,049	1,282	3.2%
Restricted (Gifts & Grants)	40,768	34,761	(6,007)	-14.7%
Total Salaries and Wages (Line 15)	\$245,000	\$249,543	\$4,543	1.9%

Salaries and Wages (Line 15)

- *Operations and Service Operations* are budgeted to increase by \$9.3 million from FY2025 projection. This increase is attributed to investments in additional faculty to support the new joint Physician Assistant program with MU and additional faculty and staff to support the School of Medicine facility in St. Joseph and a 2.5% performance-based increase.
- *Auxiliary Enterprises* are budgeted to increase by \$1.3 million over FY2025 projections. Wages for medical residents fall under this category, and UMKC expects an increase in medical residents in the upcoming academic year. The budget also incorporates new positions to support the medical residency program.
- *Restricted* salaries funded from grants and gifts are budgeted to decrease by \$6.0 million over FY2025 projections. This reduction aligns with the anticipated decline in grant revenue.

Schedule 9: UMKC Supplies Service and Other Operating Expenses Detail
(Dollars in Thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
Operations and Service Operations	\$71,272	\$69,762	(\$1,509)	-2.1%
Auxiliary Enterprises	19,628	19,668	40	0.2%
Restricted (Gifts & Grants)	42,756	27,105	(15,651)	-36.6%
Total Supplies, Services and Other Operating Expenses (Line 17)	\$133,656	\$116,535	(\$17,120)	-12.8%

Supplies, Services and Other Operating Expenses (Line 17)

- *Operations and Service Operations* expenditures are budgeted to decrease \$1.5 million over FY2025 projection, due mainly cost containment measures from the FY2026 budget process.
- *Auxiliary Enterprises* expenditures are budgeted to increase by \$40,000 from FY2025 projection based on fuel and utilities inflationary increases.
- *Restricted (Gifts & Grants)* expenditures funded from grants and gifts decrease by \$15.7 million from FY2025. The FY2026 budget reflects aligns spending reductions with expected drops in restricted revenues available.

Missouri S&T

Missouri S&T's budget remains aligned with its North Star objectives, prioritizing the growth of enrollment and enhancing S&T's rank and reputation as an R1 Carnegie Classification research institution. Additionally, S&T continues to leverage funding from the Kummer Foundation to advance these aims.

Figure 6: Missouri S&T Operating Margin History

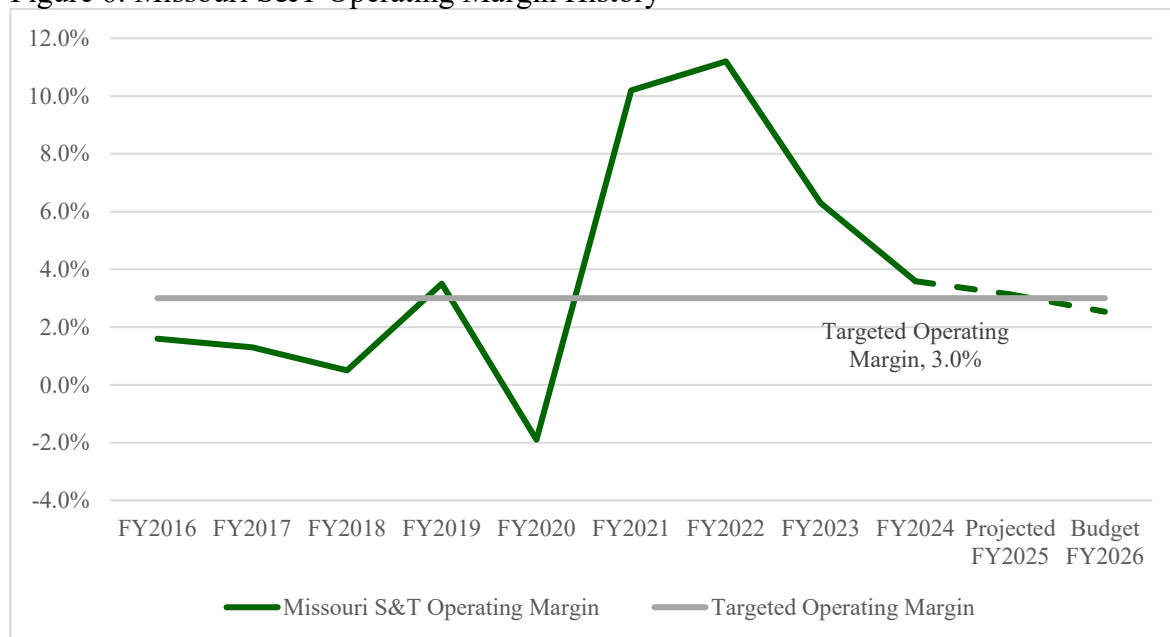


Figure 6 illustrates Missouri S&T's operating margin performance over the past decade. Similar to other universities, Missouri S&T's operating performance fell below target during the pandemic, leading to an adjustment through the FY2021 budget process and subsequent overperformance for several years. S&T's margin has flattened out close to target. Missouri S&T has undertaken a significant capital investment campaign funded largely by giving and grants. Missouri S&T's capital investment, measured by depreciation and interest expense, relative to operating performance is approximately 4% higher than that of MU, UMKC, and UMSL. External resources from the Kummer Foundation, State, and other donors have been utilized to support the additional level of capital investment.

Missouri S&T							
Key Drivers							
	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	Average Historical Annual Growth	% Change FY25-26
Enrollment FTE	6,456	6,359	6,478	6,575	6,571	0%	0%
Tuition less Institutional Aid ¹	\$67 M	\$67 M	\$71 M	\$72 M	\$77 M	3%	7%
Grants and Contracts ²	\$44 M	\$46 M	\$55 M	\$59 M	\$58 M	6%	-2%
Financial Accountability Metrics							
	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	5-yr Average	Target
Operating Margin	11.2%	6.3%	3.6%	3.1%	2.5%	5.3%	>3.0%
Spendable Cash to Operations	1.11	0.93	0.92	1.05	0.97	N/A	>0.80
Spendable Cash to Debt	1.84	1.77	2.03	2.55	2.61	N/A	>2.00

Note 1: Amount is calculated Net Tuition and Fees (Line 3) plus Federal Pell Grants (Line 4) plus Government Scholarship Funding (Line 5)

Note 2: Amount reflects grant and sponsored program revenue recognized from the Federal, State and Other Organizations

Despite the decline in enrollment during the pandemic, S&T's expense management has aligned recurring expenditures with recurring revenues. The FY2026 budget includes a reduction in international enrollment observed during 2017-2021, with expenditures managed accordingly.

Schedule 10: Missouri S&T FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP – Unaudited

Line No.		Actuals FY 2024	Projected FY 2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ 134,618	\$ 142,159	\$ 149,043	4.8%
2	Less Scholarship Allowances	76,766	84,305	84,784	0.6%
3	Net Tuition and Fees	57,852	57,853	64,259	11.1%
4	Federal Pell Grants	6,654	8,250	7,500	-9.1%
5	Government Scholarship Funding	6,038	5,860	5,860	0.0%
6	Grants and Contracts	55,123	58,693	58,348	-0.6%
7	Auxiliary Enterprises	28,112	30,722	31,626	2.9%
8	Patient Medical Services Net	-	-	-	0.0%
9	Other Operating Revenues	4,339	4,479	4,535	1.2%
10	State Appropriations	60,121	61,963	63,861	3.1%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	19,629	17,497	19,904	13.8%
13	Spendable Investment Income	14,639	14,938	15,401	3.1%
14	Total Operating Revenues	252,504	260,256	271,294	4.2%
Operating Expenses					
15	Salaries and Wages	115,694	125,321	127,964	2.1%
16	Benefits	35,132	38,633	42,472	9.9%
17	Supplies, Services and Other Operating Expenses	62,389	56,256	62,545	11.2%
18	Depreciation	25,387	27,296	27,368	0.3%
19	Interest Expense	4,847	4,594	4,079	-11.2%
20	Total Operating Expenses	243,449	252,101	264,428	4.9%
21	Net Operating Income	9,056	8,155	6,866	-15.8%
22	Net Operating Margin	3.6%	3.1%	2.5%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	29,734	20,522	15,614	-23.9%
24	Spendable Investment Income	(14,639)	(14,938)	(15,401)	3.1%
25	Other Nonoperating Revenues (Expenses)	(1,349)	116	24	-79.3%
26	Capital Appropriations and Grants	15,792	50,146	50,508	0.7%
27	Capital Gifts	21,401	41,297	40,090	-2.9%
28	Private Gifts for Endowment Purposes	5,700	9,073	4,750	-47.6%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	6	-	-	0.0%
31	Non-Mandatory Transfers	258	5,853	(71)	-101.2%
32	Net Nonoperating Revenues (Expenses)	56,903	112,069	95,514	-14.8%
33	Increase in Net Position	65,959	120,223	102,380	-14.8%
34	Net Position, Beginning of Year	714,408	779,137	898,548	
35	Cumulative Effect of Change in Accounting Principle	(1,230)	(812)	-	
36	Net Position, Beginning of Year, Adjusted	713,178	778,325	898,548	
37	Net Position, End of Period	\$ 779,137	\$ 898,548	\$ 1,000,928	

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Overall, S&T's operating margin amounts to \$6.9 million, representing 2.5%, which aligns with the financial plan presented to the Board in February.

Schedule 11: FY2026 Budget Income Statement by Funding Source (Dollars in thousands)

	Operations	Auxiliary	Gifts & Grants	Operating Cash Flow Margin	Depreciation & Interest	Budget FY2026
Operating Revenues						
1 Tuition and Fees	\$ 149,043	\$ -	\$ -	\$ 149,043	\$ -	\$ 149,043
2 Less Scholarship Allowances	52,988	-	31,796	84,784	-	84,784
3 Net Tuition and Fees	96,055	-	(31,796)	64,259	-	64,259
4 Federal Pell Grants	-	-	7,500	7,500	-	7,500
5 Government Scholarship Funding	-	-	5,860	5,860	-	5,860
6 Grants and Contracts	-	-	58,348	58,348	-	58,348
7 Auxiliary Enterprises	1,137	30,489	-	31,626	-	31,626
8 Patient Medical Services Net	-	-	-	-	-	-
9 Other Operating Revenues	15,218	-	(10,683)	4,535	-	4,535
10 State Appropriations	63,861	-	-	63,861	-	63,861
11 Federal Appropriations	-	-	-	-	-	-
12 Private Gifts	93	-	19,811	19,904	-	19,904
13 Spendable Investment Income	5,487	21	9,893	15,401	-	15,401
14 Total Operating Revenues	181,851	30,510	58,933	271,294	-	271,294
Operating Expenses						
15 Salaries and Wages	99,825	4,817	23,322	127,964	-	127,964
16 Benefits	36,142	1,687	4,643	42,472	-	42,472
17 Supplies, Services & Other	27,997	10,778	23,770	62,545	-	62,545
18 Depreciation	-	-	-	-	27,368	27,368
19 Interest Expense	-	-	-	-	4,079	4,079
20 Total Operating Expenses	163,964	17,282	51,735	232,981	31,447	264,428
21 Net Operating Income	17,887	13,228	7,198	38,313	(31,447)	6,866
22 Net Operating Margin	9.8%	43.4%	12.2%	14.1%	-11.6%	2.5%

Operating Revenues:

Tuition and Fees (Line 1) are budgeted to increase by \$6.9 million or 4.8% over the prior year. This increase is a result of tuition rate increases coupled with change in enrollment mix. Overall enrollment at S&T is budgeted to remain consistent with the previous fiscal year. The 2% increase in budgeted undergraduate enrollment, driven by a projected 4% rise in first-time college students, is balanced by an anticipated 11% decrease in graduate enrollment from the prior year, due to a forecasted decline in international students.

Scholarship Allowances (Line 2) are budgeted to increase by \$0.5 million or 0.6% over the prior year. The minimal increase in budgeted aid growth is attributed to the projected change in the student demographic, while financial aid programs for the incoming freshman cohort will remain at the same funding level as the previous year.

Grants and Contracts (Line 6) are budgeted to decrease by 0.6% or \$0.3 million over the prior year. The budgeted revenue decline reflects the uncertainty surrounding federal grant awards.

Auxiliary Enterprises (Line 7) revenue is budgeted to increase by 2.9% or \$0.9 million over FY2025. The budgeted increase is in line with enrollment and price increases.

State Appropriations (Line 10) reflects the 3% core increase, or \$1.9 million, approved by the legislature during the 2025 legislative session.

Operating Expenses

Overall, S&T's operating expenses are projected to increase by 4.9% reflecting a 2% performance-based merit raise pool.

Schedule 12: S&T Salaries and Wages Detail (Dollars in Thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
	\$95,021	\$99,825	\$4,804	5.1%
	3,991	4,817	826	20.7%
	26,309	23,322	(2,987)	-11.4%
Total Salaries and Wages (Line 15)	\$125,321	\$127,964	\$2,643	2.1%

Salaries and Wages (Line 15)

- *Operations and Supporting Services* are budgeted to increase by \$4.8 million from FY2025 projection. Along with the 2% raise pool, the budget includes new faculty and staff positions to support strategic focus areas for research and student success.
- *Auxiliary Enterprises* wages are budgeted to increase by \$826,000 to address market compensation pressures and to transition student employees previously compensated by an external third-party dining provider. The savings generated from this transition have been reallocated to enhance the quality of services provided at the dining halls.
- *Restricted* wages funded from grants and gifts are budgeted to decrease by \$2.9 million, as grant expenditures have shifted from compensation to other expense.

Schedule 13: S&T Supplies Services and Other Operating Expense Detail (Dollars in Thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
Operations and Service Operations	\$24,595	\$27,997	\$3,402	13.8%
	9,528	10,778	1,250	13.1%
Restricted (Gifts & Grants)	22,133	23,770	1,637	7.4%
Total Supplies, Services and Other Operating Expenses (Line17)	\$56,256	\$62,545	\$6,289	11.2%

Supplies, Services and Other Operating Expenses (Line 17)

- *Operations and Supporting Services* expenditures are budgeted to increase \$3.4 million over FY2025 projection. Budgeted increase includes nonrecurring non-capital repairs to classroom facilities and faculty start-up funding.
- *Auxiliary Enterprises* expenditures are budgeted to increase from FY2025 projection by \$1.2 million. Missouri S&T has two significant auxiliaries which drive the revenues and expenditures, Housing and Dining and University Centers. Missouri S&T's dining services are contracted with a third-party provider. The additional expenses above inflation are due to contract modifications with the provider, which include hiring additional cooking staff to improve service quality, as well as the increase in inflation related to food products.

- *Restricted expenditures* funded from grants and gifts are anticipated to increase by \$1.6 million from the FY2025 projection. This amount is dependent on external sources of funding.

UMSL

UMSL's FY2026 budget is built upon recapturing lost enrollments to regain revenues to match the institution's current cost base. Stabilizing enrollment is UMSL's highest priority. The FY2026 budget includes \$5 million reductions and reallocations along with 1% growth in enrollment.

Figure 6: UMSL Operating Margin History

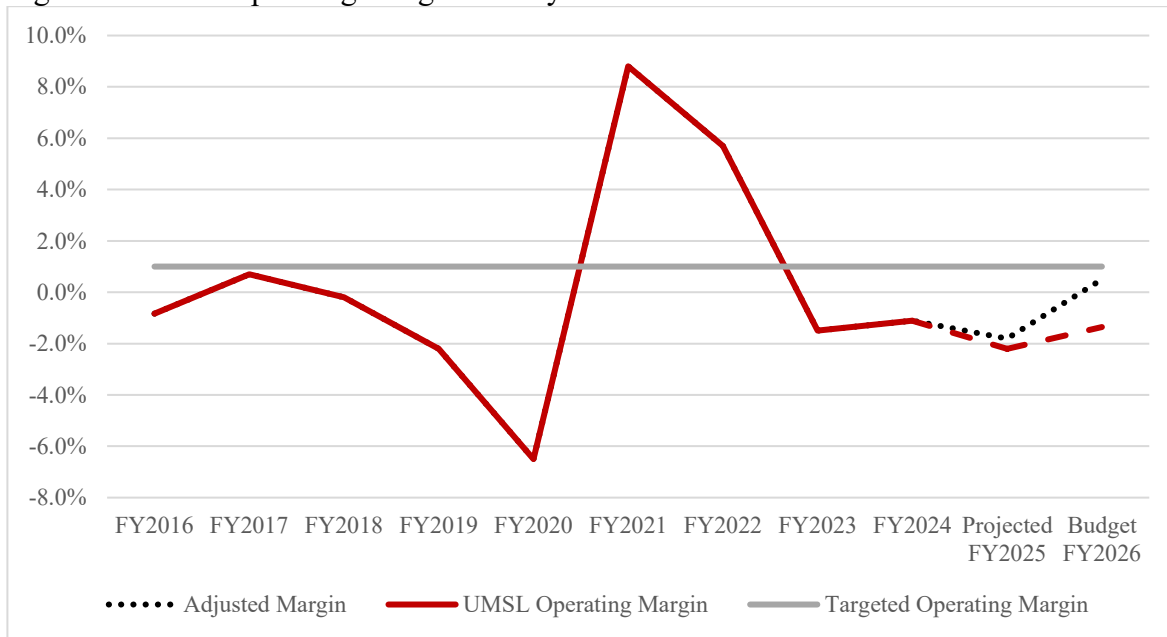


Figure 6 illustrates UMSL's operating margin performance over the past decade. The adjusted margin in Figure 6 shows the operating margin performance without one-time demolition costs. Over the past decade, UMSL's margin has only exceeded target when federal stimulus funding was received and cost containment measures were put into place. Non-recurring, non-capital demolition costs totaling \$5.1 million are a driver of underperformance in the current budget. UMSL operating performance aligns with financial plan and requires enrollment growth and improved faculty productivity per student. On a long-term basis, negative operating margins are not sustainable.

UMSL							
Key Drivers							

	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	Average Historical Annual Growth	% Change FY25-26
Enrollment FTE	9,202	9,116	8,932	8,929	9,054	0%	1%
Tuition less Institutional Aid ¹	\$79 M	\$83 M	\$85 M	\$85 M	\$87 M	2%	2%
Grants and Contracts ²	\$35 M	\$44 M	\$54 M	\$65 M	\$77 M	24%	18%

Financial Accountability Metrics							
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	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	5-yr Average	Target
Operating Margin	5.7%	-1.5%	-1.1%	-2.2%	-1.4%	-0.1%	>1.0%
Spendable Cash to Operations	0.74	0.71	0.70	0.66	0.59	N/A	>0.70
Spendable Cash to Debt	1.39	1.54	1.73	1.87	1.87	N/A	>1.50

Note 1: Amount is calculated Net Tuition and Fees (Line 3) plus Federal Pell Grants (Line 4) plus Government Scholarship Funding (Line 5)

Note 2: Amount reflects grant and sponsored program revenue recognized from the Federal, State and Other Organizations

UMSL enrollment has declined since Fall 2015; over the past decade, the total full-time equivalent student population has decreased by 2,075 or 20%. During the pandemic, UMSL rebuilt reserves with federal stimulus funding and cost containment measures. Due to ongoing enrollment decreases and reductions in federal stimulus funding, UMSL's spendable cash to operations metric continues to decline. As government provided capital funding expires, UMSL will need to sustain operating performance at 1% to support future investments.

Schedule 14: UMSL FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP – Unaudited

Line No.		Actuals FY 2024	Projected FY 2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ 114,548	\$ 118,546	\$ 123,863	4.5%
2	Less Scholarship Allowances	45,812	51,574	56,643	9.8%
3	Net Tuition and Fees	68,737	66,972	67,220	0.4%
4	Federal Pell Grants	12,294	14,186	14,800	4.3%
5	Government Scholarship Funding	4,039	4,133	4,236	2.5%
6	Grants and Contracts	54,447	65,261	75,617	15.9%
7	Auxiliary Enterprises	13,603	14,404	14,619	1.5%
8	Patient Medical Services Net	27	30	30	0.0%
9	Other Operating Revenues	2,321	2,214	2,101	-5.1%
10	State Appropriations	68,654	70,697	72,801	3.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	12,417	14,398	14,509	0.8%
13	Spendable Investment Income	9,306	9,340	10,032	7.4%
14	Total Operating Revenues	245,846	261,635	275,965	5.5%
Operating Expenses					
15	Salaries and Wages	107,158	109,449	112,393	2.7%
16	Benefits	34,390	35,664	37,967	6.5%
17	Supplies, Services and Other Operating Expenses	83,842	98,926	104,506	5.6%
18	Depreciation	18,332	18,769	20,545	9.5%
19	Interest Expense	4,857	4,597	4,298	-6.5%
20	Total Operating Expenses	248,579	267,405	279,709	4.6%
21	Net Operating Income	(2,733)	(5,770)	(3,744)	-35.1%
22	Net Operating Margin	-1.1%	-2.2%	-1.4%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	17,086	13,961	11,077	-20.7%
24	Spendable Investment Income	(9,306)	(9,340)	(10,032)	7.4%
25	Other Nonoperating Revenues (Expenses)	(54)	5,074	-	-100.0%
26	Capital Appropriations and Grants	22,200	34,651	30,184	-12.9%
27	Capital Gifts	1,617	2,381	2,558	7.4%
28	Private Gifts for Endowment Purposes	1,841	6,541	4,000	-38.8%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	20	8	-	-100.0%
31	Non-Mandatory Transfers	1,574	5,041	103	-98.0%
32	Net Nonoperating Revenues (Expenses)	34,977	58,316	37,890	-35.0%
33	Increase in Net Position	32,243	52,546	34,146	
34	Net Position, Beginning of Year	425,191	457,434	509,207	
35	Cumulative Effect of Change in Accounting Principle	-	(773)	-	
36	Net Position, Beginning of Year, Adjusted	425,191	456,661	509,207	
37	Net Position, End of Period	\$ 457,434	\$ 509,207	\$ 543,353	

June 26, 2025

Overall, UMSL's operating margin of (\$3.7) million or -1.4% is due to one-time non-capital expenditures related to the campus space consolidation. Space consolidation involves building demolition, which is expensed in "Supplies, Services, and Other" instead of capitalized. These expenditures are reimbursed by capital funding received from the State and are reported on Line 26 on the income statement above.

Dollars in Thousands	FY2025 Projection	FY2026 Budget
Net Operating Income (Line 21)	(\$5,770)	(\$3,744)
Expenditures Reimbursed by State Capital Funding	\$1,164	\$5,134
Adjusted Net Operating Income	(\$4,606)	\$1,390
Adjusted Margin	-1.8%	0.5%

When excluding these one-time reimbursed expenditures UMSL operating margin would be (\$3.4) million or -1.8% and \$1.4 million or 0.5%, for FY2025 and 2026, respectively. Non-capital space consolidation costs are not anticipated to continue past FY2026. UMSL's budget reflects improved operating performance reaching breakeven levels.

Schedule 15: FY2026 Budget Income Statement by Funding Source (Dollars in thousands)

	Operations	Auxiliary	Gifts & Grants	Operating Cash Flow Margin	Depreciation & Interest	Budget FY2026
Operating Revenues						
1 Tuition and Fees	\$ 123,863	\$ -	\$ -	\$ 123,863	\$ -	\$ 123,863
2 Less Scholarship Allowances	29,463	-	27,180	56,643	-	56,643
3 Net Tuition and Fees	94,400	-	(27,180)	67,220	-	67,220
4 Federal Pell Grants	-	-	14,800	14,800	-	14,800
5 Government Scholarship Funding	-	-	4,236	4,236	-	4,236
6 Grants and Contracts	-	-	75,617	75,617	-	75,617
7 Auxiliary Enterprises	2,065	12,554	-	14,619	-	14,619
8 Patient Medical Services Net	-	30	-	30	-	30
9 Other Operating Revenues	6,672	-	(4,571)	2,101	-	2,101
10 State Appropriations	72,801	-	-	72,801	-	72,801
11 Federal Appropriations	-	-	-	-	-	-
12 Private Gifts	60	-	14,449	14,509	-	14,509
13 Spendable Investment Income	4,248	-	5,784	10,032	-	10,032
14 Total Operating Revenues	180,246	12,584	83,135	275,965	-	275,965
Operating Expenses						
15 Salaries and Wages	88,139	2,205	22,049	112,393	-	112,393
16 Benefits	30,985	642	6,340	37,967	-	37,967
17 Supplies, Services & Other	44,271	7,417	52,818	104,506	-	104,506
18 Depreciation	-	-	-	-	20,545	20,545
19 Interest Expense	-	-	-	-	4,298	4,298
20 Total Operating Expenses	163,395	10,264	81,207	254,866	24,843	279,709
21 Net Operating Income	16,851	2,320	1,928	21,099	(24,843)	(3,744)
22 Net Operating Margin	9.3%	18.4%	2.3%	7.6%	-9.0%	-1.4%

Within the detailed sections the use of highlighted text will correspond to the "Colors of Money" presented above.

Operating Revenues:

Tuition and Fees (Line 1) are budgeted to increase by \$5.3 million or 4.5% over the prior year. This increase is a result of a 5% approved tuition rate increase and budgeted enrollment growth of 1.4%. The mix between student residency status and program level is reducing UMSL's overall gross tuition increase down to 4.5%. UMSL's budget is balanced upon the anticipated growth in full-time undergraduates; if enrollment growth is not realized, expense reductions will be necessary.

Scholarship Allowances (Line 2) are budgeted to increase by \$5.1 million or 9.8% over the prior year. UMSL has budgeted institutional aid funded from operations to increase by \$4.4 million over prior year to respond to the budgeted increase in tuition and fees and included strategic investments to increase financial aid support provided to undergraduates.

Grants and Contracts (Line 6) are projected to increase by \$10.3 million over the prior year, this increase is related to a known pass-through grant from the State.

Auxiliary Enterprise (Line 7) revenues are budgeted to increase by \$0.2 million or 1.5% over FY2025 projection. The increased revenues are reflective of approved housing and dining rates increases offset by an anticipated decline in utilization of on-campus dining facilities. The budgeted decline in revenues for the dining operation is off-set by an expenditure reduction.

State Appropriations (Line 10) reflects the 3% core increase, or \$2.1 million, approved by the legislature during the 2025 legislative session.

Operating Expenses

Overall, UMSL's operating expenses are projected to increase by 4.6%.

Salaries and Wages (Line 15) include the effect of a 2% performance-based merit raise pool.

Schedule 16: UMSL Salaries and Wages by Funding Source (Dollars in Thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
Operations and Service Operations	\$84,840	\$88,139	\$3,299	3.7%
Auxiliary Enterprises	2,625	2,205	(420)	-19.0%
Restricted (Gifts & Grants)	21,984	22,049	65	0.3%
Total Salaries and Wages (Line 15)	\$109,449	\$112,393	\$3,378	3.0%

- Wages funded by *Operations and Service Operations* are budgeted to increase by \$3.2 million from FY2025 projection. This increment encompasses a performance-based merit raise pool and compensation for faculty and staff associated with the new School of Engineering.
- *Auxiliary Enterprises* wages are budgeted to decrease by \$0.4 million, this decrease is a result of cost containment efforts by the Performing Arts Center.
- Wages funded by *Gifts and Grants* are budgeted to increase by \$0.5 million from FY2025 projection. This increase is due to the funding of salaries from gifts.

Supplies, Services and Other Operating Expenses (Line 17)

Schedule 17: UMSL Supplies Services and Other Operating Expenses Detail

(Dollars in Thousands)

	Projected FY2025	Budget FY2026	Variance	
			\$	%
Operations and Service Operations	\$49,232	\$44,271	(\$4,961)	-11.2%
Auxiliary Enterprises	8,153	7,417	(736)	-9.9%
Restricted (Gifts & Grants)	41,541	52,818	11,277	21.4%
Total Supplies, Services and Other Operating Expenses (Line17)	\$98,926	\$106,617	\$5,580	5.6%

- *Operations and Service Operations* expenditures are budgeted to decrease \$5.0 million over FY2025 projection. This reduction reflects the leadership's efforts to meet identify and implement cost reductions throughout FY2026.
- *Auxiliary Enterprises* expenditures are budgeted to decrease by \$0.7 million because of operational efficiencies.
- *Restricted* expenditures funded from grants and gifts are anticipated increase \$11.3 million from FY2025 projection. This increase includes pass-through grant funding totaling \$10 million and one-time non-capital expenditures related to campus space consolidation.

MUHC

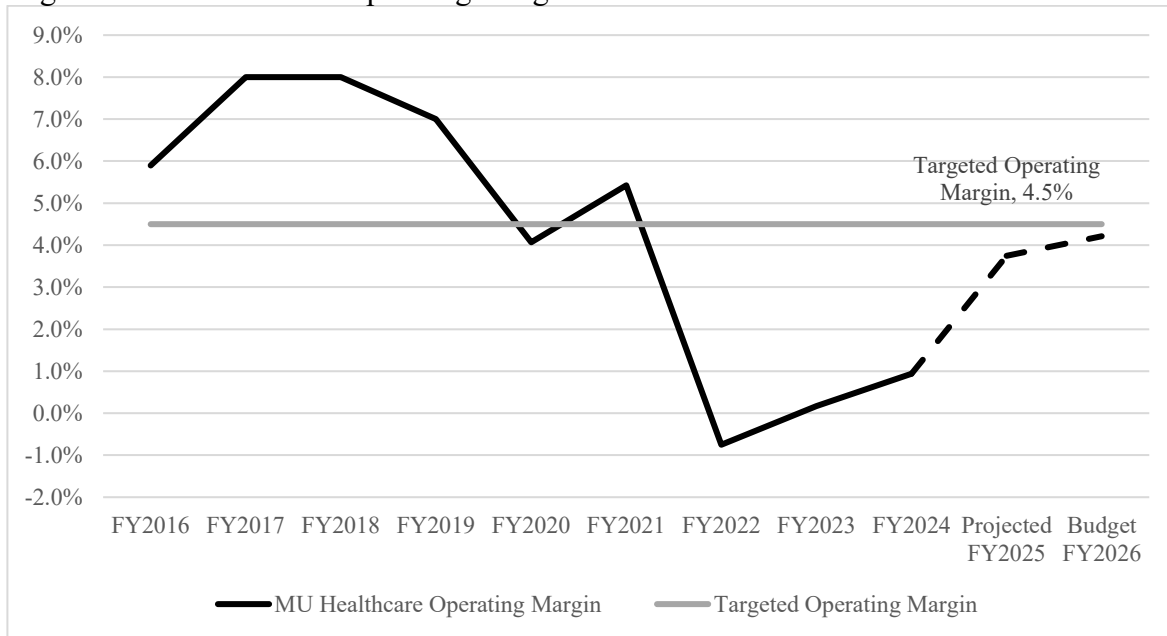
Schedule 18: MU Healthcare FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP – Unaudited

Line No.		Actuals FY2024	Projected FY2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ -	\$ -	\$ -	0.0%
2	Less Scholarship Allowances	-	-	-	0.0%
3	Net Tuition and Fees	-	-	-	0.0%
4	Federal Pell Grants	-	-	-	0.0%
5	Government Scholarship Funding	-	-	-	0.0%
6	Grants and Contracts	112	151	72	-52.3%
7	Auxiliary Enterprises	31,563	21,321	21,208	-0.5%
8	Patient Medical Services Net	1,740,701	1,878,615	2,047,287	9.0%
9	Other Operating Revenues	1,872	50	544	984.0%
10	State Appropriations	-	-	-	0.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	1,356	1,556	806	-48.2%
13	Spendable Investment Income	-	-	-	0.0%
14	Total Operating Revenues	1,775,604	1,901,693	2,069,917	8.8%
Operating Expenses					
15	Salaries and Wages	610,617	586,801	651,986	11.1%
16	Benefits	173,123	178,052	198,317	11.4%
17	Supplies, Services and Other Operating Expenses	854,226	940,365	1,002,367	6.6%
18	Depreciation	97,836	102,084	107,793	5.6%
19	Interest Expense	23,149	23,138	22,271	-3.7%
20	Total Operating Expenses	1,758,952	1,830,440	1,982,734	8.3%
21	Net Operating Income	16,652	71,253	87,183	22.4%
22	Net Operating Margin	0.9%	3.7%	4.2%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	19,761	17,999	27,073	50.4%
24	Spendable Investment Income	-	-	-	0.0%
25	Other Nonoperating Revenues (Expenses)	(7,647)	56,943	-	-100.0%
26	Capital Appropriations and Grants	-	-	-	0.0%
27	Capital Gifts	931	1,251	1,946	55.6%
28	Private Gifts for Endowment Purposes	18	57	-	-100.0%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	-	-	-	0.0%
31	Non-Mandatory Transfers	(30,843)	(17,836)	(18,092)	1.4%
32	Net Nonoperating Revenues (Expenses)	(17,780)	58,414	10,927	-81.3%
33	Increase in Net Position	(1,127)	129,667	98,110	
34	Net Position, Beginning of Year	1,120,005	1,119,890	1,239,622	
35	Cumulative Effect of Change in Accounting Principle	1,012	(9,934)	-	
36	Net Position, Beginning of Year, Adjusted	1,121,017	1,109,956	1,239,622	
37	Net Position, End of Period	\$ 1,119,890	\$ 1,239,622	\$ 1,337,732	

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Figure 7: MU Healthcare Operating Margin



MU Healthcare's operating performance hit a low in FY2022 as cost increases outpaced available revenue. MU Healthcare's performance mirrored national trends with labor challenges in clinical staffing, as nursing agency contract rates during the pandemic increased. MU Healthcare has improved performance in FY2025 and the budget plans on continued improvement close to the target performance for operating margin. In addition to the improvements in operating margin, MU Healthcare's balance sheet has improved with increasing cash position.

MUHC							
Financial Accountability Metrics							
	FY2022	FY2023	FY2024	FY2025 Projection	FY2026 Budget	5-yr Average	Target
Operating Margin	-0.8%	0.2%	0.9%	3.7%	4.2%	1.7%	> 4.5%
Days Cash on Hand	148	139	120	142	151	N/A	> 200
Spendable Cash to Debt	1.50	1.09	1.04	1.35	1.62	N/A	>1.50

MU Healthcare's operating performance is expected to improve in FY2025 and budgeted for further improvement in FY2026. Cash balances have grown in 2025 due to maintaining a 10% operating cash flow margin, reducing capital spending to \$61 million, and receipt of FEMA funding for prior operational costs. The FY2026 budget aims to continue growth in cash position through better operating performance and stable capital expenditures.

UM System Administration

The UM System Business Unit includes the administrative and support functions including service centers that provide unduplicated support to the four universities and health system. As described in the report to the Board on Administrative Efficiencies from the November 2020 Board Meeting:

“Instead of funding administration with state appropriations and investment income, these services will be funded via a cost allocation to the Universities based upon their share of total operating expenses or other cost drivers. The cost allocation for services will also force administrative units to justify the scale and cost of their function to the Universities they support.”

The following Statement of Revenues, Expenses, and Changes in Net Position reflect the funding structure change, with the universities and hospital now paying the cost of system administration. The funding structure moved state appropriations and investment income out to the Universities, then charged a related amount to have each University pay system administration for the services provided. UM System Administration’s budget growth lags the university’s growth to ensure that administration continues to be a smaller part of the organization.

Schedule 19: UM System Administration FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP - Unaudited

Line No.		Actuals FY 2024	Projected FY 2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ -	\$ -	\$ -	0.0%
2	Less Scholarship Allowances	84	68	27	-60.3%
3	Net Tuition and Fees	(84)	(68)	(27)	-60.3%
4	Federal Pell Grants	-	-	-	0.0%
5	Government Scholarship Funding	-	-	-	0.0%
6	Grants and Contracts	46	-	-	0.0%
7	Auxiliary Enterprises	22,296	22,330	20,700	-7.3%
8	Patient Medical Services Net	-	-	-	0.0%
9	Other Operating Revenues	5,365	7,007	9,564	36.5%
10	State Appropriations	-	-	-	0.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	115	190	200	5.3%
13	Spendable Investment Income	5,060	5,086	5,527	8.7%
14	Total Operating Revenues	32,798	34,545	35,964	4.1%
Operating Expenses					
15	Salaries and Wages	44,781	47,574	44,355	-6.8%
16	Benefits	15,882	17,059	16,408	-3.8%
17	Supplies, Services and Other Operating Expenses	(39,423)	(37,039)	(32,382)	-12.6%
18	Depreciation	5,505	5,580	6,206	11.2%
19	Interest Expense	249	139	170	22.3%
20	Total Operating Expenses	26,994	33,313	34,757	4.3%
21	Net Operating Income	5,804	1,232	1,207	-2.0%
22	Net Operating Margin	17.7%	3.6%	3.4%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	8,380	2,625	7,754	195.4%
24	Spendable Investment Income	(5,060)	(5,086)	(5,527)	8.7%
25	Other Nonoperating Revenues (Expenses)	(1,345)	(32)	-	0.0%
26	Capital Appropriations and Grants	-	-	-	0.0%
27	Capital Gifts	-	-	-	0.0%
28	Private Gifts for Endowment Purposes	2	19	-	0.0%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	-	-	-	0.0%
31	Non-Mandatory Transfers	(29,498)	(964)	(130)	-86.5%
32	Net Nonoperating Revenues (Expenses)	(27,521)	(3,438)	2,097	-161.0%
33	Increase in Net Position	(21,718)	(2,206)	3,304	-249.8%
34	Net Position, Beginning of Year	218,803	197,085	193,878	
35	Cumulative Effect of Change in Accounting Principle	-	(1,001)	-	
36	Net Position, Beginning of Year, Adjusted	218,803	196,084	193,878	
37	Net Position, End of Period	\$ 197,085	\$ 193,878	\$ 197,182	

June 26, 2025

The UM System Administration business unit primarily consists of Finance, HR, IT, and Legal support. Through the FY2025 budget process, UM System Administration identified cost reductions of 6% over FY2025. Cuts were offset by new technology investments and a 2% performance-based merit raise pool. The FY2026 budget also includes restructuring of the eLearning operation. The restructuring resulted in multiple position eliminations and the transfer of academic support from UM System to the universities. The negative \$32.3 million in Supplies, Services, and Other represents the charges to the operating units for the System services. The primary remaining revenue at UM System is MOREnet. MOREnet supplies high speed internet service to schools, higher education, and libraries across the state and submitted a balanced budget in FY2026.

University-wide Units

University-wide Business Units are used to hold resources and deliver programs that are utilized by the entire institution. These include self-insurance funds related to benefits and risk management programs, activities of the central bank, and the endowed chair programs that were established with a recurring state appropriation to match endowment distributions. Most of the activity in the University-wide units relates to consolidating entries for non-operating items that are not spread to the other Universities, primarily related to the benefit plans, insurance, and investments.

Activity reflected in the unit's operating margin relates to benefits and insurance. In total, there is over \$400 million in self-insurance activity between benefits and insurance programs. The impact on the margin will fluctuate due to the actual cost of medical and insurance claims which the University self-insures. The \$2.5 million operating loss is an expected one-time item where benefit costs for FY2025 will exceed amounts collected from the universities. Rates were adjusted for FY2026 to achieve balanced performance. The positive net operating income reflects an expected recovery in self-insurance rates for FY2026. The self-insurance programs provide a cheaper cost or risk mitigation and benefit delivery that leverages the collective buying power and risk sharing of the enterprise. The non-operating revenues (expenses) reflect the impact of the difference between cash amortization payments of the benefit liabilities and the related expense recognition.

Schedule 20: University-wide Units FY2026 Budget (Dollars in Thousands)

Simplified View Statement of Revenues, Expenses, and Changes in Net Position - non-GAAP - Unaudited

Line No.		Actuals FY 2024	Projected FY 2025	Budget FY2026	% Change FY2025-26
Operating Revenues					
1	Tuition and Fees	\$ -	\$ -	\$ -	0.0%
2	Less Scholarship Allowances	14	16	33	112.9%
3	Net Tuition and Fees	(14)	(16)	(33)	112.9%
4	Federal Pell Grants	-	-	-	0.0%
5	Government Scholarship Funding	-	-	-	0.0%
6	Grants and Contracts	-	-	-	0.0%
7	Auxiliary Enterprises	-	-	-	0.0%
8	Patient Medical Services Net	-	-	-	0.0%
9	Other Operating Revenues	2,964	(340)	-	0.0%
10	State Appropriations	7,818	7,818	7,818	0.0%
11	Federal Appropriations	9,388	9,639	9,135	-5.2%
12	Private Gifts	2	2	2	0.0%
13	Spendable Investment Income	(7,818)	(7,818)	(7,818)	0.0%
14	Total Operating Revenues	12,340	9,286	9,104	-2.0%
Operating Expenses					
15	Salaries and Wages	197	529	1	-99.8%
16	Benefits	910	1,851	1	-99.9%
17	Supplies, Services and Other Operating Expenses	24,001	10,998	1,897	-82.8%
18	Depreciation	-	-	-	0.0%
19	Interest Expense	(3,624)	(1,565)	(2,904)	85.6%
20	Total Operating Expenses	21,484	11,814	(1,005)	-108.5%
21	Net Operating Income	(9,144)	(2,527)	10,109	-500.0%
22	Net Operating Margin	-74.1%	-27.2%	111.0%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	200,086	147,992	90,298	-39.0%
24	Spendable Investment Income	7,818	7,818	7,818	0.0%
25	Other Nonoperating Revenues (Expenses)	(11,619)	285	-	-100.0%
26	Capital Appropriations and Grants	-	-	-	0.0%
27	Capital Gifts	-	-	-	0.0%
28	Private Gifts for Endowment Purposes	1	1	1	11.1%
29	Pension and OPEB Impact on Income Statement	1,049	31,055	(70,463)	-326.9%
30	Mandatory Transfers	(315)	(20)	-	0.0%
31	Non-Mandatory Transfers	7,558	(55,470)	(126)	0.0%
32	Net Nonoperating Revenues (Expenses)	204,579	131,661	27,528	-79.1%
33	Increase in Net Position	195,434	129,134	37,637	-70.9%
34	Net Position, Beginning of Year	(432,239)	(236,805)	(107,671)	
35	Cumulative Effect of Change in Accounting Principle	-	-	-	
36	Net Position, Beginning of Year, Adjusted	(432,239)	(236,805)	(107,671)	
37	Net Position, End of Period	\$ (236,805)	\$ (107,671)	\$ (70,034)	

June 26, 2025

University of Missouri Budget Planning: FY26 Original Budget (Dollars in Millions)

	Operations	Other Unrestricted	Auxiliary Enterprises	Hospital Operations	Restricted Funds	Total Current Funds	Loan, Endowment, and Plant Funds	Total All Funds
Operating Revenues								
Tuition and Fees	\$ 1,199	\$ 5	\$ -	\$ -	1	\$ 1,204	\$ -	\$ 1,204
Less: Scholarship Allowances	\$ (365)	\$ 0	\$ -	-	(190)	(556)	-	(556)
Net Student Fees	\$ 833	\$ 5	\$ -	\$ -	\$ (190)	\$ 648	\$ -	\$ 648
Federal Pell Grants	-	-	-	-	75	75	-	75
Government Scholarship Funding	-	-	-	-	34	34	-	34
Grants and Contracts	-	-	-	-	599	599	0	599
Sales & Services & Patient Revenue	23	4	573	2,522	0	3,123	-	3,123
Other Operating Revenues	155	4	-	-	(84)	76	(1)	75
State Appropriations	515	-	-	-	5	520	-	520
Federal Appropriations	-	-	-	-	19	19	9	28
Gift Income	-	-	8	(0)	97	105	0	105
Endowment & Investment Income	54	-	-	-	73	127	3	130
Total Operating Revenues	\$ 1,581	\$ 13	\$ 581	\$ 2,522	\$ 628	\$ 5,325	\$ 12	\$ 5,337
Operating Expenditures								
Salaries & Wages	\$ 824	\$ 71	\$ 153	\$ 1,101	\$ 254	\$ 2,403	-	\$ 2,403
Employee Benefits	\$ 281	30	48	306	76	741	-	741
Total Compensation	\$ 1,105	\$ 100	\$ 201	\$ 1,407	\$ 330	\$ 3,144	\$ -	\$ 3,144
Supplies Service and Other Operating Expenses	274	(111)	252	915	238	1,567	52	1,619
Depreciation	-	-	-	-	-	-	320	320
Interest Expense	14	4	28	0	-	46	20	66
Total Operating Expenditures	\$ 1,393	\$ (7)	\$ 481	\$ 2,322	\$ 568	\$ 4,757	\$ 392	\$ 5,150
Net Operating Income	\$ 187	\$ 20	\$ 100	\$ 200	\$ 60	\$ 568	\$ (380)	\$ 188
Nonoperating Revenue (Expense)								
Investment Income (Losses), Net of Fees	\$ 55	\$ 87	\$ (0)	\$ 27	\$ 76	\$ 245	64	\$ 309
Endowment/General Pool Distribution	(54)	-	-	-	(73)	(127)	(3)	(130)
Capital Expense & Offset	(33)	(5)	(3)	(1)	(21)	(62)	62	0
Other Nonoperating Revenues (Expense)	-	-	-	-	0	0	-	0
State Capital Appropriations	-	-	-	-	90	90	114	204
Capital Gifts and Grants	-	-	-	-	40	40	27	68
Private Gifts for Endowment Purposes	-	-	-	-	-	-	35	35
Pension and OPEB Impact on Income Statement	-	(70)	-	-	-	(70)	-	(70)
Mandatory Transfers (In) Out	(12)	(6)	(36)	(36)	(0)	(90)	90	-
Non-Mandatory Transfers (In) Out	(1)	(9)	(138)	(5)	(159)	(312)	312	-
Net Nonoperating Revenues (Expense)	\$ (44)	\$ (3)	\$ (177)	\$ (15)	\$ (46)	\$ (286)	\$ 702	\$ 416
Change in Net Assets	\$ 143	\$ 17	\$ (77)	\$ 185	\$ 14	\$ 282	\$ 322	\$ 603



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