

Meeting Date	June 25, 2026
Action Title	Fiscal Year 2027 Operating Budget, UM
Action Type	FY2027 Operating Budget

Executive Summary

At the June Board of Curators Meeting, Executive Vice President for Finance and Operations Ryan Rapp will present the FY2027 budget. The FY2027 budget reflects the academic enterprise’s response to flat state appropriations, declining research awards, and inflationary growth in tuition coupled with limited undergraduate enrollment growth and a decline in graduate enrollment. The budget for healthcare operations reflects the results of improvement plans over the first half of FY2027, with performance improving back to FY2025 levels.

The FY2027 all funds budget is \$5.5 billion, the following table shows budget by unit. (\$’s presented in millions)

	MU					UM	University	Total
	MU	Healthcare	UMKC	MO S&T	UMSL	System	Wide Units	
Net Tuition and Fees	\$ 410.3	\$ -	\$ 146.8	\$ 67.7	\$ 72.5	\$ (0.0)	\$ (0.0)	\$ 697.2
Federal Pell Grants	30.2	-	21.5	7.5	14.0	-	-	73.2
Government Scholarship Funding	14.8	-	6.3	4.9	3.7	-	-	29.6
Grants and Contracts	302.7	-	78.0	54.7	73.6	-	-	508.9
Auxiliary Enterprises	530.8	24.7	45.2	36.2	14.2	19.5	-	670.7
Patient Medical Services Net	395.1	2,198.2	43.2	-	0.0	-	-	2,636.5
Other Operating Revenues	39.5	5.0	23.5	4.8	2.8	2.6	-	78.2
State Appropriations	277.8	-	92.5	62.9	71.7	-	7.8	512.8
Federal Appropriations	18.8	-	-	-	-	-	8.9	27.7
Private Gifts	51.2	1.3	27.7	24.6	15.1	0.2	0.0	120.1
Spendable Investment Income	93.6	-	18.7	16.2	11.3	5.5	(7.8)	137.4
Total Operating Revenue	\$ 2,164.6	\$ 2,229.2	\$ 503.3	\$ 279.4	\$ 279.0	\$ 27.8	\$ 8.9	\$ 5,492.2
Salaries and Wages	1,222.2	660.2	259.4	130.5	111.4	47.7	0.1	2,431.4
Benefits	362.1	211.7	84.5	44.1	37.1	17.3	(2.8)	754.1
Supplies, Services & Other Expenses	326.3	1,178.6	121.9	62.6	105.6	(43.2)	2.3	1,753.9
Depreciation	137.5	110.6	29.9	32.7	20.8	6.2	-	337.7
Interest Expense	34.7	21.8	5.4	4.1	4.0	0.2	(6.3)	63.8
Total Operating Expense	\$ 2,082.8	\$ 2,182.7	\$ 501.2	\$ 274.0	\$ 278.9	\$ 28.1	\$ (6.8)	\$ 5,340.9
Net Operating Income	\$ 81.8	\$ 46.5	\$ 2.2	\$ 5.4	\$ 0.0	\$ (0.4)	\$ 15.7	\$ 151.3
Net Operating Margin	3.8%	2.1%	0.4%	1.9%	0.0%	-1.3%	176.6%	2.8%

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Fiscal Year 2027 Operating Budget
UM

The universities continue to take a cautious approach to recurring cost commitments with moderating revenue growth reflected in the FY2027 consolidated budget. Over the past year, academic units implemented cost control measures including reviews of large contracts and position posting reviews to mitigate cost growth in line with revenues. The budget incorporates the improvement plan actions reviewed at the Health Affairs committee to improve MU Healthcare's performance. FY2027 budget performance is sufficient to support planned capital. Units with lower levels of operating performance will have lower levels of capital investment unless projects receive philanthropic or government support. The University will use the rolling fall financial planning process to confirm operating performance levels align with growth, capital investment, and debt plans, recognizing the balance required among these priorities.

The attached materials contain the FY2027 consolidated budget along with supporting materials and budgets by university and the health system. Each university retains their own revenues and the benefit of savings they generate. The financial performance of each university and the health system determine the level of investment available for strategic priorities. 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 and health system where scale can be utilized to deliver services across the institution. The resource allocation principles give the Chancellors autonomy to manage their financial resources and strategic investments. This autonomy also comes with the accountability for financial performance within acceptable ranges to expectations.

The recommended action is on the following page followed by a supporting narrative and the FY2027 budget.

June 25, 2026

No. 1

Recommended Action - UM Fiscal Year 2027 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 FY2027 budgets in accordance with the attached planning assumptions and financial summaries, which include the allocation of FY2027 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 FY2027 and allocation as stated herein can be modified as necessary by the President to bring the same into alignment 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 Fry		
Curator Krewson		
Curator Luetkemeyer		
Curator Raines		

The motion _____.

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

The motion _____.

June 25, 2026

University of Missouri System Board of Curators June 25, 2026

FY2027 Budget



UMKC

MISSOURI
S&T

UMSL

University of Missouri System

June 25, 2026

The FY2027 Budget

- Financial planning and target setting process connects financial performance levels with capital and other investments. Budget is the annual plan and serves as the guide.
- Consolidated performance is in line with planned levels and will support planned capital investments.
- The diversity of operations is a key strength of the consolidated enterprise.
- Each operating unit is financially accountable to balancing their operating performance and capital investments.



UMKC

MISSOURI
S&T

UMSL

University of Missouri System

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Key Budget Drivers

- Overall enrollment is budgeted to increase by 1%
- Decline in federal grants and contract revenue given increased competition in awards and fund available
- Healthcare growth consistent with known risk at time of budget
- 2% performance raise pool for academic operations
 - MUHC raises are consistent with prior year model, effective Jan 1st
- Expense reductions occurred in areas that have budgeted revenue declines



UMKC

MISSOURI
S&T

UMSL

University of Missouri System

June 25, 2026

FY2027 Budget Operating Margin to Target

	Budget FY2027	5-year Average	Target
MU	3.8%	3.5%	3.0%
UMKC	0.4%	2.5%	1.0%
S&T	1.9%	3.6%	2.0%
UMSL	0.0%	-0.9%	1.0%
MU Healthcare	2.1%	1.4%	4.0%
Consolidated	2.8%	2.6%	3.0%



FY 2027 Budget

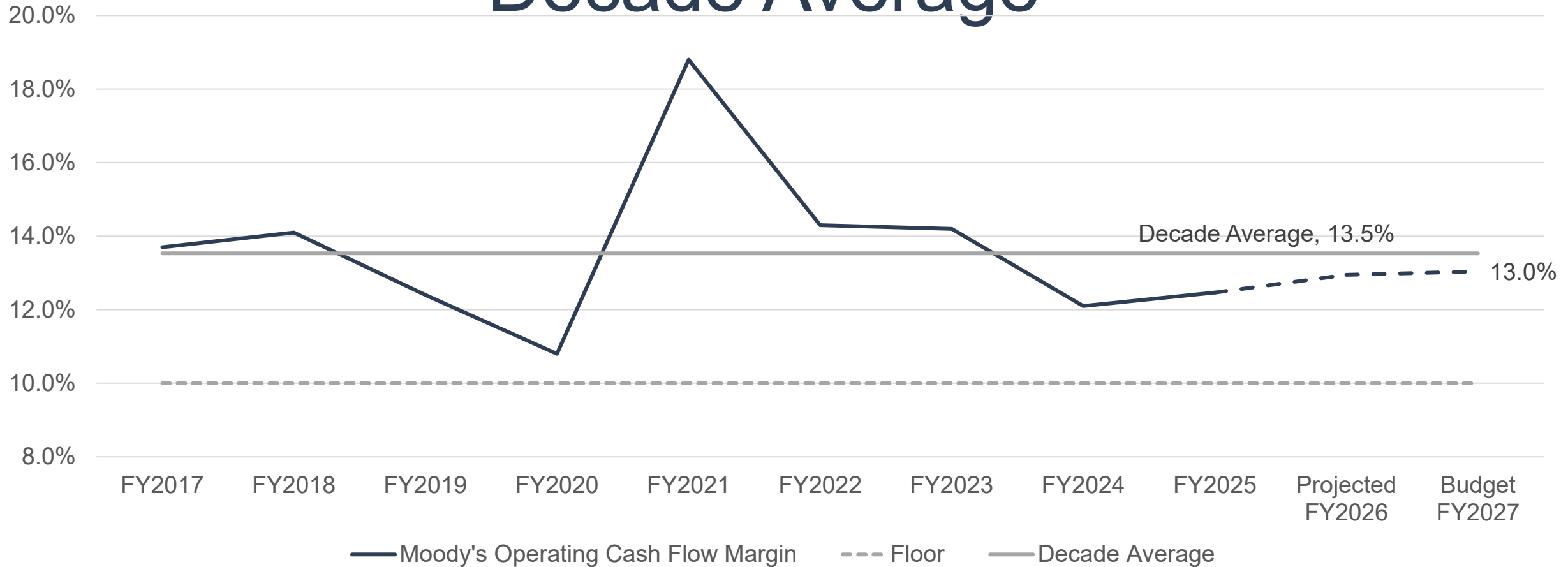
\$'s presented in millions

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University of Missouri System

Budgeted Performance Remains Close to Decade Average



University of Missouri System

Next Steps

Feb.

- Board Approves FY20256 Financial Performance Targets
- Presentation of Long-range Financial Plan
- Board Approves Housing and Dining Rates for FY2028

April

- Review of FY2027 Budget Assumptions
- Board Approves Five-year Capital Plan

May

- Board Approves Tuition and Fees for FY2027

June

- Board Approves FY2027 Operating Budgets
- Board Approves Appropriations Request for FY2028

Sept

- Board Approves FY2027 Strategic Dividend Distribution
- Board Approves FY2027 Mid-Year Modifications to Capital Plan

Nov.

- FY2026 Financial Status Report





————— University of Missouri System —————

June 25, 2026

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.

FY2027 Industry Outlook

Moody's and Standard & Poor's maintain a negative outlook for the U.S. Higher Education sector, citing shifting federal policies and a persistent decline in high school graduates. These trends contribute to a challenging and uncertain operating environment for institutions nationwide. In March, Moody's updated its university scorecard factors to better reflect changes in the funding landscape for higher education to reflect state and federal funding pressures. This adjustment affects all Moody's rated universities. Moody's has clarified that this adjustment will not immediately impact credit ratings.

Credit ratings are based on both qualitative and quantitative assessments, with the scorecard representing the quantitative component. Rating agencies retain the discretion to assign a credit rating one band above or below the scorecard's indication. While the scorecard revision is unlikely to affect scores in the short term, it will reduce the University's flexibility if operating performance declines. Rating agency's higher education sector negative outlook highlights the following key risks:

- Revenue growth is expected to slow and remain below expense growth, resulting in continued margin compression across the sector.
- Enrollment competition is increasing as the number of traditional-age students declines. Large national brands remain well positioned while regional institutions with declining populations face greater risk.
- Universities with academic medical centers are expected to see comparatively stronger revenue growth. Medicaid-related changes may create future pressure.

June 25, 2026

- Federal policy uncertainty including decreases in research funding, modifications to federal student loan programs, and broader regulatory or funding changes will impact institutional operations.
- Operating state appropriation growth is expected to slow and will vary based on different state policy priorities and fiscal situations.
- Expense growth is expected to outpace inflation driven primarily by labor costs, healthcare-related expenses, and ongoing athletics investments at Division I institutions.
- Higher costs and capital demands will continue to exert pressure on financial performance, including sustained investments in workforce, technology, and facilities.
- Balance sheets are expected to remain relatively strong, supported by investment returns and philanthropy, though leverage may increase as institutions address capital needs.

Moody's 2026 outlook for the not-for-profit healthcare sector is stable, with operating cash flow margins expected to improve modestly to 6.5%–7.0% and liquidity remaining stable, supported by cash flow generation sufficient to fund capital needs. Revenue growth from reimbursement and outpatient expansion supports performance, but elevated labor and supply costs continue to pressure margins. Moody's has indicated that a sustained operating cash flow margin below 6% could result in a negative outlook. Policy uncertainty and rising operational risks, including cybersecurity and environmental events, also continue to weigh on the sector. Industry margins are unlikely to return to pre-pandemic levels with continued operating cost pressures.

Key Risks & Planning Assumptions

Throughout the FY2027 budget process, the University incorporated the risks above into the FY2027 budget:

- Net Tuition & Enrollment: The FY2027 budget reflects undergraduate enrollment growth and graduate enrollment declines with inflationary tuition increases.
- Grants & Contracts: The FY2027 budget incorporates an 8.8% reduction in grants and contracts revenue.
- Patient Services Revenue: Healthcare revenue and expense growth in the FY2027 budget exceed both inflation and the level of resources generated by academic operations. The healthcare operating budget assumes improved performance from FY2026 and a return to FY2025 operating levels.

Net Tuition & Enrollment

Final enrollment numbers are not known until August 2026. The following presents key metrics which the universities monitor on a weekly basis to determine projected enrollment for Fall 2026.

Table 1: Enrollment Change by University

	Undergraduate Enrollment			Graduate & Professional Enrollment			Total Change	
	Prior Year Change	Budget Change	Total Budget	Prior Year Change	Budget Change	Total Budget		
MU	3.3%	2.2%	25,694	-1.5%	0.0%	6,964	32,658	1.7%
UMKC	3.2%	0.8%	7,295	-6.0%	-5.8%	4,044	11,339	-1.7%
Missouri S&T	3.1%	0.3%	5,699	-9.3%	-1.3%	1,470	7,169	-0.1%
UMSL	-2.1%	0.3%	5,157	-3.9%	0.6%	2,339	7,496	0.4%

Note: enrollment numbers represent student headcount for fall enrollment, excluding dual-credit high school students

As of May 2026, undergraduate deposit and enrollment trends were flat to modestly positive, with results varying by university. These trends informed each institution’s tuition revenue and auxiliary budgets. At UMKC and UMSL universities, transfer students make up a significant share of enrollment and typically enroll later in the cycle, making early indicators less predictive. Each university budgeted flat or higher undergraduate enrollment. The budget incorporates graduate enrollment declines. Total enrollment growth changes fluctuate between -1.7% to 1.7% growth. Undergraduate enrollment is the key driver of consolidated revenues. Key enrollment drivers by campus include:

- **MU’s** first-time college freshman cohort is projected to grow by 1.8%, supported by positive acceptance and deposit trends for first time college students. Overall undergraduate enrollment is also expected to increase as a larger incoming class replaces a smaller graduating cohort. Graduate enrollment is budgeted to remain flat, with increased enrollment in professional doctoral programs offset by declines in non-professional graduate enrollment.
- **UMKC** has a different enrollment profile than the other three universities. UMKC has the most professional degree programs and students which are included in graduate enrollment. Professional enrollments remain stable in the budget. Non-professional graduate enrollment has declined, especially among international students. The undergraduate budget assumes modest growth, supported by stronger transfer student deposits.
- **Missouri S&T** expects 0.3% undergraduate enrollment growth, supported by improved retention and Growth in nuclear, mining, petroleum, semiconductor, and mechanical engineering offset by a smaller first-time college class and lower demand in computer science and computer engineering. Graduate enrollment is budgeted to decline by 1.3%, due to continued challenges in international recruitment.
- **UMSL’s** budget includes 0.4% overall enrollment growth, with less than a percentage point growth in both undergraduate and graduate enrollment. This growth is supported by continued recruitment of transfer, online, and adult students,

expanded workforce and employer partnerships, and broader recruitment across the Midwest. UMSL serves a less traditional student population than the other universities, with 14% of students age 25 or older and 67% of undergraduate students enrolled part time.

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. 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.

New federal student aid rules will take effect on July 1, 2026. Current students with existing loans will remain exempt for up to three years. The changes will limit federal borrowing for graduate and professional students and cap parent borrowing for dependent undergraduate students. Financial aid offices are communicating these changes to students. The University of Missouri remains competitively priced relative to private institutions and will continue to support enrollment through its pricing strategy and value proposition. Universities will continue to monitor enrollment trends and adjust as needed. Budgeted graduate and professional enrollments consider the expected impact of this change.

Grants and Contracts

After an extended period of growth, federal research funding has declined. Urban universities receive a greater share of grant support from state agencies and would face declines in that funding in future budget cycles if state resources tighten. These grant-related funding risks were incorporated into the FY2027 budget as a decline in revenue. The following presents the budgeted change in grant revenue by university any budget to actual variance in grant revenue growth will be offset by an expense.

Table 2: Change in Grants & Contracts Revenue

	MU	UMKC	S&T	UMSL
Grants and Contracts ¹				
Budgeted Revenue FY2027	\$303 M	\$78 M	\$55 M	\$73 M
Change from FY2026	-12%	0%	-13%	1%
Average Annual Growth FY23-FY27 ²	4%	5%	5%	16%

Note 1: Amount reflects grant and sponsored program revenue included in operating revenue

Note2: Average growth from FY2023-2027

UMSL is the only university with budgeted growth in grants and contracts. Less than 10% of its grant revenue comes from federal sources, and \$13 million of budgeted grant revenue is associated with a State of Missouri award. Grant revenue declines only impact operating performance to the extent the University does not reduce the related direct costs. The University has historically adjusted costs as grant funding ends. If declines continue over multiple years, the reduced indirect cost recoveries could place pressure on the University’s research infrastructure.

Patient Service Revenue

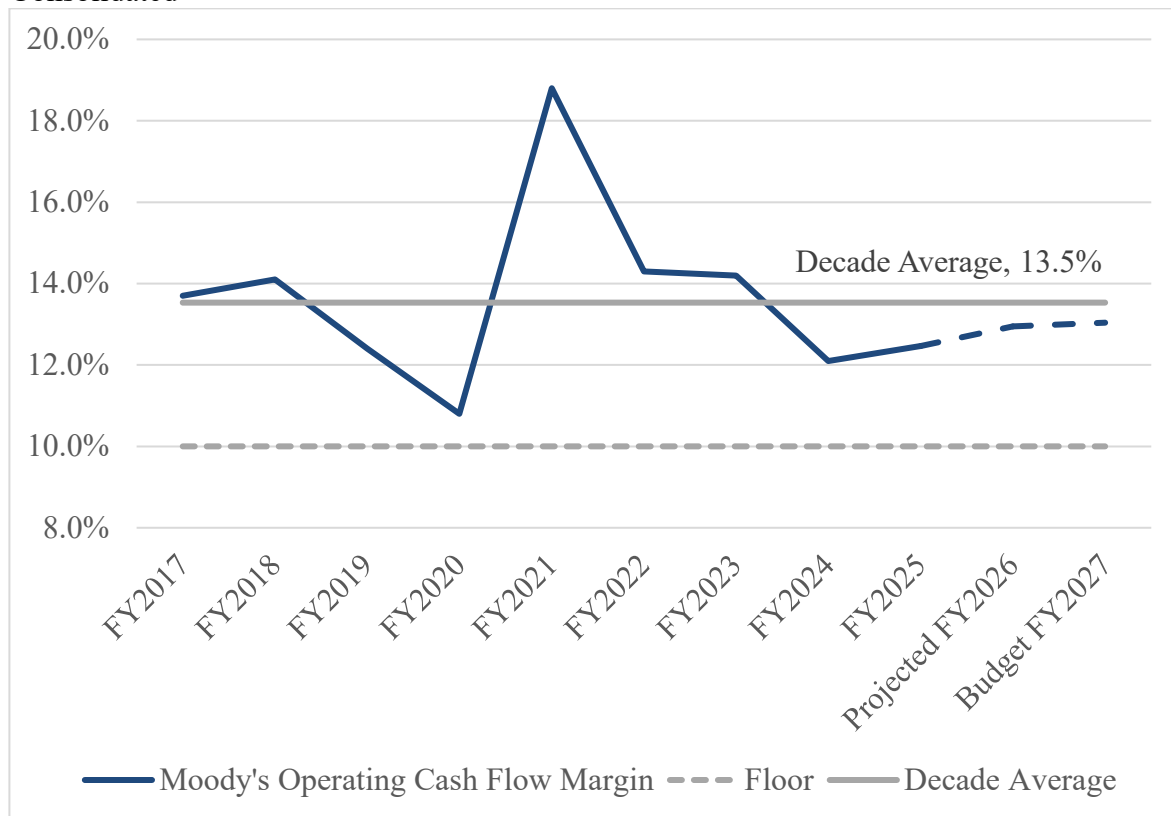
FY2027 healthcare revenue growth is driven by modest increases in patient activity and higher reimbursement rates. The budget projects 1.9% growth in discharges, 2.9% growth in operating room cases, and 2.1% growth in clinic visits across key service lines.

Reimbursement budget assumptions include a 5% price increase and contractual rate increases with United and Anthem, while Medicare and Medicaid rates remain flat. The budget reflects expected policy effects from changes in governmental reimbursement programs. Many of the reimbursement changes that will negatively impact revenue will be implemented beyond 2027. Management continues to focus on revenue cycle improvement through stronger documentation, improved charge capture, and lower denial rates.

Consolidated Performance

Operating cash flow margin (otherwise known as EBIDTA) represents operating earnings before any depreciation of capital assets or interest on debt. Operating cash flow margin measures resource generation prior to any capital investment or repayment of debt and is a key measure of capital capacity. 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: Moody’s Operating Cash Flow Margin for the University of Missouri, Consolidated



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’s average consolidated operating cash flow margin was 13.5%, above the Moody’s Aa1 median of 12.2%. The FY2027 budget projects an operating cash flow margin of 13.0%. Since FY2024, improvement in consolidated performance has been driven primarily by stronger academic and auxiliary results at MU.

Table 3: Moody’s Operating Cash Flow Margin Crosswalk FY2027 Budget,
Dollars in Thousands

Net Operating Income (line 21)	\$151,281
Plus Depreciation and Interest Expense (line 18 and 19)	401,476
Operating Cash Flow Margin	<u>\$552,757</u>
Plus Moody’s Adjustment for Normalized Investment Income	187,858
Moody’s Operating Cash Flow Margin	<u>\$740,615</u>
Divided by Adjusted Operating Revenue (Total Operating Revenue line 14 plus adjustment for normalized income)	\$5,680,020
Moody’s Operating Cash Flow Margin %	13.0%

Operating margin (earnings after interest and depreciation) for the FY2027 budget is 2.8%. This is below FY2026 by 0.4% and above FY2025 by 0.2%. Operating margins should be reviewed over a multi-year timeline and consolidated performance of 2.6% is close to the target of 3.0%. The primary driver of the 0.4% underperformance is MU Healthcare, which undertook improvement initiatives as a part of the FY2027 budget process.

Table 4: FY2027 Operating Margin to Target by Unit

	Budget FY2027	5-yr Average (FY2023A – FY2027B)	Target
MU	3.8%	3.5%	3.0%
UMKC	0.4%	2.5%	1.0%
S&T	1.9%	3.6%	2.0%
UMSL	0.0%	-0.9%	1.0%
MU Healthcare	2.1%	1.4%	4.0%
Consolidated	2.8%	2.6%	3.0%

Table 4 shows operating margin performance to target the consolidated enterprise and each unit. Given the long business cycle for higher education, performance should be assessed over multiple years. On a consolidated basis, the five-year average (three years of actual performance, FY2026 projection and FY2027 budget) operating margin is 2.6%, or 0.4% below target. The targeted level of operating performance is based on the growth and capital plans for each individual unit. While consolidated performance remains below target, the consolidated average stays above the Moody’s floor of break-even and 2% above the Moody’s Aa1 median.

A key credit strength of the consolidated enterprise is the relative diversity of revenue generating operations. Over the past 5 years, stronger performance at has offset weaker results in the healthcare enterprise. From FY2016-FY2020, relative strength in healthcare performance offset weaker performance at MU.

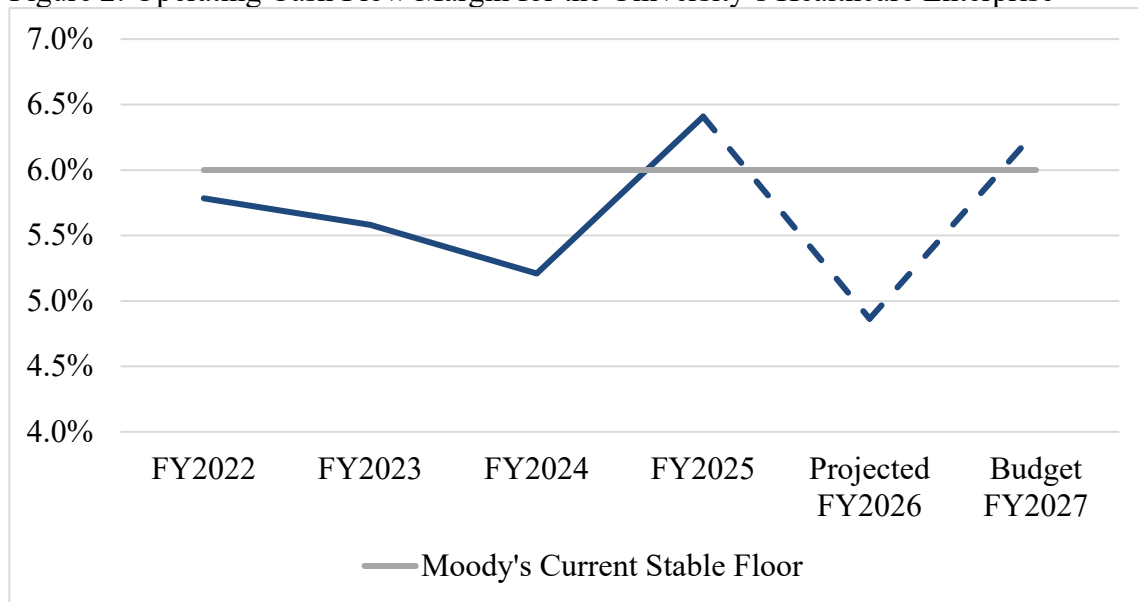
MU’s budget produces a 3.8% operating margin. Revenue growth is driven by higher net tuition from enrollment growth and discounting strategy, along with stronger patient medical services revenue and research reactor revenue. These gains are partly offset by a \$41 million, or 12%, decline in budgeted grant revenue. Expense growth reflects the 2% merit pool, higher medical benefit costs, and increased depreciation from recent capital investment. Cost

reductions identified during the FY2026 budget process and cutting costs funded by grants upon expiration have maintained a positive operating margin for MU. The budget also includes a 2% compensation increase pool that will be awarded based on merit and market factors. Operating performance levels align with financial plans and support the capital investment anticipated over the next five years

MU Healthcare’s FY2027 budget projects a 2.1% operating margin. Revenues are budgeted to increase by \$149 million, while expenses are budgeted to increase by \$125 million. Revenue growth is driven by higher patient volumes, contractual commercial rate increases, anticipated reimbursement changes, and continued improvement in revenue cycle performance. The improvement in operating performance reflects improved labor efficiency and tighter management of drug and medical supply expenses.

The University’s budgeted healthcare enterprise operating cash flow margin (MUHC & SOM clinical operations) aligns with Moody’s projected outlook for the not-for-profit healthcare sector. Figure 3 shows the historical and budgeted consolidated operating cash flow margin for MU Healthcare and the SOM clinical operations relative to Moody’s floor.

Figure 2: Operating Cash Flow Margin for the University’s Healthcare Enterprise



The University’s healthcare enterprise budget improves performance at both MUHC and the SOM clinical operations, bringing operating cash flow margin closer to Moody’s projected sector range of 6.5% to 7.0% and above the 6% floor. The improvement reflects lower labor expense and tighter management of drug and medical supply costs. Healthcare operates on a shorter business cycle than the academic enterprise, allowing management to adjust operations more quickly as conditions change. Staffing plans align with projected volume growth and assume sufficient recruitment and retention to support operations. The Health Affairs Committee will continue to receive updates on the University’s healthcare financial recovery plan.

UMKC’s has budgeted a \$2 million operating margin or \$37 million operating cash flow margin before depreciation and interest. The five-year average operating margin for UMKC

is 2.5%, above the 1.0% target. In recent years, UMKC benefited from growth in grants, private gifts, and state appropriations, but those revenue sources have leveled off. Going forward, UMKC will need to grow enrollment and net tuition revenue while aligning the expense base with available resources. Budgeted gross tuition growth is lower than approved rate as underlying student mix is expected to shift with an anticipated decline in international graduate students. The FY2027 budget process included a deeper review of spending in response to expected revenue changes. The budget includes a 2% compensation increase pool that will be awarded differentially based on merit and market factors.

Missouri S&T's budget reflects a 1.9% operating margin and a 15.1% operating cash flow margin, with revenues and expenses remaining essentially flat. Growth in net tuition and fees is offset by lower grant revenue, resulting in stable overall revenue. The net tuition increase reflects approved tuition rates, the discontinuation of the freshman rate, changes in enrollment mix, and financial aid strategies to improve revenue. Expenses remain stable as lower grant-related costs offset higher depreciation from recent capital investment. The budget includes a 2% compensation increase pool that will be awarded differentially based on merit and market factors.

UMSL's budget is breakeven, with a five-year average operating margin of -0.9% and operating cash flow margin of 8.9%. UMSL made cost management changes to get to the balanced budget, including a restructuring and reduction in campus facility operations. UMSL's budget includes \$1 million in grant growth driven by a single \$13 million state pass-through grant. Once this grant expires, UMSL's grants and contracts revenue growth will align with the other universities. As the campus continues to reposition, enrollment and revenue growth will be important to supporting new program investment and future capital priorities. The budget includes a 2% compensation increase pool that will be awarded differentially based on merit and market factors.

Full statements for the consolidated enterprise and units are included in Appendix 1. Financial results will be presented in three columns:

- FY2025 Actuals: actual performance for FY2025.
- FY2026 Projected: projected performance for FY2026, which includes performance through April with a projection for the final two months to close.
- FY2027 Budget: budgets completed for FY2027.

Next Steps: Review of FY2027 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 FY2027 financial performance. Each University will spend the fall completing the five-year financial plans for each university and the health system. Any adjustments to financial targets would be driven by changes in capital or growth plans.

June 25, 2026

APPENDIX 1: FY2027 BUDGET CONSOLIDATED INCOME STATEMENT

Schedule 1: University of Missouri System FY2027 Budget (Dollars in Thousands)

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

Line No.	Actuals FY 2025	Projected FY 2026	Budget FY2027	% Change FY2026-27
Operating Revenues				
1	\$ 1,129,681	\$ 1,196,608	\$ 1,253,689	4.8%
2	531,906	546,951	556,512	1.7%
3	<u>597,775</u>	<u>649,657</u>	<u>697,177</u>	<u>7.3%</u>
4	76,002	71,863	73,151	1.8%
5	33,981	29,199	29,565	1.3%
6	598,192	557,937	508,898	-8.8%
7	600,631	656,426	670,682	2.2%
8	2,316,087	2,467,269	2,636,460	6.9%
9	78,627	81,427	78,227	-3.9%
10	495,888	513,353	512,802	-0.1%
11	29,030	28,055	27,691	-1.3%
12	125,963	121,393	120,081	-1.1%
13	128,322	135,590	137,428	1.4%
14	<u>5,080,498</u>	<u>5,312,169</u>	<u>5,492,162</u>	<u>3.4%</u>
Operating Expenses				
15	2,317,275	2,376,541	2,431,445	2.3%
16	658,667	715,023	754,065	5.5%
17	1,600,494	1,677,359	1,753,895	4.6%
18	303,521	310,026	337,685	8.9%
19	69,405	67,608	63,791	-5.6%
20	<u>4,949,362</u>	<u>5,146,557</u>	<u>5,340,881</u>	<u>3.8%</u>
21	<u>131,136</u>	<u>165,612</u>	<u>151,281</u>	<u>-8.7%</u>
22	2.6%	3.1%	2.8%	
Nonoperating Revenues (Expenses)				
23	465,566	485,832	408,188	-16.0%
24	(128,322)	(135,590)	(138,484)	2.1%
25	71,673	26,182	18,591	-29.0%
26	272,275	227,148	137,517	-39.5%
27	130,282	77,832	83,688	7.5%
28	46,164	57,518	45,349	-21.2%
29	73,678	(34,130)	(88,670)	159.8%
30	-	-	-	0.0%
31	-	-	-	0.0%
32	<u>931,316</u>	<u>704,792</u>	<u>466,179</u>	<u>-33.9%</u>
33	1,062,452	870,404	617,460	-29.1%
34	6,465,148	7,515,666	8,363,676	
35	(11,934)	(22,394)	-	
36	<u>6,453,214</u>	<u>7,493,272</u>	<u>8,363,676</u>	
37	<u>\$ 7,515,666</u>	<u>\$ 8,363,676</u>	<u>\$ 8,981,136</u>	

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The University's budget includes an **operating revenue** increase of 8.1% over FY2025 and 3.4% over FY2026:

Net Tuition and Fees (Line 3) are projected to grow by 7.3% or \$47.5 million year over year. Budgeted amounts include the tuition rate increases approved by the Board in May 2026. Scholarship allowance is not budgeted to increase at the same rate as gross tuition as scholarships funded by grants and gifts are budgeted flat, while scholarships funded by operating funds are budgeted to increase by 3%. Excluding the effect of externally funded aid, net tuition would increase by 5.5%. Consolidated enrollment is budgeted to increase by 1%. The long-term success of the academic enterprise is dependent on successful growth of tuition and state support.

Grants and Contracts (Line 6) are projected to decline by 8.8% or \$49.0 million year over year. Federal research awards across higher education have declined as agencies face tighter budgets, increased competition, and shifting priorities. Research awards are down 14% 2026 year to date. The University has experienced similar pressures, including a 26% decline in federal research awards at MU. Award numbers are more volatile than revenues, as most research contracts represent multi-year awards with reductions phased in over multiple years. Units are expected to adjust spending as sponsored projects expire, and the related revenue effects may unfold over several budget cycles.

Auxiliary Enterprises (Line 7) are projected to grow by 2.2% or \$14.2 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 6.9% or \$169.2 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 decrease by \$3.2 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 2026 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.

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Private Gifts (Line 12) are budgeted to decrease by \$1.3 million over prior year. 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 toward current operating purposes. This amount includes the spending distribution from endowments and recurring interest distributions from the general pool.

The University's **operating expenses** are projected to increase over FY2025 by 7.9% and grow over the projection for FY2026 by 3.8%:

Salaries and Wages (Line 15) are projected to grow by \$54.9 million or 2.3% over prior year. The increased budget for salaries and wages largely reflects the impact of a differential 2% merit and market pool across the different business units. The number of employees will move based on the available funding within the operation.

Benefits (Line 16) are projected to grow by \$39.0 million or 5.5% over the prior year. The faster growth in benefits is driven primarily by increased medical and pharmacy costs which continue to outpace inflation. Calendar year 2026, the University implemented targeted health plan design and pharmacy management changes intended to slow growth, enhance transparency, and better align benefit costs with available resources.

Supplies, Services and Other Operating Expenses (Line 17) are projected to grow by \$76.5 million, or 4.6%, over the prior year. The increase is driven primarily by MU Healthcare and School of Medicine clinical operations, where medical and drug supply costs continue to grow faster than inflation despite cost management efforts. Budgeted growth in these costs moderates to 7.7% in FY2027 from 9.7% in FY2026. This increase is partially offset by lower expenses associated with the reduction in budgeted grant revenue.

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.

APPENDIX 2: FY2027 BUDGET INCOME STATEMENT BY UNIT

Schedule 2: MU FY2027 Budget (Dollars in Thousands)

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

Line No.		Actuals FY 2025	Projected FY 2026	Budget FY2027	% Change FY2026-27
Operating Revenues					
1	Tuition and Fees	\$ 638,345	\$ 685,512	\$ 721,324	5.2%
2	Less Scholarship Allowances	301,912	306,267	311,028	1.6%
3	Net Tuition and Fees	336,433	379,245	410,296	8.2%
4	Federal Pell Grants	32,974	29,009	30,151	3.9%
5	Government Scholarship Funding	17,441	14,761	14,792	0.2%
6	Grants and Contracts	381,619	343,857	302,654	-12.0%
7	Auxiliary Enterprises	472,815	523,104	530,843	1.5%
8	Patient Medical Services Net	385,892	375,378	395,053	5.2%
9	Other Operating Revenues	39,808	40,511	39,533	-2.4%
10	State Appropriations	264,250	278,326	277,775	-0.2%
11	Federal Appropriations	19,644	18,867	18,782	-0.5%
12	Private Gifts	64,670	56,192	51,157	-9.0%
13	Spendable Investment Income	88,148	92,662	93,583	1.0%
14	Total Operating Revenues	2,103,694	2,151,912	2,164,619	0.6%
Operating Expenses					
15	Salaries and Wages	1,179,662	1,198,745	1,222,198	2.0%
16	Benefits	321,017	346,138	362,128	4.6%
17	Supplies, Services and Other Operating Expenses	385,223	324,961	326,295	0.4%
18	Depreciation	121,936	128,007	137,507	7.4%
19	Interest Expense	30,205	31,426	34,652	10.3%
20	Total Operating Expenses	2,038,043	2,029,277	2,082,780	2.6%
21	Net Operating Income	65,651	122,635	81,839	-33.3%
22	Net Operating Margin	3.1%	5.7%	3.8%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	156,568	250,073	147,971	-40.8%
24	Spendable Investment Income	(88,148)	(92,662)	(93,583)	1.0%
25	Other Nonoperating Revenues (Expenses)	18,169	22,662	7,499	-66.9%
26	Capital Appropriations and Grants	149,180	78,395	97,682	24.6%
27	Capital Gifts	64,305	19,743	22,747	15.2%
28	Private Gifts for Endowment Purposes	28,837	26,613	21,848	-17.9%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	-	-	-	0.0%
31	Non-Mandatory Transfers	58,155	17,680	9,189	-48.0%
32	Net Nonoperating Revenues (Expenses)	387,066	322,504	213,353	-33.8%
33	Increase in Net Position	452,717	445,139	295,192	-33.7%
34	Net Position, Beginning of Year	3,679,479	4,120,480	4,557,452	
35	Cumulative Effect of Change in Accounting Principle	(11,716)	(8,167)	-	
36	Net Position, Beginning of Year, Adjusted	3,667,763	4,112,313	4,557,452	
37	Net Position, End of Period	\$ 4,120,480	\$ 4,557,452	\$ 4,852,644	

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Schedule 3: MU Healthcare FY2027 Budget (Dollars in Thousands)

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

Line No.		Actuals FY2025	Projected FY2026	Budget FY2027	% Change FY2026-27
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	258	291	-	-100.0%
7	Auxiliary Enterprises	21,076	25,100	24,743	-1.4%
8	Patient Medical Services Net	1,891,048	2,049,596	2,198,164	7.2%
9	Other Operating Revenues	296	4,142	4,968	19.9%
10	State Appropriations	-	-	-	0.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	2,305	732	1,315	79.6%
13	Spendable Investment Income	-	-	-	0.0%
14	Total Operating Revenues	1,914,983	2,079,861	2,229,190	7.2%
Operating Expenses					
15	Salaries and Wages	607,718	638,189	660,161	3.4%
16	Benefits	181,713	201,462	211,655	5.1%
17	Supplies, Services and Other Operating Expenses	949,891	1,089,706	1,178,566	8.2%
18	Depreciation	104,801	104,906	110,555	5.4%
19	Interest Expense	23,420	22,846	21,751	-4.8%
20	Total Operating Expenses	1,867,543	2,057,109	2,182,688	6.1%
21	Net Operating Income	47,440	22,752	46,502	104.4%
22	Net Operating Margin	2.5%	1.1%	2.1%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	19,105	33,093	37,057	12.0%
24	Spendable Investment Income	-	-	-	0.0%
25	Other Nonoperating Revenues (Expenses)	56,851	840	-	-100.0%
26	Capital Appropriations and Grants	-	-	-	0.0%
27	Capital Gifts	1,211	911	645	-29.2%
28	Private Gifts for Endowment Purposes	52	-	-	0.0%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	-	-	-	0.0%
31	Non-Mandatory Transfers	(17,780)	(18,154)	(20,514)	13.0%
32	Net Nonoperating Revenues (Expenses)	59,439	16,690	17,188	3.0%
33	Increase in Net Position	106,879	39,442	63,690	
34	Net Position, Beginning of Year	1,120,005	1,227,896	1,257,404	
35	Cumulative Effect of Change in Accounting Principle	1,012	(9,934)	-	
36	Net Position, Beginning of Year, Adjusted	1,121,017	1,217,962	1,257,404	
37	Net Position, End of Period	\$ 1,227,896	\$ 1,257,404	\$ 1,321,094	

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Schedule 4: UMKC FY2027 Budget (Dollars in Thousands)

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

Line No.		Actuals FY 2025	Projected FY 2026	Budget FY2027	% Change FY2026-27
Operating Revenues					
1	Tuition and Fees	\$ 232,416	\$ 240,870	\$ 246,875	2.5%
2	Less Scholarship Allowances	94,675	100,000	100,120	0.1%
3	Net Tuition and Fees	137,741	140,870	146,755	4.2%
4	Federal Pell Grants	20,293	21,000	21,500	2.4%
5	Government Scholarship Funding	6,385	5,730	6,250	9.1%
6	Grants and Contracts	85,862	78,000	77,976	0.0%
7	Auxiliary Enterprises	40,122	39,420	45,198	14.7%
8	Patient Medical Services Net	39,114	42,265	43,213	2.2%
9	Other Operating Revenues	27,461	24,226	23,547	-2.8%
10	State Appropriations	91,160	92,548	92,548	0.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	21,713	26,089	27,675	6.1%
13	Spendable Investment Income	17,519	18,990	18,680	-1.6%
14	Total Operating Revenues	487,370	489,138	503,342	2.9%
Operating Expenses					
15	Salaries and Wages	248,463	254,263	259,443	2.0%
16	Benefits	73,916	78,650	84,519	7.5%
17	Supplies, Services and Other Operating Expenses	127,481	122,520	121,893	-0.5%
18	Depreciation	25,991	24,937	29,924	20.0%
19	Interest Expense	6,532	5,750	5,394	-6.2%
20	Total Operating Expenses	482,383	486,120	501,173	3.1%
21	Net Operating Income	4,987	3,018	2,169	-28.1%
22	Net Operating Margin	1.0%	0.6%	0.4%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	28,799	47,794	30,432	-36.3%
24	Spendable Investment Income	(17,519)	(18,990)	(18,680)	-1.6%
25	Other Nonoperating Revenues (Expenses)	566	2,638	-	-100.0%
26	Capital Appropriations and Grants	36,754	49,655	-	-100.0%
27	Capital Gifts	13,672	9,373	8,000	-14.6%
28	Private Gifts for Endowment Purposes	272	526	400	-24.0%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	78	-	-	0.0%
31	Non-Mandatory Transfers	9,853	557	(1,800)	-423.2%
32	Net Nonoperating Revenues (Expenses)	72,475	91,553	18,352	-80.0%
33	Increase in Net Position	77,462	94,571	20,521	-78.3%
34	Net Position, Beginning of Year	739,502	816,964	909,828	
35	Cumulative Effect of Change in Accounting Principle	-	(1,707)		
36	Net Position, Beginning of Year, Adjusted	739,502	815,257	909,828	
37	Net Position, End of Period	\$ 816,964	\$ 909,828	\$ 930,349	

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Schedule 5: Missouri S&T FY2027 Budget (Dollars in Thousands)

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

Line No.		Actuals FY 2025	Projected FY 2026	Budget FY2027	% Change FY2026-27
Operating Revenues					
1	Tuition and Fees	\$ 142,145	\$ 149,121	\$ 158,510	6.3%
2	Less Scholarship Allowances	84,038	87,500	90,859	3.8%
3	Net Tuition and Fees	58,107	61,621	67,651	9.8%
4	Federal Pell Grants	8,564	7,965	7,500	-5.8%
5	Government Scholarship Funding	5,995	5,100	4,870	-4.5%
6	Grants and Contracts	63,006	63,200	54,694	-13.5%
7	Auxiliary Enterprises	31,463	32,525	36,231	11.4%
8	Patient Medical Services Net	-	-	-	0.0%
9	Other Operating Revenues	5,402	4,750	4,767	0.4%
10	State Appropriations	61,963	62,912	62,912	0.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	20,791	24,300	24,598	1.2%
13	Spendable Investment Income	15,293	16,300	16,169	-0.8%
14	Total Operating Revenues	270,584	278,673	279,392	0.3%
Operating Expenses					
15	Salaries and Wages	127,195	133,925	130,484	-2.6%
16	Benefits	39,017	42,350	44,129	4.2%
17	Supplies, Services and Other Operating Expenses	61,619	65,150	62,553	-4.0%
18	Depreciation	26,742	27,368	32,696	19.5%
19	Interest Expense	4,599	4,370	4,093	-6.3%
20	Total Operating Expenses	259,172	273,163	273,955	0.3%
21	Net Operating Income	11,412	5,510	5,437	-1.3%
22	Net Operating Margin	4.2%	2.0%	1.9%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	26,894	25,600	20,257	-20.9%
24	Spendable Investment Income	(15,293)	(16,300)	(16,169)	-0.8%
25	Other Nonoperating Revenues (Expenses)	3,343	(210)	11,092	-5381.9%
26	Capital Appropriations and Grants	53,736	67,985	26,135	-61.6%
27	Capital Gifts	48,202	45,805	50,296	9.8%
28	Private Gifts for Endowment Purposes	10,784	14,750	6,258	-57.6%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	101	-	-	0.0%
31	Non-Mandatory Transfers	6,131	55	(906)	-1747.3%
32	Net Nonoperating Revenues (Expenses)	133,898	137,685	96,963	-29.6%
33	Increase in Net Position	145,310	143,195	102,400	-28.5%
34	Net Position, Beginning of Year	714,408	858,488	1,000,871	
35	Cumulative Effect of Change in Accounting Principi	(1,230)	(812)	-	
36	Net Position, Beginning of Year, Adjusted	713,178	857,676	1,000,871	
37	Net Position, End of Period	\$ 858,488	\$ 1,000,871	\$ 1,103,271	

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Schedule 6: UMSL FY2027 Budget (Dollars in Thousands)

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

Line No.		Actuals FY 2025	Projected FY 2026	Budget FY2027	% Change FY2026-27
Operating Revenues					
1	Tuition and Fees	\$ 116,775	\$ 121,105	\$ 126,980	4.9%
2	Less Scholarship Allowances	51,198	53,141	54,465	2.5%
3	Net Tuition and Fees	65,577	67,964	72,515	6.7%
4	Federal Pell Grants	14,171	13,889	14,000	0.8%
5	Government Scholarship Funding	4,160	3,608	3,653	1.2%
6	Grants and Contracts	67,447	72,589	73,574	1.4%
7	Auxiliary Enterprises	14,435	13,972	14,151	1.3%
8	Patient Medical Services Net	33	30	30	0.0%
9	Other Operating Revenues	2,380	2,630	2,838	7.9%
10	State Appropriations	70,697	71,749	71,749	0.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	16,294	13,868	15,139	9.2%
13	Spendable Investment Income	9,843	10,744	11,330	5.5%
14	Total Operating Revenues	265,037	271,043	278,979	2.9%
Operating Expenses					
15	Salaries and Wages	108,971	108,622	111,426	2.6%
16	Benefits	35,467	36,456	37,113	1.8%
17	Supplies, Services and Other Operating Expenses	99,255	106,237	105,577	-0.6%
18	Depreciation	18,393	18,981	20,796	9.6%
19	Interest Expense	4,587	4,327	4,037	-6.7%
20	Total Operating Expenses	266,673	274,623	278,949	1.6%
21	Net Operating Income	(1,636)	(3,580)	30	-100.8%
22	Net Operating Margin	-0.6%	-1.3%	0.0%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	15,602	25,474	24,756	-2.8%
24	Spendable Investment Income	(9,843)	(10,744)	(11,330)	5.5%
25	Other Nonoperating Revenues (Expenses)	(2,144)	884	-	-100.0%
26	Capital Appropriations and Grants	32,605	31,113	13,700	-56.0%
27	Capital Gifts	2,640	2,000	2,000	0.0%
28	Private Gifts for Endowment Purposes	6,199	15,600	16,842	8.0%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	76	(3)	-	-100.0%
31	Non-Mandatory Transfers	6,310	251	(749)	-398.4%
32	Net Nonoperating Revenues (Expenses)	51,445	64,575	45,219	-30.0%
33	Increase in Net Position	49,809	60,995	45,249	
34	Net Position, Beginning of Year	425,191	475,000	535,222	
35	Cumulative Effect of Change in Accounting Principle	-	(773)	-	
36	Net Position, Beginning of Year, Adjusted	425,191	474,227	535,222	
37	Net Position, End of Period	\$ 475,000	\$ 535,222	\$ 580,471	

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Schedule 7: UM System Administration FY2027 Budget (Dollars in Thousands)

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

Line No.		Actuals FY 2025	Projected FY 2026	Budget FY2027	% Change FY2026-27
Operating Revenues					
1	Tuition and Fees	\$ -	\$ -	\$ -	0.0%
2	Less Scholarship Allowances	67	22	7	-68.2%
3	Net Tuition and Fees	(67)	(22)	(7)	-68.2%
4	Federal Pell Grants	-	-	-	0.0%
5	Government Scholarship Funding	-	-	-	0.0%
6	Grants and Contracts	-	-	-	0.0%
7	Auxiliary Enterprises	20,720	22,305	19,516	-12.5%
8	Patient Medical Services Net	-	-	-	0.0%
9	Other Operating Revenues	4,199	3,071	2,574	-16.2%
10	State Appropriations	-	-	-	0.0%
11	Federal Appropriations	-	-	-	0.0%
12	Private Gifts	188	210	195	-7.1%
13	Spendable Investment Income	5,337	4,712	5,484	16.4%
14	Total Operating Revenues	30,377	30,276	27,762	-8.3%
Operating Expenses					
15	Salaries and Wages	46,696	42,767	47,670	11.5%
16	Benefits	16,638	15,673	17,333	10.6%
17	Supplies, Services and Other Operating Expenses	(46,533)	(39,681)	(43,245)	9.0%
18	Depreciation	5,658	5,827	6,207	6.5%
19	Interest Expense	224	164	170	3.7%
20	Total Operating Expenses	22,683	24,750	28,135	13.7%
21	Net Operating Income	7,694	5,526	(373)	-106.7%
22	Net Operating Margin	25.3%	18.3%	-1.3%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	9,760	13,500	7,751	-42.6%
24	Spendable Investment Income	(5,337)	(4,712)	(5,484)	16.4%
25	Other Nonoperating Revenues (Expenses)	(51)	106	-	0.0%
26	Capital Appropriations and Grants	-	-	-	0.0%
27	Capital Gifts	252	-	-	0.0%
28	Private Gifts for Endowment Purposes	19	29	-	0.0%
29	Pension and OPEB Impact on Income Statement	-	-	-	0.0%
30	Mandatory Transfers	-	-	-	0.0%
31	Non-Mandatory Transfers	(6,173)	(1,707)	14,780	-965.8%
32	Net Nonoperating Revenues (Expenses)	(1,530)	7,216	17,047	136.2%
33	Increase in Net Position	6,164	12,742	16,674	30.9%
34	Net Position, Beginning of Year	218,803	224,967	236,708	
35	Cumulative Effect of Change in Accounting Principle	-	(1,001)	-	
36	Net Position, Beginning of Year, Adjusted	218,803	223,966	236,708	
37	Net Position, End of Period	\$ 224,967	\$ 236,708	\$ 253,382	

June 25, 2026

Schedule 8: University-wide Units FY2027 Budget (Dollars in Thousands)

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

Line No.		Actuals FY 2025	Projected FY 2026	Budget FY2027	% Change FY2026-27
Operating Revenues					
1	Tuition and Fees	\$ -	\$ -	\$ -	0.0%
2	Less Scholarship Allowances	16	21	33	57.1%
3	Net Tuition and Fees	(16)	(21)	(33)	57.1%
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	(919)	2,097	-	0.0%
10	State Appropriations	7,818	7,818	7,818	0.0%
11	Federal Appropriations	9,386	9,188	8,909	-3.0%
12	Private Gifts	2	2	2	0.0%
13	Spendable Investment Income	(7,818)	(7,818)	(7,818)	0.0%
14	Total Operating Revenues	8,453	11,266	8,878	-21.2%
Operating Expenses					
15	Salaries and Wages	(1,430)	30	63	110.0%
16	Benefits	(9,101)	(5,706)	(2,812)	-50.7%
17	Supplies, Services and Other Operating Expenses	23,558	8,466	2,256	-73.4%
18	Depreciation	-	-	-	0.0%
19	Interest Expense	(162)	(1,275)	(6,306)	394.6%
20	Total Operating Expenses	12,865	1,515	(6,799)	-548.8%
21	Net Operating Income	(4,412)	9,751	15,677	60.8%
22	Net Operating Margin	-52.2%	86.6%	176.6%	
Nonoperating Revenues (Expenses)					
23	Investment Income (Losses), Net of Fees	208,838	90,298	139,964	55.0%
24	Spendable Investment Income	7,818	7,818	6,762	-13.5%
25	Other Nonoperating Revenues (Expenses)	(5,061)	(738)	-	-100.0%
26	Capital Appropriations and Grants	-	-	-	0.0%
27	Capital Gifts	-	-	-	0.0%
28	Private Gifts for Endowment Purposes	1	-	1	100.0%
29	Pension and OPEB Impact on Income Statement	73,678	(34,130)	(88,670)	159.8%
30	Mandatory Transfers	(255)	3	-	0.0%
31	Non-Mandatory Transfers	(56,496)	1,318	-	0.0%
32	Net Nonoperating Revenues (Expenses)	228,523	64,569	58,057	-10.1%
33	Increase in Net Position	224,111	74,320	73,734	-0.8%
34	Net Position, Beginning of Year	(432,239)	(208,128)	(133,808)	
35	Cumulative Effect of Change in Accounting Principle	-	-	-	
36	Net Position, Beginning of Year, Adjusted	(432,239)	(208,128)	(133,808)	
37	Net Position, End of Period	\$ (208,128)	\$ (133,808)	\$ (60,074)	

June 25, 2026