



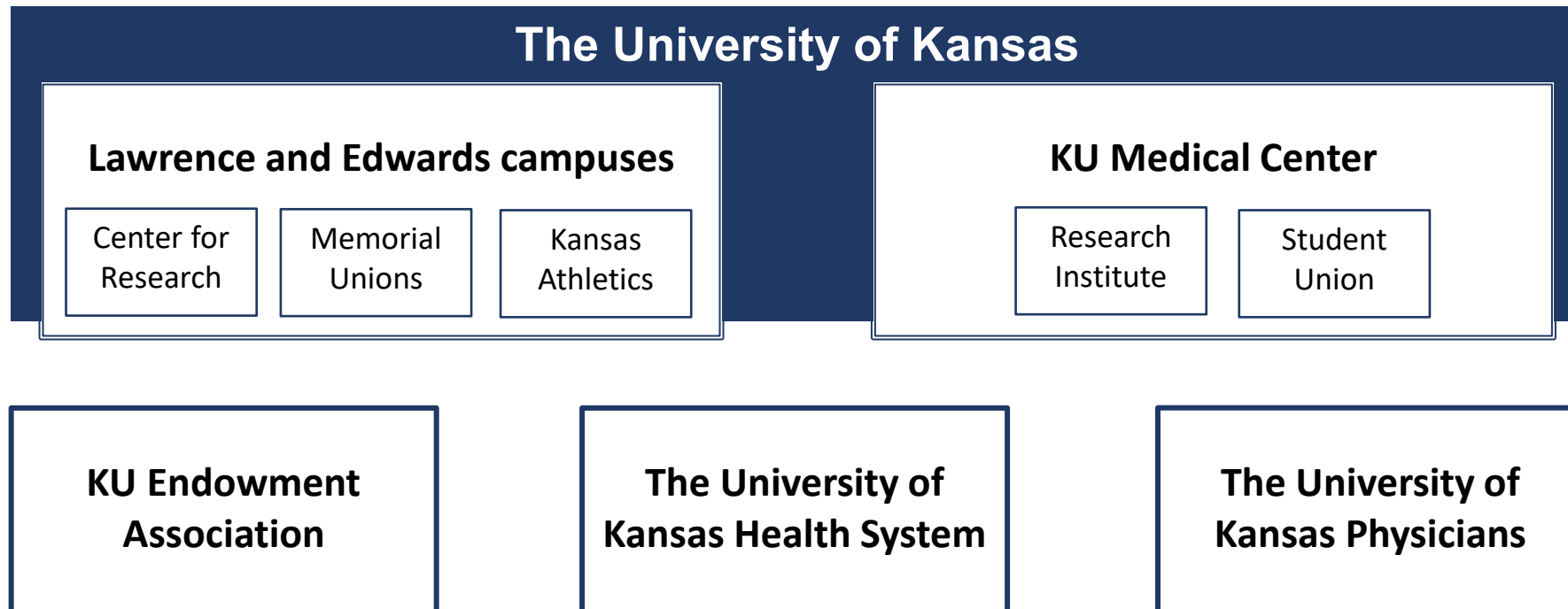
**University of Kansas
KBOR Fiscal Affairs & Audit
Mid Year Budget Update
February 12, 2025**

Agenda:

- **KU Structure**
- **Mid-Year Updates – Lawrence and Medical Center Campuses**
- **Enrollment – FTE, First Time Freshman, and Student Credit Hours**
- **Educational Costs – SGF and Tuition**
- **Tuition & Fees – Peer Comparisons**
- **General Use Budget Update – Lawrence and Medical Center Campuses**
- **Operating Expenditures – Consolidated**
- **Debt Service & Composite Financial Index Score**
- **Key Fiscal Challenges & Actions to Address Challenges**

KU Structure

- Two Agencies
- Five Primary Controlled Affiliated Corporations
- Three Primary Non-Controlled Affiliated Corporations



Mid-Year Updates

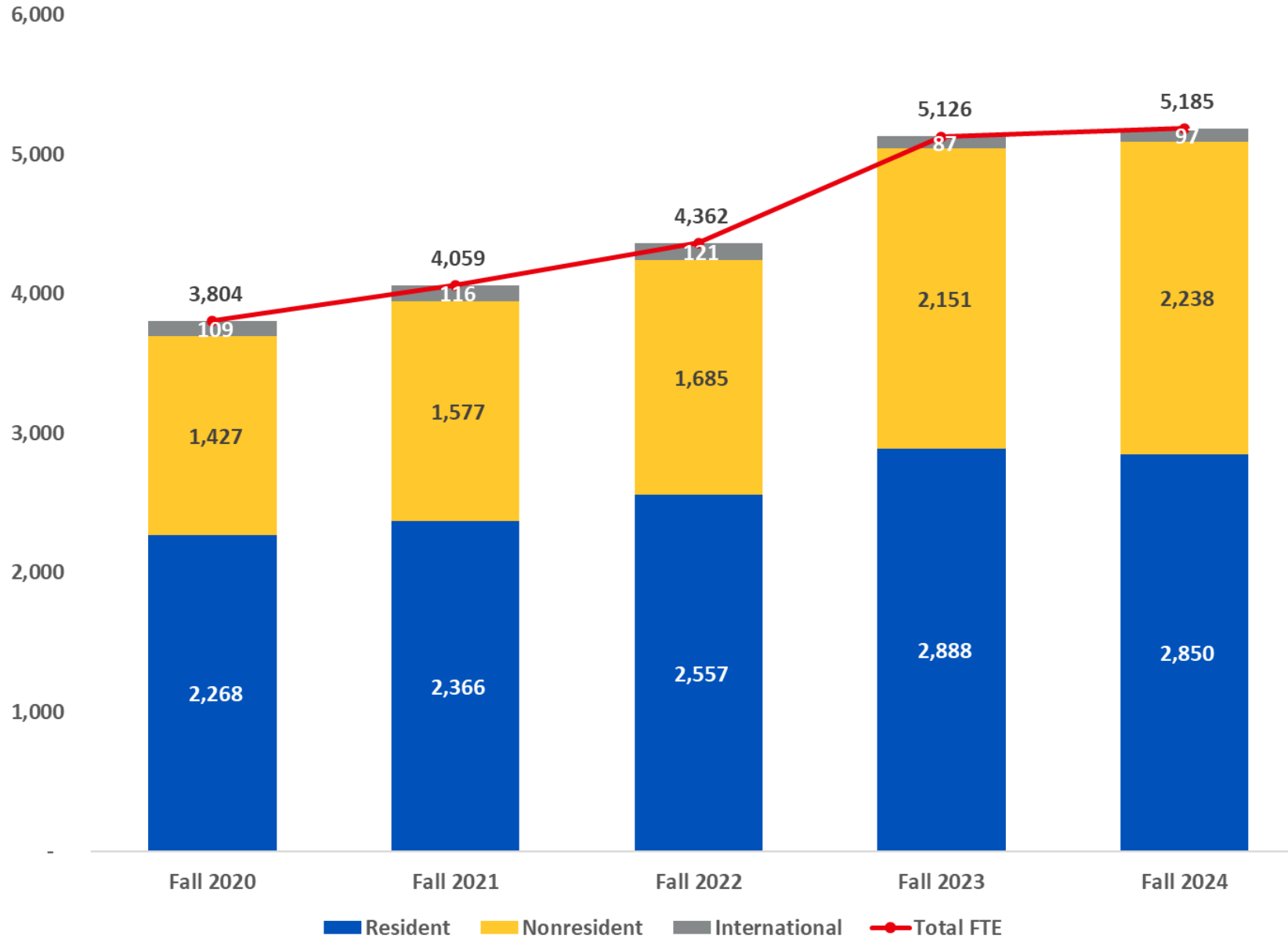
Lawrence Campus FY 2025 Mid-Year Updates:

- Largest freshman class in KU history
- University total enrollment is the largest in KU history
- Fall 2025 applications to date indicate another strong freshman class
- FY2025 General Use budget and five-year financial plan balanced through several strategic initiatives
- Campus masterplan completed
- Phase I of the Gateway Stadium project under construction to be completed August 2025 (ARPA, donor, Athletics)

Medical Center Campus FY 2024 Mid-Year Updates:

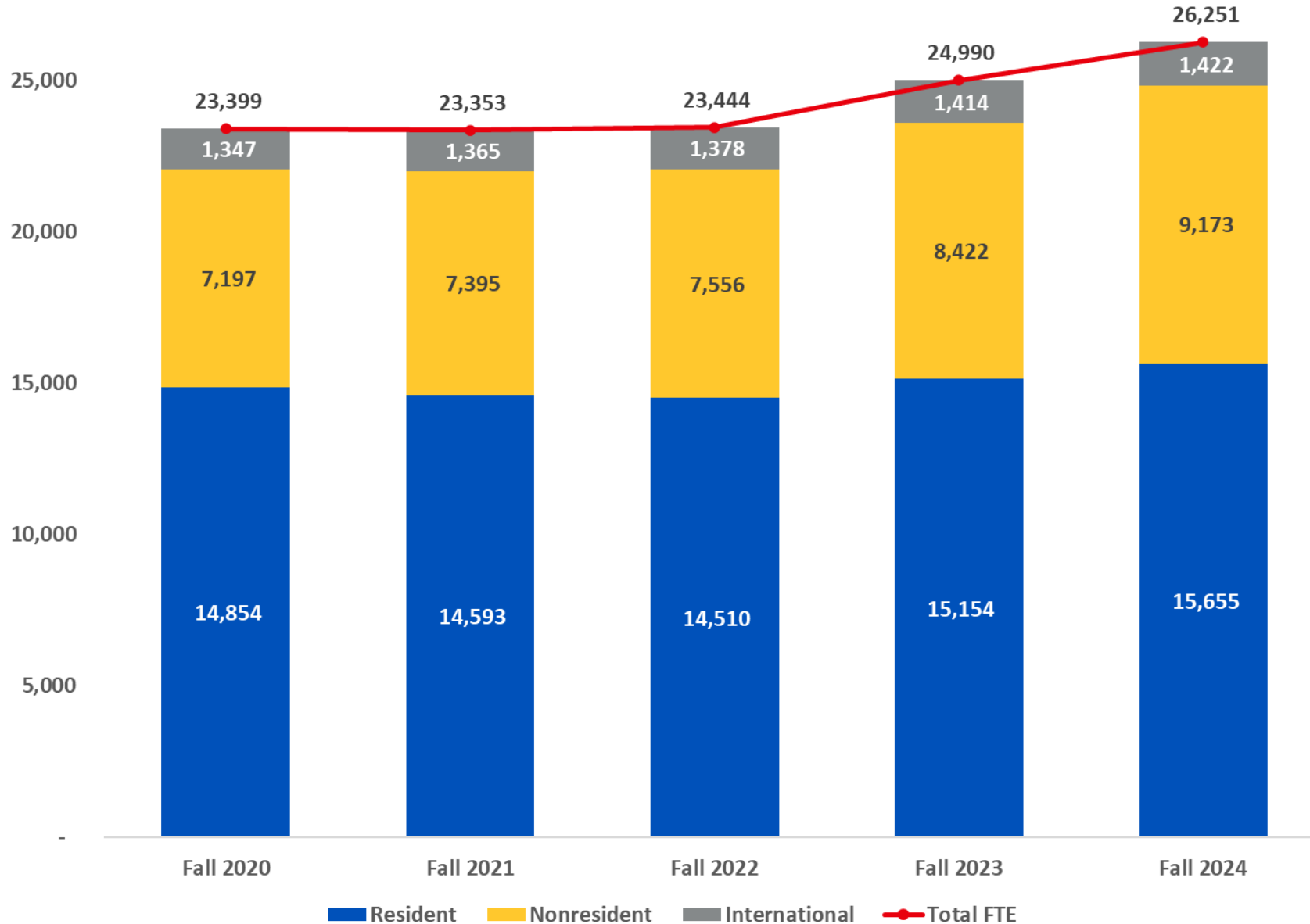
- Enrollment remains steady
- Research enterprise continues strong growth
- New Cancer Center project underway for a joint clinical and research facility
- New Wichita Biomedical Education Campus project proceeding in collaboration with Wichita State

Largest Freshman Class Ever in Fall 2024



Note: FTE calculated using 15 credit hours as a divisor

University Wide Student FTE (Fall 2020-Fall 2024)

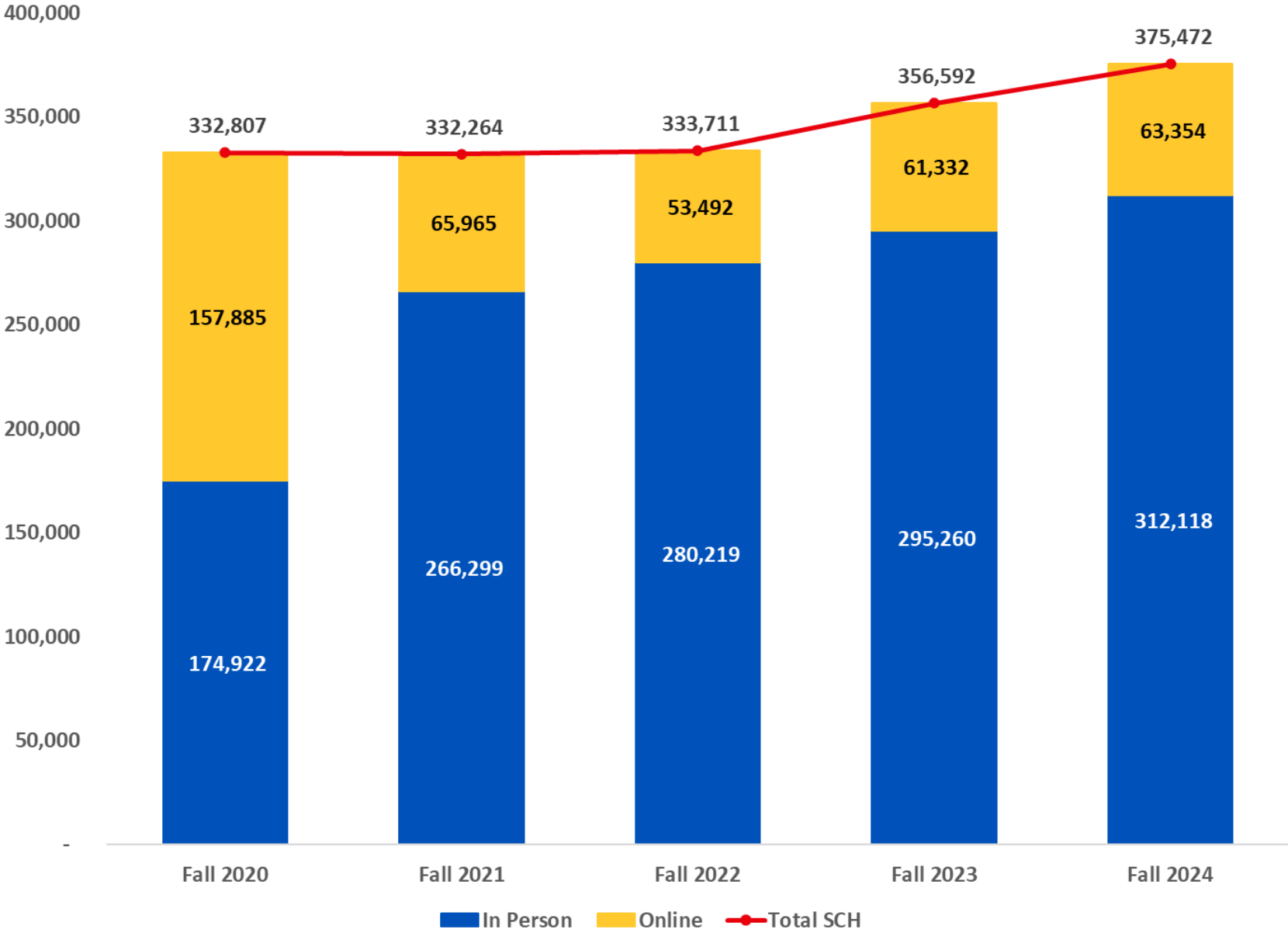


**Largest
Student FTE
on record**

Note: FTE calculated using 15 credit hours as a divisor for undergraduate students, 12 for graduate students

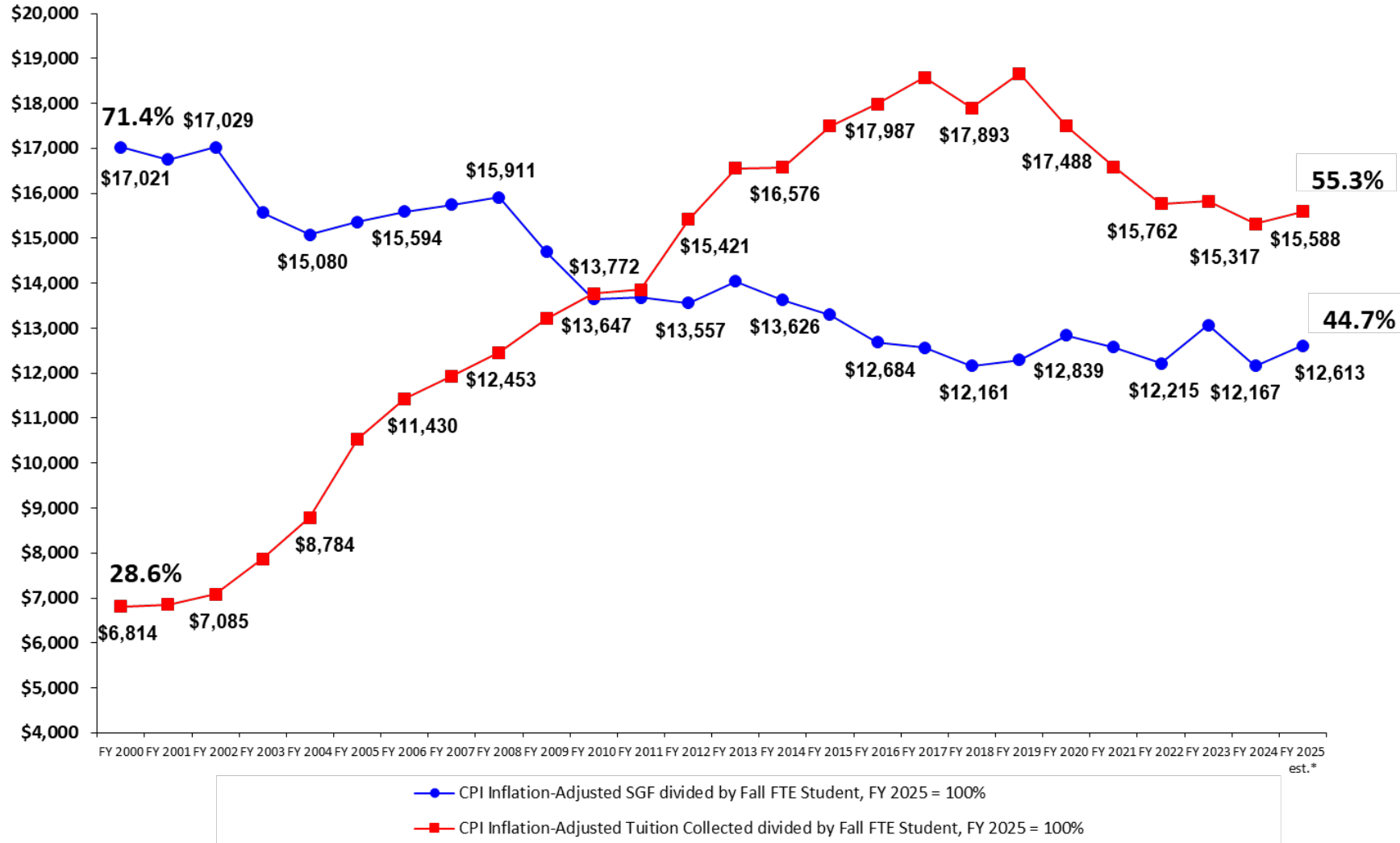
Includes All Campuses

Fall Student Credit Hour Production (Fall 2020 – Fall 2024)



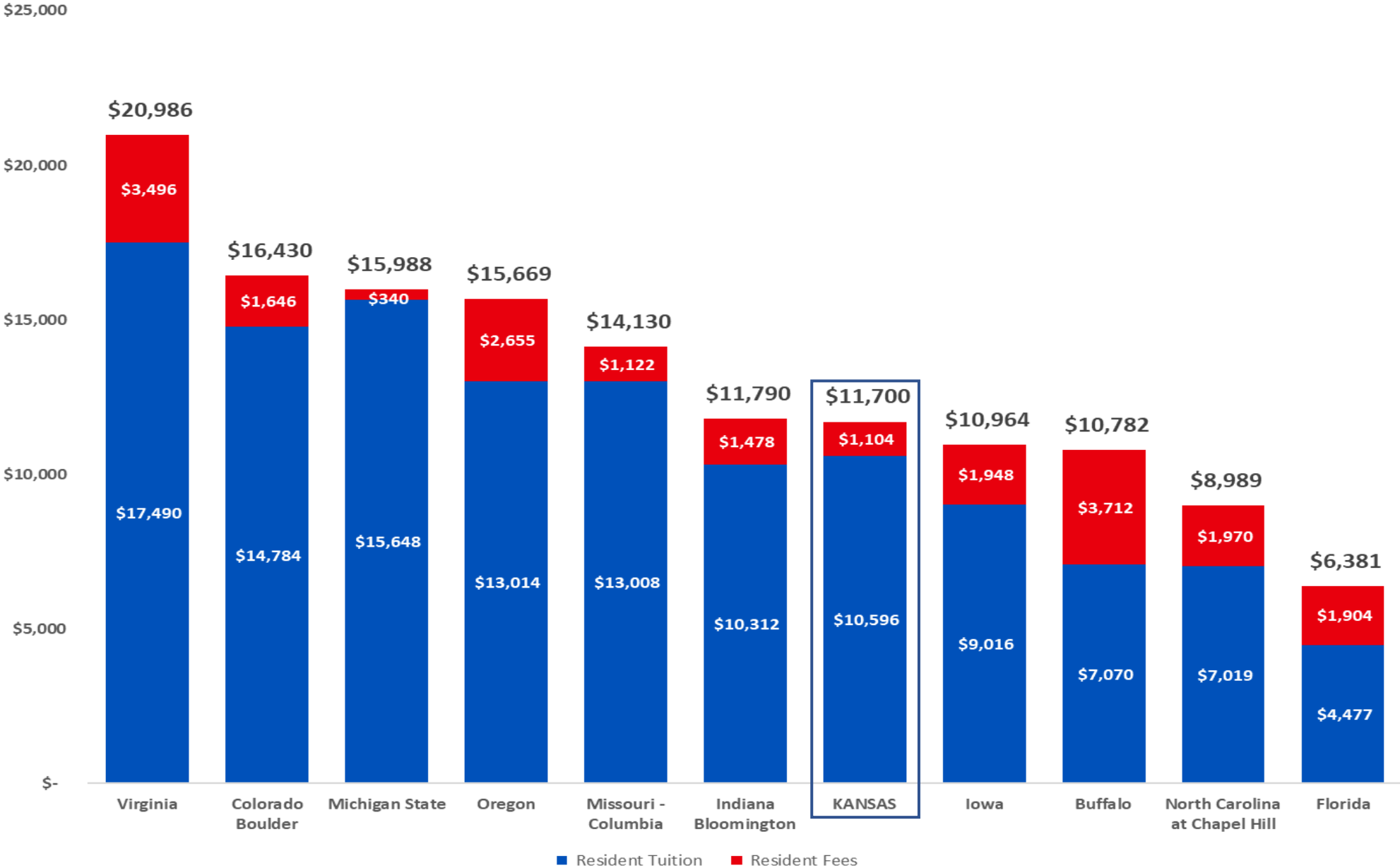
Note: Includes all Campuses

Students Shoulder Larger Portion of Educational Cost



*FY 2025 SGF expenditures exclude \$75 million in one time funding provided for the construction of a new facility for the KU Cancer Center

KU Lawrence Campus Tuition & Fees Peer Comparison



KU Lawrence Campus – General Use Budget (as of 12/31/24)

Revenue by Funding Source	ABR - FY 2025 Budget	Year to Date Actual	YTD as % of Budget
SGF - Operating Funds (1)	201,399,836	100,630,276	49.97%
Tuition (2)	365,551,305	185,512,578	50.75%
Other General Use (3)	43,769	21,885	50.00%
Total Revenue Budget	\$ 566,994,910	\$ 286,164,739	50.47%

Expenditures by Budget Program	ABR - FY 2025 Budget	Year to Date Actual	YTD as % of Budget
Instruction	275,947,402	123,102,338	44.61%
Research	33,627,379	16,890,620	50.23%
Public Service	3,504,771	1,738,868	49.61%
Academic Support	60,687,815	28,277,850	46.60%
Student Services	28,996,530	13,887,501	47.89%
Institutional Support	56,369,782	29,576,579	52.47%
Operations and Maintenance of Plant	54,679,671	32,348,110	59.16%
Scholarships and Fellowships	27,668,727	15,992,071	57.80%
Other Auxiliary Enterprises	561,857	467,495	83.21%
Debt Service (4)	1,754,250	96,497	5.50%
Capital Improvements	23,196,726	6,748,735	29.09%
Total Expenditure Budget	\$ 566,994,910	\$ 269,126,663	47.47%

KU Medical Center Campus – General Use Budget (as of 12/31/24)

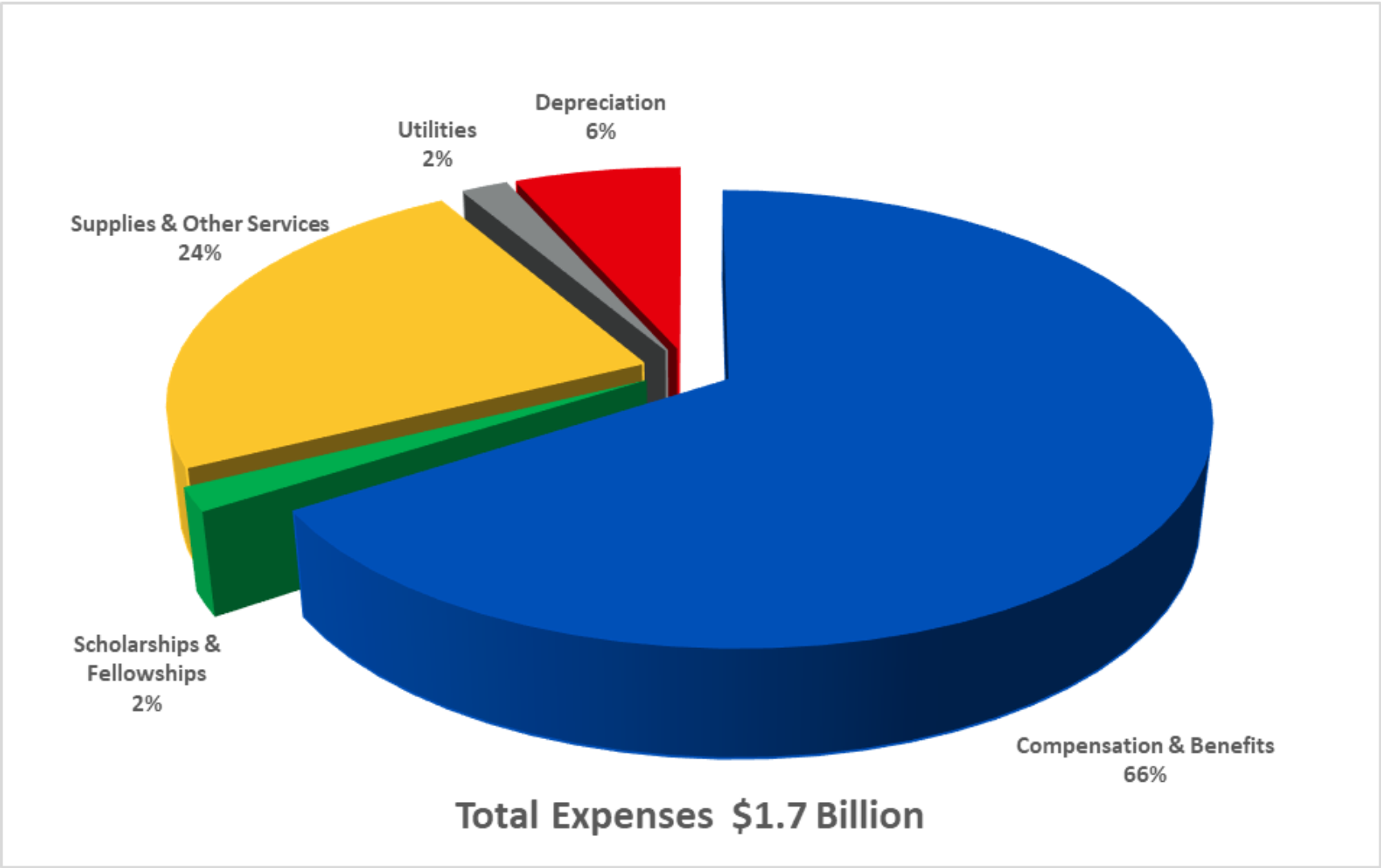
Revenue by Funding Source	ABR - FY 2025 Budget	YTD Actual 12/31/2024	YTD as % of Budget
SGF - Operating Funds	119,475,427	56,629,389	47.40%
SGF - Medical Scholarships and Loans - Primary Care	4,488,171	3,678,251	81.95%
SGF - Medical Scholarships and Loans - Pysch	3,471,466	47,178	1.36%
SGF - Medical Scholarships and Loans - OBGYN	979,095	276,622	28.25%
Tuition	56,224,029	25,972,976	46.20%
Other General Use	13,005,696	761,776	5.86%
Cancer Research Facility	75,000,000	128,081	0.17%
Wichita Residency Program	750,000	209,772	27.97%
Total Revenue Budget	\$ 273,393,884	\$ 87,704,045	32.08%

Expenditures by Budget Program	ABF - FY 2025 Budget	YTD Actual 12/31/2024 (FY25)	YTD as % of Budget
Instruction	67,792,981	32,404,185	47.80%
Research	15,470,065	6,631,088	42.86%
Public Service	1,494,263	818,619	54.78%
Academic Support	15,406,773	7,155,921	46.45%
Student Services	3,713,354	1,575,837	42.44%
Institutional Support	49,499,344	23,258,319	46.99%
Operations & Maintenance of Plant	22,085,936	10,877,129	49.25%
Scholarships & Fellowships	13,542,591	4,566,711	33.72%
Other Auxillary Enterprises	882	(5,498)	-623.39%
Debt Service	637,695	1,856	0.29%
Capital Improvements	83,750,000	419,878	0.50%
Total Expenditure Budget	\$ 273,393,884	\$ 87,704,045	32.08%

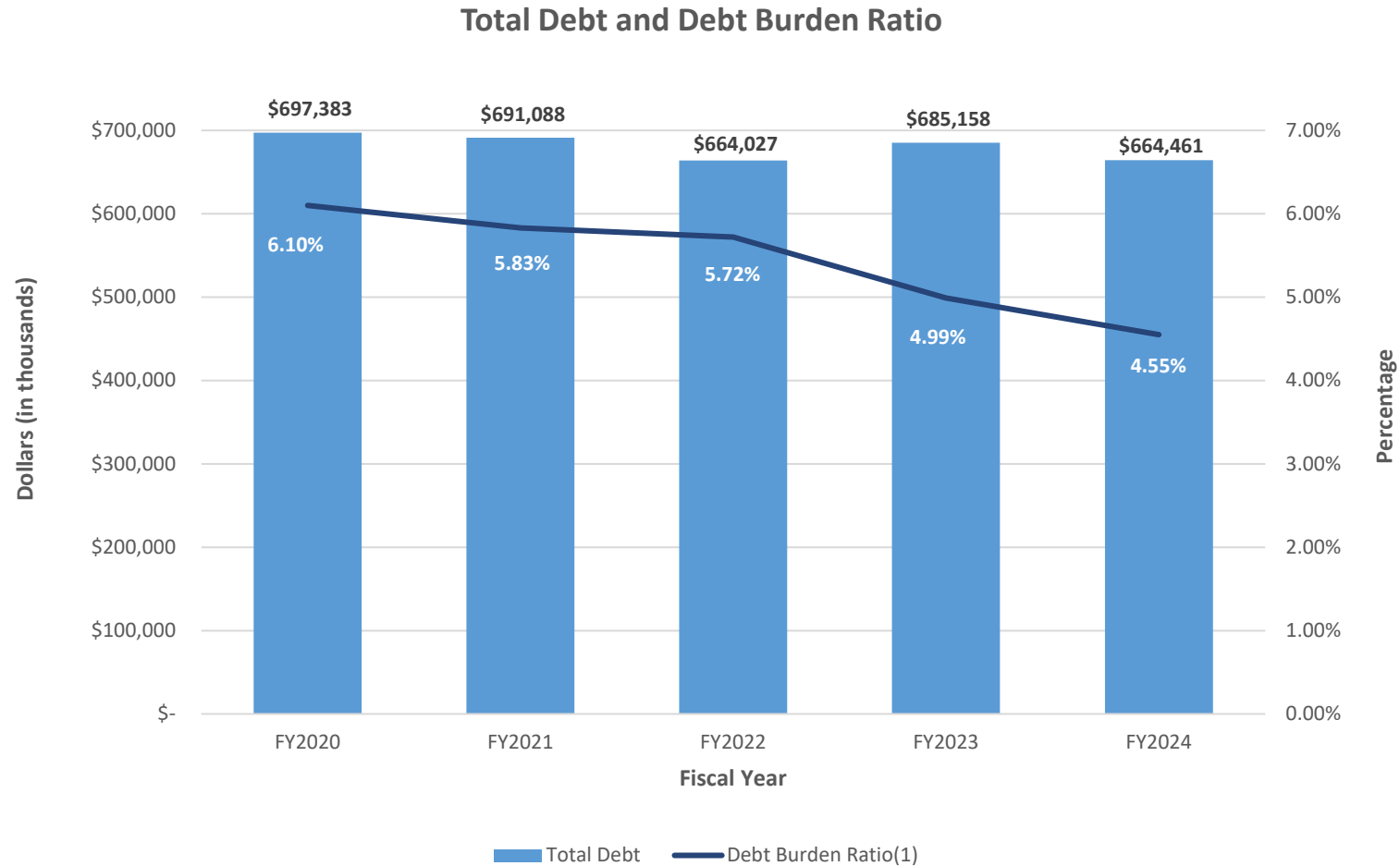
Consolidated Operating Expenditures – 5 Year Trend

Classification	2020	2021	2022	2023	2024
Instruction	\$ 440,237,070	\$ 416,557,473	\$ 425,266,109	\$ 460,508,152	\$ 501,071,681
Research	289,136,753	286,135,478	334,750,010	365,726,476	412,095,063
Public service	50,144,325	55,347,527	50,903,510	71,471,869	79,266,165
Academic support	66,475,360	76,639,656	67,780,575	81,702,628	85,933,775
Student services	40,801,016	46,895,540	43,464,595	46,344,475	51,270,221
Institutional support	74,995,751	86,330,227	93,570,170	91,336,969	101,905,893
Operations and maintenance of plant	90,743,195	100,404,051	96,856,766	104,766,569	101,075,961
Depreciation	74,398,078	100,643,356	98,281,589	105,893,118	112,199,452
Scholarships and fellowships	26,138,916	28,087,745	43,624,072	23,396,940	28,633,349
Auxiliary enterprises	171,901,276	142,453,283	162,674,027	180,320,315	207,144,205
Other operating expenses	600,659	762,856	56,580	365,841	380,230
Total	\$ 1,325,572,399	\$ 1,340,257,192	\$ 1,417,228,003	\$ 1,531,833,352	\$ 1,680,975,995

FY 2024 Expenditures by Type - Consolidated

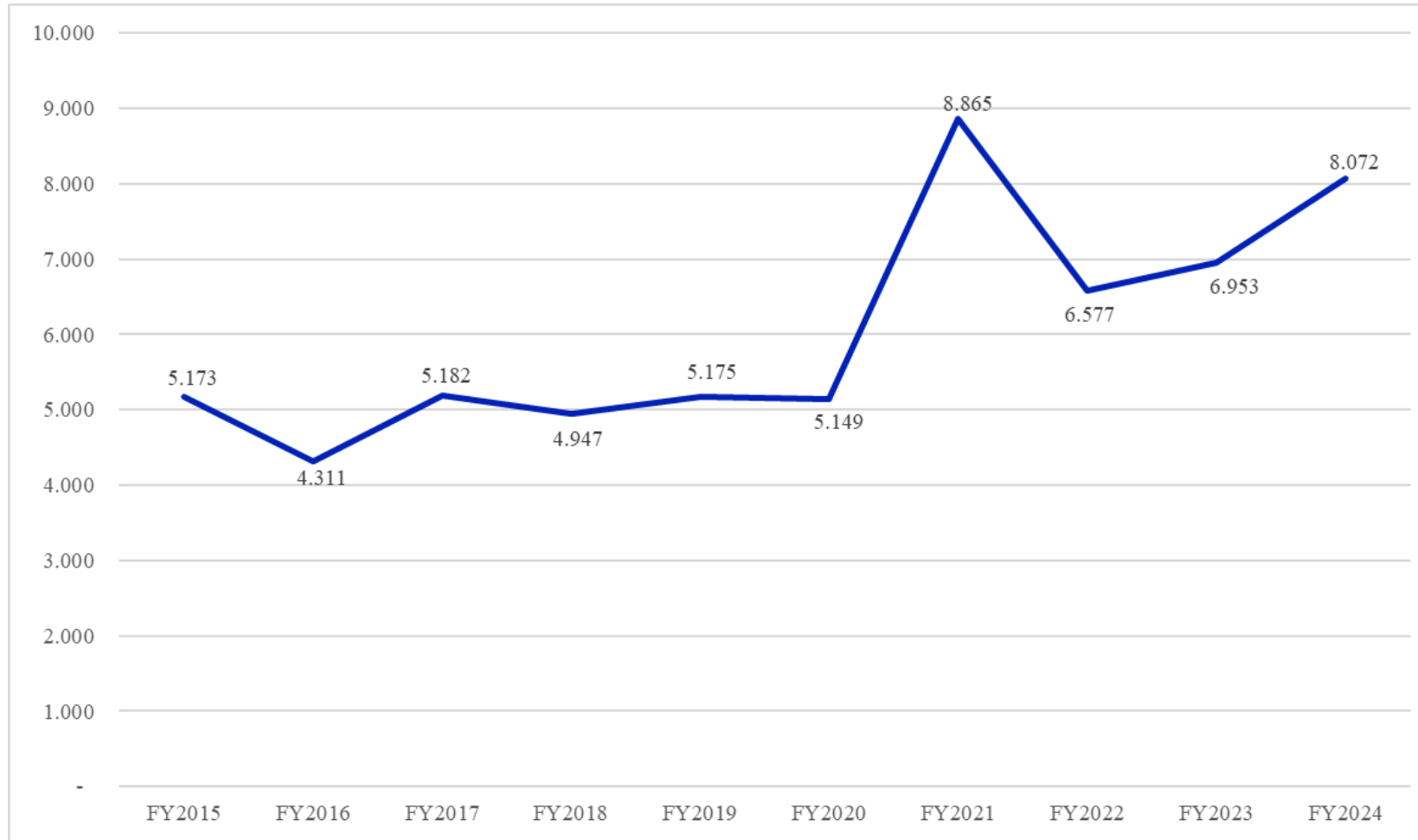


Historical Total Debt & Debt Burden



⁽¹⁾ The debt burden ratio is calculated by taking the principal and interest payments for all debt for the year divided by total expenses, excluding depreciation, plus principal payments. KU's policy states this ratio cannot exceed 7%.

Composite Financial Index Score



Causes for Change:

- 2016 – Market Decline on KUEA and Investments
- 2021 – Market Increase on KUEA and Investments
- 2022 – Market Decline on KUEA and Investments
- 2023-2024 – Market Increase on KUEA and Investments

Key University-Wide Fiscal Challenges

- State funding levels?
- Uncertainty of Federal funding (grants/student aid)
- Faculty and staff recruitment and retention – addressing market pay gaps for all employee groups
- Cybersecurity threats and rapidly changing IT environment
- Facility upgrades, maintenance, and new facilities
- Addressing on-campus student housing needs on the Lawrence campus
- National court case related to athletics (House v. NCAA)

Jayhawk Blvd.

Questions & Answers