Financial Status of KU

Jeff DeWitt, CFO and Senior Vice Chancellor

Agenda

- Understanding KU's Finances
- Challenges Facing Higher Education
- KU Lawrence/Edwards (KULC) General Use Financial Plan
- KULC Next Steps
- KU Medical Center (KUMC) Financial Plan
- KUMC Next Steps

Understanding KU’s Finances

Basics of KU Financial Reporting

1 Prepared by experts

Trained, experienced accountants keep KU's books and prepare our yearly financial report

2 State audit

KU is also included in the State of Kansas's yearly financial report and audit (a check that the numbers are accurate)

3 Partner audits

Every nonprofit partner organization (affiliate) in KU's financial report has its own yearly audit

4 Leadership sign-off

Each year, the CFO and Chancellor sign the report to confirm it fairly and accurately shows KU's finances, following national accounting standards

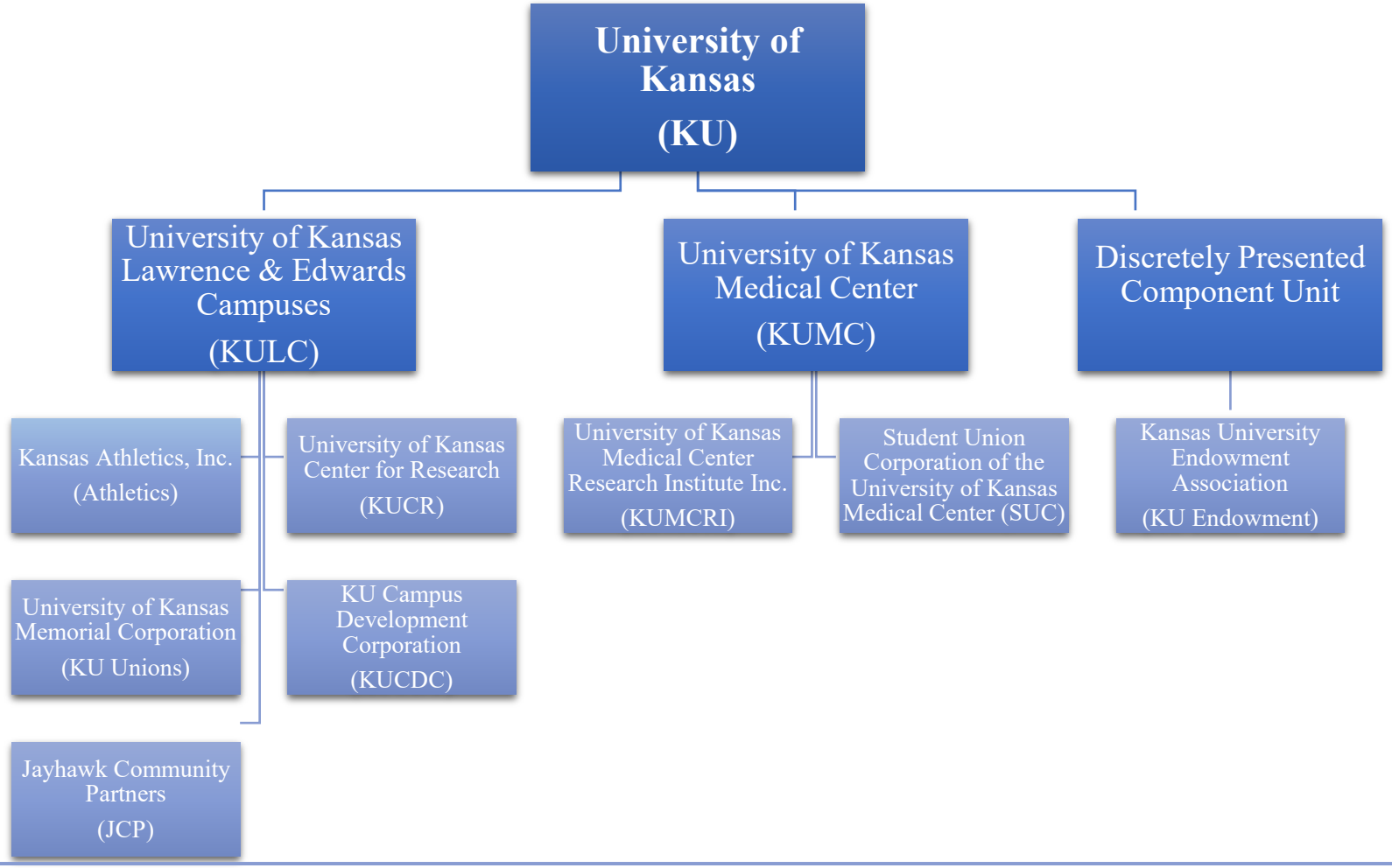
5 Shared with investors

The report is shared with investors and credit rating agencies (groups that judge how financially strong KU is)

6 Open to everyone

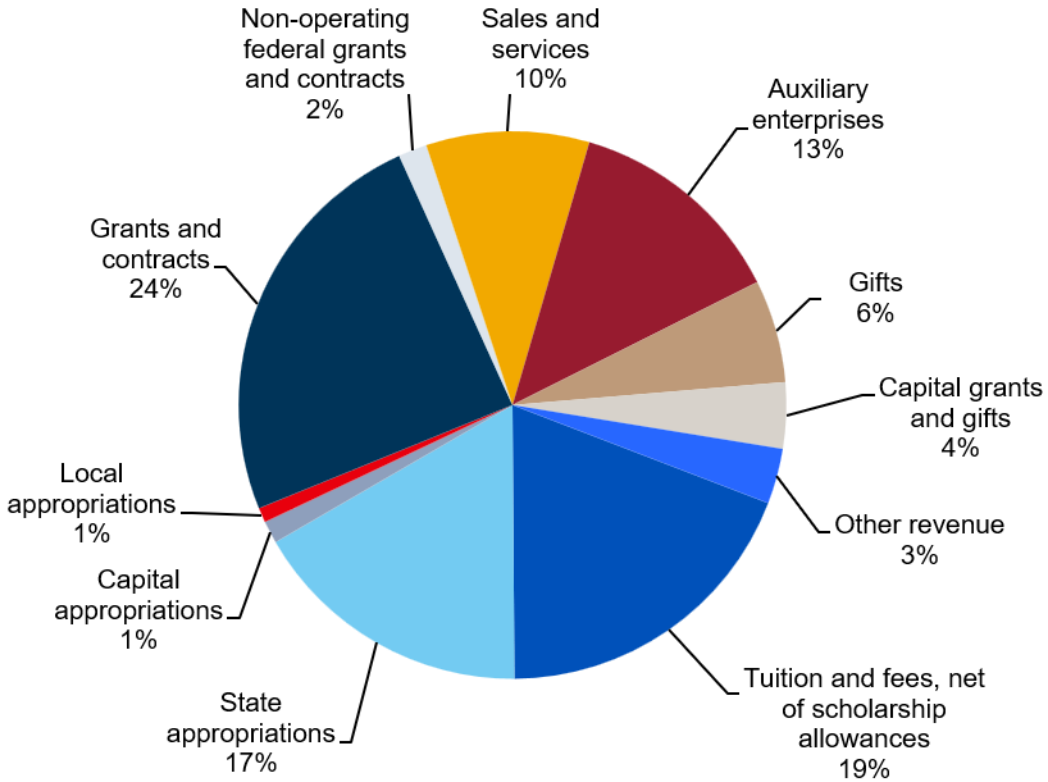
Anyone can read the full report online: https://financial-reporting-services.ku.edu/annual-financial-report

KU Financial Reporting Structure



KU Revenues & Expenses

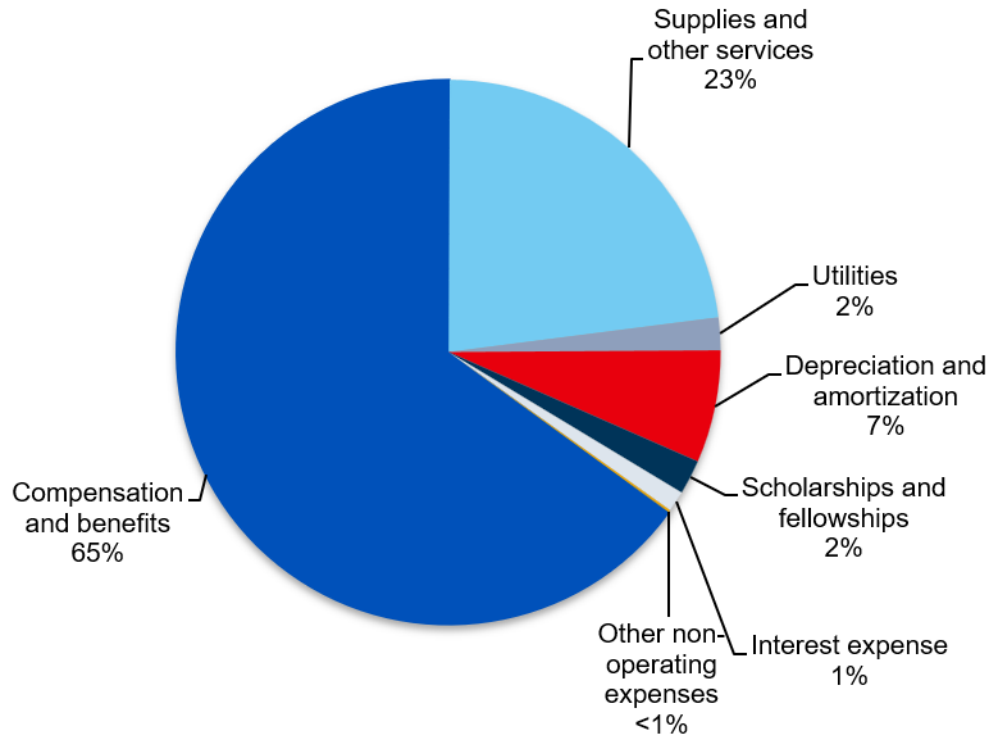
Where Does the Money Come From?



FY2025 Consolidated Revenues = $2.0B

Includes one-time gifts and grants for capital projects

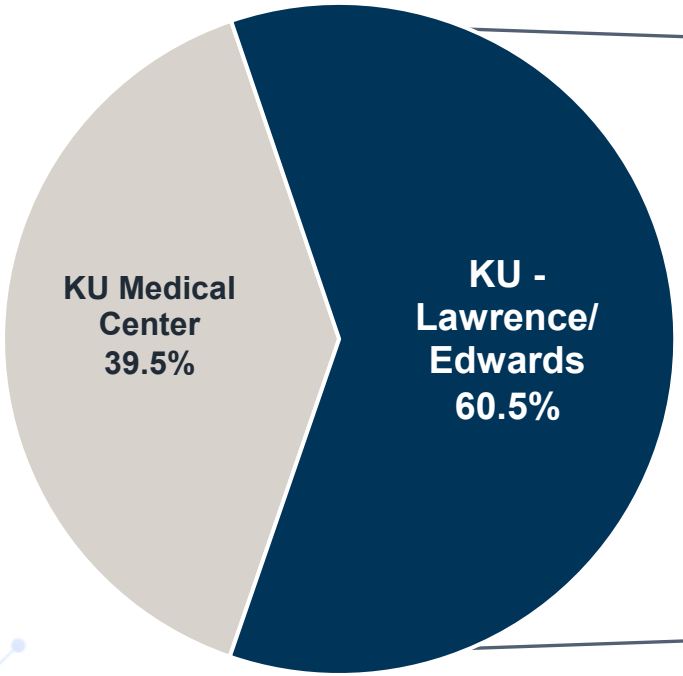
Where Does the Money Go?



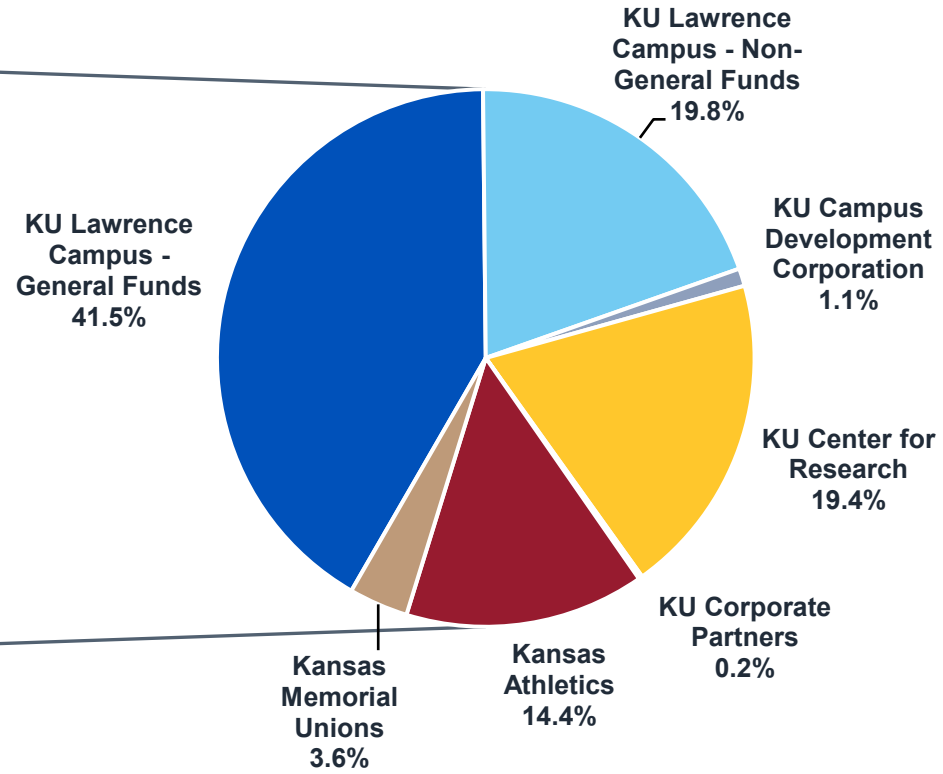
FY2025 Consolidated Expenses = $1.8B

KULC Revenues by Entity

Total Revenue by Campus



Total KU – Lawrence/Edwards by Entity

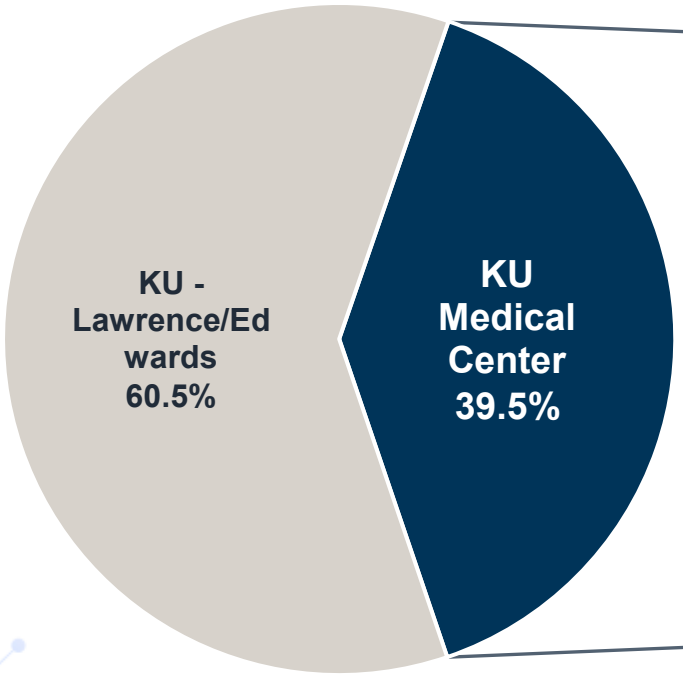


FY2025 Consolidated Revenues = $2.0B

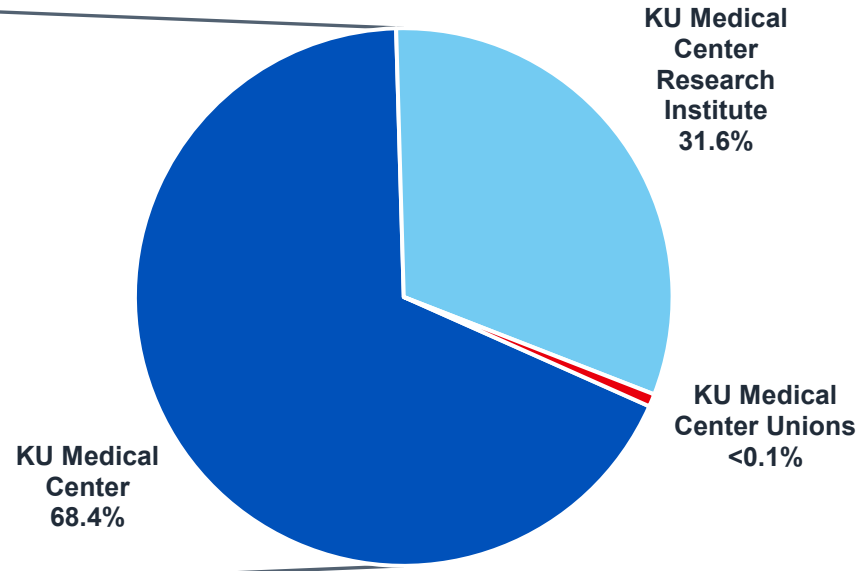
FY2025 KU Lawrence/Edwards Revenues = $1.2B

KUMC Revenues by Entity

Total Revenue by Campus



Total KU – Medical Center by Entity

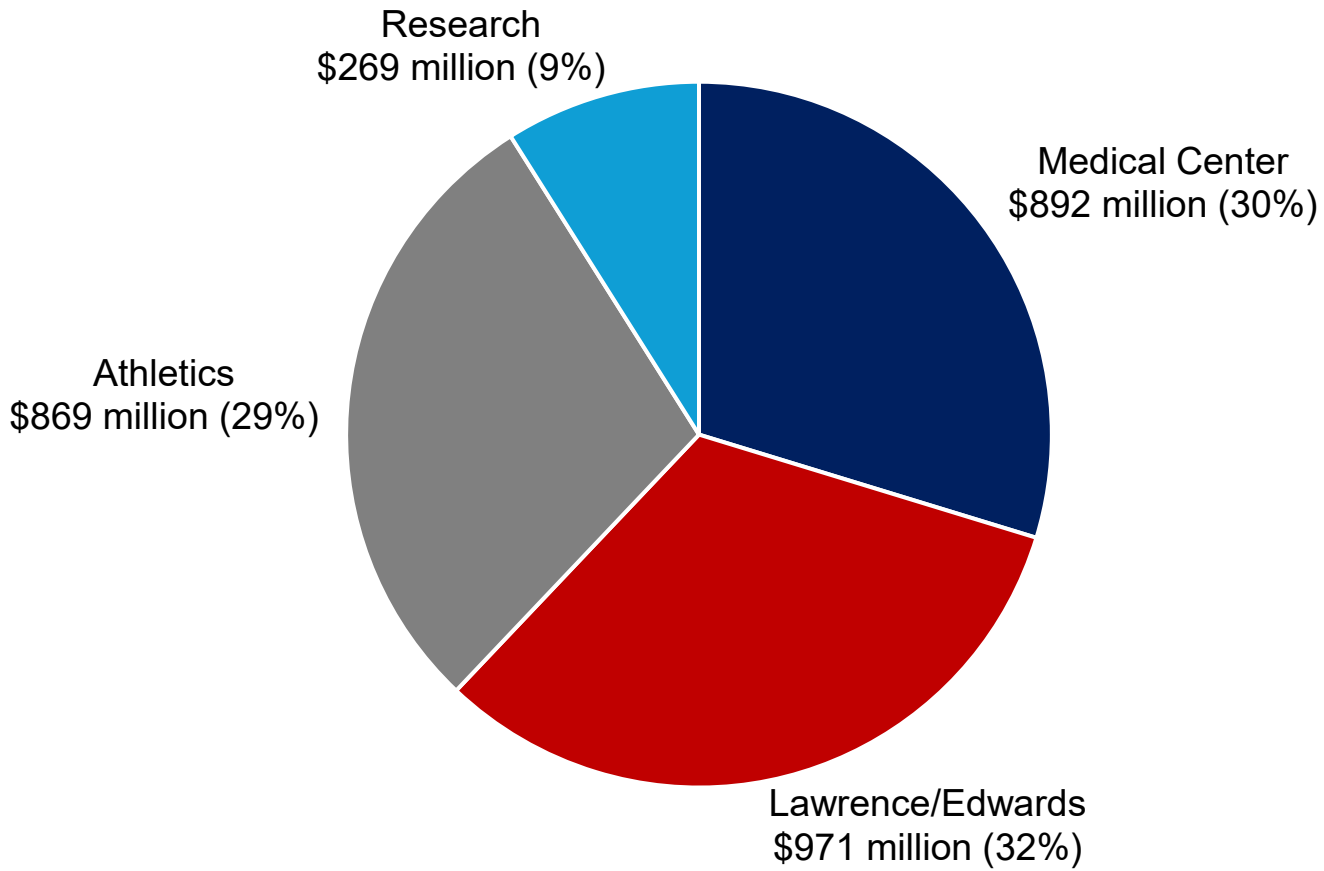


FY2025 Consolidated Revenues = $2.0B

FY2025 KU Medical Center Revenues = $780M

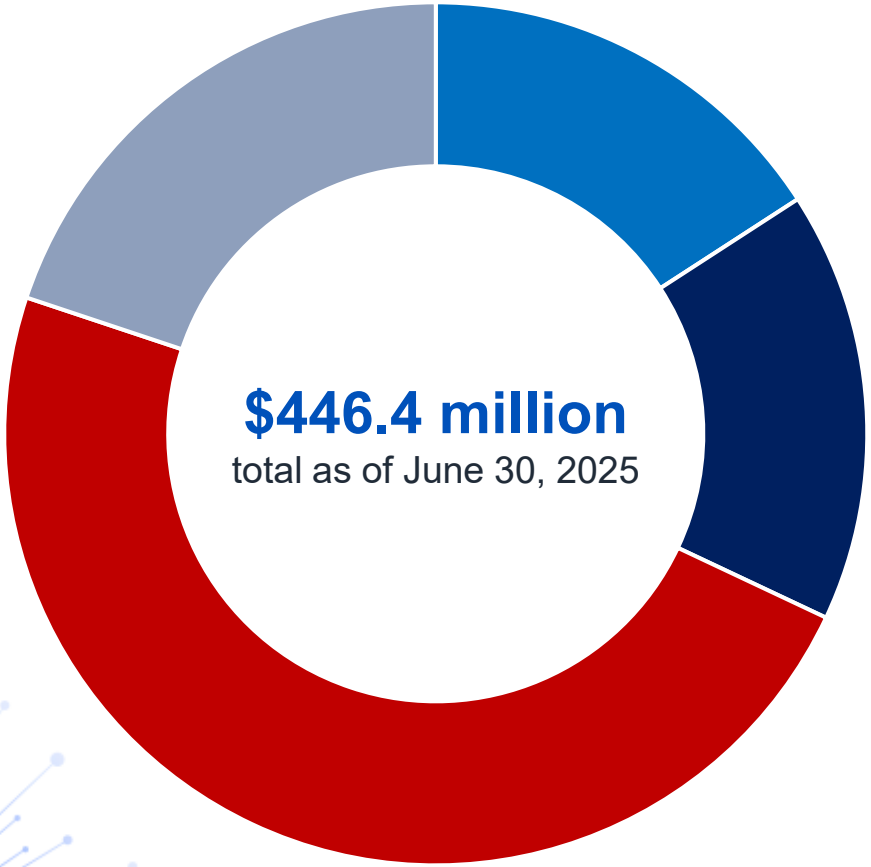
KUEA Campaign - $3.0 Billion

Cumulative pledges raised over the multi-year campaign



KU Endowment Support to KU

FY2025



$70.8 million
Student Support

$72.2 million
Faculty Support

$214.8 million
Construction, furnishings and equipment

$88.8 million
Program and other educational support

Donors designate the purposes their gifts support, and KU uses these funds in accordance with donor intent.

Source: FY2025 Kansas University Endowment Association Consolidated Financial Statements

Different Resources Support Different Commitments

Recurring operating

Core instruction, student support, workforce and recurring obligations

Strategic investment

Time-bound initiatives with milestones and review points

One-time

Maintenance, modernization, startups, etc.

Capital + debt

Facilities and infrastructure with operating plans

Restricted gifts + grants

Defined purposes that advance KU priorities

Resources in one part of the institution may not be available for a different need.

Challenges Facing KU & Higher Education

Challenges Facing KU & Higher Education

- Need for competitive pay to attract and retain talent
- Enrollment challenges due to demographic shifts & public perception
- Flat or declining state support ($4.2M state cut in FY2027)
- Athletics funding pressures impacting university support
- Federal funding uncertainty
- Rapidly escalating costs of digital infrastructure and technology
- Aging infrastructure and rising maintenance, construction, and facility operating costs
- Inflation-driven cost increases (20.3% over 5 years per HEPI)

Since 2008, State funding at KULC has not Kept Pace with Inflation

Over 19 years, state funding grew 18%. Everyday prices grew 60%.

+18%

State funding

+60%

Everyday prices (CPI)

	FY2008	FY2027
State funding	**$151M**	**$179M**

Source (CPI): https://data.bls.gov

Since 2008, State funding at KUMC has not Kept Pace with Inflation

Over 19 years, state funding grew 4%. Everyday prices grew 60%.

+4%

State funding

+60%

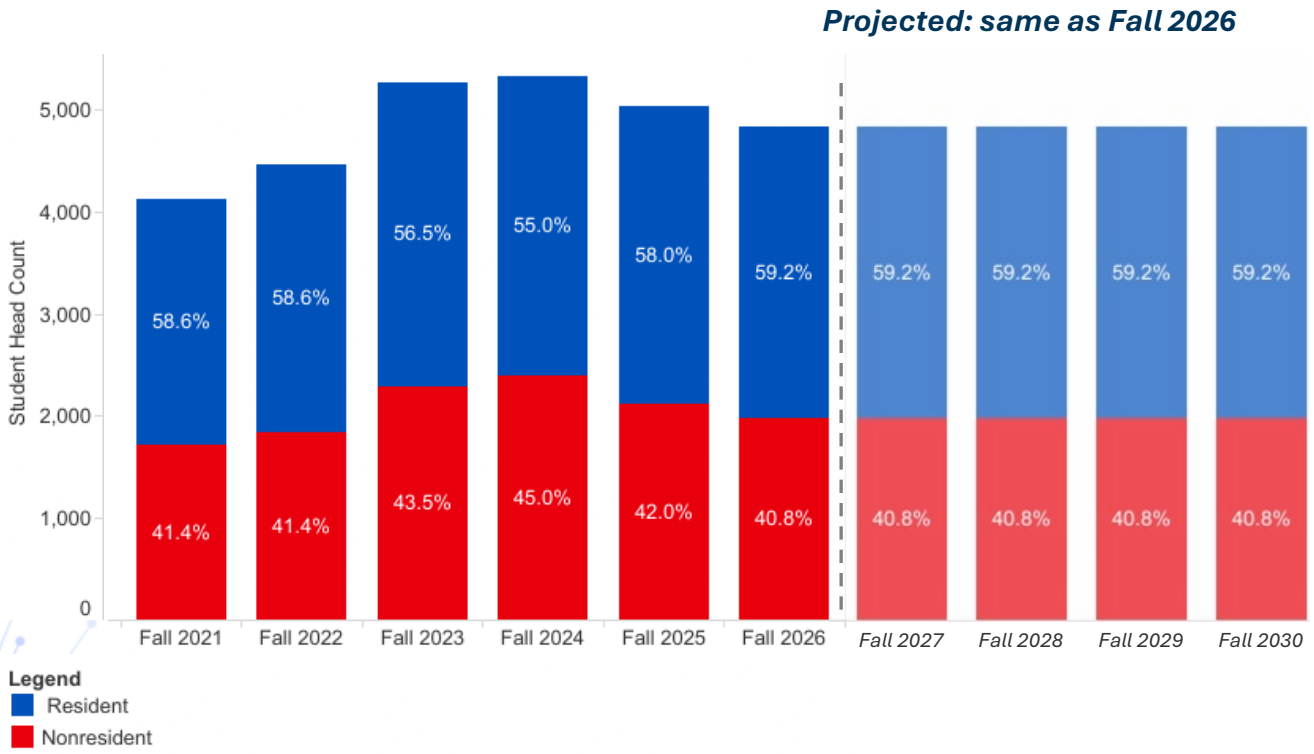
Everyday prices (CPI)

	FY2008	FY2027
State funding	**$122M**	**$126M**

Source (CPI): https://data.bls.gov

KULC Enrollment Projections

First-time Freshman



- **Smaller freshman classes** mean less tuition revenue
- A shift toward **fewer nonresident students** lowers tuition revenue even further
- **International enrollment** is declining rapidly
- **Retention rates** affect tuition revenue
- **Serving more students** also increases costs

KULC General Use Financial Plan

Financial Fundamentals of a Healthy Institution

Purpose Advance KU's mission through financial decisions that support its strategic plan and priorities.

People and Facilities

- Be Affordable and Competitive for Our Students
- Achieve Competitive Pay for All Employees
- Adequately Fund Capital Needs for Quality Facilities

Financial Stability

- Maintain Positive Operating Margins
- Budget and Forecast Achievable Results
- Maintain Cash or Liquidity Levels for Stability and Resiliency

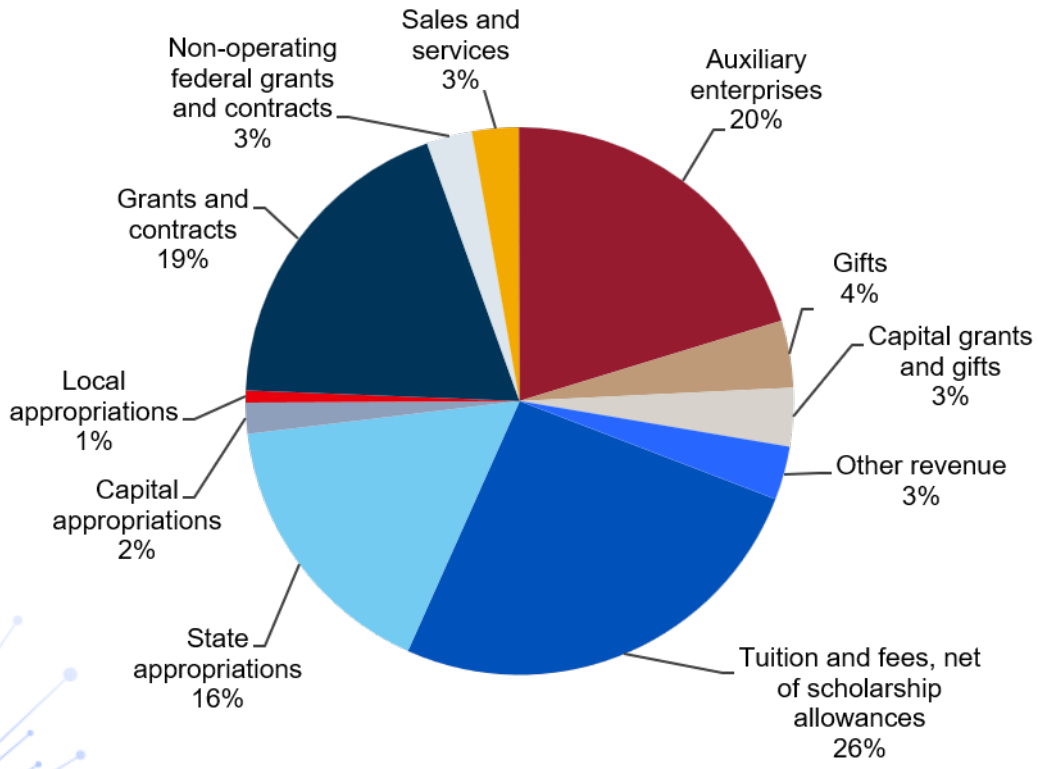
Stewardship

- Continuously Improve and Evolve
- Manage Efficient Operations
- Act Diligently as Stewards of all University Funds

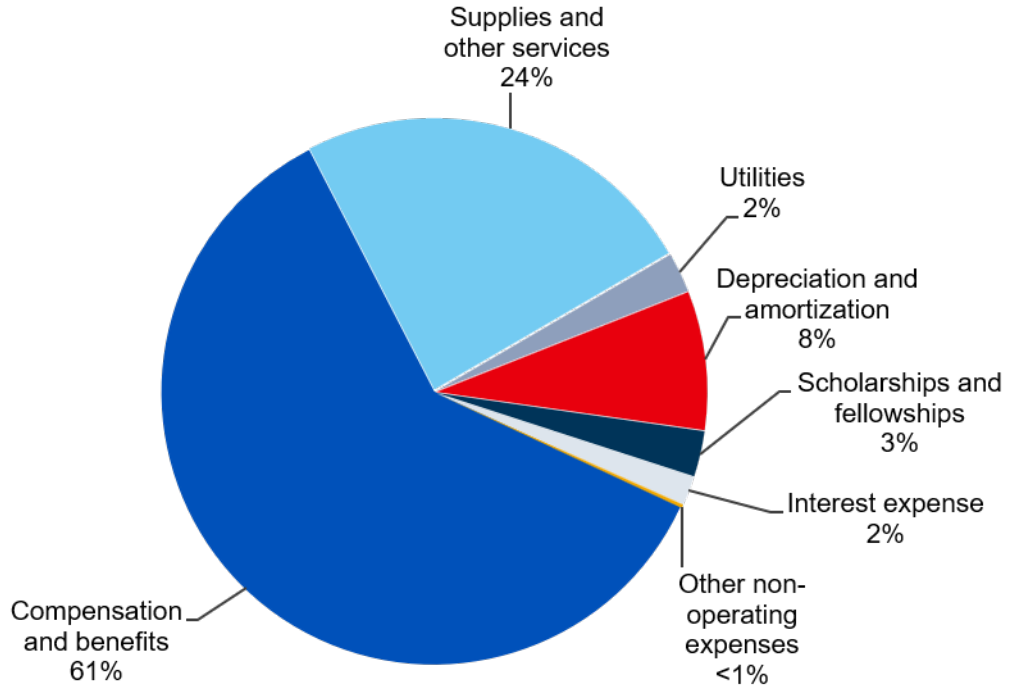
Assumptions, Initiatives, & Investments in the KULC General Use Financial Plan

KULC Revenues & Expenses

Where Does the Money Come From?



Where Does the Money Go?



KULC General Use Assumptions

Source	FY28	FY29	FY30	FY31
Tuition & Fees Rates	4.0%	3.0%	3.0%	3.0%
State Appropriations	0.5%	0.5%	0.5%	0.5%
Use	**FY28**	**FY29**	**FY30**	**FY31**
Salary	To be discussed			
Employer Group Health Insurance (GHI)	16.0%	5.0%	5.0%	5.0%
Other Operating Expenses	2.5%	2.5%	2.5%	2.5%
Scholarships	4.0%	3.0%	3.0%	3.0%
Utilities	3.0%	3.0%	3.0%	3.0%

- State Appropriations represents fringe benefits increases and no reductions
- Assumes Non-General Use funds can fund pay increases
- Assumes General Use funds do not have to cover any decrease in federal grants

KULC Initiatives & Investments

(in millions)

Enrollment	FY28	FY29	FY30	FY31
On Campus Enrollment	$(9.8)	$(20.9)	$(24.6)	$(24.6)
Online Enrollment	$4.0	$8.0	$12.0	$12.0
Subtotal	**$(5.8)**	**$(12.9)**	**$(12.6)**	**$(12.6)**

Initiative / Investment	FY28	FY29	FY30	FY31
Continuous Improvement	$5.0	$7.5	$7.5	$7.5
KU Corporate Partners	3.0	5.5	7.0	7.0
School of Architecture (Debt)	(3.8)	(3.8)	(3.8)	(3.8)
Subtotal	**$4.2**	**$9.2**	**$10.7**	**$10.7**

Total	**$(1.6)**	**$(3.7)**	**$(1.9)**	**$(1.9)**

Athletics

Challenges facing college athletics nationally

Costs keep climbing

Coaching, facilities, travel and staff

Revenue engines

Football and men's basketball fund all other sports

Athlete competition

NIL and the transfer portal add new costs

House settlement

Schools may share revenue with athletes: about $22.5M each in 2026–27

Athletics Financial Progress

Reduced operating expenses **$15M** (**13%** reduction in non-scholarship expenses) from FY25 to FY26

Increased revenue **64%**, from **$99M** in FY19 to **$162M** in FY27.

University Support

KU invested in athletics to remain in a Power Four conference, strengthening the University's academic mission.

KU support grew from $1.7M to $16.7M

This helps pay for tuition, housing and other costs.

Lawrence: $10M Medical Center: $5M

Gateway



Revenue generated

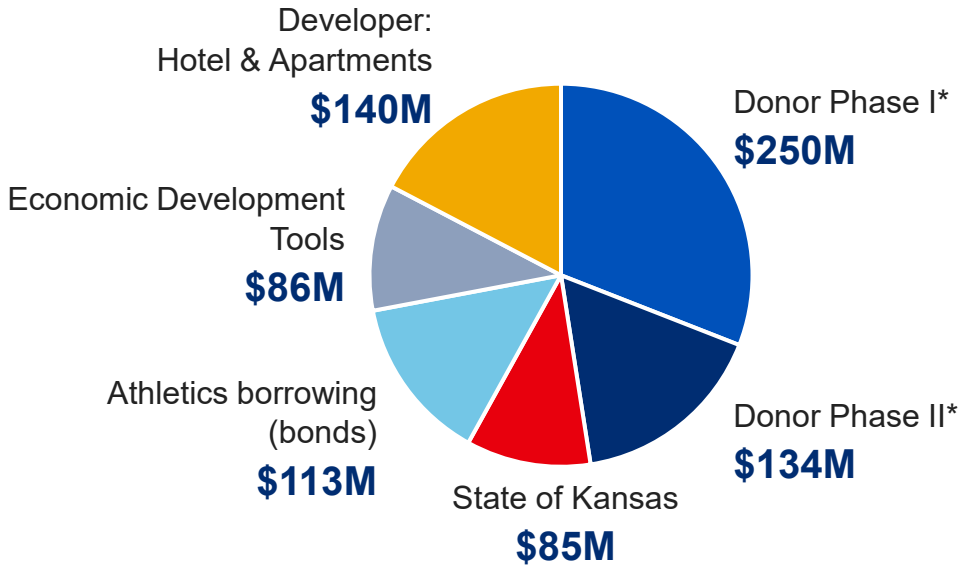
$12 million

Old stadium

$26 million

New stadium
when fully complete

How the project is funded



Total: $808 million

*Donor gifts arrive over about five years. KU Endowment provides funding up front.

- **Phase I interest:** Kansas Athletics, until gifts are collected
- **Phase II interest:** University, until gifts are collected
- A similar approach funded the School of Business's Capital Federal Hall and most large projects supported by donors.

KULC General Use Financial Plan

(without pay increases)

In millions	FY2025 Actuals	FY2026 Actuals	FY2027 Forecast	FY2028* Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast
Sources							
State Appropriations	$163	$167	$164	$168	$165	$166	$167
Tuition & Fees	319	325	337	344	348	358	369
Other	12	22	20	22	25	26	26
Total	**$494**	**$513**	**$521**	**$535**	**$538**	**$551**	**$563**
Uses							
Salary & Fringes	$365	$376	$376	$391	$383	$385	$388
OOE	75	86	91	90	90	92	94
Utilities	18	19	20	20	21	21	22
Scholarships	19	22	23	24	25	25	26
Debt Service	18	18	12	18	19	23	21
Total	**$495**	**$521**	**$521**	**$544**	**$537**	**$547**	**$551**
Operating Margin	**($1)**	**($8)**	**$1**	**($9)**	**$1**	**$4**	**$12**
Operating Margin % (salary, fringe, & OOE)			**-**	**(1.9%)**	**0.2%**	**0.9%**	**2.5%**

*FY2028 Salary & Fringes include an extra pay period

FY2027 KULC Salary Increase

FY2027 KULC Salary Increase

Salary increase

3% cost-of-living adjustment

Effective January 2027

Estimated costs (in millions)

Funding Source	FY27 (half year)	FY28 (full year)
General Use	$5.0	$10.0
All Funding Sources	$8.9	$17.8

KULC General Use Financial Plan & Requirement to Break Even

(with 3% cost-of-living adjustment)

In millions	FY2025 Actuals	FY2026 Actuals	FY2027 Forecast	FY2028* Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast
Sources							
State Appropriations	$163	$167	$164	$168	$165	$166	$167
Tuition & Fees	319	325	337	344	348	358	369
Other	12	22	20	22	25	26	26
Total	**$494**	**$513**	**$521**	**$535**	**$538**	**$551**	**$563**
Uses							
Salary & Fringes	$365	$376	$380	$402	$393	$395	$398
OOE	75	86	91	90	90	92	94
Utilities	18	19	20	20	21	21	22
Scholarships	19	22	23	24	25	25	26
Debt Service	18	18	12	18	19	23	21
Total	**$495**	**$521**	**$525**	**$554**	**$548**	**$557**	**$561**
Operating Margin	**($1)**	**($8)**	**($4)**	**($19)**	**($9)**	**($6)**	**$2**
Operating Margin % (salary, fringe, & OOE)			-	(3.8%)	(1.9%)	(1.1%)	0.3%

*Salary & Fringes include an extra pay period in FY2028

Requires an $8 million budget adjustment starting FY2028 to break even

Without an Operating Margin, We Cannot Fund Future Needs

Without a positive operating margin, every new investment must be paid for by cutting spending elsewhere. That leaves us unable to pivot or invest in what advances our education and research mission.

Student success and affordability
Scholarships, advising and retention support

New and growing academic programs
Launching high-demand degrees, online and workforce offerings

Investing in our people
Competitive pay and development for faculty and staff

Research labs and equipment
Instruments and startup packages to recruit top faculty

Facilities and technology
Deferred maintenance, classroom and cybersecurity upgrades

KULC Next Steps

Changing How We Operate

Historically



We cut budgets to meet each challenge, but kept operating the same way

Today



We face unprecedented challenges in higher education

Going Forward



We must rethink how we operate to grow revenue and manage expenses while advancing the University's mission.

KULC Planned Actions to Address Challenges

01	Academic mission will be central to the budget discussion	02	Set enrollment targets and action plans to achieve including online
03	Supporting and expanding research and scholarship	04	Validate financial plan assumptions including enrollment
05	Manage expenses to achieve efficiencies, including procurement reform	06	Increase fundraising goals in support of the academic enterprise
07	Develop new annual revenue streams	08	Other?

KULC Next Steps: Now and Ahead

RIGHT NOW: Fund the pay raise

$8M

Needed in the FY2028 budget to cover the January 2027 3% pay increase and break even

Units will receive budget instructions in January

NEXT: Build a financially sustainable KU

The Chancellor and Provost will lead a University-wide plan, with campus partners, to shape KU around our purpose and mission.

Define the future
What should KU look like to serve our purpose and mission?

Grow revenue
Find new ways to bring in funding

Stop or change
Decide what to stop or do differently

Work efficiently
Find ways to do more with what we have

KUMC Financial Plan

Financial Fundamentals of a Healthy Institution

Purpose Advance KU's mission through financial decisions that support its strategic plan and priorities.

People and Facilities

- Be Affordable and Competitive for Our Students
- Achieve Competitive Pay for All Employees
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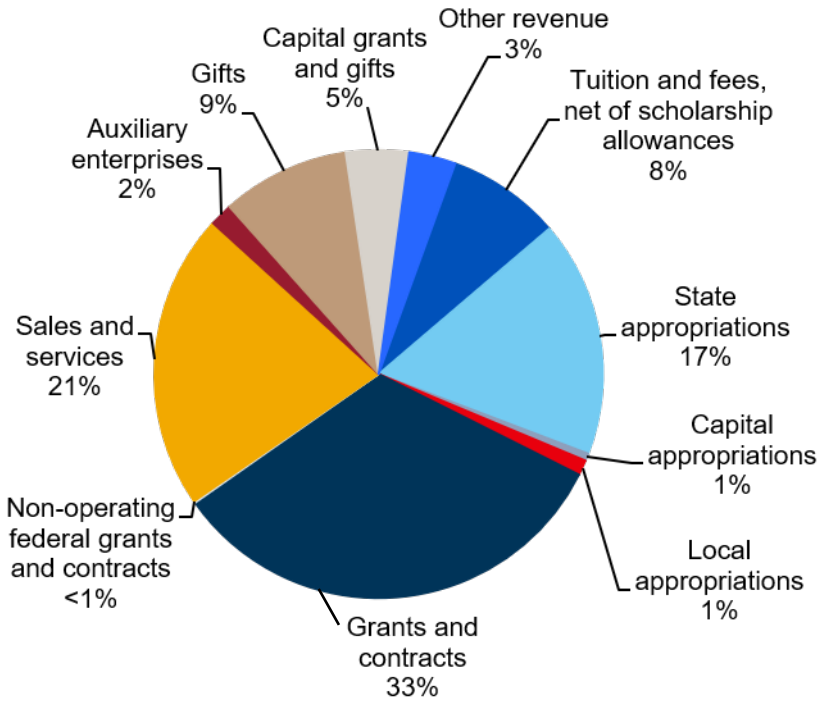
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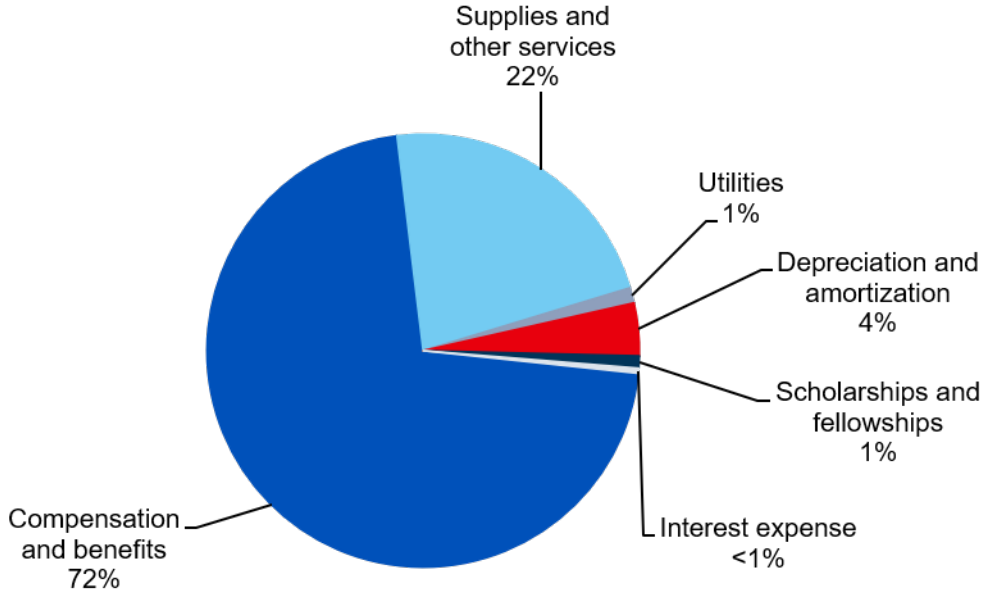
Assumptions, Initiatives, & Investments in the KUMC Financial Plan

KUMC Revenues & Expenses

Where Does the Money Come From?



Where Does the Money Go?



KUMC Assumptions

Sources	FY28	FY29	FY30	FY31
Clinical Trial Revenue	15%	15%	15%	15%
Tuition Rate	3%	3%	3%	3%
Local Appropriations	3%	3%	3%	3%
State Appropriations	0.5%	0.5%	0.5%	0.5%
F&A Rate	Flat	Flat	Flat	Flat
Basic Research Revenue	5%	Flat	Flat	Flat
Uses	**FY28**	**FY29**	**FY30**	**FY31**
Salary	To be discussed			
Employer Group Health Insurance	16%	5%	5%	5%
Scholarships	3%	3%	3%	3%
Utilities	3%	3%	3%	3%
Other Operating Expenses	2.5%	2.5%	2.5%	2.5%
Clinical Trials	Clinical Trials will spend 80% of revenue growth			

- Includes all (non-capital) funds
- Assumes reimbursable funds (Chairs, KUEA, UKHS, and grants) can shoulder pay increases

KUMC Initiatives & Investments

(in millions)

Commitment / Initiative	FY27	FY28	FY29	FY30	FY31
KUCC Building Debt Service	$4.3	$4.5	$6.9	$6.9	$6.9
WBC Operating	$0.9	$1.5	$1.5	$1.5	$1.5
WBC (MD Program Expansion)	-	$1.5	$3.0	$4.5	$6.0
K Ventures	$2.5	$5.0	-	-	-
Facilities Projects	$6.6	$4.1	-	-	-
Start Up Packages	$7.0	$7.0	$7.0	$7.0	$7.0
Hoglund Skyra Upgrade	$1.1	-	-	-	-
Theranostics Lease	-	-	$7.7	$7.7	$7.7
Theranostics Operating	-	-	$1.0	$1.0	$1.0
Total	**$22.4**	**$23.6**	**$27.1**	**$28.6**	**$30.1**

KUMC Financial Plan

(without pay increase)

In millions	FY2025 Actuals	FY2026 Actuals	FY2027 Forecast	FY2028* Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast
Sources							
Research & Clinical	$255	$236	$249	$272	$281	$295	$312
State Appropriations	120	122	124	128	125	126	126
Graduate Medical Education	59	92	103	108	106	107	108
Tuition & Fees	63	70	76	79	82	85	88
Endowment Reimbursements	54	58	65	66	65	65	65
Chairs Foundation Reimbursements	24	20	25	25	25	25	26
Hospital Reimbursements	55	50	49	51	50	50	51
Other	99	75	81	80	81	82	84
Total	**$728**	**$723**	**$771**	**$809**	**$815**	**$836**	**$859**
Uses							
Salary & Fringes	$486	$494	$523	$554	$538	$542	$545
Utilities	9	9	10	9	9	9	10
Scholarship	13	15	18	19	19	20	21
OOE	167	171	201	216	219	226	232
Debt Service	10	9	13	13	23	20	19
KUMC Operating Capital	-	-	-	3	3	3	3
Total	**$686**	**$698**	**$764**	**$813**	**$812**	**$820**	**$829**
Operating Margin	**$42**	**$25**	**$7**	**($4)**	**$3**	**$16**	**$29**
Operating Margin % (salary & OOE)	-	-	-	-0.5%	0.4%	2.0%	3.8%

*Salary & Fringes include an extra pay period in FY2028

FY2027 KUMC Salary Increase

FY2027 KUMC Salary Increase

Salary increase

3% cost-of-living adjustment

Effective January 2027

Estimated costs (in millions)

	FY27 (half year)	FY28 (full year)
Payroll Increase	**$6.9**	**$13.7**

KUMC Financial Plan

(with 3% cost-of-living adjustment)

In millions	FY2025 Actuals	FY2026 Actuals	FY2027 Forecast	FY2028* Forecast	FY2029 Forecast	FY2030 Forecast	FY2031 Forecast
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Other	99	75	81	80	81	82	84
Total	**$728**	**$723**	**$773**	**$813**	**$819**	**$840**	**$863**
Uses							
Salary & Fringes	$486	$494	$530	$567	$552	$555	$559
Utilities	9	9	10	9	9	9	10
Scholarship	13	15	18	19	19	20	21
OOE	167	171	200	214	217	224	229
Debt Service	10	9	13	13	23	20	19
KUMC Operating Capital	-	-	-	3	3	3	3
Total	**$686**	**$698**	**$770**	**$824**	**$823**	**$832**	**$841**
Operating Margin	**$42**	**$25**	**$3**	**($12)**	**($4)**	**$8**	**$22**
Operating Margin % (salary & OOE)	-	-	-	-1.5%	-0.5%	1.0%	2.8%

*Salary & Fringes include an extra pay period in FY2028

Without an Operating Margin, We Cannot Fund Future Needs

Without a positive operating margin, every new investment must be paid for by cutting spending elsewhere. That leaves us unable to pivot or invest in what advances our education and research mission.

Student success and affordability
Scholarships, advising and retention support

New and growing academic programs
Launching high-demand degrees, online and workforce offerings

Investing in our people
Competitive pay and development for faculty and staff

Research labs and equipment
Instruments and startup packages to recruit top faculty

Facilities and technology
Deferred maintenance, classroom and cybersecurity upgrades

Challenges a Financial Plan Must Address

- Competitive offerings for future students
- Sustaining our research standing
- Recruiting and retaining top faculty and staff
- New facilities
- Upkeep of existing facilities
- New technology to stay competitive

KUMC Next Steps

Changing How We Operate

Historically



We cut budgets to meet each challenge, but kept operating the same way

Today



We face unprecedented challenges in higher education

Going Forward



We must rethink how we operate to grow revenue and manage expenses while advancing the University's mission.

Challenges a Financial Plan Must Address

- Competitive offerings for future students
- Sustaining our research standing
- Recruiting new research investigators
- Retaining top faculty and staff
- New facilities
- Upkeep of existing facilities
- New technology to stay competitive
- Increasing enrollment in all schools

KUMC Planned Actions to Address Challenges

01 Set enrollment targets and action plans to achieve	**02** Set clinical research targets and strategy to achieve
03 Set basic research NIH goals and target efficiencies	**04** Validate financial plan assumptions based on clinical and research targets and plans
05 Manage expenses to achieve efficiencies, including procurement reform	**06** Increase fundraising goals to Academic Medical Center (AMC) median levels
07 Develop new annual revenue streams	**08** Other?

KUMC Next Steps



NEXT: Implement planned actions

We will partner with each area to set timelines for implementing these actions and will monitor progress continually.

Define the future
What should KU look like to serve our purpose and mission?

Grow revenue
Find new ways to bring in funding

Stop or change
Decide what to stop or do differently

Work efficiently
Find ways to do more with what we have

Thank you

For smaller group discussion please reach out to Amy Carlson, amycarlson@ku.edu

Presentation available at: https://finance.ku.edu

Appendix

Crosswalk: Annual Financial Report to KULC General Use Financial Plan

Three steps: all KU entities → KULC Campus → General Use funds → Financial Plan

Step 1 of 3: From Consolidated AFR to KULC Campus

FY2025, $ millions	Consolidated	KUCR	Athletics	KU Unions	KUCDC	JCP	KUMC	Consolidation Adjustments	KULC Campus
Revenues									
Tuition and fees, net	$376.3	-	-	-	-	-	$64.0	$(12.8)	$325.2
State appropriations	330.8	-	-	-	-	-	132.9	-	198.0
Federal grants and contracts	319.0	152.5	-	-	-	-	160.0	(2.3)	8.8
State and local grants and contracts	64.1	28.1	-	-	-	-	17.6	(0.1)	18.5
Nongovernmental grants and contracts	97.9	15.7	-	-	-	-	78.6	(1.1)	4.7
Sales and services of educational departments	85.0	16.1	-	-	-	-	69.3	(35.1)	34.8
Sales and services of medical and administrative activities	105.1	-	-	-	-	-	105.1	-	-
Auxiliary enterprises	257.8	-	137.4	42.4	-	2.7	12.8	(14.1)	76.5
Other operating revenues	15.6	3.0	-	-	12.0	-	13.6	(16.5)	3.6
Local appropriations	17.2	-	-	-	-	-	8.6	-	8.6
Gifts	119.9	-	-	-	-	-	72.0	(1.2)	49.0
Investment income (loss)	46.7	10.4	4.5	0.1	0.6	-	15.6	-	15.4
Nonoperating Federal grants and contracts	33.5	-	-	-	-	-	1.0	-	32.5
Other nonoperating revenues	2.1	0.4	-	-	-	-	1.5	(0.8)	1.0
Total revenues	**$1,871.1**	**$226.1**	**$141.9**	**$42.6**	**$12.7**	**$2.7**	**$752.7**	**$(84.1)**	**$776.6**
Expenses									
Compensation and benefits	(1,184.9)	(126.6)	(59.0)	(12.3)	-	(0.6)	(494.5)	0.1	(492.0)
Supplies and other services	(417.1)	(75.0)	(61.9)	(26.0)	(0.1)	(2.3)	(166.2)	59.6	(145.2)
Utilities	(35.1)	(0.6)	(1.3)	(1.2)	-	-	(7.9)	-	(24.1)
Depreciation	(121.7)	(5.0)	(13.9)	(1.8)	-	(0.4)	(27.2)	10.6	(84.0)
Scholarships and fellowships	(37.5)	(6.9)	(20.1)	-	-	-	(6.3)	10.7	(14.8)
Interest expense	(22.5)	(0.1)	(4.0)	(0.1)	(11.9)	-	(2.6)	12.3	(16.1)
Other nonoperating expense	(2.4)	(1.1)	-	-	-	-	-	1.2	(2.5)
Total expenses	**$(1,821.2)**	**$(215.3)**	**$(160.2)**	**$(41.4)**	**$(12.0)**	**$(3.3)**	**$(704.7)**	**$94.4**	**$(778.8)**
Income (loss)	**$49.9**	**$10.8**	**$(18.3)**	**$1.2**	**$0.7**	**$(0.6)**	**$48.0**	**$10.3**	**$(2.2)**
Capital transactions	**103.3**	**3.7**	**30.4**	**-**	**-**	**-**	**39.5**	**(298.4)**	**328.1**
Total increase (decrease) in net assets	**$153.2**	**$14.5**	**$12.1**	**$1.2**	**$0.7**	**$(0.6)**	**$87.5**	**$(288.1)**	**$325.9**

Source: FY2025 Annual Financial Report (AFR), pages 74 & 75. KUMC includes KUMCRI and Other KUMC Entities.
Amounts in $ millions, shown to one decimal; totals may not sum due to rounding.

Step 2 of 3: From KULC Campus to General Use Funds

FY2025, $ millions	KULC Campus	KULC Non-General Use	KULC General Use
Revenues			
Tuition and fees, net	$325.2	$5.0	**$320.2**
State appropriations	198.0	34.6	**163.4**
Federal grants and contracts	8.8	8.8	**-**
State and local grants and contracts	18.5	15.0	**3.5**
Nongovernmental grants and contracts	4.7	4.7	**-**
Sales and services of educational departments	34.8	25.3	**9.5**
Auxiliary enterprises	76.5	76.5	**-**
Other operating revenues	3.6	3.6	**-**
Local appropriations	8.6	8.6	**-**
Gifts	49.0	49.0	**-**
Investment income (loss)	15.4	13.6	**1.8**
Nonoperating Federal grants and contracts	32.5	32.5	**-**
Other nonoperating revenues	1.0	3.6	**(2.6)**
Total revenues	**$776.6**	**$280.9**	**$495.7**
Expenses			
Compensation and benefits	(492.0)	(125.7)	**(366.4)**
Supplies and other services	(145.2)	(79.8)	**(65.4)**
Utilities	(24.1)	(6.2)	**(17.9)**
Depreciation	(84.0)	(76.7)	**(7.2)**
Scholarships and fellowships	(14.8)	7.4	**(22.3)**
Interest expense	(16.1)	(9.2)	**(6.9)**
Other nonoperating expense	(2.5)	5.2	**(7.7)**
Total expenses	**$(778.8)**	**$(285.0)**	**$(493.8)**
Income (loss)	**$(2.2)**	**$(4.1)**	**$1.9**
Total capital transactions	**328.1**	**328.1**	**(0.0)**
Total increase (decrease) in net assets	**$325.9**	**$324.0**	**$1.9**

Amounts in $ millions, shown to one decimal; totals may not sum due to rounding.

Step 3 of 3: From General Use Funds to Financial Plan

FY2025, $ millions	KULC General Use	AFR to Budget Adjustments	KULC General Use Budget/Financial Plan
Revenues			
Tuition and fees, net	$320.2	$(1.2)	$319.0
State appropriations	163.4	-	163.4
State and local grants and contracts	3.5	-	3.5
Sales and services of educational departments	9.5	(0.0)	9.5
Other operating revenues	-	(0.0)	(0.0)
Investment income (loss)	1.8	-	1.8
Nonoperating Federal grants and contracts	-	-	-
Other nonoperating revenues	(2.6)	2.6	0.0
Capital grants and gifts	(0.0)	0.0	-
Revenue interfund transfers	-	(2.7)	(2.7)
Total revenues	**$495.7**	**$(1.2)**	**$494.5**
Expenses			
Compensation and benefits	(366.4)	1.4	(364.9)
Supplies and other services	(65.4)	(3.1)	(68.5)
Utilities	(17.9)	(0.2)	(18.1)
Depreciation	(7.2)	7.2	-
Scholarships and fellowships	(22.3)	3.4	(18.9)
Interest expense	(6.9)	0.0	(6.9)
Other nonoperating expense	(7.7)	7.7	-
Expense interfund transfer	-	(0.1)	(0.1)
Debt principal payments	-	(11.7)	(11.7)
Building and equipment purchases	-	(6.2)	(6.2)
Total expenses	**$(493.8)**	**$(1.5)**	**$(495.3)**
Income (loss)	**$1.9**	**$(2.7)**	**$(0.8)**

Amounts in $ millions, shown to one decimal; totals may not sum due to rounding.

Crosswalk: Annual Financial Report to KUMC Financial Plan

Two steps: all KU entities → KUMC → Financial Plan

Step 1 of 2: From Consolidated AFR to KUMC

FY2025, $ millions	Consolidated	KULC	Consolidation Adjustments	KUMC
Revenues				
Tuition and fees, net	$376.3	$325.2	$(12.8)	$64.0
State appropriations	330.8	198.0	-	132.9
Federal grants and contracts	319.0	161.3	(2.3)	160.0
State and local grants and contracts	64.1	46.6	(0.1)	17.6
Nongovernmental grants and contracts	97.9	20.4	(1.1)	78.6
Sales and services of educational departments	85.0	50.9	(35.1)	69.3
Sales and services of medical and administrative activities	105.1	-	-	105.1
Auxiliary enterprises	257.8	259.1	(14.1)	12.8
Other operating revenues	15.6	18.5	(16.5)	13.6
Local appropriations	17.2	8.6	-	8.6
Gifts	119.9	49.0	(1.2)	72.0
Investment income (loss)	46.7	31.1	-	15.6
Nonoperating Federal grants and contracts	33.5	32.5	-	1.0
Other nonoperating revenues	2.1	1.4	(0.8)	1.5
Total revenues	**$1,871.1**	**$1,202.5**	**$(84.1)**	**$752.7**
Expenses				
Compensation and benefits	$(1,184.9)	$(690.5)	$0.1	$(494.5)
Supplies and other services	(417.1)	(310.5)	59.6	(166.2)
Utilities	(35.1)	(27.2)	-	(7.9)
Depreciation	(121.7)	(105.0)	10.6	(27.2)
Scholarships and fellowships	(37.5)	(41.8)	10.7	(6.3)
Interest expense	(22.5)	(32.2)	12.3	(2.6)
Other nonoperating expense	(2.4)	(3.6)	1.2	-
Total expenses	**$(1,821.2)**	**$(1,210.9)**	**$94.4**	**$(704.7)**
Income (loss)	**$49.9**	**$(8.4)**	**$10.3**	**$48.0**
Total capital transactions	**$103.3**	**$362.2**	**$(298.4)**	**$39.5**
Total increase (decrease) in net assets	**$153.2**	**$353.8**	**$(288.1)**	**$87.5**

Source: FY2025 Annual Financial Report (AFR), pages 74 & 75. KULC includes KUCR, Athletics, KU Unions, KUCDC, & JCP. KUMC includes KUMCRI and Other KUMC Entities.

Amounts in $ millions, shown to one decimal; totals may not sum due to rounding.

Step 2 of 2: From KUMC to Financial Plan

FY2025, $ millions	KUMC	AFR to Budget Adjustments	KUMC Budget/Financial Plan
Revenues			
Tuition and fees, net	$64.0	$(0.6)	**$63.3**
State appropriations	132.9	(12.7)	**120.1**
Federal grants and contracts	160.0	(6.6)	**153.4**
State and local grants and contracts	17.6	0.2	**17.8**
Nongovernmental grants and contracts	78.6	2.6	**81.2**
Sales and services of educational departments	69.3	1.4	**70.7**
Sales and services of medical and administrative activities	105.1	-	**105.1**
Auxiliary enterprises	12.8	-	**12.8**
Other operating revenues	13.6	0.6	**14.3**
Local appropriations	8.6	(0.9)	**7.7**
Gifts	72.0	(3.2)	**68.9**
Investment income (loss)	15.6	(6.3)	**9.4**
Nonoperating Federal grants and contracts	1.0	-	**1.0**
Other nonoperating revenues	1.5	0.5	**2.0**
Total revenues	**$752.7**	**$(25.0)**	**$727.8**
Expenses			
Compensation and benefits	(494.5)	8.1	**(486.4)**
Supplies and other services	(166.2)	(.9)	**(167.0)**
Utilities	(7.9)	(1.0)	**(9.0)**
Depreciation	(27.2)	27.2	**(0.0)**
Scholarships and fellowships	(6.3)	(6.9)	**(13.1)**
Interest expense	(2.6)	(0.3)	**(2.9)**
Debt principal payments	-	(7.1)	**(7.1)**
Total expenses	**$(704.7)**	**$19.2**	**$(685.6)**
Income (loss)	**$48.0**	**$(5.9)**	**$42.1**
Total capital transactions	**$39.5**	**$(39.5)**	**$0.0**
Total increase (decrease) in net assets	**$87.5**	**$(45.4)**	**$42.1**

Amounts in $ millions, shown to one decimal; totals may not sum due to rounding.