



Michigan
Technological
University



2025 FINANCIAL REPORT



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THE MICHIGAN TECH *STRATEGIC PLAN*

VISION

Michigan Tech is a globally recognized technological university that educates students, advances knowledge, and innovates to improve the quality of life and to promote mutual respect for all people within the state, the nation, and the global community.

MISSION

Create solutions for society's challenges by delivering action-based undergraduate and graduate education, discovering new knowledge through research, and launching new technologies through innovation.

GOALS

1. Education: Provide a distinctive and rigorous action-based learning experience grounded in science, engineering, technology, business, sustainability, and an understanding of the social and cultural contexts of our contemporary world.
2. Scholarship: Enhance research, scholarship, entrepreneurship, innovation, and creative activities that promote sustainable economic prosperity, health and safety, ethical conduct, and responsible use of resources.
3. People: Foster and support an exceptional community of students, faculty, and staff.





LETTER FROM THE *PRESIDENT*

Research expenditures surpassed \$100 million again. Such momentum proves that R1 status is more than just a formal designation—it's a testament to how Michigan Tech plays a vital role in advancing innovation. Further underscoring our research strength, Michigan Tech was recently included as the fourth member of the state's University Research Corridor, now called Research Universities for Michigan, alongside the University of Michigan, Michigan State University, and Wayne State University. This recognition formally acknowledges our role in advancing innovation and economic development across Michigan and beyond.

Enrollment has grown steadily since 2018 and continues to increase, as evidenced by this year's incoming class. Importantly, the academic credentials of our entering students remain very strong, signaling both the demand for and quality of a Michigan Tech education.

Punctuating this, we continue to host one of the largest career fairs in the nation, with an average of 400 companies recruiting on campus annually. Despite this scale, employers tell us they need more Michigan Tech graduates. To that point, 95 percent of Michigan Tech graduates were employed in their chosen field within six months of graduation, earning an average starting salary of \$75,242. That places Michigan Tech in the top 20 of all US public universities. We also rank third in the nation among public institutions according to The Wall Street Journal's salary impact metric, which measures the return on investment of a college degree.



There's no better reminder of our mission than seeing our research have a tremendous impact on our quality of life and our graduates enjoying successful careers that define the future.

Thank you for your contributions to Michigan Tech's continued success.

Sincerely,

Rick Koubek
President

ADMINISTRATIVE OFFICERS

BOARD OF TRUSTEES

TERMS ENDING DECEMBER 31 OF YEAR SHOWN

2026	John Bacon	Jeffrey Littmann
2028	Andrea Dickson	Jon Jipping, Chair
2030	Matthew Johnson	Monique Wells, Vice Chair
2032	Steven Tomaszewski	Shannon Dare Wayne

EXECUTIVE AND BOARD OFFICERS

Richard Koubek President	Andrew Barnard Vice President for Research
Andrew Storer Provost and Senior Vice President for Academic Affairs	William Roberts Vice President for Advancement and Alumni Engagement
Carlos Rodriguez Chief Financial Officer and Vice President for Administration Treasurer of the Board of Trustees	John Lehman Vice President for University Relations and Enrollment
Wayne Gersie Vice President for Community Engagement	Sarah Schulte Secretary of the Board of Trustees
Laura Bulleit Vice President for Student Affairs	Suzanne Sanregret Vice President for Athletics and Recreation
	William Kordenbrock Vice President for Governmental Relations





UNIVERSITY *UPDATE*

Michigan Technological University enters the 2025-26 academic year continuing to surpass expectations in student enrollment, research activity, and return on investment metrics—all essential components of a successful public research university in the 21st century.

The 2024-25 academic year brought 7,430 students to Michigan Tech's campus last fall, a 1.5% increase from 2023-24, continuing the University's trend of steadily growing enrollment. It was the largest student body on campus since 1982. Michigan Tech also recorded our highest-ever retention rate of 88.7%, reflecting our commitment to student success. After nearly two years of construction, a new residence hall, East Hall, is set to open in fall 2025. It will house over 500 students in the University's growing undergraduate population.

In February, Michigan Tech was designated an R1 research institution by the Carnegie Classification of Institutions of Higher Education. This prestigious milestone is reserved for only 187 of the more than 4,000 universities in the country. The distinction formally places Tech among the top research universities in the United States. For the second year in a row, the University reported more than \$100 million in research expenditures, reaching \$106.9 million. The amount marks a \$37.4 million increase over the past decade and a 300% increase since 2004.

Michigan Tech's continued commitment to serving the industry needs of the state means our graduates are seeing significant returns on their investment. The graduating Class of 2024 reported a record-high 94.6% placement rate and a median early career salary of \$82,400. This strong earning potential contributed to Michigan Tech's rankings by The Wall Street Journal as No. 3 for Best Salaries among public colleges in the U.S., No. 15 among all colleges nationwide, and No. 1 in Michigan.

Michigan Tech remains laser-focused on measured, strategic growth that meets the evolving needs of both our students and the industries in which they will work. All signs suggest the University will continue to build on our past success and be a leader in innovation, education, and real-world impact.



Independent Auditor's Report

To the Board of Trustees
Michigan Technological University

Report on the Audits of the Financial Statements

Opinion

We have audited the financial statements of Michigan Technological University (the "University"), a component unit of the State of Michigan, as of and for the years ended June 30, 2025 and 2024 and the related notes to the financial statements, which collectively comprise the University's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the University as of June 30, 2025 and 2024 and the changes in its financial position and its cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audits of the Financial Statements* section of our report. We are required to be independent of the University and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The financial statements of Michigan Tech Fund, a blended component unit, were not audited under *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audits of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To the Board of Trustees
Michigan Technological University

In performing audits in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of the University's proportionate share of the net pension liability and schedule of university pension contributions, schedule of the University's proportionate share of the net OPEB liability and schedule of university OPEB contributions, and schedule of changes in the University's total OPEB liability and related information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the University's basic financial statements. The schedule of net position by fund; schedule of revenues, expenses and changes in net position by fund by object; and schedule of revenues, expenses and changes in net position by fund by function are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of net position by fund; schedule of revenues, expenses and changes in net position by fund by object; and schedule of revenues, expenses and changes in net position by fund by function are fairly stated in all material respects in relation to the basic financial statements as a whole.

To the Board of Trustees
Michigan Technological University

Additional Information

Management is responsible for the accompanying Michigan Tech strategic plan, the letter from the president, the listing of administrative officers, and the university update, which are presented for the purpose of additional analysis and is not a required part of the basic financial statements. Our opinion on the financial statements does not cover such information, and we do not express an opinion or any form of assurance thereon.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 9, 2025 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.

Plante & Moran, PLLC

October 9, 2025



MANAGEMENT'S DISCUSSION AND ANALYSIS

This discussion and analysis section of the Michigan Technological University ("University") annual financial report provides an overview of its financial activities during the fiscal years ended June 30, 2025, 2024, and 2023. University management has prepared the financial statements and the related footnote disclosures along with this discussion and analysis. Responsibility for the completeness and fairness of this information rests with University management.

USING THE ANNUAL REPORT

The University's financial report includes three financial statements: the Statements of Net Position; the Statements of Revenues, Expenses, and Changes in Net Position; and the Statements of Cash Flows. These financial statements are prepared in accordance with accounting principles generally accepted in the United States of America, which establish standards for external financial reporting for public colleges and universities and require that financial statements be presented to focus on the University as a whole. The financial statements report information about the University using accrual accounting methods similar to those used by private-sector companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

REPORTING ENTITY

The Michigan Tech Fund ("Fund") is a component unit of the University and its activity has been blended into the University's financial statements.



CONDENSED STATEMENTS OF NET POSITION

The Statements of Net Position include all assets and liabilities of the University as well as deferred outflows and inflows of resources. Over time, increases and decreases in net position is one indicator of the improvement or erosion of the University's financial health when considered with operating measures such as enrollment levels, research activities, and the physical condition of facilities.

CONDENSED STATEMENTS OF NET POSITION AS OF JUNE 30

	2025	2024	2023
Assets			
Current assets	\$ 80,222,727	\$ 62,549,463	\$ 56,563,855
Noncurrent assets:			
Capital assets, net	345,435,905	301,918,877	248,501,370
Other	325,420,037	366,028,520	297,337,953
Total assets	751,078,669	730,496,860	602,403,178
Deferred outflows of resources	1,080,735	2,358,254	6,175,737
Liabilities			
Current liabilities	41,750,474	47,129,183	36,401,314
Noncurrent liabilities	191,478,747	193,236,077	163,547,411
Total liabilities	233,229,221	240,365,260	199,948,725
Deferred inflows of resources	25,735,712	13,299,149	12,405,892
Net position			
Net investment in capital assets	185,438,290	188,859,221	149,340,220
Restricted			
Nonexpendable	133,361,225	125,635,401	118,486,008
Expendable	135,675,299	111,363,663	108,256,676
Unrestricted	38,719,657	53,332,420	20,141,394
Total net position	\$ 493,194,471	\$ 479,190,705	\$ 396,224,298

Changes from 2024 to 2025

Total assets of the University experienced growth of \$20.6 million. The primary factors contributing to this increase in assets were cash and accounts receivable. The rise in cash was attributed to the holdings in the University's bank and investment accounts. The increase in accounts receivable was due to increased billings on research grants and contracts.

Total liabilities decreased by \$7.1 million. The main driver of this decrease was long-term debt. Long-term debt saw declines during the fiscal year due to decreases in bonds payable, pension liability, and subscription-based information technology arrangements.

Total net position increased by \$14.0 million. Nonexpendable restricted net position increased by \$7.7 million from new gifts to the endowment and the expendable restricted category of net position increased by \$24.3 million, which \$7.0 million came from the net appreciation of endowment investments and \$12.5 million as a result of the net pension changing from a liability to an asset. Net investment in capital assets and unrestricted saw a reduction of \$14.6 million, which was driven by an increase in healthcare claims as well as the change in the net pension.

Changes from 2023 to 2024

Total assets of the University grew by \$128.1 million. The main drivers of the increase in assets were unspent bond proceeds, investments, and capital assets, net, which when accumulated accounted for



\$113.3 million or 88% of the growth. Unspent bond proceeds increased due to the issuance of the Series 2023C bonds for the construction of a student residence hall. Investments increased due to good investment returns. Capital assets, net increased due to the continued construction of the H-STEM Complex and the start of construction of a student residence hall.

Total liabilities increased by \$40.4 million. Long-term debt increased during the fiscal year resulting from the Series 2023C bond issuance totaling \$64.4 million to build a new student residence hall. Accounts payable and accrued liabilities rose significantly as accounts payable for construction projects doubled compared to the prior fiscal year. The net pension liability that is passed through to the University from the Michigan Public Schools Employees Retirement System (MPERS) decreased by \$33.4 million, due to the State of Michigan paying down the UAAL.

Total net position increased by \$83.0 million, with net investment in capital assets growing by \$39.5 million and unrestricted net position growing by \$33.2 million, due to the factors mentioned above (2023C bond issuance and reduction of MPERS net pension liability).

NET POSITION

Net position represents the residual interest in the University's assets and deferred outflow of resources after liabilities and deferred inflows of resources are deducted. The composition of the University's net position is summarized as follows:

NET POSITION SUMMARY AS OF JUNE 30

	2025	2024	2023
Net investment in capital assets	\$ 185,438,290	\$ 188,859,221	\$ 149,340,220
Restricted-nonexpendable net position - endowment	133,361,225	125,635,401	118,486,008
Restricted-expendable net position			
Gifts and sponsored programs	44,960,447	43,388,419	43,223,325
Capital projects and debt service	-	-	9,065,615
Student loans	3,396,204	4,352,858	5,327,123
Net OPEB asset - MPERS	15,656,609	9,265,436	4,226,637
Net pension asset	9,885,978		
Net appreciation on permanent endowment funds and land held for investment	61,776,061	54,356,950	46,413,976
Total restricted-expendable net position	135,675,299	111,363,663	108,256,676
Unrestricted net position (deficit)			
Capital projects and repairs	13,383,499	10,940,102	9,082,009
Auxiliary enterprises	(6,729,371)	(1,068,115)	1,064,037
Designated for departmental use	34,872,914	32,302,239	31,472,831
Pension and OPEB plans	(12,394,208)	(3,506,994)	(32,403,881)
Uncommitted	9,586,823	14,665,188	10,926,398
Total unrestricted net position (deficit)	38,719,657	53,332,420	20,141,394
Total net position	\$ 493,194,471	\$ 479,190,705	\$ 396,224,298

Net investment in capital assets represents the University's capital assets plus unspent bond proceeds net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. The net change from year to year reflects the University's improvement, maintenance, and usage of its capital assets in accordance with its long-range capital plan.

Restricted nonexpendable net position represents the historical value (corpus) of gifts to the University's permanent endowment funds. Restricted expendable net position is restricted by a party independent of the University or by law. This includes restrictions related to gifts, research contracts, grants, outstanding debt, student-loan programs, and net appreciation of permanent endowment funds.

Unrestricted net position represents those balances from operational activities of the University that have not been restricted by parties independent of the University. This includes designated funds that the Board of Trustees and management have designated for specific purposes, such as public service activities or academic and research initiatives. Unrestricted net position also includes amounts that have been contractually committed for goods and services that have not been received by fiscal year-end.



CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

The Statements of Revenues, Expenses, and Changes in Net Position present the revenues earned and expenses incurred during the fiscal year. Revenues are reported as either operating or nonoperating. State appropriations and gifts are classified as nonoperating revenues which will always result in operating losses for the University.



**CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30**

	2025	2024	2023
Operating revenues			
Tuition and fees, net	\$ 106,769,940	\$ 119,716,956	\$ 106,273,322
Grants and contracts	90,551,924	74,385,842	69,269,326
Educational activities	10,870,521	7,499,412	5,809,854
Auxiliary and departmental activities, net	43,065,085	32,762,614	31,018,583
Total operating revenues	251,257,470	234,364,824	212,371,085
Operating expenses			
Compensation and benefits	210,607,271	185,562,280	192,430,943
Supplies and services	86,969,118	75,506,046	68,594,543
Student financial support	15,213,855	18,625,831	11,498,389
Utilities	7,369,887	7,000,541	7,081,475
Depreciation and amortization	17,172,809	14,804,070	16,457,358
Total operating expenses	337,332,940	301,498,768	296,062,708
Operating loss	(86,075,470)	(67,133,944)	(83,691,623)
Nonoperating revenues (expenses) and other revenues			
Federal Pell grants	8,357,350	6,063,055	4,944,840
State appropriations	57,347,131	82,521,477	96,816,078
Other nonoperating revenues and expenses, net	34,374,755	61,515,819	31,502,316
Net nonoperating revenues (expenses) and other revenues	100,079,236	150,100,351	133,263,234
Net increase in net position	14,003,766	82,966,407	49,571,611
Net position			
Beginning of year	479,190,705	396,224,298	346,652,687
End of year	\$ 493,194,471	\$ 479,190,705	\$ 396,224,298

Changes from 2024 to 2025

Overall, the University experienced a \$16.9 million increase in operating revenues. Net tuition and fees revenue in fiscal year 2025 decreased by \$12.9 million from fiscal year 2024 due to an increase in the scholarship allowance as a result of the implementation of NACUBO Advisory 2023-01, Public Institutions: Accounting for and Reporting Financial Aid as a Discount during fiscal year 2025 (the "Advisory"). The Advisory focuses on transitioning from treating institutional aid as expenses, to identifying them as reductions of revenue. The Advisory also emphasizes student account details to formulate the estimate as opposed to aggregate analysis. Utilizing the old methodology, the net tuition and fees revenue would have increased by \$5.1 million by comparison. Also, institutional aid that was previously accounted for as an expense is now treated as a reduction to tuition and fee revenues. This was partially offset by an increase in enrollment in fall 2024 and an increase in tuition rates. Research grants and contracts increased from more research grants awarded.

Operating expenses increased by \$35.8 million. As expected, Student financial support expense decreased \$3.4 million, which was also a result of the implementation of NACUBO Advisory 2023-01, during fiscal year 2025. Compensation and benefits increased by \$25.0 million with salaries and wages account for \$12.0 million and fringe benefits for \$13.0 million. Supplies and services increased by \$11.5 million, attributed to higher expenditures on research grants and contracts.

Nonoperating revenues (expenses) and other revenues decreased by \$50.0 million. The reductions in this category were from State appropriations and State capital appropriations. The drop in State appropriations occurred due to the absence of funding intended to pay down the unfunded MPSERS

net pension liability. State capital appropriations to pay for the State's share of the H-STEM Complex decreased.

Changes from 2023 to 2024

The University experienced a \$22.0 million increase in operating revenues. Tuition and fees, net and student residence fees grew from higher enrollment and increases in tuition and room and board rates. Research grants and contracts increased from more research grants awarded.

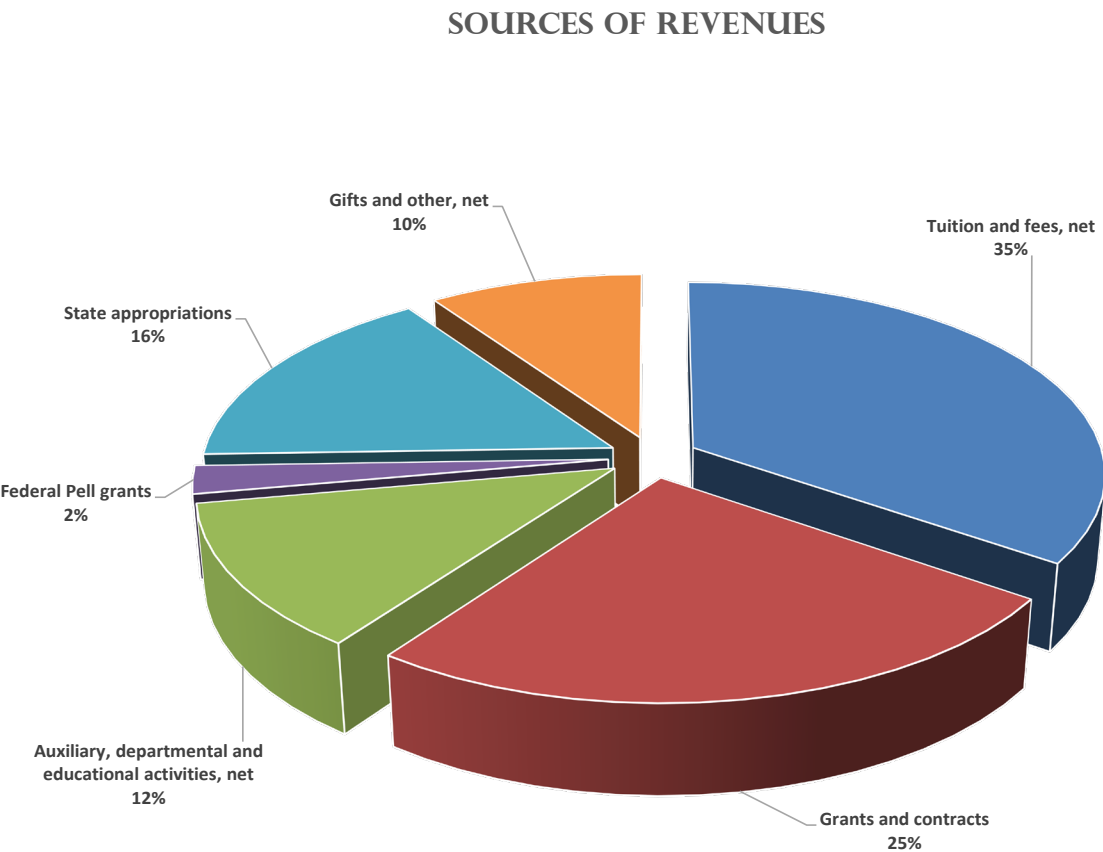
Operating expenses increased by \$5.4 million. Salaries and wages increased by \$7.5 million whereas fringe benefits decreased by \$14.4 million, netting to a decrease in compensation and benefits of \$6.9 million. The decrease in benefits is mostly due to MPSERS actuarial changes. Supplies and services increased by \$6.9 million with more spending on research grants and contracts.

Nonoperating revenues (expenses) and other revenues increased by \$16.8 million. Increases in this category were from State capital appropriations to pay for the State's share of the H-STEM Complex and from good investment returns. The largest decrease was in State special appropriations, as less funding designated to pay down the unfunded MPSERS net pension liability was received in fiscal year 2024.

Revenue Diversification

The University relies on multiple sources of revenues to supplement student tuition. The University continues to aggressively increase funding from other sources consistent with its mission.

The following graph illustrates the fiscal year 2025 revenues by source:

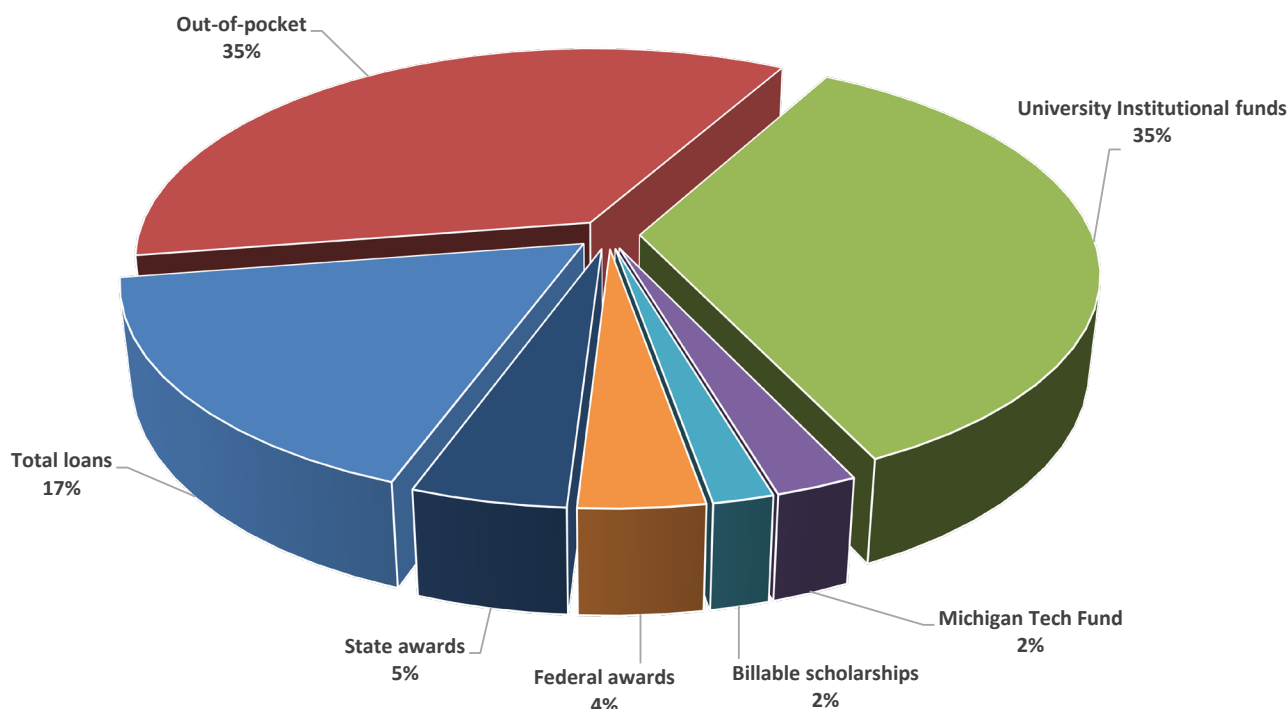




TUITION AND FEES REVENUE

The University provides students with the opportunity to obtain a quality education at a price that is subsidized by state funding. For fiscal year 2025, the University implemented a 4.0% average increase in tuition and mandatory fees for Michigan resident undergraduates. Graduate students saw a 4.0% increase in tuition and mandatory fees. The following graph identifies the source of funds used to pay student tuition and fees for the fiscal year ended June 30, 2025. The graph shows that 48% of student tuition and fees are provided by the University, donors to the University, or various grant and scholarship programs.

STUDENT FINANCIAL AID REPORT



GRANT AND CONTRACT REVENUE

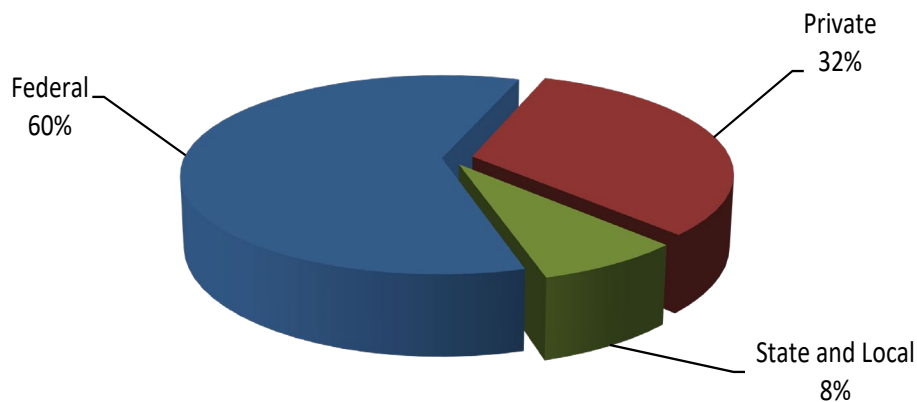
The University receives revenues for sponsored programs from governmental and private sources, which provide for the direct and indirect costs of performing sponsored activities. The University also receives revenues from the federal government and its agencies for student grants. There were \$104.0 and \$98.1 million of research and sponsored programs awarded to the University in fiscal years 2025 and 2024, respectively. The University currently has 16 interdisciplinary research institutes and centers that have enabled the University to maintain its growing recognition as a research institution. The University also operates off-campus research facilities in Hancock, Michigan and Ann Arbor, Michigan.



GRANT AND CONTRACT REVENUE
YEAR ENDED JUNE 30

	2025	2024	2023
Federal sources:			
Department of Agriculture	\$ 2,679,040	\$ 2,853,717	\$ 2,643,317
Department of Defense	19,993,600	12,525,939	9,906,909
Department of Education (net of Pell grants)	1,736,678	560,888	707,384
Department of Energy	7,536,543	4,516,848	3,304,589
Department of Interior	1,079,455	1,200,527	992,277
Department of Transportation	1,216,920	846,734	1,379,795
Environmental Protection Agency	696,745	631,032	139,120
National Aeronautics and Space Administration	3,582,416	3,787,012	5,418,171
National Science Foundation	10,231,910	10,455,345	10,671,183
Health and Human Services	4,314,281	4,558,652	3,379,278
Other federal sources	2,139,039	2,040,442	940,264
Repayments	(902,776)	(1,016,480)	(1,261,180)
Total federal sources	54,303,851	42,960,656	38,221,107
Non-federal sources:			
State and local	7,074,843	7,034,814	5,794,903
Private	29,173,229	24,390,372	25,253,316
Total non-federal sources	36,248,072	31,425,186	31,048,219
Total all sources	\$ 90,551,923	\$ 74,385,842	\$ 69,269,326

The following graph illustrates the fiscal year 2025 grant and contract revenue by source.





OPERATING EXPENSES BY FUNCTION

Functional classifications are the traditional categories that universities have used for expenses. They represent the types of programs and services that the University provides.

FUNCTIONAL EXPENSES YEAR ENDED JUNE 30

	2025	2024	2023
Instruction	\$ 72,198,233	\$ 68,143,592	\$ 72,434,387
Research	92,037,175	77,410,138	78,635,226
Public service	16,617,470	13,889,564	12,687,152
Academic support	25,965,481	25,979,242	25,928,148
Student services	19,444,331	18,045,032	19,166,852
Institutional support	36,980,707	27,184,880	22,405,236
Operations and maintenance of plant	17,805,502	15,395,568	17,229,588
Student financial support	7,134,029	20,394,453	13,814,036
Departmental activities	9,537,397	12,458,531	8,758,759
Student residents	21,601,484	7,793,698	8,545,966
Depreciation	18,011,131	14,804,070	16,457,358
Total	\$ 337,332,940	\$ 301,498,768	\$ 296,062,708

Overall, expenses increased by 12% in fiscal year 2025 compared to fiscal year 2024 and increased by 2% in fiscal year 2024 compared to fiscal year 2023. Notable fluctuations across the categories can be attributed to increased enrollment and occupancy in on-campus housing, more research grants and contracts awarded, and maintenance projects.

CONDENSED STATEMENTS OF CASH FLOWS

Another way to assess the financial health of an institution is to look at its Statement of Cash Flows. Its primary purpose is to provide relevant information about sources and uses of cash of an entity during a period. The Statements of Cash Flows also help users assess an entity's ability to generate future net cash flows, its ability to meet its obligations as they come due, and its needs for external financing. The Statements of Cash Flows present information related to cash inflows and outflows summarized by operating, noncapital financing, capital and related financing, and investing activities.

CONDENSED STATEMENTS OF CASH FLOWS YEAR ENDED JUNE 30

	2025	2024	2023
Cash (used in) provided by			
Operating activities	\$ (72,377,853)	\$ (87,690,537)	\$ (109,931,427)
Noncapital financing activities	81,353,522	97,537,152	110,818,446
Capital and related financing activities	(74,533,443)	29,350,364	(10,035,837)
Investing activities	82,295,350	(34,938,405)	(8,514,737)
Net change in cash and cash equivalents	16,737,576	4,258,574	(17,663,555)
Cash and cash equivalents, beginning of the year	39,480,485	35,221,911	52,885,466
Cash and cash equivalents, end of the year	\$ 56,218,061	\$ 39,480,485	\$ 35,221,911

Changes from 2024 to 2025

Cash used in operating activities decreased by \$15.3 million. Most of this decrease can be attributed to increased cash from research grants and contracts, as well as tuition and fees providing more cash in fiscal year 2025.

Cash provided by noncapital financing activities decreased by \$16.2 million. State appropriations decreased significantly in fiscal year 2025 from a decrease in special allocation of funding for the MPSERS pension plan.

Cash provided by capital and related financing activities decreased by \$103.9 million. Proceeds from the issuance of the Series 2023C bonds for the construction of a student residence hall and State capital appropriations for the H-STEM Complex significantly decreased.

Cash from investing activities increased by \$117.2 million due to the proceeds from sales and maturities of investments from the Series 2023C bonds.

Overall, cash increased by \$16.7 million with most of the increase coming from the proceeds from sales of investments of the Series 2023C bonds.

Changes from 2023 to 2024

Cash used in operating activities decreased by \$22.3 million. Tuition and fees provided \$15.6 million more cash in fiscal year 2024, contributing to most of the decrease. Less cash was paid to MPSERS due to changes in contribution rates and less funding provided by the State of Michigan to pay down the UAAL.

Cash provided by noncapital financing activities decreased by \$13.3 million. State appropriations decreased significantly in fiscal year 2024 from a decrease in special allocation of funding for the MPSERS pension plan.

Cash provided by capital and related financing activities increased by \$39.4 million. Proceeds from the issuance of the Series 2023C bonds for the construction of a student residence hall and State capital appropriations for the H-STEM Complex caused the increase.

Cash from investing activities increased by \$26.4 million due to the purchase of investments being greater than the sales of investments during fiscal year 2024. Purchases of investments increased from investing a portion of the unspent bond proceeds of the 2023C bonds.

Overall, cash increased by \$4.3 million with most of the increase coming from the issuance of the Series 2023C bonds.





FACTORS IMPACTING FUTURE PERIODS

Enrollment

Admission is open to all students on a competitive basis. The University's incoming first-year students consistently have average ACT scores greater than the national average. The following tables show that about 13% of accepted students enroll at the University. Michigan residents account for 68% of the University's enrollment. Enrollment has been a priority of the University and is a part of its Strategic Plan.

ACCEPTED STUDENTS SUMMER AND FALL SEMESTERS

	2024	2023	2022	2021	2020
First-Year Students	10,621	10,935	7,394	6,895	5,260
Transfer Students	356	470	332	339	296
Graduate Students	3,663	4,471	2,753	1,433	1,525
Total	14,640	15,876	10,479	8,667	7,081

AVERAGE ACT SCORES FOR INCOMING FIRST-YEAR STUDENTS, FALL SEMESTER

	Michigan Tech	National
2024	27.9	19.4
2023	28.0	19.5
2022	27.3	19.8
2021	27.7	20.3
2020	27.5	20.6

SELECTED ENROLLMENT DATA* SUMMER AND FALL SEMESTERS

	2024	2023	2022	2021	2020
First-Year Students	1,373	1,463	1,388	1,479	1,201
New Transfer Students	139	173	144	151	149
Graduate Students	340	371	389	385	242
Total	1,852	2,007	1,921	2,015	1,592

ENROLLMENT BY RESIDENCY, FALL SEMESTER*

	2024	2023	2022	2021	2020
Resident	4,892	4,849	4,745	4,818	4,704
Non-Resident	1,544	1,494	1,404	1,408	1,376
International	708	747	714	598	607
Total	7,144	7,090	6,863	6,824	6,687

*Does not include Distance Learning

FULL-TIME EQUIVALENT STUDENTS BY RESIDENCY, FALL SEMESTER*

	2024	2023	2022	2021	2020
Resident	4,677	4,626	4,507	4,582	4,443
Non-Resident	1,489	1,438	1,347	1,344	1,307
International	653	721	697	562	559
Total	6,819	6,785	6,551	6,488	6,309

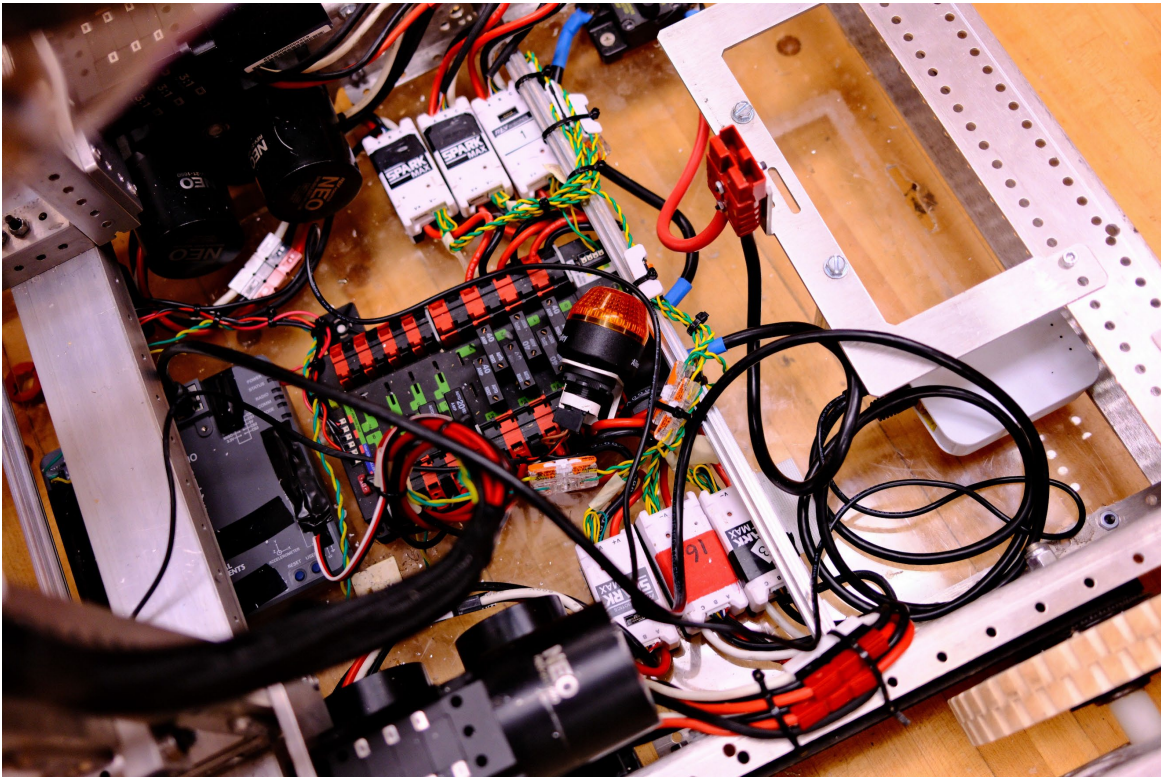
*Does not include Distance Learning

Degrees Awarded

The University awards four levels of degrees: Associate's, Bachelor's, Master's, and Doctoral/Professional. Listed below is a five-year history of degrees awarded.

DEGREES AWARDED

	2025	2024	2023	2022	2021
Associate's	17	16	3	5	5
Bachelor's	1,293	1,094	1,109	1,164	1,173
Master's	494	466	385	353	424
Doctoral	67	86	86	74	84
Total	1,871	1,662	1,583	1,596	1,686





**MICHIGAN TECHNOLOGICAL UNIVERSITY
STATEMENTS OF NET POSITION**

	June 30	
	2025	2024
Assets		
Current assets		
Cash and cash equivalents	\$ 39,347,790	\$ 24,588,749
Accounts receivable, net	33,207,948	31,308,139
Pledges receivable, net	4,821,592	4,838,751
Other assets	2,845,397	1,813,824
Total current assets	80,222,727	62,549,463
Noncurrent assets		
Student loans receivable, net	1,807,414	2,438,065
Pledges receivable, net of allowance and current portion	14,113,006	16,690,899
Restricted cash for capital projects - unspent bond proceeds	16,870,271	14,891,736
Restricted investments for capital projects - unspent bond proceeds	8,471,580	60,748,114
Investments	247,258,360	251,908,555
Beneficial interest in charitable remainder trusts	8,423,947	7,259,708
Capital assets, net	345,435,905	301,918,877
Net OPEB asset - MPSERS	15,656,609	9,265,436
Net pension asset - MPSERS	9,885,978	-
Other assets	2,932,872	2,826,007
Total noncurrent assets	670,855,942	667,947,397
Total assets	751,078,669	730,496,860
Deferred outflows of resources		
Deferred pension amounts	1,045,588	2,316,471
Deferred OPEB amounts	35,147	41,783
Total deferred outflows of resources	1,080,735	2,358,254
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities	24,703,454	34,057,893
Unearned revenue	8,108,808	5,694,696
Annuity obligations, current portion	451,009	455,306
Insurance and benefit reserves	2,245,395	2,025,777
Long-term debt, current portion	6,241,808	4,895,511
Total current liabilities	41,750,474	47,129,183
Noncurrent liabilities		
Accrued compensated absences	7,110,642	-
Enrollment deposits	13,450	65,550
Annuity obligations, net of current portion	4,123,840	4,322,006
Long-term debt, net of current portion	177,497,995	183,195,114
Net pension liability	-	2,589,773
Net OPEB liability - single employer plan	2,732,820	3,063,634
Total noncurrent liabilities	191,478,747	193,236,077
Total liabilities	233,229,221	240,365,260
Deferred inflows of resources		
Deferred pension amounts	9,061,418	203,779
Deferred OPEB amounts	1,680,705	8,062
Deferred gain on refunding	1,087,501	1,208,336
Deferred split-interest agreement amounts	13,906,088	11,878,972
Total deferred inflows of resources	25,735,712	13,299,149
Net position		
Net investment in capital assets	185,438,290	188,859,221
Restricted:		
Nonexpendable	133,361,225	125,635,401
Expendable:		
Academic support and student financial support	106,736,508	97,745,369
Capital projects	-	-
Student loans	3,396,204	4,352,858
Net OPEB asset - MPSERS	15,656,609	9,265,436
Net pension asset - MPSERS	9,885,978	-
Unrestricted	38,719,657	53,332,420
Total net position	\$ 493,194,471	\$ 479,190,705

The accompanying notes are an integral part of these financial statements.

MICHIGAN TECHNOLOGICAL UNIVERSITY
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

	Year Ended June 30	
	2025	2024
Revenues		
Operating revenues		
Student tuition and fees (net of scholarship allowances of \$77,999,862 and \$56,030,521 in 2025 and 2024, respectively)	\$ 106,769,940	\$ 119,716,956
Federal grants and contracts	54,301,518	42,960,656
State and local grants and contracts	7,074,843	7,034,814
Nongovernmental grants and contracts	29,175,563	24,390,372
Educational activities	10,870,521	7,499,412
Departmental activities	11,759,754	11,162,876
Student residence fees (net of scholarship allowances of \$929,387 and \$10,142,149 in 2025 and 2024, respectively)	31,305,331	21,599,738
Total operating revenues	251,257,470	234,364,824
Expenses		
Operating expenses		
Compensation and benefits	210,607,271	185,562,280
Supplies and services	86,969,118	75,506,046
Student financial support	15,213,855	18,625,831
Utilities	7,369,887	7,000,541
Depreciation and amortization	17,172,809	14,804,070
Total operating expenses	337,332,940	301,498,768
Operating loss	(86,075,470)	(67,133,944)
Nonoperating revenues (expenses)		
Federal Pell grants	8,357,350	6,063,055
Federal grants, other	275,567	539,500
State appropriations	57,347,131	82,521,477
Gifts	8,942,724	11,445,104
Investment return	23,227,347	23,018,179
Interest on capital asset-related debt	(7,578,561)	(6,672,619)
Loss on disposal of capital assets	(299,520)	(522,632)
Net nonoperating revenues	90,272,038	116,392,064
Income (loss) before other revenues	4,196,568	49,258,120
Other revenues		
Capital grants and gifts	3,094,194	26,461,757
Gifts for permanent endowment purposes	6,651,602	7,156,877
Other revenues	61,402	89,653
Total other revenues	9,807,198	33,708,287
Change in net position	14,003,766	82,966,407
Net position		
Beginning of year	479,190,705	396,224,298
End of year	\$ 493,194,471	\$ 479,190,705

The accompanying notes are an integral part of these financial statements.



**MICHIGAN TECHNOLOGICAL UNIVERSITY
STATEMENTS OF CASH FLOWS**

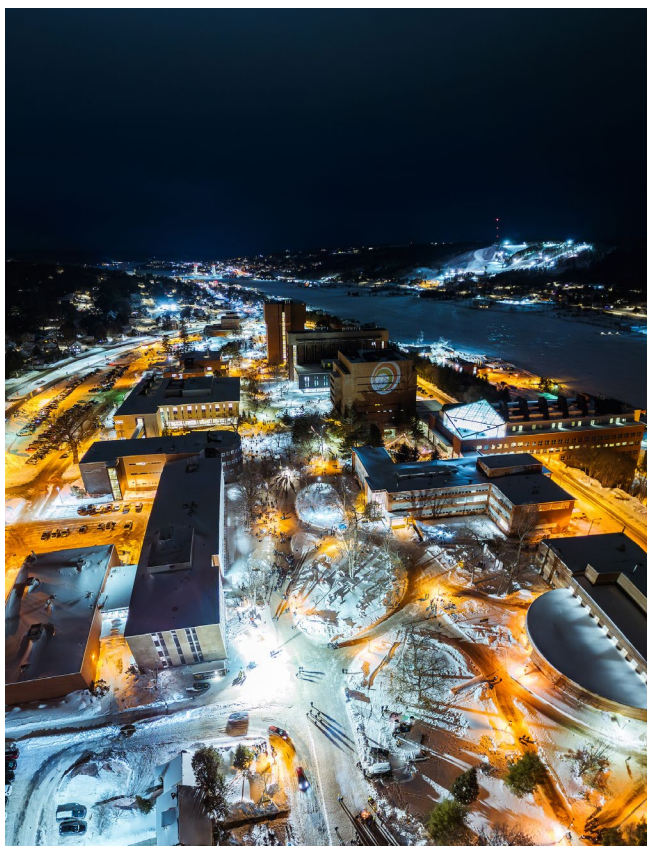
	Year Ended June 30	
	2025	2024
Cash flows from operating activities		
Student tuition and fees	\$ 126,562,016	\$ 121,935,507
Grants and contracts	87,915,470	68,291,027
Payments to employees	(161,014,589)	(150,417,305)
Payments for benefits	(61,057,953)	(70,008,226)
Payments to suppliers	(85,931,236)	(73,197,518)
Payments for utilities	(7,369,887)	(7,000,541)
Payments for financial aid	(23,149,778)	(18,625,831)
Loans issued to students	(62,142)	(113,712)
Collection of loans to students	692,794	1,012,172
Departmental activities	11,663,254	11,066,376
Educational activities	11,260,019	7,756,295
Student residence fees	21,170,214	21,735,066
William D. Ford direct lending cash received	26,147,950	26,172,938
William D. Ford direct lending cash disbursed	(26,174,936)	(26,174,936)
Noncurrent Compensated Absences	7,110,642	-
Other (payments) receipts	(139,691)	(121,849)
Net cash used in operating activities	(72,377,853)	(87,690,537)
Cash flows from noncapital financing activities		
Federal Pell grants	8,338,402	6,047,555
Federal grants, other	275,567	539,500
State appropriations	57,118,728	82,053,348
Gifts and grants for other than capital purposes	16,009,256	9,257,454
Payments to annuitants	(449,834)	(450,356)
Other receipts	61,403	89,651
Net cash from noncapital financing activities	81,353,522	97,537,152
Cash flows from capital and related financing activities		
Grants and gifts received for capital purposes	3,879,768	32,825,641
Proceeds from sale of capital assets	96,500	96,500
Purchases of capital assets	(67,173,725)	(61,568,345)
Proceeds from issuance of debt	1,639,191	69,389,120
Principal paid on capital debt and leases	(4,895,511)	(5,047,535)
Interest paid on capital debt and leases	(8,079,666)	(6,345,017)
Net cash from (used in) capital and related financing activities	(74,533,443)	29,350,364
Cash flows from investing activities		
Proceeds from sales and maturities of investments	119,867,449	53,466,751
Purchase of investments	(46,157,915)	(96,817,454)
Income on investments	8,585,816	8,412,298
Net cash used in investing activities	82,295,350	(34,938,405)
Net change in cash and cash equivalents	16,737,576	4,258,574
Cash and cash equivalents, beginning of year	39,480,485	35,221,911
Cash and cash equivalents, end of year	\$ 56,218,061	\$ 39,480,485
Cash and cash equivalents per statement of net position	\$ 39,347,790	\$ 24,588,749
Restricted cash for capital projects - unspent bond proceeds	16,870,271	14,891,736
Total cash and cash equivalents per statement of net position	\$ 56,218,061	\$ 39,480,485

The accompanying notes are an integral part of these financial statements.

**MICHIGAN TECHNOLOGICAL UNIVERSITY
STATEMENTS OF CASH FLOWS (CONTINUED)**

	Year Ended June 30	
	2025	2024
Reconciliation of operating loss to net cash from operating activities		
Operating loss	\$ (86,075,470)	\$ (67,133,944)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization expense	17,172,809	14,804,070
Noncash gifts	1,041,144	430,003
Changes in operating assets and liabilities:		
Receivables, net	(2,361,866)	(4,218,704)
Other assets	(1,030,487)	(560,207)
Student loans receivable	630,651	898,460
Accounts payable and other accrued liabilities	(3,958,139)	962,138
Unearned revenue	2,436,116	757,921
Enrollment deposits	219,618	(267,500)
Insurance and benefit reserves	(52,100)	693,746
Noncurrent Compensated Absences	7,110,642	-
Change in net pension and OPEB liabilities and assets and deferred amounts	(7,510,771)	(34,056,520)
Net cash used in operating activities	\$ (72,377,853)	\$ (87,690,537)
Supplemental disclosure of non-cash items		
Capital gifts-in-kind received	\$ 393,016	\$ 223,117

The accompanying notes are an integral part of these financial statements.





NOTES TO THE FINANCIAL **STATEMENTS**

(1) BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

Reporting Entity

Michigan Technological University ("University") is an institution of higher education and is considered to be a component unit of the State of Michigan because its Board of Trustees is appointed by the Governor of the State of Michigan. Accordingly, the University is included in the State's financial statements as a discretely presented component unit. Transactions with the State of Michigan relate primarily to appropriations for operations, grants from various state agencies, State Building Authority (SBA) revenues, and payments to the state retirement system for University employees.

The University has two component units which are described below. The descriptions include the impact that each component unit has on the University.

The Michigan Tech Fund ("Fund") is a legally separate tax-exempt component unit of the University. The primary purpose of the Fund is to receive, invest, and disburse gifts received on behalf of the University. The Fund provides services entirely to the University and has substantially the same governing body. The Fund is blended into the University's financial statements because management of the University has operational responsibility for the Fund and the Fund exclusively benefits the University. The June 30, 2025, audited financial statements of the Fund can be obtained from its office at 1400 Townsend Drive, Houghton, MI 49931, or at www.mtu.edu/giving/about/tech-fund/.

The Michigan Tech Entrepreneurial Support Corporation (MTESC) is a legally separate tax-exempt component unit of the University. The primary purpose of the MTESC is to support the entrepreneurial and commercial development efforts of the University. The MTESC meets the criteria for blending its financial activity into the University's financial statements. The MTESC provides services entirely to the University and has substantially the same governing body. The University, however, has excluded the MTESC's financial activity from the financial statements due to insignificance.

The financial statements include the operations of the University and the Fund, collectively known as the University's financial statements. All significant accounts and transactions between the Fund and the University have been eliminated.



Condensed financial information for the Michigan Tech Fund is provided below:

MICHIGAN TECH FUND
CONDENSED STATEMENTS OF NET POSITION
AS OF JUNE 30

	<u>2025</u>	<u>2024</u>
Assets		
Current assets	\$ 16,600,871	\$ 16,262,750
Noncurrent assets:		
Investments	214,086,341	196,462,931
Other	24,491,281	25,798,070
Total assets	255,178,493	238,523,751
Liabilities		
Current liabilities:		
Accounts payable to the University	43,702	256,000
Other	471,478	471,403
Noncurrent liabilities	4,123,840	4,322,006
Total liabilities	4,639,020	5,049,409
Deferred inflows	13,906,088	11,878,972
Net position		
Restricted		
Nonexpendable	133,361,225	125,635,401
Expendable	92,241,409	85,258,213
Unrestricted	11,030,751	10,701,756
Total net position	\$ 236,633,385	\$ 221,595,370





MICHIGAN TECH FUND
CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
YEAR ENDED JUNE 30

	2025	2024
Operating expenses		
Supplies and services	\$ 14,215,306	\$ 15,065,545
Student financial support	5,822,307	4,757,712
Total operating expenses	20,037,613	19,823,257
Operating loss	(20,037,613)	(19,823,257)
Nonoperating revenues (expenses) and other revenues		
Gifts	8,902,888	11,060,949
Investment return	16,963,256	14,954,545
Gifts for permanent endowment	6,651,602	7,156,877
Gifts for capital purposes	2,496,480	2,235,986
Other revenues	61,402	89,653
Net nonoperating revenues and other revenues	35,075,628	35,498,010
Change in net position	15,038,015	15,674,753
Net position		
Beginning of year	221,595,370	205,920,617
End of year	\$ 236,633,385	\$ 221,595,370

MICHIGAN TECH FUND
CONDENSED STATEMENTS OF CASH FLOWS
YEAR ENDED JUNE 30

	2025	2024
Cash flows from		
Operating activities	\$ (19,204,396)	\$ (19,139,878)
Noncapital financing activities	15,580,989	13,759,842
Capital and related financing activities	2,496,480	2,235,986
Investing activities	1,481,121	2,716,053
Net change in cash and cash equivalents	354,194	(427,997)
Cash and cash equivalents, beginning of year	11,415,888	11,843,885
Cash and cash equivalents, end of year	\$ 11,770,082	\$ 11,415,888

Basis of Presentation

The accompanying financial statements have been prepared using the economic resource measurement focus and the accrual basis of accounting. In accordance with governmental accounting standards, the University follows all applicable Governmental Accounting Standards Board (GASB) pronouncements. In applying these accounting pronouncements, the University follows the guidance for special-purpose governments engaged only in "business type" activities rather than issuing financial statements that focus on accountability of individual funds.

Use of Estimates

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Estimates include, but are not limited to, the allowance for doubtful accounts and pledges receivable, accrued compensated absences, net pension and other post employment benefits (OPEB) liabilities, insurance claims incurred but not reported, fair value of investments that are not readily marketable, and life expectancies for split-interest gift agreements.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

The University considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents. On the Statements of Net Position, restricted cash (unspent bond proceeds) is segregated from cash and cash equivalents and included in noncurrent assets. For the Statements of Cash Flows, however, restricted cash is included in the beginning and ending balances of cash and cash equivalents.

Pledges Receivable and Gifts

Pledges receivable and gifts are recognized at their fair values as revenues in the periods received. Pledges receivable that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All pledges receivable are recorded at their net realizable values.

Investments

The University's and Fund's investments in marketable securities are carried at quoted fair market value whenever possible. The University also holds land for investment purposes which functions as an endowment and is recorded at fair value. Fair value is arrived at through independent appraisals of the land and of the timber holdings. Alternative investments consisting of hedge funds, private equity funds and other limited partnership interests, are valued using net asset value as a practical expedient.

Capital Assets

The University currently uses a \$5,000 capitalization threshold for capital assets acquired with an estimated useful life in excess of one year. Physical properties are stated at cost when purchased. Donated capital assets are recorded at acquisition value on date of receipt. Depreciation is provided for physical properties on a straight-line basis over the estimated useful life of the property, generally as follows:

Classification	Life
Buildings	40 years
Land improvements and infrastructure	20 years
Equipment	7 years
Computer equipment	5 years
Library books	5 years

Subscriptions

The University obtains the right to use vendors' information technology software through various long-term contracts. The University recognizes a subscription liability and an intangible right-of-use subscription asset (the "subscription asset") in the applicable governmental or business-type activities column in the government-wide financial statements. The University recognizes subscription assets and liabilities with an initial value of \$0 or more.



At the commencement of a subscription, the University initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus initial implementation costs. Subsequently, the subscription asset is depreciated on a straight-line basis over its useful life.

Key estimates and judgments related to subscriptions include how the University determines the discount rate it uses to discount the expected subscription payments to present value and the subscription term.

The University uses the interest rate charged by the vendor as the discount rate. When the interest rate charged by the vendor is not provided, the University generally uses its estimated incremental borrowing rate as the discount rate for subscriptions.

The subscription term includes the noncancelable period of the subscription.

The University monitors changes in circumstances that would require a remeasurement of its subscriptions and will remeasure the subscription asset and liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

Subscription assets are reported with other capital assets, and subscription liabilities are reported with long-term debt on the Statements of Net Position.

Revenue Recognition

Revenues are recognized when earned. State appropriation revenue is recognized in the period for which it is appropriated. Restricted grant revenue is recognized only to the extent expended. Restricted and unrestricted resources are allocated to the appropriate departments within the University that are responsible for adhering to any donor restrictions. Student tuition and fee revenues and student residence fee revenues are reported net of scholarship allowances in the Statements of Revenues, Expenses and Changes in Net Position. Scholarship allowances represent the difference between the stated charge for goods and services provided by the University and the amount that is paid by the students or third parties on behalf of the students, where the University has discretion over such expenses.

In April 2023, the National Association of College and University Business Officers (NACUBO) issued Advisory Report 2023-01 Public Institutions: Accounting for and Reporting Financial Aid as a Discount. Advisory Report (AR) 2023-01 provides estimation and measurement methodologies that more accurately reflect how financial aid is provided to students at public colleges and universities and applies the basic concepts for dealing with scholarship allowances found in NACUBO Advisory Report (AR) 97-1, Accounting and Reporting Scholarship Allowances to Tuition and Other Fee Revenues by Higher Education. The amount reported as operating expense continues to represent the portion of aid that was provided to the student in the form of excess of the amounts charged by the university for student tuition and auxiliary services. Scholarship allowances continue to represent the portion of aid provided to the student in the form of reduced tuition.

The University adopted NACUBO AR 2023-01 in 2025, which resulted in use of a new calculation to estimate the scholarship allowance. Previously, the use of pooled student refunds as the basis for allocation of the allowance introduced non-discountable transactions into the calculation process, reducing the accuracy of estimates. Enterprise system advancements have created the capacity for more accurate estimates using a methodology that reflects the financial aid process flow. The scholarship allowances for "Student tuition and fees" and "Auxiliary activities" and the "Student financial support" line items within the Statement of Revenues, Expenses, and Changes in Net Position are affected by the allocation change described in the methodology.

Operating and Nonoperating Revenues

The University's policy for defining operating activities as reported on the statement of revenues, expenses, and changes in net position is to report those activities that generally result from exchange transactions, such as payments received for providing services and payments made for services or goods received. Nearly all the University's expenses are from exchange transactions. Certain significant revenue streams relied upon for operations are recorded as nonoperating revenues due to their non-exchange nature, which include state appropriations and investment income. Restricted and unrestricted resources are spent and tracked within donor guidelines, if any, by the awarded University department. Federal Pell grant revenue is also classified as nonoperating. The amounts received for 2025 and 2024 were \$6,063,055 and \$4,944,840 respectively.

Classification of Expenses

Expenses are recognized when the service is provided or when materials are received. The University and the Fund have classified expenses as either operating or nonoperating expenses according to the following criteria:

Operating Expenses

Operating expenses include activities that have the characteristics of exchange transactions, such as (1) employee salaries, benefits, and related expenses; (2) scholarships and fellowships, net of scholarship discounts and allowances; (3) utilities, supplies, and other services; (4) professional fees; and (5) depreciation and amortization expense related to University capital assets.

Nonoperating Expenses

Nonoperating expenses include activities that have the characteristics of nonexchange transactions, such as interest on capital asset-related debt and other expenses that are defined as nonoperating expenses by governmental accounting standards.





Income Taxes

The University is classified as a political subdivision of the State of Michigan under Internal Revenue Code Section 115(A) and is, therefore, exempt from federal income taxes. Certain activities of the University, to the extent profitable, may be subject to taxation as unrelated business income under Internal Revenue Code Sections 511 to 514. The University incurred insignificant amounts of income taxes for fiscal years 2025 and 2024. The Fund is exempt from federal income taxes under Internal Revenue Code section 501(c)(3).

Net Position

The University's net position is classified as follows:

Net investment in capital assets

Capital assets, net of accumulated depreciation, unspent bond proceeds, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.

Restricted for nonexpendable purposes

Net position from gifts and other inflows of assets that represent permanent endowments. Use of these gifts is limited by donor-imposed stipulations that neither expire by the passage of time nor can be fulfilled or otherwise removed by the University. Under Michigan law set forth in Uniform Prudent Management of Institutional Funds Act, as adopted in Michigan in 2009 ("UPMIFA"), the Board acts in a fiduciary capacity as trustee of its endowment funds. UPMIFA requires that the Board exercise its fiduciary duties prudently and consider both the charitable purposes and needs of the University and the purposes of the specific endowment regarding current expenditures and preservation of the purchasing power of the funds. Under the programmatic spending policy established by the Board, 4.0% and 3.6% of the average market value of endowment investments for the twelve quarters of the three fiscal years prior to the beginning of the fiscal year was authorized for expenditure for fiscal year 2025 and 2024.

Restricted for expendable purposes

Net position whose use is subject to externally imposed stipulations that can be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time. Such net position includes net appreciation of permanent endowment funds, OPEB and Pension assets related to the Michigan Public School Employee's Retirement System (MPERS) plan, and funds designated for student financial aid and other University programs.

Unrestricted

Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of the University's Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

Deferred Outflows of Resources

In addition to assets, the Statements of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to one or more future periods and so will not be recognized as an outflow of resources (expense) until then. The University reports deferred outflows of resources for certain pension and OPEB related amounts, such as change in expected and actual experience, changes in assumptions, and certain contributions made to the plan subsequent to the measurement date.

Deferred Inflows of Resources

In addition to liabilities, the Statements of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to one or more future periods and so will not be

recognized as an inflow of resources (revenue) until that time. The University reports deferred inflows of resources for certain pension and OPEB related amounts, such as the difference between projected and actual earnings of the pension plan's investments and appropriations received for the pension plan subsequent to the measurement date. The University reports deferred inflows of resources for irrevocable split-interest agreements such as charitable remainder trusts, charitable gift annuities and pooled income funds. The remainder interests of split-interest agreements cannot be recognized as revenue until after the split-interest agreement is terminated. The University reports deferred inflows of resources for the gain on refunding of defeased debt.

Pension

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Postemployment Benefits Other Than Pensions

For the purposes of measuring the net OPEB asset or liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the plan and additions to/deductions from the plan fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

GASB Pronouncements Adopted

Effective for the fiscal year ended June 30, 2025, the University adopted GASB Statement No. 101, Compensated Absences, ("GASB 101"). Under GASB 101, a government, such as the University, must record a liability for leave that has not been used if the leave accumulates, is attributable to services already rendered, and is more likely than not to be used for time off or otherwise paid out. The liability must also include salary-related payments such as Social Security and Medicare taxes. GASB 101 replaces GASB Statement No. 16 and updates the prior recognition and measurement guidance for compensated absences under a unified model. Due to the immaterial impact as a result of this change, the University is not required to report prior year restatements.

Effective for the fiscal year ended June 30, 2025, the University adopted GASB Statement No. 102, Certain Risk Disclosures, ("GASB 102"). This statement sets forth the criteria for disclosing whether a government entity, such as the University, is susceptible to risks that could lead to significant impact. According to GASB 102, it is necessary to evaluate if an event or events related to a concentration or constraint that might result in a substantial impact have occurred, have begun to occur, or are more likely than not to occur within 12 months from the date the financial statements are issued. As of the date of the financial statement issuance, no such relevant events have occurred or are more likely than not to occur within 12 months, and consequently, the University is not required to report a disclosure.

Upcoming GASB Statements

In April 2024, the Government Accounting Standards Board issued Statement No. 103, Financial Reporting Model Improvements, which establishes new accounting and financial reporting requirements, or modifies existing requirements, related to the following: management's discussion and analysis; unusual or infrequent items; presentation of the proprietary fund statement of revenues, expenses, and changes in fund net position; information about major component units in basic financial statements; budgetary comparison information; and financial trends information in the statistical section. The provisions of this statement are effective for the University's financial statements for the year ending June 30, 2026.

In September 2024, the Government Accounting Standards Board issued Statement No. 104,



Disclosure of Certain Capital Assets, which requires certain types of capital assets, such as lease assets, intangible right-to-use assets, subscription assets, and other intangible assets to be disclosed separately by major class of underlying asset in the capital assets note. This statement also requires additional disclosures for capital assets held for sale. The provisions of this statement are effective for the University's financial statements for the year ending June 30, 2026.



(2) CASH AND INVESTMENTS

Authorizations

The University utilizes the "pooled cash" method of accounting for substantially all of its cash and cash equivalents. The University investment policies are governed and authorized by University Bylaws and the Board of Trustees. The Fund's investment policies are governed by its Board of Directors and the performance of its investments is monitored by its Investment Committee.

Interest rate risk

The University has investment guidelines and the Fund has an investment policy statement which divide investments into pools based on liquidity needs, duration, and appropriate risk versus return percentage. The maturities of the University's fixed income investments as of June 30 are categorized below:

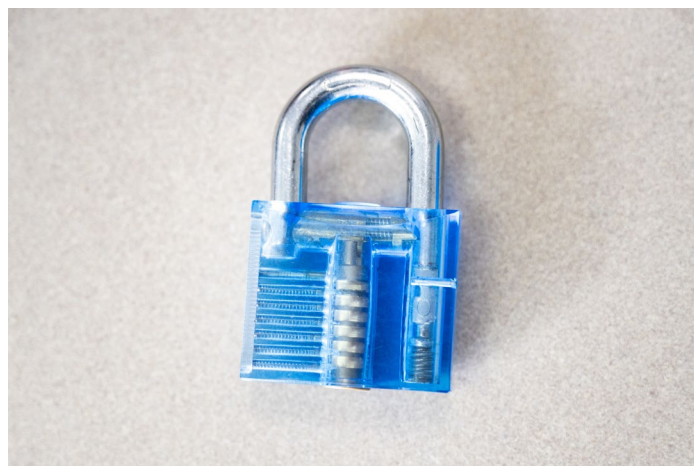
INVESTMENT MATURITIES

	June 30, 2025			
	Less than 1			
	Fair Value	Year	1 to 5 Years	6 to 10 Years
Fixed income mutual funds	\$ 82,302,630	\$ 6,437,068	\$ 23,412,030	\$ 52,453,532
Corporate bonds and notes	341,235	67,895	229,949	43,391
US government obligations	9,478,940	8,689,226	679,695	110,019
Total	\$ 92,122,805	\$ 15,194,189	\$ 24,321,674	\$ 52,606,942
	June 30, 2024			
	Less than 1			
	Fair Value	Year	1 to 5 Years	6 to 10 Years
Fixed income mutual funds	\$ 85,424,662	\$ 6,289,239	\$ 25,965,991	\$ 53,169,432
Corporate bonds and notes	377,145	72,072	219,892	85,181
US government obligations	61,821,026	52,664,235	9,026,527	130,264
Total	\$ 147,622,833	\$ 59,025,546	\$ 35,212,410	\$ 53,384,877

Credit risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Credit risk is mitigated by limiting investments to those approved by Board policy and by diversifying the investment portfolio so that the failure of any one issuer or backer will not place an undue financial burden on the University. The University had the following debt instruments subject to interest rate fluctuations at June 30, 2025 and 2024:

	Market Value June 30, 2025	Rating	Rating Agency	Market Value June 30, 2024	Rating	Rating Agency
Mutual funds - fixed income	\$ 7,096,192	5-star	Morningstar	\$ 558,727	5-star	Morningstar
Mutual funds - fixed income	6,614,111	4-star	Morningstar	11,933,205	4-star	Morningstar
Mutual funds - fixed income	45,763,102	3-star	Morningstar	42,245,878	3-star	Morningstar
Mutual funds - fixed income	193,844	2-star	Morningstar	187,987	2-star	Morningstar
Mutual funds - fixed income	15,965,174	AA Average Quality		19,620,458	AA Average Quality	
Mutual funds - fixed income	3,818,117	AA- Average Quality		5,775,075	AA- Average Quality	
Mutual funds - fixed income	2,852,090	A+ Average Quality		5,103,332	A+ Average Quality	
Corporate bonds and notes						
Boeing Co Debenture	-	BBB-	S&P	23,040	BBB-	S&P
Stryker Corp Sr Note	9,960	BBB+	S&P	9,732	BBB+	S&P
Walgreens Boots Alliance Inc Note	8,808	BB-	S&P	8,474	BBB	S&P
Coca Cola Enterprises Inc Debenture	9,675	A+	S&P	9,586	A+	S&P
Raytheon Co Debenture	11,659	BBB+	S&P	11,682	A-	S&P
Celgene Corp Sr Note	14,738	A	S&P	14,157	A+	S&P
Intel Corp	22,842	BBB	S&P	21,981	A+	S&P
Royal Bank of Canada	-	A	S&P	24,718	A	S&P
Visa Inc	24,864	AA-	S&P	24,313	AA-	S&P
Comcast Corp	48,642	A-	S&P	46,812	A-	S&P
State Street Corp	46,492	A	S&P	44,046	A	S&P
Blackrock Inc	21,570	AA-	S&P	20,352	AA-	S&P
Merck & Co Inc	21,821	A+	S&P	20,783	A+	S&P
Toyota Motor Credit Corp	24,263	A+	S&P	23,152	A+	S&P
UnitedHealth Group Inc	24,717	A+	S&P	24,044	A+	S&P
Westpac Banking Corp	25,789	AA-	S&P	25,379	AA-	S&P
John Deere Capital Corp	25,395	A	S&P	24,894	A	S&P
US government obligations						
Federal Farm Credit Banks	47,064	AA+	S&P	1,273,259	AA+	S&P
US Treasury Notes	7,196,637	AA1	Moody's	57,066,877	AAA	Moody's
Federal Home Loan Banks	1,002,695	AA1	Moody's	2,236,512	AAA	Moody's
Fed National Mortgage Assn	1,232,544	AA+	S&P	1,244,378	AA+	S&P
Total	\$ 92,122,805			\$ 147,622,833		





Custodial credit risk: deposits

For deposits, custodial credit risk is present if the University's deposits would not be covered by depository insurance or collateralized by the bank. Deposits were reflected in the accounts of the banks of \$56,352,826 and \$42,713,465 as of June 30, 2025 and 2024, respectively. The University had \$37,973,772 and \$31,348,039 exposed to custodial credit risk because the deposits were uninsured or uncollateralized, as of June 30, 2025 and 2024, respectively.

Custodial credit risk: investments

For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the University will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Investments in external investment pools and open-ended mutual funds are not exposed to custodial credit risk because their existence is not evidenced by securities that exist in physical and book entry form. All investments are in the name of the University or Fund, as applicable, and the investments are held in accounts with each financial institution from which they were purchased.

Concentration of credit risk

Concentration of credit risk is the risk of loss attributed to the magnitude of investment in a single issuer. Neither the University's nor the Fund's investment policy has specific limits on concentration of credit risk. The following investments comprise more than 5% of the total investments as of June 30:

	Market Value June 30, 2025	Market Value June 30, 2024
Vanguard Total Bond Market	\$ 45,036,305	\$ 41,615,497
Vanguard Total Stock Market ETF	23,724,168	21,553,548
Vanguard International Equity Index Fund	19,572,111	18,268,061
Total	\$ 88,332,584	\$ 81,437,106

Foreign currency risk

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or deposit. All of the University's foreign investments at June 30, 2025 and 2024 are valued in US dollars, therefore the University was not subject to foreign currency risk.



Investments and Investment Return

Investments and restricted investments, carried at fair value, at June 30, are categorized as follows:

INVESTMENT PORTFOLIO

	2025	2024
Marketable securities		
Equities	\$ 25,293,720	\$ 24,601,303
Equity mutual funds	53,639,678	63,659,246
Fixed income mutual funds	92,122,805	147,622,833
Total marketable securities	171,056,203	235,883,382
Alternative investments		
Hedge funds	6,504,069	7,472,684
Real estate and natural resources	18,158,594	18,131,857
Private equity limited partnerships	42,240,916	33,807,248
Global credit	7,048,520	6,493,741
Total alternative investments	73,952,099	65,905,530
Closely-held stock	20,000	20,000
Land held for investment	10,701,638	10,847,757
Total investments	\$ 255,729,940	\$ 312,656,669

The University's net investment return is comprised of the following for the years ended June 30:

INVESTMENT RETURN

	2025	2024
Dividends and interest	\$ 8,880,211	\$ 8,789,835
Net gain on sale of investments	6,658,351	2,905,981
Net increase (decrease) in the fair value of investments	8,249,462	11,937,999
Investment fees	(560,678)	(615,636)
Total investment return (loss)	\$ 23,227,346	\$ 23,018,179

The following tables present information about the University's assets measured at fair value on a recurring basis at June 30, 2025 and 2024 and the valuation techniques used by the University to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the University has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets in active markets, and other inputs such as interest rates and yield curves that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset.

In instances where inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The University's assessment of the significance of particular inputs to these fair



value measurements requires judgement and considers factors specific to each asset.

The fair values of investments and restricted investments measured on a recurring basis at June 30, 2025 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities	\$ 25,293,720	\$ 25,293,720	\$ -	\$ -
Equity mutual funds	53,639,678	53,639,678	-	-
Fixed income mutual funds	69,487,414	69,146,179	341,235	-
Land held for investment	10,701,638	-	-	10,701,638
Closely-held stock	20,000	-	-	20,000
Total investments by fair value level	159,142,450	\$ 148,079,577	\$ 341,235	\$ 10,721,638
Investments measured at the net asset value:				
Commonfund equity funds	-			
Commonfund fixed income funds	22,635,391			
Hedge funds	6,504,069			
Real estate and natural resources	18,158,594			
Private equity limited partnerships	42,240,916			
Global credit	7,048,520			
Total investments at the net asset value	96,587,490			
Total investments	\$ 255,729,940			
Beneficial interest in charitable remainder trusts at the net asset value				
	\$ 8,423,947	\$ -	\$ -	\$ 8,423,947

The fair values of investments measured on a recurring basis at June 30, 2024 are as follows:

	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Equities	\$ 24,601,303	\$ 24,601,303	\$ -	\$ -
Equity mutual funds	49,395,244	49,395,244	-	-
Fixed income mutual funds	117,123,968	116,746,823	377,145	-
Land held for investment	10,847,757	-	-	10,847,757
Closely-held stock	20,000	-	-	20,000
Total investments by fair value level	201,988,272	\$ 190,743,370	\$ 377,145	\$ 10,867,757
Investments measured at the net asset value:				
Commonfund equity funds	14,264,002			
Commonfund fixed income funds	30,498,865			
Hedge funds	7,472,684			
Real estate and natural resources	18,131,857			
Private equity limited partnerships	33,807,248			
Global credit	6,493,741			
Total investments at the net asset value	110,668,397			
Total investments	\$ 312,656,669			
Beneficial interest in charitable remainder trusts at the net asset value				
	\$ 7,259,708	\$ -	\$ -	\$ 7,259,708

2025 Financial Report

The University holds shares or interests in investment companies whereby the fair value of the investments are measured on a recurring basis using net asset values per share (or its equivalent) of the investment companies as a practical expedient. At year-end, the net asset value, the unfunded commitments, and redemptions rules of those investments are as follows:

	Net Asset Value FY 2025	Net Asset Value FY 2024	Unfunded Commitments FY 2025	Unfunded Commitments FY 2024	Redemption Frequency	Redemption Notice Period
Commonfund equity funds (1)	\$ -	\$ 14,264,002	\$ -	\$ -	Monthly	5 business days
Commonfund fixed income funds (2)	22,635,391	30,498,865	-	-	Monthly	5 business days
Hedge funds (3)	6,504,069	7,472,684	-	-	Quarterly Quarterly for one fund - not redeemable for others	90 calendar days + 5 business days Quarterly for one fund - NA for other funds
Real estate and natural resources (4)	18,158,594	18,131,857	5,015,879	5,684,186	NA	NA
Private equity limited partnerships (5)	42,240,916	33,807,248	52,405,836	31,736,396	NA	NA
Global credit (6)	7,048,520	6,493,741	-	-	Semi- annually	90 calendar days
Total	\$ 96,587,490	\$110,668,397	\$ 57,421,715	\$ 37,420,582		

Strategy

- (1) This category includes two funds which have the objective to outperform the S&P 500 by reducing risk through diversification of manager allocations and by investing in lower volatility stocks.
- (2) This category includes four funds which have the objective to outperform their benchmarks by reducing risk through diversification of manager allocations, by generating a higher current yield than short-term money market funds, and by investing in securities and strategies that offer the potential for increased yield.
- (3) This category includes one multi-strategy hedge fund.
- (4) This category includes funds that invest in commercial and residential real estate funds with U.S. properties and natural resource sector funds.
- (5) This category includes numerous private equity limited partnerships that invest in leverage buyouts, venture capital, growth equity financing, opportunistic situations, high yield, and subordinated debt across the primary and secondary markets.
- (6) This category includes two funds that invest in public and private credit markets, focusing on core, yield-oriented investments, supplemented by opportunistic positions with higher expected returns.





(3) RECEIVABLES

Accounts receivable of the University are summarized as follows as of June 30:

	2025	2024
Student tuition and fees	\$ 325,207	\$ 461,904
State appropriations		
Operating	10,142,167	9,913,764
Capital	1,558,923	2,737,513
Grants and contracts	20,274,101	17,477,647
Auxiliary activities	101,066	88,564
Other	909,359	731,622
Less allowance for doubtful accounts	(102,875)	(102,875)
Accounts receivable, net	\$ 33,207,948	\$ 31,308,139

In addition, the University has student loans receivable in the amount of \$1,807,414 and \$2,438,065, recorded at June 30, 2025 and 2024, respectively. These amounts are net of an allowance for uncollectible accounts of \$174,000 at June 30, 2025 and 2024.

Pledges receivable of the University are summarized as follows as of June 30:

	2025	2024
Pledges receivable in less than one year	\$ 5,115,559	\$ 6,273,021
Pledges receivable in one to five years	12,116,890	12,545,348
Pledges receivable in more than five years	3,879,200	6,324,250
Less:		
Allowance for uncollectible pledges	(293,967)	(1,434,270)
Present value discount	(1,883,084)	(2,178,699)
Pledges receivable, net	\$ 18,934,598	\$ 21,529,650

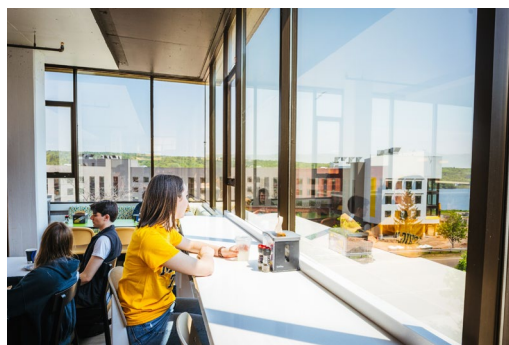
The present value of future cash flows were estimated using .25% over the risk-adjusted rate at the date of the gift. For fiscal year 2025, rates range from 4.03% to 4.51%.



(4) CAPITAL ASSETS

The following table presents the changes in the capital asset class categories for the year ended June 30, 2025:

CHANGES IN CAPITAL ASSETS				
	Beginning Balance	Additions/ Transfers	Disposals/ Transfers	Ending Balance
Nondepreciable capital assets				
Land	\$ 11,289,257	\$ -	\$ (680,036)	\$ 10,609,221
Mineral collections	6,280,892	15,628	-	6,296,520
Timber holdings	374,208	-	-	374,208
Construction in progress	39,786,943	54,703,382	(20,547,333)	73,942,992
Cost of nondepreciable capital assets	57,731,300	54,719,010	(21,227,369)	91,222,941
Right-to-use assets (SBITAs)	4,690,378	-	(234,953)	4,455,425
Depreciable capital assets				
Land improvements	1,921,332	-	-	1,921,332
Infrastructure	7,123,179	4,669,801	(1,581,938)	10,211,042
Buildings	459,728,598	16,272,998	(1,075,276)	474,926,320
Equipment	39,146,287	7,617,029	(3,739,638)	43,023,678
Library books	65,169	11,162	(10,249)	66,082
Cost of depreciable capital assets	507,984,565	28,570,990	(6,407,101)	530,148,454
Total cost of capital assets	570,406,243	83,290,000	(27,634,470)	625,826,820
Less: accumulated depreciation				
Land improvements	511,953	95,662	-	607,615
Infrastructure	4,487,401	396,845	(1,581,938)	3,302,308
Buildings	243,672,444	10,693,924	(54,203)	254,312,165
Equipment	17,908,558	5,545,200	(3,622,869)	19,830,889
Library books	32,866	11,019	(10,249)	33,636
Total accumulated depreciation	266,613,222	16,742,650	(5,269,259)	278,086,613
Less: accumulated amortization				
Right-to-use assets (SBITAs)	1,874,144	430,158	-	2,304,302
Capital assets, net	\$ 301,918,877	\$ 66,117,192	\$ (22,365,211)	\$ 345,435,905

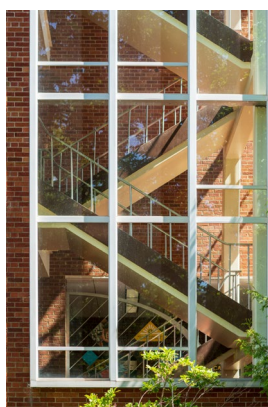




The following table presents the changes in the capital asset class categories for the year ended June 30, 2024:

CHANGES IN CAPITAL ASSETS

	Beginning Balance	Additions/ Transfers	Disposals/ Transfers	Ending Balance
Nondepreciable capital assets				
Land	\$ 10,707,648	\$ 833,609	\$ (252,000)	\$ 11,289,257
Mineral collections	6,233,892	47,000	-	6,280,892
Timber holdings	374,208	-	-	374,208
Construction in progress	38,051,749	58,624,501	(56,889,307)	39,786,943
Cost of nondepreciable capital assets	55,367,497	59,505,110	(57,141,307)	57,731,300
Right-to-use assets (SBITAs)	3,694,309	996,069	-	4,690,378
Depreciable capital assets				
Land improvements	1,163,243	758,089	-	1,921,332
Infrastructure	6,836,029	287,150	-	7,123,179
Buildings	403,884,530	55,844,068	-	459,728,598
Equipment	37,954,339	8,231,492	(7,039,544)	39,146,287
Library books	62,400	11,539	(8,770)	65,169
Cost of depreciable capital assets	449,900,541	65,132,338	(7,048,314)	507,984,565
Total cost of capital assets	508,962,347	125,633,517	(64,189,621)	570,406,243
Less: accumulated depreciation				
Land improvements	451,037	60,916	-	511,953
Infrastructure	4,147,311	340,090	-	4,487,401
Buildings	234,171,519	9,500,925	-	243,672,444
Equipment	19,813,591	4,863,878	(6,768,911)	17,908,558
Library books	30,888	10,748	(8,770)	32,866
Total accumulated depreciation	258,614,346	14,776,557	(6,777,681)	266,613,222
Less: accumulated amortization				
Right-to-use assets (SBITAs)	1,846,631	27,513	-	1,874,144
Capital assets, net	\$ 248,501,370	\$ 110,829,447	\$ (57,411,940)	\$ 301,918,877



Construction in Progress

One of the critical factors in continuing the quality of the University's academic programs, research programs, and residential life is the development and renewal of its capital assets. The University continues to maintain and amend its long-range capital plan to modernize its complement of older facilities balanced with new construction. Construction in progress reflects multiyear projects which, once completed and placed into service, are categorized as buildings, land improvements, and infrastructure. At June 30, construction in progress is detailed below.

CONSTRUCTION IN PROGRESS

Project	2025	2024
Athletic Facilities renovations	\$ 29,800	\$ 1,902,284
H-STEM Complex planning and construction	-	-
Residence Hall construction and renovations	57,188,878	23,477,784
KRC High Bay planning and construction	5,782,483	-
Research space	873,605	320,592
Instructional space	7,994,751	6,634,796
Office space	507,124	-
Elevator additions/replacements	690,838	3,163,895
Infrastructure and other projects	875,513	4,287,592
Total	\$ 73,942,992	\$ 39,786,943





(5) LINE OF CREDIT

The University has a revolving line of credit agreement with one bank, which is secured by a pledge of general revenues of the University. The maximum amount available to be borrowed is \$20 million, with an interest rate per annum equal to Term SOFR (Secured Overnight Financing Rate) plus 110 basis points. The revolving line of credit agreement expires on May 22, 2027. There were no amounts outstanding under the line of credit at June 30, 2025 and 2024.

(6) ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities of the University are summarized as follows as of June 30:

ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

	2025	2024
Vendors for supplies and services	\$ 6,450,311	\$ 6,261,743
Employee benefits	1,232,053	963,494
Construction payables	9,491,128	14,943,105
Payroll and payroll taxes	6,257,998	5,310,778
Compensated absences	-	5,168,543
Deposits payable	1,271,964	1,410,230
Total accounts payable	\$ 24,703,454	\$ 34,057,893



(7) NONCURRENT LIABILITIES

NONCURRENT LIABILITIES

AS OF JUNE 30, 2025

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
General revenue bonds					
General revenue and refunding bonds, 2008	\$ 225,000	\$ -	\$ 10,000	\$ 215,000	\$ 10,000
General revenue bonds, 2009A/2009B	12,325,000	-	550,000	11,775,000	575,000
General revenue refunding bonds, 2013A	7,115,000	-	1,085,000	6,030,000	1,115,000
General revenue bonds, 2015A	20,410,000	-	600,000	19,810,000	630,000
General revenue refunding bonds, 2020A - direct placement	4,030,000	-	195,000	3,835,000	200,000
General revenue refunding bonds, 2020B - direct placement	6,840,000	-	315,000	6,525,000	325,000
General revenue and refunding bonds, 2021	29,870,000	-	-	29,870,000	990,000
General revenue bonds, 2023A	22,655,000	-	50,000	22,605,000	50,000
General revenue bonds, 2023B	5,085,000	-	460,000	4,625,000	485,000
General revenue bonds, 2023C	64,410,000	-	-	64,410,000	-
Total bonds payable	172,965,000	-	3,265,000	169,700,000	4,380,000
Bond premium	12,158,061	-	467,584	11,690,477	-
Note payable	70,613	-	19,969	50,644	20,539
Subscription obligations (SBITAs)	2,896,951	1,639,191	2,237,460	2,298,682	1,841,269
Total debt	188,090,625	1,639,191	5,990,013	183,739,803	6,241,808
Other liabilities					
Accrued compensated absences	-	7,110,642	-	7,110,642	-
Insurance reserves	2,025,777	28,028,474	27,808,856	2,245,395	2,245,395
Enrollment deposits	65,550	500	52,600	13,450	-
Annuity and pooled income obligations	4,777,312	250,869	453,332	4,574,849	451,009
Total	\$ 194,959,264	\$ 37,029,676	\$ 34,304,801	\$ 197,684,139	\$ 8,938,212
Due within one year				(8,938,212)	
Total noncurrent liabilities (excluding net pension and OPEB liabilities)				\$ 188,745,927	

NONCURRENT LIABILITIES

AS OF JUNE 30, 2024

	Beginning Balance	Additions	Reductions	Ending Balance	Current Portion
General revenue bonds					
General revenue and refunding bonds, 2008	\$ 235,000	\$ -	\$ 10,000	\$ 225,000	\$ 10,000
General revenue bonds, 2009A/2009B	12,850,000	-	525,000	12,325,000	550,000
General revenue refunding bonds, 2013A	8,155,000	-	1,040,000	7,115,000	1,085,000
General revenue bonds, 2015A	20,980,000	-	570,000	20,410,000	600,000
General revenue refunding bonds, 2020A - direct placement	4,215,000	-	185,000	4,030,000	195,000
General revenue refunding bonds, 2020B - direct placement	7,145,000	-	305,000	6,840,000	315,000
General revenue and refunding bonds, 2021	29,870,000	-	-	29,870,000	-
General revenue bonds, 2023A	22,705,000	-	50,000	22,655,000	50,000
General revenue bonds, 2023B	5,525,000	-	440,000	5,085,000	460,000
General revenue bonds, 2023C	-	64,410,000	-	64,410,000	-
Total bonds payable	111,680,000	64,410,000	3,125,000	172,965,000	3,265,000
Bond premium	10,488,625	2,137,020	467,584	12,158,061	-
Note payable	90,021	-	19,408	70,613	19,969
Subscription obligations (SBITAs)	1,957,978	2,842,100	1,903,127	2,896,951	1,610,542
Total debt	124,216,624	69,389,120	5,515,119	188,090,625	4,895,511
Other liabilities					
Insurance reserves	1,332,031	22,378,960	21,685,214	2,025,777	2,025,777
Enrollment deposits	169,050	500	104,000	65,550	-
Annuity and pooled income obligations	5,213,758	331,041	767,487	4,777,312	455,306
Total	\$ 130,931,463	\$ 92,099,621	\$ 28,071,820	\$ 194,959,264	\$ 7,376,594
Due within one year				(7,376,594)	
Total noncurrent liabilities (excluding net pension and OPEB liabilities)				\$ 187,582,670	



Bonds

The principal and interest on bonds are payable only from certain general revenues. The obligations are generally callable. Premiums on bonds payable are recorded in total and amortized over the life of the bonds using straight line amortization.

All bonds of the University, unless otherwise specified, have received an underlying rating of A1 from Moody's.

Public Debt Issuances

During fiscal year 2009, the University's Board of Trustees approved the issuance of General Revenue and Refunding Bonds, Series 2008 in the amount of \$15.88 million. The proceeds of this bond issue were used to refund the \$10.00 million of Series 1998 bonds outstanding with the remainder funding the remodeling of the Michigan Tech Lakeshore Center building, remodeling of the Memorial Union ballroom and providing initial construction funds for the Keweenaw Research Center. These bonds bear fixed interest rates at 3.0% to 5.25% and mature at various dates from October 2009 through October 2038. These bonds are secured by an irrevocable pledge of general revenues as provided in the indenture. Outstanding principal of \$11.55 million was refunded with the series 2013A bonds and outstanding principal of \$4.67 million was refunded with the series 2020A bonds.

During fiscal year 2013, the University's Board of Trustees approved the issuance of General Revenue Refunding Bonds, Series 2013A in the amount of \$14.27 million. The proceeds of this bond issue were used to refund Series 2006 bonds in the amount of \$2.72 million and to partially refund Series 2008 bonds in the amount of \$11.55 million. The Series 2006 bonds to be refunded were called for redemption on April 1, 2016 at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest to the redemption date. Principal and interest on the Series 2008 bonds will be paid at maturity on October 1, 2016, October 1, 2017, and October 1, 2018, respectively. The advance refunding of the \$2.72 million of Series 2006 bonds and the \$11.55 million of Series 2008 bonds provided resources to purchase US government securities that were placed in an escrow fund for the purpose of generating resources for all future debt service payments on \$14.27 million of refunded debt. The 2013A bond series consists of serial bonds in the amount of \$8.33 million with maturities of October 2013 through October 2026 and interest rates ranging from 2.0% to 5.0%. The issue also included three term bonds totaling \$5.94 million. The first term bond in the amount of \$2.20 million matures in October 2025 and bears an interest rate of 3.0%. The second term bond in the amount of \$2.47 million matures in October 2028 and bears an interest rate of 3.25%. The third term bond in the amount of \$1.20 million matures in October 2036 and bears an interest rate of 4.0%. These bonds are secured by an irrevocable pledge of general revenues as provided in the indenture.

During fiscal year 2015, the University's Board of Trustees approved the issuance of General Revenue Bonds, Series 2015A in the amount of \$24.30 million. The proceeds of this bond issue were used to renovate Daniell Heights student apartments, construct a fuel storage tank facility, renovate a campus dining facility, upgrade information technology and safety systems, renovate a chemical storage facility and



undergraduate laboratories, and renovate bathrooms in the McNair Hall dormitory. The bonds bear fixed interest rates ranging from 2.0% to 5.0%, and mature at various dates from October 2016 through October 2045. All bonds of this issuance are rated A1 by Moody's; \$8.61 million of the issuance are insured and rated AA by Standard & Poor's.

During fiscal year 2022, the University's Board of Trustees approved the issuance of General Revenue Bonds Series 2021 in the amount of \$29.87 million. The proceeds of this bond issue were used to refund Series 2012A bonds and to construct the H-STEM Complex. Outstanding principal of the Series 2012A bonds refunded by the Series 2021 bonds amounted to \$22.08 million and had a call date of October 1, 2021. The present value of debt service savings resulting from the refunding totaled \$4.70 million. The Series 2021 bonds bear a fixed interest rates ranging from 4% to 5% and are comprised of serial and term bonds that mature on various dates with the latest date being October 1, 2051. These bonds are secured by an irrevocable pledge of general revenues as provided in the indenture and have been rated A1 by Moody's.

During fiscal year 2023, the University's Board of Trustees approved the issuance of General Revenue Bonds, Series 2023A in the amount of \$22.71 million and Series 2023B in the amount of \$5.53 million. The proceeds of the 2023A issuance were used to renovate classroom and lab space, replace an HVAC system, and construct a parking lot. The proceeds of the 2023B issuance were used to construct a high bay building used for research. The 2023A bonds are term bonds which mature on various dates from October 2023 to October 2052, bearing fixed interest rates ranging from 5.00% to 5.25%. The 2023B bonds are taxable and payable from October 2023 through October 2032, with fixed interest rates ranging from 4.81% to 5.18%. Both bond issuances are secured by an irrevocable pledge of University general revenues. All bonds of this issuance were rated A1 by Moody's and after the issuance of bond insurance by AGM, were rated AA by Standard & Poor's.

During fiscal year 2024, the University's Board of Trustees approved the issuance of General Revenue Bonds, Series 2023C in the amount of \$64.41 million. The proceeds of the 2023C issuance are being used to construct a student residence hall and fund capitalized interest. The 2023C bonds are comprised of serial and term bonds bearing fixed interest rates ranging from 5.00% to 5.25%. The serial bonds are due October 2026 through October 2034, and the term bonds mature in October 2048 and October 2053. The bond issuance is secured by an irrevocable pledge of University general revenues. All bonds of this issuance were rated A1 by Moody's and after the issuance of bond insurance by AGM, were rated AA by Standard & Poor's.



Direct Placement Debt Issuances

During fiscal year 2020, the University's Board of Trustees approved the issuance of General Revenue Refunding Bonds Series 2020A in the amount of \$4.73 million. The Series 2020A bonds bear a fixed interest rate of 2.19% and mature on October 1, 2038. The proceeds of this bond issue were used to refund certain portions of the outstanding Series 2008 bond in the aggregate principal amount of \$4.67 million,



maturing on October 1 of the years 2020 (4.375% interest rate), 2023 (4.50% interest rate), 2028 (4.75% interest rate), and 2038 (5.000% interest rate). The refunded Series 2008 bonds were called for redemption on June 8, 2020. These bonds are secured by an irrevocable pledge of general revenues as provided in the indenture.

During fiscal year 2021, the University's Board of Trustees approved the issuance of General Revenue Refunding Bonds Series 2020B in the amount of \$7.73 million. The Series 2020B bonds bear a fixed interest rate of 2.19% and mature on October 1, 2040. The proceeds of this bond issue were used to refund certain portions of the outstanding Series 2010A Bond maturing on October 1 of the years 2025, 2030, and 2040, in the aggregate principal of \$7.41 million. These bonds are secured by an irrevocable pledge of general revenues as provided in the indenture.

**PRINCIPAL AND INTEREST AMOUNTS DUE ON BONDED DEBT
FOR FISCAL YEARS ENDING JUNE 30**

	All Other Debt		Direct Placement Debt		Total		Total Principal and Interest
Fiscal Year	Principal	Interest	Principal	Interest	Principal	Interest	
2026	\$ 3,855,000	\$ 7,845,530	\$ 525,000	\$ 221,136	\$ 4,380,000	\$ 8,066,666	\$ 12,446,666
2027	5,105,000	7,631,398	545,000	209,419	5,650,000	7,840,817	13,490,817
2028	5,320,000	7,385,961	570,000	197,210	5,890,000	7,583,171	13,473,171
2029	5,550,000	7,139,389	585,000	184,563	6,135,000	7,323,952	13,458,952
2030	5,800,000	6,869,575	600,000	171,587	6,400,000	7,041,162	13,441,162
Total 5 years	25,630,000	36,871,853	2,825,000	983,915	28,455,000	37,855,768	66,310,768
2031 to 2035	33,280,000	29,587,879	3,320,000	648,241	36,600,000	30,236,120	66,836,120
2036 to 2040	25,665,000	22,113,417	3,690,000	250,866	29,355,000	22,364,283	51,719,283
2041 to 2045	25,875,000	15,793,808	525,000	5,749	26,400,000	15,799,557	42,199,557
2046 to 2050	26,795,000	9,091,282	-	-	26,795,000	9,091,282	35,886,282
2051 to 2055	22,095,000	2,159,269	-	-	22,095,000	2,159,269	24,254,269
Total bonded debt	\$159,340,000	\$ 115,617,508	\$ 10,360,000	\$ 1,888,771	\$ 169,700,000	\$ 117,506,279	\$ 287,206,279

Subscriptions

The University obtains the right to use vendors' information technology software through various long-term contracts. Payments are generally fixed monthly, with certain variable payments not included in the measurement of the subscription liability required based on uncertainty of future usage of the software.

Subscription asset activity of the University is included in Note 4.

Future principal and interest payment requirements related to the University's subscription liability at June 30, 2025 are as follows:

**SCHEDULED MATURITIES OF SUBSCRIPTIONS
FOR FISCAL YEARS ENDING JUNE 30**

Fiscal Year	Principal	Interest	Total
2026	\$ 1,841,269	\$ 59,836	\$ 1,901,105
2027	371,619	15,190	386,809
2028	71,079	3,821	74,900
2029	14,715	185	14,900
Total	\$ 2,298,682	\$ 79,032	\$ 2,377,714

(8) INSURANCE

Self-Insurance

The University is essentially self-insured for medical benefits claims, unemployment compensation, and workers' compensation. Stop-loss coverage has been purchased by the University for its medical and workers' compensation coverages. Liabilities for estimates of losses retained by the University under self-insurance programs have been determined and accrued for and included in insurance and benefit reserves on the accompanying Statements of Net Position. Changes in the estimated liability for self-insured plans during the past three fiscal years are as follows:

SELF-INSURED CLAIMS LIABILITY

	2025	2024	2023
Balance, beginning of year	\$ 2,025,777	\$ 1,332,031	\$ 1,357,943
Claims incurred, including changes in estimates	28,028,474	22,378,960	18,526,472
Less: claims paid	(27,808,856)	(21,685,214)	(18,552,384)
Balance, end of year	\$ 2,245,395	\$ 2,025,777	\$ 1,332,031

Liability and Property Insurance

The University participates with eleven other Michigan universities in the Michigan Universities Self-Insurance Corporation ("MUSIC"). MUSIC's purpose is to provide indemnity to members against auto, comprehensive general liability, educators legal liability, and property losses commonly covered by insurance. Premiums are assessed annually for (1) insurance risks retained by MUSIC, (2) costs related to excess coverage, and (3) general and administrative expenses. MUSIC also provides risk-management and loss control services and programs.

Loss coverages are structured on a three-layer basis with each member retaining a portion of its losses, MUSIC covering the second layer of losses, and commercial carriers covering the third layer.

Comprehensive general liability coverage is provided on a per-occurrence basis; educators legal liability coverage is provided on a claims-made basis. In the event of excess assets, MUSIC will return the surplus, credit the surplus toward future payments, or provide for increased coverage. Recommended reserves for both MUSIC and each member are actuarially determined on an annual basis. MUSIC will be self-sustaining through member payments and will purchase commercial coverage for claims in excess of established annual limits for each line of coverage. Members may fund their respective reserves as they deem appropriate.





(9) RETIREMENT BENEFITS

Retirement Plans

The University has a defined contribution retirement plan and a defined benefit retirement plan for qualified employees. The defined benefit plan is discussed in note 10.

Defined Contribution Plan

The University has a defined contribution plan with Teachers Insurance and Annuities Association (TIAA) and Fidelity. Any regular employee who works in a position of half-time or greater is eligible to participate in the defined contribution plan.

Plan participants maintain individual investment accounts with TIAA and/or with Fidelity Investments. At June 30, 2025, the University had approximately 3,500 plan participants. Employees may also deposit supplemental retirement funds into 403(b) and/or 457(b) plans up to permissible limits. The University contributes a specified percentage of employee wages up to 8.5%, and has no liability beyond its own contribution. University contributions to this program are summarized in the Retirement Plan Contributions table for the years ended June 30.

DEFINED CONTRIBUTION RETIREMENT PLAN CONTRIBUTIONS

	2025	2024
University contributions to TIAA/Fidelity	\$ 9,865,478	\$ 9,151,174
Payroll covered under TIAA/Fidelity	\$ 124,953,236	\$ 115,364,042

(10) MICHIGAN PUBLIC SCHOOLS EMPLOYEES' RETIREMENT SYSTEM

Defined Benefit Plan

The University contributes to the Michigan Public Schools Employees Retirement System (MPERS), a cost-sharing multi-employer pension plan administered by the State of Michigan Department of Management and Budget, Office of Retirement Services. Benefit provisions are established and may be amended by state statute. Due to State of Michigan House Bill HB4047, University employees hired after December 31, 1995 can no longer participate in this retirement plan, unless they were previously enrolled in the plan at the University or one of the other six universities that are part of MPERS. The Office of Retirement Services (ORS) issues a publicly available financial report that includes financial statements and required supplementary information for MPERS. That report can be found on the ORS website at michigan.gov/orsschools. In July 2015, ORS determined that MPERS has two reporting units: universities and non-universities. ORS provided the universities a separate net pension liability and net other postemployment benefits liability/asset. Separate pension and OBEB information related to the universities reporting unit included in this plan is not available.

University participants are enrolled in one of multiple plans based on date of hire and certain voluntary elections. A summary of the pension plans offered by MPERS is as follows:

Plan Name	Plan Type	Plan Status
Member Investment Plan (MIP)	Defined Benefit	Closed
Basic	Defined Benefit	Closed
Defined Contribution	Defined Contribution	Open

The MIP includes additional subgroups based on hire date. The MIP Fixed plan includes members hired prior to January 1, 1990. The MIP Graded plan includes members first hired from January 1, 1990 through December 31, 1995. The MIP Plus plan includes members first hired from July 1, 2008 through June 30,

2010. Members who initially enrolled in the *MIP* plan and made a voluntary election to contribute a higher rate are participants in the *MIP 7%* plan.

Members hired between July 1, 2010 and September 3, 2012 were enrolled in the *Pension Plus* plan. Members hired on or after September 4, 2012 are automatically enrolled in this plan unless an election is made to participate in the defined contribution plan. The plan includes a pension component as well as a savings component. Member contributions to the savings component are matched at a rate of 50% by the employer (up to a maximum of 1%) and invested in a 401(k) plan.

Effective February 1, 2013, members that initially enrolled in MIP were provided the option to convert to a defined contribution plan (*Basic 4%*). In these instances, any service credit accumulated under the defined benefit plan before February 1, 2013 is retained. For service performed after this date, the converted plan member receives 4% employer contributions to a personal 401(k) account. A member first enrolling in MPSERS on or after September 4, 2012 may elect to enroll in the *defined contribution* plan. Employer and employee contribution rates and vesting requirements are consistent with the defined contribution component of the *Pension Plus* plan as described above.

Benefits Provided

MPSERS provides retirement, death, disability and postemployment healthcare benefits to eligible participants. Retirement benefits are calculated as a percentage of the employee's final average compensation multiplied by the employee's years of service. All participants qualify for a benefit multiplier of 1.5% for the first 30 years of service. Certain benefit groups receive a reduced rate of 1.25% for service above 30 years. Disability benefits are calculated the same as regular service retirement. Participants are eligible to receive full retirement benefits upon reaching the age and years of service requirements below. Most plans offer additional options for early retirement if certain stipulations have been met. Voluntary contributions vest immediately.

Plan Name	Eligibility Based on Years of Service	Vesting
Member Investment Plan (MIP)	Age 46 with 30 years or age 60 with 10 years	10 years
Basic	Age 55 with 30 years or age 60 with 10 years	10 years
Defined Contribution	---	4 years

Benefit provisions of the postemployment healthcare plan are established by State statute, which may be amended. Public Act 300 of 1980, as amended, establishes eligibility and benefit provisions. Retirees have the option of health coverage, which through 2012, was funded on a cash disbursement basis. Beginning fiscal year 2013, it is funded on a prefunded basis. The System has contracted to provide the comprehensive group medical, prescription drug, dental and vision coverage for retirees and beneficiaries. A subsidized portion of the premium is paid by the System with the balance deducted from the monthly pension of each retiree healthcare recipient. For members who first worked before July 1, 2008, (Basic, MIP-Fixed, and MIP Graded plan members) the subsidy is the maximum allowed by statute. To limit future liabilities of Other Postemployment Benefits, members who first worked on or after July 1, 2008 (MIP-Plus plan members) have a graded premium subsidy based on career length where they accrue credit towards their insurance premiums in retirement, not to exceed the maximum allowable by statute. Public Act 300 of 2012 sets the maximum subsidy at 80% beginning January 1, 2013; 90% for those Medicare eligible and enrolled in the insurances as of that date. Dependents are eligible for healthcare coverage if they meet the dependency requirements set forth in Public Act 300 of 1980, as amended.

Public Act 300 of 2012 granted all active members of the MPSERS, who earned service credit in the 12 months ending September 3, 2012 or were on an approved professional services or military leave of absence on September 3, 2012, a voluntary election regarding their retirement healthcare. Any changes to a member's healthcare benefit are effective as of the member's transition date, which is defined as the first day of the pay period that begins on or after February 1, 2013.



Under Public Act 300 of 2012, members were given the choice between continuing the 3% contribution to retiree healthcare and keeping the premium subsidy benefit described above, or choosing not to pay the 3% contribution and instead opting out of the subsidy benefit and becoming a participant in the Personal Healthcare Fund (PHF), a portable, tax-deferred fund that can be used to pay healthcare expenses in retirement. Participants in the PHF are automatically enrolled in a 2% employer match into a 401(k) account. Members who selected this option stop paying the 3% contribution to retiree healthcare as of the day before their transition date, and their prior contributions were deposited into their 401(k) account.

Contributions

Employer contributions to the plans are based on a percentage of covered payroll that has been actuarially determined as an amount that, when combined with employee contributions, is expected to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Member contributions are determined based on date of hire and the plan selected. Contribution rates are adjusted annually by the ORS.

Employers are required by Public Act 300 of 1980, as amended, to contribute amounts necessary to finance the coverage of active and retired members. Contribution provisions are specified by State statute and may be amended only by action of the State Legislature.

Employer contributions to the System are determined on an actuarial basis using the entry age normal actuarial cost method. Under this method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated on a level basis over the service of the individual between entry age and assumed exit age. The portion of this cost allocated to the current valuation year is called the normal cost. The remainder is called the actuarial accrued liability. Normal cost is funded on a current basis. The unfunded (overfunded) actuarial accrued liability as of the September 30, 2022 valuation will be amortized over a 16-year period beginning October 1, 2022 and ending September 30, 2038.

The schedules below summarize the contribution rates in effect for fiscal years 2025 and 2024:

PENSION CONTRIBUTION RATES

Benefit Structure	Member	Employer (10/1/22 to 9/30/23)	Employer (10/1/23 to 9/30/24)	Employer (10/1/24 to 9/30/25)
Member Investment Plan (MIP)	3.00% - 7.00%	16.52%	19.01%	8.70%
Basic	0.00% - 4.00%	16.52%	19.01%	8.70%
Defined Contribution	0.00%	10.00%	10.34%	0.00%

OPEB CONTRIBUTION RATES

Benefit Structure	Member	Employer (10/1/22 to 9/30/23)	Employer (10/1/23 to 9/30/24)	Employer (10/1/24 to 9/30/25)
Premium Subsidy	3.00%	0.92%	1.53%	1.53%
Personal Healthcare Fund	0.00%	0.00%	1.53%	0.00%

The University's contributions to MPERS under all pension plans as described above for the years ended June 30, 2025 and 2024 were \$1,175,462 and \$24,707,256, respectively. The University's required and actual pension contributions include an allocation of \$0 and \$22,550,061 in revenue received from the

State of Michigan and remitted to the System to fund the MPERS unfunded actuarial accrued liability (UAAL) stabilization rate for the years ended June 30, 2025 and 2024, respectively. The University's contributions to the OPEB plan from the University were \$45,311 and \$41,783 for the years ended June 30, 2025 and June 30, 2024, respectively.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2025 and 2024, the University reported an asset of \$9.885 million and a liability \$2.590 million respectively, for its proportionate share of the net pension liability as calculated for the universities reporting unit of MPERS. The net pension liability was measured as of September 30, 2024 and 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation rolled forward from September 30, 2022 and 2021, respectively. The University's proportion of the net pension liability was based on a projection of the University's long-term share of contributions to the pension plan relative to the projected contributions of all participating universities, actuarially determined. At September 30, 2024, 2023 and 2022, the University's proportion (as calculated by MPERS) was 11.27869%, 11.22730% and 11.26835%, respectively.

For the years ended June 30, 2025 and 2024, the University recognized pension (recovery) expense of (\$2.748) million and (\$5.952) million, respectively. At June 30, the University reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 9,061,418
Total amortized deferrals	-	9,061,418
University contributions subsequent to the measurement date	1,045,588	-
Total	\$ 1,045,588	\$ 9,061,418

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ -	\$ 203,779
Total amortized deferrals	-	203,779
University contributions subsequent to the measurement date	2,316,471	-
Total	\$ 2,316,471	\$ 203,779





The amount of deferred outflows of resources related to University contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability in the next year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Fiscal Year	Amount
2026	(3,083,678)
2027	(791,597)
2028	(2,837,368)
2029	(2,348,775)
Total	<u>\$ (9,061,418)</u>

OPEB Asset or Liability, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

At June 30, 2025 and 2024, the University reported an asset of \$15,656,009 and \$9,265,436 respectively, for its proportionate share of the MPSERS net OPEB liability/asset calculated for the universities reporting unit. The net OPEB liability was measured as of September 30, 2024 and 2023, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation rolled forward from September 2022 and 2021, respectively. The University's proportion of the net OPEB liability was determined by dividing each employer's statutorily required OPEB contributions to the system during the measurement period. At September 30, 2024, 2023 and 2022, the University's proportion was 11.21660%, 10.95780% and 11.28950%, respectively.

For the years ended June 30, 2025 and June 30, 2024, the University recognized OPEB recoveries of (\$4,672,485) and (\$4,657,417), respectively. At June 30, the University reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	2025	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ 1,680,705
Total amortized deferrals	-	1,680,705
University contributions subsequent to the measurement date	35,147	-
Total	<u>\$ 35,147</u>	<u>\$ 1,680,705</u>

	2024	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on OPEB plan investments	\$ -	\$ 8,062
Total amortized deferrals	-	8,062
University contributions subsequent to the measurement date	41,873	-
Total	<u>\$ 41,873</u>	<u>\$ 8,062</u>

University contributions subsequent to the measurement date reported as deferred outflows of resources related to OPEB will be recognized as a reduction of the net OPEB asset in the next year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year	Amount
2026	(700,246)
2027	38,492
2028	(556,845)
2029	(462,106)
Total	<u>\$ (1,680,705)</u>



Actuarial Assumptions

The total pension and OPEB liabilities and assets measured as of September 30, 2023 are based on the results of an actuarial valuation date of September 30, 2022 and rolled forward using generally accepted actuarial procedures.

Actuarial Cost Method	Entry age, normal cost
Assumed rate of return	6.00%, net of investment expenses based on the groups (Pension) 6.00%, net of investment expenses based on the groups (OPEB)
Salary increases	2.75% -- 11.55%, including wage inflation of 2.75%
Cost-of-Living Pension Adjustment	3% Annual Non-Compounded for MIP members
Healthcare cost trend rate	Pre-65: 7.50% Year 1 graded to 3.5% Year 15 Post-65: 6.25% Year 1 graded to 3.5% Year 15
Mortality basis:	
Retirees	PubT-2010 Male and Female Employee Mortality Tables, scaled 116% and adjusted for mortality improvements using projection scale MP-2021 from 2010.
Active	PubT-2010 Male and Female Employee Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.



The total pension and OPEB liabilities and assets measured as of September 30, 2022 are based on the results of an actuarial valuation date of September 30, 2021 and rolled forward using generally accepted actuarial procedures.

Actuarial Cost Method	Entry age, normal cost
Assumed rate of return	6.00%, net of investment expenses based on the groups (Pension) 6.00%, net of investment expenses based on the groups (OPEB)
Salary increases	2.75% --11.55%, including wage inflation of 2.75%
Cost-of-Living Pension Adjustment	3% Annual Non-Compounded for MIP members
Healthcare cost trend rate	Pre-65: 7.50% Year 1 graded to 3.5% Year 15 Post-65: 6.25% Year 1 graded to 3.5% Year 15
Mortality basis:	
Retirees	PubT-2010 Male and Female Employee Mortality Tables, scaled 116% and adjusted for mortality improvements using projection scale MP-2021 from 2010.
Active	PubT-2010 Male and Female Employee Mortality Tables, scaled 100% and adjusted for mortality improvements using projection scale MP-2021 from 2010.



Long-Term Expected Return on Plan Assets

The long-term expected rate of return on pension plan and OPEB plan investments was determined using a building-block method in which the best-estimate of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

September 30, 2024		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity pools	25.0%	5.3%
Private equity pools	16.0%	9.0%
International equity pools	15.0%	6.5%
Fixed income pools	13.0%	2.2%
Real estate and infrastructure pools	10.0%	7.1%
Absolute return pools	9.0%	5.2%
Real return/opportunistic pools	10.0%	6.9%
Short-term investment pools	2.0%	1.4%
Total	100.0%	

Long-term rates of return are net of administrative expenses and inflation of 2.3%.

September 30, 2023		
Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Domestic equity pools	25.0%	5.8%
Private equity pools	16.0%	9.6%
International equity pools	15.0%	6.8%
Fixed income pools	13.0%	1.3%
Real estate and infrastructure pools	10.0%	6.4%
Absolute return pools	9.0%	4.8%
Real return/opportunistic pools	10.0%	7.3%
Short-term investment pools	2.0%	0.3%
Total	100.0%	

Long-term rates of return are net of administrative expenses and inflation of 2.3%.

Rate of Return

For the fiscal year ended September 30, 2023, the annual money-weighted rate of return on pension plan investment, net of pension plan investment expense, was 15.47%. For OBEP plan investment, the annual money-weighted rate of return was 15.45%, net of OBEP plan investment expense.

Discount Rate

The discount rates used to measure the total pension liability for June 30, 2025 and 2024 were 6.00% and 6.00%, respectively. Discount rates of 6.00% and 6.00% were used to measure the total OPEB liability for June 30, 2025 and 2024, respectively. This discount rate was based on the long-term expected rate of return on pension and OPEB plan investments of 6.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the University's contributions will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension and OPEB liabilities.



Sensitivity of the Net Pension (Asset) Liability to Changes in the Discount Rate

The following presents the net pension (asset) liability of the University, calculated using discount rates of 6.00% for fiscal years 2025 and 2024, as well as what the University's net pension (asset) liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

NET PENSION (ASSET) LIABILITY			
		Current	
Fiscal Year	1% Decrease (5.00%)	Discount Rate (6.00%)	1% Increase (7.00%)
2025	\$ 1,957,514	\$ (9,885,978)	\$ (20,064,999)
Fiscal Year	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
2024	\$ 14,864,494	\$ 2,589,773	\$ (7,939,850)

Sensitivity of the Net OPEB Asset to Changes in the Discount Rate

The following presents the University's net OPEB asset calculated using discount rates of 6.00% for fiscal years ended June 30, 2025 and 2024, as well as what the University's net OPEB asset would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

NET OPEB ASSET			
Fiscal Year	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
2025	\$ 14,535,480	\$15,656,609	\$ 16,627,020
Fiscal Year	1% Decrease (5.00%)	Current Discount Rate (6.00%)	1% Increase (7.00%)
2024	\$ 7,867,697	\$ 9,265,436	\$ 10,470,359

Sensitivity of the Net OPEB Asset to Healthcare Cost Trend Rate

The following presents the University's proportionate share of the net OPEB asset calculated using assumed trend rates, as well as what the University's proportionate share of net OPEB asset would be if it were calculated using a trend rate that is 1 percentage point lower or 1 percentage point higher:

NET OPEB ASSET			
Fiscal Year	1% Decrease	Current Trend Rate	1% Increase
2025	\$ 16,686,068	\$15,656,609	\$ 14,503,517
Fiscal Year	1% Decrease	Current Trend Rate	1% Increase
2024	\$ 10,542,141	\$ 9,265,436	\$ 7,828,864

Pension and OPEB Plan Fiduciary Net Position

Detailed information about the plan's fiduciary net position is available in the separately issued MPSERS financial statements available on the State of Michigan Office of Retirement Services website at www.michigan.gov/orsschools.

(11) OTHER POSTEMPLOYMENT BENEFIT PLAN

Plan Description

The University offers postemployment benefits to its retirees and their covered dependents through an employer sponsored group Medicare Advantage plan, administered by RetireeFirst. Additionally, dental and vision insurance benefits are available to retirees and their covered dependents through a single-employer plan, administered by the University. Retirees are responsible for the full cost of dental and vision insurance premiums. For those retirees who are not yet 65 years of age, the University offers health, dental and vision insurance benefits through a single-employer plan administered by the University. To be eligible, a retiree from the University must be at least 55 years old with at least 5 years of service; his or her years of service plus age must be equal to, or greater than, 70. Retirees who opt out of the University's insurance coverage at the time of retirement will not be eligible to re-enroll at a later date. The University subsidizes a minimum of 50% of the health insurance premiums for the group Medicare Advantage plan.

Contributions

The contribution requirements of the plan members are established annually by the University. The required contribution is based on annual projected pay-as-you go financing requirements. Prior to 2007, the University utilized its COBRA rates as the full cost value of early retiree medical and dental benefits. Depending upon specific fiscal years of retirement, these non-Medicare retirees paid a certain percentage of this COBRA rate. Even for those early retirees where their contribution requirement was 100% of the COBRA rate, there was an implied subsidy as the age-adjusted full cost for pre-Medicare eligible retirees is significantly higher. Beginning in 2007, the University began a seven year phase out of the subsidy implied when utilizing the COBRA rates so that starting on January 1, 2014 retiree contributions were established on the expected full cost of the retiree medical and dental plans (pre-Medicare and Medicare eligible populations). The University has not prefunded any of its OPEB liability, nor does it presently intend to prefund its OPEB liability. Therefore, as of June 30, 2025, the most recent measurement date, the Plan was 0% funded.



At June 30, 2025 and 2024, the University reported a liability of \$2,732,820 and \$3,063,634 respectively, for its Retiree Benefit Program. The net OPEB liability was measured as of June 30, 2025, rolled forward from a valuation date of July 1, 2024. Changes in the OPEB liability for the years ended June 30 are summarized as follows:



	2025	2024
Balance, beginning of year	\$ 3,063,634	\$ 2,548,090
Interest cost	114,456	87,053
Differences between expected and actual experiences	-	111,173
Changes in assumptions	(139,807)	646,424
Benefit payments	(305,463)	(329,106)
Balance, end of year	<u>\$ 2,732,820</u>	<u>\$ 3,063,634</u>

On the above, there were no benefit changes.

The number of plan participants consisted of the following:

	June 30, 2025	June 30, 2024
Retirees younger than 65 years old	-	-
Retirees 65 years old or older	<u>73</u>	<u>73</u>
Total inactive participants	<u>73</u>	<u>73</u>

Sensitivity of the Net OPEB Liability to Changes in Discount Rate and Healthcare Cost Trend Rate

The following presents the University's net OPEB liability calculated using a discount rate of 5.20% and 3.93% for fiscal years ended June 30, 2025 and 2024, respectively, as well as what the University's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

NET OPEB LIABILITY

Fiscal Year	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
2025	\$ 2,882,398	\$ 2,732,820	\$ 2,598,396

Fiscal Year	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
2024	\$ 3,254,721	\$ 3,063,634	\$ 2,893,012

The following presents the University's net OPEB liability calculated using assumed healthcare trend rates, as well as what the University's net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher:

NET OPEB LIABILITY

Fiscal Year	1% Decrease	Current Trend Rate	1% Increase
2025	\$ 2,547,223	\$ 2,732,820	\$ 2,936,366

Fiscal Year	1% Decrease	Current Trend Rate	1% Increase
2024	\$ 2,866,171	\$ 3,063,634	\$ 3,280,712

Actuarial Assumptions

	June 30, 2025	June 30, 2024
Actuarial Cost Method	Entry Age, Normal	Entry Age, Normal
Valuation Date	July 1, 2023	July 1, 2023
CPI	3.00%	3.00%
Wage Inflation Rate	Since the population is inactive, a wage inflator is not necessary.	Since the population is inactive, a wage inflator is not necessary.
Healthcare Cost Trend	S&P Healthcare Economic Index and internal trend guidance	S&P Healthcare Economic Index and internal trend guidance
Mortality	PRI-2012 Mortality, projected generational from a central year of 2012 with Scale MP-2021	PRI-2012 Mortality, projected generational from a central year of 2012 with Scale MP-2021

Discount Rate

A discount rate of 5.20% was used to measure the total OPEB liability for June 30, 2025 (3.93% for June 30, 2024). The discount rate was determined using the interest rate reported under the 20-Year Municipal Bond Index on the last Friday prior to the measurement date.

Retirement Supplemental Voluntary Plan

The University has a Retirement Supplemental Voluntary Plan (RSVP) to facilitate the voluntary retirement of eligible employees. The RSVP is not an early retirement program. The decision to retire is left to the discretion of the individual employee and remains entirely voluntary. However, if an employee decides to retire, the RSVP provides several options upon retirement: a monetary option; a phased retirement option; a combination of the monetary and phased retirement options; and a program for employment after retirement. The University recognizes the related costs in the year the employee decides to retire. There was no RSVP liability at June 30, 2025 and 2024.



(12) COMMITMENTS AND CONTINGENCIES

The University has internally funded reserves for certain employee benefits. Accrued liabilities are generally based on actuarial valuations and represent the present value of unpaid expected claims, including estimates of claims incurred but not reported.

The University receives grants and other forms of reimbursement from various federal and state agencies. These activities are subject to audit by agents of the funding authority, the purpose of which is to ensure



compliance with conditions precedent to providing such funds. University administration believes there is no liability for reimbursement which may arise as the result of audits.

Certain institution facilities, including the Great Lakes Research Center and H-STEM Engineering and Health Technologies Complex, have been financed in part by State Building Authority (SBA) bond issuances, which are secured by a pledge of rentals to be received by the State of Michigan pursuant to an arrangement between SBA, the State of Michigan, and the Institution. While the SBA bonds are outstanding, the SBA will hold title to the respective building, although the University has capitalized the building and pays all operating and maintenance costs. Once the SBA bonds are fully paid, the SBA will transfer title of the building to the institution.

In the normal course of its activities, the University is a party in various legal actions. Although some actions have been brought for large amounts, the University has not experienced any significant losses or costs. The University and its legal counsel are of the opinion that the outcome of asserted and unasserted claims outstanding will not have a material effect on the financial statements.

(13) FUNCTIONAL CLASSIFICATION OF OPERATING EXPENSES

The University's operating expenses by functional classification were as follows for years ended June 30:

OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATION

	2025	2024
Instruction	\$ 72,198,233	\$ 68,143,592
Research	92,037,175	77,410,138
Public service	16,617,470	13,889,564
Academic support	25,965,481	25,979,242
Student services	19,444,331	18,045,032
Institutional support	36,980,707	27,184,880
Operations and maintenance of plant	17,805,502	15,395,568
Student financial support	7,134,029	20,394,453
Departmental activities	9,537,397	12,458,531
Student residents	21,601,484	7,793,698
Depreciation	18,011,131	14,804,070
Total	\$ 337,332,940	\$ 301,498,768



REQUIRED SUPPLEMENTARY INFORMATION

MPSERS Cost-sharing Multiple Employer Plan

SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (PLAN YEAR OCTOBER 1 - SEPTEMBER 30)

	University's proportion of the net pension liability		University's covered payroll	University's proportionate share of the net pension liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
	As a percentage	Amount			
2024	11.27869%	\$ (9,885,978)	\$ 26,502,000	-37.30%	107.71%
2023	11.22730%	\$ 2,589,773	\$ 25,983,000	9.97%	65.91%
2022	11.26835%	\$ 36,025,076	\$ 25,473,000	141.42%	74.39%
2021	11.28598%	\$ 63,410,817	\$ 24,974,000	253.91%	52.26%
2020	11.32182%	\$ 77,330,320	\$ 24,484,000	315.84%	43.07%
2019	11.27592%	\$ 75,502,509	\$ 24,004,000	314.54%	44.24%
2018	11.24088%	\$ 71,833,414	\$ 23,533,179	305.24%	45.87%
2017	11.26247%	\$ 64,788,673	\$ 23,879,000	271.32%	47.42%
2016	11.20220%	\$ 62,759,225	\$ 8,943,572	701.72%	46.77%
2015	10.00520%	\$ 54,888,547	\$ 9,118,081	601.97%	47.45%
2014	9.64907%	\$ 36,194,241	\$ 9,156,216	252.97%	63.00%

SCHEDULE OF UNIVERSITY PENSION CONTRIBUTIONS (FISCAL YEAR JULY 1 - JUNE 30)

	Contractually required pension contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	University's covered payroll	Contributions as a percentage of covered payroll
2025	\$ 862,952	\$ 862,952	\$ -	\$ 26,889,530	3.21%
2024	\$ 2,520,716	\$ 2,520,716	\$ -	\$ 26,372,745	9.56%
2023	\$ 6,804,792	\$ 6,804,792	\$ -	\$ 25,855,095	26.32%
2022	\$ 6,519,482	\$ 6,519,482	\$ -	\$ 25,348,610	25.72%
2021	\$ 5,735,218	\$ 5,735,218	\$ -	\$ 24,851,260	23.08%
2020	\$ 5,635,665	\$ 5,635,665	\$ -	\$ 24,364,060	23.13%
2019	\$ 5,683,916	\$ 5,683,916	\$ -	\$ 23,886,295	23.80%
2018	\$ 4,919,399	\$ 4,919,399	\$ -	\$ 23,619,500	20.83%
2017	\$ 4,283,370	\$ 4,283,370	\$ -	\$ 8,526,091	50.24%
2016	\$ 4,150,666	\$ 4,150,666	\$ -	\$ 8,606,261	48.23%
2015	\$ 3,395,404	\$ 3,395,404	\$ -	\$ 8,877,145	38.25%



**SCHEDULE OF THE UNIVERSITY'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY
(PLAN YEAR OCTOBER 1 - SEPTEMBER 30)**

	University's proportion of the net OPEB (asset) liability		University's covered payroll	University's proportionate share of the net OPEB (asset) liability as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
	As a percentage	Amount			
2024	11.21660%	\$ (15,656,609)	\$ 26,502,000	-59.08%	219.63%
2023	10.95779%	\$ (9,265,436)	\$ 25,983,000	-35.66%	105.04%
2022	11.28930%	\$ (4,226,637)	\$ 25,473,000	-16.59%	121.19%
2021	11.25511%	\$ (4,825,977)	\$ 24,974,000	-19.32%	123.91%
2020	11.29115%	\$ 4,770,992	\$ 24,484,000	19.49%	77.20%
2019	11.29560%	\$ 10,367,445	\$ 24,004,000	43.19%	61.07%
2018	11.29059%	\$ 13,395,226	\$ 23,533,179	56.92%	51.90%
2017	11.22486%	\$ 15,973,138	\$ 23,879,000	66.89%	44.11%

**SCHEDULE OF UNIVERSITY OPEB CONTRIBUTIONS
(FISCAL YEAR JULY 1 - JUNE 30)**

	Contractually required OPEB contributions	Contributions in relation to the contractually required contribution	Contribution deficiency (excess)	University's covered payroll	Contributions as a percentage of covered payroll
2025	\$ 45,280	\$ 45,280	\$ -	\$ 26,889,530	0.17%
2024	\$ 43,719	\$ 43,719	\$ -	\$ 26,372,745	0.17%
2023	\$ 1,525,418	\$ 1,525,418	\$ -	\$ 25,855,095	5.90%
2022	\$ 1,535,302	\$ 1,535,302	\$ -	\$ 25,348,610	6.06%
2021	\$ 1,497,010	\$ 1,497,010	\$ -	\$ 24,851,260	6.02%
2020	\$ 1,466,062	\$ 1,466,062	\$ -	\$ 24,364,060	6.02%
2019	\$ 1,465,359	\$ 1,465,359	\$ -	\$ 23,886,295	6.13%
2018	\$ 1,608,346	\$ 1,608,346	\$ -	\$ 23,619,500	6.81%

Notes to Required Supplementary Information

The amounts presented for the fiscal year in the above Schedule of the University's Proportionate Share of the Net Pension and OPEB Liability were determined as of September 30 of the preceding year.

GASB 68 was implemented in fiscal year 2015 and GASB 75 was implemented in fiscal year 2018. These schedules are being built prospectively. Ultimately, 10 years of data will be presented.

RSI Covered – payroll

The employers' covered payroll to be reported in the requirement supplementary information is defined by GASB 82, Pension Issues – an amendment to GASB Statements No. 67, No. 68, and No. 73, as payroll on which contributions to a pension plan are based; and by GASB 85, Omnibus 2017, as payroll on which contributions to the OPEB plan are based. For university employers, covered payroll for both pension and OPEB is the greater of 1) university payroll on which contributions to the plan are based or 2) the required minimum payroll amount required by PA 136 of 2016.

Changes of benefit terms: There were no changes of benefit terms for each of the reported plan years ended September 30.

Changes of assumptions:

Michigan Public School Employees Retirement System (Pension) – There were no significant changes of assumptions for each of the reported plan years ended September 30, except for the following:

2023 – The valuation includes the impact of an updated experience study for periods from 2017 to 2022.

2022 – The discount rate and investment rate of return used in the September 30, 2022 actuarial valuation decreased by 0.80% percentage points.

2019 – The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.25% percentage points.

2018 – The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.45% percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017.

2017 – The discount rate used in the September 30, 2016 actuarial valuation decreased by 0.50% percentage points.

Michigan Public School Employees Retirement System (OPEB) – There were no significant changes of assumptions for each of the reported plan years ended September 30, except for the following:

2024 – The healthcare cost trend rate used in the September 30, 2024 actuarial valuation decreased by 0.25% for members under 65 and increased 0.25% for members over 65

2023 – The healthcare cost trend rate used in the September 30, 2023 actuarial valuation decreased by 0.25% for members under 65 and increased 1.00% for members over 65. In addition, actual per person health benefit costs were lower than projected. The valuation includes the impact of an updated experience study for periods from 2017 to 2022.

2022 – The discount rate and investment rate of return used in the September 30, 2022 actuarial valuation decreased by 0.95% percentage points.

2021 – The healthcare cost trend rate used in the September 30, 2020 actuarial valuation increased by 0.75% for members under 65 and decreased by 1.75% for members over 65, in addition, actual per person health benefit costs were lower than projected.

2020 – The healthcare cost trend rate used in the September 30, 2019 actuarial valuation decreased by 0.50% percentage points and actual per person health benefit costs were lower than projected. This reduced the plan's total OPEB liability by \$1.8 billion in 2020, including a reduction of \$42 million for the university employer portion of the total OPEB liability.

2019 – The discount rate used in the September 30, 2018 actuarial valuation decreased by 0.20% percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017.

2018 – The discount rate used in the September 30, 2017 actuarial valuation decreased by 0.35% percentage points. The valuation also includes the impact of an updated experience study for periods from 2012 to 2017.



University's Single Employer Plan

SCHEDULE OF CHANGES IN THE UNIVERSITY'S TOTAL OPEB LIABILITY AND RELATED INFORMATION								
	2025	2024	2023	2022	2021	2020	2019	2018
Plan fiduciary net position, beginning of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
University contributions	305,463	329,106	258,076	274,705	441,054	436,592	449,629	435,886
Participant contributions	-	-	-	-	-	182,800	202,321	200,805
Benefit payments	(305,463)	(329,106)	(258,076)	(274,705)	(441,054)	(619,392)	(651,950)	(636,691)
Plan fiduciary net position, end of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net OPEB liability	\$ 2,732,820	\$ 3,063,634	\$ 2,548,090	\$ 2,730,898	\$ 5,045,999	\$ 5,445,459	\$ 6,019,259	\$ 6,077,123
Plan fiduciary net position as a percentage of net OPEB liability	-	-	-	-	-	-	-	-
University's covered payroll*	-	-	-	-	-	-	-	-
Net OPEB liability as a percentage of covered payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

* No active employees are covered, thus there is no employee payroll.

Discount rates used in determining the total reported liability for other post employment benefits were 5.20%, 3.93%, 3.65%, 3.54%, 2.16%, 2.21%, 3.50%, and 3.87% at the measurement dates of June 30, 2025, 2024, 2023, 2022, 2021, 2020, 2019, and 2018, respectively. As of June 30, 2025, there continues to be no plan assets.

GASB 75 was implemented in fiscal year 2018. These schedules are being built prospectively. Ultimately, 10 years of data will be presented.



SUPPLEMENTARY INFORMATION



MICHIGAN TECHNOLOGICAL UNIVERSITY
SCHEDULE OF NET POSITION BY FUND AT JUNE 30, 2025

	General	Designated	Auxiliary Activities	Retirement & Insurance	Expendable Restricted	Total Current Funds	Student Loan	Plant	Agency	Michigan Tech Fund	Eliminations	2025	2024
Assets													
Current assets:													
Cash and cash equivalents	\$ (18,987,298)	\$ 35,450,544	\$ (3,748,408)	\$ 2,528,050	\$ (4,204,203)	\$ 11,038,685	\$ 1,071,702	\$ 13,022,963	\$ 2,444,358	\$ 11,770,082	\$ -	\$ 39,347,790	\$ 24,588,749
Accounts receivable, net	10,743,025	94,669	79,783	13,360	20,690,343	31,621,180	-	1,563,261	67,209	-	(43,702)	33,207,948	31,308,139
Pledges receivable, net	-	-	-	-	-	-	-	-	-	4,821,592	-	4,821,592	4,838,751
Other assets	297,315	13,619	2,417,678	107,588	-	2,836,200	-	-	-	9,197	-	2,845,397	1,813,824
Total current assets	(7,946,958)	35,558,832	(1,250,947)	2,648,998	16,486,140	45,496,065	1,071,702	14,586,224	2,511,567	16,600,871	(43,702)	80,222,727	62,549,463
Noncurrent assets:													
Student loans receivable, net	-	-	-	-	-	-	1,807,414	-	-	-	-	1,807,414	2,438,065
Pledges receivable, net	-	-	-	-	-	-	-	-	-	14,113,006	-	14,113,006	16,690,899
Restricted cash for capital projects	-	-	-	-	-	-	-	16,870,271	-	-	-	16,870,271	14,891,736
Restricted investments for capital projects	-	-	-	-	-	-	-	8,471,580	-	-	-	8,471,580	60,748,114
Investments	16,064,754	-	-	6,570,627	-	22,635,381	-	10,536,638	-	214,086,341	-	247,258,360	251,908,555
Beneficial interest in charitable remainder trusts	-	-	-	-	-	-	-	-	-	8,423,947	-	8,423,947	7,259,708
Capital assets, net	-	-	-	-	-	-	-	345,435,905	-	-	-	345,435,905	301,918,877
Net OPEB asset - MPERS	-	-	-	15,656,609	-	15,656,609	-	-	-	-	-	15,656,609	9,265,436
Net pension asset - MPERS	-	-	-	9,885,978	-	9,885,978	-	-	-	-	-	9,885,978	-
Other assets	-	-	-	-	-	-	-	978,544	-	1,954,328	-	2,932,872	2,826,007
Total noncurrent assets	16,064,754	-	-	32,113,214	-	48,177,968	1,807,414	382,292,938	-	238,577,622	-	670,855,942	667,947,397
Total assets	8,117,796	35,558,832	(1,250,947)	34,762,212	16,486,140	93,674,033	2,879,116	396,879,162	2,511,567	255,178,493	(43,702)	751,078,669	730,496,860
Deferred outflows of resources													
	-	-	-	1,080,735	-	1,080,735	-	-	-	-	-	1,080,735	2,358,254
Liabilities													
Current liabilities													
Accounts payable and accrued liabilities	7,417,260	685,917	934,733	1,232,429	2,406,594	12,676,933	1,898	9,492,587	2,511,567	64,171	(43,702)	24,703,454	34,057,893
Unearned revenue	118,191	-	4,431,200	(3)	3,478,170	8,027,558	-	81,250	-	-	-	8,108,808	5,694,696
Annuity obligations, current portion	-	-	-	-	-	-	-	-	-	451,009	-	451,009	455,306
Insurance and benefit reserves, current portion	-	-	-	2,245,395	-	2,245,395	-	-	-	-	-	2,245,395	2,025,777
Long-term debt, current portion	-	-	-	-	-	-	-	6,241,808	-	-	-	6,241,808	4,895,511
Total current liabilities	7,535,451	685,917	5,365,933	3,477,821	5,884,764	22,949,886	1,898	15,815,645	2,511,567	515,180	(43,702)	41,750,474	47,129,183
Noncurrent liabilities													
Accrued compensated absences	-	-	-	7,110,642	-	7,110,642	-	-	-	-	-	7,110,642	-
Enrollment deposits	13,450	-	-	-	-	13,450	-	-	-	-	-	13,450	65,550
Annuity obligations, net of current portion	-	-	-	-	-	-	-	-	-	4,123,840	-	4,123,840	4,322,006
Long-term debt, net of current portion	-	-	-	-	-	-	-	177,497,995	-	-	-	177,497,995	183,195,114
Net pension liability - MPERS	-	-	-	-	-	-	-	-	-	-	-	-	2,589,773
Net OPEB liability	-	-	-	2,732,820	-	2,732,820	-	-	-	-	-	2,732,820	3,063,634
Total noncurrent liabilities	13,450	-	-	9,843,462	-	9,856,912	-	177,497,995	-	4,123,840	-	191,478,747	193,236,077
Total liabilities	7,548,901	685,917	5,365,933	13,321,283	5,884,764	32,806,798	1,898	193,313,640	2,511,567	4,639,020	(43,702)	233,229,221	240,365,260
Deferred inflows of resources													
	-	-	-	10,742,123	-	10,742,123	-	1,087,501	-	13,906,088	-	25,735,712	13,299,149
Net position													
Net investment in capital assets	-	-	-	-	-	-	-	185,438,290	-	-	-	185,438,290	188,859,221
Restricted:													
Nonexpendable	-	-	-	-	-	-	-	-	-	133,361,225	-	133,361,225	125,635,401
Expendable	125,000	-	112,491	25,542,587	10,601,376	36,381,454	3,396,204	3,656,232	-	92,241,409	-	135,675,299	111,363,663
Unrestricted (deficit)	443,895	34,872,915	(6,729,371)	(13,763,046)	-	14,824,393	(518,986)	13,383,499	-	11,030,751	-	38,719,657	53,332,420
Total net position	\$ 568,895	\$ 34,872,915	\$ (6,616,880)	\$ 11,779,541	\$ 10,601,376	\$ 51,205,847	\$ 2,877,218	\$ 202,478,021	\$ -	\$ 236,633,385	\$ -	\$ 493,194,471	\$ 479,190,705



MICHIGAN TECHNOLOGICAL UNIVERSITY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION BY FUND BY OBJECT
FOR THE YEAR ENDED JUNE 30, 2025

	General	Designated	Auxiliary	Retirement & Insurance	Expendable Restricted	Total Current Funds	Student Loan	Plant	Michigan Tech Fund	Eliminations	2025	2024
Revenues												
Operating revenues												
Student tuition and fees, net	\$ 183,277,564	\$ 88,908	\$ 1,379,952	\$ -	\$ 23,378	\$ 184,769,802	\$ -	\$ -	\$ -	\$ (77,999,862)	\$ 106,769,940	\$ 119,716,956
Federal grants and contracts	42,406	-	-	-	55,161,888	55,204,294	(902,776)	-	-	-	54,301,518	42,960,656
State and local grants and contracts	-	-	-	-	7,068,530	7,068,530	-	6,313	-	-	7,074,843	7,034,814
Nongovernmental grants and contracts	-	-	-	-	29,175,563	29,175,563	-	-	-	-	29,175,563	24,390,372
Indirect cost recoveries	22,902,971	-	-	-	(22,902,971)	-	-	-	-	-	-	-
Educational activities	357,133	4,668,565	957,669	783,344	786,357	7,553,068	96	3,317,357	-	-	10,870,521	7,499,412
Departmental activities	124,338	138,870	11,459,375	-	2,270	11,724,853	-	34,901	-	-	11,759,754	11,162,876
Student residence fees, net	-	-	32,216,583	-	-	32,216,583	-	18,135	-	(929,387)	31,305,331	21,599,738
Total operating revenues	206,704,412	4,896,343	46,013,579	783,344	69,315,015	327,712,693	(902,680)	3,376,706	-	(78,929,249)	251,257,470	234,364,824
Expenses												
Operating expenses												
Salaries and wages	105,406,299	11,168,328	9,542,621	4,795,701	31,047,123	161,960,072	-	-	-	-	161,960,072	149,887,817
Fringe benefits	38,259,562	2,903,044	3,061,233	(3,474,831)	7,898,191	48,647,199	-	-	-	-	48,647,199	35,674,463
Supplies and services	21,242,704	11,456,456	24,518,359	1,932,187	29,969,815	89,119,521	122,827	97,109,310	14,215,306	(113,597,846)	86,969,118	75,506,046
Student financial support	74,037,037	452,942	19,566	7,534	19,626,025	94,143,104	-	-	5,822,307	(84,751,556)	15,213,855	18,625,831
Utilities	4,648,896	268,897	2,411,328	-	40,190	7,369,311	-	576	-	-	7,369,887	7,000,541
Depreciation	-	-	-	-	-	-	-	17,172,809	-	-	17,172,809	14,804,070
Total operating expenses	243,594,498	26,249,667	39,553,107	3,260,591	88,581,344	401,239,207	122,827	114,282,695	20,037,613	(198,349,402)	337,332,940	301,498,768
Operating (loss) income	(36,890,086)	(21,353,324)	6,460,472	(2,477,247)	(19,266,329)	(73,526,514)	(1,025,507)	(110,905,989)	(20,037,613)	119,420,153	(86,075,470)	(67,133,944)
Net transfers (out) in	(25,227,848)	19,765,293	(12,348,260)	1,465,471	345,841	(15,999,503)	(175,165)	16,174,668	-	-	-	-
Nonoperating revenues (expenses)												
Federal Pell grants	-	-	-	-	8,357,350	8,357,350	-	-	-	-	8,357,350	6,063,055
Federal grants, other	-	-	-	-	-	-	-	275,567	-	-	275,567	539,500
State appropriations	55,781,905	-	-	1,565,226	-	57,347,131	-	-	-	-	57,347,131	82,521,477
Gifts	4,296,431	4,158,707	243,347	-	6,953,251	15,651,736	-	-	8,902,888	(15,611,900)	8,942,724	11,445,104
Investment return	1,864,523	-	-	1,691,957	1,300	3,557,780	212,528	2,493,783	16,963,256	-	23,227,347	23,018,179
Interest on capital asset-related debt	-	-	-	-	-	-	-	(7,578,561)	-	-	(7,578,561)	(6,672,619)
Loss on disposal of capital assets	-	-	-	-	-	-	-	-	-	(299,520)	(299,520)	(522,632)
Net nonoperating revenues (expenses)	61,942,859	4,158,707	243,347	3,257,183	15,311,901	84,913,997	212,528	(4,809,211)	25,866,144	(15,911,420)	90,272,038	116,392,064
Income (loss) before other revenues	(175,075)	2,570,676	(5,644,441)	2,245,407	(3,608,587)	(4,612,020)	(988,144)	(99,540,532)	5,828,531	103,508,733	4,196,568	49,258,120
Other revenues												
Capital grants and gifts	-	-	-	-	-	-	-	3,702,776	2,496,480	(3,105,062)	3,094,194	26,461,757
Gifts for permanent endowment purposes	-	-	-	-	-	-	-	-	6,651,602	-	6,651,602	7,156,877
Other revenues	-	-	-	-	-	-	-	-	61,402	-	61,402	89,653
Fund additions	-	-	-	-	-	-	-	100,403,671	-	(100,403,671)	-	-
Total other revenues	-	-	-	-	-	-	-	104,106,447	9,209,484	(103,508,733)	9,807,198	33,708,287
Net increase (decrease) in net position	(175,075)	2,570,676	(5,644,441)	2,245,407	(3,608,587)	(4,612,020)	(988,144)	4,565,915	15,038,015	-	14,003,766	82,966,407
Net position, beginning of year	743,970	32,302,239	(972,439)	9,534,134	14,209,963	55,817,867	3,865,362	197,912,106	221,595,370	-	479,190,705	396,224,298
Net position, end of year	\$ 568,895	\$ 34,872,915	\$ (6,616,880)	\$ 11,779,541	\$ 10,601,376	\$ 51,205,847	\$ 2,877,218	\$ 202,478,021	\$ 236,633,385	\$ -	\$ 493,194,471	\$ 479,190,705

MICHIGAN TECHNOLOGICAL UNIVERSITY
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN NET POSITION BY FUND BY FUNCTION
FOR THE YEAR ENDED JUNE 30, 2025

	General	Designated	Auxiliary	Retirement & Insurance	Expendable Restricted	Total Current Funds	Student Loan	Plant	Michigan Tech Fund	Eliminations	2025	2024
Revenues												
Operating revenues												
Student tuition and fees, net	\$ 183,277,564	\$ 88,908	\$ 1,379,952	\$ -	\$ 23,378	\$ 184,769,802	\$ -	\$ -	\$ -	\$ (77,999,862)	\$ 106,769,940	\$ 119,716,956
Federal grants and contracts	42,406	-	-	-	55,161,888	55,204,294	(902,776)	-	-	-	54,301,518	42,960,656
State and local grants and contracts	-	-	-	-	7,068,530	7,068,530	-	6,313	-	-	7,074,843	7,034,814
Nongovernmental grants and contracts	-	-	-	-	29,175,563	29,175,563	-	-	-	-	29,175,563	24,390,372
Indirect cost recoveries	22,902,971	-	-	-	(22,902,971)	-	-	-	-	-	-	-
Educational activities	357,133	4,668,565	957,669	783,344	786,357	7,553,068	96	3,317,357	-	-	10,870,521	7,499,412
Departmental activities	124,338	138,870	11,459,375	-	2,270	11,724,853	-	34,901	-	-	11,759,754	11,162,876
Student residence fees, net	-	-	32,216,583	-	-	32,216,583	-	18,135	-	(929,387)	31,305,331	21,599,738
Total operating revenues	206,704,412	4,896,343	46,013,579	783,344	69,315,015	327,712,693	(902,680)	3,376,706	-	(78,929,249)	251,257,470	234,364,824
Expenses												
Operating expenses												
Instruction	71,380,412	2,626,514	-	(2,023,884)	190,147	72,173,189	-	(1,483)	-	26,527	72,198,233	68,143,592
Research	23,459,099	16,183,088	-	(1,906,337)	59,028,816	96,764,666	-	(9,057)	-	(4,718,434)	92,037,175	77,410,138
Public service	1,841,900	861,206	-	(304,878)	14,187,256	16,585,484	-	15	-	31,971	16,617,470	13,889,564
Academic support	24,588,285	1,957,062	-	(711,503)	842	25,834,686	-	3,651	-	127,144	25,965,481	25,979,242
Student services	11,186,203	2,001,188	6,978,518	(412,962)	127,757	19,880,704	-	(455,209)	-	18,836	19,444,331	18,045,032
Institutional support	27,296,540	532,713	-	9,217,439	13,662	37,060,354	-	137,198	14,215,306	(14,432,151)	36,980,707	27,184,880
Student financial support	69,978,199	-	-	-	15,032,864	85,011,063	122,827	-	5,822,307	(83,822,168)	7,134,029	20,394,453
Operations and maintenance of plant	13,863,860	2,087,896	-	(284,876)	-	15,666,880	-	96,579,447	-	(94,440,825)	17,805,502	15,395,568
Sales and services of dept activities	-	-	-	-	-	-	-	-	-	9,537,397	9,537,397	12,458,531
Student residents	-	-	32,574,589	(312,408)	-	32,262,181	-	17,002	-	(10,677,699)	21,601,484	7,793,698
Depreciation	-	-	-	-	-	-	-	18,011,131	-	-	18,011,131	14,804,070
Total operating expenses	243,594,498	26,249,667	39,553,107	3,260,591	88,581,344	401,239,207	122,827	114,282,695	20,037,613	(198,349,402)	337,332,940	301,498,768
Operating (loss) income	(36,890,086)	(21,353,324)	6,460,472	(2,477,247)	(19,266,329)	(73,526,514)	(1,025,507)	(110,905,989)	(20,037,613)	119,420,153	(86,075,470)	(67,133,944)
Net transfers (out) in	(25,227,848)	19,765,293	(12,348,260)	1,465,471	345,841	(15,999,503)	(175,165)	16,174,668	-	-	-	-
Nonoperating revenues (expenses)												
Federal Pell grants	-	-	-	-	8,357,350	8,357,350	-	275,567	-	-	8,632,917	6,063,055
Federal grants, other	-	-	-	-	-	-	-	-	-	-	-	539,500
State appropriations	55,781,905	-	-	1,565,226	-	57,347,131	-	-	-	-	57,347,131	82,521,477
Gifts	4,296,431	4,158,707	243,347	-	6,953,251	15,651,736	-	-	8,902,888	(15,611,900)	8,942,724	11,445,104
Investment return	1,864,523	-	-	1,691,957	1,300	3,557,780	212,528	2,493,783	16,963,256	-	23,227,347	23,018,179
Interest on capital asset-related debt	-	-	-	-	-	-	-	(7,578,561)	-	-	(7,578,561)	(6,672,619)
Loss on disposal of capital assets	-	-	-	-	-	-	-	-	-	(299,520)	(299,520)	(522,632)
Net nonoperating revenues (expenses)	61,942,859	4,158,707	243,347	3,257,183	15,311,901	84,913,997	212,528	(4,809,211)	25,866,144	(15,911,420)	90,272,038	116,392,064
Income (loss) before other revenues	(175,075)	2,570,676	(5,644,441)	2,245,407	(3,608,587)	(4,612,020)	(988,144)	(99,540,532)	5,828,531	103,508,733	4,196,568	49,258,120
Other revenues												
Capital grants and gifts	-	-	-	-	-	-	-	3,702,776	2,496,480	(3,105,062)	3,094,194	26,461,757
Gifts for permanent endowment purposes	-	-	-	-	-	-	-	-	6,651,602	-	6,651,602	7,156,877
Other revenues	-	-	-	-	-	-	-	-	61,402	-	61,402	89,653
Fund additions	-	-	-	-	-	-	-	100,403,671	-	(100,403,671)	-	-
Total other revenues	-	-	-	-	-	-	-	104,106,447	9,209,484	(103,508,733)	9,807,198	33,708,287
Net increase (decrease) in net position	(175,075)	2,570,676	(5,644,441)	2,245,407	(3,608,587)	(4,612,020)	(988,144)	4,565,915	15,038,015	-	14,003,766	82,966,407
Net position, beginning of year	743,970	32,302,239	(972,439)	9,534,134	14,209,963	55,817,867	3,865,362	197,912,106	221,595,370	-	479,190,705	396,224,298
Net position, end of year	\$ 568,895	\$ 34,872,915	\$ (6,616,880)	\$ 11,779,541	\$ 10,601,376	\$ 51,205,847	\$ 2,877,218	\$ 202,478,021	\$ 236,633,385	\$ -	\$ 493,194,471	\$ 479,190,705





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