

# FCR 4

Office of the President  
June 13, 2025

Members, Board of Trustees:

ACCEPTANCE OF INTERIM FINANCIAL REPORT  
FOR THE NINE MONTHS ENDED MARCH 31, 2025

Recommendation: that the Board of Trustees accept the University of Kentucky consolidated financial report for the nine months ended March 31, 2025.

Background: The consolidated financial report includes the financial activities of the University of Kentucky and its affiliated corporations:

- University of Kentucky Research Foundation
- University of Kentucky Gluck Equine Research Foundation, Inc.
- University of Kentucky Humanities Foundation, Inc.
- University of Kentucky Mining Engineering Foundation, Inc.
- Central Kentucky Management Services, Inc.
- Beyond Blue Corporation and its non-profit subsidiaries Royal Blue Health, LLC and Claire Blue Health, LLC

As of March 31, 2025, the University has recognized \$5,944,785,330 of current funds revenue representing 71 percent of the 2024-25 approved budget of \$8,367,136,200. Expenses and transfers total \$5,669,118,145 or 68 percent of the approved budget.

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Action taken:    ☒ Approved    ☐ Disapproved    ☐ Other \_\_\_\_\_



## Consolidated Financial Statements

For the nine months ended March 31, 2025

**UNIVERSITY OF KENTUCKY**  
**A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY**  
**STATEMENTS OF NET POSITION<sup>1</sup>**  
**MARCH 31, 2025 AND 2024**

	2025	2024
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 1,893,355,901	\$ 1,572,651,311
Notes, loans and accounts receivable, net	1,272,563,201	1,605,013,326
Investments	347,369	-
Inventories and other assets	134,896,126	109,790,250
Total current assets	3,301,162,597	3,287,454,887
<b>Noncurrent Assets</b>		
Restricted cash and cash equivalents	349,900,877	360,218,558
Endowment investments	2,113,808,093	2,020,013,215
Other long-term investments	1,083,413,149	971,389,731
Notes, loans and accounts receivable, net	838,327,996	786,037,313
Other noncurrent assets	5,755,962	7,928,876
Capital assets, net	4,682,042,611	4,050,018,453
Lease assets, net	135,825,917	125,226,127
Subscription assets, net	56,801,257	24,205,789
Total noncurrent assets	9,265,875,862	8,345,038,062
Total assets	12,567,038,459	11,632,492,949
<b>Deferred Outflows of Resources</b>	33,776,564	31,282,936
Total assets and deferred outflows of resources	12,600,815,023	11,663,775,885
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	515,173,546	442,266,035
Unearned revenue	102,373,842	143,076,205
Long-term liabilities - current portion	182,820,723	156,316,638
Total current liabilities	800,368,111	741,658,878
<b>Noncurrent Liabilities</b>		
Unearned revenue	156,064,808	175,344,138
Long-term liabilities	1,761,396,179	1,686,335,113
Total noncurrent liabilities	1,917,460,987	1,861,679,251
Total liabilities	2,717,829,098	2,603,338,129
<b>Deferred Inflows of Resources</b>	496,046,362	500,506,476
Total liabilities and deferred inflows of resources	3,213,875,460	3,103,844,605
<b>NET POSITION</b>		
<b>Net investment in capital assets</b>	2,748,462,026	2,188,385,705
<b>Restricted</b>		
Nonexpendable		
Scholarships and fellowships	250,607,042	237,516,776
Research	346,922,289	333,334,991
Instruction	96,362,955	94,953,775
Academic support	89,730,086	88,730,110
Other	21,362,311	19,789,433
Total restricted nonexpendable	804,984,683	774,325,085
Expendable		
Scholarships and fellowships	171,253,367	162,645,212
Research	216,298,641	178,414,207
Instruction	89,968,296	86,775,197
Academic support	166,273,457	162,301,298
Loans	12,139,760	11,471,715
Capital projects	259,838,018	386,095,219
Debt service	33,525,644	31,441,447
Auxiliary	25,056,860	43,524,828
Other	170,894,296	170,951,675
Total restricted expendable	1,145,248,339	1,233,620,798
Total restricted	1,950,233,022	2,007,945,883
<b>Unrestricted</b>	4,688,244,515	4,363,599,692
Total net position	\$ 9,386,939,563	\$ 8,559,931,280

<sup>1</sup> Statements include all funds with exception of fiduciary funds held in trust for beneficiaries of postemployment benefit plans.

**UNIVERSITY OF KENTUCKY**  
**A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION<sup>1</sup>**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2025 AND 2024**

	2025	2024
<b>OPERATING REVENUES</b>		
Student tuition and fees	\$ 674,036,651	\$ 618,599,274
Federal grants and contracts	216,404,813	208,278,097
State and local grants and contracts	117,542,696	107,217,446
Nongovernmental grants and contracts	286,795,650	259,814,258
Recoveries of facilities and administrative costs	71,308,550	70,957,765
Sales and services	54,820,743	66,751,447
Federal appropriations	13,327,950	12,542,911
County appropriations	29,430,841	27,028,117
Hospital services	3,593,807,952	3,269,808,234
Auxiliary enterprises:		
Housing and dining	28,568,231	29,463,291
Athletics	127,486,009	116,516,387
Other auxiliaries	47,478,587	45,764,181
Other operating revenues	373,520	358,714
Total operating revenues	<u>5,261,382,193</u>	<u>4,833,100,122</u>
<b>OPERATING EXPENSES</b>		
Educational and general:		
Instruction	303,126,317	280,324,422
Research	297,347,949	288,830,469
Public service	213,686,836	200,239,317
Libraries	21,921,407	20,175,511
Academic support	100,534,817	87,551,843
Student services	47,505,987	44,210,390
Institutional support	49,523,274	39,923,023
Operations and maintenance of plant	89,018,690	80,310,071
Student financial aid	307,551,163	279,122,872
Depreciation and amortization	85,521,216	78,545,169
Total educational and general	<u>1,515,737,656</u>	<u>1,399,233,087</u>
Clinical operations	451,137,830	394,611,363
Hospital services (including depreciation and amortization of \$136,205,767 in 2025 and \$120,613,564 in 2024)	3,196,321,785	2,720,064,480
Auxiliary enterprises:		
Housing and dining (including depreciation of \$8,628,621 in 2025 and \$8,160,675 in 2024)	26,234,560	25,314,991
Athletics (including depreciation of \$13,231,115 in 2025 and \$12,222,082 in 2024)	149,924,494	147,124,874
Other auxiliaries (including depreciation and amortization of \$7,251,385 in 2025 and \$6,560,045 in 2024 )	34,616,359	29,959,047
Other operating expenses	2,882,853	1,770,818
Total operating expenses	<u>5,376,855,537</u>	<u>4,718,078,660</u>
Net income (loss) from operations	<u>(115,473,344)</u>	<u>115,021,462</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State appropriations	290,852,500	255,735,400
Gifts and non-exchange grants	157,788,884	124,322,200
Investment income	205,825,998	271,754,834
Interest on capital asset, lease and SBITA-related debt	(45,878,887)	(38,386,413)
Other nonoperating revenues and expenses, net	8,022,519	11,498,002
Net nonoperating revenues	<u>616,611,014</u>	<u>624,924,023</u>
Net income before other revenues, expenses, gains or losses	<u>501,137,670</u>	<u>739,945,485</u>
Capital grants and gifts	229,303,743	376,562,753
Additions to permanent endowments	18,656,179	45,965,155
Special item - acquisition of Claire Blue Health	114,500,474	-
Other, net	25,944,844	12,074,974
Total other revenues	<u>388,405,240</u>	<u>434,602,882</u>
<b>INCREASE IN NET POSITION</b>	<u>889,542,910</u>	<u>1,174,548,367</u>
<b>NET POSITION, July 1</b>	<u>8,497,396,653</u>	<u>7,385,382,913</u>
<b>NET POSITION, March 31</b>	<u>\$ 9,386,939,563</u>	<u>\$ 8,559,931,280</u>

<sup>1</sup> Statements include all funds with exception of fiduciary funds held in trust for beneficiaries of postemployment benefit plans.

**UNIVERSITY OF KENTUCKY**  
**A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY**  
**CURRENT FUNDS**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**FOR THE NINE MONTHS ENDED MARCH 31, 2025 AND 2024**

	2025			2024	
	Budget	Actual	%	Actual	%
<b>OPERATING REVENUES</b>					
Student tuition and fees	\$ 674,492,100	\$ 674,036,651	100%	\$ 618,599,274	99%
Federal grants and contracts	385,084,800	216,404,813	56%	208,278,097	57%
State and local grants and contracts	171,697,900	117,542,696	68%	107,217,446	77%
Nongovernmental grants and contracts	395,925,000	286,795,650	72%	259,814,258	80%
Recoveries of facilities and administrative costs	73,000,000	71,308,550	98%	70,957,765	101%
Sales and services	59,802,500	54,820,743	92%	66,751,447	111%
Federal appropriations	19,239,500	13,327,950	69%	12,542,911	66%
County appropriations	41,270,200	29,430,841	71%	27,028,117	67%
Hospital services	5,064,852,000	3,593,807,952	71%	3,269,808,234	83%
Auxiliary enterprises:					
Housing and dining	38,776,600	28,568,231	74%	29,463,291	79%
Athletics	138,629,600	127,486,009	92%	116,516,387	93%
Other auxiliaries	51,779,300	47,478,587	92%	45,764,181	83%
Total operating revenues	<u>7,114,549,500</u>	<u>5,261,008,673</u>	<u>74%</u>	<u>4,832,741,408</u>	<u>83%</u>
<b>OPERATING EXPENSES</b>					
Educational and general:					
Instruction	489,094,100	303,246,905	62%	280,559,860	61%
Research	625,060,300	298,601,903	48%	290,011,451	54%
Public service	342,012,300	214,389,732	63%	201,031,056	63%
Libraries	18,511,300	21,921,407	118%	20,175,511	99%
Academic support	212,304,300	101,157,219	48%	88,366,506	51%
Student services	68,233,800	47,457,892	70%	44,141,337	60%
Institutional support	167,504,400	53,801,027	32%	40,813,333	30%
Operations and maintenance of plant	125,555,500	64,433,905	51%	64,185,778	48%
Student financial aid	329,642,600	307,551,163	93%	279,122,872	96%
Total educational and general	<u>2,377,918,600</u>	<u>1,412,561,153</u>	<u>59%</u>	<u>1,308,407,704</u>	<u>61%</u>
Clinical operations	802,592,700	451,137,830	56%	394,611,363	69%
Hospital services	4,370,541,300	3,063,499,742	70%	2,611,775,921	74%
Auxiliary enterprises:					
Housing and dining	29,449,700	17,395,635	59%	16,630,428	72%
Athletics	174,564,800	133,159,062	76%	131,469,314	80%
Other auxiliaries	47,835,000	26,614,333	56%	17,955,190	40%
Total operating expenses	<u>7,802,902,100</u>	<u>5,104,367,755</u>	<u>65%</u>	<u>4,480,849,920</u>	<u>69%</u>
Net income (loss) from operations	<u>(688,352,600)</u>	<u>156,640,918</u>	<u>N/A</u>	<u>351,891,488</u>	<u>N/A</u>

UNIVERSITY OF KENTUCKY  
A COMPONENT UNIT OF THE COMMONWEALTH OF KENTUCKY  
CURRENT FUNDS  
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
FOR THE NINE MONTHS ENDED MARCH 31, 2025 AND 2024

	2025			2024	
	Budget	Actual	%	Actual	%
Net income (loss) from operations	(688,352,600)	156,640,918	N/A	351,891,488	N/A
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	358,565,600	290,852,500	81%	255,735,400	80%
Gifts and non-exchange grants	136,071,100	150,626,728	111%	118,993,628	98%
Investment income	63,798,500	133,970,296	210%	141,790,276	260%
Interest on lease and SBITA asset-related debt					
Other nonoperating revenues and expenses, net	7,390,300	7,442,724	101%	11,203,244	147%
Net nonoperating revenues	565,825,500	582,892,248	103%	527,722,548	105%
Net income (loss) before other revenues, expenses, gains or losses	(122,527,100)	739,533,166	N/A	879,614,036	N/A
Capital grants and gifts	29,690,400	21,186,077	71%	49,464,753	280%
Special item - acquisition of Claire Blue Health	-	49,364,933	-	-	-
Other, net	-	30,333,399	-	12,816,790	-
Total other revenues	29,690,400	100,884,409	340%	62,281,543	352%
<b>NON-GASB ACTIVITY</b>					
Appropriated fund balance	627,543,800	-	-	-	-
Capital purchases and transfers	(439,798,900)	(462,365,302)	105%	(359,844,442)	122%
Debt service transfers	(113,101,400)	(99,763,716)	88%	(81,956,284)	74%
Noncapital transfers	18,193,200	(2,621,372)	(14%)	12,001,492	(53%)
Total non-GASB current funds activity	92,836,700	(564,750,390)	N/A	(429,799,234)	N/A
<b>INCREASE IN NET POSITION</b>	-	275,667,185		512,096,345	
<b>NET POSITION, July 1</b>		3,378,198,792		3,041,328,460	
<b>NET POSITION, March 31</b>		\$ 3,653,865,977		\$ 3,553,424,805	
<b>RECONCILIATION TO ANNUAL BUDGET</b>					
Operating revenues	\$ 7,114,549,500	\$ 5,261,008,673	74%	\$ 4,832,741,408	83%
Nonoperating revenues and transfers	1,252,586,700	683,776,657	55%	590,004,091	55%
Total revenues	8,367,136,200	5,944,785,330	71%	5,422,745,499	79%
Operating expenses	7,802,902,100	5,104,367,755	65%	4,480,849,920	69%
Nonoperating expenses and transfers	564,234,100	564,750,390	100%	429,799,234	104%
Total expenses and transfers	8,367,136,200	5,669,118,145	68%	4,910,649,154	71%
<b>INCREASE IN NET POSITION</b>	\$ -	\$ 275,667,185		\$ 512,096,345	