

# FCR 6

Office of the President  
April 23, 2026

Members, Board of Trustees:

ACCEPTANCE OF INTERIM FINANCIAL REPORT  
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025

Recommendation: that the Board of Trustees accept the University of Kentucky consolidated financial report for the six months ended December 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 December 31, 2025, the University has recognized \$4,342,862,856 of current funds revenue representing 50 percent of the 2025-26 approved budget of \$8,622,715,700. Expenses and transfers total \$3,998,553,373 or 46 percent of the approved budget.

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



## Consolidated Financial Statements

For the six months ended December 31, 2025

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

	2025	2024
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 2,251,657,790	\$ 1,848,710,755
Notes, loans and accounts receivable, net	1,127,704,976	1,206,528,409
Investments	413,473	359,866
Inventories and other assets	180,062,802	138,017,647
Total current assets	<u>3,559,839,041</u>	<u>3,193,616,677</u>
<b>Noncurrent Assets</b>		
Restricted cash and cash equivalents	201,467,098	330,817,986
Endowment investments	2,405,111,650	2,121,443,185
Other long-term investments	1,142,227,361	1,011,789,471
Notes, loans and accounts receivable, net	819,678,852	918,866,706
Other noncurrent assets	4,189,147	6,467,878
Capital assets, net	5,221,921,075	4,564,742,814
Lease assets, net	108,483,921	128,210,884
Subscription assets, net	50,883,488	32,727,401
Total noncurrent assets	<u>9,953,962,592</u>	<u>9,115,066,325</u>
Total assets	<u>13,513,801,633</u>	<u>12,308,683,002</u>
<b>Deferred Outflows of Resources</b>		
Total assets and deferred outflows of resources	<u>13,533,595,744</u>	<u>12,340,694,505</u>
<b>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>		
<b>Current Liabilities</b>		
Accounts payable and accrued liabilities	507,660,737	484,068,947
Unearned revenue	93,500,945	98,725,982
Long-term liabilities - current portion	186,482,335	167,946,027
Total current liabilities	<u>787,644,017</u>	<u>750,740,956</u>
<b>Noncurrent Liabilities</b>		
Unearned revenue	267,162,228	160,906,025
Long-term liabilities	1,780,681,746	1,753,946,924
Total noncurrent liabilities	<u>2,047,843,974</u>	<u>1,914,852,949</u>
Total liabilities	<u>2,835,487,991</u>	<u>2,665,593,905</u>
<b>Deferred Inflows of Resources</b>		
Total liabilities and deferred inflows of resources	<u>475,049,185</u>	<u>505,086,433</u>
	<u>3,310,537,176</u>	<u>3,170,680,338</u>
<b>NET POSITION</b>		
<b>Net investment in capital assets</b>	<u>3,239,275,226</u>	<u>2,618,365,080</u>
<b>Restricted</b>		
Nonexpendable		
Scholarships and fellowships	260,207,103	248,444,471
Research	362,638,183	341,933,685
Instruction	97,309,470	95,518,355
Academic support	91,072,654	89,149,509
Other	23,466,266	21,026,552
Total restricted nonexpendable	<u>834,693,676</u>	<u>796,072,572</u>
Expendable		
Scholarships and fellowships	223,061,872	182,610,785
Research	303,063,993	220,956,686
Instruction	112,662,258	92,353,952
Academic support	189,190,809	169,436,059
Loans	13,870,871	12,892,994
Capital projects	202,862,380	290,968,058
Debt service	117,228	965,336
Auxiliary	38,544,236	24,954,967
Other	186,604,679	179,631,564
Total restricted expendable	<u>1,269,978,326</u>	<u>1,174,770,401</u>
Total restricted	<u>2,104,672,002</u>	<u>1,970,842,973</u>
<b>Unrestricted</b>		
Total net position	<u>\$ 10,223,058,568</u>	<u>\$ 9,170,014,167</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**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET POSITION<sup>1</sup>**  
**FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024**

	2025	2024
<b>OPERATING REVENUES</b>		
Student tuition and fees	\$ 388,631,394	\$ 353,755,166
Federal grants and contracts	136,654,927	138,697,934
State and local grants and contracts	71,177,711	81,954,442
Nongovernmental grants and contracts	205,358,369	186,537,320
Recoveries of facilities and administrative costs	46,635,169	47,000,596
Sales and services	39,952,845	33,179,531
Federal appropriations	10,646,577	9,978,597
County appropriations	20,969,728	19,953,596
Hospital services	2,829,891,264	2,351,133,954
Auxiliary enterprises:		
Housing and dining	18,463,877	18,659,637
Athletics	99,578,231	95,213,143
Other auxiliaries	32,582,152	30,255,135
Other operating revenues	126,006	282,779
Total operating revenues	<u>3,900,668,250</u>	<u>3,366,601,830</u>
<b>OPERATING EXPENSES</b>		
Educational and general:		
Instruction	198,164,027	193,264,365
Research	205,574,641	195,982,745
Public service	137,019,988	141,333,028
Libraries	13,583,399	13,488,181
Academic support	76,856,737	69,188,735
Student services	32,665,841	34,026,473
Institutional support	44,398,542	35,031,975
Operations and maintenance of plant	61,659,977	62,086,448
Student financial aid	162,930,764	156,503,704
Depreciation and amortization	58,891,578	56,358,732
Total educational and general	991,745,494	957,264,386
Clinical operations	322,253,930	296,269,152
Hospital services (including depreciation and amortization of \$99,928,204 in 2025 and \$91,027,569 in 2024)	2,342,779,750	2,114,024,122
Auxiliary enterprises:		
Housing and dining (including depreciation of \$5,667,686 in 2025 and \$5,756,861 in 2024)	18,605,532	17,640,751
Athletics (including depreciation of \$10,849,936 in 2025 and \$8,667,550 in 2024)	105,183,327	102,219,412
Other auxiliaries (including depreciation and amortization of \$4,853,213 in 2025 and \$4,831,624 in 2024)	28,218,440	24,616,780
Other operating expenses	207,381	897,119
Total operating expenses	<u>3,808,993,854</u>	<u>3,512,931,722</u>
Net income (loss) from operations	<u>91,674,396</u>	<u>(146,329,892)</u>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
State appropriations	209,201,800	204,711,100
Gifts and non-exchange grants	108,151,166	99,150,625
Investment income	266,194,462	167,402,333
Interest on capital asset, lease and SBITA-related debt	(32,365,780)	(30,402,084)
Other nonoperating revenues and expenses, net	214,024	5,515,579
Net nonoperating revenues	551,395,672	446,377,553
Net income before other revenues, expenses, gains or losses	643,070,068	300,047,661
Capital grants and gifts	14,210,443	219,603,776
Additions to permanent endowments	17,148,601	12,372,809
Other, net	6,010,622	26,092,794
Total other revenues	37,369,666	258,069,379
Net income before unusual or infrequent items	<u>680,439,734</u>	<u>558,117,040</u>
<b>UNUSUAL OR INFREQUENT ITEMS</b>		
Acquisition of Claire Blue Health	-	114,500,474
Contract separation costs	(38,233,969)	-
Total unusual or infrequent items	<u>(38,233,969)</u>	<u>114,500,474</u>
<b>INCREASE IN NET POSITION</b>	642,205,765	672,617,514
<b>NET POSITION, July 1</b>	<u>9,580,852,803</u>	<u>8,497,396,653</u>
<b>NET POSITION, December 31</b>	<u>\$ 10,223,058,568</u>	<u>\$ 9,170,014,167</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 SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024**

	2025			2024	
	Budget	Actual	%	Actual	%
<b>OPERATING REVENUES</b>					
Student tuition and fees	\$ 732,750,200	\$ 388,631,394	53%	\$ 353,755,166	52%
Federal grants and contracts	243,780,800	136,654,927	56%	138,697,934	36%
State and local grants and contracts	239,108,200	71,177,711	30%	81,954,442	48%
Nongovernmental grants and contracts	465,448,500	205,358,369	44%	186,537,320	47%
Recoveries of facilities and administrative costs	48,731,400	46,635,169	96%	47,000,596	64%
Sales and services	59,143,800	39,952,845	68%	33,179,531	55%
Federal appropriations	19,167,700	10,646,577	56%	9,978,597	52%
County appropriations	44,008,200	20,969,728	48%	19,953,596	48%
Hospital services	5,122,153,200	2,829,891,264	55%	2,351,133,954	46%
Auxiliary enterprises:					
Housing and dining	39,702,600	18,463,877	47%	18,659,637	48%
Athletics	142,666,400	99,578,231	70%	95,213,143	69%
Other auxiliaries	58,817,400	32,582,152	55%	30,255,135	58%
Total operating revenues	<u>7,215,478,400</u>	<u>3,900,542,244</u>	<u>54%</u>	<u>3,366,319,051</u>	<u>47%</u>
<b>OPERATING EXPENSES</b>					
Educational and general:					
Instruction	625,267,100	198,244,419	32%	193,344,757	31%
Research	601,536,000	206,412,865	34%	196,834,014	34%
Public service	313,505,600	137,396,599	44%	141,805,601	44%
Libraries	17,646,900	13,583,399	77%	13,488,181	80%
Academic support	189,959,500	77,915,915	41%	69,637,137	40%
Student services	66,601,700	32,598,285	49%	33,978,663	51%
Institutional support	229,613,700	47,373,049	21%	36,862,031	25%
Operations and maintenance of plant	117,298,600	49,938,852	43%	43,664,802	40%
Student financial aid	349,092,600	162,930,764	47%	156,503,704	47%
Total educational and general	<u>2,510,521,700</u>	<u>926,394,147</u>	<u>37%</u>	<u>886,118,890</u>	<u>37%</u>
Clinical operations	802,723,300	322,253,930	40%	296,269,152	37%
Hospital services	4,498,336,600	2,230,571,177	50%	2,032,770,532	47%
Auxiliary enterprises:					
Housing and dining	27,008,000	12,137,867	45%	11,743,220	40%
Athletics	199,798,000	93,545,424	47%	90,416,007	52%
Other auxiliaries	49,310,700	22,086,649	45%	19,423,434	41%
Total operating expenses	<u>8,087,698,300</u>	<u>3,606,989,194</u>	<u>45%</u>	<u>3,336,741,235</u>	<u>43%</u>
Net income (loss) from operations	<u>(872,219,900)</u>	<u>293,553,050</u>	<u>N/A</u>	<u>29,577,816</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 SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024**

	2025			2024	
	Budget	Actual	%	Actual	%
Net income (loss) from operations	(872,219,900)	293,553,050	N/A	29,577,816	N/A
<b>NONOPERATING REVENUES (EXPENSES)</b>					
State appropriations	364,003,300	209,201,800	57%	204,711,100	57%
Gifts and non-exchange grants	158,540,800	101,065,431	64%	93,879,094	69%
Investment income	67,740,700	110,565,994	163%	92,020,370	144%
Other nonoperating revenues and expenses, net	(24,189,300)	(199,607)	1%	5,124,877	369%
Net nonoperating revenues	566,095,500	420,633,618	74%	395,735,441	71%
Net income (loss) before other revenues, expenses, gains or losses	(306,124,400)	714,186,668	N/A	425,313,257	N/A
Capital grants and gifts	11,116,200	14,210,443	128%	14,824,897	50%
Other, net	-	7,276,944	-	29,808,024	-
Total other revenues	11,116,200	21,487,387	193%	44,632,921	150%
<b>NON-GASB ACTIVITY</b>					
Appropriated fund balance	766,229,500	-	-	-	-
Capital purchases and transfers	(363,160,300)	(291,750,949)	80%	(299,324,427)	68%
Debt service transfers	(131,181,400)	(55,141,308)	42%	(54,412,829)	48%
Noncapital transfers	23,120,400	(6,238,346)	-27%	(7,718,382)	-42%
Total non-GASB current funds activity	295,008,200	(353,130,603)	N/A	(361,455,638)	N/A
Net income before unusual or infrequent items	-	382,543,452	N/A	108,490,540	-116%
<b>UNUSUAL OR INFREQUENT ITEMS</b>					
Acquisition of Claire Blue Health	-	-	-	49,364,933	-
Contract separation costs	-	(38,233,969)	100%	-	-
Total unusual or infrequent items	-	(38,233,969)	100%	49,364,933	-
<b>INCREASE IN NET POSITION</b>	-	344,309,483		157,855,473	
<b>NET POSITION, July 1</b>		3,671,179,833		3,378,198,792	
<b>NET POSITION, December 31</b>		<u>\$ 4,015,489,316</u>		<u>\$ 3,536,054,265</u>	
<b>RECONCILIATION TO ANNUAL BUDGET</b>					
Operating revenues	\$ 7,215,478,400	\$ 3,900,542,244	54%	\$ 3,366,319,051	47%
Nonoperating revenues and transfers	1,407,237,300	442,320,612	31%	489,733,295	39%
Total revenues	8,622,715,700	4,342,862,856	50%	3,856,052,346	46%
Operating expenses	8,087,698,300	3,606,989,194	45%	3,336,741,235	43%
Nonoperating expenses and transfers	535,017,400	391,564,179	73%	361,455,638	64%
Total expenses and transfers	8,622,715,700	3,998,553,373	46%	3,698,196,873	44%
<b>INCREASE IN NET POSITION</b>	<u>\$ -</u>	<u>\$ 344,309,483</u>		<u>\$ 157,855,473</u>	