

CONTINUING DISCLOSURE FILING: December 31, 2024

CERTAIN SELECTED INFORMATION REGARDING OKLAHOMA STATE UNIVERSITY

GENERAL DESCRIPTION

General

Oklahoma State University (the “University”) was founded in 1890 as Oklahoma Agricultural and Mechanical College with the first classes held on December 14, 1891. The first commencement was in 1896 with six male graduates. The name was changed to Oklahoma State University of Agriculture and Applied Science on July 1, 1957, and to Oklahoma State University in 1981. The eight major divisions of the University include the Colleges of Agriculture; Arts and Sciences; Business; Education and Human Sciences; Engineering, Architecture and Technology; Veterinary Medicine; the Graduate College; and Professional Studies at OSU-Tulsa. The University has a full-time faculty of approximately 1,500 and staff (excluding students and faculty) of approximately 3,700.

The Stillwater Campus of the University (“OSU–Stillwater”) is located in north central Oklahoma in Stillwater, a city with a 2020 Census population of 48,394 and an estimated 2023 population of 49,525. It is almost equally distant from Tulsa and Oklahoma City. The University is coeducational and for the fall semester of 2024 had a headcount enrollment of 27,241 on the Stillwater and Tulsa campuses. OSU–Stillwater encompasses 1612 acres and approximately 145 major buildings. The Oklahoma State University Library is a six-story building at the heart of the University, containing approximately 2.8 million physical volumes in its main collection. In addition, the Library provides a robust information technology infrastructure that supports access to three million electronic books and journals. During the 2023-24 academic year, nearly 997,000 visitors entered the building.

Oklahoma State University-Tulsa (“OSU–Tulsa”) was established on January 1, 1999, and offers junior-, senior- and graduate-level education to students in the Tulsa area. OSU–Tulsa provides opportunities for students in a variety of programs and has an enrollment of approximately 3,200 students. The downtown Tulsa campus is home to the Helmerich Research Center and the OSU Center for Family Resilience.

The University is governed by the Board of Regents for the Oklahoma Agricultural and Mechanical Colleges (the “Board of Regents”). The Board of Regents was created on July 11, 1944, by Section 31a, Article 6, of the Oklahoma Constitution.

The Board of Regents has the supervision, management and control of five institutions, including Connors State College, Langston University, Northeastern Oklahoma Agricultural and Mechanical College, Oklahoma Panhandle State University, and Oklahoma State University and its constituent agencies which include the Agricultural Experiment Station, the Agricultural Extension Division, Oklahoma State University Institute of Technology, the Oklahoma State University College of Veterinary Medicine, Oklahoma State University-Oklahoma City, the Oklahoma State University Center for Health Sciences, and Oklahoma State University-Tulsa.

The Board of Regents consists of nine members, one of whom is the President of the State Board of Agriculture. The remaining eight members are appointed by the Governor, by and with the advice and consent of the Senate. Except for the President of the State Board of Agriculture, Board of Regents members are appointed for staggered eight-year terms to numbered positions on the Board of Regents representing Congressional Districts One through Five and three at large appointments.

The Board of Regents' powers to govern are constitutional and include, but are not limited to, those enumerated in Title 70, Oklahoma Statutes, Section 3412, and other laws and judicial decisions of the State.

Its functions are legislative in the establishing of all general policies affecting the institutions it governs, their relation to one another, and the prescribing of such rules and regulations as may bring these policies into effect. Its judicial functions are limited to acting as a court of final settlement for matters that cannot be satisfactorily adjusted by the presidents of the colleges. Its executive power is delegated in most instances to the presidents of the institutions and their authorized administrators.

The current members of the Board of Regents are:

Regent	Position	Residence	Term Expires	Occupation
Jimmy Harrel	Chair	Leedey	2028	Banker and Agriculture
Rick Walker	Vice Chair	Lawton	2029	Banker
Dr. Trudy Milner	Member	Tulsa	2025	Doctor of Osteopathic Medicine
Chris Franklin	Member	Arcadia	2026	Real Estate and Agriculture
Joe D. Hall	Member	Elk City	2027	Businessman
Cary Baetz	Member	Nichols Hills	2030	Businessman
Billy G. Taylor	Member	Muskogee	2031	Banker and Agriculture
Jennifer Callahan	Member	Edmond	2032	Attorney
Blayne Arthur	Member	Stillwater	ex officio	President of State Board of Agriculture

Jason Ramsey, Oklahoma City, Oklahoma, serves as the Chief Executive Officer of the Board of Regents. The Board of Regents address is 900 North Portland Avenue, Oklahoma City, Oklahoma 73107 and the telephone number is (405) 945-3263.

Key Administrative Officials

Principal Executive Officers. The names and positions of the principal executive officers of the University are provided below:

Dr. Kayse Shrum	President
Jerome Loughridge	Senior Vice President and Chief of Staff
Dr. Jeanette Mendez	Provost and Senior Vice President
Elizabeth Pollard	Chief Executive Officer, The Innovation Foundation
Dr. Johnny Stephens	Senior Vice President for Health Affairs
Eric Polak	Interim Senior Vice President for Administration & Finance
Chad Weiberg	Vice President, Athletic Programs/Director, Intercollegiate Athletics
Kyle Wray	Senior Vice President of System Affairs
Rita Hesser	Controller

Biography of the President. Since taking office in July 2021, Shrum has boldly faced challenges like conference realignment and COVID-19 while positioning OSU for future success through a strategic planning process. The resulting We Are Land-Grant strategic plan aims to establish OSU as the nation's premier land-grant university by addressing societal problems, providing world-class education and preparing students for future challenges.

In her first year, Shrum launched significant initiatives such as the Hamm Institute for American Energy, supported by a \$50 million gift from The Harold Hamm Foundation and Continental Resources, to educate future energy pioneers. She also celebrated the creation of the Oklahoma Aerospace Institute for

Research and Education, enhancing OSU's aerospace capabilities and fostering partnerships across university, commercial, military and government sectors.

Her forward-thinking leadership continued into her second and third years. In 2022, OSU launched the Human Performance and Nutrition Research Institute to develop preventative strategies for obesity and chronic diseases, and established the OSU Student Farm to extend the land-grant university's mission to the community.

In December 2023, she launched an expanded OSU Polytech effort to address Oklahoma's high-tech workforce needs. Across the OSU System, as of Fall 2024, there are 3,855 students enrolled in more than 65 Polytech programs.

Throughout her tenure, OSU has set multiple enrollment records, including the highest undergraduate enrollment, largest first-time freshman class and becoming Oklahoma's largest university system. OSU also set records for non-residents, Honors College, Spears School of Business, Native American, first-generation, online and new graduate students. Despite this growth, OSU has maintained flat tuition and mandatory fees for three consecutive years, emphasizing student access, STEM education and workforce readiness.

Before leading the OSU System, Shrum was named president of the OSU Center for Health Sciences in 2013, becoming Oklahoma's youngest and first female president and dean of a medical school. She held the George Kaiser Family Foundation Chair in Medical Excellence and Service, and the Saint Francis Health System Endowed Chair of Pediatrics.

Under her leadership, OSU-CHS saw unprecedented growth, with student enrollment more than doubling as new programs were established to meet the state's health care needs. She led the construction of the A.R. and Marylouise Tandy Medical Academic Building, housing Oklahoma's largest and most advanced hospital simulation center.

A strong supporter of partnerships, Shrum collaborated with Cherokee Nation Principal Chief Bill John Baker to establish the nation's first tribally affiliated medical school, the OSU College of Osteopathic Medicine at the Cherokee Nation, which opened in fall 2020. She also secured a \$197.5 million investment from Purdue Pharma to create the National Center for Wellness & Recovery for addiction treatment and studies.

Shrum launched award-winning high school recruiting programs like Operation Orange and Blue Coat to White Coat, established the Rural Medical Track curriculum, and expanded rural residency training programs with support from the Oklahoma Legislature, Oklahoma Health Care Authority and Oklahoma Tobacco Settlement Endowment Trust.

Shrum is active in a variety of charitable and professional organizations. She is a board member of the Blue Cross and Blue Shield of Oklahoma, State Chamber of Oklahoma, Bank of Oklahoma, Oklahoma Hall of Fame, OETA (Oklahoma Educational Television Authority), Big 12 Board of Directors, Oklahoma State University Medical Authority and Trust, and Women for OSU Council. She holds committee positions in osteopathic professional organizations, including the American Association of Colleges of Osteopathic Medicines, American Osteopathic Association, and American Osteopathic Board of Pediatrics.

In spring 2024, Shrum announced a visionary new service project — State of Orange: A Day of Cowboy Service. Over 3,000 participants answered the call to make a difference at more than 350 event locations nationwide, demonstrating how the university's land-grant mission extends beyond the classroom and into the community.

Academic Programs

The following colleges are located on the OSU–Stillwater and OSU–Tulsa campuses

College	Date Established	Degree Programs Offered	Fall 2024 Enrollment
Ferguson College of Agriculture	1891	40	3,323
College of Arts and Sciences	1908	96	6,511
College of Education and Human Sciences ¹	2019	51	4,936
College of Engineering, Architecture, & Technology	1902	41	4,162
William S. Spears School of Business	1914	23	6,582
School of Global Studies & Partnerships	2018	1	28
University College Advising	1975		785
College of Professional Studies (OSU-Tulsa)		4	114
Graduate College ²	1960	5	375
College of Veterinary Medicine	1948	<u>1</u>	<u>425</u>
Total		262	27,241

¹ The College of Education, Health & Aviation, established in 1913, and the College of Human Sciences, established in 1915, were combined into the College of Education and Human Sciences in 2019.

² Interdisciplinary graduate programs that do not have a specific area of specialization are reported in the Graduate College along with Special Graduate students and students only in a graduate certificate program at CHS.

Faculty and Staff

The number of faculty and staff employed by OSU-Stillwater and OSU-Tulsa as of fall semester 2024 (based on October 2024 data) are set forth below:

Full-Time Faculty	1,505
Part-Time Faculty	209
Full-Time Graduate Assistants	18
Part-Time Graduate Assistants	2,026
Full-Time Staff	3,718
Part-Time Staff	470
Full-Time Student Employees	3
Part-Time Student Employees	<u>3,247</u>
Total OSU–Stillwater and Tulsa Campus Employees	11,196

Of the University’s full-time faculty at its Stillwater and Tulsa campuses, over 91% have earned a doctoral degree or higher and among the full-time faculty approximately 49% are tenured and 26% are tenure track.

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OSU–STILLWATER & OSU–TULSA CAMPUS STUDENT PROFILE ENROLLMENT

All statistics relating to an academic year (summer, fall, and spring semesters) are those available for the fall semester of such academic year and all references to the University’s fiscal year refer to the periods commencing on July 1 and ending June 30 of the succeeding year.

Fall Semester	Undergraduate	Graduate	Veterinary Medicine	Total
2020	20,307	3,690	408	24,405
2021	20,197	4,047	416	24,660
2022	20,801	4,144	414	25,359
2023	21,339	4,245	424	26,008
2024	22,351	4,465	425	27,241

In the academic year beginning fall semester 2024, students from Oklahoma accounted for approximately 65.1% of the total Stillwater and Tulsa campus enrollment and students from out-of-state and foreign countries accounted for approximately 29.3% and 5.6%, respectively, of such enrollment. The largest number of out-of-state students are from Texas, representing 47% of out-of-state students and 60% of out-of-state undergraduates. Other states from which the University attracts a large number of students include California, Kansas, Arkansas, Missouri, Colorado, and Illinois.

Student Full-Time Equivalent (FTE) Enrollment for OSU–Stillwater & OSU–Tulsa

Fall Semester	Undergraduate	Graduate	Veterinary Medicine	Total
2020	18,444	2,018	408	20,870
2021	18,380	2,279	416	21,075
2022	18,907	2,352	414	21,673
2023	19,494	2,360	424	22,278
2024	20,452	2,490	425	23,367

Admissions

The following table provides five-year summaries of freshman applications, acceptances and matriculations at OSU-Stillwater. All freshman applications are directed to OSU-Stillwater.

Fall Semester	Stillwater Applied	Stillwater Admitted	%	Stillwater Matriculated	%
2020	17,164	11,515	67.1%	4,144	36.0%
2021	16,939	11,579	68.4	4,267	36.9
2022	19,117	13,503	70.6	4,643	34.4
2023	19,612	13,910	70.9	4,670	33.6
2024	24,910	18,693	75.0	5,030	26.9

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The following table provides five-year summaries of undergraduate transfer applications, acceptances and matriculations. This includes data for OSU-Stillwater and OSU-Tulsa.

Fall Semester	Stillwater & Tulsa Applied	Stillwater & Tulsa Admitted	%	Stillwater & Tulsa Matriculated	%	Stillwater Matriculated	Tulsa Matriculated
2020	3,843	2,104	54.7%	1,340	63.7%	1,267	73
2021	4,020	2,419	60.2	1,601	66.2	1,524	77
2022	4,344	2,506	57.7	1,622	64.7	1,535	87
2023	4,449	2,433	54.7	1,549	63.7	1,499	50
2024	4,632	2,453	53.0	1,578	64.3	1,494	84

The following table provides five-year summaries of College of Veterinary Medicine applications, acceptances and matriculations. Admission to the College of Veterinary Medicine is highly competitive and capped annually at 106 students. In the Fall of 2023 and 2024, 109 and 111 students were admitted and matriculated. This was an anomaly, and the number will return to 106 for future years.

Fall Semester	Stillwater Applied	Stillwater Admitted	%	Stillwater Matriculated	%
2020	917	106	11.6%	106	100%
2021	718	106	14.8	106	100
2022	810	106	13.1	106	100
2023	717	109	15.2	109	100
2024	570	111	19.5	111	100

The following table provides five-year summaries of graduate school applications, acceptances and matriculations. This includes data for OSU-Stillwater and OSU-Tulsa.

Fall Semester	Stillwater & Tulsa Applied	Stillwater & Tulsa Admitted	%	Stillwater & Tulsa Matriculated	%	Stillwater Matriculated	Tulsa Matriculated
2020	4,223	2,103	49.8%	1,024	48.7%	931	93
2021	4,251	2,427	57.1	1,166	48.0	1,044	122
2022	4,495	2,287	50.9	1,108	48.4	985	123
2023	4,840	2,419	50.0	1,263	52.2	1,160	103
2024	5,696	2,441	42.9	1,237	50.7	1,109	128

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Academic Preparedness

The following table provides the average composite ACT scores for first-time matriculating freshman students at OSU-Stillwater. All freshman applications are directed to OSU-Stillwater.

Fall Semester	Average Score
2020	24.7
2021	23.9
2022	23.6
2023	23.5
2024	23.5

Beginning with Fall 2021 incoming freshmen, OSU implemented a "test option" admission option. Since an ACT or SAT score is no longer required for admission, this has resulted in fewer students submitting ACT scores, as well as fewer students taking the ACT multiple times to improve their scores. Even for students being admitted through the test optional criteria and enrolling at OSU, their ACT scores are still included in the calculation of the average ACT.

Degrees Conferred

The following table provides the number of degrees conferred during the past five years. This includes data for OSU-Stillwater and OSU-Tulsa.

Academic Year	Bachelor's	Master's	Veterinary Medicine	Doctoral	Total
2019-20	4,836	930	88	227	6,081
2020-21	4,913	939	92	221	6,165
2021-22	4,858	901	103	218	6,080
2022-23	4,790	1,040	102	237	6,169
2023-24	4,973	1,063	104	251	6,391

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Graduation and Retention Rates, Fall 2013 – 2023

The following information represents retention rates after one year and graduation rates within six years for full-time degree seeking freshmen.

Freshmen Class Fall Semester	Retention After One Year	Graduation Rate After Six Years
2013	81.3	64.7
2014	81.1	63.8
2015	80.8	65.7
2016	81.2	65
2017	81.8	65.9
2018	83.2	68.6
2019	84.9	n/a
2020	82.8	n/a
2021	84.0	n/a
2022	83.5	n/a
2023	84.8	n/a

Residential Life Occupancy, Fall 2020 – 2024

The University owns several residence halls and apartments on the Stillwater Campus of the University. The residence halls and apartments provide for both Single Student Housing and Family and Graduate Student Housing, with the majority of the housing at the University consisting of Single Student Housing. The following tables set forth the occupancy information for both Single Student Housing and Family and Graduate Student Housing at the University for August to September for the current fiscal year and for August through December for the prior years.

The number of bed spaces and apartments can fluctuate. Fluctuations in the available units is most often due to units being taken offline for maintenance. Additionally, some Single Student Housing units have been designated as private rooms. Such a change in room designation can change the number of available bed spaces. Finally, units can be held for emergency relocations and for students who need to quarantine.

Single Student Housing

Year	Bed Spaces Available	Average Number of Occupied Bed Spaces	Average Occupancy Percentage	Change From Prior Year
2020	5,701	4,867	85.4%	-4.5%
2021	5,605	4,913	87.7	2.3
2022	5,513	5,421	98.3	10.6
2023	5,857	5,449	93.0	-5.3
2024*	6,150	5,710	92.8	-0.2

*In Fall 2024, SSH added 144 spaces from leased housing and added 149 spaces in existing OSU residence halls.

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Family and Graduate Student Housing

Year	Apartments Available	Average Number of Occupied Apartments	Average Occupancy Percentage	Change From Prior Year
2020	442	319	72.2%	-7.5%
2021	503	382	75.9	3.7
2022	503	419	83.3	7.4
2023	581	450	77.5	-5.8
2024	581	469	80.7	3.2

FINANCIAL MANAGEMENT

Responsibility for Financial Management

Financial debt management for the University is the responsibility of the Senior Vice President for Administration and Finance. Debt is generally issued on a project by project basis pursuant to the University's master plan for facilities and capital equipment. Issuance of debt requires approval by several governing bodies. University officials continually update financial information on revenues and expenditures related to bonds outstanding and periodically present reports to the Board of Regents for their review and information. In addition, project status reports for those facilities under construction with bond proceeds are submitted periodically to the Board of Regents.

Financial Statements

The audited financial statements for the University for fiscal year ended June 30, 2024, have been filed with the Electronic Municipal Market Access ("EMMA") system as part of the University's continuing disclosure program. Such audited financial statements include information relating to OSU–Stillwater and OSU–Tulsa, which agencies of the University are the initial and only Members of the Financing System, and all other agencies and component units of the University, which currently are not Members of the Financing System.

Financial Results

Net positions are divided into three major categories. The first category, invested in capital assets, net of debt, provides the institution's equity in property, plant and equipment owned by the institution. The next category, restricted is divided into two categories, nonexpendable and expendable. The nonexpendable resources are only available for investment purposes. Expendable restricted resources are available for expenditure by the institution, but must be spent for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The final category is unrestricted. Unrestricted resources are available to the institution for any lawful purpose of the institution.

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The following table is a summary of the Statements of Net Position of OSU-Stillwater and OSU Tulsa as of June 30, 2020, 2021, 2022, 2023, and 2024..

	2020	2021 ⁽¹⁾	2022 ⁽²⁾	2023	2024
<u>ASSETS:</u>					
Current	\$ 250,810,000	\$ 305,604,000	\$ 320,576,000	\$ 309,144,000	\$ 325,411,000
Noncurrent	94,791,000	112,881,000	141,588,000	134,477,000	126,404,000
Capital Assets, Net	<u>1,775,885,000</u>	<u>1,786,674,000</u>	<u>1,797,442,000</u>	<u>1,823,305,000</u>	<u>1,877,031,000</u>
Total	<u>\$2,121,486,000</u>	<u>\$2,205,159,000</u>	<u>\$2,259,606,000</u>	<u>\$2,266,926,000</u>	<u>\$2,328,846,000</u>
Deferred Outflows of Resources	\$ 93,600,000	\$ 150,433,000	\$ 82,904,000	\$ 93,960,000	\$ 76,370,000
<u>LIABILITIES:</u>					
Current	\$ 79,787,000	\$ 101,766,000	\$ 104,658,000	\$ 98,571,000	\$ 107,091,000
Noncurrent	354,622,000	422,649,000	240,252,000	325,154,000	323,662,000
Capital Leases	289,094,000	110,070,000	131,854,000	117,276,000	108,016,000
Revenue Bonds	<u>550,150,000</u>	<u>734,510,000</u>	<u>742,375,000</u>	<u>757,921,000</u>	<u>759,469,000</u>
Total	<u>\$1,273,653,000</u>	<u>\$1,368,995,000</u>	<u>\$1,219,139,000</u>	<u>\$1,298,922,000</u>	<u>\$1,298,238,000</u>
Deferred Inflows of Resources	\$ 44,438,000	\$ 80,067,000	\$ 174,822,000	\$ 80,132,000	\$ 69,325,000
<u>NET POSITION:</u>					
Capital Assets	\$ 965,604,000	\$ 992,203,000	\$ 972,233,000	\$ 980,660,000	\$1,016,918,000
Restricted-Expendable	65,862,000	49,605,000	73,019,000	80,583,000	102,347,000
Restricted-Nonexpendable	539,000	637,000	681,000	603,000	623,000
Unrestricted	<u>(135,010,000)</u>	<u>(135,915,000)</u>	<u>(97,384,000)</u>	<u>(80,014,000)</u>	<u>(82,235,000)</u>
Total	<u>\$ 896,995,000</u>	<u>\$ 906,530,000</u>	<u>\$ 948,549,000</u>	<u>\$ 981,832,000</u>	<u>\$1,037,653,000</u>
Increase in Net Position	\$ 113,369,000	\$ 9,535,000	\$ 42,019,000	\$ 33,283,000	\$ 55,821,000

⁽¹⁾ The Oklahoma State University Financial Statements ending June 30, 2021, were restated due to GASB 87. The restated numbers are reflected in the numbers above.

⁽²⁾ The Oklahoma State University Financial Statements ending June 30, 2022, were restated due to GASB 96. The restated numbers are reflected in the numbers above.

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The following table reflects the combined Statements of Revenues, Expenses and Changes in Net Position of OSU–Stillwater and OSU–Tulsa for the fiscal years ended June 30, 2020, 2021, 2022, 2023, and 2024.

	2020	2021 ⁽¹⁾	2022 ⁽²⁾	2023	2024
<u>OPERATING REVENUE:</u>					
Tuition and Fees	\$ 264,997,000	\$ 267,868,000	\$ 273,118,000	\$ 285,025,000	\$ 288,024,000
Grants & Contracts	125,245,000	128,145,000	146,976,000	160,379,000	174,816,000
Auxiliaries	176,049,000	152,751,000	191,590,000	217,768,000	218,400,000
Other	<u>32,031,000</u>	<u>53,496,000</u>	<u>26,289,000</u>	<u>24,946,000</u>	<u>20,588,000</u>
Total	<u>\$ 598,322,000</u>	<u>\$ 602,260,000</u>	<u>\$ 637,973,000</u>	<u>\$ 688,118,000</u>	<u>\$ 701,828,000</u>
<u>OPERATING EXPENSES:</u>					
Compensation and Benefits ⁽³⁾	\$ 507,906,000	\$ 526,005,000	\$ 484,300,000	\$ 537,209,000	\$ 585,448,000
Depreciation	77,759,000	82,284,000	92,942,000	86,178,000	95,207,000
Other	<u>274,488,000</u>	<u>269,832,000</u>	<u>301,437,000</u>	<u>314,249,000</u>	<u>332,746,000</u>
Total	<u>\$ 860,153,000</u>	<u>\$ 878,121,000</u>	<u>\$ 878,679,000</u>	<u>\$ 937,636,000</u>	<u>\$1,013,401,000</u>
Operating Loss	\$(261,831,000)	\$(275,861,000)	\$(240,706,000)	\$(249,518,000)	\$(311,573,000)
<u>NONOPERATING REVENUES AND EXPENSES:</u>					
State Appropriations	\$ 173,582,000	\$ 166,033,000	\$ 168,209,000	\$ 177,187,000	199,124,000
Grants & Contracts	61,618,000	61,412,000	83,307,000	42,198,000	49,171,000
Other Revenues	44,738,000	30,622,000	23,698,000	61,267,000	84,277,000
Interest on Indebtedness	<u>(29,437,000)</u>	<u>(32,608,000)</u>	<u>(31,142,000)</u>	<u>(31,099,000)</u>	<u>(32,212,000)</u>
Total	<u>\$ 250,501,000</u>	<u>\$ 225,459,000</u>	<u>\$ 244,072,000</u>	<u>\$ 249,553,000</u>	<u>\$300,360,000</u>
Income Before Other Revenues and Expenses	\$(11,330,000)	\$(50,402,000)	\$3,366,000	\$35,000	\$(11,213,000)
<u>OTHER REVENUES AND EXPENSES:</u>	\$ 122,121,000	59,937,000	38,653,000	33,248,000	67,034,000
Increase in Net Position	\$110,791,000	\$9,535,000	\$42,019,000	\$33,283,000	55,821,000
Cumulative Effect of Adopting GASB 84	2,578,000	-	-	-	-
Increase/Decrease in Net Position, Adjusted	\$113,369,000	\$9,535,000	\$42,019,000	\$33,283,000	\$ 55,821,000

⁽¹⁾ The Oklahoma State University Financial Statements ending June 30, 2021, were restated due to GASB 87. The restated numbers are reflected in the numbers above.

⁽²⁾ The Oklahoma State University Financial Statements ending June 30, 2022, were restated due to GASB 96. The restated numbers are reflected in the numbers above.

⁽³⁾ The fluctuation in compensation and benefits is due to the GASB Statement No. 68, Accounting and Financial Reporting for Pensions, independent actuarial report. The fluctuation in the pension liability along with the changes in the pension deferred inflows and outflows caused corresponding fluctuations to compensation and benefits expense.

State Appropriations (OSU–Stillwater and OSU–Tulsa)

The following is a brief discussion of the appropriation process and is offered for general information purposes. A prospective investor is cautioned that the general revenue bonds issued under the Financing System are not secured by or payable from appropriated revenues.

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Pursuant to Article XIII-A of the Oklahoma Constitution, the State Regents are annually required to recommend to the State Legislature the budget allocations to be made to each institution within the State System and the appropriations made by the State Legislature for all such institutions, including the University, are required to be made in one consolidated form without reference to any particular institution and the State Regents are authorized to allocate to each such institution an amount sufficient to meet its needs and functions for the entire fiscal year. The fiscal year for Oklahoma State government entities is a period of 12 consecutive months beginning on July 1 of each year and ending on June 30 of the following year.

As shown below, the Oklahoma State Regents for Higher Education's share of the State's appropriation budget has been declining slightly as a percentage of the State budget from Fiscal Year 2020 to Fiscal Year 2023 before improving slightly in Fiscal Year 2024, and have increased annually in appropriated dollars since Fiscal Year 2021. While the University's percentage of the Higher Education Budget has remained relatively constant, it has increased in nominal dollars since Fiscal Year 2021, most significantly in Fiscal Year 2024 as a result of new state appropriated funding as well as increased revenue from OSU Veterinary Medical Authority.

State Appropriations ⁽¹⁾

Fiscal Year	State Budget (in millions)	Higher Ed. Budget (in millions)	% of Total	OSU Appropriations (in millions) ⁽¹⁾	% of Higher Education
2020	\$7,999	\$879	11.0%	\$160	18.2%
2021 ⁽²⁾	7,708	840	10.9	153	18.2
2022	8,831	878	9.9	163	18.6
2023	9,690	939	9.7	171	18.2
2024	10,745	1,072	10.0	200	18.7

⁽¹⁾ The State appropriations provided here do not include the on-behalf payments from OTRS (see the AUDITED FINANCIAL STATEMENTS OF OKLAHOMA STATE UNIVERSITY FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023—Note 13 Retirement Plans”), whereas the State appropriations provided in the table under “—Financial Results” above reflect the combined Statements of Revenues, Expenses and Changes in Net Position of OSU–Stillwater and OSU–Tulsa, and thus do include the on-behalf payments.

⁽²⁾ The numbers for Fiscal Year 2021 reflect budget cuts made during that year.

The total budget for OSU Stillwater and OSU Tulsa (the initial and only Members of the OSU Financing System) was approximately \$1.128 billion in Fiscal Year 2023 and approximately \$1.215 billion in Fiscal Year 2024, representing an increase of approximately \$86.8 million or 7.7%. The growth in the budget reflects an increase in State appropriations comprised of \$5.0 million in additional performance funding, \$8.2 million in faculty salary adjustment funding and \$8.8 million in directed funding for Engineering initiatives. Tuition and fee budgets increased as a result of anticipated growth for Fiscal Year 2024 and reallocations were made to bring the budget more in line with actual revenues for tuition and fees as well as for waivers. Auxiliary increases were realized in Athletics, Residential Life, Parking & Transit as well as for the growing Flight Training program. There were also significant increases for Endowments and Sponsored Programs for Fiscal Year 2024.

From Fiscal Year 2020 to Fiscal Year 2024, State appropriations as a percent of total budget has remained flat at 15.2% while tuition and fees as a percent of total budget has decreased from 34.4% to 33.3%. Total revenues of the OSU Financing System consist of Auxiliaries (23.7%), Tuition and Fees (33.3%), State Appropriations (15.2%), Sponsored Programs (10.3%), Student Aid (5.3%), Sales –

Education Departments (0.2%), Endowments and Facilities and Administrative (5.3%), Federal Appropriations (1.3%) and Other (5.4%).

State General Revenue Fund Recent Developments

According to the Oklahoma Office of Management and Enterprise Services (“OMES”), total General Revenue Fund collections for the 2024 Fiscal Year were \$8.5 billion and came in at \$177.7 million, or 2.1% above the 2024 fiscal year estimate and \$547.2 million, or 6.1%, below the prior year collections.

"In the wake of two consecutive years of record collections, total general revenue collections from fiscal year 2024 still pulled ahead of the estimate and enabled additional deposits into state savings accounts," said Katie DeMuth, interim director of OMES. "These reserves position the state to enter the new fiscal year with a strong foundation."

\$262.2 million in deposits were made to the Revenue stabilization Fund and \$91.3 million into the Constitutional Reserve (Rainy Day) Fund. The two funds have a combined balance of slightly above \$2 billion as of August 2024.

In September 2024, General Revenue Fund collections were \$746.1 million, which was 1.1% above the monthly estimate, but 3.7% below the September 2023 collections. The total General Revenue Fund collections for the first three months of the fiscal year were 0.2% above the estimate, but 0.9% below the prior year collections for the same period.

"Overall, through the first quarter of the fiscal year, the state's General Revenue Fund is slightly ahead of estimates," said Rick Rose, OMES Director. "Gross production tax contributions to the General Revenue Fund continue to fall well short of the estimate, but have been offset by outperformance in contributions from other sources." At the end of August, the state's grocery sales tax elimination was launched. The impact of that elimination will be reflected in future results.

COVID-19

The spread of the coronavirus disease 2019 (“COVID-19”) altered the behavior of individuals and businesses in a manner that had significant negative effects on global, national, and local economies. Throughout the nation, including the State of Oklahoma, state and local governments and public health entities issued orders, made recommendations and implemented various measures intended to mitigate the effects of COVID-19, prevent further spread and protect against overwhelming health care resources, while also attempting to minimize the economic impact of COVID-19 and the public health response thereto on individuals, businesses and governmental entities.

COVID-19 and its variants have transitioned from a pandemic to a more endemic disease. However, initiatives formulated and put in place during the pandemic will allow the University to be prepared should this type of health crisis occur again. The University currently anticipates that the COVID-19 pandemic and the related responsive measures will not impair the University's ability to pay debt service and to comply with the other terms thereof.

Cybersecurity

The University is equipped with an IT Security department, an Information Security Program, a collection of Information Security policies and internal controls, and an IT Compliance unit dedicated to continuously monitoring, improving, and maintaining the security posture of the University's IT operations.

The University closely follows and adheres to National Institute of Standards and Technology (NIST) security standards.

Tuition and Fees (OSU–Stillwater and OSU–Tulsa)

As provided in the Constitution and Statutes of Oklahoma, the Oklahoma State Regents for Higher Education have the responsibility for prescribing and coordinating enrollment fees in the Oklahoma State System of Higher Education within the limits authorized by the Oklahoma State Legislature. Pursuant to legislation, the University’s combined average of undergraduate residential tuition and mandatory fees shall remain less than the combined average of undergraduate resident tuition and fees of the state supported institutions of higher education that were members of the original Big 12 Conference. The University’s combined average of undergraduate nonresident tuition and mandatory fees shall remain less than 105% of the combined average of undergraduate nonresident tuition and fees of the state supported institutions of higher education that were members of the original Big 12 Conference. The per credit hour rates shown below became effective with the fall semesters shown.

Tuition and Fees: 2020-2024

Semester and Course Level	Resident Tuition	Mandatory Fees	Resident Tuition & Fees	Non Resident Tuition	Non Resident Tuition & Fees
Fall 2020					
Undergraduate	\$178.55	\$122.05	\$300.60	\$695.90	\$817.95
Undergraduate Lock Tuition (Residents Only)	205.30	122.05	327.35	n/a	n/a
Graduate	\$233.80	\$122.05	\$352.50	\$876.40	\$998.45
Fall 2021					
Undergraduate	\$180.55	\$127.55	\$308.10	\$697.90	\$825.45
Undergraduate Lock Tuition (Residents Only)	207.60	127.55	335.15	n/a	n/a
Graduate	\$233.80	\$127.55	\$361.35	\$879.75	\$1,007.30
Fall 2022					
Undergraduate	\$180.55	\$127.55	\$308.10	\$697.90	\$825.45
Undergraduate Lock Tuition (Residents Only)	207.60	127.55	335.15	n/a	n/a
Graduate	\$233.80	\$127.55	\$361.35	\$879.75	\$1,007.30
Fall 2023					
Undergraduate	\$180.55	\$127.55	\$308.10	\$697.90	\$825.45
Undergraduate Lock Tuition (Residents Only)	207.60	127.55	335.15	n/a	n/a
Graduate	\$233.80	\$127.55	\$361.35	\$879.75	\$1,007.30
Fall 2024					
Undergraduate	\$180.55	\$127.55	\$308.10	\$697.90	\$825.45
Undergraduate Lock Tuition (Residents Only)	207.60	127.55	\$335.15	n/a	n/a
Graduate	\$233.80	\$127.55	\$361.35	\$879.75	\$1,007.30

Under the Undergraduate Lock Tuition program, new freshmen (residents only) have the option of either (i) paying tuition at the standard rates charged for each year of attendance or (ii) paying a fixed rate

of tuition for each year of attendance based on the projected average of tuition costs for the next four years. Very few students have opted for the fixed-rate tuition.

Sponsored Program Expenditures

An important component of the University's success is its ability to maintain its research and outreach sponsored program expenditure base. During the five fiscal years ended June 30, 2024, sponsored program expenditures averaged \$100 million, ranging from a low of \$88.5 million in Fiscal Year 2020 to a high of \$117.1 million in Fiscal Year 2024.

Research activities are under the direction of the Vice President for Research and are a major element in the mission of the University. The University has an R-1 designation from Carnegie Classifications of Institutions, placing it in the top tier for research universities. A high priority is placed upon both basic and applied research because of the significance that research plays in both graduate and undergraduate education. Original scientific research is an essential requirement in most of the University's graduate programs and undergraduate participation in research programs is an expanding component of the students' educational experience. The University believes the integration of teaching and research provides a major benefit to its faculty and students, the Stillwater community, and the State. The University also believes that research (1) contributes significantly to the advancement and preservation of knowledge and (2) facilitates the learning process and better prepares students as useful citizens and faculty members as informed professionals.

Federal, state and local government units have adopted regulations and restrictions that govern funded research, both by formal regulation and by contract. They may adopt additional regulations or restrictions in the future. From time to time, such government units audit University and other research programs. Although the University employs reasonable efforts to operate its programs consistently with the funded research requirements, an audit could discover areas in which a government unit disagrees with the University's actions. In the case of a serious audit disagreement, the University could be required to repay amounts previously paid to it, and could be barred from future research grants. Such an action could lead to the reduction or elimination of research funding by such government unit and by other sources of research funding. In addition, reductions in federal spending generally can have a significant impact on the University by reducing its anticipated federal grant receipts for federally funded sponsored research programs. The University anticipates that any such reductions in federal grant receipts will be offset largely through expenditure reductions, including termination of positions funded by research grants on a per grant, per budget grant basis.

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	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
U.S. Department of:					
Agriculture	\$ 9,471,168	\$ 10,286,492	\$12,505,127	\$ 18,145,477	\$ 19,766,009
Commerce	908,418	974,705	866,496	969,577	3,233,460
Defense	2,642,868	4,192,111	5,083,073	7,718,052	10,608,122
Education	11,813,301	10,748,623	4,220,342	2,932,159	3,444,346
Energy	4,303,799	7,094,494	5,906,509	6,214,921	6,672,201
HHS	3,725,382	3,601,746	3,903,329	4,379,889	6,327,899
Homeland Security	437,186	703,734	142,973	468,104	297,139
Justice	294,464	246,413	320,960	113,406	8,828
Transportation	4,834,182	4,525,356	4,426,119	4,585,559	7,163,566
NASA	10,209,205	11,021,862	10,760,099	8,555,093	5,016,027
NIH	8,275,924	8,699,201	9,521,490	11,056,927	13,519,971
NSF	9,499,074	10,333,825	12,741,086	15,207,410	15,035,929
Other	<u>3,704,861</u>	<u>3,789,629</u>	<u>4,196,512</u>	<u>4,055,971</u>	<u>4,868,516</u>
Subtotal Federal	\$70,119,832	\$76,218,191	\$74,594,115	\$ 84,402,545	\$ 95,962,013
City and County	\$ 83,891	\$ 119,597	\$ 149,146	\$ 85,137	\$ 81,759
Commercial	1,179,401	922,654	1,085,573	969,076	1,166,995
Foundations	1,672,808	1,212,079	1,040,815	1,074,587	1,329,409
Universities	2,170,528	2,213,660	5,846,287	6,521,551	7,349,609
State of Oklahoma	6,724,635	6,644,720	2,877,947	1,887,200	1,274,311
Multiple Sources	<u>6,568,866</u>	<u>5,769,001</u>	<u>8,490,901</u>	<u>10,708,589</u>	<u>9,983,198</u>
Subtotal Other	\$18,400,129	\$16,881,711	\$19,490,669	\$21,246,140	\$ 21,185,281
Grand Total	<u>\$88,519,961</u>	<u>\$93,099,902</u>	<u>\$94,084,784</u>	<u>\$105,648,685</u>	<u>\$117,147,294</u>
Federal	79.2%	81.9%	79.3%	79.9%	81.9%
State	7.6	7.1	3.1	1.8	1.1
Other	<u>13.2</u>	<u>11.0</u>	<u>17.6</u>	<u>18.3</u>	<u>17.0</u>
Grand Total	100.0%	100.0%	100.0%	100.0%	100.0%

Endowments and Donor Base

Endowment fund balances are shown in the following table. As more fully shown below, these funds are held by the Oklahoma State University Foundation (“OSU Foundation”), the Oklahoma State Regents for Higher Education, and the Oklahoma Land Commission.

Oklahoma State University Endowment Funds

As of June 30	OSU Foundation	State Regents	Land Commission	Total
2020	\$ 648,577,394	\$ 195,508,000	\$ 141,185,000	\$ 985,270,394
2021	813,925,105	241,528,000	236,743,000	1,292,196,105
2022	822,277,819	290,573,000	142,249,077	1,255,099,896
2023	938,672,848	295,076,000	164,931,827	1,398,680,675
2024	1,004,341,075	298,442,000	178,842,772	\$ 1,481,625,847

Donor Base

Fiscal Year	Alumni	Individuals	Foundations	Corporations*	Other	Total
2020	4,202	1,153	84	429	324	6,192
2021	3,955	1,236	76	367	352	5,986
2022	3,816	1,546	109	305	324	6,100
2023	4,067	1,439	56	277	311	6,150
2024	3,769	1,337	52	230	364	5,752

* According to the Oklahoma State University Foundation, if a company matches employee gifts to OSU, and also makes additional gifts to OSU, that company is counted twice.

OSU Comprehensive Campaign

Oklahoma State University and the OSU Foundation are in the planning stage of the University's next comprehensive campaign which will secure private funding for the key initiatives identified in the University's strategic plan. The campaign will have a large emphasis on student access, student financial support and student success. It will also focus on key areas of Land-Grant priority including (1) Innovating to Nourish the World, (2) Leading in Aerospace Innovation and Application, (3) Enhancing Human and Animal Health, and (4) Powering a Growing World Population Sustainably and Responsibly. Volunteer campaign leadership is being identified and approximately \$650 million in fundraising production has been secured to date since the beginning of the silent phase of the campaign on July 1, 2021. It is anticipated that the campaign will be publicly launched in the near future.

Investments

The University invests available resources pursuant to the Board of Regents Investment of Institutional Funds Policy, the Oklahoma State Regents for Higher Education System-wide Policy for Investment of Institutional Funds, and the Investment Policy of the Oklahoma State Treasurer. The short-term investment of agency special and agency relationship funds is directed primarily toward maximizing earnings on the University's working capital while maintaining adequate liquidity to meet cash flow needs of the University. Short-term allowable moneys are invested through the OK Invest Program administered through the Office of the State Treasurer. As of June 30, 2024, approximately \$72.3 million was invested by the University through the OK Invest Program. As an agency of the State, these investments were executed in cooperation with the Oklahoma State Treasurer's Office, which serves as the University's official depository.

The Institutional Guidelines for Investment of Funds of Oklahoma State University is directed toward the investment of long-term-oriented funds held by the University in a fixed income portfolio. The long-term objective of the portfolio is to maximize the returns without exposure to undue risk. Allowable moneys are invested in securities permitted by Oklahoma Statutes (Title 62 §89.2). Whereas fluctuating rates of return are characteristic of the securities markets, the main concern is the long-term appreciation of the assets and the consistency of total return. As of June 30, 2024, approximately \$81.8 million was invested by the University in the fixed income portfolio. These investments are managed and held by a third-party investment management fiduciary.

Assets held on the University's behalf by the Oklahoma State University Foundation, Oklahoma State Regents for Higher Education, and Oklahoma Land Commission are subject to the respective investment policies of each entity.

Plant Assets and Capital Plan (OSU–Stillwater and OSU–Tulsa)

The University's investment in capital assets, net of related depreciation, consisted of the following as of June 30, 2020, 2021, 2022, 2023, and 2024:

	2020	2021 ⁽¹⁾	2022 ⁽²⁾	2023	2024
<u>Non-Depreciable</u>					
Land	\$71,610,457	\$76,561,974	\$77,505,867	\$77,505,867	\$ 81,008,675
Capitalized Collections	591,215	559,715	559,715	559,715	914,215
Livestock for Education	4,476,036	5,013,295	5,229,376	5,711,805	6,453,206
Construction in Progress	<u>56,756,953</u>	<u>24,455,403</u>	<u>45,664,900</u>	<u>119,695,105</u>	<u>177,889,612</u>
Total Non-Depreciable	\$133,434,661	\$106,590,387	\$128,959,858	\$203,472,492	\$ 266,265,708
<u>Depreciable</u>					
Buildings	\$1,396,663,166	\$1,434,604,569	\$1,401,315,452	\$1,373,106,922	\$1,367,806,312
Equipment	59,801,513	57,968,564	57,679,545	54,500,104	55,233,056
Land Improvements	38,367,215	36,376,980	34,133,062	30,365,387	27,380,892
Leasehold Improvements	52,858	34,735	16,613	-	-
Infrastructure	109,892,282	108,896,688	101,892,871	94,680,100	89,928,108
Books and Periodicals	<u>37,673,575</u>	<u>37,971,160</u>	<u>38,637,811</u>	<u>38,676,061</u>	<u>38,823,042</u>
Total Depreciable	\$1,642,450,609	\$1,675,852,696	\$1,633,675,354	\$1,591,328,574	\$1,579,171,410
<u>Right to Use Assets</u>					
Land		\$ 128,508	\$ 111,010	\$ 91,034	\$ 182,224
Buildings		1,070,546	952,338	930,322	2,546,759
Equipment		<u>3,031,896</u>	<u>2,806,789</u>	<u>2,900,388</u>	<u>4,094,159</u>
Total Right to Use		\$ 4,230,950	\$ 3,870,137	\$ 3,921,744	\$ 6,823,142
<u>Subscription Assets</u>					
Subscriptions			<u>\$ 30,936,432</u>	<u>\$ 24,582,156</u>	<u>\$ 24,770,596</u>
Total Subscription Assets			30,936,432	24,582,156	24,770,596
Net Capital Assets	\$1,775,885,270	\$1,786,674,033	\$1,797,441,781	\$1,823,304,966	\$1,877,030,856

⁽¹⁾ The Oklahoma State University Financial Statements ending June 30, 2021, were restated due to GASB 87. The restated numbers are reflected in the numbers above.

⁽²⁾ The Oklahoma State University Financial Statements ending June 30, 2022, were restated due to GASB 96. The restated numbers are reflected in the numbers above.

The University budgets and plans for major capital projects on a project-by-project basis. No project is commenced unless sufficient funds (i.e., private, state, federal, bond proceeds, or other unrestricted sources) have been identified and committed to cash flow related expenditures.

Debt Management Policy and Practice

Pursuant to the University's Debt Policy, all debt shall be secured in accordance with Oklahoma law and the administrative rules of the State of Oklahoma Council of Bond Oversight. Debt is defined to include all current and long-term obligations, guarantees, and instruments that have the effect of committing the University to future payments. Generally, debt obligations encompassed by this policy will take the form of bonds, notes, loans, or capital leases.

The Debt Policy serves as a framework for the University to make debt related decisions by setting forth the University's objectives and enumerating the primary considerations for allocating debt to, and

structuring for, capital needs. Generally, the Debt Policy addresses the purposes for which debt can be issued, requires that adequate internal revenue sources be identified that will allow for the repayment of such debt and provides mechanisms to ensure that such debt is issued in compliance with State law and the Board of Regents' policy.

General Revenue Financing System

On June 19, 2009, the Board of Regents adopted the Master Resolution Establishing the Oklahoma State University General Revenue Financing System (the "Master Resolution"). This Financing System provides for the issuance of general revenue bonds pursuant to the Master Resolution (subject to approval of supplemental resolutions for each series) and the authority of Title 70, Oklahoma Statutes, 2021, Sections 3412(16) and 3980.1, et seq. (collectively, the "Act"). Debt issued under the Financing System is secured by a pledge of all general revenues of the University and derived from or attributable to any Member of the Financing System now or hereafter lawfully available for the payment of obligations, except appropriated tax dollars and funds whose purpose has been restricted by the donor, grantor or payor thereof for a purpose inconsistent with the payment of debt. Currently, OSU–Stillwater and OSU–Tulsa are the only Members of the Financing System.

Outstanding Parity Debt

Parity Debt. The Board of Regents has issued the following series of General Revenue Bonds under the Master Resolution, all of which constitute Parity Debt Outstanding as of June 30, 2024:

General Revenue Bonds Outstanding as of June 30, 2024

Description	Outstanding Final Maturity	Original Issue	Principal Outstanding
General Revenue Refunding Bonds, Series 2013A	July 1, 2032	\$ 17,785,000	\$ 8,965,000
General Revenue Bonds, Federally Taxable Series 2016A	August 1, 2045	60,300,000	50,315,000
General Revenue Refunding Bonds, Series 2017A	July 1, 2039	52,850,000	45,475,000
General Revenue Bonds, Series 2018A	August 1, 2047	16,065,000	13,915,000
General Revenue Bonds, Federally Taxable Series 2018B	August 1, 2047	14,610,000	11,710,000
General Revenue Bonds, Series 2019A	August 1, 2048	62,990,000	53,090,000
General Revenue Bonds, Federally Taxable Series 2019B	August 1, 2048	12,555,000	11,155,000
General Revenue Refunding Bonds, Series 2020A	September 1, 2036	118,520,000	118,520,000
General Revenue Bonds, Series 2020B	September 1, 2050	26,490,000	25,170,000
General Revenue Bonds, Federally Taxable Series 2020C	September 1, 2050	126,745,000	95,875,000
General Revenue and Refunding Bonds, Tax-Exempt Series 2021A	September 1, 2051	75,125,000	69,190,000
General Revenue Refunding Bonds, Federally Taxable Series 2021B	September 1, 2045	104,335,000	95,430,000
General Revenue Bonds, Series 2022	September 1, 2052	22,455,000	22,120,000
General Revenue Bonds, Series 2023	September 1, 2053	36,625,000	35,790,000
General Revenue Bonds, Series 2024	September 1, 2054	<u>42,660,000</u>	<u>42,660,000</u>
Total		<u>\$ 790,110,000</u>	<u>\$ 699,380,000</u>

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Debt service on the Outstanding Series 2013A, Series 2016A, Series 2017A, Series 2018A, Series 2018B, Series 2019A, Series 2019B, Series 2020A, Series 2020B, Series 2020C, Series 2021A, Series 2021B, Series 2022, Series 2023, and Series 2024 General Revenue Bonds is shown in the table below:

Debt Service Requirements on General Revenue Bonds

Fiscal Year	Principal	Interest	Total
2025	\$ 29,095,000	\$ 26,956,333	\$ 56,051,333
2026	28,725,000	26,263,133	54,988,133
2027	29,950,000	25,032,846	54,982,846
2028	31,800,000	23,717,897	55,517,897
2029	33,165,000	22,326,998	55,491,998
2030	33,450,000	20,899,778	54,349,778
2031	33,520,000	19,461,967	52,981,967
2032	33,285,000	18,032,602	51,317,602
2033	34,720,000	16,585,691	51,305,691
2034	33,605,000	15,251,449	48,856,449
2035	32,065,000	14,063,698	46,128,698
2036	32,430,000	12,890,670	45,320,670
2037	33,660,000	11,657,356	45,317,356
2038	34,825,000	10,377,705	45,202,705
2039	36,160,000	9,039,034	45,199,034
2040	34,360,000	7,678,503	42,038,503
2041	20,775,000	6,640,723	27,415,723
2042	21,555,000	5,849,611	27,404,611
2043	22,405,000	5,002,461	27,407,461
2044	23,295,000	4,100,157	27,395,157
2045	16,720,000	3,295,983	20,015,983
2046	12,195,000	2,692,327	14,887,327
2047	8,810,000	2,246,560	11,056,560
2048	9,195,000	1,865,892	11,060,892
2049	8,140,000	1,490,411	9,630,411
2050	6,855,000	1,171,450	8,026,450
2051	7,135,000	889,679	8,024,679
2052	5,845,000	620,144	6,465,144
2053	5,385,000	377,381	5,762,381
2054	4,175,000	174,394	4,349,394
2055	<u>2,080,000</u>	<u>44,200</u>	<u>2,124,200</u>
Total	<u>\$699,380,000</u>	<u>\$316,697,031</u>	<u>\$1,016,077,031</u>

No Subordinated Debt

There is no Subordinated Debt Outstanding under the Master Resolution.

No Prior Encumbered Obligations

Prior to the creation of the Financing System, the Board of Regents issued various revenue bond obligations payable from certain discrete revenue sources. These revenue obligations were referred to as "Prior Encumbered Obligations." The University no longer has any outstanding Prior Encumbered Obligations.

Revenue Sources

All the revenues of the University which can be legally used to repay debt are pledged towards the General Revenue Bonds. State law allows the University to issue bonds under various statutory authorizations. It is not currently anticipated that the University will utilize alternative structures, but to the extent that the University does so, bonds issued under such alternative structures must meet strict legal requirements, including that the revenues derived therefrom would not lawfully be available for payments on bonds issued under the Financing System and will not create a priority lien on Pledged Revenues securing any bonds issued under the Financing System. Please refer to the Master Resolution for additional details.

Pledged Revenue as of June 30, 2024

Revenue Source	Fiscal Year 2024 Gross Revenue
Tuition and Fees	\$ 288,024,000
Auxiliary Enterprises	218,400,000
Sales and Services of Educational Activities	11,388,000
Investment Income	7,871,000
Other Revenues	<u>9,200,000</u>
Total	\$ 534,883,000

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Other Indebtedness

The University has entered into various capital lease obligations payable from both general and discrete revenue sources. As of June 30, 2024, the capital lease obligations shown below were outstanding:

Capital Leases Outstanding (as of June 30, 2024)

<i>Description</i>	<i>Final Lease Payment Date</i>	<i>Original Issue</i>	<i>Principal Outstanding</i>
Master Equipment Lease, 2016B	June, 2026	\$ 6,208,000	1,304,083
Master Equipment Lease, 2017A	December, 2026	2,150,000	580,833
Master Equipment Lease, 2017B	December, 2031	925,000	520,000
Master Equipment Lease, 2017C	June, 2027	933,000	311,500
Master Equipment Lease, 2018A	December, 2028	1,604,000	546,500
Master Equipment Lease, 2020C	June, 2031	4,140,000	2,685,417
Master Equipment Lease, 2021A	June, 2041	1,344,000	1,192,583
Master Equipment Lease, 2021B	June, 2041	440,000	378,333
Master Real Property Lease, 2015A	June, 2034	20,749,000	12,803,417
Master Real Property Lease, 2015B	June, 2045	42,145,000	24,819,917
Master Real Property Lease, 2016D	June, 2046	30,089,000	20,779,333
Master Real Property Lease, 2017A	June, 2027	17,933,000	2,752,500
Master Real Property Lease, 2017B	June, 2027	13,075,000	962,333
Master Real Property Lease, 2020D	June, 2026	5,095,000	1,754,000
Master Real Property Lease, 2021B	June, 2050	<u>35,115,000</u>	<u>29,423,750</u>
Subtotal - Master Leases		\$ 181,945,000	\$ 100,814,499
Tulsa Energy Project Lease, 2012	February, 2032	\$ 1,519,845	\$ 899,011
OCIA Capital Lease Obligations*		<u>66,492,842</u>	<u>43,357,468</u>
TOTAL – All Capital Leases		\$249,957,690	\$145,070,978

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* The Oklahoma Capitol Improvement Authority (“OCIA”) has issued multiple bonds with all or part of the proceeds benefiting Oklahoma institutions of higher education. For these bond issues, the State Legislature has indicated, by statute, its intent to appropriate sufficient funds to make the lease payments to secure these bonds. In Fiscal Year 2017, the Oklahoma State University System paid a portion of the OCIA debt service with an appropriation reduction from the Oklahoma State Regents for Higher Education of \$413,480. Similarly, in Fiscal Year 2018 the State Regents identified \$1,591,690 in reduced appropriation that went towards the OCIA debt service. Except for fiscal years 2017 and 2018, the State Legislature has annually allocated sufficient funds to cover the debt service.

OCIA refinanced the majority of their 2014AC bonds in FY2024, leaving one payment to be made in FY2025 for the unrefunded portion of the 2014AC bonds. The original issue amount reported in the table above is the original amount issued by OCIA (OCIA2014AC) for OSU projects. The amount issued for the OSU projects in the refunding OCIA2024AB bonds was \$38,942,493.

**Debt Service Requirements
on Capital Lease Obligations***

Period Ending June 30	Principal	Interest	Total
2025	\$ 8,977,896	\$ 3,384,385	\$ 12,362,281
2026	9,107,192	3,110,367	12,217,559
2027	7,361,940	2,837,833	10,199,773
2028	5,311,822	2,610,703	7,922,525
2029	5,416,611	2,429,516	7,846,127
2030 - 2034	24,195,467	9,403,609	33,599,076
2035 - 2039	16,738,084	5,845,667	22,583,751
2040 - 2044	15,822,001	3,101,065	18,923,066
2045 - 2049	7,865,834	726,264	8,592,098
2050 - 2054	<u>916,667</u>	<u>29,150</u>	<u>945,817</u>
Total	<u>\$ 101,713,514</u>	<u>\$ 33,478,559</u>	<u>\$ 135,192,073</u>

* Excludes debt service on OCIA obligations that is paid from State appropriations.

Anticipated Additional Indebtedness

The University has several potential projects proposed for financing during fiscal year 2025. The anticipated additional indebtedness to finance such projects is shown below. Whether a financing will occur for any project is unknown at this time.

	<u>Amount of Debt to Finance</u>
Dining Services	\$ 12,000,000
Supercomputer Facility	<u>10,000,000</u>
TOTAL:	<u>\$22,000,000</u>

Retirement Plans

All dollar amounts in this “Retirement Plans” section are presented in thousands of dollars.

Beginning in 1935, eligible employees were guaranteed a 50% income replacement upon retirement at age 65 or 25 years of service. Upon retirement, an eligible retiree could receive supplemental lifetime income via the OSU Supplement Plan. However, with the establishment of the Teacher’s Retirement System of Oklahoma (“OTRS”) in 1943 and establishment of OSU’s Defined Contribution Plan (the “TIAA Plan”) in 1971, with TIAA-CREF as the provider, it was determined that no employees would become eligible for supplemental income after June 30, 1996. However, OSU does continue to have a limited number of retirees (or surviving spouses) receiving monthly income from the OSU Supplement Plan.

The University has provided eligible employees the opportunity to participate in a defined contribution plan, the TIAA plan (formerly TIAA-CREF), and two defined benefit plans, OTRS and the Supplemental Retirement Plan. Effective June 30, 1996, the University terminated the Supplemental Retirement Plan such that no future retirees will be eligible to receive benefits under the plan.

The TIAA and the OTRS plans are integrated with the University’s ongoing retirement program. Effective July 1, 1993, these eligibility requirements were modified; however, any employee eligible under the previous requirements was included in the modified plan pursuant to a grandfather provision. Eligible employees include all faculty, exempt and nonexempt continuous regular staff who are scheduled to work

at least 1,560 hours annually. Employees hired after June 30, 2004, are not eligible for the integrated plan. The University's retirement program requires the University to contribute 11.5% of salary for employees hired on or after July 1, 1993, and for employees hired before July 1, 1993, the University pays the first \$1.5 of the OTRS cost in the fiscal year plus 10% of salary over \$7.8 up to \$48 and 11.5% on salary over \$48. These retirement contributions are first distributed to the OTRS on mandatory members and optional members who were grandfathered July 1, 1993, as determined by the calculation of OTRS contributions as defined below (see Contributions). Any remaining retirement contributions are distributed to the TIAA plan.

Effective July 1, 2004, eligible new hires must make a one-time irrevocable election. Eligible employees must choose either the Alternate Retirement Plan ("ARP") or OTRS. For those electing OTRS, the University will contribute the required member and employer contributions. For those electing the ARP, the University contributes 11.5% of salary. All ARP contributions are forwarded to TIAA. Should the eligible new hire not make an election within 30 days of hire, he/she will be default enrolled in OTRS. Regardless of the election of the new hire, the University makes contributions retroactive to the date of hire. The ARP does have a 100% cliff vesting provision of two years. Effective July 1, 2018, eligible new hires who choose OTRS must make the required member contribution.

A summary of the line items on the Statements of Net Position are as follows.

2024

	OTRS	OLERS	Supplemental	Total
Net Pension Liability	\$(301,957)	\$(12,896)	\$(247)	\$(315,100)
Deferred Outflows of Resources	53,868	11,319	-	65,187
Deferred Inflows of Resources	(49,914)	(3,719)	-	(53,633)

2023

Net Pension Liability	\$(324,381)	\$(6,756)	\$(753)	\$(331,890)
Deferred Outflows of Resources	80,515	4,025	-	84,540
Deferred Inflows of Resources	(70,905)	(690)	-	(71,595)

For further information on OTRS, OLERS and other supplemental and postemployment benefits, including plan descriptions, benefits provided, employee and employer contributions, and pension liabilities and expenses, see the AUDITED FINANCIAL STATEMENTS OF OKLAHOMA STATE UNIVERSITY FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023—Note 13 Retirement Plans".