

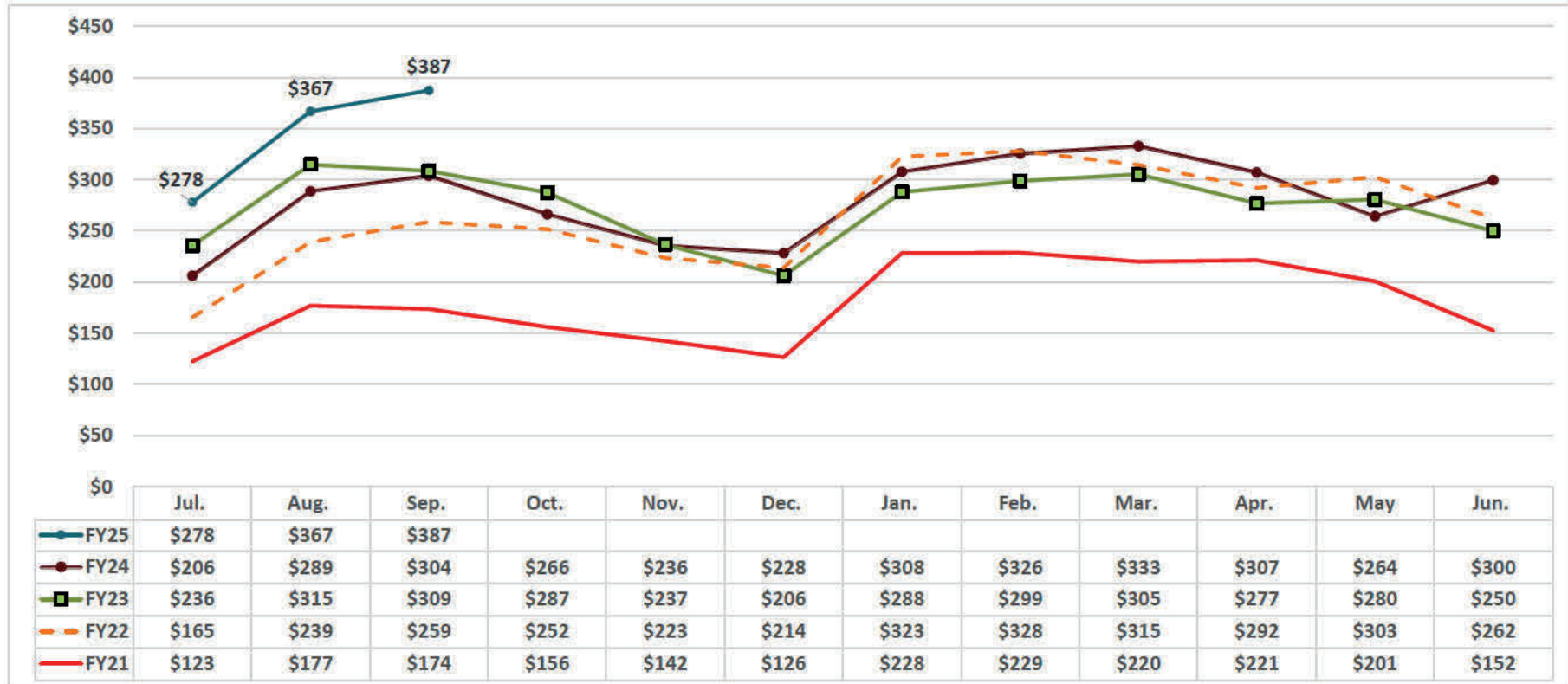
OU Norman
Key Performance Indicator Index

Finance, Audit, and Risk Committee - Key Performance Indicator Index

KPI #	Key Performance Indicator	Frequency	Assessment Area	Availability for FAR	Status (Updated / Previously Presented)
1	Unrestricted Cash Trend	Monthly	Financial Health	Every Month	Updated
2	Days' Cash on Hand	Annual	Financial Health	August	Previously Presented
3	Net Tuition Revenue - Freshman Cohort	Annual	Financial Health	Late September	Updated
4	Net Tuition Revenue Trend - All	Monthly	Financial Health	Every Month	Updated
5	Composite Financial Index	Annual	Financial Health	October	Updated
6	State Appropriations per Student FTE	Annual	Financial Health	February	Updated
7	Net Tuition Collection Rates	Semester	Financial Health	December/May	Updated
8	Enrollment Trend	Annual	Financial Health	Late September	Previously Presented
9	Housing Occupancy	Annual	Financial Health	Late September	Previously Presented
10	Resident Net Tuition and Fee Cost	Annual	Outcomes	June	Previously Presented
11	Retention and Graduation Rates	Annual	Outcomes	Sept. (Ret.)/Dec. (Grad.)	Previously Presented
12	Student Debt	Annual	Outcomes	June	Previously Presented
13	Sponsored Research Expenditures	Annual	Outcomes	August	Updated
14	Faculty and Staff Headcount Trend	Annual	Operational Excellence	Late November	Previously Presented
15	Functional Expense Trend	Annual	Operational Excellence	October	Updated

**KPI Report | OU Norman
Unrestricted Cash Trend**

Purpose: The purpose of this Key Performance Indicator schedule is to report a multi-year trend of unrestricted cash. Tracking unrestricted cash is key to assessing the University's liquidity and financial health. The University's goal of 120 days cash on hand would require \$103M more in unrestricted cash at June 30, 2024 (\$403M vs. Actuals of \$300M).



Analysis: Unrestricted cash has improved year-over-year primarily due to increased state funding and growth in overall enrollment, along with reduced tuition discounting and a slight increase in the nonresident enrollment. Offsetting these improvements are increased healthcare costs and compensation costs from the merit raise plan. Medical claims paid are up about 14% in FY25.

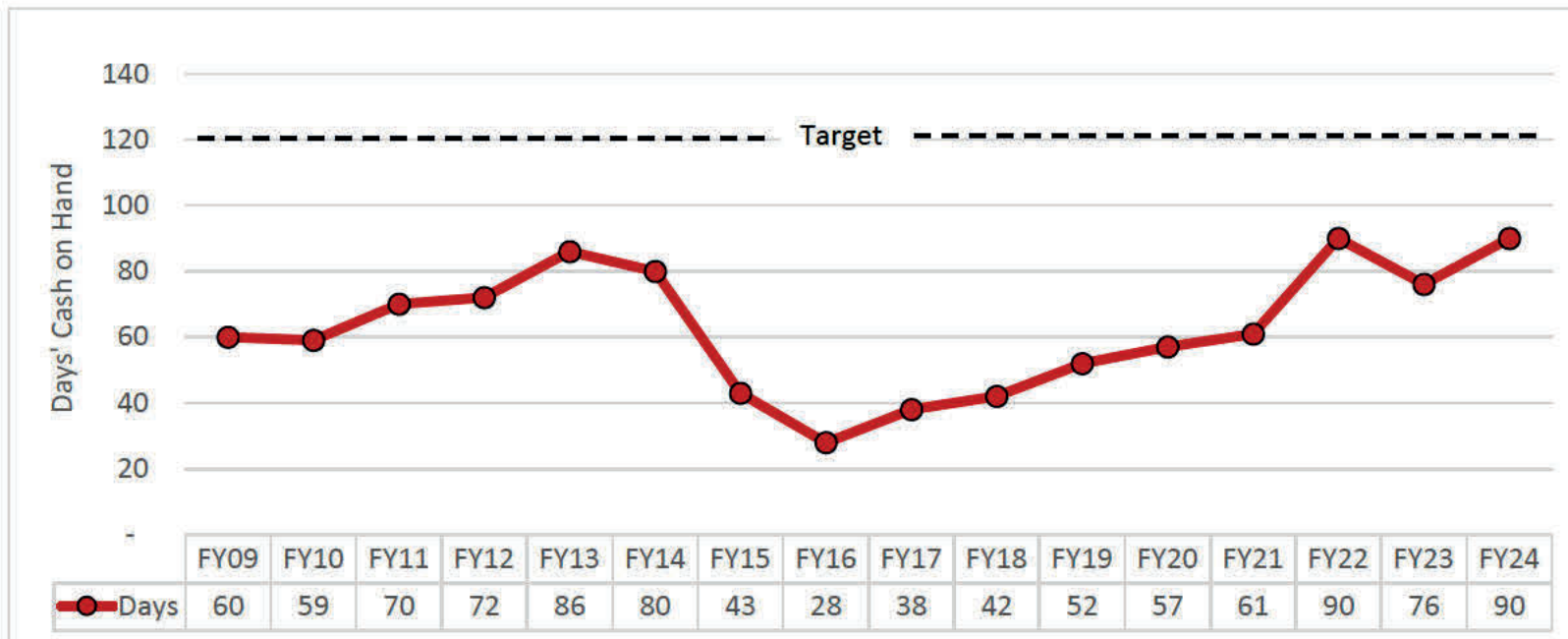
Note: Nearly all unrestricted cash held by the University is on deposit with the Oklahoma State Treasurer (OST). Oklahoma statutes require the OST to ensure that all state funds are either insured by the FDIC, collateralized by securities held by the Federal Reserve Bank, or invested in U.S. government obligations. Some deposits (excludes state appropriations and tuition and most fees) are allowed to be placed in their investment pool, OK INVEST. The OK INVEST rate of return has fluctuated between 2.5% and 3.2% over the last year.

Unrestricted cash excludes cash the University receives for capital project support (e.g., housing and athletic bond funds, funding for National Weather Center Expansion and Aerospace & Defense building construction, and Section 13 funds from Land Commission). As of September 30, 2024, this restricted cash totaled \$211M.

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Days' Cash on Hand

Purpose: The purpose of this Key Performance Indicator schedule is to report a multi-year trend of Days' Cash on Hand (DCOH). DCOH is an important metric that measures how many days the University can continue to pay its operating expenses with available cash reserves, without relying on additional revenue or financing. DCOH helps assess the liquidity position of the University and is an important financial health indicator. DCOH is also a component of the Composite Financial Index KPI. The University has a target DCOH of 120 days. DCOH reported below is as of June 30 for each year reported.



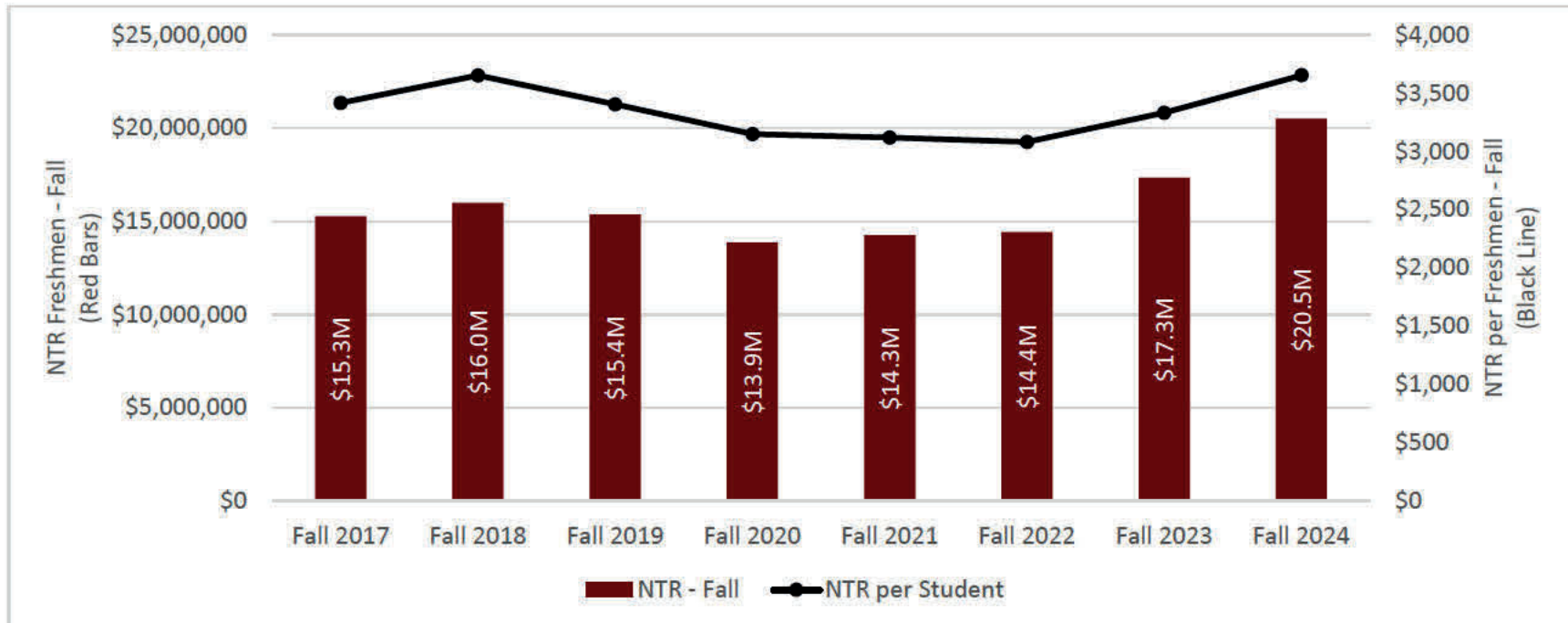
Analysis: DCOH improved in FY24 due to an increase in state support, increased enrollment, realization of the tuition rate increase, and changes to the post-retirement health plan. The savings in the retiree health plan were due to a competitive solicitation process that resulted in the selection of Humana to serve as the Medicare Advantage Prescription Drug plan provider for Medicare-eligible retirees. The FY22 DCOH increase was primarily driven by receipt of one-time federal COVID-relief funding that was partially expended in FY23.

Source: Recalculated from Audited Financial Statements

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Net Tuition Revenue - Freshmen Only

Purpose: The purpose of this Key Performance Indicator schedule is to report a multi-year trend of Net Tuition Revenue (NTR) by Freshmen Cohort and NTR per Freshman. NTR of the Freshmen class is a leading indicator of overall NTR revenue for the next three years.

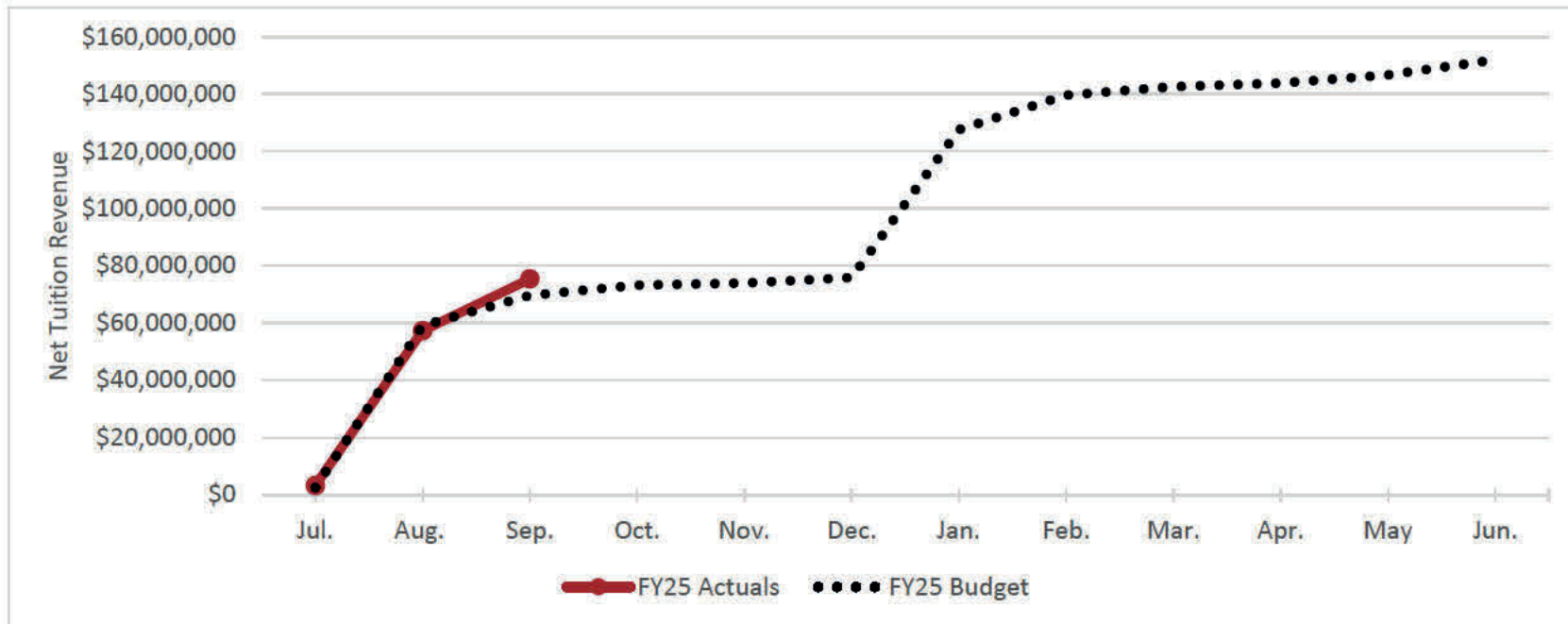


Analysis: Fall 2024 NTR per freshmen increased for both resident and nonresidents, as the waiver/discount rate declined for both populations. Fall 2024 NTR for resident freshmen was \$1,130. While up from Fall 2023, this amount is still below Fall 2017 NTR for resident freshmen of \$1,481 due to increases in discounting. Fall 2024 NTR for nonresident freshmen was \$6,313. While up from Fall 2023, this amount is only slightly above Fall 2017 NTR levels and below Fall 2018 NTR levels for nonresidents. Overall Fall 2024 NTR increased from realization of tuition rate increases, a decrease in discounting due to higher demand, and slight increase in the nonresident portion of first-time freshmen (2%).

Source: Bursar's Office

KPI Report | OU Norman Net Tuition Revenue

Purpose: The purpose of this Key Performance Indicator schedule is to report a multi-year trend of Net Tuition Revenue (NTR) compared to budget. NTR is the most important revenue source supporting the University's central budget. NTR represents gross tuition charges, less waivers (discounts), but prior to application of scholarships and grants (e.g., Pell, Oklahoma's Promise, etc.). Both undergraduate and non-OU Online graduate tuition is combined below. Allocation of the NTR budget by month is based on actual trends from the prior four years.



Analysis: Through September, NTR exceeds budget by about \$6M. This is primarily from growth in undergraduate enrollment (up 5.9% YoY), realization of the 3% tuition increase, and a decrease in the waiver/discount rate for both nonresidents and residents. Undergraduate waiver/discount rates returned to Fall 2021 levels. On the graduate side, enrollment in on-ground master's programs increased 7.5%, reversing a six year trend. Doctoral enrollment, which has been relatively flat over the last ten years, increased slightly to 1,530 from 1,512. In-person graduate programs represent about 10% of total NTR.

Source: Financial Services and Office of Budget and Financial Planning

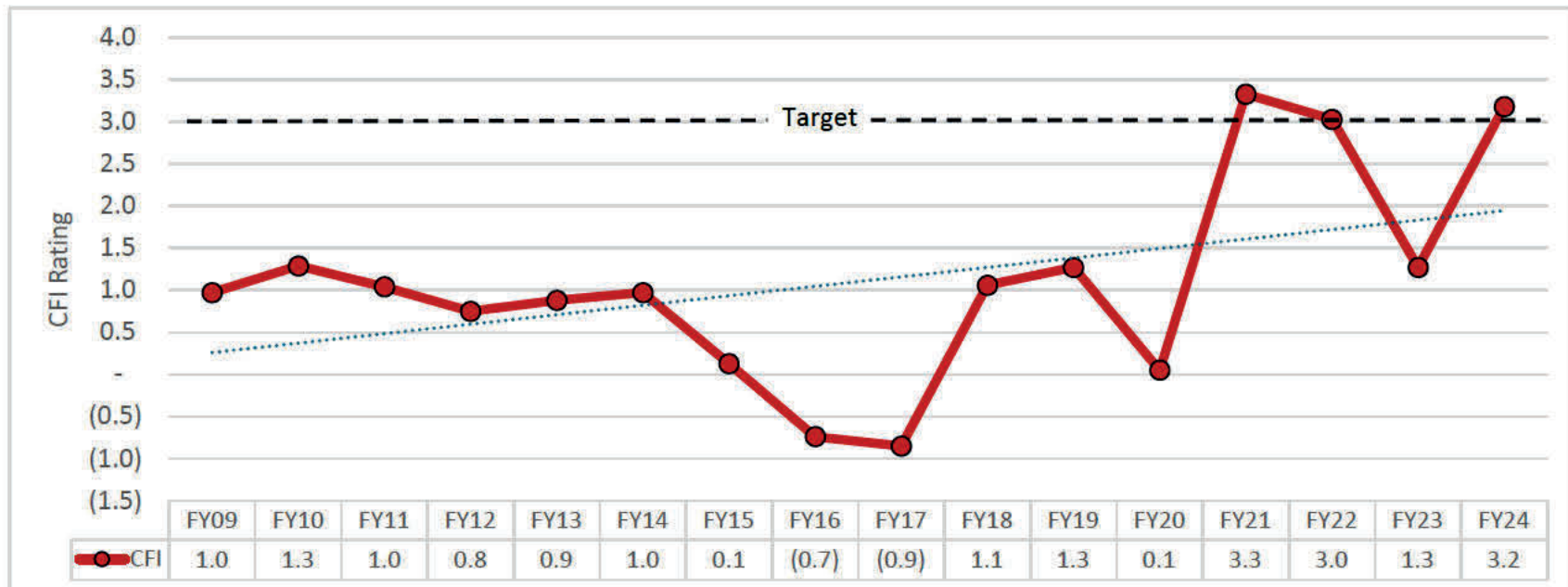
KPI Report | OU Norman Composite Financial Index (CFI)

Purpose: The purpose of this Key Performance Indicator schedule is to report a multi-year trend of the Composite Financial Index (CFI).

CFI is a measurement of four weighted financial ratios:

- Primary Reserve Ratio (35%) - how do reserves compare to annual spend?
- Viability (Solvency) Ratio (35%) - how do reserves compare to total debt?
- Return on Net Assets (20%) - how did the university perform relative to our size?
- Net Operating Revenues Ratio (10%) - did the university operate within its means this year?

CFI scores range from -4 to +10. Higher scores typically represent a financially healthy university. A score of +3 or above typically means the University has adequate balance sheet strength and operating performance to invest in new, strategic priorities.



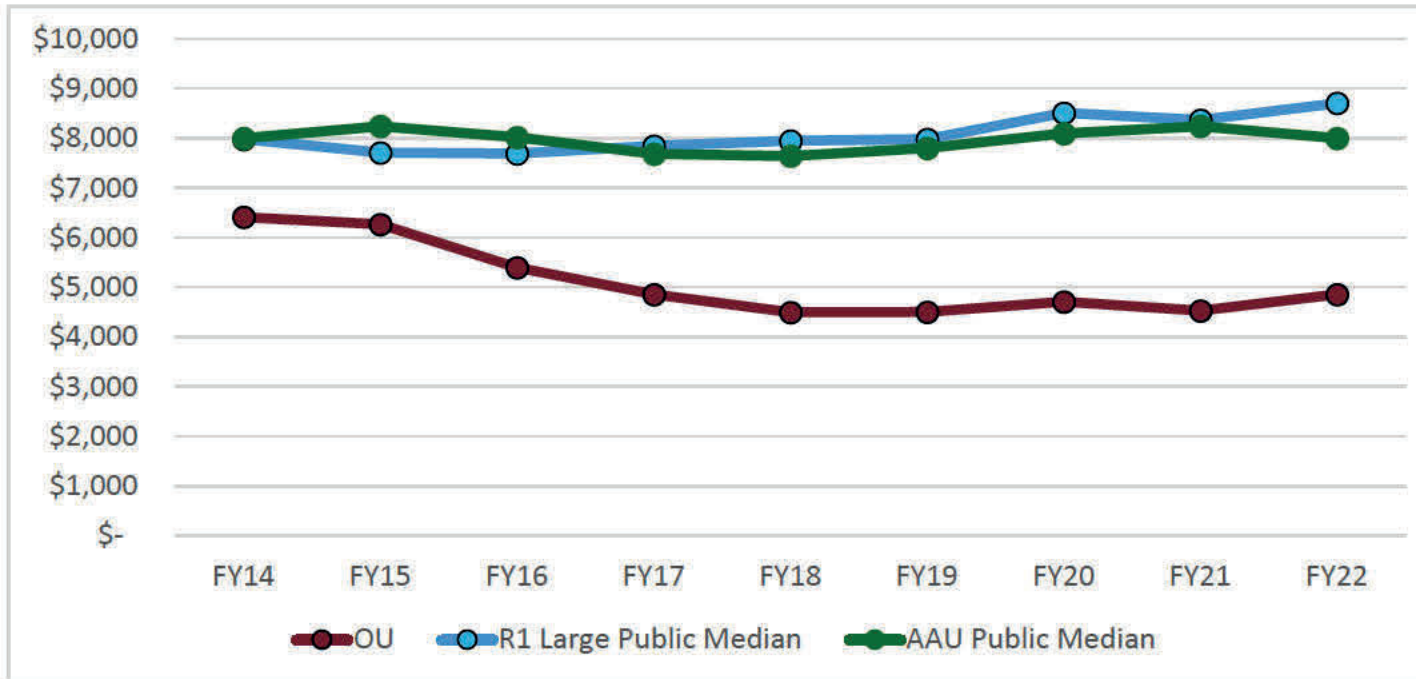
Analysis: The CFI improved in FY24 primarily due to improved income statement performance from increased state support, enrollment increases, and realization of the tuition rate increases. The two balance sheet ratios (Primary Reserve and Viability) also improved, as unrestricted cash improved and receipt of bond proceeds increased total cash. Higher scores in FY21 and FY22 were primarily due to one-time savings from changes in the post-retirement health plan and receipt of federal COVID-relief funding, respectively.

Source: Audited Financial Statements

KPI Report | OU Norman

State Appropriations per Student FTE

Purpose: The purpose of this Key Performance Indicator schedule is to report the trend in state appropriations per student FTE. Monitoring state appropriations per student FTE assists in budgetary conversations with legislative leaders and other stakeholders surrounding funding mechanisms available to the University.



Analysis: Per student state funding of large R1 public universities (N=28) has held consistent with public AAU (N=26) universities. Funding reductions to Oklahoma appropriations in FY16 and FY17 widened the gap between OU and peer institutions. Recent funding increases to OU in FY23 and FY24 will be reported when IPEDS data is updated for those years. For OU, this recent funding results in an increase in funding per FTE from \$4,856 in FY22 to about \$5,700 in FY24.

Source: U.S. Department of Education, IPEDS Database

KPI Report | OU Norman Tuition Collection Rates

Purpose: The purpose of this Key Performance Indicator schedule is to report tuition collection rate trends by billing semester. Monitoring collection rates helps ensure adequate operational cash flow and timely identify liquidity risks should rates deteriorate over time. A 1% change in collection rates represents \$850,000 in Fall semester net tuition billings.

Collection Rates on Tuition Charges for Fall Semester				
Month Ending:	FY2022	FY2023	FY2024	FY2025
JUL	1.68%	0.30%	0.40%	1.09%
AUG	64.39%	65.53%	55.51%	61.12%
SEP	89.47%	88.09%	87.56%	88.19%
OCT	95.17%	94.50%	94.53%	
NOV	96.94%	96.94%	96.88%	
DEC	97.91%	98.01%	98.13%	
JAN	98.97%	98.91%	98.98%	
FEB	99.14%	99.14%	99.20%	
MAR	99.26%	99.27%	99.26%	
APR	99.36%	99.33%	99.35%	
MAY	99.38%	99.40%	99.40%	
JUN	99.43%	99.46%	99.42%	

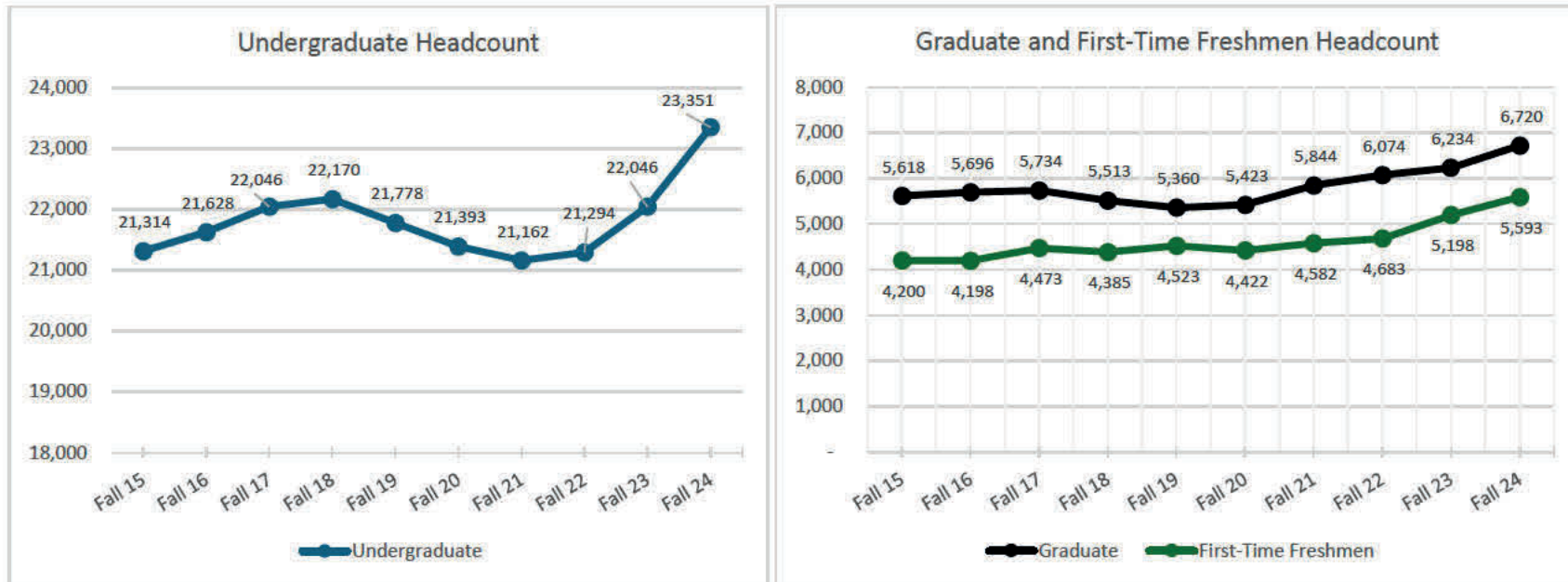
Red	Collection Rate = 96% - 96.99%
Yellow	Collection Rate = 97% - 98.49%
Green	Collection Rate > 98.49%

Analysis: Through September, tuition collection rates appear consistent with prior years.

Source: Bursar's Office

KPI Report | OU Norman Enrollment Trend

Purpose: The purpose of this Key Performance Indicator schedule is to report a multi-year trend of student headcount enrollment for undergraduates, graduates (excluding Law), and first-time freshmen. As net tuition and fees is the largest revenue source for OU, monitoring enrollment and its related components (e.g., residency, discount rates, etc.) and outputs (e.g., credit hour production, tuition revenue) is important in evaluating the current and future financial health of OU.



Analysis: Undergraduate growth over the periods presented has been driven by growth in nonresident enrollment. Resident enrollment remained relatively flat, although increasing the last two years. Over these periods, undergraduate growth has primarily been driven by Business (up 1,916 or 54%), Arts & Sciences (up 734 or 11%), and Architecture (up 473 or 139%), offset by declines in Earth & Energy (down 901 or 79%) and International Studies (down 131 or 45%).

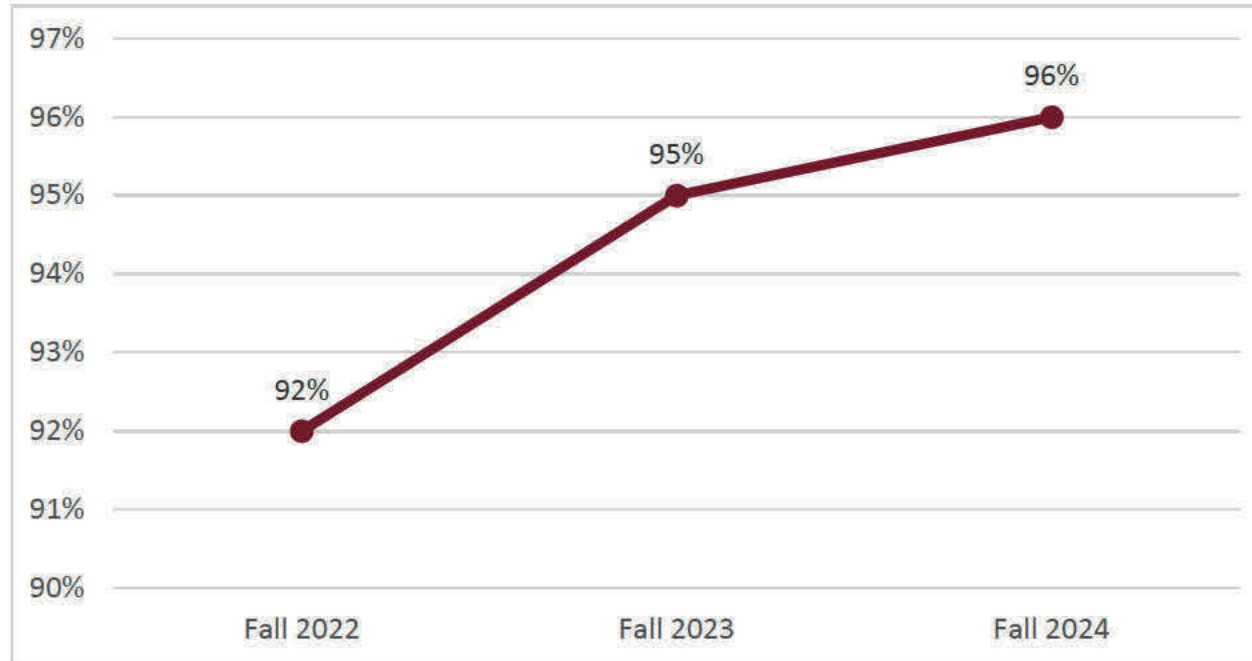
Graduate growth has been driven by growth in OU Online (up 2,628 or 390%), specifically within Arts & Sciences and Business.

First-Time Freshmen growth has been driven by nonresident enrollment (up 1,107 or 64%), but also solid resident growth (up 286 or 12%), especially in light of declining College-Going rates in Oklahoma. In 2015-16, 49% of high school graduates entered an Oklahoma college or university the subsequent year. In 2022, according to OSRHE, this rate declined to 36% or by 2,983 students from 2015-16.

Source: Institutional Research and Reporting

KPI Report | OU Norman Housing Occupancy

Purpose: The purpose of this Key Performance Indicator schedule is to report housing occupancy trend rates. Housing occupancy is the primary driver of Housing and Food Service revenue (FY24 = \$85M). The occupancy rate reported below is the average across nine facilities: Couch and Walker Towers, Cross, David L. Boren Hall, Residential Colleges (Headington and Dunham), Headington Hall, and Traditions (East and West).



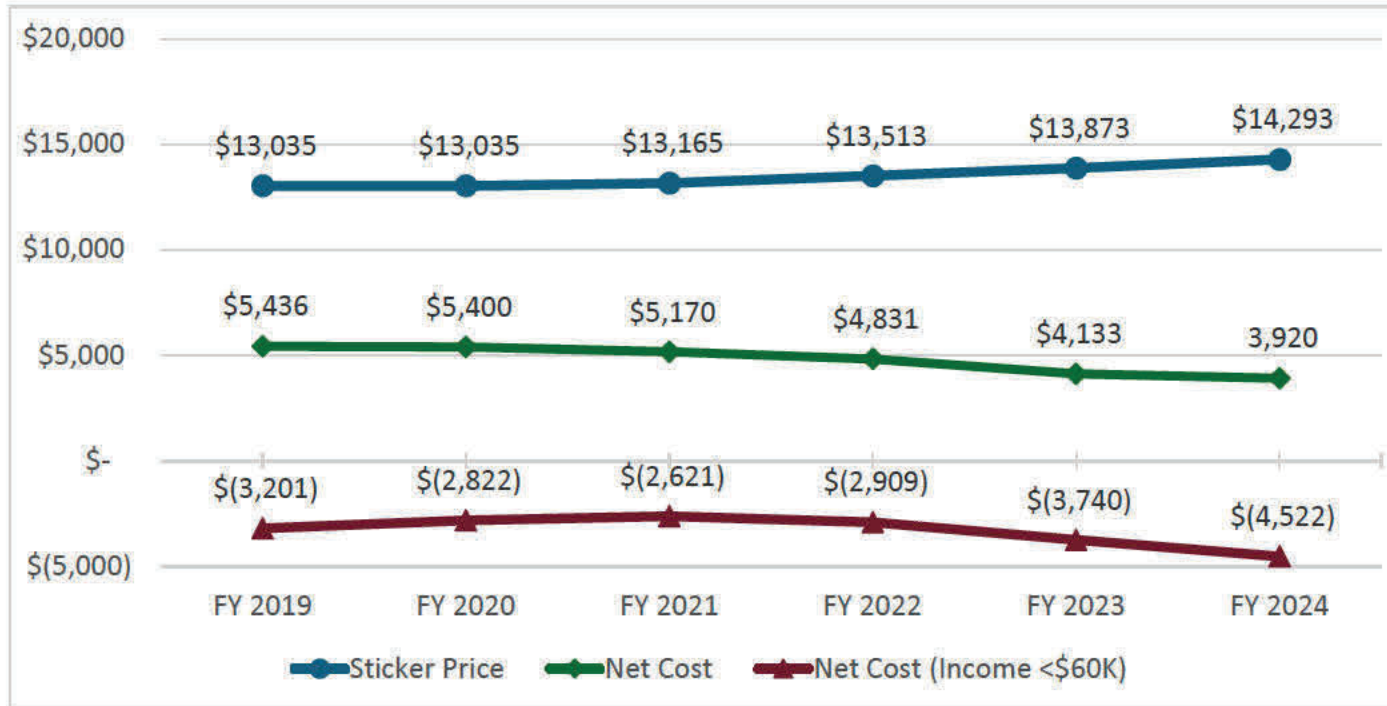
Analysis: Freshmen enrollment growth has pushed occupancy rates higher. We estimate housing capacity constraints, considering future demolition of Walker Tower and utilization of portions of Traditions for first-year housing, at around 6,300 students. This assumes no change to the current housing exemption map.

Demand has typically been strongest in the newer, more expensive facilities (Cross, Headington). In Fall 2024, Traditions, Couch, and Cross had occupancy rates above 98%. The lowest Fall 2024 occupancy of 89% was in David L. Boren Hall (168 beds).

Source: Housing & Food Services

KPI Report | OU Norman Net Tuition and Fee Cost

Purpose: The purpose of this Key Performance Indicator schedule is to report a multi-year trend of Net Tuition and Fee Cost (NTFC) for resident undergraduates. The Sticker Price is the tuition and fees an average full-time resident student would incur during the academic year. NTFC is important in showing the costs paid by students after accounting for waivers, grants, and scholarships and relays the affordability of an OU education.



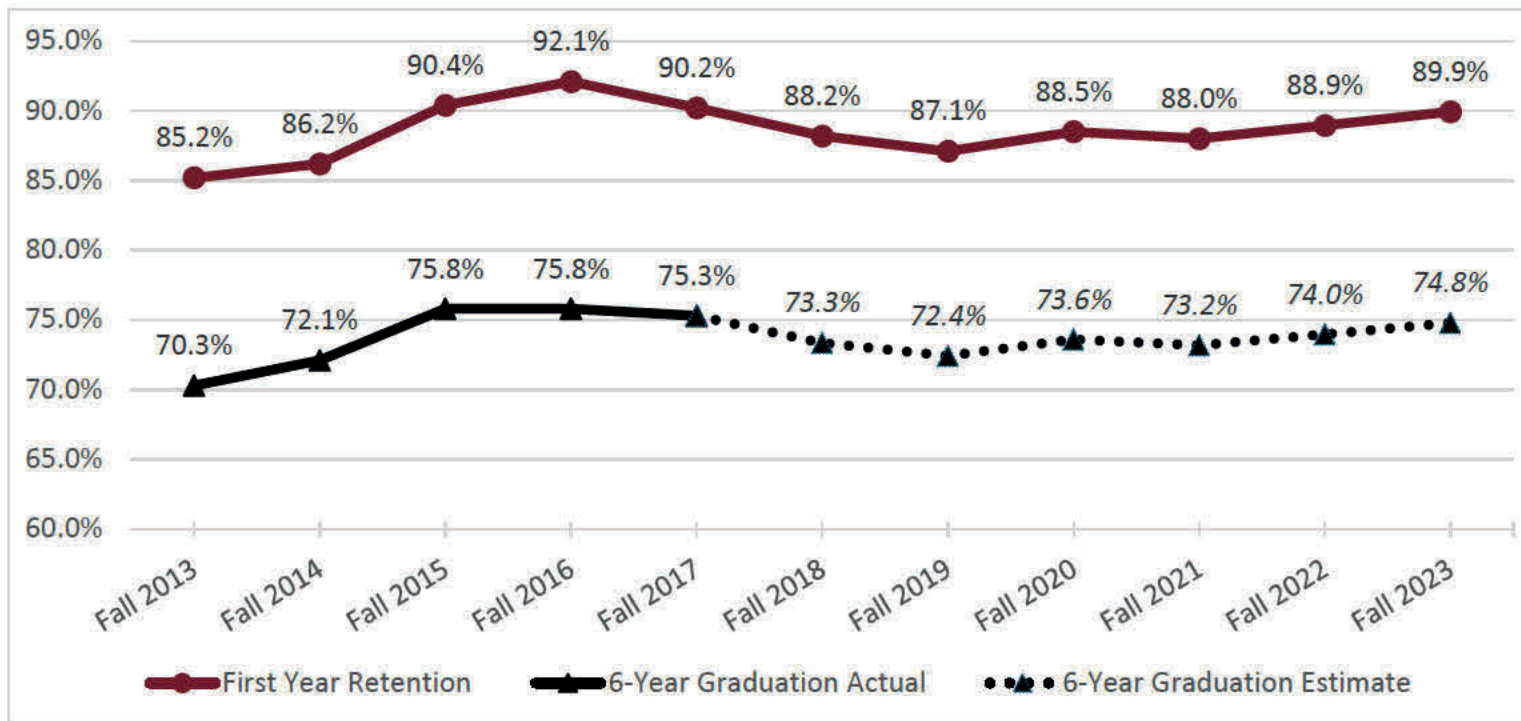
Analysis: While the sticker price charged to residents has increased 10% over the periods presented, the net cost to the average resident has declined 28% or \$1,516. For those residents qualifying for Oklahoma's Promise, their cost has declined 41%, resulting in an average refund of \$4,522 that can be used to cover housing, food, or other educational costs.

When stratifying the data, each resident income tier has experienced a decline in cost over this time period. For AGI above \$150k, the average annual net tuition and fee cost has declined \$1,118 or 12% to \$8,277; for AGI greater than \$100k, but less than \$150k, the cost has declined \$1,057 or 13% to \$7,065; for AGI greater than \$60k, but less than \$100k, the cost has declined \$1,823 or 27% to \$5,001. Because these costs are averages, some residents will pay more or less based on their merit and financial aid needs.

Source: Financial Aid Office

KPI Report | OU Norman Retention and Graduation

Purpose: The purpose of this Key Performance Indicator schedule is to report retention and graduation rates of the first-time freshmen population. Retention rates are an important component in student-related revenue budgeting for future years. A 1% change in First-Year Retention represents about \$900k in annual net tuition and fee revenue. Graduation rates are a key outcome metric that demonstrates OU's value proposition and will receive increased scrutiny with implementation of the Department of Education's *Financial Value Transparency and Gainful Employment* rules.



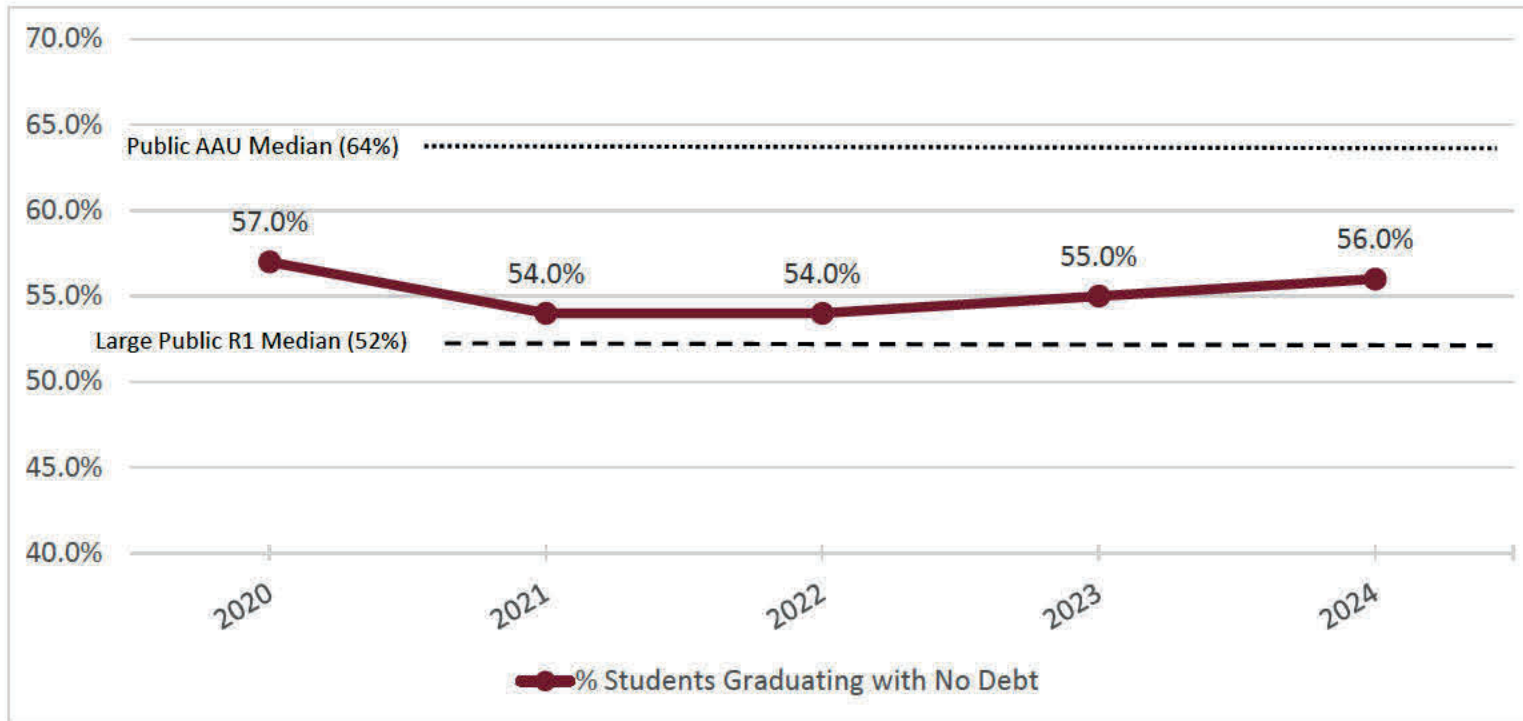
Analysis: Retention rates, a leading indicator for graduation rates, have increased slightly over the years presented. Early growth in retention was primarily driven by changes to the financial holds policy and increased support for those students experiencing financial challenges. The financial holds policy change increased the dollar amount that could be owed to OU while still allowing for enrollment in future semesters. The financial holds policy change was rescinded in 2020, as collection rates on tuition declined.

Large R1 (non-AAU) publics (N=29) report median retention and 6-year graduation rates of 87% and 72%, respectively. AAU publics (N=31) report median retention and 6-year graduation rates of 92% and 84%, respectively.

Source: Institutional Research & Reporting

KPI Report | OU Norman Student Debt

Purpose: The purpose of this Key Performance Indicator schedule is to report the percentage of undergraduate students who graduate debt free from OU. Student debt is a key outcome metric that demonstrates OU's value proposition. This metric will receive increased scrutiny with implementation of the Department of Education's *Financial Value Transparency and Gainful Employment* rules.

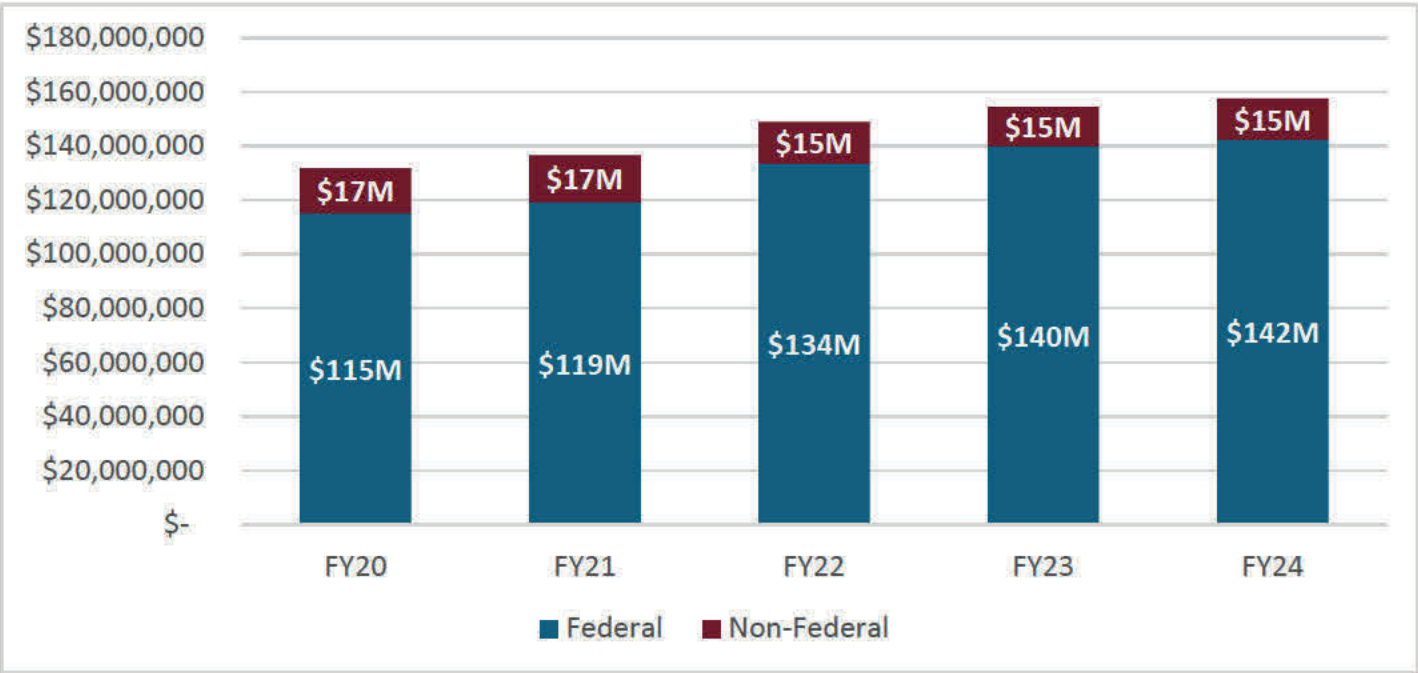


Analysis: The percentage of students who graduate debt free from OU has remained fairly consistent over the last five years. Tuition discounting and scholarship awarding has helped this metric maintain its strong position. Of the 31 public AAU's, 22 have a stronger "Debt Free" percentage. Of the 29 large R1 publics (non-AAU), only eight have a stronger "Debt Free" percentage.

Source: Publicly Available Common Data Set Reports

KPI Report | OU Norman Sponsored Research Expenditures

Purpose: The purpose of this Key Performance Indicator schedule is to report sponsored research expenditures over the prior five years. Sponsored research expenditures are important for assessing comparability to aspirational AAU-level institutions and are used in various surveys, including the National Science Foundation's Higher Education Research & Development (HERD) Survey.

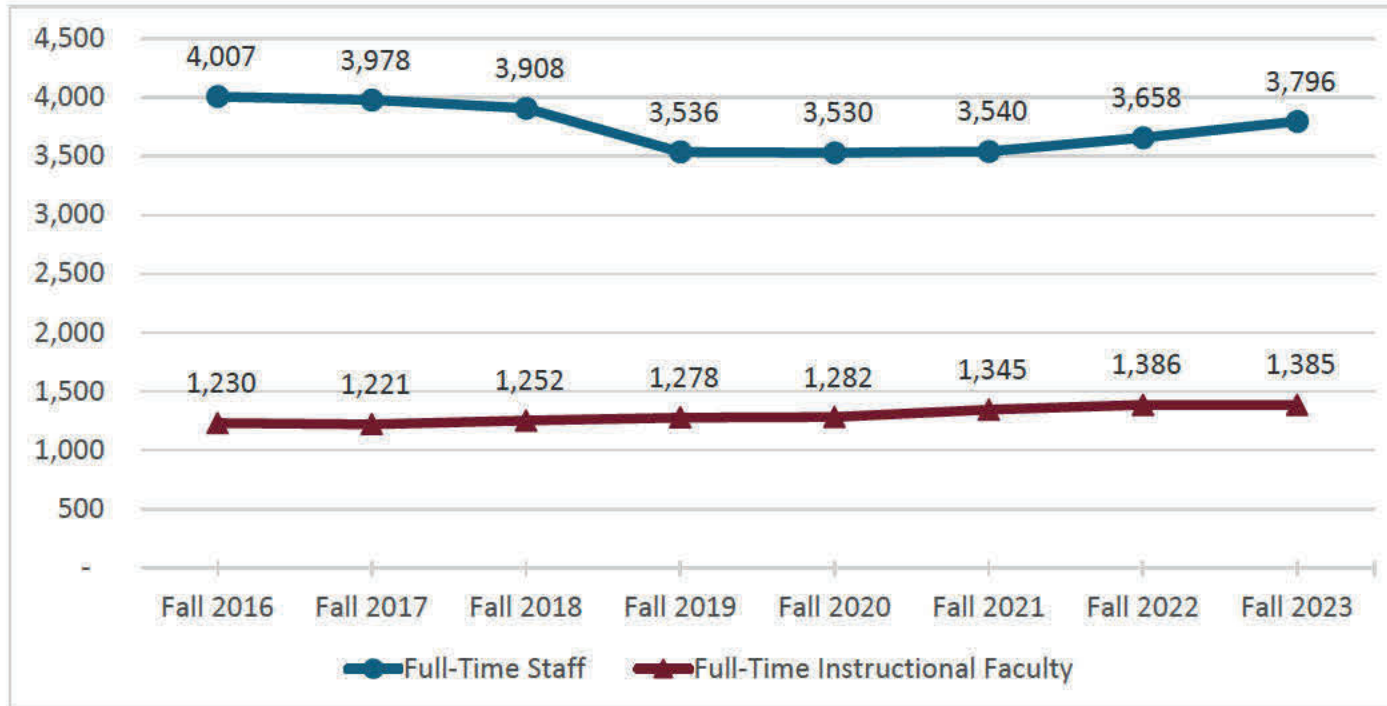


Analysis: Increases in Engineering, specifically Computer Science and Electric & Computer Engineering drove \$6M of the \$12M growth in FY22. From FY22 to FY24, growth in Engineering (\$24M), Arts & Sciences (\$3M), and Education (\$1.5M) have offset declines in Atmospheric & Geographic Sciences (\$18M) due to the expiration of the GeoCARB grant.

Source: Research Financial Services

KPI Report | OU Norman Faculty and Staff Headcount

Purpose: The purpose of this Key Performance Indicator schedule is to report trends in faculty and staff headcount. Most universities, because of their research enterprise and auxiliary activities (e.g., athletics, housing, food service, etc.) report significantly more staff than faculty. Faculty and staff headcounts and related ratios are measured institutionally and at the college and department level to ensure adequate support for faculty, staff, and students.



Analysis: Staff headcount was reduced through two retirement buyouts and three rounds of layoffs between 2016 and 2019. Recent increases have come from Outreach (up 136 since Fall 2020), Athletics (up 48 since Fall 2020), Vice President of Research and Partnerships (up 34 since Fall 2020), and OU Online (up 16 since Fall 2020).

Outreach is sustained on funding from state contracts. Growth in Outreach is reflection of new contracts not requiring central support. A portion of the growth in Athletics is due to NCAA rules in 2023 requiring reclassification of volunteer coaches as full-time assistants. Within the VPRP, increased research activity within the Advanced Radar Research Center (10) and new research verticals (11) has driven most of the growth.

Since Fall 2016, instructional faculty growth of 13% has outpaced student enrollment growth of 4%. This has resulted in a decline of the student-to-faculty ratio from 17.86 to 17.20.

KPI Report | OU Norman Functional Expense Trend

Purpose: The purpose of this Key Performance Indicator schedule is to report expenditures by functional category over a three year period. Primary benefits of functional expense reporting are 1) monitoring of spend to ensure the University is prioritizing mission-related areas (e.g., instruction, research, public service, academic support, etc.), 2) identification of cost drivers, and 3) benchmarking to peer institutions, specifically around institutional support.

Functional Expense Category	Fiscal Year			Fiscal Year		
	2022	2023	2024	2022	2023	2024
Instruction	\$ 276,765	\$ 314,752	\$ 330,847	26.7%	27.1%	27.7%
Research	140,301	152,485	151,937	13.5%	13.1%	12.7%
Public Service	70,786	109,495	113,591	6.8%	9.4%	9.5%
Academic Support	68,529	92,734	105,428	6.6%	8.0%	8.8%
Student Services	45,715	45,073	44,813	4.4%	3.9%	3.7%
Institutional Support (Overhead)	51,950	54,265	54,395	5.0%	4.7%	4.6%
Operation and Maintenance of Plant	134,781	88,573	61,386	13.0%	7.6%	5.1%
Scholarships	75,505	55,017	54,024	7.3%	4.7%	4.5%
Auxiliary Enterprises	172,520	250,131	278,775	16.6%	21.5%	23.3%
Total Operating Expense	\$ 1,036,852	\$ 1,162,525	\$ 1,195,196	100%	100%	100%

Analysis: Institutional support, as a portion of total expenditures, remains below the State Regents' limit of 10%. Inconsistencies between how universities report operating expenses (e.g., inclusion of medical center data, exclusion of system offices, etc.) make comparisons of institutional support as a percent of total operating expenses challenging. We do compare institutional support expense per student FTE to other large, R1 public universities. Using FY22 data (most recently available), the average institutional support spend per student FTE across these 53 universities was \$3,960. OU's amount of \$2,129 was 11th lowest. For the 29 AAU members in this group, the average was \$4,831.

Source: Audited Financial Statements