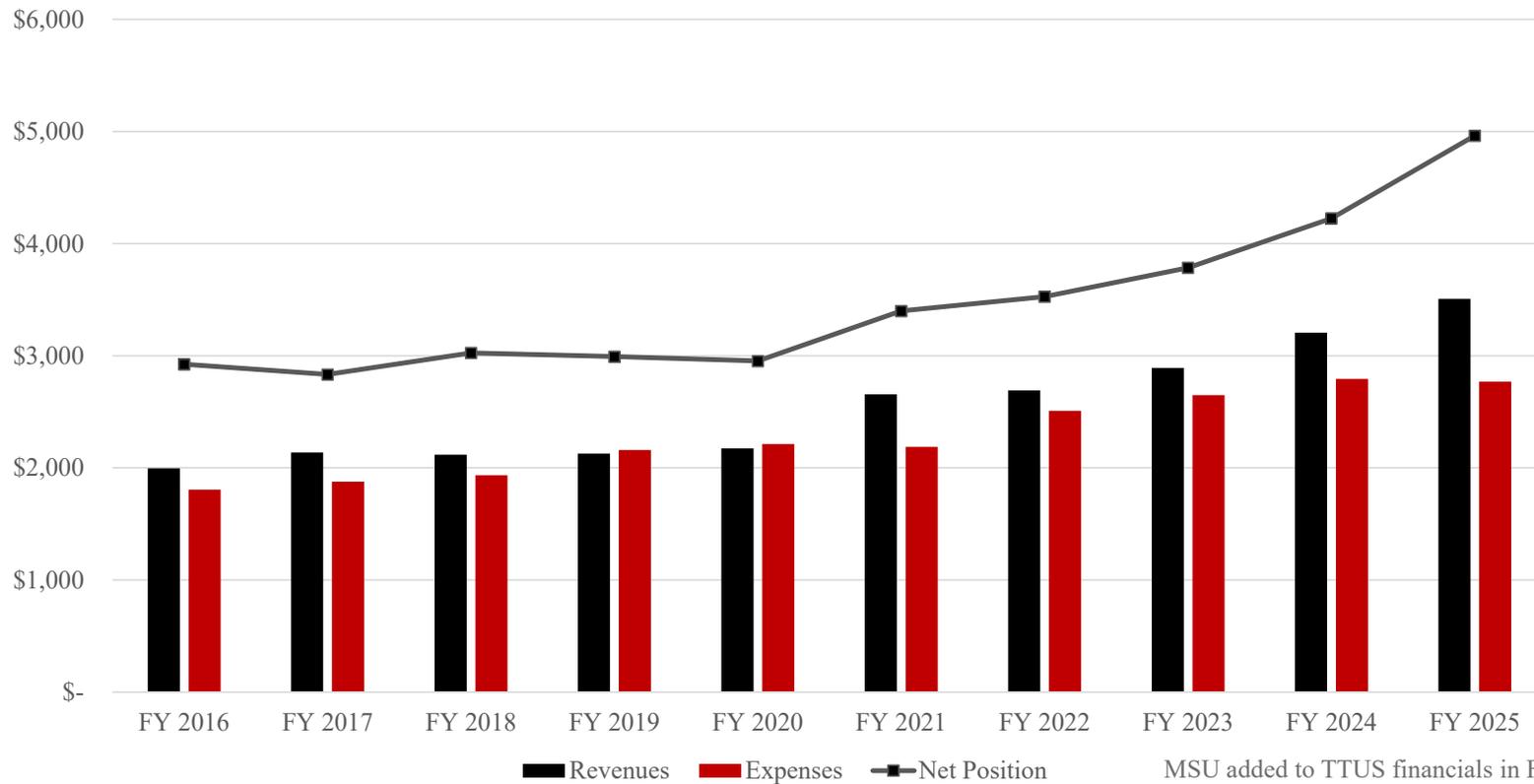




*Review of the*  
FY 2025 Texas Tech University System  
Annual Combined Financial Report

James Mauldin, CPA, CTP  
TTUS Vice Chancellor and CFO  
*February 26, 2025*

# Revenues, Expenses, and Changes in Net Position FY 2016 – FY 2025 (In Millions)



- 70% increase in Total Net Position over the last 10 years
- Net Position 10-yr Compound Annual Growth Rate (CAGR) of 5.43%

MSU added to TTUS financials in FY22.  
MSUF added to TTUS financials in FY24.

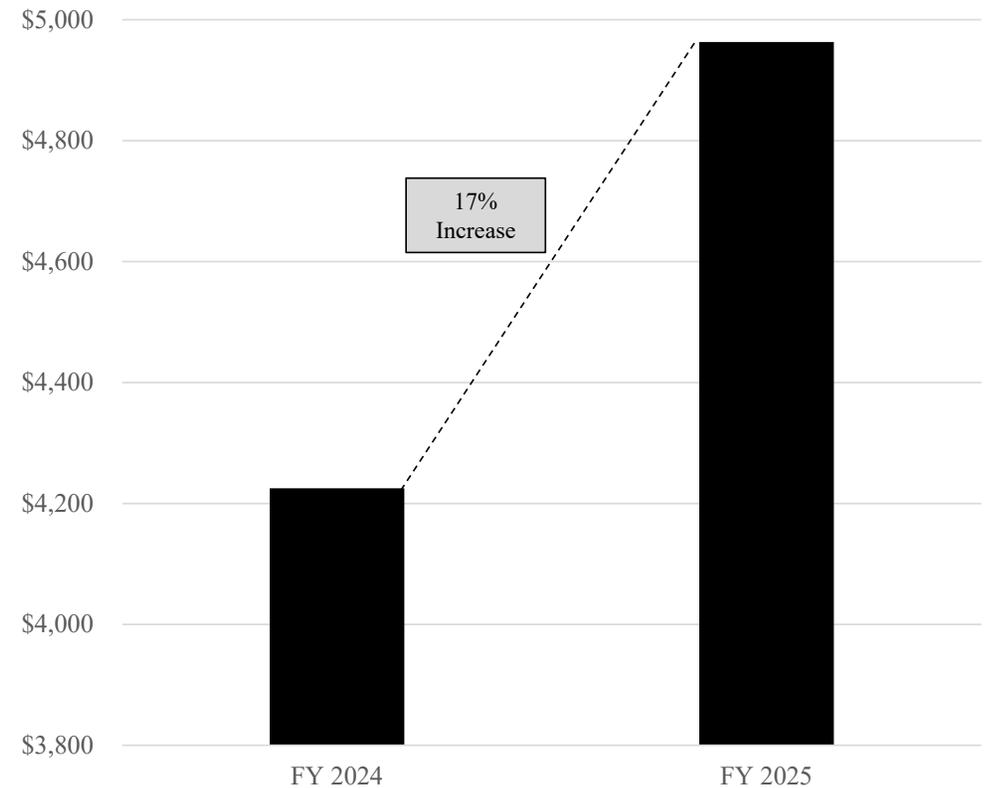
# TTUS Net Position

## FY 2024 vs. FY 2025 (In Millions)



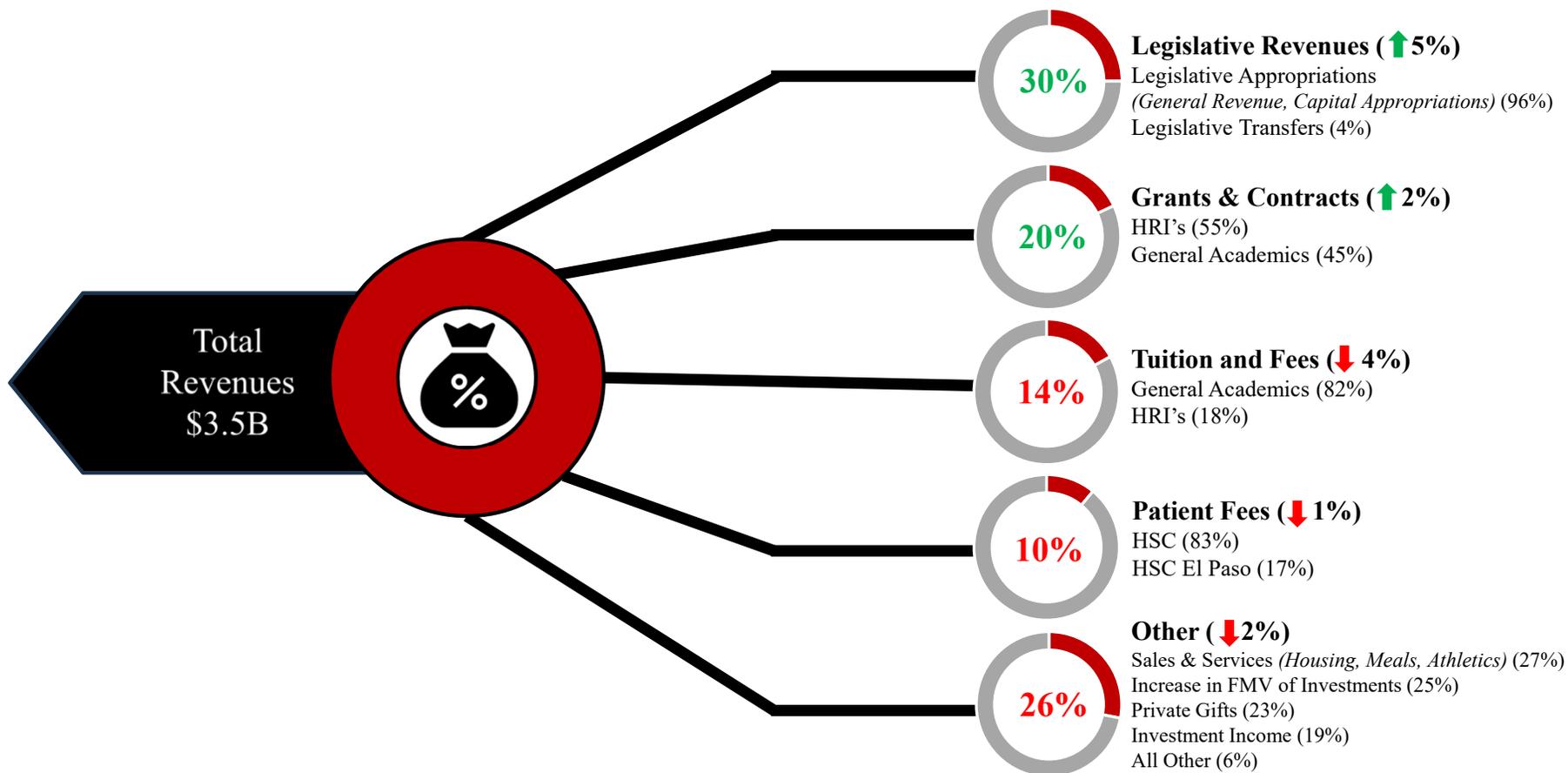
### Net Position Increase Drivers for FY 2025:

- Legislative Revenues
  - TTU Demonstration Reactor & Water Desalination
  - TTU Pulsed Power
  - HSCEP Comprehensive Cancer Center
  - HSC Rural Cancer Collaborative
- Grants and Contracts
  - Texas Research Incentive Program (TRIP)
  - Texas B on Time
  - Graduate Medical Education (GME) grant
- Private Gifts



# Key Revenue Streams

As of August 31, 2025



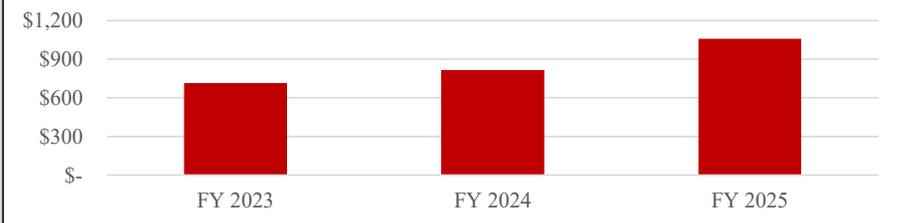
# Analysis of Key Revenue Trends

## FY 2023 – FY 2025 (In Millions)



### Legislative Revenues:

- 48% Increase in Legislative Revenues, FY24 to FY25
- TTU Appropriations for Water Desalination & Pulsed Power of \$191M
- HSC & HSCEP Comprehensive Cancer and Cancer Collaborative of \$90M



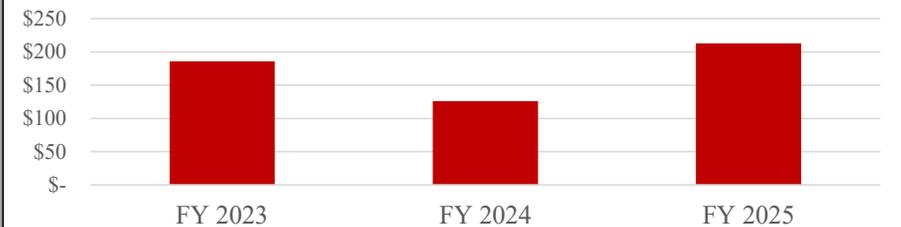
### Grants and Contracts:

- State Grants and Contracts increased by 90% in FY25
  - TTU TRIP Final Payout, TTU TX B On Time Distribution, Graduate Medical Education (GME) grant payments to HSC's
- Federal Grants increased 11%
- Local and Non-Govt Grants increased 7%



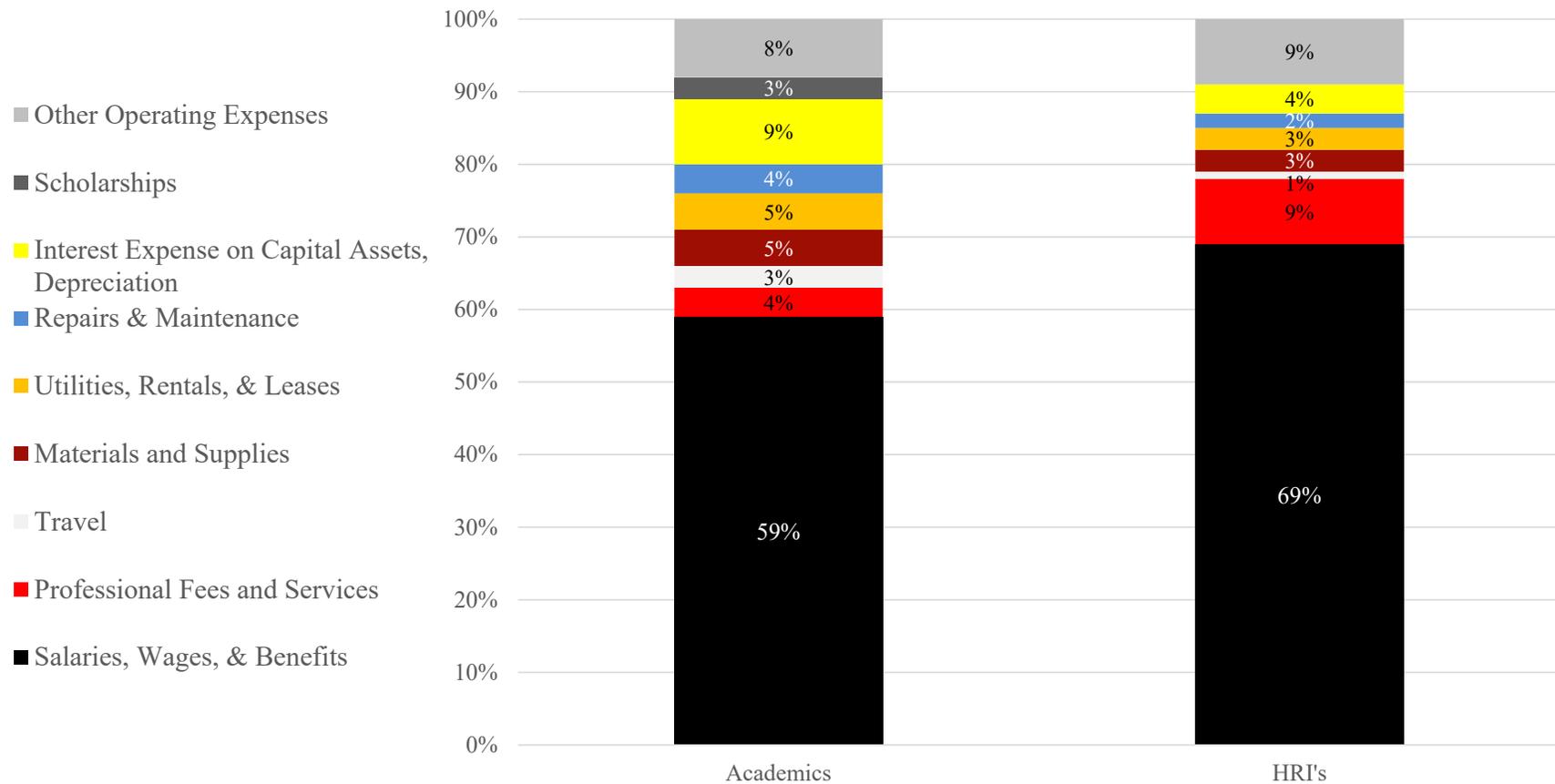
### Private Gifts:

- Gifts increased by 69% or \$87M in FY25
  - \$20.5M TTU Athletics
  - \$13.7M Cooper Institute at HSC
  - \$3.6M increase in ASU endowments
  - \$2.6M Fox Cancer Center Fundraising for HSCEP



# Analysis of Total Expenses

## FY 2025 Academic Institution to Health-Related Institution (HRI) Comparison



# Analysis of Expense Trends

## FY 2023 – FY 2025 (In Millions)



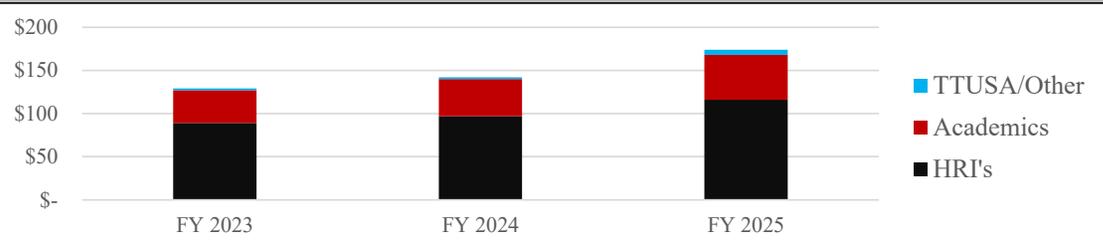
### Salaries, Wages & Benefits:

- Salaries & Wages increased by 6% in FY25
- Payroll Related costs make up 20% of Total
  - Pension, OPEB, etc.



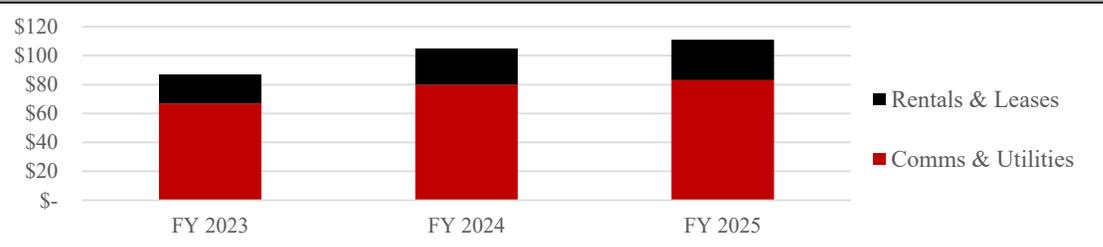
### Professional Fees and Services:

- HRIs account for 67% of total
  - Increase of 20% in FY25 related to contract medical services, locum medical services for Anesthesiology & Pathology
- Academics increased by 23% in FY25
  - Teacher Incentive Allotment, SVM Clinical Partner Fees, ASU Aviation Program
- TTUSA Increase related to Cyber Mitigation



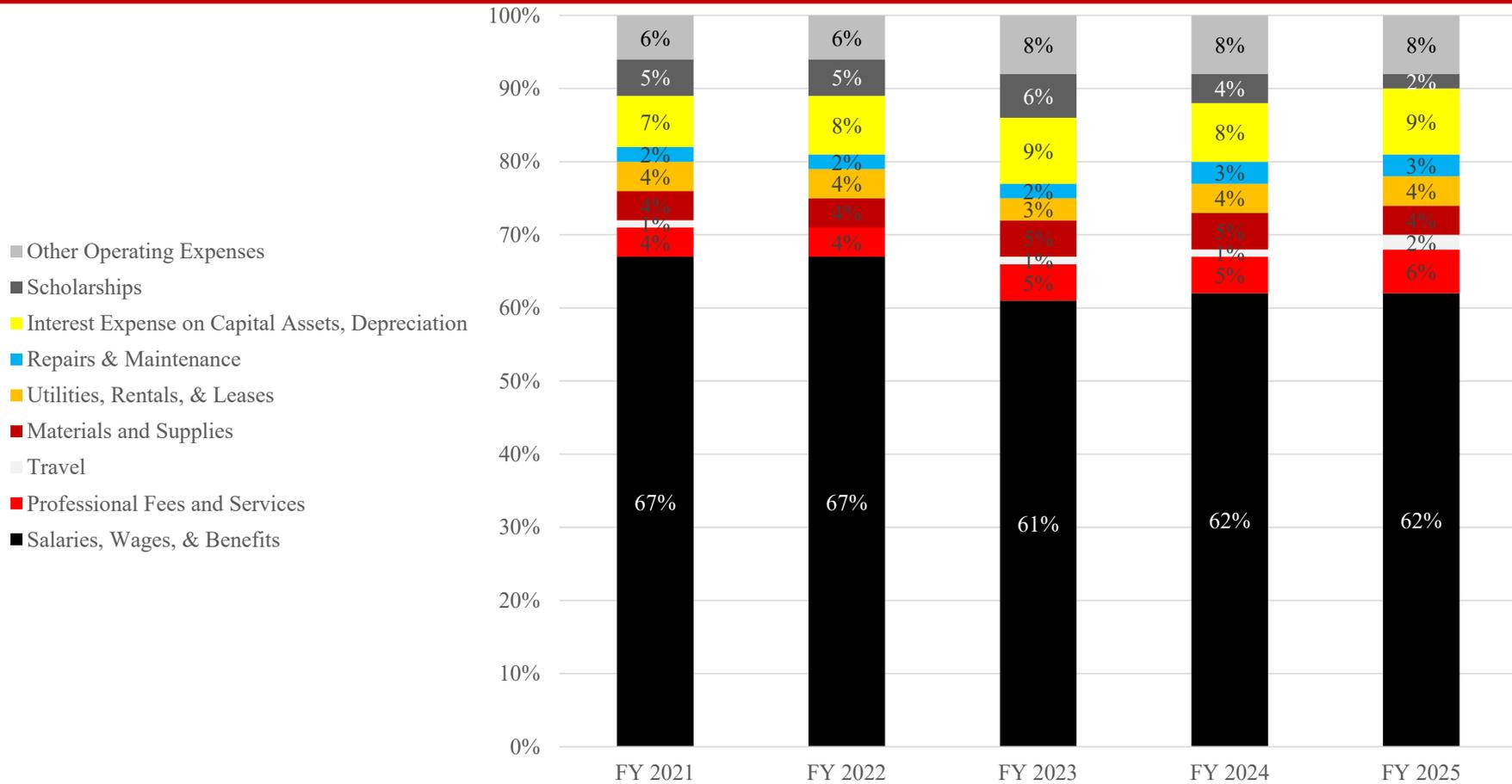
### Utilities, Rentals, & Leases:

- 13% Increase in Rentals & Leases
  - TTU increase in software leases
  - HSC increase in building lease payments
  - TTFI Donor Database Implementation
- 4% Increase in Communications & Utilities



# Analysis of Total Expenses by Category

## FY 2021 - FY 2025





TEXAS TECH UNIVERSITY SYSTEM™



# Revenues, Expenses, and Changes in Net Position

## FY 2021 – FY 2025 (In Thousands)

	Restated				FY 2025
	FY 2021	FY 2022	FY 2023	FY 2024	
<b>Revenues</b>					
Tuition and Fees	481,326	552,452	556,560	558,923	498,303
Patient Fees	290,480	305,432	318,823	336,857	344,016
Sales and Services (Room Rent, Meals, Athletics)	170,960	220,107	235,122	241,444	243,646
Grants and Contracts	504,070	605,234	583,879	588,635	695,476
Other Revenue	48,704	109,009	101,098	120,248	53,201
Legislative Revenues	595,491	659,839	714,966	815,934	1,057,665
Private Gifts	113,729	222,608	186,053	125,916	213,329
Investment Income	30,656	82,787	90,887	134,045	170,231
<b>TOTAL REVENUE</b>	<b>2,235,416</b>	<b>2,757,468</b>	<b>2,787,388</b>	<b>2,922,002</b>	<b>3,275,866</b>
<b>Expenses</b>					
Salaries, Wages, & Benefits	1,458,117	1,534,502	1,648,442	1,729,931	1,722,329
Professional Fees and Services	88,709	112,885	129,502	141,591	174,218
Travel	10,389	32,460	42,085	45,043	46,338
Materials and Supplies	93,213	113,586	122,716	129,804	124,054
Utilities, Rentals, & Leases	76,971	84,966	86,777	104,256	111,098
Repairs & Maintenance	48,467	59,310	70,986	71,082	77,185
Interest Expense on Capital Assets, Depreciation	176,457	219,595	217,757	236,830	235,735
Scholarships	102,398	151,827	97,602	103,631	44,384
Other Operating Expenses	130,878	200,197	232,425	229,708	233,333
<b>TOTAL EXPENSES</b>	<b>2,185,599</b>	<b>2,509,329</b>	<b>2,648,291</b>	<b>2,791,875</b>	<b>2,768,673</b>
<b>Other</b>					
Increase (Decrease) in Fair Mkt Value of Inv	419,976	(187,541)	103,283	282,714	230,746
Transfer In of MSU Prior Period Beginning Balances		120,451			
<b>Total Change in Net Position</b>	<b>469,793</b>	<b>180,949</b>	<b>242,379</b>	<b>412,841</b>	<b>737,940</b>
<b>Beginning Net Position (Sept 1) as Restated</b>	<b>2,928,824</b>	<b>3,345,979</b>	<b>3,543,100</b>	<b>3,812,545</b>	<b>4,225,386</b>
<b>Ending Net Position</b>	<b>3,398,617</b>	<b>3,526,928</b>	<b>3,785,479</b>	<b>4,225,386</b>	<b>4,963,326</b>

MSU added to TTUS financials in FY22.  
MSUF added to TTUS financials in FY24.

# Statement of Net Position

## FY 2021 – FY 2025 (In Thousands)

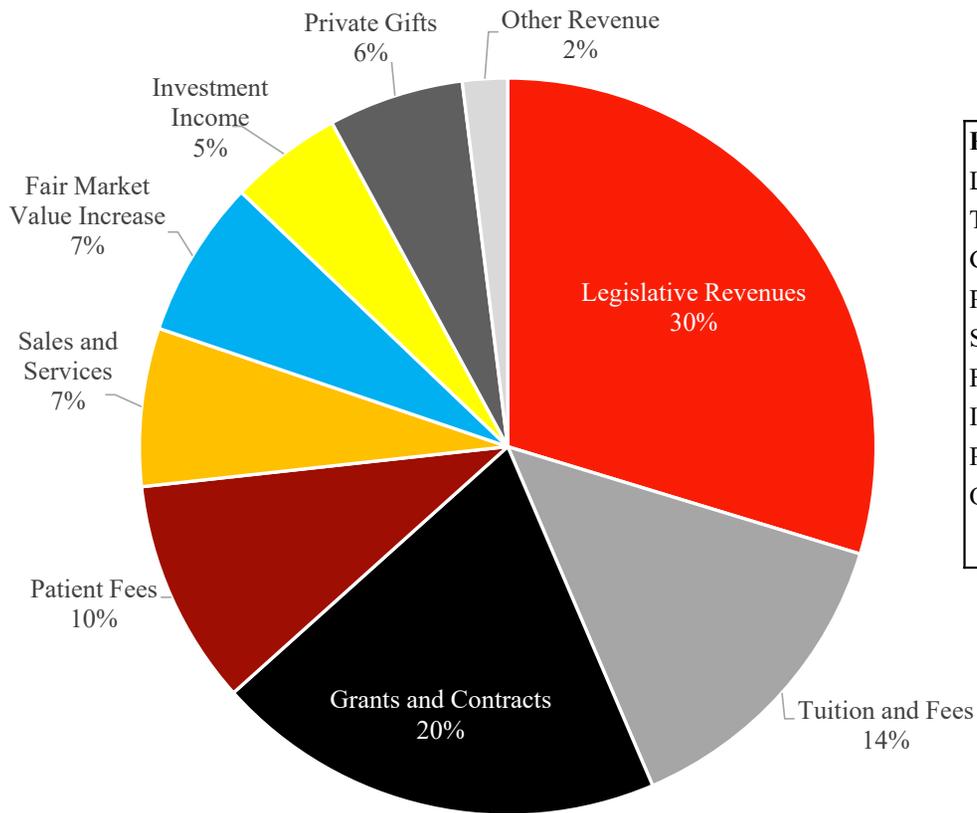


	Restated				FY 2025
	FY 2021	FY 2022	FY 2023	FY 2024	
<b>Assets &amp; Deferred Outflows</b>					
Current Assets	821,928	929,024	992,299	1,110,291	1,450,885
Total Capital Assets, Net	1,953,276	2,137,712	2,220,381	2,366,574	2,446,419
Total Non-Current Investments	2,905,798	3,007,800	3,225,682	3,662,348	4,030,550
Other Non-Current Assets	159,578	199,358	475,521	424,586	342,625
<b>TOTAL ASSETS</b>	<b>5,840,580</b>	<b>6,273,893</b>	<b>6,913,883</b>	<b>7,563,798</b>	<b>8,270,480</b>
TOTAL DEFERRED OUTFLOWS	534,081	406,266	292,510	202,953	150,868
<b>Liabilities &amp; Deferred Inflows</b>					
Current Liabilities	619,825	690,551	722,345	967,184	761,005
Non-Current Net Pension and OPEB Liabilities	1,183,923	1,148,971	1,132,689	1,163,749	1,133,123
Revenue Bonds Payable	729,113	794,585	997,542	918,125	1,102,224
Other Non-Current Liabilities	108,935	127,815	164,704	132,722	143,993
<b>TOTAL LIABILITIES</b>	<b>2,641,796</b>	<b>2,761,922</b>	<b>3,017,281</b>	<b>3,181,780</b>	<b>3,140,345</b>
TOTAL DEFERRED INFLOWS	334,248	391,309	403,632	359,586	317,677
<b>Net Position</b>					
Invested in Capital Assets, Net of Related Debt	1,149,262	1,195,007	1,299,940	1,311,429	1,386,701
Restricted, Expendable	715,989	769,217	842,731	980,221	1,298,322
Restricted, Non-Expendable	828,326	895,202	927,485	1,002,712	1,101,692
Unrestricted	705,040	667,502	715,323	931,025	1,176,611
<b>Total Net Position</b>	<b>3,398,617</b>	<b>3,526,928</b>	<b>3,785,479</b>	<b>4,225,386</b>	<b>4,963,326</b>

- Total Net Position increased 17% from FY24 to FY25.

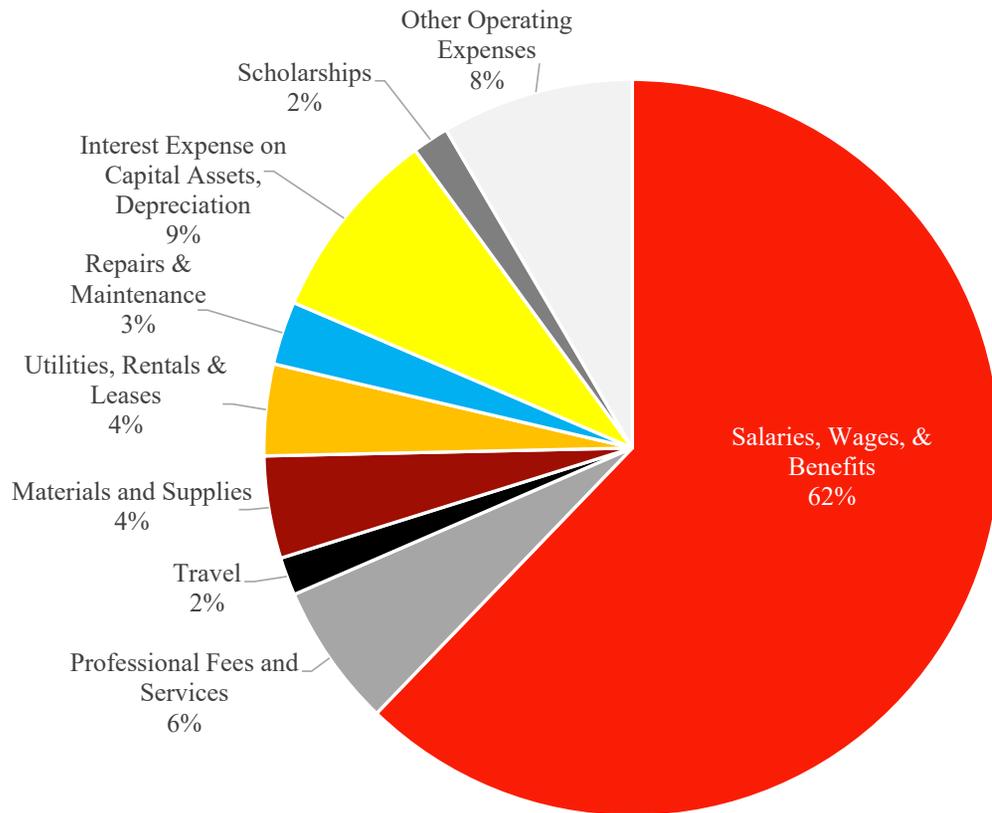
MSU added to TTUS financials in FY22.  
MSUF added to TTUS financials in FY24.

# Total Revenues, FY 2025



Revenues (in thousands)	FY 2025	
Legislative Revenues	1,057,665	30%
Tuition and Fees	498,303	14%
Grants and Contracts	695,476	20%
Patient Fees	344,016	10%
Sales and Services ( <i>Housing, Meals, Athletics</i> )	243,646	7%
Fair Market Value Increase	230,746	7%
Investment Income	170,231	5%
Private Gifts	213,329	6%
Other Revenue	53,201	2%
<b>TOTAL REVENUE</b>	<b><u>3,506,613</u></b>	

# Total Expenses, FY 2025



Expenses (in thousands)	FY 2025	
Salaries, Wages, & Benefits	1,722,329	62%
Professional Fees and Services	174,218	6%
Travel	46,338	2%
Materials and Supplies	124,054	4%
Utilities, Rentals, & Leases	111,098	4%
Repairs & Maintenance	77,185	3%
Interest Expense on Capital Assets, Depreciation	235,735	9%
Scholarships	44,384	2%
Other Operating Expenses	233,333	8%
<b>TOTAL EXPENSES</b>	<b>2,768,673</b>	