



North Dakota University System

Annual Financial Review Report

For Fiscal Year Ended June 30, 2025

NORTH DAKOTA UNIVERSITY SYSTEM
FINANCIAL REVIEW
Fiscal Year Ending 2025
Issue Date: April 10, 2026

The purpose of this report is to provide a financial analysis of each institution for fiscal year 2025. It provides an understanding of the financial health of each institution, as of June 30, 2025 and to identify trends over a period of time. It is not the intent to compare ratios of one institution to the ratios of another, but rather to compare each institution to the identified industry standard where applicable. With the exception of the Composite Financial Index (CFI), these are general industry standards and not specific to higher education. However, they provide a good benchmark to measure financial performance. In addition, individual ratio results do not stand on their own; rather, the results of all ratios and trends over time should be viewed together when considering the financial health of each institution.

Pages 6 -7 contain a national funding analysis with data provided by SHEEO. Nationally, in fiscal year 2025 North Dakota ranked 29th in total educational revenues per FTE, compared to 20th in fiscal year 2024. North Dakota ranked 30th in fiscal year 2025 in state/local appropriations funding per FTE student, compared to a ranking of 27th in fiscal year 2024.

The operating income and net income margins ratios have been in the negative range for multiple years at most of the institutions and can fluctuate significantly from year to year. Factors such as large year-to-year variations in the actuarially-determined pension expense and increased depreciation expense as a result of additional buildings or building improvements can impact these ratios. Additionally, capital asset appropriations and capital grants and gifts can vary significantly from year-to-year and impact the net income margin. These ratios are not a concern at this time because all institutions have an acceptable CFI and, with the exception of Dickinson State University (DSU), maintain adequate appropriated reserves and additional designated reserves at levels required by the North Dakota State Board of Higher Education. See page 16 for additional information about DSU's reserves.

Formulas for CFI and Ratios Used in this Report

Composite Financial Index (CFI) Calculation

The CFI creates one overall measurement of financial health based on four core ratios: primary reserve ratio, net income ratio, viability ratio and return on net assets ratio. It is calculated by:

1. Determining the value of each ratio;
2. Converting the value of each ratio to strength factors along a common scale;
3. Multiplying the strength factors by specific weighting factors;
4. Totaling the resulting four numbers to reach the single CFI score.

When calculating these ratios for the CFI, the Higher Learning Commission (HLC) requires the following balances for the component units' accounts also be included:

1. Unrestricted, temporarily restricted net assets;
2. Total net assets;
3. Change in net assets;
4. Net investment in plant;
5. Total expenses;
6. Change in unrestricted net assets;
7. Total unrestricted revenues;
8. Long-term project related debt.

The component units (CU) included in these calculations are:

- Bismarck State College Foundation
- DCB Foundation
- Dickinson State University Heritage Foundation
- Lake Region Community College Foundation
- Mayville State University Foundation
- Minot State University Development Foundation
- North Dakota State College of Science Foundation
- NDSU Foundation and Alumni Association, NDSU Research & Technology Park, Inc.
- UND Aerospace Foundation, The UND Alumni Association and Foundation, REA Arena, Inc., UND Arena Services, Inc., UND Sports Facilities, Inc. and Arena Holdings Charitable LLC.
- VCSU Foundation
- Williston State College Foundation

Component unit balances are not included in other calculations in this report.

The CFI is presented for each institution and their component unit(s) listed above, as follows:

- CFI, including CU and excluding GASB 68 pension and GASB 75 OPEB liability and expense.
- CFI, excluding CU and excluding GASB 68 pension and GASB 75 OPEB liability and expense.

HLC uses the first measurement as its official CFI score. The second measurement is included here for informational purposes only.

HLC uses the zones listed below to evaluate institutions:

| CFI Zones | Public Institutions Composite Index | Outcomes |
|------------------|--|--|
| Above | 1.10 to 10 | No Review |
| In | 0 to 1.0 | Financial Panel Review if “in” for two or more consecutive years |
| Below | -4.0 to -0.1 | Financial Panel Review if “below” in any given year |

Viability Ratio

| |
|--|
| Formula: $\frac{\text{Expendable Net Position}}{\text{Long-Term Debt}}$ |
|--|

Measures ability to retire long-term debt using current resources. Expendable net position includes unrestricted net position and all expendable restricted net position, excluding net investment in plant. Long-term debt excludes compensated absences. A ratio of greater than 1.0 is good and a ratio of less than .3 is of concern.

Primary Reserve Ratio

| |
|---|
| Formula: $\frac{\text{Unrestricted Net Position and Expendable Net Position}}{\text{Annual Operating Expenses}}$ |
|---|

Measures ability to operate at current levels without future revenues. A ratio of greater than .1 is good while a ratio of less than .05 is of concern.

Current Ratio

| |
|--|
| Formula: $\frac{\text{Current Assets}}{\text{Current Liabilities}}$ |
|--|

Measures ability to meet current obligations. A ratio of greater than two is good, while a ratio of less than 1.0 is of concern.

Working Capital Ratio

| |
|---|
| Formula: $\frac{\text{Current Assets - Current Liabilities}}{\text{Operating Expenses}} \times 52 \text{ weeks}$ |
|---|

Measures ability to sustain operations in a short-term emergency (4-6 weeks). While no industry standard is available, professional judgment suggests an institution should be able to cover a minimum of 4 weeks of operating expenses in the event of an emergency.

Operating Income Margin Ratio

| |
|---|
| Formula: $\frac{\text{Income (loss) before state appropriations-capital assets and capital grants and gifts}}{\text{Total Revenue (operating and non-operating)}}$ |
|---|

Measures current year financial results. A ratio of greater than zero is desired and indicates an institution is not spending more than it is taking in during the year. A ratio greater than zero indicates an institution is adding to reserves.

The calculation includes state appropriations and other non-operating revenue as these revenues are used to fund operations. It excludes state appropriations for capital assets and capital grants and gifts.

A negative operating margin may occur when non-capitalized repairs are paid from appropriated repair and maintenance funds, a department is spending revenue earned in a prior year, or a department is spending more than earned in the current year.

Net Income Margin Ratio

| | |
|-----------------|---|
| Formula: | $\frac{\text{Increase (decrease) in net position}}{\text{Total Revenue (operating and non-operating)}}$ |
|-----------------|---|

Measures an institution's financial status in terms of current year operations. A positive margin indicates a net increase in current year fund balances. A negative margin results when current year expenditures exceed current year revenues, requiring institutions to draw on reserves or creating deficit spending.

Net Tuition and Fees, per FTE Enrollment

| | |
|-----------------|---|
| Formula: | $\frac{\text{Net Tuition and Fees}}{\text{FTE Enrollment}}$ |
|-----------------|---|

Compares net tuition and fees to FTE enrollment. Table 5 in the fall enrollment report for the start of the fiscal year is used. For example, the Fall 2023 report is used for fiscal year 2024. As with the previous ratio, factors such as programs offered, number of in-state versus out-of-state students, state appropriations and other funding sources may affect this ratio. In addition, the ratio is affected by undergraduate, graduate and professional career enrollment.

No standard benchmarks exist to measure this ratio against because costs and other factors across the nation can vary significantly. Therefore, the information is provided here for informational purposes only.

Net Tuition and Fees Dependency

| | |
|-----------------|---|
| Formula: | $\frac{\text{Net Tuition and Fees}}{\text{Total Revenues}}$ |
|-----------------|---|

Compares net tuition and fees to total operating and non-operating revenues. Factors such as programs offered, number of in-state versus out-of-state students, state funding levels and other funding sources may affect this ratio. Examples of other funding sources are gifts, auxiliary revenue and federal, state and private grants.

No standard benchmarks exist to measure this ratio against, because costs and other factors across the nation can vary significantly. Therefore, the information is provided here for informational purposes only.

Net liquid assets less current liabilities (FY2021 to FY2025)

| | |
|-----------------|---|
| Formula: | $\frac{\text{FY2025 Net Liquid Assets} - \text{FY2021 Liquid Assets}}{\text{FY2021 Liquid Assets}}$ |
|-----------------|---|

Measures the change in ability to meet current obligations over time. Liquid assets includes cash, current investments and current receivables less current liabilities. A positive percentage change is desirable as it indicates improvement

over time in the ability to meet current obligations. A negative percentage change indicates decline in ability over time to meet current obligations.

The change in net liquid assets coupled with the current ratio indicates the change in financial liquidity from one year to another. The change in net liquid assets can fluctuate from year-to-year due to the liquid nature of current assets and current liabilities.

Long-term liabilities, excluding pension liability, OPEB liability and compensated absences

| | |
|-----------------|--|
| Formula: | $\frac{\text{FY2025 LT Liabilities} - \text{FY2021 LT Liabilities}}{\text{FY2021 LT Liabilities}}$ |
|-----------------|--|

Includes long-term liabilities, excluding pension liability, OPEB liability and compensated absences. A negative change indicates more debt was retired than added over the three-year period. A positive change indicates more debt was added than retired.

FUNDING ANALYSIS – Fiscal Year 2025 National per FTE Funding

Educational revenues (tuition and fees) per student are in line with the national average while the State funding per FTE for the public institutions of higher education in North Dakota is slightly below the national average .

| FY 2025 SHEEO Data for Public Institutions of Higher Ed (constand adjusted dollars) | | | |
|---|----------------|---|------------------|
| Total Educational Revenues Per FTE* | | Educational Appropriations (State/Local) Per FTE* | |
| 1 | Illinois | \$ | 33,917 |
| 2 | Delaware | \$ | 27,791 |
| 3 | Michigan | \$ | 26,885 |
| 4 | Alaska | \$ | 26,876 |
| 5 | New Mexico | \$ | 26,390 |
| 6 | Connecticut | \$ | 25,767 |
| 7 | Alabama | \$ | 25,430 |
| 8 | Tennessee | \$ | 23,571 |
| 9 | Texas | \$ | 23,047 |
| 10 | New York | \$ | 22,533 |
| 11 | Maryland | \$ | 22,028 |
| 12 | Minnesota | \$ | 21,866 |
| 13 | Wyoming | \$ | 21,716 |
| 14 | Vermont | \$ | 21,637 |
| 15 | South Carolina | \$ | 21,630 |
| 16 | Washington | \$ | 21,383 |
| 17 | Missouri | \$ | 21,064 |
| 18 | Idaho | \$ | 20,877 |
| 19 | Kansas | \$ | 20,845 |
| 20 | Massachusetts | \$ | 20,837 |
| 21 | Colorado | \$ | 20,507 |
| 22 | Nebraska | \$ | 20,335 |
| 23 | Hawaii | \$ | 20,184 |
| 24 | Iowa | \$ | 19,903 |
| 25 | South Dakota | \$ | 19,891 |
| 26 | Utah | \$ | 19,880 |
| 27 | Virginia | \$ | 19,807 |
| 28 | Kentucky | \$ | 19,791 |
| 29 | North Dakota | \$ | 19,272 |
| 30 | Pennsylvania | \$ | 18,774 |
| 31 | Mississippi | \$ | 18,746 |
| 32 | Ohio | \$ | 18,526 |
| 33 | Oregon | \$ | 18,493 |
| 34 | Wisconsin | \$ | 18,362 |
| 35 | Oklahoma | \$ | 18,023 |
| 36 | Georgia | \$ | 17,924 |
| 37 | Rhode Island | \$ | 17,924 |
| 38 | Indiana | \$ | 17,528 |
| 39 | North Carolina | \$ | 17,312 |
| 40 | New Jersey | \$ | 16,515 |
| 41 | Montana | \$ | 16,287 |
| 42 | Arizona | \$ | 16,086 |
| 43 | Arkansas | \$ | 16,046 |
| 44 | California | \$ | 15,709 |
| 45 | Maine | \$ | 15,423 |
| 46 | West Virginia | \$ | 14,462 |
| 47 | Florida | \$ | 14,023 |
| 48 | New Hampshire | \$ | 13,995 |
| 49 | Louisiana | \$ | 12,737 |
| 50 | Nevada | \$ | 12,695 |
| | US | \$ | 19,443 |
| | 1 | Illinois | \$ 25,468 |
| | 2 | New Mexico | \$ 23,020 |
| | 3 | Alaska | \$ 22,141 |
| | 4 | Wyoming | \$ 18,689 |
| | 5 | New York | \$ 16,047 |
| | 6 | Hawaii | \$ 15,827 |
| | 7 | Connecticut | \$ 15,096 |
| | 8 | Tennessee | \$ 14,955 |
| | 9 | Texas | \$ 14,879 |
| | 10 | Massachusetts | \$ 14,644 |
| | 11 | Washington | \$ 14,409 |
| | 12 | Nebraska | \$ 13,760 |
| | 13 | Maryland | \$ 13,674 |
| | 14 | Kansas | \$ 13,121 |
| | 15 | California | \$ 12,773 |
| | 16 | Georgia | \$ 12,727 |
| | 17 | North Carolina | \$ 12,271 |
| | 18 | Utah | \$ 12,153 |
| | 19 | Idaho | \$ 12,100 |
| | 20 | Virginia | \$ 11,547 |
| | 21 | Florida | \$ 11,503 |
| | 22 | Alabama | \$ 11,210 |
| | 23 | Minnesota | \$ 11,191 |
| | 24 | Missouri | \$ 10,972 |
| | 25 | South Dakota | \$ 10,711 |
| | 26 | Michigan | \$ 10,640 |
| | 27 | Kentucky | \$ 10,608 |
| | 28 | Nevada | \$ 10,407 |
| | 29 | New Jersey | \$ 10,194 |
| | 30 | North Dakota | \$ 10,066 |
| | 31 | South Carolina | \$ 10,049 |
| | 32 | Wisconsin | \$ 9,955 |
| | 33 | Arkansas | \$ 9,557 |
| | 34 | Oklahoma | \$ 9,379 |
| | 35 | Maine | \$ 9,028 |
| | 36 | Mississippi | \$ 8,764 |
| | 37 | Oregon | \$ 8,580 |
| | 38 | West Virginia | \$ 8,432 |
| | 39 | Ohio | \$ 8,352 |
| | 40 | Rhode Island | \$ 7,966 |
| | 41 | Colorado | \$ 7,933 |
| | 42 | Montana | \$ 7,839 |
| | 43 | Louisiana | \$ 7,402 |
| | 44 | Delaware | \$ 7,322 |
| | 45 | Iowa | \$ 7,296 |
| | 46 | Pennsylvania | \$ 7,227 |
| | 47 | Indiana | \$ 6,716 |
| | 48 | Arizona | \$ 6,064 |
| | 49 | Vermont | \$ 5,470 |
| | 50 | New Hampshire | \$ 4,557 |
| | US | \$ | 12,082 |

*Excluding Ag research, extension and med school funding.

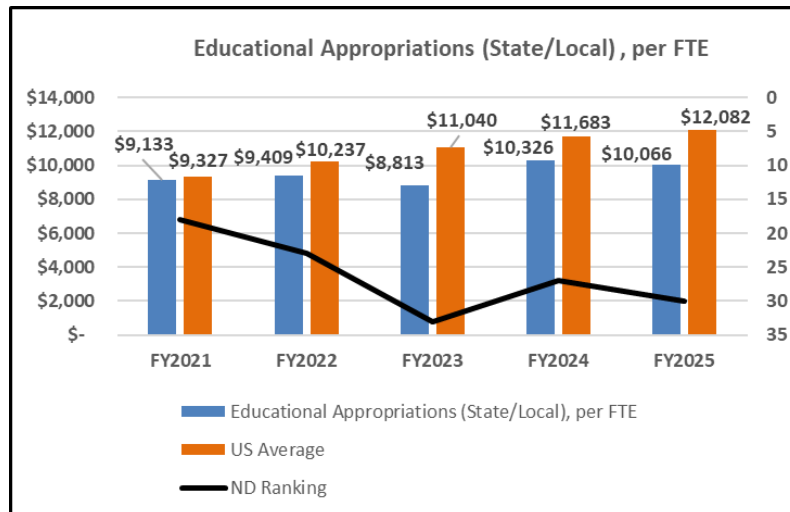
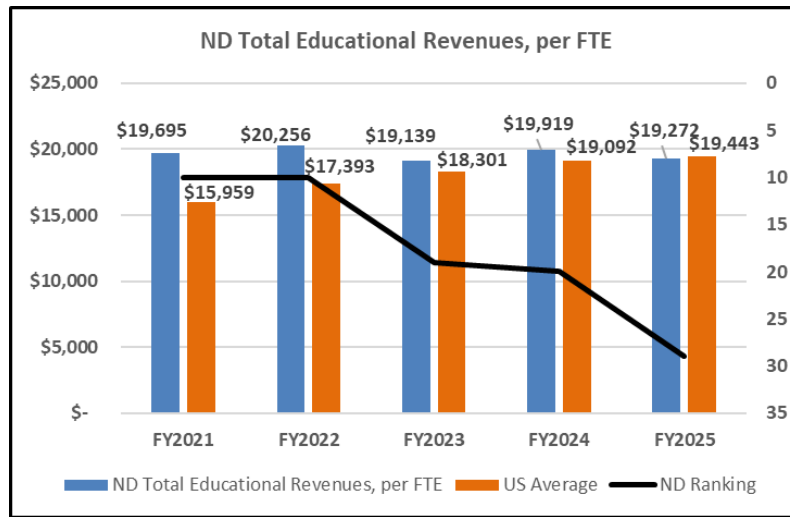
Source: Fiscal Year 2025 SHEEO State Higher Education Finance Report

Nationally, North Dakota ranked 29th in total educational revenues per FTE in fiscal year 2025, compared to a ranking of 20th in fiscal year 2024. North Dakota ranked 30th in state/local appropriations funding per FTE student, compared to a ranking of 27th in fiscal year 2024.

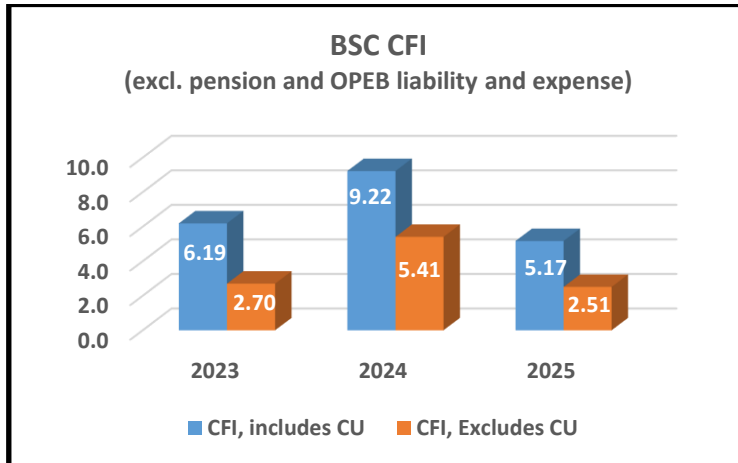
| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
|--|-----------|-----------|-----------|-----------|-----------|
| ND Total Educational Revenues per FTE | \$ 19,695 | \$ 20,256 | \$ 19,139 | \$ 19,919 | \$ 19,272 |
| % increase (decrease) | | | | | -2.1% |
| US Average | \$ 15,959 | \$ 17,393 | \$ 18,301 | \$ 19,092 | \$ 19,443 |
| % increase (decrease) | | | | | 21.8% |
| ND Ranking | 10 | 10 | 19 | 20 | 29 |

| | FY2021 | FY2022 | FY2023 | FY2024 | FY2025 |
|---|----------|-----------|-----------|-----------|-----------|
| Educational Appropriations (State/Local) per FTE | \$ 9,133 | \$ 9,409 | \$ 8,813 | \$ 10,326 | \$ 10,066 |
| % increase (decrease) | | | | | 10.2% |
| US Average | \$ 9,327 | \$ 10,237 | \$ 11,040 | \$ 11,683 | \$ 12,082 |
| % increase (decrease) | | | | | 29.5% |
| ND Ranking | 18 | 23 | 33 | 27 | 30 |

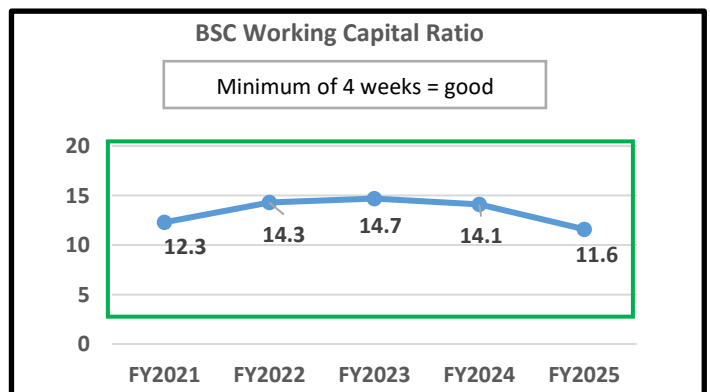
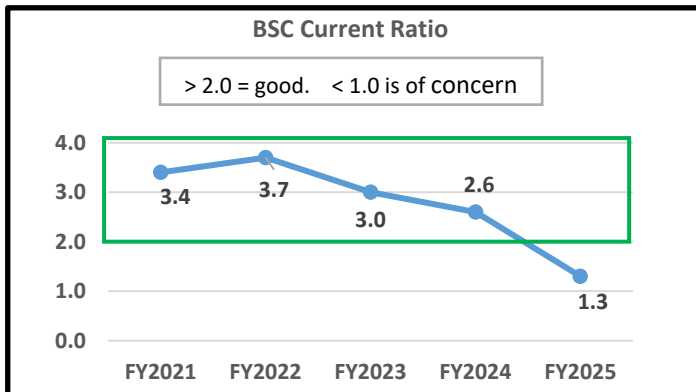
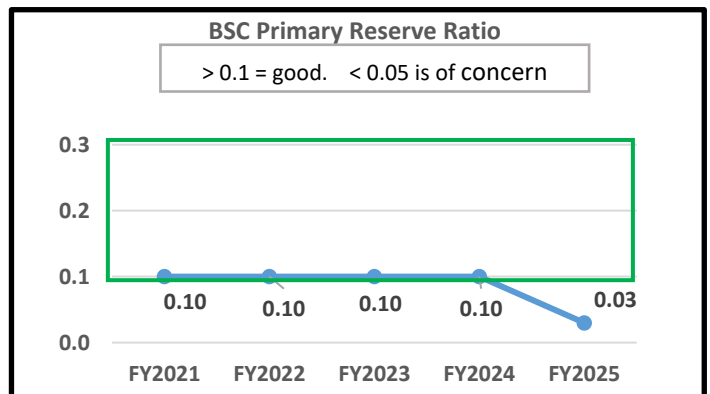
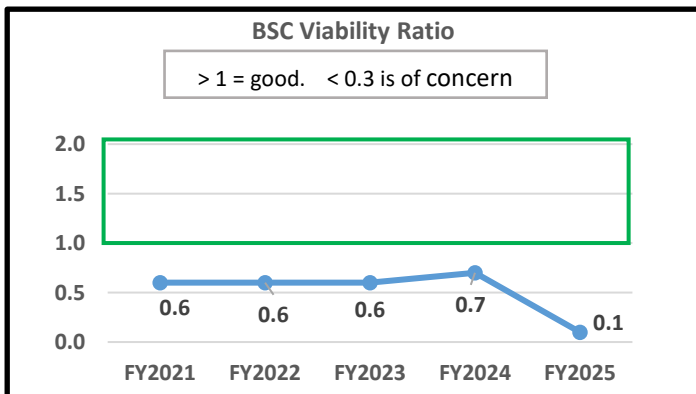
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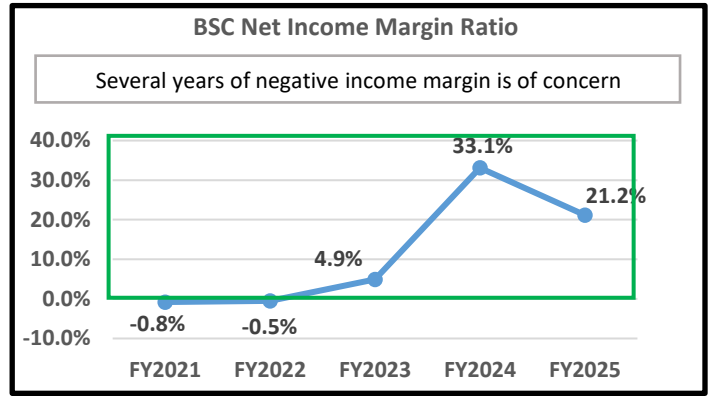
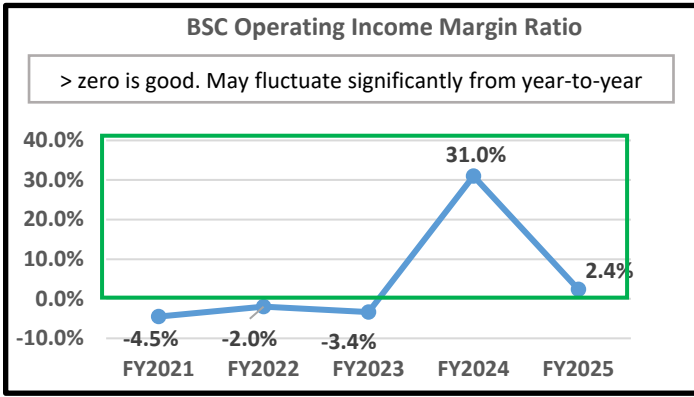


Bismarck State College (BSC)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
| Above | 1.10 to 10 | No Review |
| In | 0 to 1.0 | Financial Panel Review if “in” for two or more consecutive years |
| Below | -4.0 to -0.1 | Financial Panel Review if “below” in any given year |



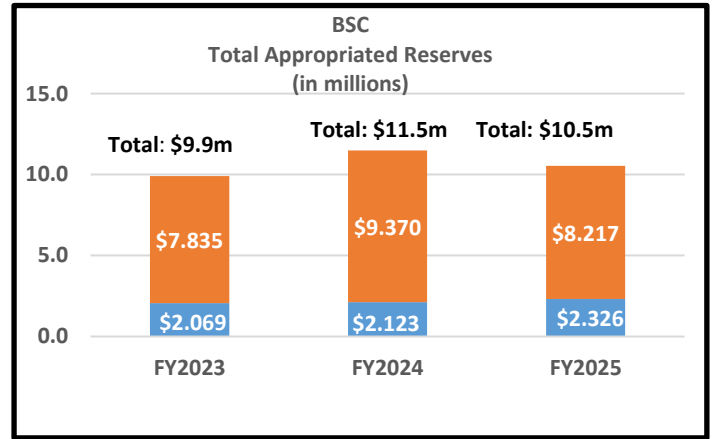
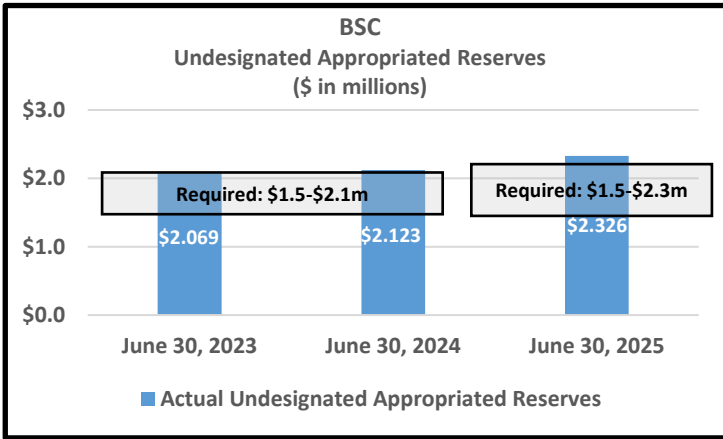


Appropriated Reserves

Unrestricted appropriated funds are set aside for two purposes: 1) undesignated reserves for sudden revenue shortfalls or unexpected expenses and 2) designated reserves for future programs, technology, strategic planning initiatives, etc., and other needs as determined by the institution.

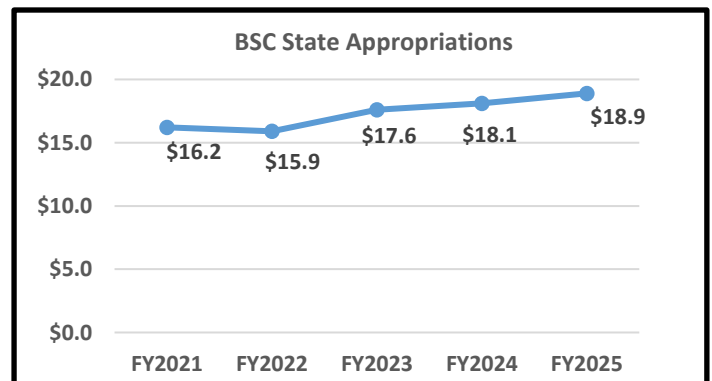
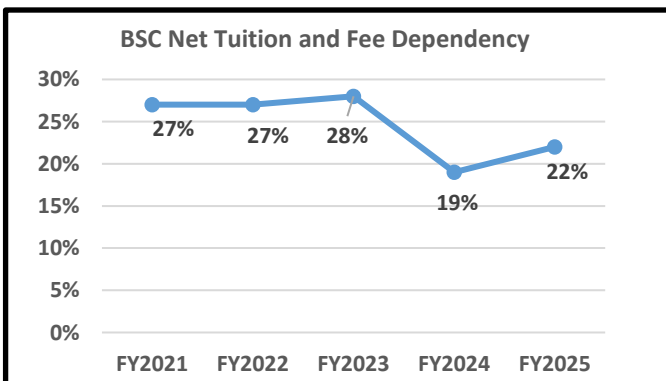
SBHE Policy 810. (1a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. BSC's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

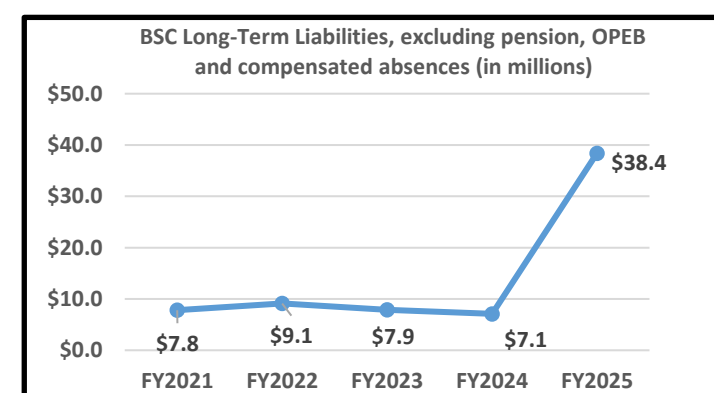
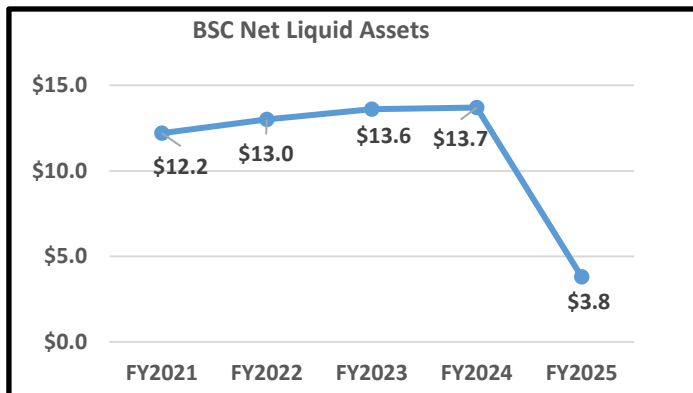
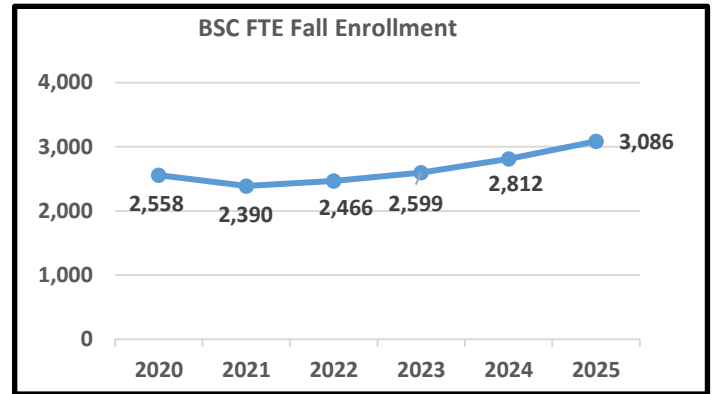
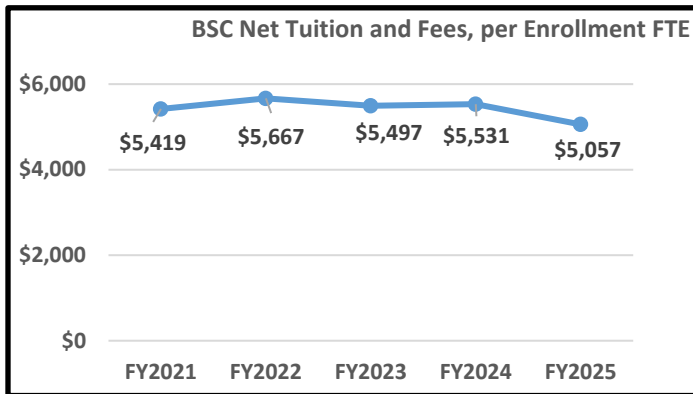
The information is presented on a cash basis.



Other Ratios:

No industry standard exists for the following ratios. They are presented here for informational purposes only.

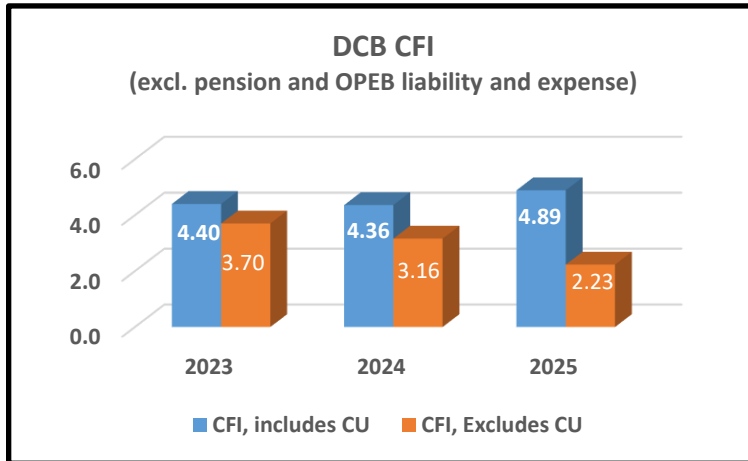




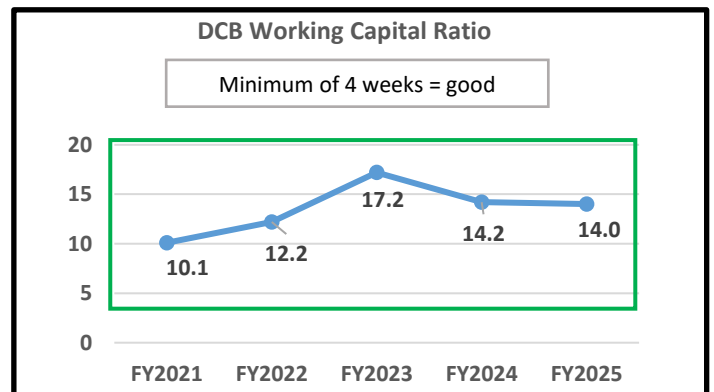
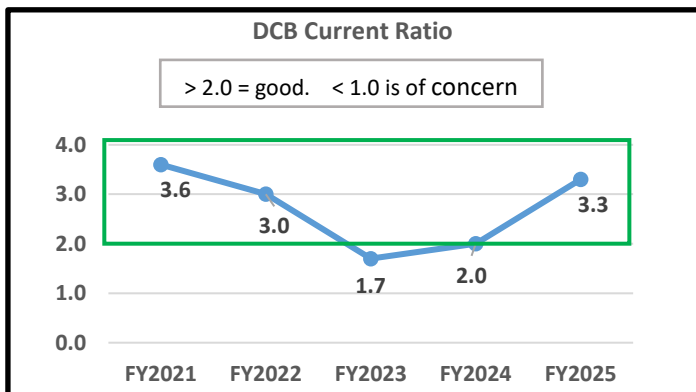
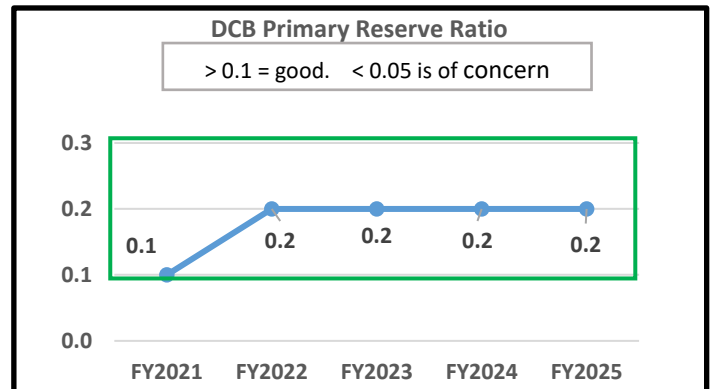
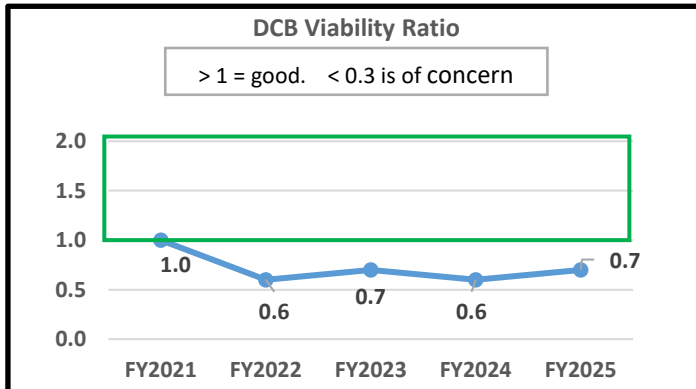
BSC Summary

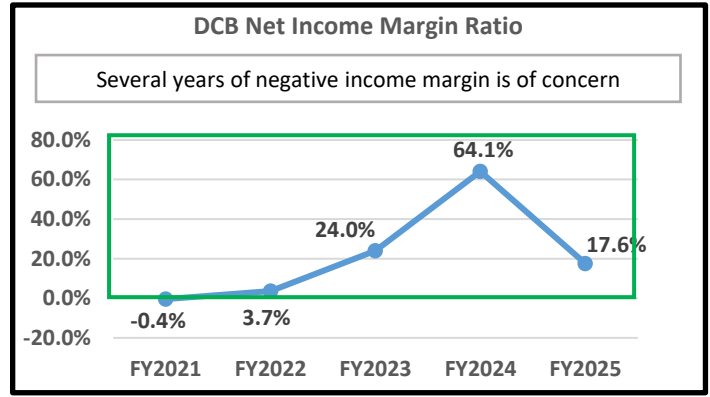
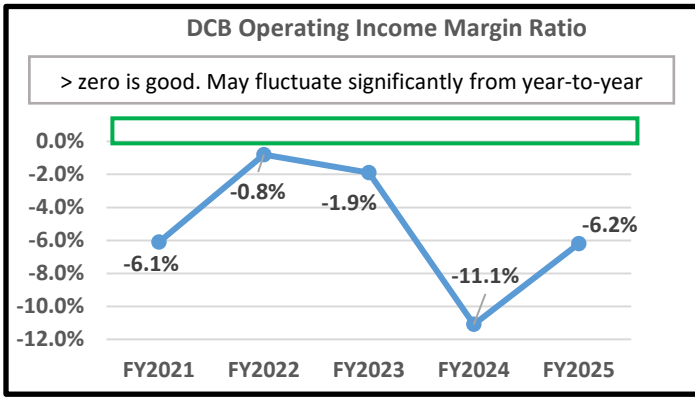
- The CFI scores are solid. The fiscal year 2025 CFI decreased due to a reduction in federal stimulus grants. In fiscal year 2024, BSC received \$26.2 million for the Polytechnic Building. Also, in fiscal year 2025, BSC issued \$30.0 million in bonds for the athletic facility.
- The viability ratio has been below 1.0 for several years. The ratio decreased in fiscal year 2025 due to the issuance of \$30.0 million in revenue bonds. Also, there were additional non-recurring expenses in fiscal year 2025 for program, non-capitalizable building expenses and the former President’s severance payment. The NDUS system office reimbursed BSC for the severance payment in fiscal year 2026. BSC expects their viability and primary reserve ratios to improve back to pre-fiscal year 2025 levels as bonds are paid off.
- The current ratio and the net liquid assets decreased in fiscal year 2025 as a result of a liability of \$9.0 million recorded for checks issued in excess of cash.
- The operating income margin and net income margin increased significantly in fiscal year 2024 due to the \$24.5 million in State and Local Fiscal Recovery Funds received for the construction of the Polytechnic Building.
- Enrollment continued to increase in fiscal year 2025. The Fall 2024 enrollment increased 254 or 9.9 percent compared to Fall 2020 enrollment.

Dakota College of Bottineau (DCB)



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|-----------|-------------------------------------|--|
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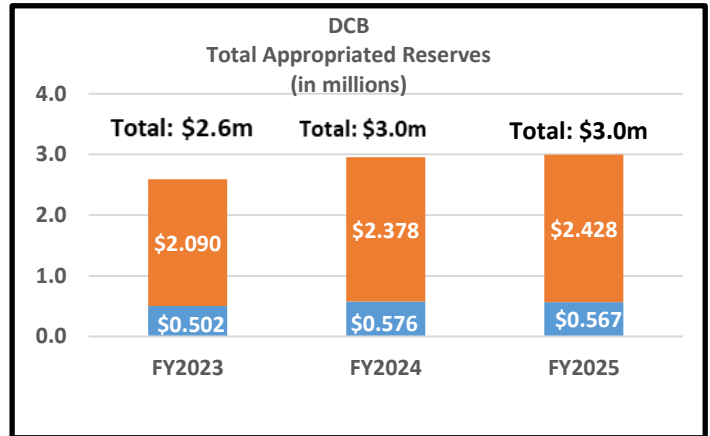
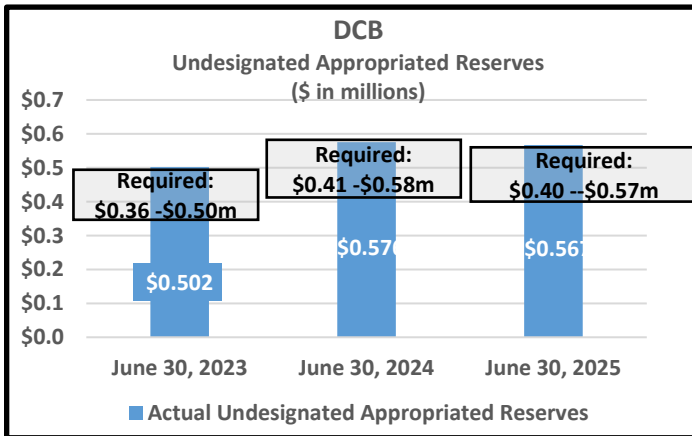


Appropriated Reserves

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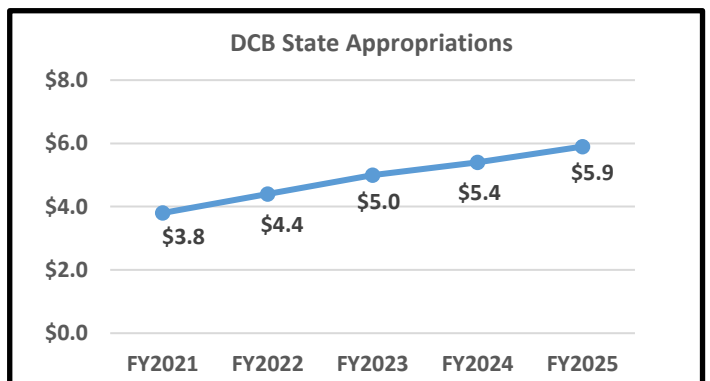
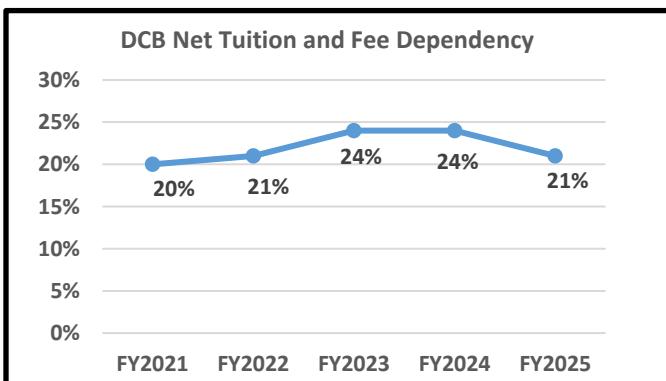
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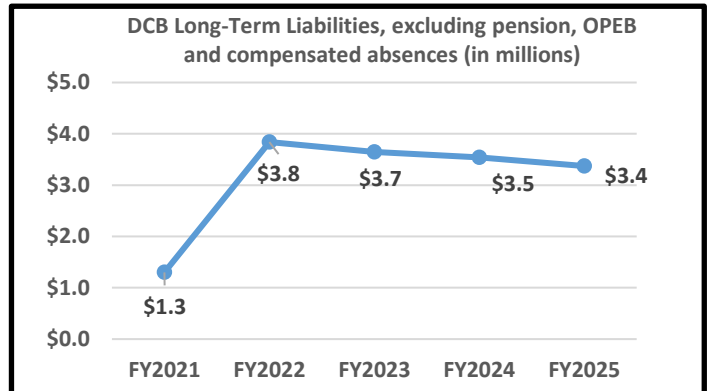
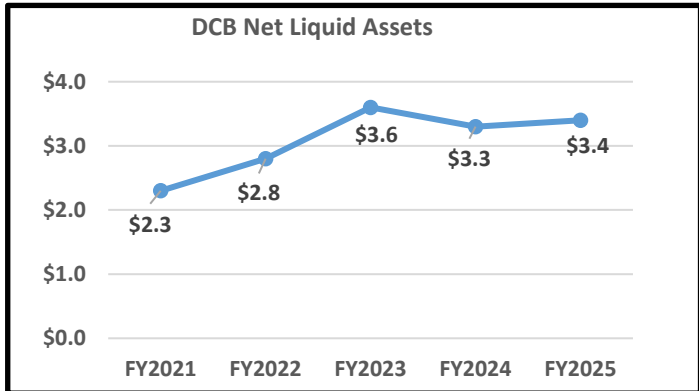
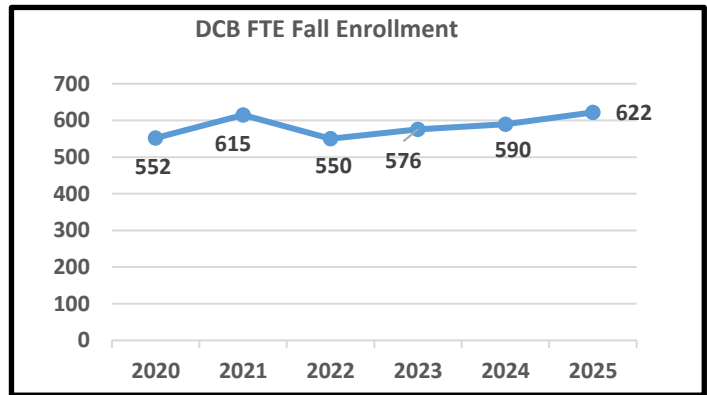
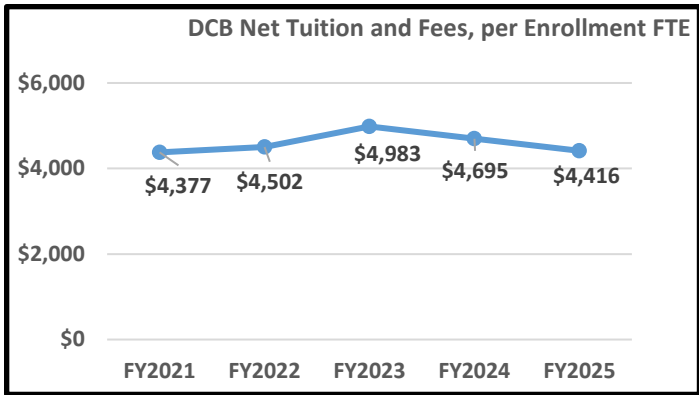
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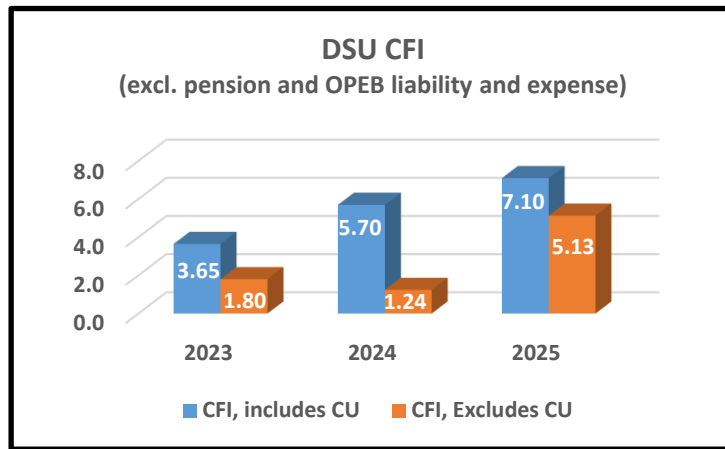




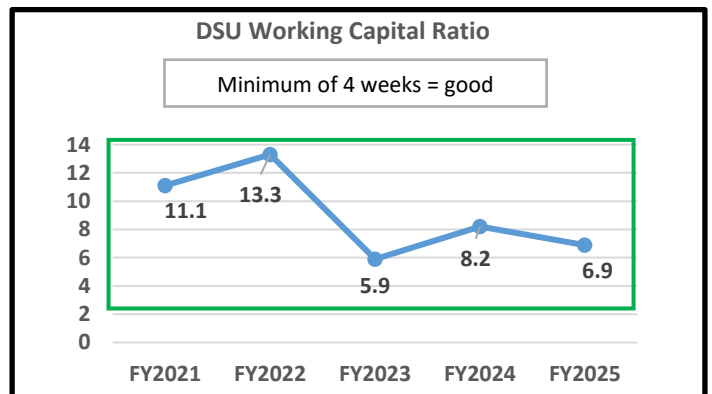
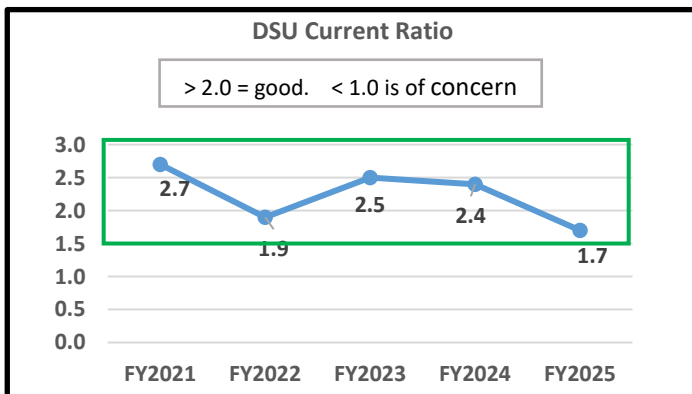
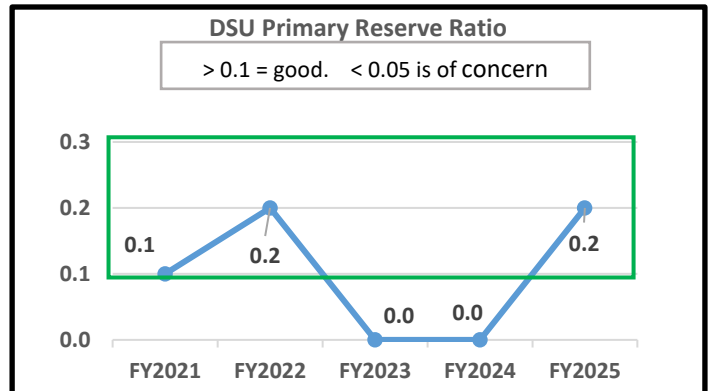
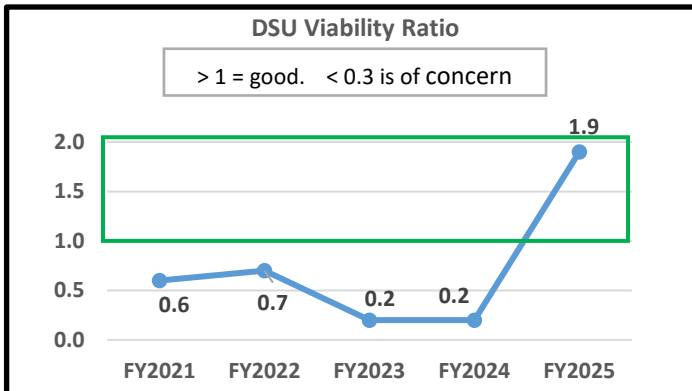
DCB Summary:

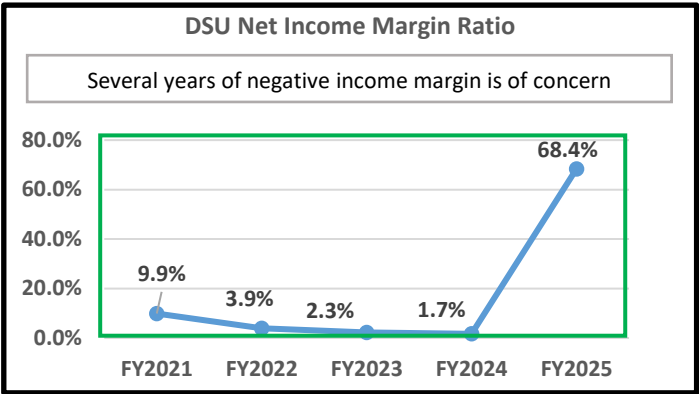
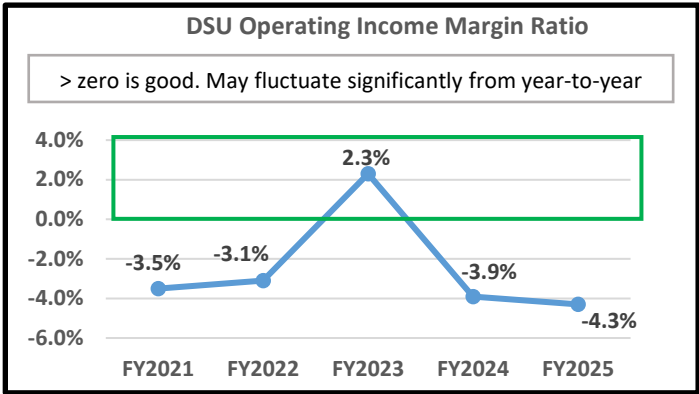
- CFI scores are solid.
- The viability ratio has been below 1.0 since fiscal year 2022 but it is not a concern at this time given DCB’s strong CFI score. The decrease is the result of capital leases of \$1.3 million beginning in fiscal year 2022 for energy savings projects. Energy cost savings are expected to offset the lease payments.
- The operating income margin ratio has been negative for several years. The net income ratio has increased in fiscal years 2022, 2023 and 2024. For the past four fiscal years, DCB received the following state appropriations and capital grants in gifts for the Old Main Renovation.
 - Fiscal year 2022: State appropriations-capital assets - \$458,000. Capital grants and gifts - \$131,000.
 - Fiscal year 2023: State appropriations-capital assets - \$1.5 million. Capital grants and gifts - \$1.5 million.
 - Fiscal year 2024: State appropriations-capital assets - \$3.2 million. Capital grants and gifts - \$5.4 million.
 - Fiscal year 2025: State appropriations-capital assets - \$2.8 million. Capital grants and gifts - \$258,000.
- Long-term liabilities increased \$2.5 million in fiscal year 2022 due to the issuance of Housing and Auxiliary Facilities Revenue Bonds that will mature in fiscal year 2046.

Dickinson State University (DSU)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
| Above | 1.10 to 10 | No Review |
| In | 0 to 1.0 | Financial Panel Review if "in" for two or more consecutive years |
| Below | -4.0 to -0.1 | Financial Panel Review if "below" in any given year |





Appropriated Reserves

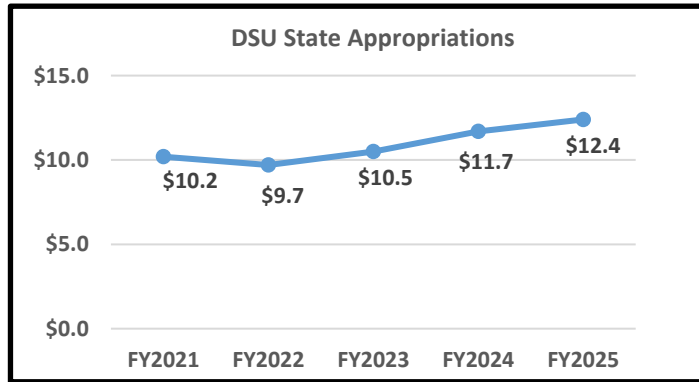
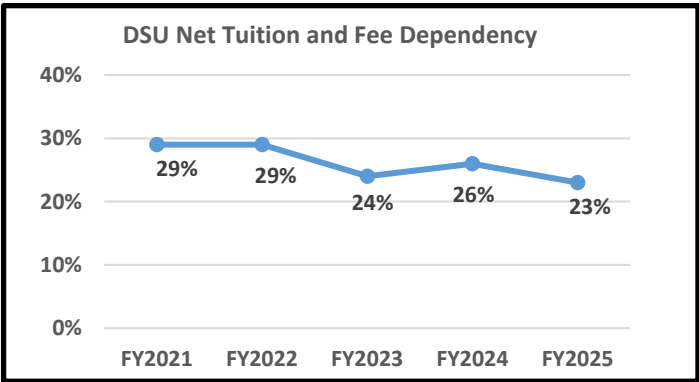
Unrestricted appropriated funds are set aside for two purposes: 1) undesignated reserves for sudden revenue shortfalls or unexpected expenses and 2) designated reserves for future programs, technology, strategic planning initiatives, etc., and other needs as determined by the institution.

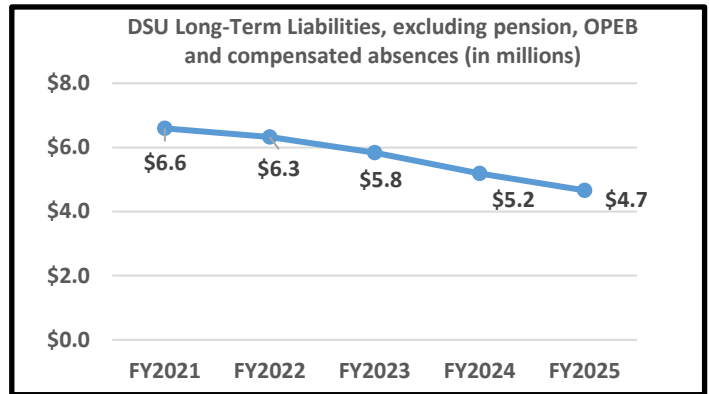
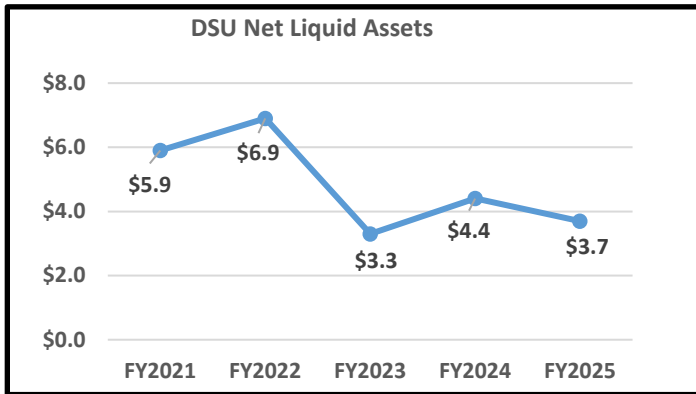
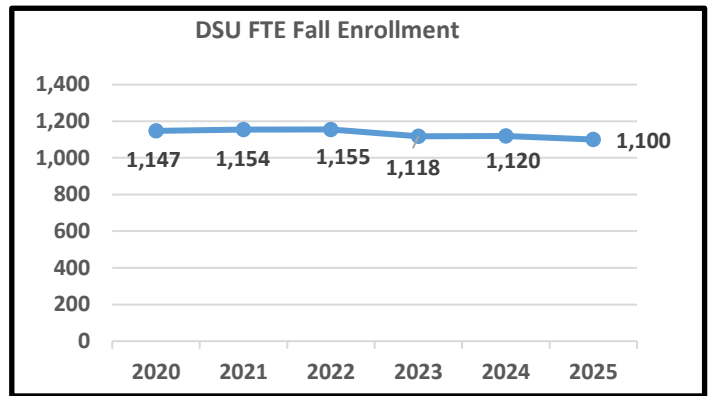
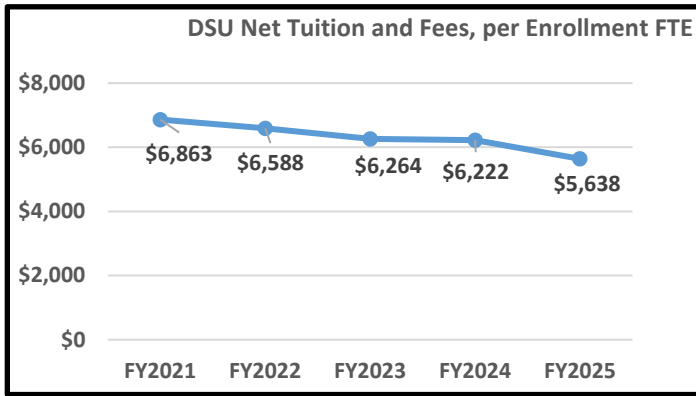
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue.

DSU is currently undergoing a financial review and the appropriated reserves will be published at a later date.

Other Ratios:

No industry standard exists for the following ratios. They are presented here for informational purposes only.





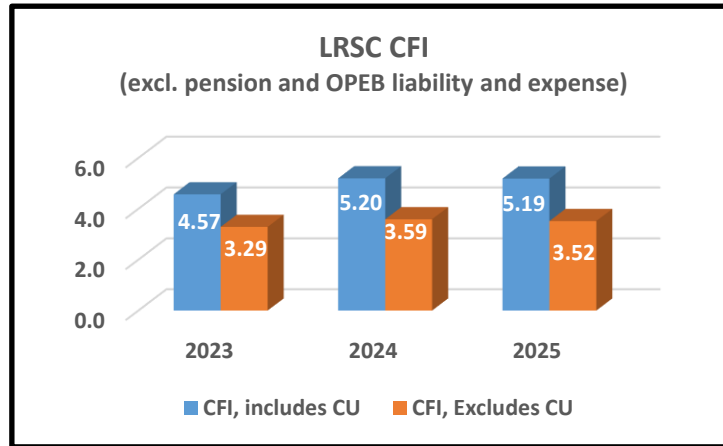
DSU Summary:

- DSU’s CFI increased in fiscal year 2025 as a result of recording SIIF cash of \$7.9 million after the State Treasury Department transferred the funds to DSU’s specific account held at the Treasury Department. Without the SIIF cash, DSU’s CFI would have been 5.99, including the component unit and 2.96, excluding the component unit. DSU received additional state capital appropriations of \$11.6 million in fiscal year 2025. Excluding the SIIF funding and the additional state capital appropriations, DSU’s CFI, including the component unit would have been 4.56 and 0.67, excluding the component unit. The Higher Learning Commission includes the component unit for its CFI calculation and review determination. This calculation without the component unit, excluding the capital funding would place DSU in the Financial panel review by the HLC.
- The viability and primary reserve ratios increased in fiscal year 2025 as a result of SIIF monies received. Excluding the SIIF funding, the viability ratio (expendable net position over long term debt) would have been 0.2, the same level as reported the previous two years and in the “is of Concern” range. The primary reserve ratio (expendable net position over operating expenses) would have been 0.0 the same level as reported the previous two years and in the “is of Concern” range.
- The operating income margin ratio, including and excluding pension expense, increased to above zero in fiscal year 2023 but has been below zero for the remaining fiscal years, which indicates expenses are exceeding revenues.
- The net income margin ratio increased in fiscal year 2025 due to total state appropriations for capital assets of \$19.6 million. Excluding the state appropriations for capital assets, the net income margin ratio would have been -4.3 percent, which indicates expenses are exceeding revenues.
- The Fall 2025 enrollment decreased 54 compared to the Fall 2021. The Fall 2024 enrollment of 1,120 decreased 27 compared to Fall 2020 enrollment.

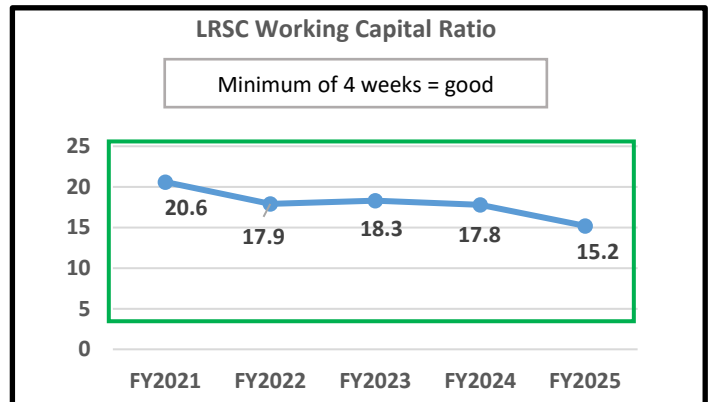
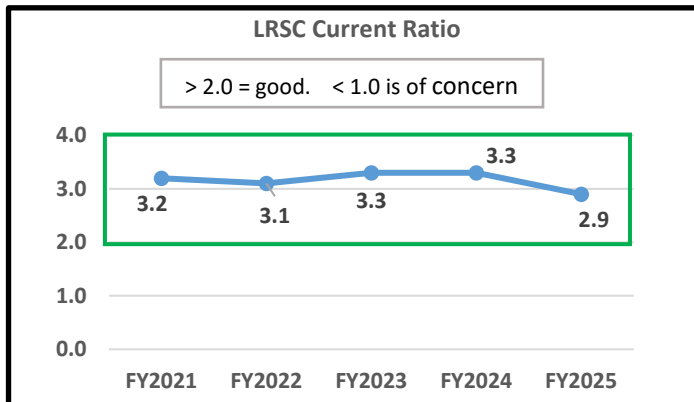
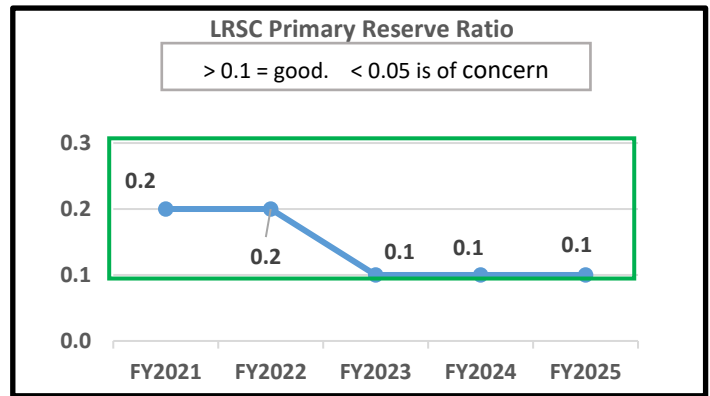
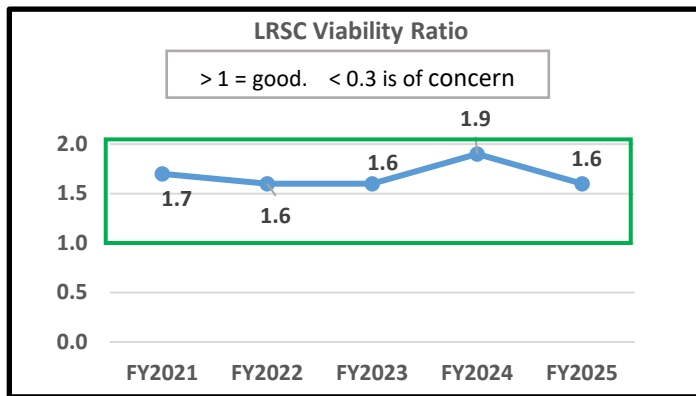
- DSU is reviewing all areas for cost control and process improvements. DSU hired a Director of Process Improvement in August of 2025 who reports directly to the President and identifies process improvement in all areas of campus operations. Below are the initiatives identified to date. Estimated cost savings for the cost management and operational efficiency initiatives are \$870,000.
 - Cost management:
 - Elimination of some marketing programs that could not be measured for ROI
 - Approximately 9 FTE reductions from early retirements and vacant positions
 - Renegotiated maintenance contracts
 - Operational Efficiency:
 - Revamped our new student Applications process
 - New less expensive calendar scheduling software
 - Replace student communication platform with an annual cost reduction
 - Revenue opportunities, resulting in estimated increased revenues of \$50,000:
 - Elimination of bookstore vendor
 - Renting dorm rooms for summer travelers and workers for Theodore Roosevelt Presidential Library opening in July 2026.

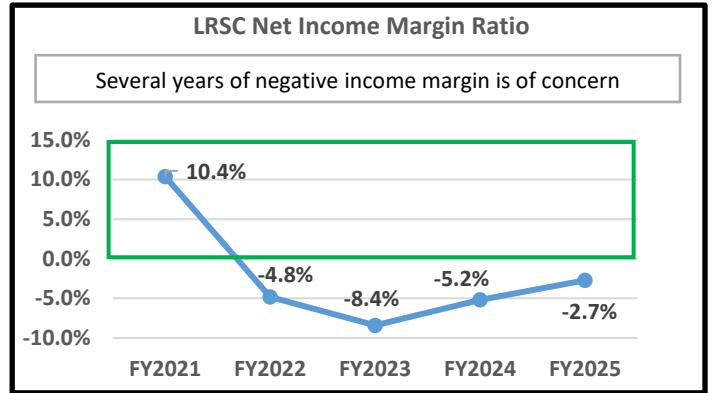
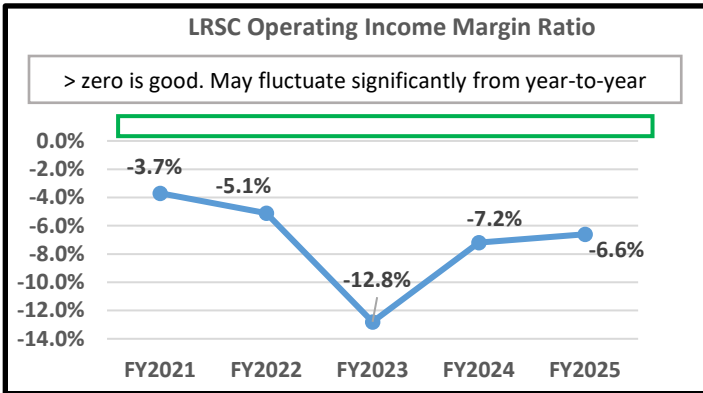
Additionally, NDSU is providing accounting services for DSU.

Lake Region State College (LRSC)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
| Above | 1.10 to 10 | No Review |
| In | 0 to 1.0 | Financial Panel Review if “in” for two or more consecutive years |
| Below | -4.0 to -0.1 | Financial Panel Review if “below” in any given year |



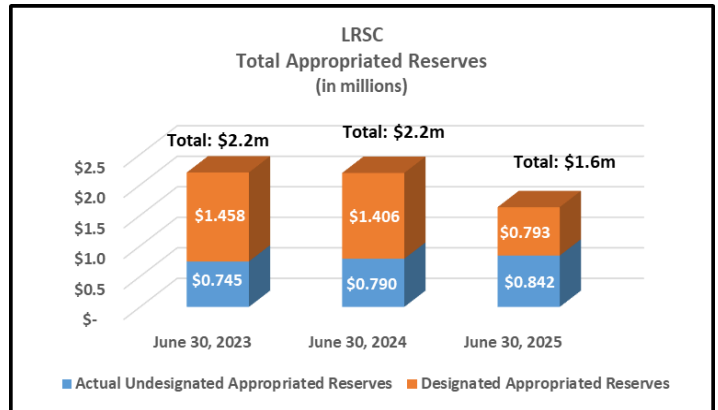
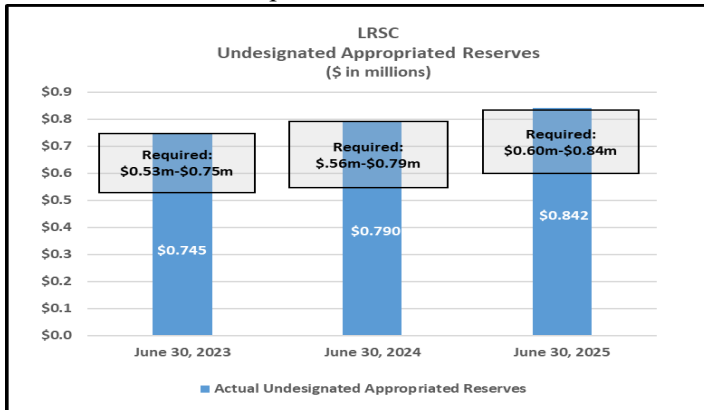


Appropriated Reserves

Unrestricted appropriated funds are set aside for two purposes: 1) undesignated reserves for sudden revenue shortfalls or unexpected expenses and 2) designated reserves for future programs, technology, strategic planning initiatives, etc., and other needs as determined by the institution.

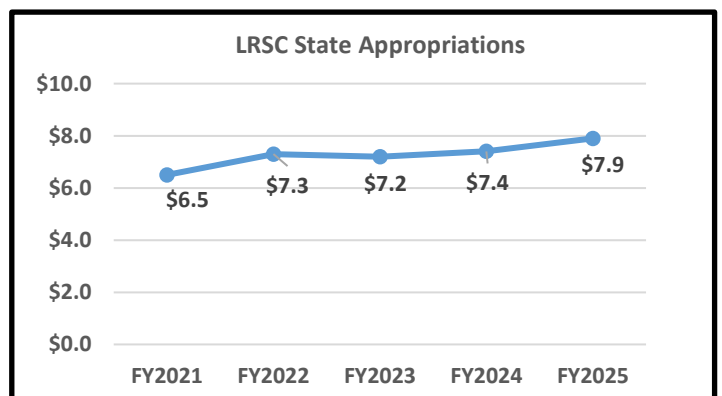
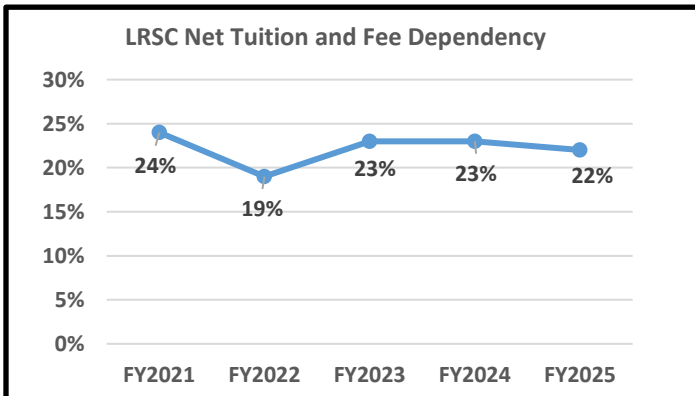
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. LRSC's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

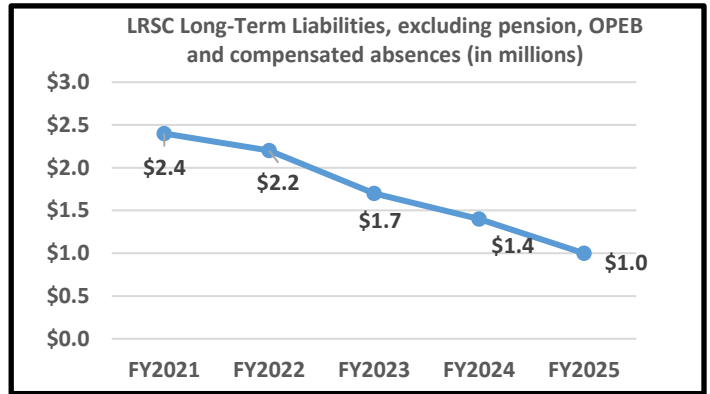
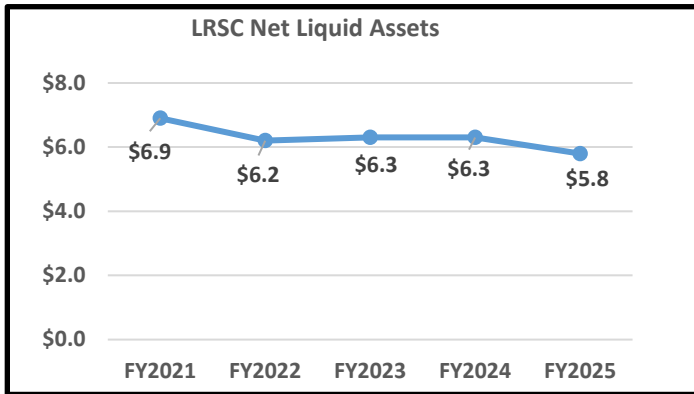
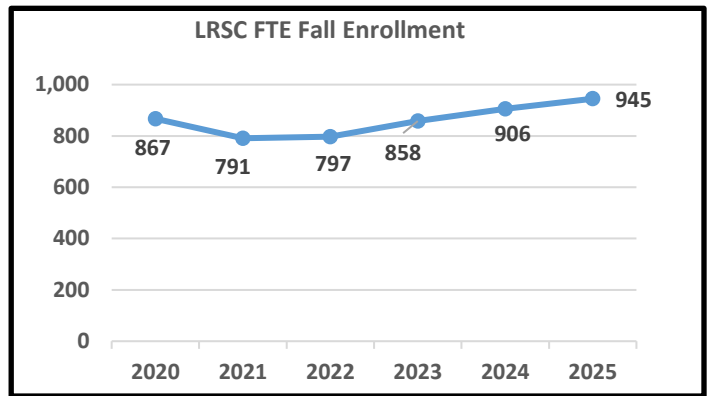
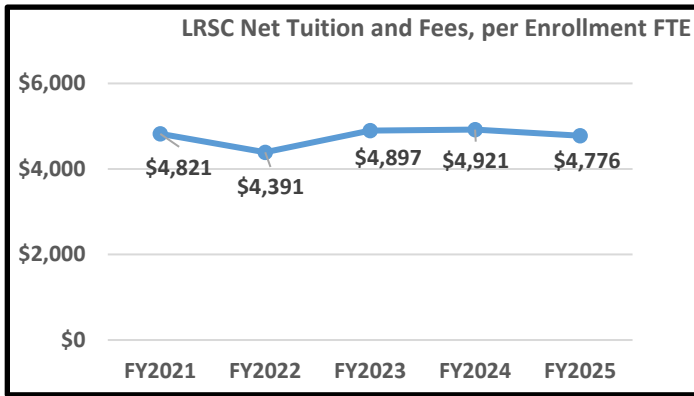
The information is presented on a cash basis.



Other Ratios:

No industry standard exists for the following ratios. They are presented here for informational purposes only.

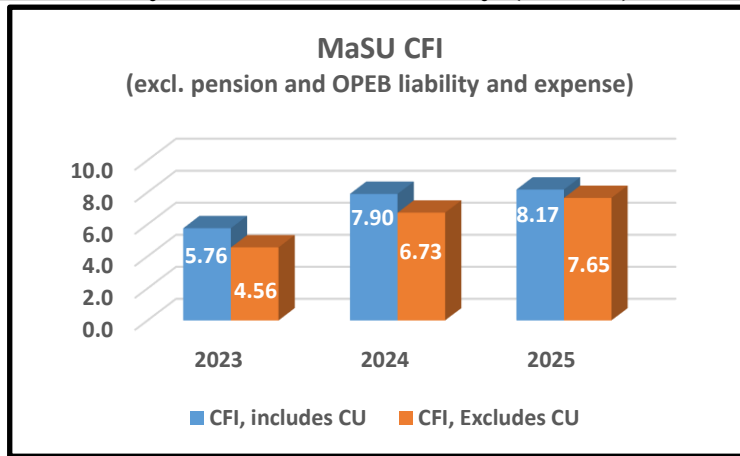




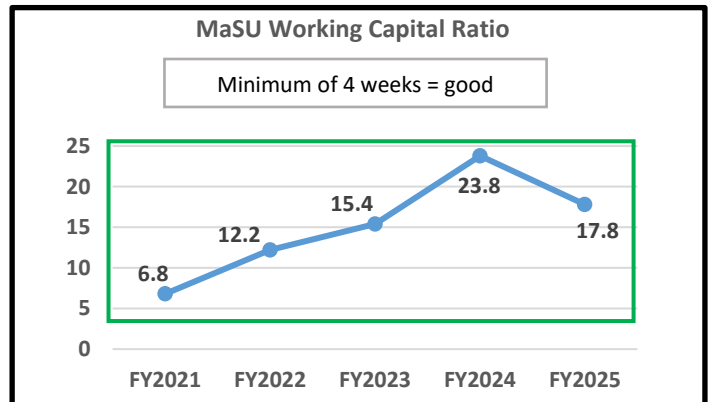
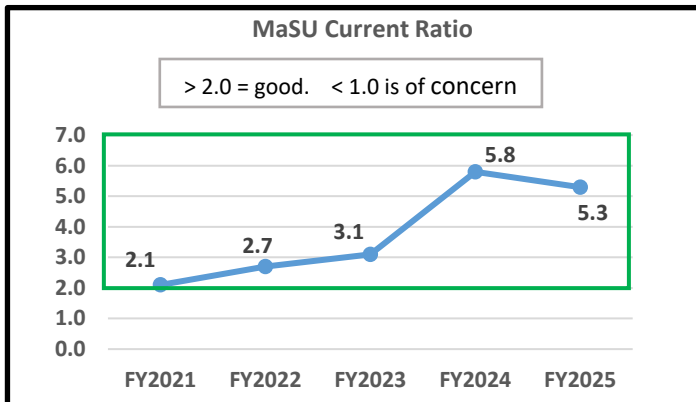
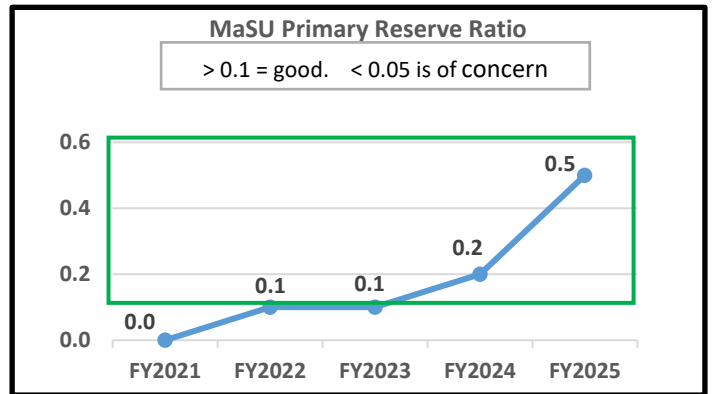
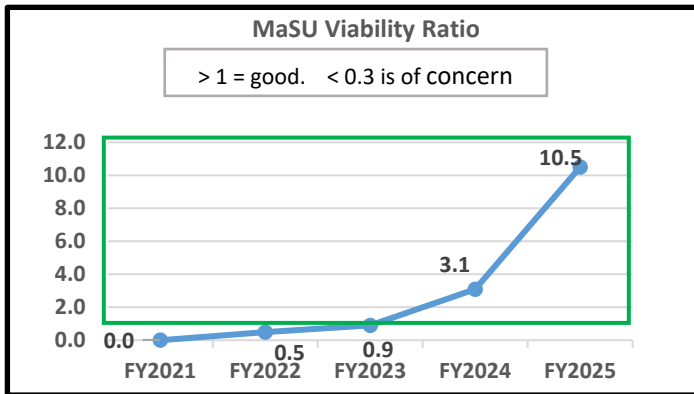
LRSC Summary:

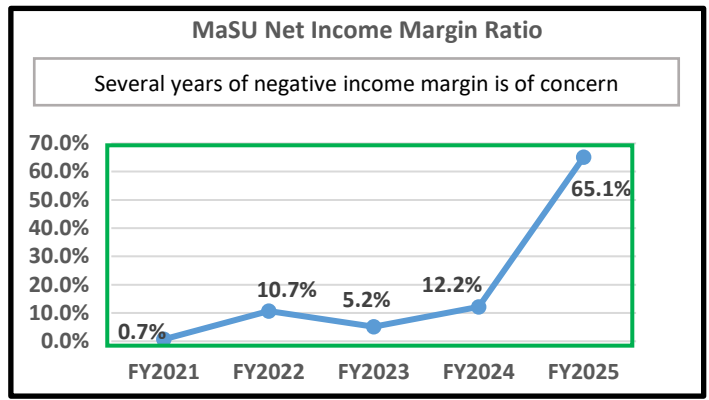
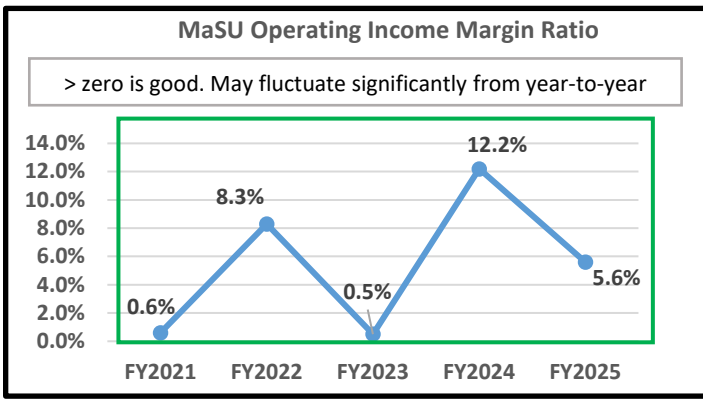
- CFI scores are solid.
- All ratios continue to be good or very good, with the exception of the operating income margin ratio and the net income margin ratio. However, it is not a concern at this time given the strength of the other ratios and CFI scores.
- Fall 2025 enrollment of 945 increased 19.5 percent compared to Fall 2021. Fall 2024 FTE enrollment of 906 increased by 39 or 4.5 percent from Fall 2020.

Mayville State University (MaSU)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
| Above | 1.10 to 10 | No Review |
| In | 0 to 1.0 | Financial Panel Review if "in" for two or more consecutive years |
| Below | -4.0 to -0.1 | Financial Panel Review if "below" in any given year |



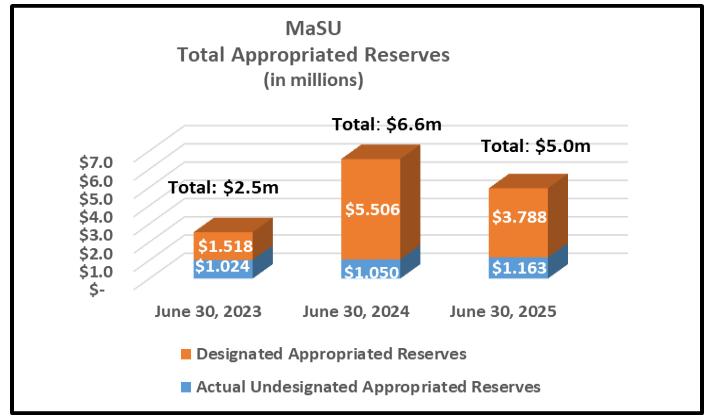
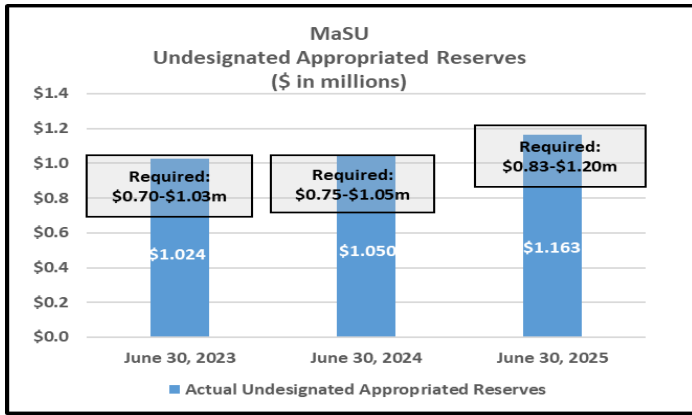


Appropriated Reserves

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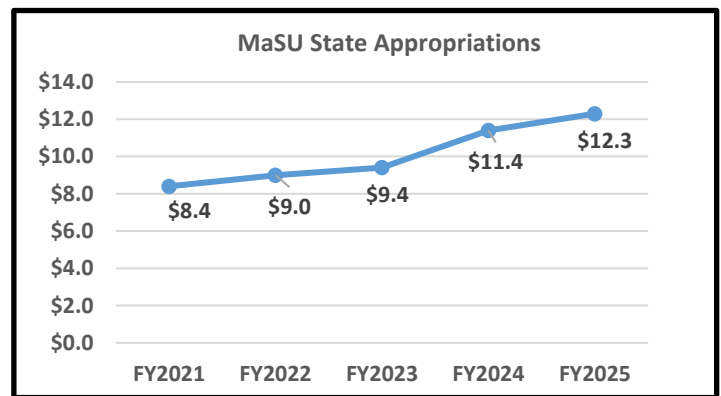
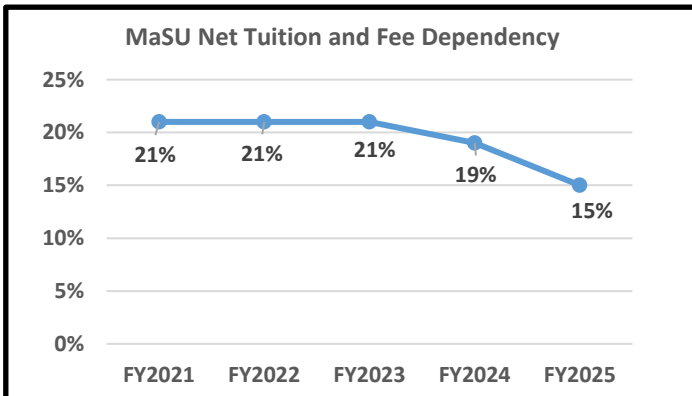
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. MaSU's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

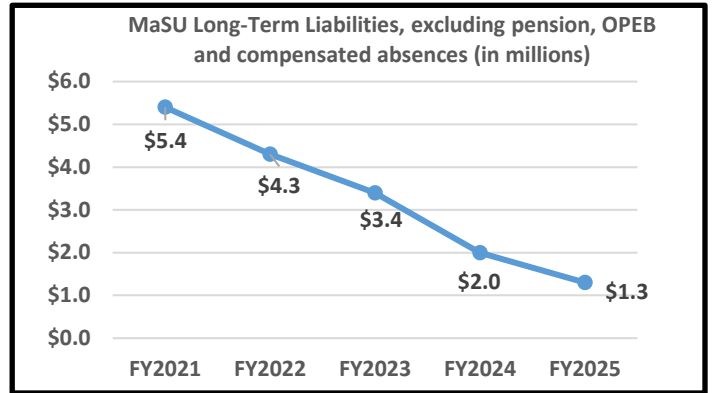
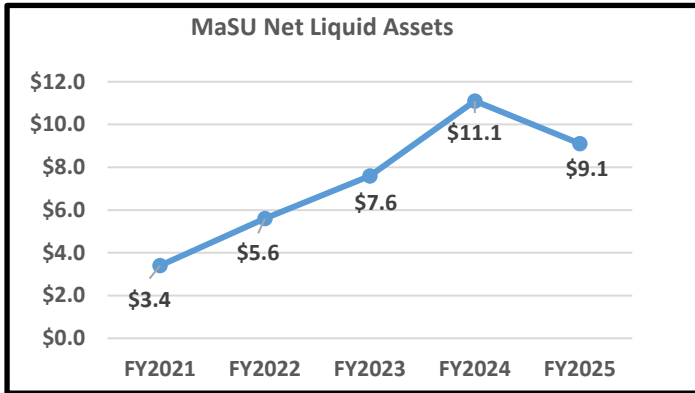
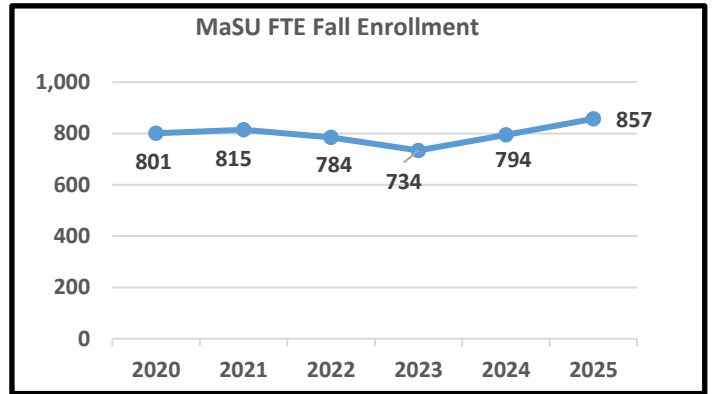
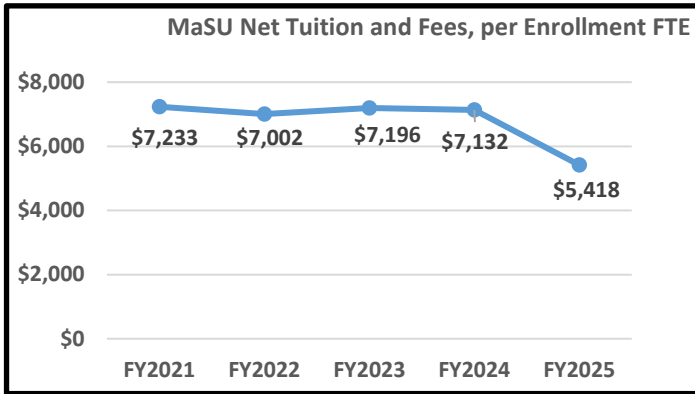
The information is presented on a cash basis.



Other Ratios:

No industry standard exists for the following ratios. They are presented here for informational purposes only.

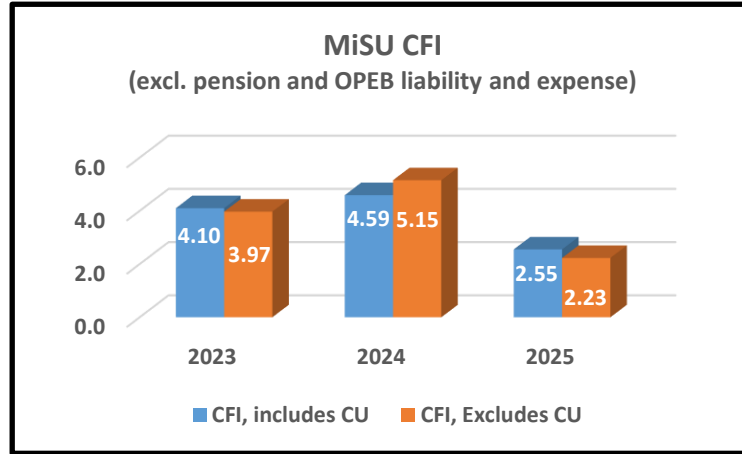




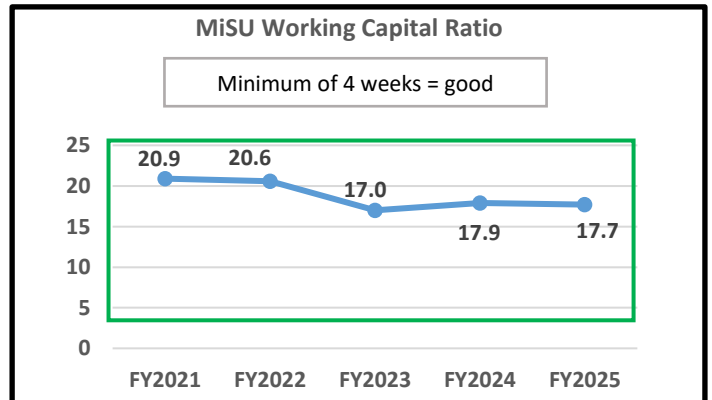
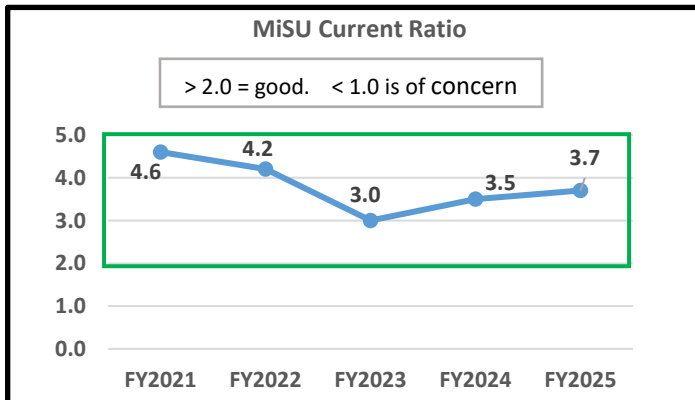
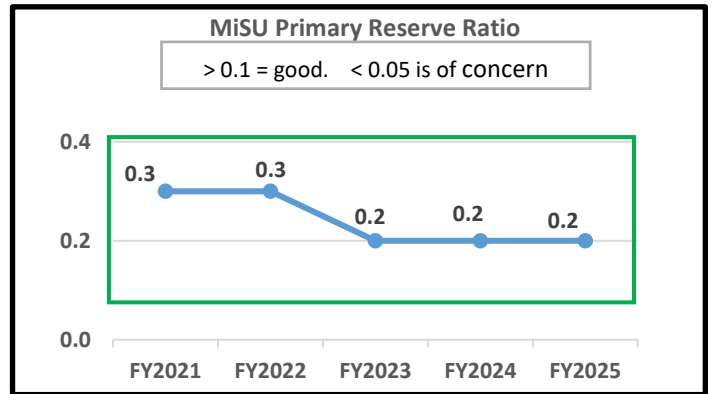
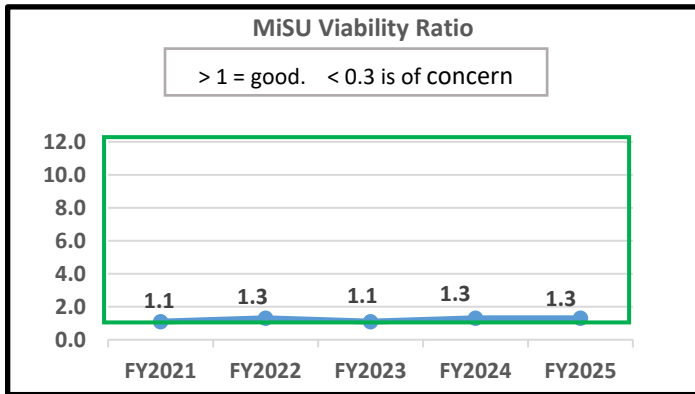
MaSU Summary:

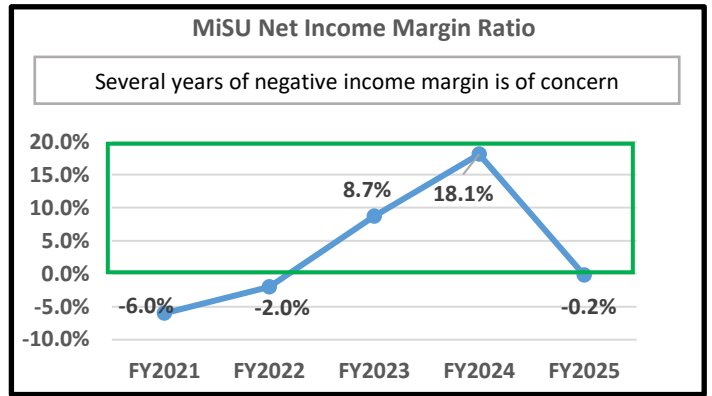
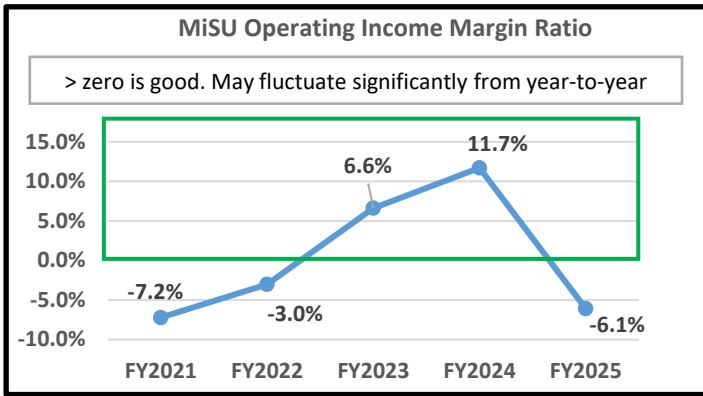
- CFI scores are solid.
- The viability and primary reserve ratios increased in fiscal year 2025 as a result of SIIF monies received.
- The net income margin increased as a result of \$17.3 million of state appropriations for capital assts in fiscal year 2025.
- Fall 2025 enrollment increased 5.2 percent to 857 compared to Fall 2021. Fall 2024 enrollment of 794 was flat compared to Fall enrollment 2020.

Minot State University (MiSU)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
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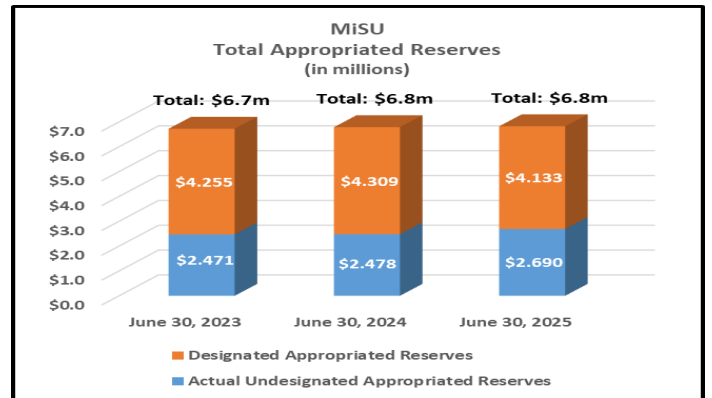
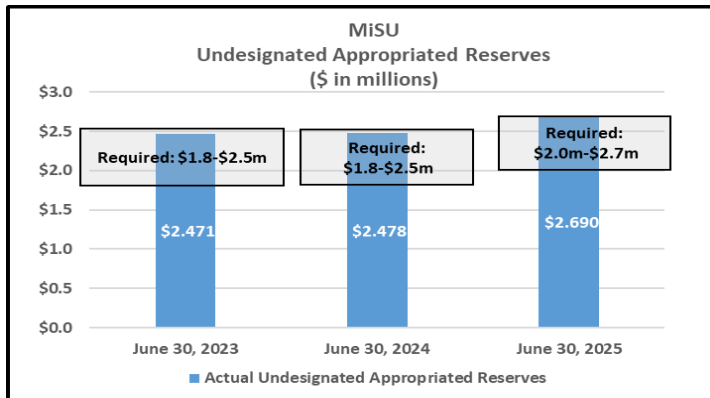


Appropriated Reserves

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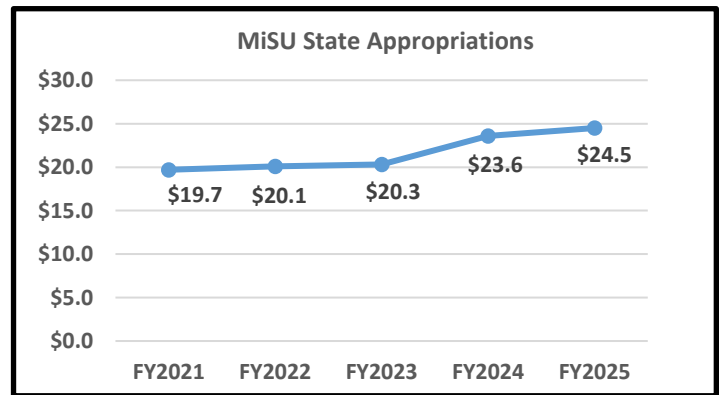
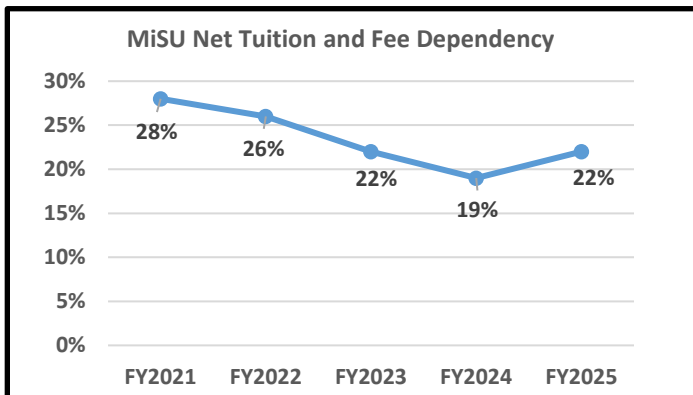
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. MiSU's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

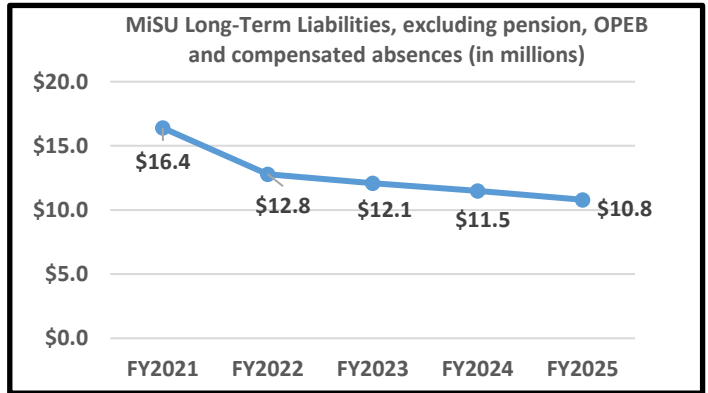
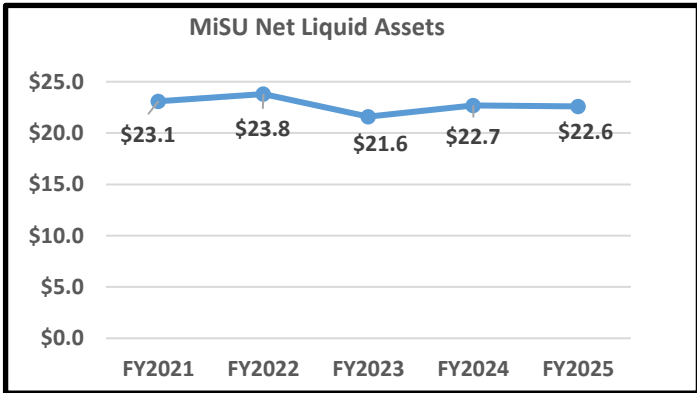
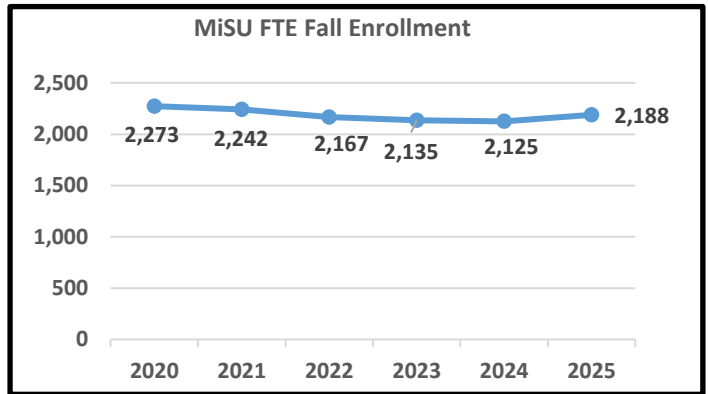
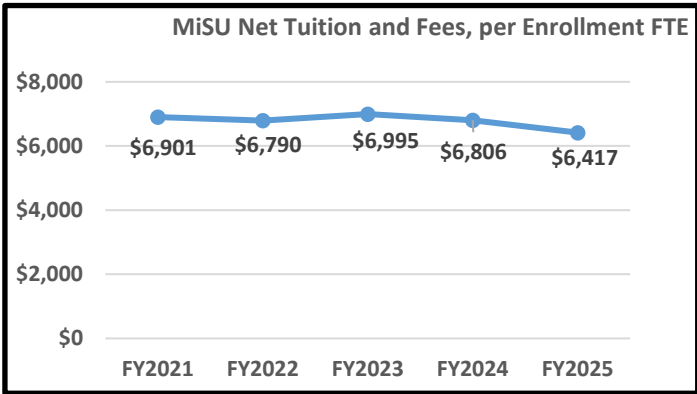
The information is presented on a cash basis.



Other Ratios:

No industry standard exists for the following ratios. They are presented here for informational purposes only.

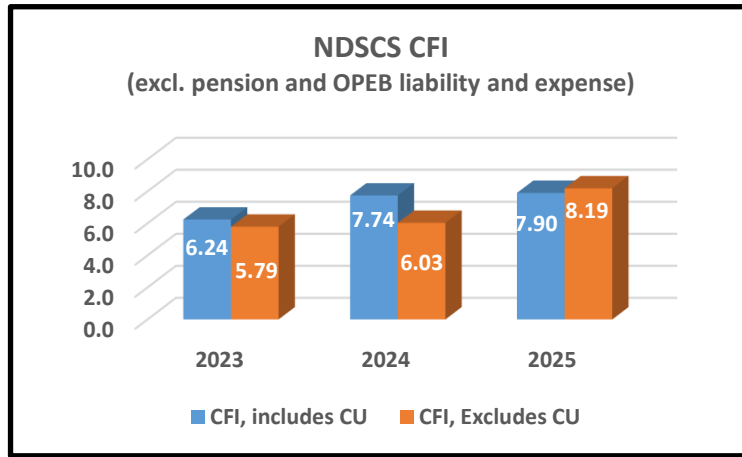




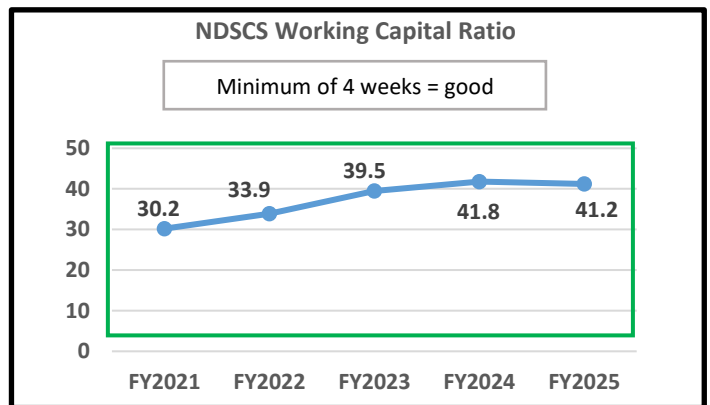
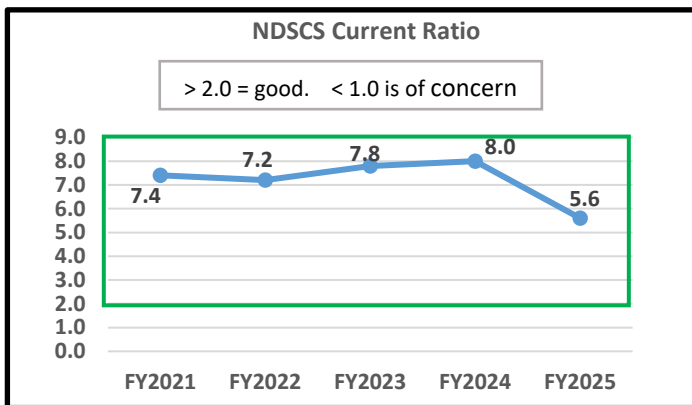
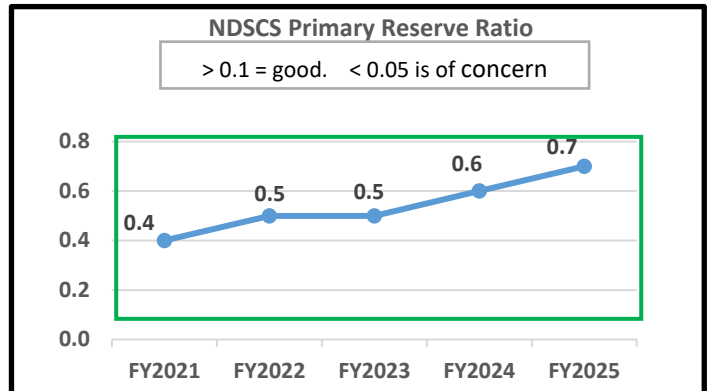
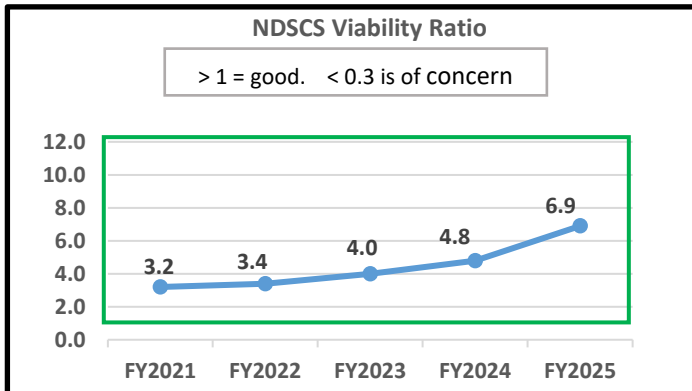
MiSU Summary:

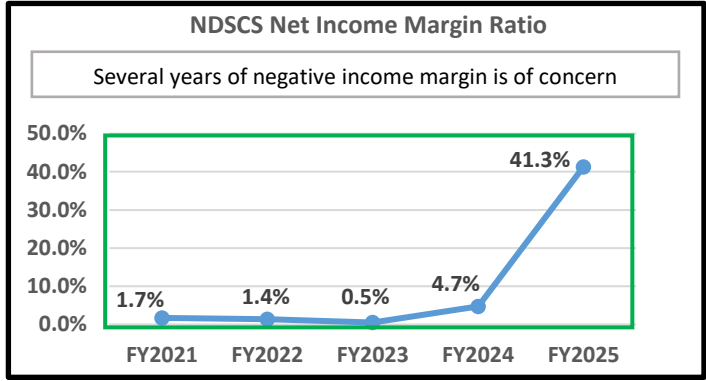
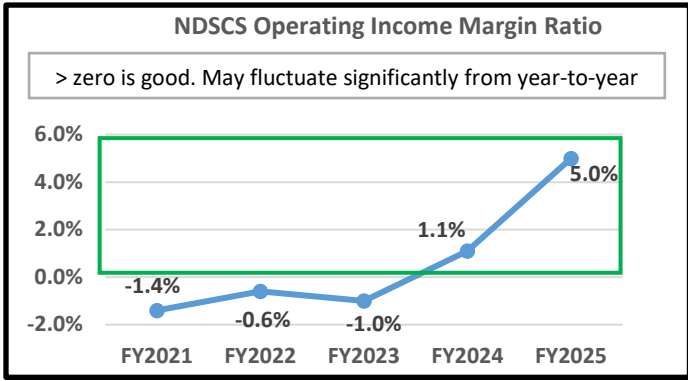
- CFI scores are solid. The CFI declined in fiscal year 2025 as a reduction in federal stimulus grants. In fiscal year 2025, MiSU received no federal stimulus grants, compared to receiving \$13.2 million in fiscal year 2024 for the Hartnett Hall project and \$12.7 million in fiscal year 2023 for the Hartnett Hall project and HEERF Covid funding.
- The ratios are all within the acceptable range, with the exception of the operating income margin ratio and the net income margin ratio.
- The operating income margin and net income margin decreased in fiscal year 2025 compared to fiscal year 2024. In fiscal year 2024, MiSU received \$13.2 million in federal stimulus grants.
- Fall enrollment increased in Fall 2025 after decreasing each year since fiscal year 2020. The Fall 2025 enrollment increased 3 percent or 63 to 2,188 compared Fall 2024. Fall 2024 enrollment decreased 148 or 6.5 percent compared to Fall 2020,

North Dakota State College of Science (NDSCS)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
| Above | 1.10 to 10 | No Review |
| In | 0 to 1.0 | Financial Panel Review if "in" for two or more consecutive years |
| Below | -4.0 to -0.1 | Financial Panel Review if "below" in any given year |



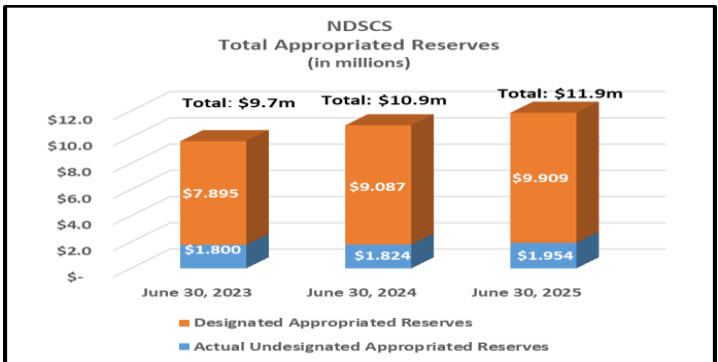
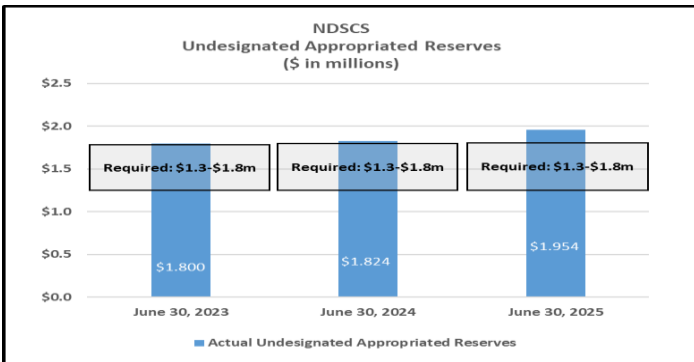


Appropriated Reserves

Unrestricted appropriated funds are set aside for two purposes: 1) undesignated reserves for sudden revenue shortfalls or unexpected expenses and 2) designated reserves for future programs, technology, strategic planning initiatives, etc., and other needs as determined by the institution.

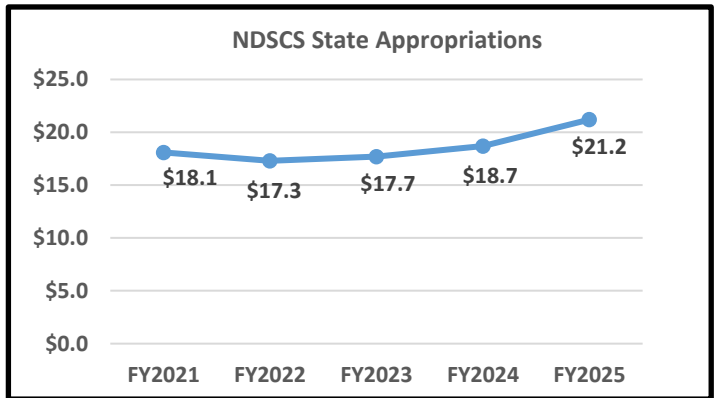
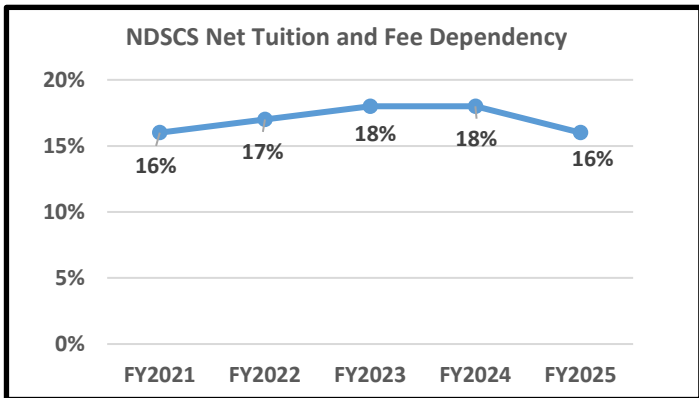
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. NDSCS's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

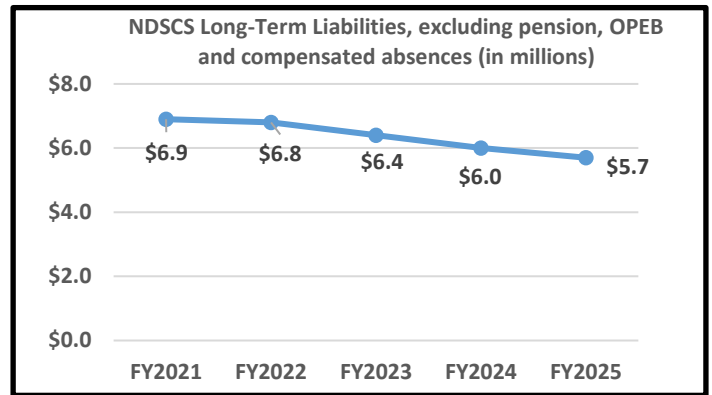
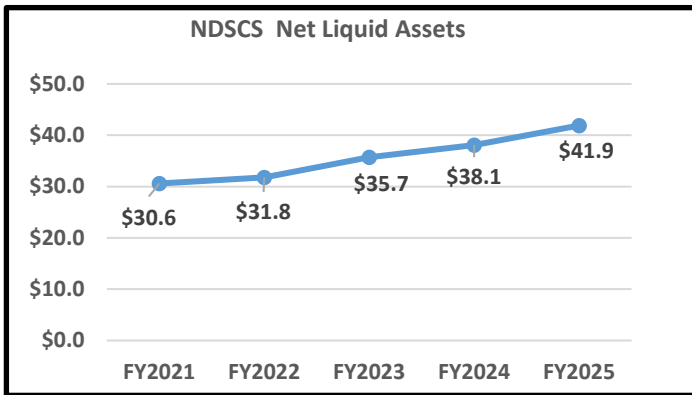
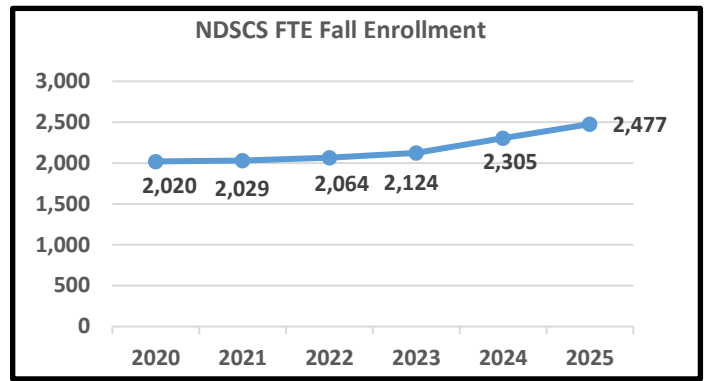
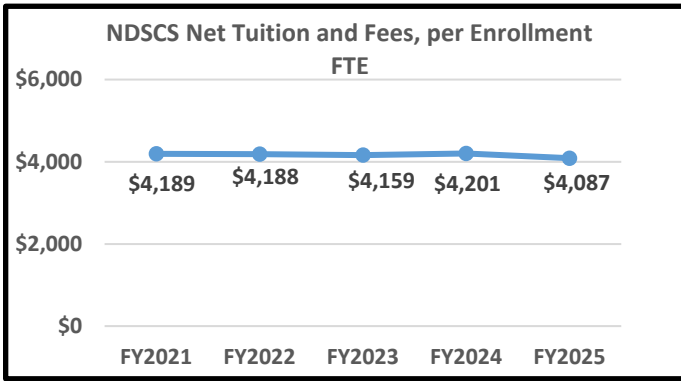
The information is presented on a cash basis.



Other Ratios:

No industry standard exists for the following ratios. They are presented here for informational purposes only.

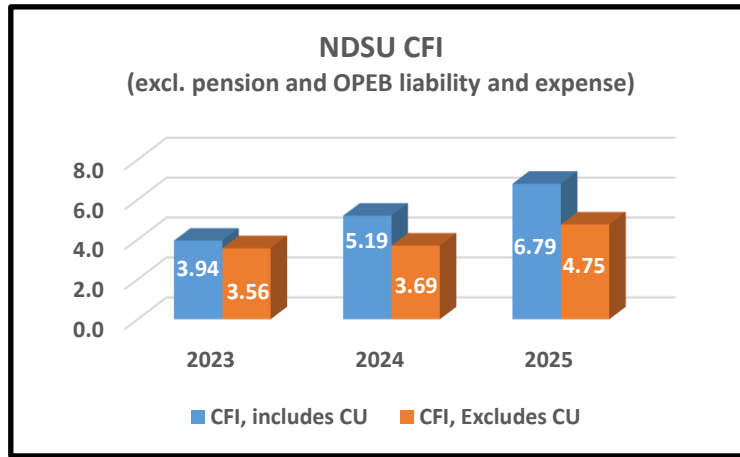




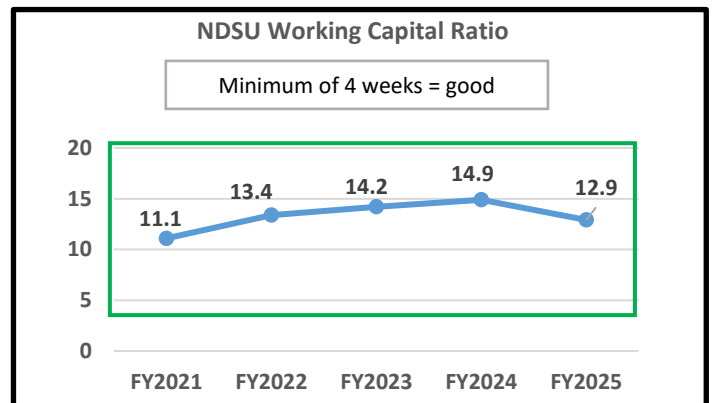
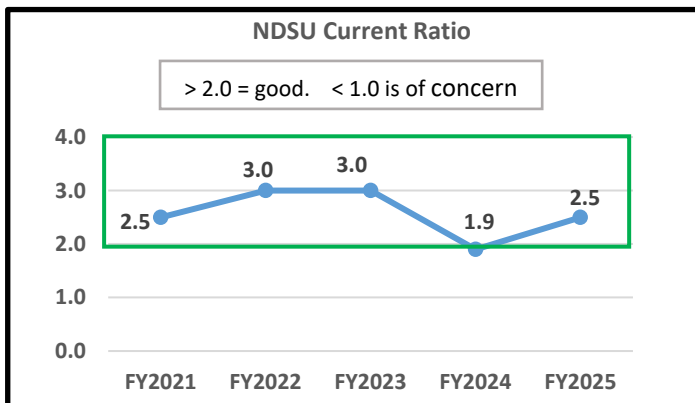
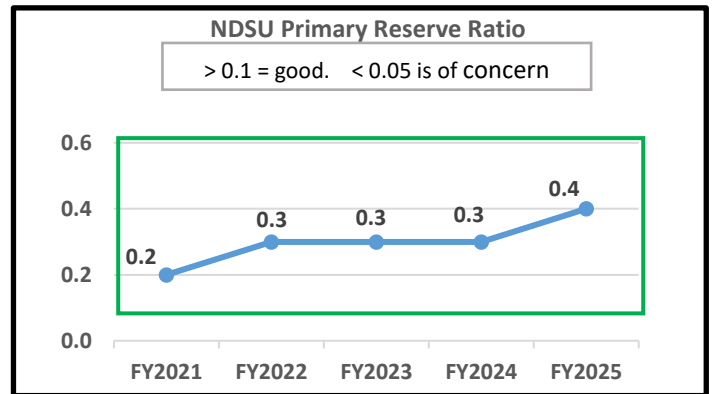
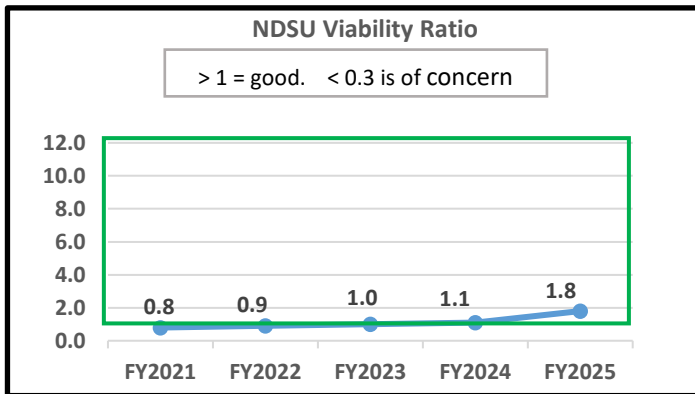
NDSCS Summary:

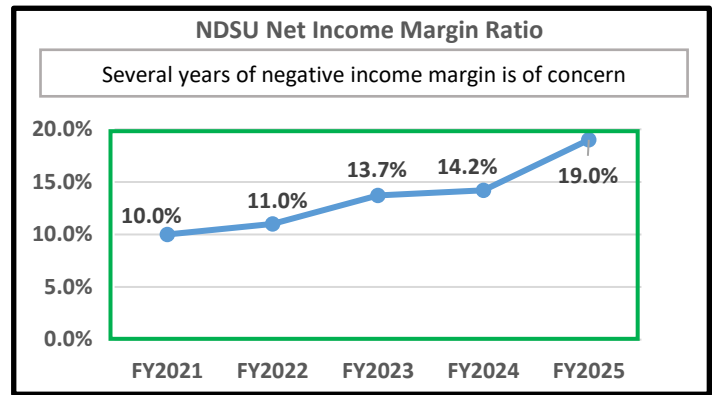
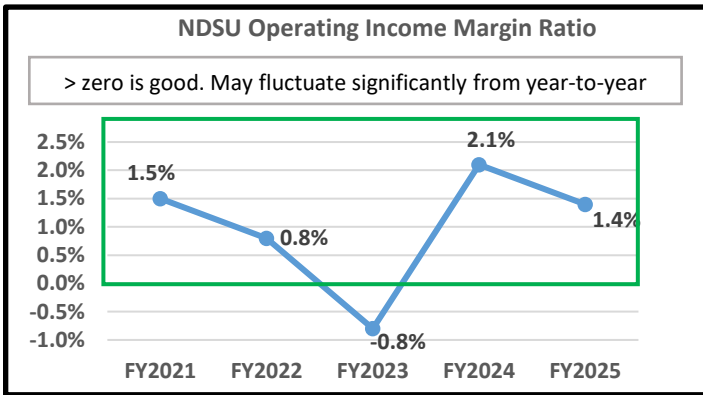
- CFI scores are solid. The CFI increased in fiscal year 2025 as a result of recording SIIF cash of \$7.4 million after the State Treasury Department transferred the funds to NDSCS’s specific account held at the Treasury Department.
- All other ratios are good or very good.
- The operating income margin ratio and the net income margin ratio increased in fiscal year 2025 as a result of an increase of \$17.4 million in state appropriations for capital assets.
- Fall enrollment has increased steadily since Fall 2020. The Fall 2025 enrollment increased by 448 or 22.1 percent compared to Fall 2021. The Fall 2024 enrollment increased 14.1 percent or 285 compared to Fall 2020..

North Dakota State University (NDSU)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
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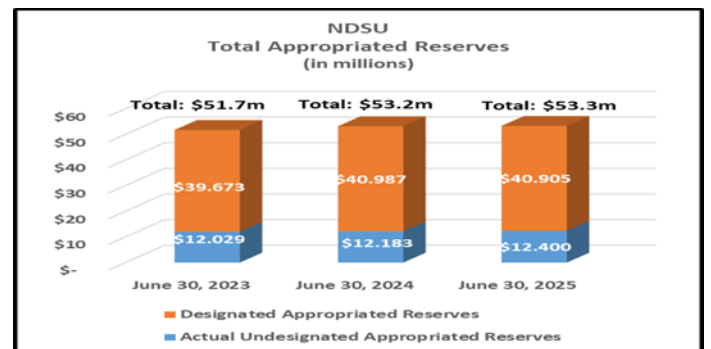
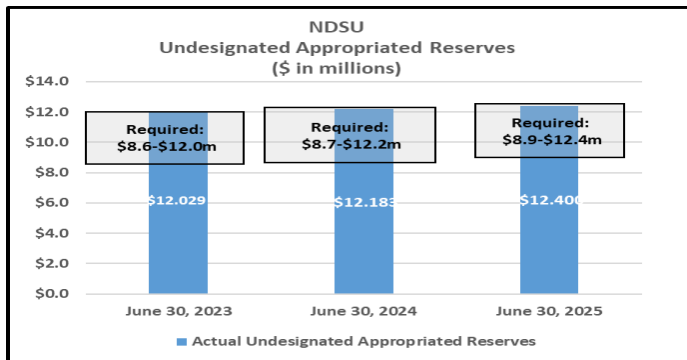


Appropriated Reserves

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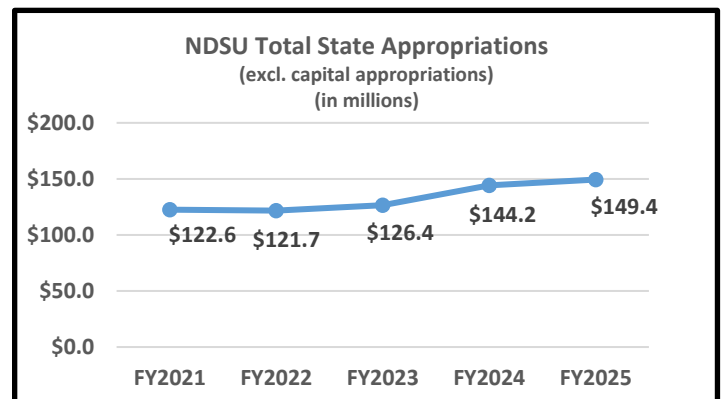
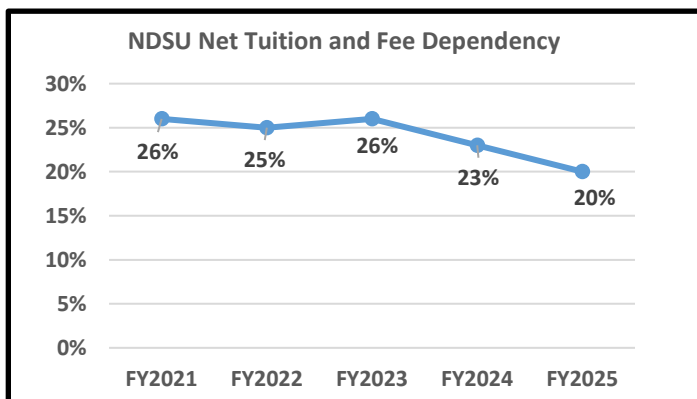
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. NDSU's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

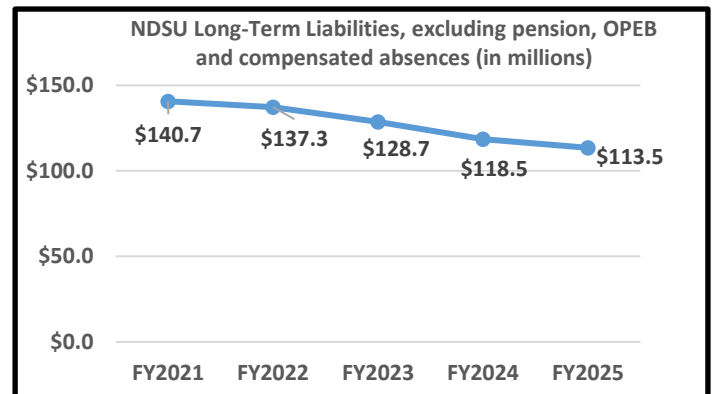
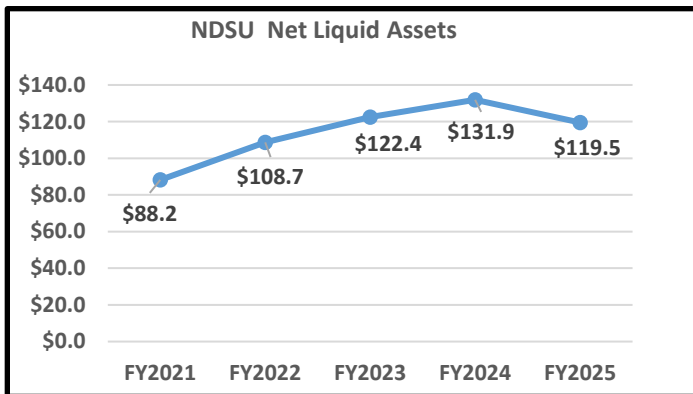
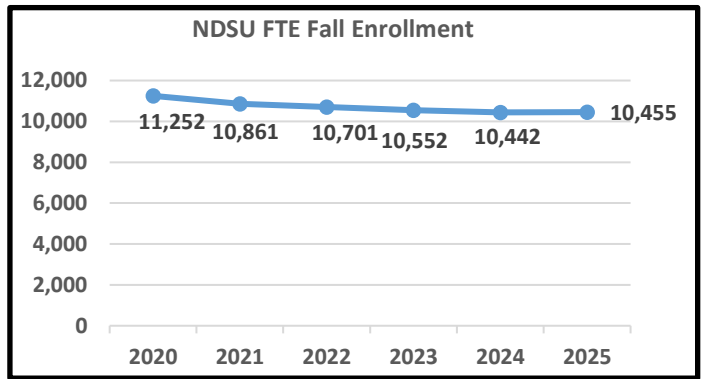
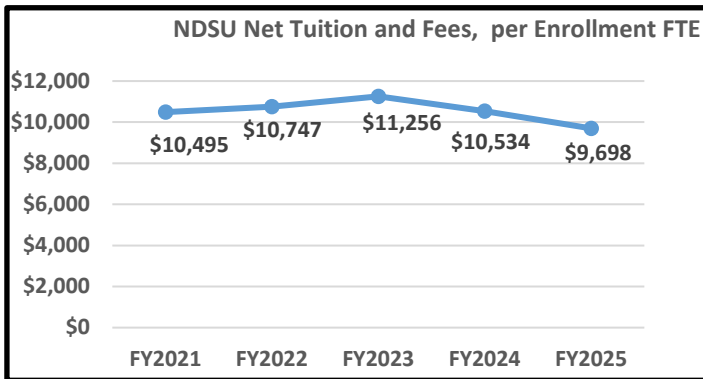
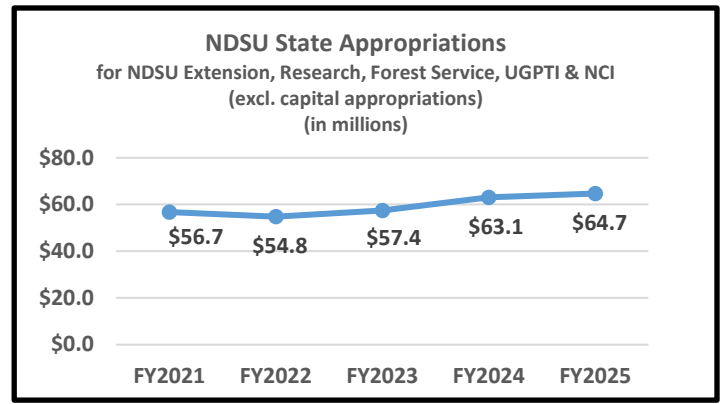
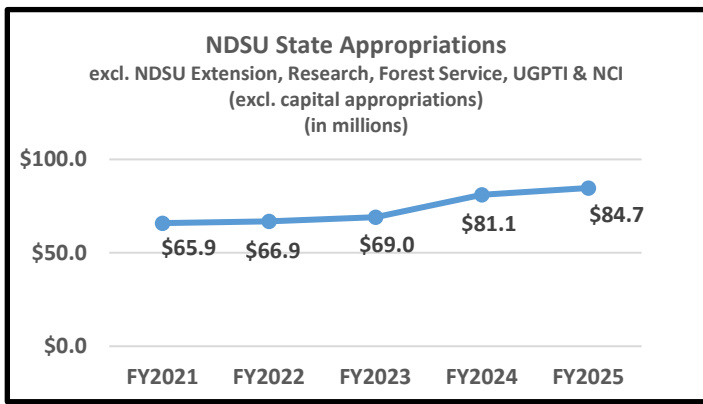
The information is presented on a cash basis.



Other Ratios:

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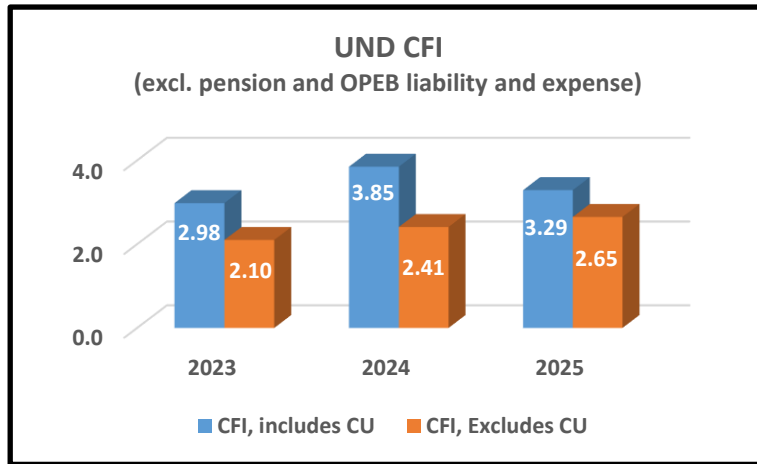


NDSU Summary:

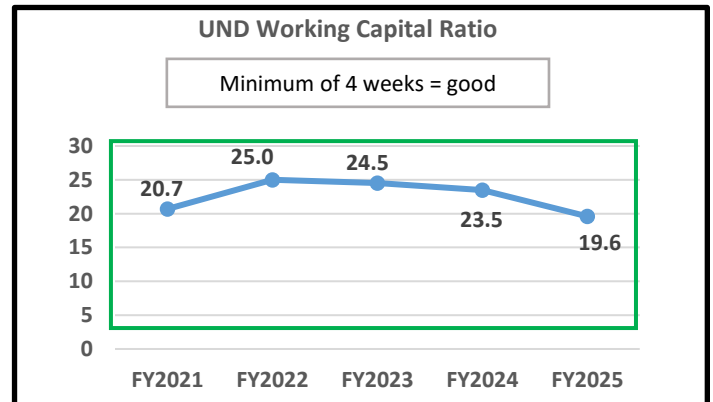
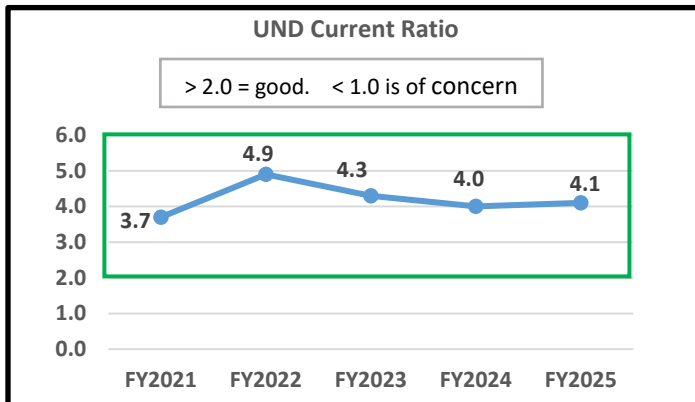
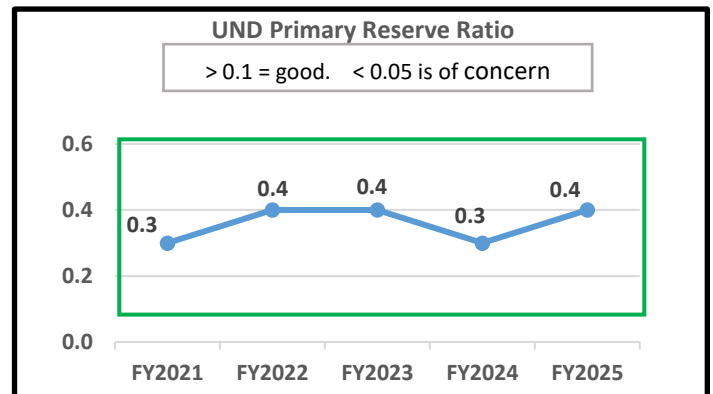
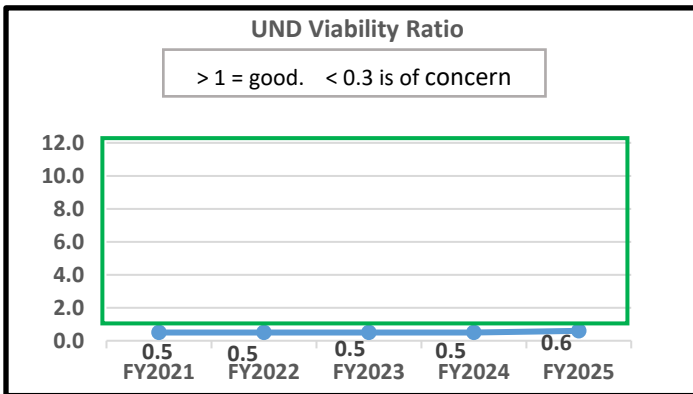
- CFI scores are solid. The CFI increased in fiscal year 2025 as a result of recording SIIF revenue of \$82.7 million after the State Treasury Department transferred the funds to NDSU’s specific account held at the Treasury Department.
- The ratios are good or very good.
- The Fall 2025 enrollment of 10,455 decreased 406 or 3.7 percent compared to the Fall 2021 enrollment. Fall 2024 FTE enrollment declined by 810 or 7.2 percent compared to Fall 2020. However, enrollment increased slightly between Fall 2024 and Fall 2025.
- The decrease in the Net Tuition and Fees per Enrollment FTE from \$10,534 in fiscal year 2024 to \$9,698 in fiscal year 2025 is due to an increase in the scholarship allowance by \$8.2 million. The scholarship allowance increased (thus reducing net tuition revenue) due to more revenue being reported as Pell Grant Revenue and Scholarship Gifts from the NDSU Foundation. The increase in the scholarship allowance also affected the further decline in Net Tuition and Fee Dependency.

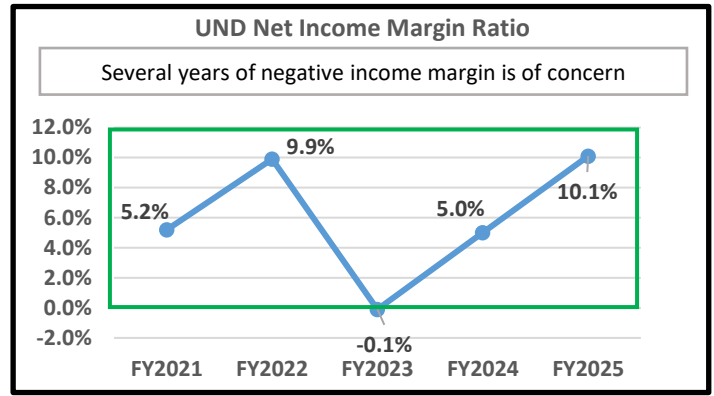
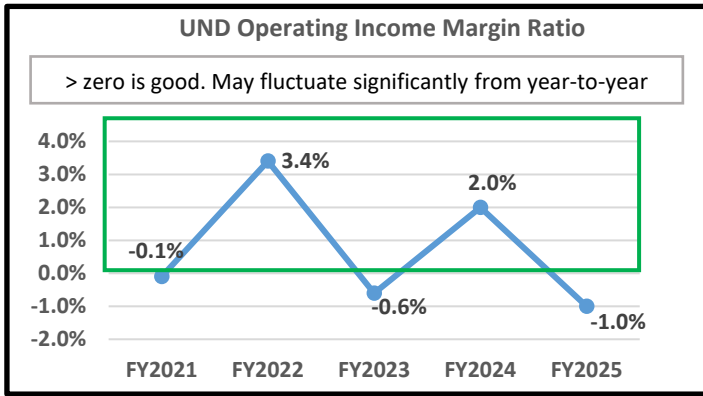
- The Net Liquid Assets in fiscal year 2025 returned to normal levels of fiscal year 2023. In fiscal year 2024, Net Liquid Assets increased to \$131.9 due to reporting SIFF funding as current cash. In fiscal year 2025, SIFF funding was recorded in noncurrent assets.
- Standard & Poor’s (S&P) affirmed its ‘AA-‘rating with a stable outlook in a report dated January 30, 2026. According to S&P, “We assessed NDSU's enterprise risk profile as very strong, characterized by healthy matriculation rates, good geographic diversity, and the university’s position as a flagship and land-grant institution in North Dakota. These strengths are somewhat offset, in our view, by improved but below median first-year retention rates and small decreases in full-time equivalent (FTE) enrollment prior to fall 2025. We assessed the university's financial risk profile as very strong, characterized by solid financial resources relative to operating expenses and debt, a favorable state funding environment, and a low debt burden.” Additionally, S&P noted, “NDSU has an experienced senior management team in the higher education sector and within its finance office, which exhibits good tenure, and its budgeting and financial management practices have been adaptive to the state funding environment during the past decade.”

University of North Dakota (UND)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
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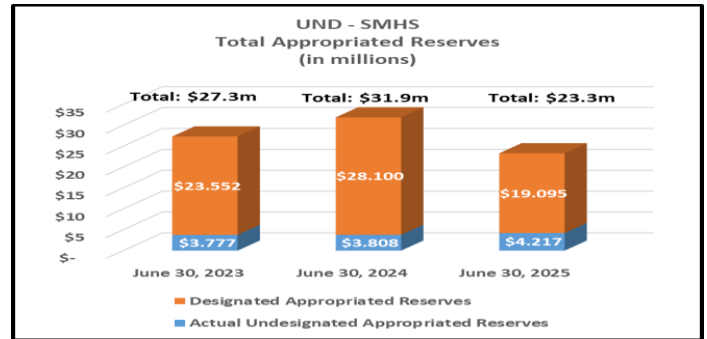
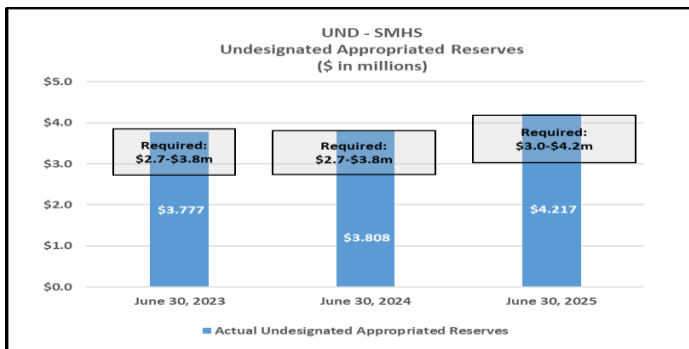
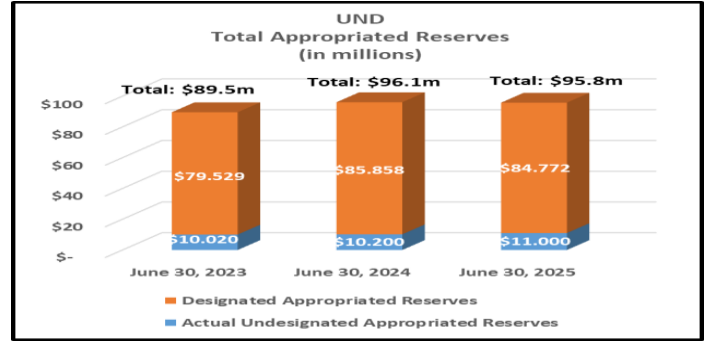
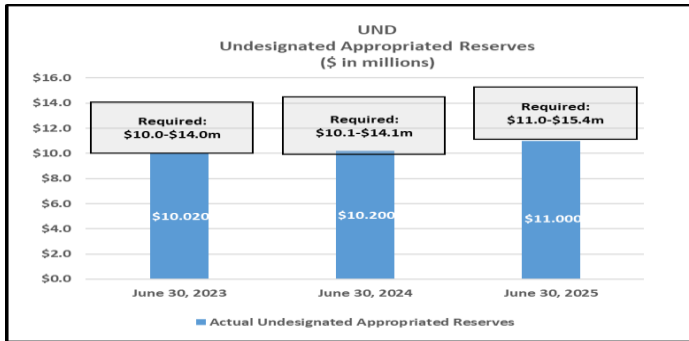


Appropriated Reserves

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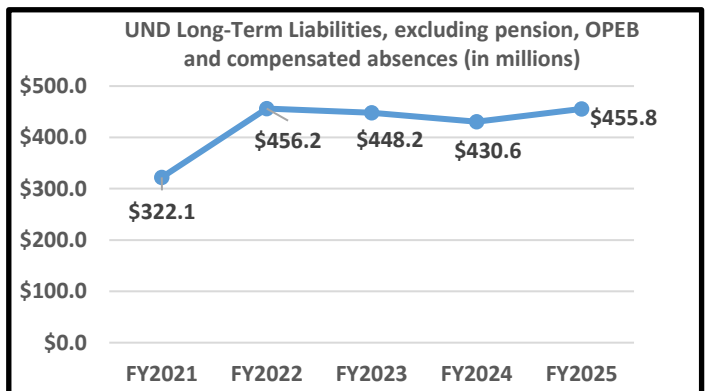
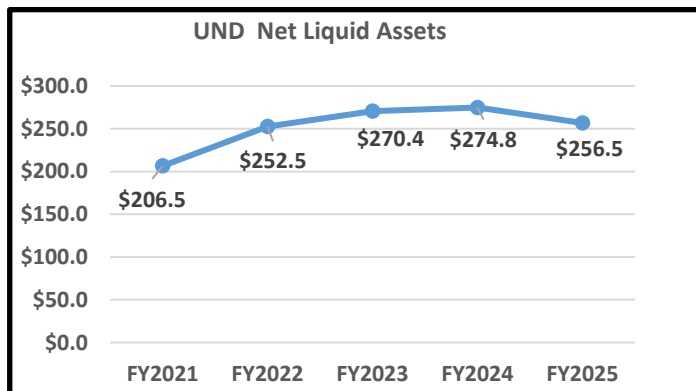
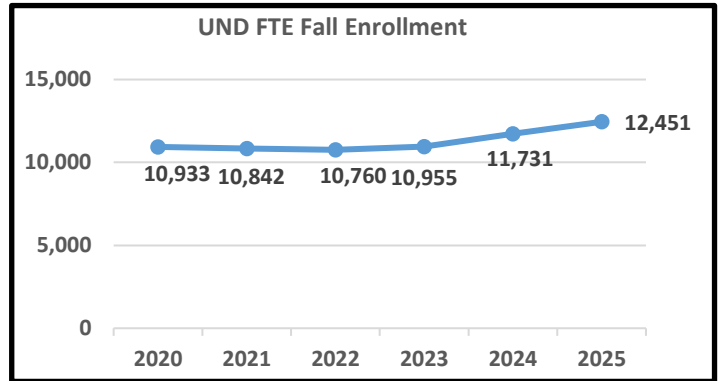
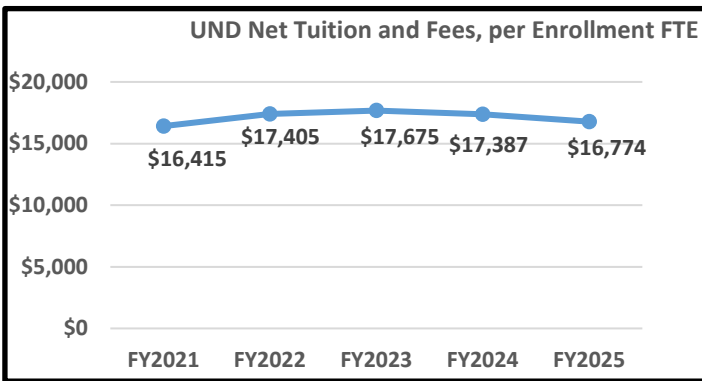
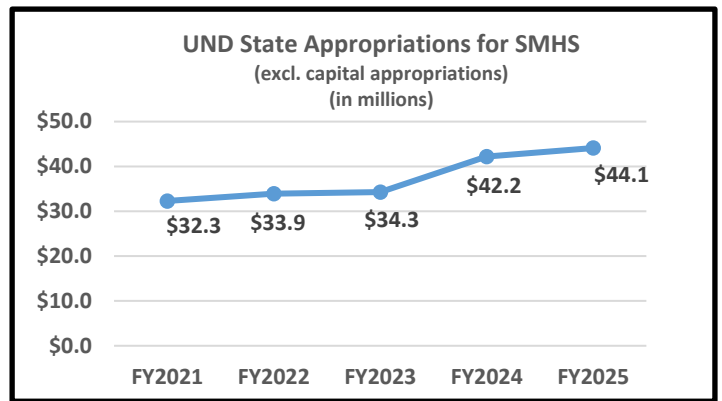
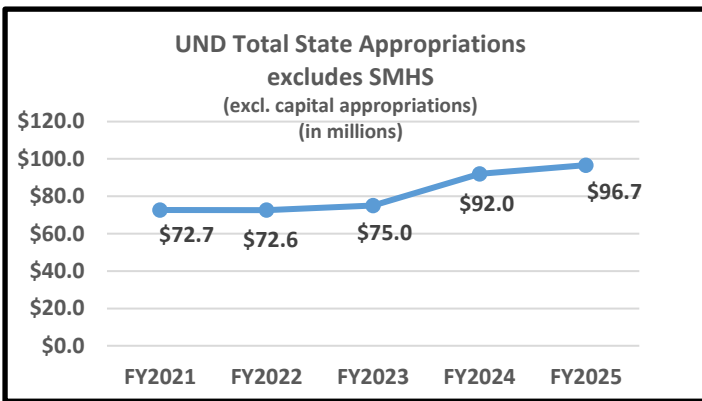
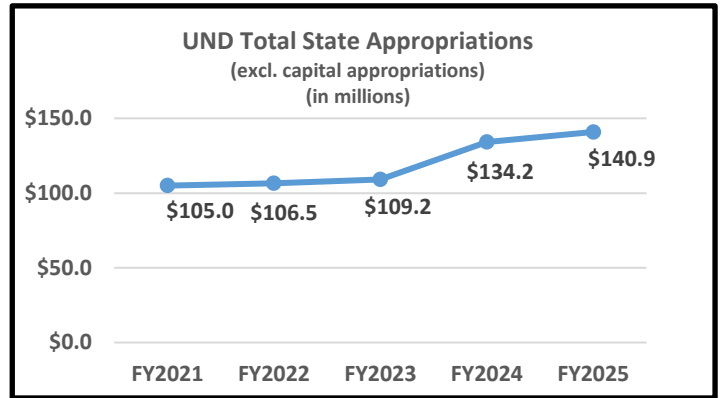
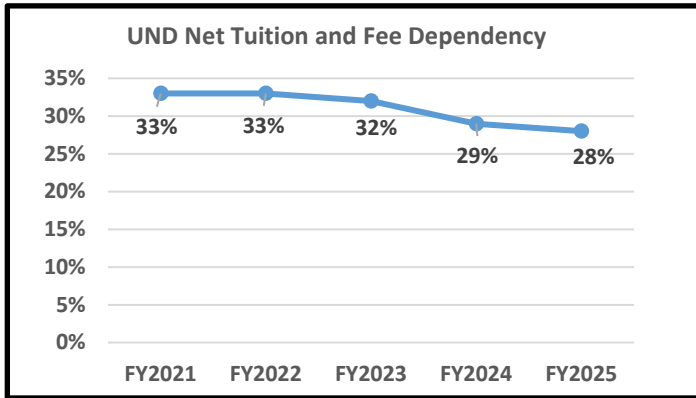
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. UND's undesignated appropriated reserves are at 5.0 percent for fiscal years 2025 and 2023. They were at 5.1 for fiscal years 2024.

The information is presented on a cash basis.



Other Ratios:

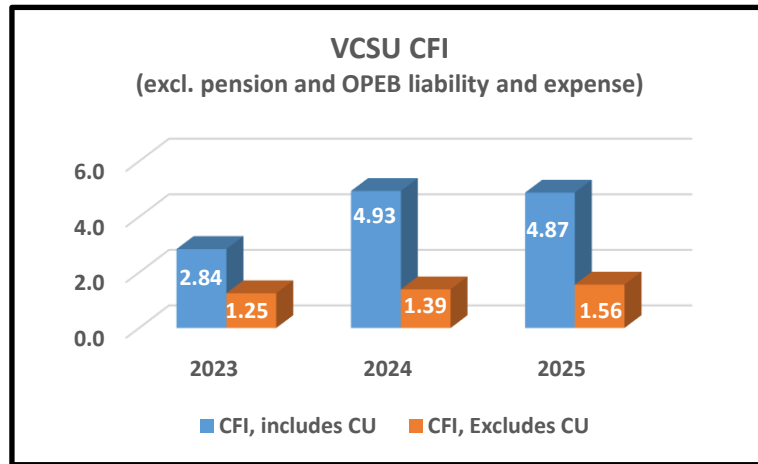
No industry standard exists for the following ratios. They are presented here for informational purposes only.



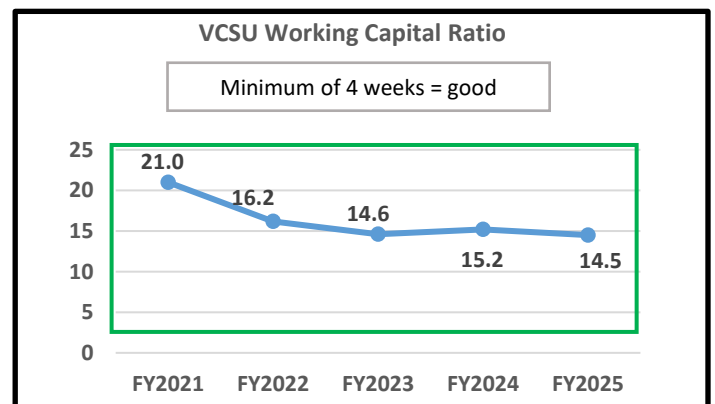
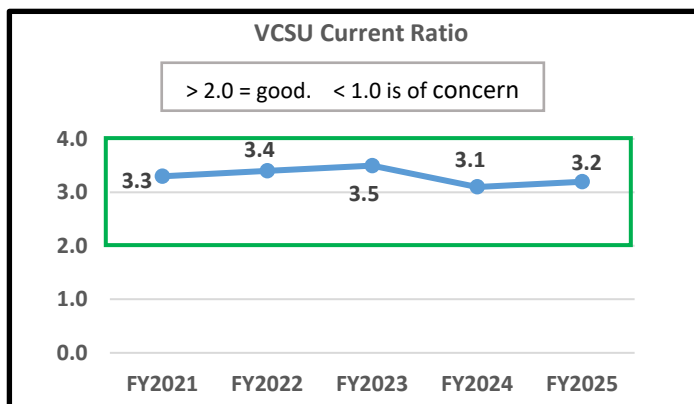
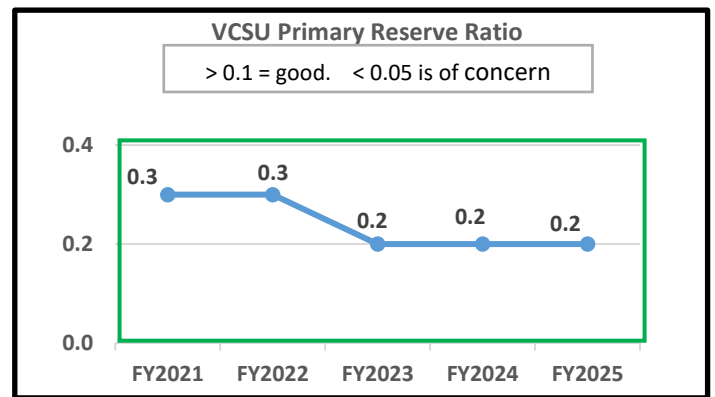
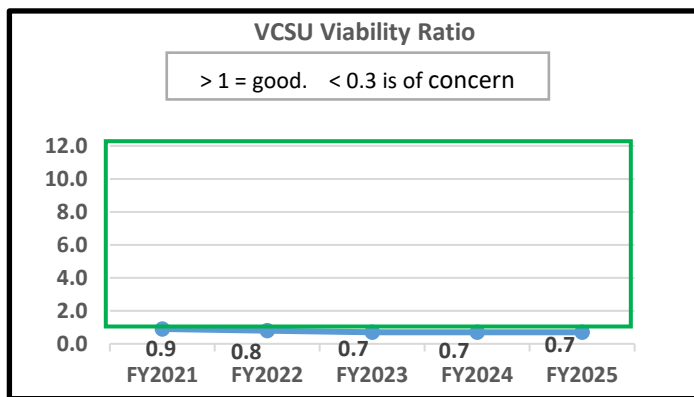
UND Summary:

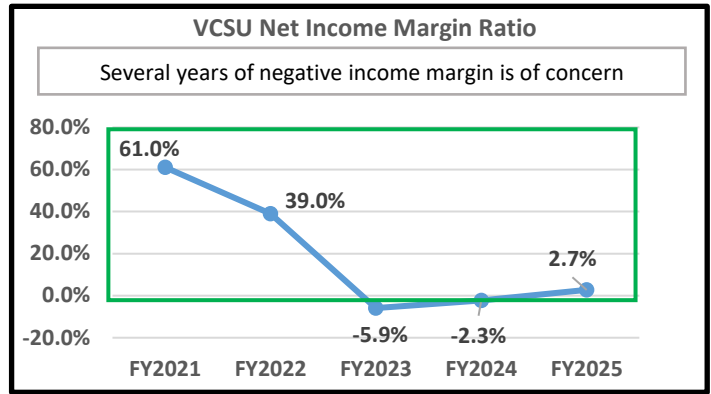
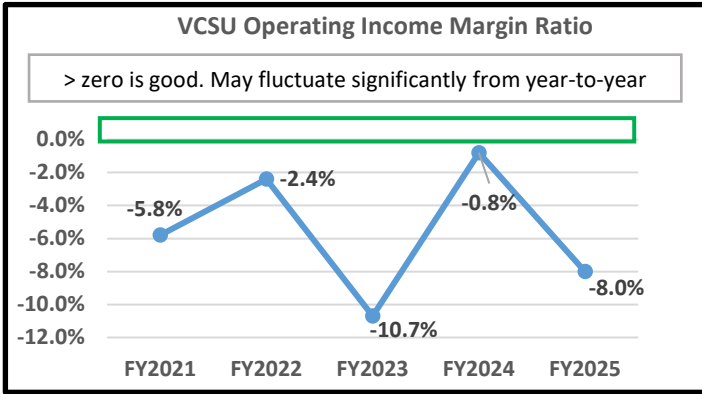
- CFI scores are solid. The CFI decreased in fiscal year 2025 mainly due to a decrease in gift revenue at UND Alumni Association & Foundation.
- All other ratios are good or very good, with the exception of the viability ratio and the operating income margin ratio.. The viability ratio has been below 1.0 for the past five fiscal year and the operating income margin ratio is negative in fiscal year 2025. However, they are not a concern at this time due to the strengths of the other ratios.
- Long-term liabilities increased in fiscal year 2022 as a result of the issuance of :
 - The UND Alumni Association and Foundation issued \$29.8 million of 2024 A and B Lease Revenue Bonds to demolish an existing EERC facility, construct a new 28,750 square-foot multi-story EERC building, and renovate an existing EERC building. The bonds are not a debt or general obligation of the Foundation, nor a pledge of its faith and credit. UND is responsible for the debt payments.
 - Certificates of participation of \$133.0 million for new and existing housing projects in fiscal year 2022.
 - Fhe North Dakota Building Authority issued Series 2020A Facilities Bonds with UND entering an agreement to issue Deferred Maintenance/Parking Bonds of \$24.2 million as part of this larger issue in fiscal year 2021.
- Fall 2025 enrollment increased by 1,609 or 14.8 percent from Fall 2021. Fall 2024 enrollment increased by 798 or 7.3 percent compared to Fall 2020 enrollment. UND's enrollment has increased steadily every year since Fall 2022.

Valley City State University (VCSU)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
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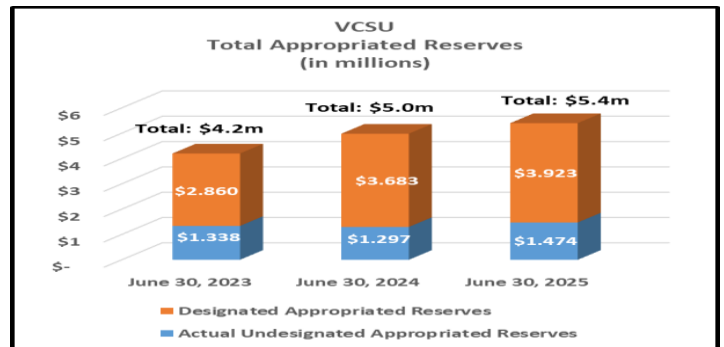
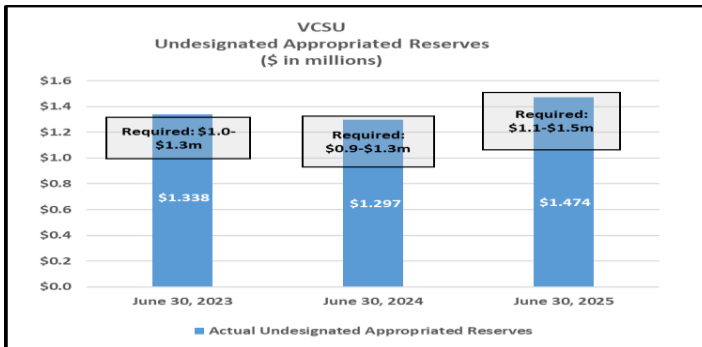


Appropriated Reserves

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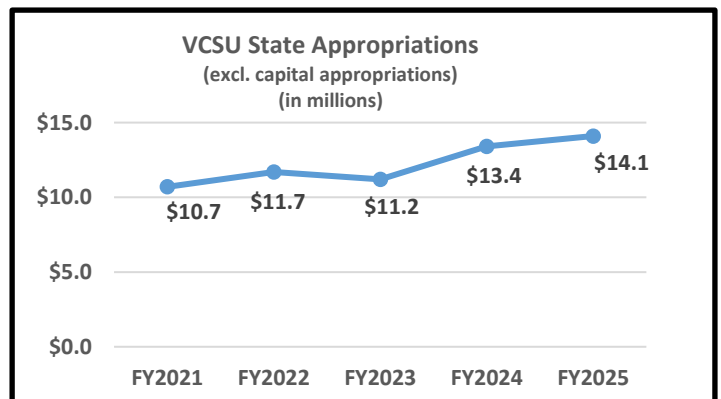
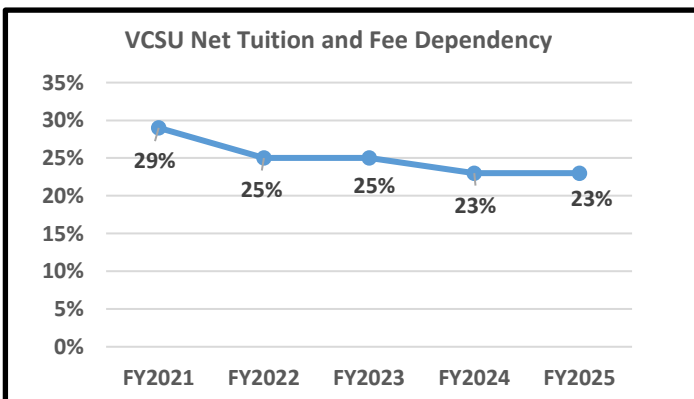
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. VCSU's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

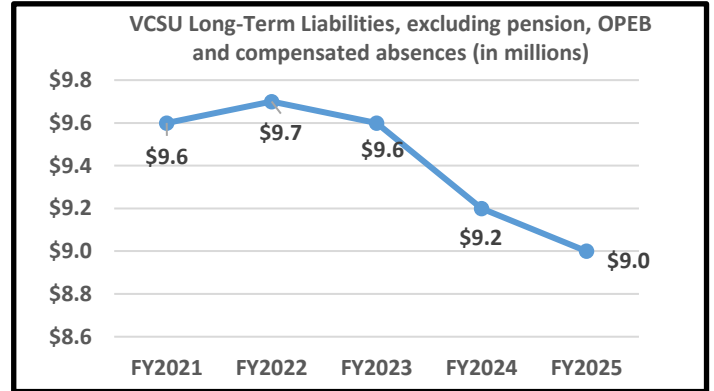
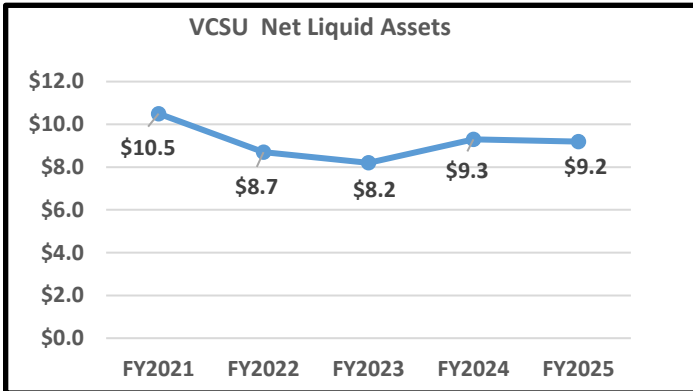
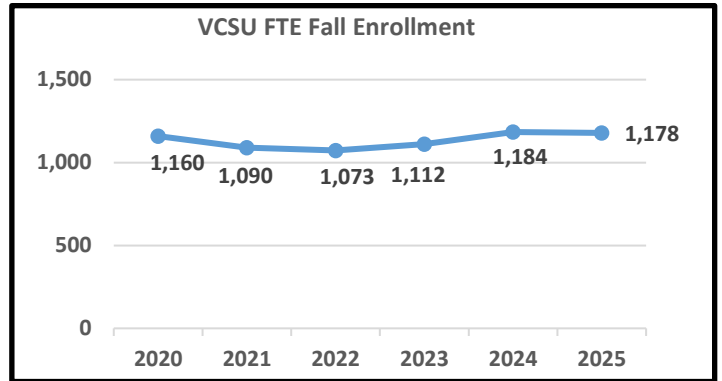
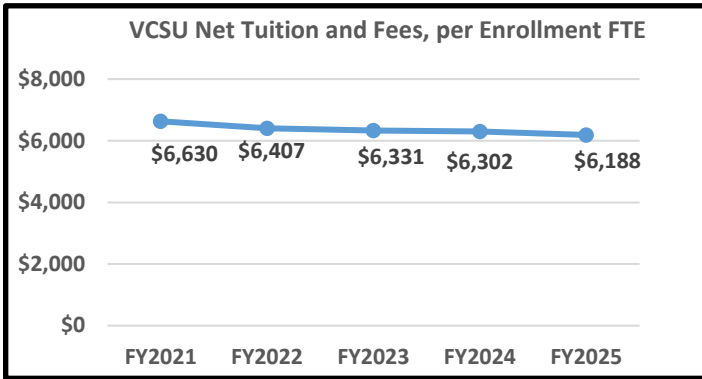
The information is presented on a cash basis.



Other Ratios:

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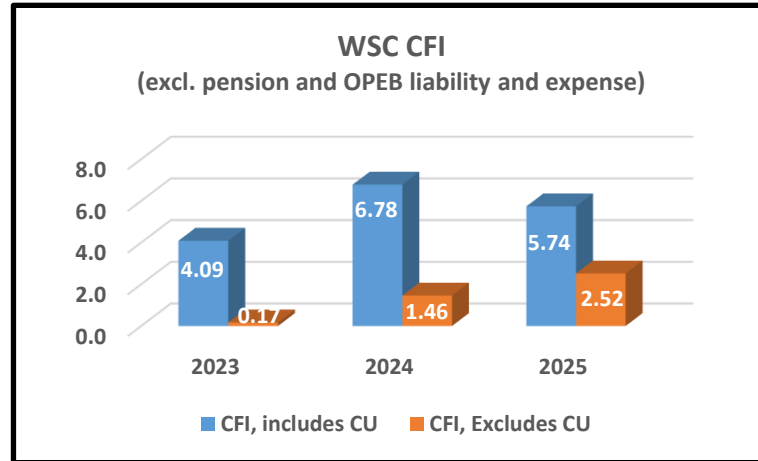




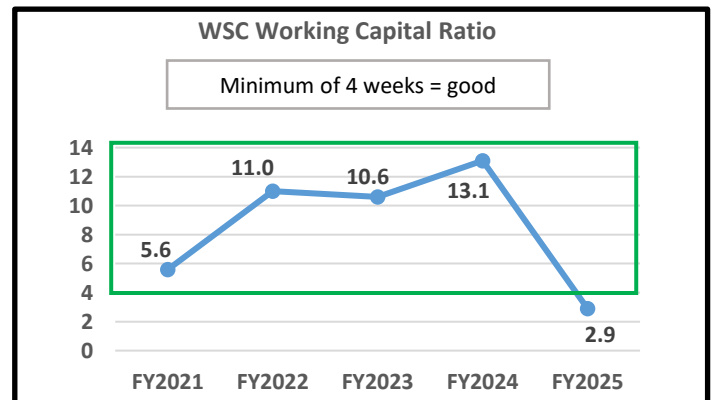
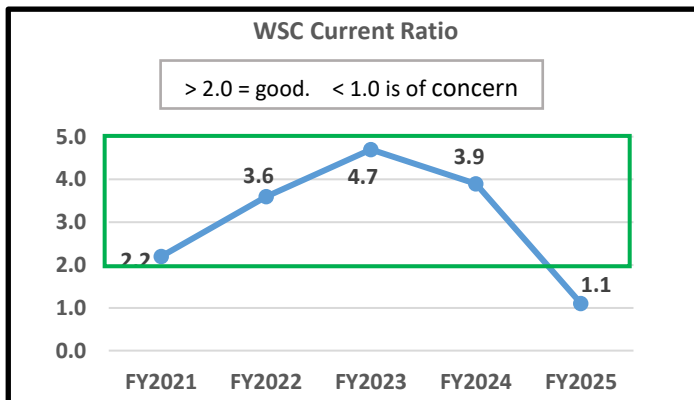
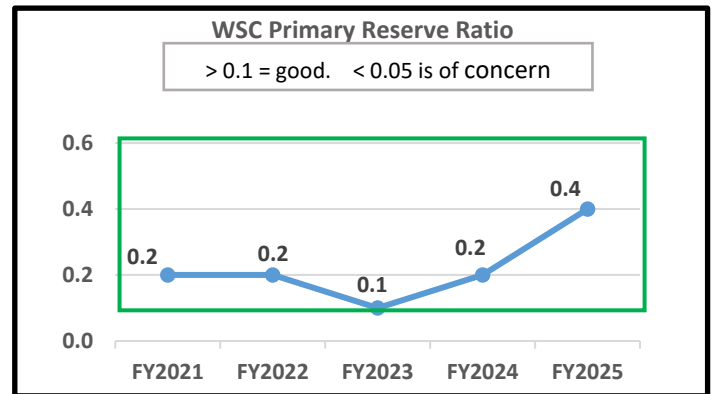
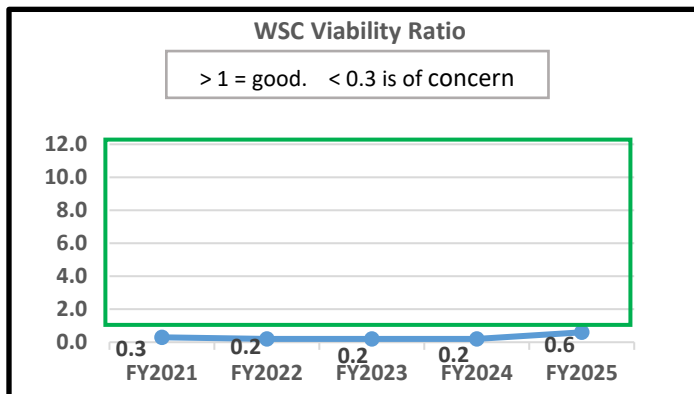
VCSU Summary:

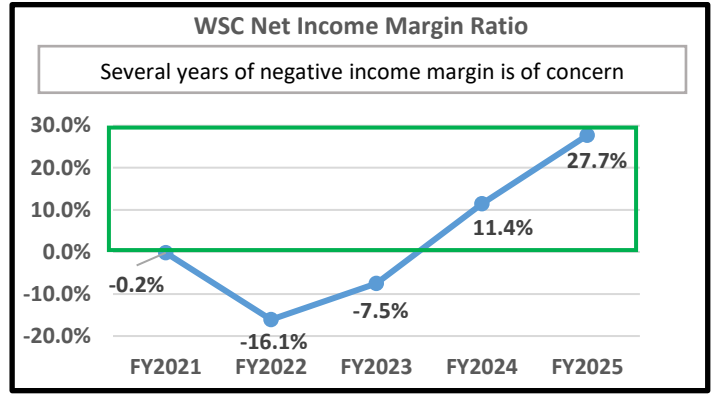
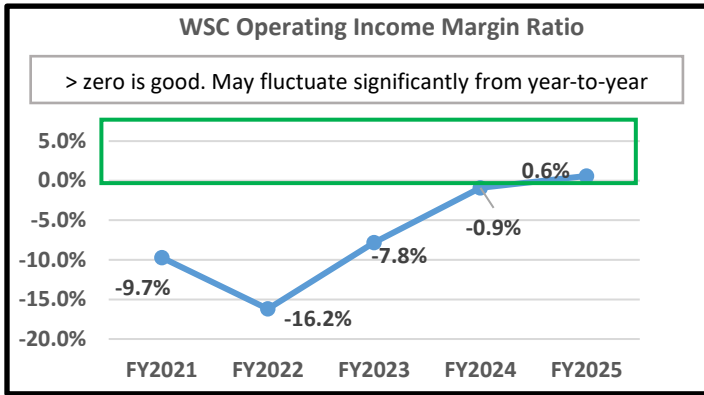
- CFI scores are solid.
- The primary reserve, current ratio and working capital ratios are good. The viability ratio has been below 1.0 since fiscal year 2020 but it is not a concern at this time, given the strength of the other ratios.
- The operating income margin has been negative for the last five years but it is not a concern at this time, given the strength of the other ratios.
- Fall 2025 enrollment increased 88 or 8.1 percent compared to Fall 2021. Fall 2024 enrollment increased 24 or 2.1 percent compared to Fall 2020.

Willison State College (WSC)



| CFI Zones | Public Institutions Composite Index | Outcomes |
|-----------|-------------------------------------|--|
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| Below | -4.0 to -0.1 | Financial Panel Review if "below" in any given year |



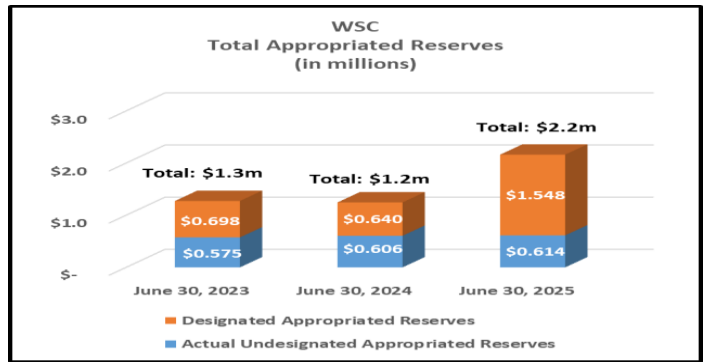
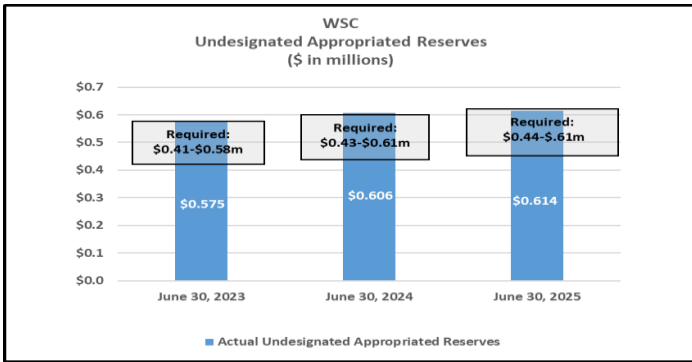


Appropriated Reserves

Unrestricted appropriated funds are set aside for two purposes: 1) undesignated reserves for sudden revenue shortfalls or unexpected expenses and 2) designated reserves for future programs, technology, strategic planning initiatives, etc., and other needs as determined by the institution.

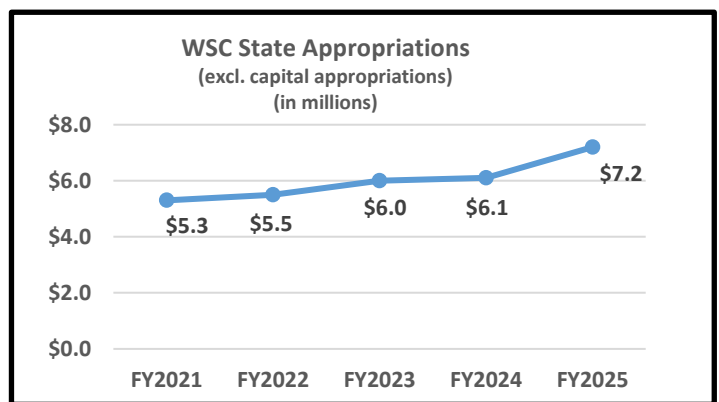
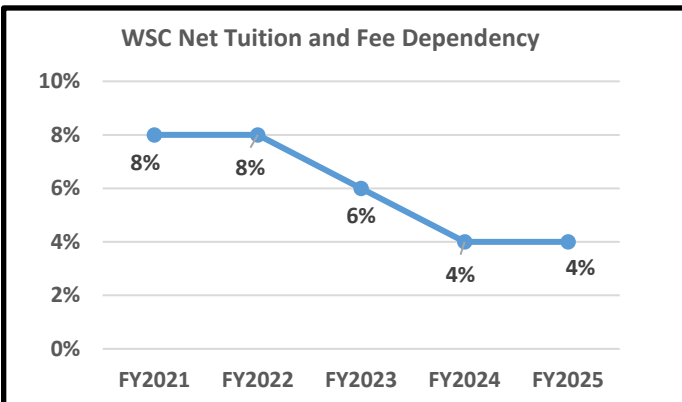
SBHE Policy 810. (1 a). Undesignated Reserve states colleges and universities shall target establishing and thereafter maintain an undesignated appropriated funds (i.e. general fund and tuition) reserve of between 5-7 percent of the previous fiscal years' actual general fund and net tuition revenue. WSC's undesignated appropriated reserves are at 7.0 percent for fiscal years 2025, 2024 and 2023.

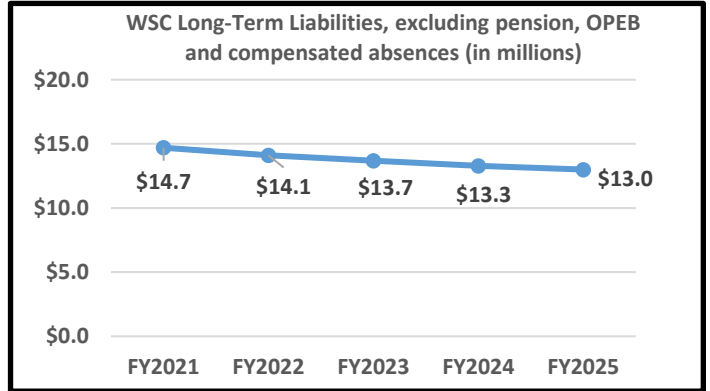
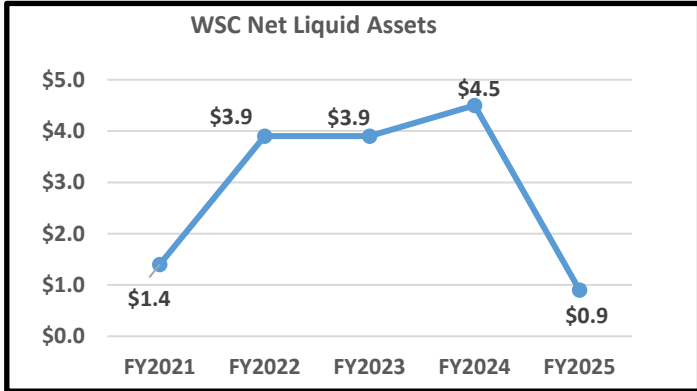
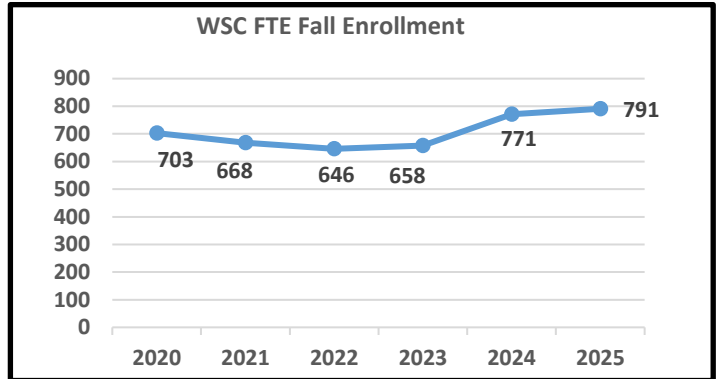
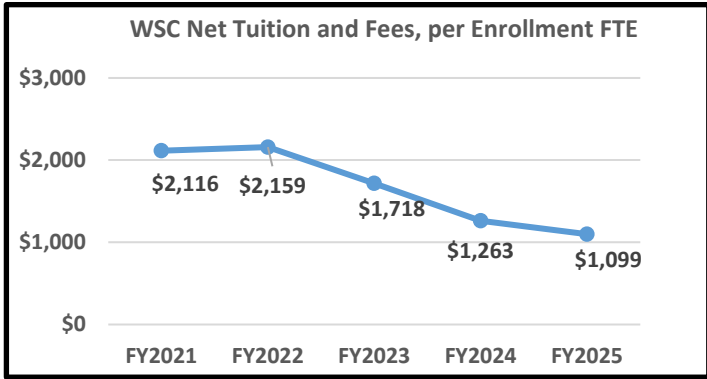
The information is presented on a cash basis.



Other Ratios:

No industry standard exists for the following ratios. They are presented here for informational purposes only.





WSC Summary

- CFI scores, including the foundation balances, are solid. However, CFI scores, excluding the foundation, are significantly lower and were in the “Below” zone for fiscal year 2023.
- The viability ratio has been below 1.0 since fiscal year 2020 but based on the strong primary reserve.
- The current ratio and working capital ratio decreased in fiscal year 2025 due to an increase in accounts payable of \$6.4 million. Accounts payable increased due to the Turf project and the Health Care Training Facility capital projects in process at June 30, 2025.
- The net income margin increased in fiscal year 2025 due to an increase of state appropriations for capital assets and capital grants and gifts.
- Net tuition and fees, per FTE enrollment decreased 48.1 percent from fiscal year 2021. During the same time period, gifts from the WSC Foundation increased 52.5 percent.
Note: The WSC Foundation Scholarships are recognized as gift revenue rather than tuition revenue, in accordance with GASB accounting standards.
- Fall 2025 enrollment of 123 increased 18.4 percent compared to Fall 2021 FTE enrollment. Fall 2024 FTE enrollment increased 68 or 9.7 percent from Fall 2020.