

Financial Report 2026

JUNE 30, 2026

Creighton
UNIVERSITY

CREIGHTON UNIVERSITY

Consolidated Financial Statements

June 30, 2026 and 2025

(With Independent Auditors' Report Thereon)

CREIGHTON UNIVERSITY

Table of Contents

	Page
Independent Auditors' Report	1
Consolidated Statements of Financial Position	3
Consolidated Statements of Activities	4
Consolidated Statements of Cash Flows	6
Notes to Consolidated Financial Statements	7

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Independent Auditors' Report

The Board of Trustees
Creighton University:

Opinion

We have audited the consolidated financial statements of Creighton University and its subsidiary (the University), which comprise the consolidated statements of financial position as of June 30, 2026 and 2025, and the related consolidated statements of activities, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the University as of June 30, 2026 and 2025, and the changes in its net assets and its cash flows for the years then ended in accordance with U.S. generally accepted accounting principles.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for one year after the date that the consolidated financial statements are issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

KPMG LLP, a Delaware limited liability partnership, and its subsidiaries are part of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

KPMG LLP

Omaha, Nebraska
October 22, 2026

CREIGHTON UNIVERSITY

Consolidated Statements of Financial Position

June 30, 2026 and 2025

(All amounts in thousands)

Assets		2026	2025
Cash and cash equivalents	$	30,777	63,062
Restricted cash and cash equivalents		53,372	61,161
Accounts receivable, net		32,012	36,665
Contributions receivable, net		114,362	51,900
Student loans receivable, net of reserve for doubtful accounts of $1,193 and $1,083 in 2026 and 2025, respectively		19,563	20,149
Prepaid expenses, inventories, and other assets		24,612	22,255
Investments		1,430,618	1,210,620
Land, buildings, and equipment, net		776,952	708,023
Total assets	$	2,482,268	2,173,835
Liabilities and Net Assets			
Liabilities:			
Accounts payable and accrued expenses	$	76,996	69,966
Deferred and unearned income		64,850	67,251
Other liabilities		24,037	21,348
Refundable government student loan funds		14,599	15,120
Bonds and notes payable		313,274	317,746
Total liabilities		493,756	491,431
Net assets:			
Without donor restrictions		1,089,579	978,157
With donor restrictions:			
Time or purpose		511,255	338,495
Perpetual		387,678	365,752
Total net assets		1,988,512	1,682,404
Total liabilities and net assets	$	2,482,268	2,173,835

See accompanying notes to consolidated financial statements.

CREIGHTON UNIVERSITY

Consolidated Statement of Activities

Year ended June 30, 2026

(All amounts in thousands)

	Without donor restrictions	With donor restrictions	Total
Net operating revenue:			
Tuition and fees	$ 295,428	—	295,428
Educational support contract revenue	60,363	—	60,363
Healthcare services revenue	18,804	—	18,804
Grants and contracts	27,042	—	27,042
Contributions	16,552	—	16,552
Investment income appropriated for operations	44,708	—	44,708
Auxiliary enterprises	63,497	—	63,497
Other revenue	16,357	—	16,357
Capital gifts appropriated for operations	12,988	—	12,988
Net assets released from restrictions	13,266	—	13,266
Total net operating revenue	569,005	—	569,005
Operating expenses:			
Salaries, wages, and benefits	334,359	—	334,359
Contracted services	58,580	—	58,580
Supplies and materials	26,728	—	26,728
Depreciation	48,800	—	48,800
Interest	9,499	—	9,499
Utilities and communications	12,565	—	12,565
Other operating	65,430	—	65,430
Total operating expenses	555,961	—	555,961
Increase in net assets from operating activities	13,044	—	13,044
Nonoperating changes in net assets:			
Investment return over amounts appropriated for operations	58,710	99,412	158,122
Contributions for nonoperating purposes	37	166,879	166,916
Other changes in net assets	—	(5,720)	(5,720)
Capital gifts appropriated to operations	(12,988)	—	(12,988)
Net assets released from restrictions	52,619	(65,885)	(13,266)
Net nonoperating changes in net assets	98,378	194,686	293,064
Increase in net assets	111,422	194,686	306,108
Net assets, beginning of year	978,157	704,247	1,682,404
Net assets, end of year	$ 1,089,579	898,933	1,988,512

See accompanying notes to consolidated financial statements.

CREIGHTON UNIVERSITY

Consolidated Statement of Activities

Year ended June 30, 2025

(All amounts in thousands)

	Without donor restrictions	With donor restrictions	Total
Net operating revenue:			
Tuition and fees	$ 279,924	—	279,924
Educational support contract revenue	45,331	—	45,331
Healthcare services revenue	17,349	—	17,349
Grants and contracts	26,622	—	26,622
Contributions	8,034	—	8,034
Investment income appropriated for operations	48,845	—	48,845
Auxiliary enterprises	58,310	—	58,310
Other revenue	14,147	—	14,147
Capital gifts appropriated for operations	11,948	—	11,948
Net assets released from restrictions	17,240	—	17,240
Total net operating revenue	527,750	—	527,750
Operating expenses:			
Salaries, wages, and benefits	318,469	—	318,469
Contracted services	57,622	—	57,622
Supplies and materials	26,383	—	26,383
Depreciation	53,763	—	53,763
Interest	9,076	—	9,076
Utilities and communications	11,907	—	11,907
Other operating	56,963	—	56,963
Total operating expenses	534,183	—	534,183
Decrease in net assets from operating activities	(6,433)	—	(6,433)
Nonoperating changes in net assets:			
Investment return over amounts appropriated for operations	18,003	66,078	84,081
Contributions for nonoperating purposes	33	99,154	99,187
Other changes in net assets	(4,935)	461	(4,474)
Capital gifts appropriated to operations	(11,948)	—	(11,948)
Net assets released from restrictions	31,567	(48,807)	(17,240)
Net nonoperating changes in net assets	32,720	116,886	149,606
Increase in net assets	26,287	116,886	143,173
Net assets, beginning of year	951,870	587,361	1,539,231
Net assets, end of year	$ 978,157	704,247	1,682,404

See accompanying notes to consolidated financial statements.

CREIGHTON UNIVERSITY

Consolidated Statements of Cash Flows

Years ended June 30, 2026 and 2025

(All amounts in thousands)

		2026	2025
Cash flows from operating activities:			
Increase in net assets	$	306,108	143,173
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:			
Receipt of contributed securities		(32,863)	(32,498)
Proceeds from sale of contributed securities without donor restrictions		2,166	2,480
Depreciation, amortization, and accretion		47,786	52,975
Loss on sale of land, buildings, and equipment, net		159	865
Actuarial (gain) loss on annuities payable		(457)	887
Actuarial adjustment on contributions receivable		(1,028)	(2,546)
Cash contributions for nonoperating purposes		(72,619)	(61,355)
Net realized and unrealized gains on investments		(190,641)	(119,641)
Other adjustments, net		—	(5,172)
Changes in operating assets and liabilities:			
Accounts receivable		4,653	101
Contributions receivable		(61,434)	(5,334)
Prepaid expenses, inventories, and other assets		(2,357)	(1,035)
Accounts payable and accrued expenses		951	12,400
Deferred and unearned income		(2,401)	5,090
Other liabilities		1,463	(375)
Net cash used in operating activities		(514)	(9,985)
Cash flows from investing activities:			
Repayments on student loans		3,727	4,141
Student loans issued		(3,140)	(3,155)
Proceeds from the sales of investments		311,951	217,179
Purchases of investments		(340,430)	(201,233)
Proceeds from the sale of land, buildings, and equipment		551	245
Purchases of land, buildings, and equipment		(112,360)	(70,345)
Net cash used in investing activities		(139,701)	(53,168)
Cash flows from financing activities:			
Cash contributions for nonoperating purposes		72,619	61,355
Proceeds from sale of contributed securities with donor restrictions		30,697	30,018
Proceeds from the issuance of long-term debt		—	146,993
Payments on long-term debt		(3,436)	(91,370)
Proceeds from the issuance of short-term debt		—	10,000
Payments on short-term debt		—	(10,000)
Decrease in federal student loan funds		(521)	(1,156)
Net receipts (payments) on annuity agreements		782	(1,007)
Net cash provided by financing activities		100,141	144,833
Net (decrease) increase in cash, cash equivalents, and restricted cash and cash equivalents		(40,074)	81,680
Cash, cash equivalents, and restricted cash and cash equivalents, beginning of year		124,223	42,543
Cash, cash equivalents, and restricted cash and cash equivalents, end of year	$	84,149	124,223
Supplemental cash flow data:			
Cash paid for interest	$	9,844	5,577
Capital assets acquired in ending accounts payable		16,269	10,190
Contributed securities		32,863	32,498

See accompanying notes to consolidated financial statements.

(1) Summary of Significant Accounting Policies

(a) Nature of Operations

Creighton University (Creighton or the University) is a private, Catholic, Jesuit, comprehensive university located primarily in Omaha, Nebraska and Phoenix, Arizona. Creighton offers degree programs through four colleges, four professional schools, and a graduate school. Creighton's students come from nearly every state in the country, as well as from numerous foreign countries, with the majority of students coming from the Midwestern region of the United States.

Sources of operating revenue to Creighton predominantly consist of student tuition and fees, and also include charges for educational support, healthcare services, grants and contracts, contributions, investment earnings, auxiliary services, and others.

(b) Basis of Presentation

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles (GAAP) and include the accounts of Creighton University and Creighton University Student Groups LLC (CUSG), a wholly owned non-profit entity. Creighton University and CUSG are together referred to as the University. All material transactions between the parent and CUSG have been eliminated in consolidation.

Resources are reported in two separate categories of net assets based on the existence or absence of donor-imposed restrictions. In the accompanying consolidated financial statements, net assets that have similar characteristics have been combined into categories as follows:

- Net assets without donor restrictions – Net assets that are not subject to donor-imposed stipulations. Net assets without donor restrictions may be designated for specific purposes by action of the Board of Trustees.
- Net assets with donor restrictions – Net assets whose use by the University is subject to donor-imposed stipulations as follows:
  - Net assets with donor restrictions (time or purpose) – Net assets whose use by the University is subject to donor-imposed stipulations that will be fulfilled by actions of the University pursuant to those stipulations or that expire by the passage of time.
  - Net assets with donor restrictions (perpetual) – Net assets subject to donor-imposed stipulations that they be maintained in perpetuity by the University. Generally, the donors of these assets permit the University to use all or part of the income earned on these assets for purposes consistent with the donor's intent. Such assets primarily include the University's permanent endowment funds and irrevocable trusts held by others.

Expenses are generally reported as decreases in net assets without donor restrictions.

Net assets with donor restrictions (time or purpose) for which donor-imposed restrictions are met in subsequent reporting periods are reclassified to net assets without donor restrictions and reported as net assets released from restrictions. Net assets released from restrictions also include net assets without donor restrictions or net assets with donor restrictions for which donors have added, changed, or removed restrictions on contributions. Net assets without donor-imposed restrictions, as well as contributions for which donors have stipulated restrictions that are met within the same reporting period, are reported as support without donor restrictions.

A promise to give is conditional based on whether the agreement includes a barrier that must be overcome and either a right of return of assets transferred or a right of release of a promisor's obligation to transfer assets exists. Conditional promises to give are not recorded until one or more barriers are overcome for the recipient to be entitled to the assets transferred. Unconditional promises to give are recorded as receivables and revenue at fair value in the period the promise is made. Unconditional promises to give with payments due in future periods are reported as support with donor restrictions. Amounts due more than one year from the consolidated statements of financial position date are recorded at the net realizable discounted cash flow, while amounts due in one year or less are recorded at undiscounted net realizable value. The fair value of the pledge is estimated based on anticipated future cash payments discounted using a risk-adjusted rate commensurate with the duration of the planned payments. Pledges receivable are net of an allowance for uncollectible amounts. Allowance for uncollectible pledges is calculated based on the University's past collection experience. Intentions to give that clearly and explicitly allow resource providers to rescind their indications are not considered promises to give and therefore are not recorded in the consolidated financial statements.

Gifts of land, building, equipment, or other assets are reported at fair value as support without donor restrictions unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used are reported as support with donor restrictions. The University reports expirations of donor restrictions on long-lived assets as the assets are placed in service.

(c) Use of Estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue, expenses, and other changes in net assets during the reporting period. Actual results could differ from those estimates.

(d) Measure of Operations

The increase or decrease in net assets without donor restrictions from operating activities reflected on the accompanying consolidated financial statements includes primarily activities closely related to the educational, healthcare, research, auxiliary, and administrative functions of the University. Amounts not included in the measure of operations consist of contributions for nonoperating or long-term purposes, equity earnings/losses in minority-owned affiliates, gains/losses on extinguishment of debt, investment income on endowments in excess of or (under) the established spending policy, certain amounts

released from restrictions, and other changes in net assets that are nonrecurring. Operating results also include a reclassification associated with the amortization of capital gifts placed in service, as described in note 1(e).

(e) Capital Gifts to Acquire or Construct Long-Lived Assets

Capital gifts to acquire or construct a long-lived asset are recorded as a donor restricted gift until the related asset is placed in service, at which time the capital gift is released from net assets with donor restrictions to net assets without donor restrictions within the nonoperating section and subsequently amortized into operations over the estimated useful life of the acquired or constructed asset. This amortization, which amounted to $12,988 and $11,948 for the years ended June 30, 2026 and 2025, respectively, is recorded as a reclassification between the nonoperating and operating sections of the change in net assets without donor restrictions on the consolidated statements of activities under capital gifts appropriated to and for operations.

(f) Amortization of Prepaid Implementation Costs

Accounting Standards Update (ASU) 2018-15, *Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement that is a Service Contract*, aligns the accounting for implementation costs incurred in a cloud computing service contract with the guidance for capitalizing internal-use software development costs. Prepaid implementation costs of $3,500 and $2,257 as of the June 30, 2026 and 2025, respectively, included within prepaid expenses, inventories, and other assets, are being amortized over useful lives ranging from 27 to 60 months. The University amortized $997 and $1,221 of prepaid implementation costs to contracted services on the consolidated statements of activities for the years ended June 30, 2026 and 2025, respectively.

(g) Tuition and Fees

Tuition and fees represent charges for educational programs and services. Tuition discounts and scholarship allowances represent a reduction of the tuition transaction price. Advance payments for tuition, room, and board related to the next semester have been deferred and will be reported as revenue in the year in which the services are rendered.

Deferred tuition revenue is fully recognized in the following fiscal year and amounted to $24,871 and $21,916 as of June 30, 2026 and 2025, respectively, and is recognized in deferred and unearned income on the consolidated statements of financial position.

The University bills tuition and fees in advance for each academic term. Tuition and fees revenue is recognized ratably over time as the services are provided over the academic year, which generally aligns with the University's fiscal year.

The composition of student tuition and fees revenue was as follows for the years ended June 30, 2026 and 2025:

		2026	2025
Undergraduate	$	220,333	203,273
Graduate/professional		198,546	191,246
Other tuition and fees		40,947	35,836
Tuition and fees at standard rates		459,826	430,355
Less:			
Tuition discount and scholarship allowances		(164,398)	(150,431)
Tuition and fees	$	295,428	279,924

(h) Educational Support Contract Revenue

Educational support contract revenue represents contract payments received for services and programs, which support the University's educational mission, and is recorded at the amount the University expects to be entitled in exchange for services provided. These primarily include payments from health systems for the services of medical residents, physicians, and other medical staff from the University's Health Sciences schools. Educational support is billed on a monthly basis under terms of the specific contract. Educational support is recognized over time based on costs incurred for services provided.

Creighton health sciences programs, located in both Omaha, NE and Phoenix, AZ, require access to patients in order to complete required clinical components of the programs.

For the Omaha-based students, the University entered into an agreement with Catholic Health Initiatives (CHI), designed to expand access to patients for its medical and other health sciences educational programs.

Annual income received related to CHI educational support is $56,462 and $41,876, for the fiscal years ended June 30, 2026 and 2025, respectively. In addition, Creighton reimburses CHI for the time their employed physicians allocate to teaching undergraduate medical education and performing research activities reflected in salaries on the consolidated statements of activities totaling $13,398 and $12,465 for the fiscal years ended June 30, 2026 and 2025, respectively.

For the Phoenix-based students, the University entered into an agreement with Dignity Health d/b/a Dignity Health Medical Group and St. Joseph's Hospital and Medical Center, District Medical Group and Maricopa County Special Health Care District d/b/a Maricopa Integrated Health System. The agreement establishes the framework for collaboration to enable the parties to leverage their own expertise and resources to facilitate their shared interests in collaboration across multiple disciplines of health science, clinical learning environment, research, and teaching medical students, residents, fellows, nurses, allied health, and related health professionals.

The Phoenix parties formed a 501(c)(3) organization, “Creighton University Arizona Health Education Alliance” (“Arizona Alliance”) to run the operations of the Arizona Alliance. The Arizona Alliance reimburses Creighton for employees, primarily medical residents, and other related support which is recorded net against the related expenses (mainly salaries, wages and benefits) on the consolidated statements of activities totaling $36,078 and $34,216 for the fiscal years ended June 30, 2026 and 2025, respectively. Creighton records these reimbursements net against the expense incurred as Creighton has determined they are the agent in the transaction based on the level of control the members of the Arizona Alliance exert. Creighton, in return shares in a portion of the Arizona Alliance’s costs reflected in expenses totaling $349 and $126 for the fiscal years ended June 30, 2026 and 2025, respectively. Creighton reimburses other parties of the Arizona Alliance for the time their employed physicians allocate to teaching undergraduate medical education and performing research activities reflected in salaries, wages, and benefits totaling $7,303 and $7,226 for the fiscal years ended June 30, 2026 and 2025, respectively.

In both clinical arrangements, the parties intend that all members continue to be autonomous parties that remain independently governed by their respective governing bodies and management.

(i) Healthcare Services Revenue

Healthcare services revenue represents patient charges for services provided through the University’s health sciences clinical operations, including the schools of Medicine, Dentistry, and Pharmacy and Health Professions. Payments for patient charges are generally received through medical insurance arrangements (including Medicare and Medicaid) and payments from patients. Clinical operations revenue reflects the consideration the University expects to be entitled in exchange for providing services. Generally, revenue is recognized over time as patients receive services. The University measures the performance obligation from the commencement of the services to the point when it is no longer required to provide services to the patient. The University bills the patients and third-party payers after the services are performed.

(j) Grants and Contracts

Grants and contracts consist primarily of contractual agreements with governmental and private entities for the conduct of research and other sponsored programs. These agreements generally are considered nonexchange transactions restricted by sponsors for certain purposes and are recognized as revenue when qualifying expenditures are incurred and conditions under the agreements are met. Payments received from sponsors in advance of conditions being met are reported as deferred and unearned income, which totaled $27,682 and $25,621 as of June 30, 2026 and 2025, respectively. Conditional awards from governmental and other sponsors not yet recognized were $24,204 and $40,554 as of June 30, 2026 and 2025, respectively.

(k) Auxiliary Enterprises

Auxiliary enterprises include student housing and dining services, intercollegiate athletics, campus recreation, and the student center. Generally, auxiliary enterprises revenue is recognized ratably over time as the services are provided over the academic year, which generally aligns with the University’s fiscal year.

The composition of auxiliary enterprises revenue was as follows for the years ended June 30, 2026 and 2025:

		2026	2025
Room and board	$	35,559	32,651
Athletic ticket sales		16,375	15,148
Other		11,563	10,511
Auxiliary enterprises	$	63,497	58,310

(l) Cash and Cash Equivalents

Cash and cash equivalents represent cash on hand and highly liquid investments with original maturities of less than three months from the date of purchase. Cash and cash equivalents representing assets of endowment and similar funds are included in investments. Cash and cash equivalents are deposited in demand and money market accounts and deposits held with banks may exceed the amount of insurance provided on such deposits. The University has not experienced any losses on its deposits of cash and cash equivalents.

(m) Restricted Cash and Cash Equivalents

Restricted cash and cash equivalents represent funds maintained in accounts for: 1) unspent bond proceeds from issued bonds; 2) scheduled debt service payments; 3) government or University loan funds; 4) contracts with government agencies. Such funds are held in bank or short-term interest-bearing accounts.

The following table provides a reconciliation of cash and cash equivalents, and restricted cash and cash equivalents reported on the consolidated statements of financial position as of June 30, 2026 and 2025 that sum to the total of the same such amounts shown on the accompanying consolidated statements of cash flows:

		2026	2025
Cash and cash equivalents	$	30,777	63,062
Restricted cash and cash equivalents		53,372	61,161
Cash, cash equivalents, and restricted cash and cash equivalents, as shown in consolidated statements of cash flows	$	84,149	124,223

(n) Student Loans Receivable

Student loans receivable consist primarily of loans made to students under U.S. government loan programs. The loans are stated at net realizable value in the accompanying consolidated financial statements. These receivables are not saleable and contain federally mandated interest rates and

repayment terms subject to significant restrictions as to their transfer and disposition. The University reviews receivables on an ongoing basis to assess collectability and records an allowance for credit losses based on historical experience. Provision for bad debt and write-off activity related to the allowance for credit losses for student loans is not material to the consolidated financial statements. At June 30, 2026 and 2025, the amount of loans past due under the student loan programs was $967 and $1,209, respectively.

(o) Investments

Investments are stated at fair value. Investments are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investments, changes in values may occur in the near term and such changes could materially affect the University's financial position. For alternative investments in funds that do not have readily determinable fair values, including certain hedge funds and limited partnerships, the University records these investments using net asset value (NAV) per share or its equivalent as a practical expedient to fair value.

In accordance with the accounting policy of stating investments at fair value, the change in unrealized appreciation or depreciation of those securities is reflected in investment income within the accompanying consolidated financial statements. The cost of investments sold is determined by use of the specific-identification method for all investments except those in the investment pool. The cost of the investments in the investment pool (note 6) is determined using individual unit values.

Funds held in trust by others represent amounts held by third-party trustees for the beneficial interest of the University under perpetual trust agreements created by donors. The University's interests in the trusts are recorded at fair value, with increases or decreases in fair value being reported as investment gains or losses during the year.

The University owns a minority interest in an affiliated entity, Arizona Alliance. The University's ownership of Arizona Alliance is recorded using the equity method, which is carried at the value of the original investment and adjusted for entity earnings and losses. The carrying value of the investment in the Arizona Alliance is immaterial to the financial statements for the years ended June 30, 2026 and 2025, respectively.

(p) Land, Buildings, and Equipment

Land, buildings, and equipment are primarily stated at cost of acquisition, less accumulated depreciation. Generally, equipment purchases and renovations equal to or greater than $5 and $25, respectively, are capitalized. The library collection is stated at cost or, if acquired by donation, at the appraised value at the date of donation. Land, buildings, and equipment are removed from the records at the time of disposal. Depreciation is computed on a straight-line basis over the estimated useful life of buildings (10–40 years), library collection (25 years), and equipment (3–15 years). Long-lived assets, such as property and equipment, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. There were no impairment charges recorded during fiscal year 2026 or 2025. Gifts of land, building, equipment, or other assets are recorded at estimated fair value when received.

(q) Refundable Government Student Loan Funds

Refundable government student loan funds consist of amounts advanced by the federal government on the condition that the University administers various campus-based student loan programs subject to federal regulations. Under certain conditions, the funds must be returned to the federal government. The amounts are not saleable and can only be assigned to the U.S. government or its designees.

(r) Bonds and Notes Payable

Bond discounts, premiums, and issuance costs are deferred and amortized over the life of the related indebtedness utilizing the straight-line method which approximates the effective interest rate method.

(s) Income Taxes

The University has been recognized by the Internal Revenue Service as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code. U.S. GAAP requires management to evaluate tax positions taken and recognize a tax liability (or asset) if the organization has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The University is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. After evaluating the tax positions for the University, none are considered to be uncertain. As of June 30, 2026 and 2025, the University had no liability for unrecognized tax benefits.

(t) Accounting Standards Implemented in Current Year

During 2026, the University adopted ASU 2025-05, *Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets*, which provides a practical expedient when estimating expected credit losses on current accounts receivable and/or current assets arising from transactions under Topic 606. The University implemented ASU 2025-05 on July 1, 2025, and noted the adoption impact of the new standard on the consolidated financial statements and related disclosures was immaterial.

(u) Reclassification

Certain amounts in the 2025 consolidated financial statements have been reclassified to conform to the 2026 presentation.

(2) Net Assets

Net assets without donor restrictions consist of the following:

		2026	2025
Board-designated endowment funds (note 6)	$	338,698	303,214
Other net assets without donor restrictions		750,881	674,943
Total net assets without donor restrictions	$	1,089,579	978,157

(Continued)

Net assets with donor restrictions (time or purpose) consist of the following:

		2026	2025
Contributions for buildings yet to be placed in service	$	79,547	31,461
Contributions receivable, net		107,691	50,241
Annuity funds		2,754	1,563
Unexpended income and contributions for restricted purposes		42,918	49,359
Endowment funds and unappropriated donor-restricted endowment earnings (note 6)		278,345	205,871
Total net assets with donor restrictions (time or purpose)	$	511,255	338,495

Net assets with donor restrictions (perpetual) consist of the following:

		2026	2025
Endowment funds (note 6)	$	346,397	332,086
Endowment funds held in trust by others (note 6)		25,638	25,465
Student loan funds		348	295
Contributions receivable, net		6,671	1,659
Annuity funds		8,624	6,247
Total net assets with donor restrictions (perpetual)	$	387,678	365,752

(3) Accounts Receivable, Net

Accounts receivable, net consist of the following:

		2026	2025
Student accounts receivable	$	11,264	12,687
Grant funds receivable		4,890	8,296
Medical affiliate receivables		6,243	7,003
Miscellaneous receivables		9,615	8,679
Total accounts receivable, net	$	32,012	36,665

Student accounts receivable is recorded net of estimated reserves for uncollectible amounts of $1,524 and $4,487 at June 30, 2026 and 2025, respectively.

(Continued)

(4) Financial Assets and Liquidity Resources

The University regularly monitors liquidity required to meet its operating needs and other contractual commitments, including capital. Resources available to the University to fund general expenditures, such as operating expenses, scheduled principal and interest payments on debt, and internally funded capital costs, have seasonal variations related to the timing of tuition payments, receipts of gifts and pledge payments, and transfers from the endowment. The University actively manages its resources, utilizing a combination of short and long-term investment strategies to align operating cash inflows with anticipated outflows. As of June 30, 2026 and 2025, respectively, existing financial assets available within one year were as follows:

		2026	2025
Financial assets:			
Cash and cash equivalents	$	30,777	63,062
Accounts receivable, net		32,012	36,665
Contributions receivable, net, due within one year		438	637
Investments not subject to donor restrictions or board designations, available within one year		120,521	87,288
Fiscal 2027 and 2026 projected endowment payout:			
Donor-restricted endowments		22,116	19,145
Board-designated endowments		12,547	13,262
Other endowments without donor restrictions		613	1,093
Total financial assets available within one year	$	219,024	221,152

The University included in this analysis the amount of funds authorized by the Board of Trustees to be distributed from the endowment.

Investments subject to board designations of $145,704 and $116,763, as of June 30, 2026 and 2025, respectively, are available for general expenditure with Board of Trustees approval.

The University's Board of Trustees has designated a portion of its resources without donor restrictions for endowment and other purposes. These funds are invested for long-term appreciation and current income but remain available, as needed. As of June 30, 2026 and 2025, respectively, the University had $338,698 and $303,214 in funds functioning as endowment, which are available for general expenditure with Board of Trustees approval.

Student loans receivable are not considered to be available to meet general expenditures since principal and interest collected on these loans are used to make new loans.

The University maintains two lines of credit which can be drawn upon as needed to meet working capital requirements (see note 10).

(5) Investments

University investments as of June 30, 2026 and 2025 comprise the following:

	2026	2025
Short-term investments	$ 37,200	28,972
Long-term investments	1,366,261	1,155,544
Funds held in trust by others	27,157	26,104
Total University investments	$ 1,430,618	1,210,620

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The University discloses a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The fair value hierarchy gives the highest priority to quoted prices in active markets (Level 1) and the lowest priority to unobservable data (Level 3). In some cases, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The lowest-level input that is significant to a fair value measurement in its entirety determines the applicable level in the fair value hierarchy. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability. Fair value measurements are categorized as Level 3 when a significant amount of price or other inputs that are considered to be unobservable are used in their valuations.

The three levels of inputs that may be used to measure fair value are as follows:

Level 1 – Observable inputs such as quoted prices in active markets that the University has the ability to access at the measurement date.

Level 2 – Inputs other than quoted prices in active markets such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs where there is little or no market data and which require the University to develop its own assumptions about the inputs that market participants would use to price an instrument based on the best available information.

(Continued)

The table below summarizes the University's classification of fair value measurements utilized for assets recorded at fair value on a recurring basis and provides a reconciliation to the total investments on the consolidated statements of financial position as of June 30, 2026:

	Total	Level 1	Level 2	Level 3
Investments:				
Investment money market funds	$ 16,687	16,687	—	—
Domestic funds	223,134	223,134	—	—
International funds	182,253	182,253	—	—
Global funds	289,267	289,267	—	—
Real assets funds	907	907	—	—
Fixed-income funds	148,081	148,081	—	—
Fixed-income securities and corporate bonds	49,670	—	49,670	—
Real estate	75	—	—	75
Funds held in trust by others	27,157	—	—	27,157
Other	182	182	—	—
Subtotal	937,413	$ 860,511	49,670	27,232
Alternative investments recorded at NAV (*)	493,205			
Total University investments	$ 1,430,618			

(*) Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

(Continued)

The table below summarizes the University's classification of fair value measurements utilized for assets recorded at fair value on a recurring basis and provides a reconciliation to the total investments on the consolidated statements of financial position as of June 30, 2025:

	Total	Level 1	Level 2	Level 3
Investments:				
Investment money market funds	$ 1,487	1,487	—	—
Domestic funds	193,540	193,540	—	—
International funds	136,012	136,012	—	—
Global funds	263,041	263,041	—	—
Real assets funds	493	493	—	—
Fixed-income funds	137,353	137,353	—	—
Fixed-income securities and corporate bonds	43,565	—	43,565	—
Real estate	173	—	—	173
Funds held in trust by others	26,104	—	—	26,104
Other	183	183	—	—
Subtotal	801,951	$ 732,109	43,565	26,277
Alternative investments recorded at NAV (*)	408,669			
Total University investments	$ 1,210,620			

(*) Certain investments that are measured at fair value using the net asset value (NAV) per share (or its equivalent) as a practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the consolidated statements of financial position.

Fair value of the University's financial instruments is determined using the methods and assumptions as set forth below. While the University believes that its valuation methods are appropriate and consistent with those of other market participants, use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value at the reporting date. There were no changes in valuation methodology from 2025 to 2026.

Investment money market funds – Investment money market funds are recorded at fair value using quoted market prices. These are classified as Level 1 as they are traded in an active market for which closing prices are readily available.

Domestic, international, global, real asset, fixed-income funds – These securities are mainly measured using quoted market prices at the reporting date multiplied by the quantity held. These are classified as Level 1 if they are traded in an active market for which closing market prices are readily available.

Fixed-income securities and corporate bonds – Investments in fixed-income securities are comprised of government and agency obligations, and corporate bonds. When quoted prices of identical investment securities in active markets are not available, the fair values for these investment securities are obtained primarily from pricing services; one evaluated price is received for each security. The fair values provided by the pricing services are estimated using matrix pricing or other pricing models, where the inputs are based on observable market inputs or recent trades of similar securities. Such investment securities are generally classified as Level 2.

Real estate – Investments in real property represent various real properties donated to the University and initially valued at appraised value on the date of receipt. Valuations for real properties are classified as Level 3 and the properties are valued based upon market comparisons.

Funds held in trust by others – Funds held in trust by others represent the University's beneficial interest in certain assets held by third parties. The valuation of these funds is based on fair value information received from external trustees and is calculated based upon information received from the trustee times the University's percentage of ownership. These interests are classified as Level 3.

Other – Items included in this category include primarily accrued interest that is reported at fair value at the reporting date and futures contracts, which are recorded at fair value based on quoted market prices.

The following tables summarize the changes in fair value of Level 3 investments for the years ended June 30, 2026 and 2025:

	Notes and mortgages	Real estate investments	Funds held in trust by others	Total Level 3
Balance at June 30, 2025	$ —	173	26,104	26,277
Investment income	—	47	—	47
Unrealized gains (losses), net	—	—	1,053	1,053
Purchases	—	—	—	—
Sales	—	(145)	—	(145)
Mortgage payments	—	—	—	—
Balance at June 30, 2026	$ —	75	27,157	27,232
Total gains included in changes in net assets attributable to the change in unrealized gains and losses on assets still held at the reporting date	$ —	—	1,053	1,053

	Notes and mortgages	Real estate investments	Funds held in trust by others	Total Level 3
Balance at June 30, 2024	$ 2	173	25,425	25,600
Investment income	—	—	—	—
Unrealized gains (losses), net	—	—	679	679
Purchases	—	—	—	—
Sales	—	—	—	—
Mortgage payments	(2)	—	—	(2)
Balance at June 30, 2025	$ —	173	26,104	26,277
Total gains included in changes in net assets attributable to the change in unrealized gains and losses on assets still held at the reporting date	$ —	—	679	679

The estimated fair value of certain alternative investments, such as private equity funds, private credit funds, private real assets funds and hedge funds was supplied by the respective fund administrator or trust. For these alternative investments, the University used the NAV (or its equivalent) reported by the underlying fund to estimate the fair value of the investment as a practical expedient to fair value. Below is a summary of investments accounted for at NAV as of June 30, 2026 and 2025:

Fiscal year ended June 30, 2026	Fair value	Unfunded commitment	Redemption frequency (if currently eligible)	Redemption notice period	Investment strategy
Private equity funds (a)	$ 345,471	224,475	Illiquid	—	Multiple strategies
Real assets (a)	52,276	32,819	Illiquid	—	Multiple strategies
Hedge fund	95,458	—	Monthly	60–90 days	Multiple strategies
Total	$ 493,205	257,294			

(a) These funds are expected to liquidate within 1 to 12 years.

(Continued)

Fiscal year ended June 30, 2025	Fair value	Unfunded commitment	Redemption frequency (if currently eligible)	Redemption notice period	Investment strategy
Private equity funds (a)	$ 272,837	100,080	Illiquid	—	Multiple strategies
Real assets (a)	51,196	19,510	Illiquid	—	Multiple strategies
Hedge fund	84,636	—	Monthly	60–90 days	Multiple strategies
Total	$ 408,669	119,590			

(a) These funds are expected to liquidate within 1 to 12 years.

Due to the nature of the investments held by the funds, changes in market conditions and the economic environment may significantly impact the NAV of the funds and, consequently, the fair value of the University's interests in the funds. Although a secondary market exists for these investments, individual transactions are typically not observable. When transactions do occur in this secondary market, they may occur at discounts to the reported NAV. It is, therefore, reasonably possible that if the University were to sell these investments in the secondary market, a buyer may require a discount to the reported NAV, and the discount could be significant.

(6) Endowment Fund

The University's endowment consists primarily of funds invested in an externally managed pooled endowment fund. The composition of the total endowment fund as of June 30, 2026 and 2025 is as follows:

	2026	2025
University share of pooled fund	$ 1,344,974	1,138,725
Operational and other funds invested in the pooled fund	(389,611)	(305,334)
Endowment funds held in trust by others	25,638	25,465
Nonpooled assets, including cash and cash equivalents, notes receivable, real estate, and other	8,078	7,780
Total endowment	$ 989,079	866,636

Certain assets of the endowment fund are pooled on a market value basis. Each individual pooled endowment fund subscribes to or disposes of units on the basis of the per-unit market value at the beginning of the calendar month within which the transaction takes place. The following table illustrates the relative percentage composition of the investments at June 30, 2026 and 2025 by security type, based upon the function that the investment serves in the portfolio:

	2026	2025
Equities – domestic	18 %	18 %
Equities – international	13	11
Equities – global	21	23
Fixed-income securities	13	14
Hedge funds	7	7
Private capital and real assets funds	27	26
Cash and cash equivalents	1	1
	100 %	100 %

The total rate of return on the pooled endowment fund was 15.8% for the year ended June 30, 2026 and 12.5% for the year ended June 30, 2025.

(a) UPMIFA

The University applies the provisions of the Nebraska Uniform Prudent Management of Institutional Funds Act (the Act) and the related provisions of Accounting Standards Codification (ASC) 958-205-05, *Reporting Endowment Funds*, in managing its endowment. ASC 958-205-05 provides guidance on the net asset classification of donor-restricted endowment funds for a not-for-profit organization that is subject to an enacted version of the Act and also requires certain disclosures about both donor-restricted and board-designated endowment funds.

The University's endowment consists of more than 1,400 individual funds established for a variety of purposes including both donor-restricted endowment funds and funds designated by the University's Board of Trustees to function as endowments. Net assets associated with the endowment, including the board-designated funds, are classified and reported based upon the presence or absence of donor-imposed restrictions.

(b) Interpretation of Relevant Law

The University's Board of Trustees has interpreted the Act as allowing the University to appropriate for expenditure or accumulate as much of an endowment fund as the University determines is prudent for the uses, benefits, purposes, and direction for which the endowment fund is established, subject to the intent of the donor as expressed in the gift instrument. As a result of this interpretation, the University classifies as net assets with donor restrictions (perpetual) (a) the original value of the gifts donated to the perpetual endowment, (b) the original value of subsequent gifts to the perpetual endowment, and (c) accumulations to the perpetual endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions (perpetual) is classified as net assets with donor restrictions (time or purpose) until those amounts are appropriated for expenditure by the University in a manner consistent with the standard of prudence prescribed by the Act.

In accordance with the Act, the University considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds in cases where the endowment funds are underwater: 1) the duration and preservation of the fund; 2) the purposes of the University and the donor-restricted endowment fund; 3) general economic conditions; 4) the possible effect of inflation and deflation; 5) the expected total return from income and appreciation of the investments; 6) other resources of the University; and 7) the investment policies of the University.

(c) Endowment Net Asset Composition by Fund Type

The endowment composition by type of fund is illustrated in the following tables:

	Without donor restrictions	With donor restrictions (time or purpose)	With donor restrictions (perpetual)	Total
June 30, 2026:				
Donor-restricted endowments	$ —	278,345	372,036	650,381
Board-designated endowments	338,698	—	—	338,698
Endowment totals	$ 338,698	278,345	372,036	989,079

	Without donor restrictions	With donor restrictions (time or purpose)	With donor restrictions (perpetual)	Total
June 30, 2025:				
Donor-restricted endowments	$ —	205,871	357,551	563,422
Board-designated endowments	303,214	—	—	303,214
Endowment totals	$ 303,214	205,871	357,551	866,636

(d) Endowment Net Asset Reconciliation

	Without donor restrictions	With donor restrictions	Total
Beginning balance, July 1, 2025	$ 303,214	563,422	866,636
Investment income, net	52,175	91,167	143,342
Contributions	37	12,603	12,640
Amounts appropriated for expenditure	(16,727)	(20,726)	(37,453)
Other changes	(1)	3,915	3,914
Ending balance, June 30, 2026	$ 338,698	650,381	989,079

	Without donor restrictions	With donor restrictions	Total
Beginning balance, July 1, 2024	$ 283,330	499,258	782,588
Investment income, net	37,364	59,807	97,171
Contributions	33	23,906	23,939
Amounts appropriated for expenditure	(16,905)	(19,649)	(36,554)
Other changes	(608)	100	(508)
Ending balance, June 30, 2025	$ 303,214	563,422	866,636

(e) Funds with Deficiencies

From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or the Act requires the University to retain as a fund of perpetual duration. The University considers funds for which the fair value of the assets is less than the value of all contributions to the fund to be deficient and such funds are referred to as “underwater” funds. As of June 30, 2026 and 2025, funds with an original gift value of $20,788 and $20,699 were “underwater” by $2,853 and $3,230, respectively. Deficiencies of this nature were reported in net assets with donor restrictions. These deficiencies resulted from unfavorable market fluctuations that occurred after the investment of new contributions with donor restrictions and continued appropriation for certain programs as deemed prudent.

(Continued)

(f) Return Objectives and Risk Parameters

The University has adopted investment and spending policies that attempt to provide a predictable stream of funding to programs supported by the endowment while seeking to maintain the purchasing power of the endowment assets. Under this policy, as approved by the Board of Trustees, the endowment assets are invested in a manner that is intended to produce results that exceed the spending rate and long-term inflation rate while assuming a prudent level of investment risk. Over a market cycle, the University expects its endowment funds to provide an average nominal rate of return, net of investment fees, of approximately 7.00% annualized. Actual returns in any given year may vary from this amount.

(g) Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the University relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The University targets a diversified asset allocation that places emphasis on investments in equities, fixed income, hedge funds, private markets, and other strategies to achieve its long-term return objectives within prudent risk constraints.

(h) Endowment Spending Policy

The University endowment spending formula is designed to provide a measure of stability for budgeting purposes and help preserve the purchasing power of the endowment over the long-term. There is also a spending cap of 5% and a floor of 3% to mitigate significant fluctuations in spending. The distribution is calculated as:

- The three-year rolling average of market values as of December 31st X 4.9%. Endowments less than three-years old will use the market value determination of one-year or two-year rolling averages as applicable.

The amounts calculated for distribution are further reviewed for any funds that are underwater. Based on the review and assessment of the specific factors described above, the distribution may be reduced or suspended for the applicable year.

In establishing the spending policy, the University considered the expected return on its endowment and, accordingly, expects the current spending policy to allow the endowment to maintain its purchasing power by growing at a rate equal to planned distributions over the long-term. Additional real growth will be provided through new gifts and any excess investment return.

(7) Land, Buildings, and Equipment, Net

Land, buildings, and equipment, net consist of the following:

	2026	2025
Land	$ 56,238	56,238
Land improvements	51,296	48,721
Buildings	891,167	867,090
Equipment	177,979	176,858
Library collection	78,561	77,823
Construction in progress	106,995	53,011
	1,362,236	1,279,741
Accumulated depreciation	(585,284)	(571,718)
	$ 776,952	708,023

Depreciation expense was $48,800 and $53,763 for the fiscal years ended June 30, 2026 and 2025, respectively.

(8) Contributions Receivable, Net

Unconditional promises to give are included in the consolidated financial statements as contributions receivable and revenue within the appropriate net asset category. Values expected to be received are discounted to net present value using risk-adjusted discount rates, ranging from 3.00% to 5.61%. Unconditional promises to give are expected to be realized in the following periods:

	2026	2025
One year or less	$ 60,004	30,964
Between one and five years	64,609	24,490
More than five years	7,063	2,504
Less discount and allowance for uncollectible accounts	(17,314)	(6,058)
	$ 114,362	51,900

In addition, donors to the University have indicated intentions to contribute in future periods of approximately $73,715 and $55,244 at June 30, 2026 and 2025, respectively. These amounts are not included in contributions receivable because they do not constitute unconditional promises to give. It is not practicable to estimate the net realizable value of these intentions to contribute or the period over which they will be collected.

(9) Bonds and Notes Payable

Bonds and notes payable, net of premium, discount and issuance costs at June 30, 2026 and 2025 consist of the following:

	2026	2025
$3,517 issuance of note payable (Sodexo); monthly principal and interest payments through 2032; interest rate 3.2%	$ 2,321	2,712
$141,215 issuance of loan notes (Douglas County Educational Facilities Revenue and Refunding Bonds 2025); annual principal and interest payments through 2053; interest rates 4.25% to 5.25%; (collateralized by unrestricted receipts, revenue, and income of the University)	147,076	147,301
$43,155 issuance of loan notes (Douglas County Educational Facilities Loan Notes 2021A); annual principal and interest payments through 2051; interest rates 3.00% to 4.00%; (collateralized by unrestricted receipts, revenue, and income of the University)	48,783	49,008
$62,645 issuance of bonds (Maricopa IDA Educational Facilities Revenue Bonds Series 2020); interest only payments through 2036; annual principal and interest payments through 2051; interest rates 4.00% to 5.00%; (collateralized by unrestricted receipts, revenue, and income of the University)	70,673	71,022
$72,250 issuance of loan notes (Douglas County Educational Facilities Loan Notes 2017); annual principal and interest payments through 2047; interest rates 3.00% to 5.00%; (collateralized by unrestricted receipts, revenue, and income of the University)	44,421	47,703
Total bonds and notes payable	313,274	317,746
Less current portion of bonds and notes payable	(5,812)	(4,472)
Noncurrent portion of bonds and notes payable	$ 307,462	313,274

On April 22, 2025, the University issued $141,215 tax-exempt Series 2025 bonds through the County of Douglas, Nebraska. The proceeds from the Series 2025 bonds were used to refinance the $91,325 outstanding of the Series 2021B bonds. Additional proceeds were used to fund construction of and equipment for the new sophomore residence hall and other permissible capital projects. The bonds were issued on a serial basis with various maturities and will bear interest at a fixed rate paid on a semi-annual basis.

On June 20, 2023, the University received $3,517 pursuant to terms set forth in the University's contract with Sodexo, its campus food services provider. The proceeds are being used to expand and upgrade Sodexo's operations. The note will amortize on a straight-line basis over 10 years and will bear interest at a fixed rate paid on a semi-annual basis.

(Continued)

On August 5, 2021, the University issued $43,155 tax-exempt Series 2021A bonds through the County of Douglas, Nebraska. The proceeds from the Series 2021A bonds were used to fund construction of and equipment for the CL Werner Center for Health Sciences and the freshmen residence hall. The bonds were issued on a serial basis with various maturities and will bear interest at a fixed rate paid on a semi-annual basis.

On December 12, 2019, the University issued $62,645 tax-exempt Series 2020 bonds through the Industrial Development Authority of the County of Maricopa, Arizona. The proceeds from the Series 2020 bonds were used to fund construction of and equipment for the health sciences facility in Phoenix. The bonds were issued on a serial basis with various maturities and will bear interest at a fixed rate paid on a semi-annual basis.

On December 4, 2017, the University issued $72,250 tax-exempt Series 2017 bonds through the County of Douglas, Nebraska. The proceeds from the Series 2017 bonds were used to fund construction of and equipment for the dental school facility and to refinance $29,610 outstanding of the Series 2010A bonds. The Series 2010A debt service reserve fund was redeemed as part of this transaction and the amount applied against the outstanding Series 2010A amount. The bonds were issued on a serial basis with various maturities and will bear interest at a fixed rate paid on a semi-annual basis.

Repayments of bond and note principal, including amortization of premium, discount, and debt issuance costs, in each of the five fiscal years subsequent to June 30, 2026 are scheduled as follows:

Year ending June 30:		
2027	$	4,776
2028		4,996
2029		5,236
2030		5,481
2031		5,746
Thereafter		262,546
		288,781
Unamortized bond issue costs		(636)
Unamortized net premium/discounts		25,129
Total payments	$	313,274

Interest expense on long-term debt was $9,472 in 2026 and $8,999 in 2025. Bond discounts, premiums, and issuance costs totaled $24,493 and $25,529 for the fiscal years ended June 30, 2026 and 2025, respectively, and are deferred and amortized over the life of the related indebtedness utilizing the straight-line method, resulting in amortization of $1,037 and $812 for the fiscal years ended June 30, 2026 and 2025, respectively.

(10) Short-Term Borrowings

The University has two current revolving lines of credit established for daily operating needs as of June 30, 2026. One operating line of credit has a maximum borrowing capacity of $25,000 and expires May 31, 2029. The interest rate payable on this line of credit is established at Term SOFR Rate plus a 1.55% margin, or 5.20% at June 30, 2026. The University will pay a 0.10% non-use fee on the daily unused portion of the maximum borrowing capacity, payable quarterly in arrears. The outstanding balances on this line of credit were $0 at June 30, 2026 and 2025.

The second operating line of credit has a maximum borrowing capacity of $25,000 and expires December 1, 2026. The interest rate payable on this line of credit is established at prime rate minus 1.55%. The interest rate was 5.20% at June 30, 2026. The outstanding balances on this line of credit were $0 at June 30, 2026 and June 30, 2025.

(11) Functional Expenses

Natural expenses allocated by functional category are as follows for the years ended June 30, 2026 and 2025:

	Academic, instructional, and research	Healthcare services	Student services and auxiliary	Institutional support	Total
Salaries, wages, and benefits	$ 239,854	17,660	44,039	32,806	334,359
Contracted services	17,216	1,010	25,664	14,690	58,580
Supplies and materials	12,786	7,748	5,014	1,180	26,728
Depreciation	20,736	1,067	25,747	1,250	48,800
Interest	3,659	222	5,357	261	9,499
Utilities and communications	4,682	305	6,543	1,035	12,565
Other operating	20,931	1,241	41,280	1,978	65,430
2026 Total	$ 319,864	29,253	153,644	53,200	555,961

(Continued)

	Academic, instructional, and research	Healthcare services	Student services and auxiliary	Institutional support	Total
Salaries, wages, and benefits	$ 226,939	17,232	43,144	31,154	318,469
Contracted services	16,468	824	27,490	12,840	57,622
Supplies and materials	12,497	7,437	5,111	1,338	26,383
Depreciation	22,357	1,198	28,762	1,446	53,763
Interest	3,438	214	5,140	284	9,076
Utilities and communications	4,371	298	6,184	1,054	11,907
Other operating	22,584	2,390	28,877	3,112	56,963
2025 Total	$ 308,654	29,593	144,708	51,228	534,183

Included under Academic, instructional, and research are instructional, student aid, sponsored research, libraries, public service, and academic support. Costs related to the operation and maintenance of physical plant, including depreciation of plant assets and interest expense on external debt, are allocated to operating programs and supporting activities based upon square footage. Included under Institutional support in the table above are University fundraising expenses of $8,356 and $8,623 for the fiscal years ended June 30, 2026 and 2025, respectively.

(12) Retirement Plan

A defined-contribution retirement plan is available to employees who have met certain employment requirements. Contributions by employees and the University are used to purchase individual annuities or interests in mutual funds. University contributions during the years ended June 30, 2026 and 2025 were $12,651 and $12,016, respectively.

(13) Self-Insured Benefit Plans

The University has a self-insured health benefit plan covering active employees and their dependents. The plan also covers medical house staff whose cost of participation is paid by the organizations for whom they provide services. Total claims paid under the plan for the fiscal years 2026 and 2025 were $31,931 and $29,109, respectively. The University carries stop-loss insurance coverage that limits the University's claim liability to $225 per individual. The University has also contracted with an insurance carrier to provide administrative services for the plan. The liability estimated by the University for claims incurred but not reported was $2,510 at June 30, 2026 and 2025, respectively. The University is also partially self-insured for workers' compensation and accrues an estimated liability for claims incurred but not paid based on studies performed by an outside actuarial firm. The liability amounts are included in accounts payable and accrued expenses on the consolidated statements of financial position.

(Continued)

(14) Commitments and Contingencies

The University is involved in various litigation arising in the normal course of operations. On the basis of information presently available and the advice of legal counsel, management is of the opinion that any liability, to the extent not provided for through reserves or otherwise, for pending litigation is not likely to be material in relation to the University's financial position or activities.

The University executed a 25-year energy services contract in May 2019. Payments by the University are based upon volume levels and energy prices.

The University has the following remaining contractual obligations:

	Budgeted Cost	Remaining Obligation	Start Date	End Date
Sophomore residence hall	$ 52,500	$ 785	Summer 2024	Summer 2026
Creighton Hall renovations	19,500	1,856	Spring 2025	Fall 2026
Athletics performance center	65,000	52,230	Summer 2025	Winter 2027
Baseball and softball team facilities	37,000	32,636	Spring 2026	Winter 2027
Quadrangle	24,000	5,429	Fall 2025	Fall 2026
Law School entrance	8,900	7,951	Summer 2026	Summer 2027

Research grants and contracts normally provide for the recovery of direct and indirect costs. Recovery of indirect costs on U.S. government grants is recorded at fixed or predetermined rates negotiated with the government. Indirect cost recovery rates have been established with the U.S. government through fiscal year 2026.

(15) Related Parties

(a) Board of Trustees

The University has a written conflict of interest policy that requires, among other things, that no member of the Board of Trustees can participate in any decision in which he or she (or an immediate family member) has a material financial interest. Each Trustee is requested to certify compliance with the conflict-of-interest policy on an annual basis and indicate whether the University does business with an entity in which a trustee has a material financial interest. When such relationships exist, measures are taken to mitigate any actual or perceived conflict, including requiring that such transactions be conducted at arm's length, for good and sufficient consideration, based on terms that are fair and reasonable to and for the benefit of the University, and in accordance with applicable conflict of interest laws.

(Continued)

Cash and securities received from Board of Trustee members, including pledge payments, totaled $37,130 and $30,102 for the years ended June 30, 2026 and 2025, respectively, for the purposes of purchasing and constructing capital assets, granting scholarships, programming, and general operations. Contributions receivable from Board of Trustee members totaled $55,702 and $14,967 for the fiscal years ended June 30, 2026 and 2025, respectively. Additionally, the University receives services from entities where Creighton Board of Trustee members are also trustees or hold key management positions. The University reported $4,386 and $4,661 of operating expenses and $11,047 and $1,750 of building construction related costs for the years ended June 30, 2026 and 2025, respectively from these entities.

(b) Other

The University owns a minority interest in an affiliated entity, Arizona Alliance.

(16) Subsequent Events

The University has evaluated subsequent events through October 22, 2026, the date the consolidated financial statements were issued, and noted no additional items to disclose.



The Creighton University Mission

Creighton is a Catholic and Jesuit comprehensive university committed to excellence in its selected undergraduate, graduate and professional programs.

As Catholic, Creighton is dedicated to the pursuit of truth in all its forms and is guided by the living tradition of the Catholic Church.

As Jesuit, Creighton participates in the tradition of the Society of Jesus, which provides an integrating vision of the world that arises out of a knowledge and love of Jesus Christ.

As comprehensive, Creighton's education embraces several colleges and professional schools and is directed to the intellectual, social, spiritual, physical and recreational aspects of students' lives and to the promotion of justice.

Creighton exists for students and learning. Members of the Creighton community are challenged to reflect on transcendent values, including their relationship with God, in an atmosphere of freedom of inquiry, belief and religious worship. Service to others, the importance of family life, the inalienable worth of each individual and appreciation of ethnic and cultural diversity are core values of Creighton.

Creighton faculty members conduct research to enhance teaching, to contribute to the betterment of society, and to discover new knowledge. Faculty and staff stimulate critical and creative thinking and provide ethical perspectives for dealing with an increasingly complex world.

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