STATE TECHNICAL COLLEGE OF MISSOURI

(A Component Unit of the State of Missouri)
Linn, Missouri

INDEPENDENT AUDITORS' REPORT

FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

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INDEPENDENT AUDITOR'S REPORT

Board of Regents
State Technical College of Missouri
Linn, Missouri

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the business-type activities of State Technical College of Missouri (the College), a component unit of the State of Missouri, and its discretely presented component unit, The Foundation for State Technical College of Missouri, Inc. (the Foundation), as of and for the years ended June 30, 2025 and 2024, and the related notes to financial statements, which collectively comprise the College's basic financial statements as listed in the accompanying table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the College, and the College's discretely presented component unit, the Foundation as of June 30, 2025 and 2024, and the respective changes in financial position and, where applicable, cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*. Our responsibilities under these standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the College and to meet our other ethical responsibilities, in accordance with the relevant ethical requirement relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 16, in fiscal year 2025, the College adopted Governmental Accounting Standards Board Statement No. 101, *Compensated Absences,* which decreased beginning net position and increased liabilities as of July 1, 2023. Our opinions are not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the College's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. 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 and *Government Auditing Standards* 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 financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards,* we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the 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 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 College'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 financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the College'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the College's basic financial statements. The supplementary information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025 on our consideration of the College's internal control over financial reporting and on our tests of is compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the College's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the College's internal control over financial reporting and compliance.

Sikich CPA LLC

St. Louis, Missouri
December 15, 2025

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Regents
State Technical College of Missouri
Linn, Missouri

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the business-type activities and the discretely presented component unit of State Technical College of Missouri (the College), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the College's basic financial statements, and have issued our report thereon dated December 15, 2025. The financial statements of the Foundation were not audited in accordance with *Government Auditing Standards*, and accordingly, this report does not include reporting on internal control over financial reporting or instances of reportable noncompliance associated with the Foundation.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the College's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control. Accordingly, we do not express an opinion on the effectiveness of the College's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements, on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the College's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sikich CPA LLC

St. Louis, Missouri
December 15, 2025

Introduction

The following discussion provides an overview of the financial position of State Technical College of Missouri (College) for the years ended June 30, 2025 and 2024 and includes an analysis of the College's financial statements. These financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) pronouncements.

Effective July 1, 2001, the College adopted GASB Statement No. 14, *The Financial Reporting Entity*, as amended by GASB 39; *Determining Whether Certain Organizations are Component Units* and GASB 61; *The Financial Reporting Entity: Omnibus an Amendment of GASB Statements No. 14 and No. 34*. The Foundation for State Technical College of Missouri, Inc. (Foundation) is a legally separate, tax exempt, entity which meets the criteria set forth for component units under GASB Statement No. 39. The Foundation provides financial support for the objectives, purposes, and programs of the College. Although the College does not control the timing, purpose, or amount of receipts from the Foundation, the resources (and income thereon) which the Foundation holds and invests are restricted by the donors to the activities of the College. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the College or its students, the Foundation is considered a component unit of the College and is discretely presented in the College's financial statements. The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications for these differences have been made to the Foundation's audited financial information as it is presented in the College's financial reporting entity.

Complete financial statements for the Foundation may be obtained by mailing a request to The Foundation for State Technical College of Missouri, Inc, Attn: Treasurer, One Technology Drive, Linn, MO 65051.

The discussion and analysis (which excludes the Foundation) has been prepared by management along with the financial statements and related footnote disclosures and should be read in conjunction with and is qualified in its entirety by the financial statements and footnotes.

Financial Overview and Highlights

This discussion and analysis of State Technical College of Missouri's financial statements provides an overview of the College's financial performance during the years ended June 30, 2025 and June 30, 2024. Since Management's Discussion and Analysis is designed to focus on current activities, resulting changes and current known facts, it should be read in conjunction with the College's basic financial statements and the footnotes.

There are three financial statements presented: the Statement of Net Position, the Statement of Revenues, Expenses, and Changes in Net Position, and the Statement of Cash Flows. The emphasis of the discussion and analysis of the financial statements is a comparative analysis of the College wide data.

The College's significant accounting policies are summarized in Note 1 to the financial statements of this report, including further information on the financial reporting entity.

Statement of Net Position

The Statement of Net Position presents the financial position of the College at the end of the fiscal year and includes all assets, liabilities and deferred inflows and outflows of the College. The Net Position presents the current financial condition of the College. Assets and liabilities are generally measured using current values, with certain exceptions, such as capital assets, which are stated at cost less accumulated depreciation, and accounts receivable reported net of estimated uncollectible accounts.

The assets and liabilities are categorized between current and noncurrent. The difference is current assets and liabilities mature or become payable within the normal 12-month accounting cycle versus noncurrent, which mature or become payable after 12 months. At June 30, 2025 and 2024, the College's current assets consist primarily of cash and accounts receivables, while noncurrent assets consist primarily of capital assets. Capital assets are the property, plant, and equipment owned by the College, net of any related depreciation.

Net Position is presented in three major categories. The first is net investment in capital assets, which represents the College's equity in property, plant, and equipment, net of any related debt and accumulated depreciation. The remaining two categories are restricted and unrestricted.

Restricted net position is funds that are limited in terms of the purpose and time for which the funds can be spent. Restricted net position is further categorized between expendable and non-expendable. Restricted expendable net position is available to be spent by the College after externally imposed stipulations have been fulfilled or after the passage of time. Restricted non-expendable net position is endowments for which only the interest portion can be spent.

Unrestricted net position is not subject to externally imposed stipulations; however, these resources may be designated for specific purposes by the College's management or Board of Regents. Unrestricted net position not designated is available for the College's instructional and general operations. The table below is a condensed summary of the College's Net Position at June 30, 2025, 2024, and 2023 respectively (in millions).

Condensed Summary of Net Position
June 30, 2025, 2024, and 2023
(in millions)

	2025	2024	2023
Current Assets	$ 29.3	$ 25.7	$ 26.8
Noncurrent Assets	116.7	91.9	81.9
Total Assets	146.0	117.6	108.7
Deferred Outflows of Resources	11.5	10.9	10.4
Current Liabilities	10.4	9.8	9.1
Noncurrent Liabilities	71.2	66.3	65.2
Total Liabilities	81.6	76.1	74.3
Deferred Inflows of Resources	-	-	-
Net Investment in Capital Assets	96.6	72.1	61.7
Unrestricted, (deficit)	(20.7)	(19.7)	(16.9)
Total Net Position	$ 75.9	$ 52.4	$ 44.8

Analysis of Fiscal Years

During 2025, Total Assets increased by $28.4 million. Current Assets increased by $3.6 million. Cash increased $4.9 million due to conservative budget management. Accounts Receivable decreased by $1.3 million due to comparatively less outstanding year end requests for construction related reimbursements and a reduction in student accounts receivable related to the change in initial semester for the heavy equipment operations and management program. Prepaid expenses decreased $.3 million due to a reduction in prepaid construction project related expenses, and inventory increased by $.3 million. Noncurrent assets, capital assets net of depreciation increased by $24.8 million. This increase is made up of $15.7 million additional construction in progress, $14.8 million in equipment and subscription asset, $3.6 million in buildings and land improvements offset by a $2.3 decrease in construction in progress and $7 million of current year depreciation and disposals. During 2024, Total Assets increased by $8.9 million. Current Assets, cash and accounts receivable, decreased by $1.1 million. Cash decreased $3.2 million due to capital project expenses exceeding reimbursements at year end. Unspent bond proceeds reflected as restricted cash and investments on the statements of net position decreased by $1.5 million as the final portion of the 2021 Series revenue bonds were allocated. Accounts Receivable increased by $3.8 million due to increased outstanding year end requests for construction related reimbursements. Prepaid expenses decreased $.2 million due to construction project related expenses. Noncurrent assets, capital assets net of depreciation increased by $10 million. This increase is made up of over $23.7 million in buildings, land improvements, and infrastructure and $1.5 million in equipment placed in service offset by a $9.1 net decrease in construction in progress, $6.1 million of current year depreciation and disposals.

Deferred Outflows of Resources increased by $.6 million from 2024 to 2025 and $.5 million from 2023 to 2024. This reflects the increase in the College's proportionate share of net differences between projected and actual investment earnings on pension plan investments recorded based on the information provided by Missouri State Employee's Retirement System (MOSERS) due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions.*

During 2025, Total liabilities increased by $5.5 million. Current Liabilities increased by $.6 million and Noncurrent Liabilities increased by $4.9 million. Increases in current liabilities are concentrated in wages payable due to increased payroll and benefit expense, retainage payable due to ongoing capital projects and the implementation of *Governmental Accounting Standards Board Statement No. 101, Compensated Absences*. Noncurrent Liabilities related to the College's proportionate share of net pension liability recorded based on information provided by MOSERS due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* increased by $5.3 million. Subscription Liability related to the fiscal year 2025 subscription-based information technology arrangement increased $1 million. Revenue Bonds decreased $1.4 million because of principal payments made during fiscal year 2025. During 2024, Total liabilities increased by $1.8 million. Current Liabilities increased by $.7 million and Noncurrent Liabilities increase by $1.1 million. Increases in current liabilities are concentrated in an increase in wages payable due to increased payroll and benefit expense, decrease in retainage payable due to the completion of capital projects, and the implementation of *Governmental Accounting Standards Board Statement No. 101, Compensated Absences*. Noncurrent Liabilities related to the College's proportionate share of net pension liability recorded based on information provided by MOSERS due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* increased by $2.8 million. Noncurrent Liabilities, Revenue Bonds decreased by $1.4 million because of principal payments made during fiscal year 2024.

Deferred Inflows of Resources reflect differences between expected and actual experience and changes in assumptions related to the pension plan recorded based on information provided by MOSERS related to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions.* There were no deferred inflows of resources reported in the last three fiscal years.

Total Net Position increased by $23.5 million during fiscal year ended June 30, 2025 and increased by $7.7 million during fiscal year ended June 30, 2024. These changes are primarily attributable to the increase in buildings and equipment placed in service and the impact of recording information provided by Missouri State Employee's

Retirement System (MOSERS) due to the implementation of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions.*

Analysis of Capital Assets
(in millions)

	2025	2024	2023
Land	$ 4.2	$ 4.2	$ 4.2
Construction In Progress	22.8	9.4	18.5
Land Improvements	10.0	9.6	6.9
Infrastructure	.7	.7	.5
Buildings	92.5	89.4	68.7
Library Books	.6	.6	.6
Software	.9	.9	1.9
Subscription Asset	1.7	-	-
Equipment	42.2	29.3	28.0
Total Capital Assets	175.6	144.1	129.3
Less Accumulated Depreciation	58.9	52.2	47.4
Capital Assets	$ 116.7	$ 91.9	$ 81.9

During the fiscal year ended June 30, 2025, the College placed in service $3.1 million in buildings including Safety Village and Commercial Turf and Grounds storage facility. Almost $13 million in new academic program equipment was also purchased and placed in service. The majority of this equipment, $11.3 million, was purchased for the expansion of the heavy equipment operations and management program using state appropriations funds. Land Improvement additions of $.4 million included a walking path around State Tech lake. As of June 30, 2025, construction in progress totaling $22.8 million included the following projects: Ag Demonstration building, Willett Automation Center, Building Technology Center, front entrance improvements, heavy equipment operations storage and lab building, campus north road and sewer, recruiting trailer, and the airport perimeter fence and hangar projects. During the fiscal year ended June 30, 2024, the College placed in service $2.7 million in land improvements at Osage View including the replacement pool, driving range enhancements, new golf course cart paths, and road improvements. Buildings placed in service include the Osage View Clubhouse which opened in October 2023, phase B of the Utility Technology Center and the remodel of the Information Technology Center. Almost $1.5 million in new academic program equipment was also purchased and placed in service in fiscal year 2024. As of June 30, 2024, construction in progress totaling $9.4 million included the following projects: Safety Village, Ag Demonstration building, Willett Automation Center, Building Technology Center, front entrance improvements and the airport pavement preservation project. See additional information on the College's capital assets in Note 5.

Statement of Revenues, Expenses,
and Changes in Net Position

The Statement of Revenues, Expenses, and Changes in Net Position presents the College's financial results of operations for the fiscal year. The statement distinguishes revenues and expenses between operating and nonoperating categories and provides a view of the College's operating margin.

Operating revenues and expenses are those for which the College directly exchanges goods and services. Nonoperating revenues and expenses are those that exclude specific, direct exchanges of goods and services. State appropriations are an example of nonoperating revenues where the state legislature does not directly receive goods and services in exchange for the revenue.

The following is a condensed summary of the College's Revenues, Expenses, and Changes in Net Position for the years ended June 30, 2025, 2024, and 2023, respectively (in millions).

Condensed Summary of Revenues, Expenses and Changes in Net Position
For the Years Ended June 30, 2025, 2024, and 2023
(in millions)

	2025	2024	2023
Operating Revenues	$ 26.6	$ 25.0	$ 22.4
Operating Expenses	(64.3)	(58.3)	(51.7)
Operating Loss	(37.7)	(33.3)	(29.3)
Nonoperating Revenues (Expenses)	29.3	27.6	26.8
Other Revenues (Expenses)	31.9	13.3	9.9
Increase (Decrease) in Net Position	23.5	7.6	7.4
Net Position - Beginning of Year	52.4	44.8	37.6
Restatement – GASB 101	-	-	(.2)
Net Position - End of the Year	$ 75.9	$ 52.4	$ 44.8

One of the financial strengths of the College is the diverse stream of revenues, which supplement its student tuition and fees. The following is a summary of the College's revenue sources for the years ended June 30, 2025, 2024, and 2023, respectively (in millions)

	2025	2024	2023
Operating Revenues			
Student Tuition and Fees	$ 18.6	$ 17.8	$ 16.6
Auxiliary Activities	7.2	6.4	5.1
Other Operating Revenues	.8	.8	.7
Total Operating Revenues	$ 26.6	$ 25.0	$ 22.4
Nonoperating Revenues			
State Appropriations	$ 9.0	$ 8.8	$ 8.6
Investment Income	.6	.8	.5
Gifts & Grants	19.7	18.0	17.7
Total Nonoperating Revenues	$ 29.3	$ 27.6	$ 26.8
Other Revenues, Gains or Losses			
State Capital Appropriation	$ 17.5	$ 2.0	$ 3.8
Grants and Contracts	14.4	11.3	6.1
Total Other Revenues, Gains or Losses	$ 31.9	$ 13.3	$ 9.9

Revenues

Operating Revenues increased $1.6 million and $2.6 million in fiscal years 2025 and 2024, respectively. Fiscal year 2025 saw a 3% increase in credit hour production which, along with the tuition rate increase resulted in $.7 million additional tuition and fee revenue. The remaining $.9 million was increased revenue from auxiliaries and other operating revenues. Fiscal year 2024 saw a 5% increase in credit hour production which, along with the tuition rate increase resulted in $1.3 million additional tuition and fee revenue. The remaining $1.3 million increase was the result of increased revenue from auxiliary activities. Fiscal year 2025 nonoperating and other revenues increase $20.3 million. This increase is made up of $4 million MoExcels state funds for the Ag Demonstration Center, $13.5 million in state appropriations to expand the expand the heavy equipment operations and management program, and a $2.8 million increase in Coronavirus State and

Local Fiscal Recovery Funds being utilized to complete construction of multiple new buildings on the main campus. Fiscal year 2024 nonoperating and other revenues increased $4.2 million. The increase is made up of several significant changes including a decrease in capital appropriations of $1.7 million as Utility Technology Center was completed in fiscal year 2023 and an appropriation of $2 million was received in fiscal year 2024 to complete the safety village project. The College's Enhancement Grant award decreased by $1.4 million. State financial aid awards and State appropriations increased $.9 million. Federal Grant revenue increased $6.5 million as Coronavirus State and Local Fiscal Recovery Funds are being utilized to complete construction of multiple new buildings on the main campus.

Expenses

Operating Expenses increased $6 million in fiscal year 2025 and increased $6.6 million in fiscal year 2024. The 2025 increase is due to $4.1 million in additional compensation and employee benefits – the result of an 3.5% compensation increase and a $4.5 million adjustment related to GASB Statements No. 68. $.3 million total net increases in contract services, supplies and materials, Utilities, travel, communications, and other operating expenses. Increased scholarships of $.4 million are increases in A+ awards and institutional out of state scholarships. Depreciation increased $1.2 million as a result of placing over $18 million in buildings, land improvements, and equipment in service during fiscal year 2025. The 2024 increase is due to $1.9 million in additional compensation and employee benefits – the result of an 8% compensation increase and a $2.4 million adjustment related to GASB Statements No. 68. $2.2 million in contract services and supplies and materials made up primarily of construction related expenses not capitalized i.e. furniture and audio visual equipment. A $.4 million increase in other operating expenses is the result of increases in insurance premiums and credit card processing fees from increased volume of payments. Increased scholarships of $.6 million are increases in A+ awards and institutional out of state scholarships. Depreciation increased $1.1 million due to placing $25 million in buildings, land improvements, and equipment in service during fiscal year 2024.

The following chart shows the total operating expenses for the College by natural classification for fiscal years ended June 30, 2025, 2024, and 2023, respectively (in millions).

Expenses by Natural Classification

	2025	2024	2023
Operating Expenses			
Compensation and Employee Benefits	$ 29.9	$ 25.8	$ 23.7
Contractual Services	3.1	2.9	2.5
Supplies and Materials	7.4	7.7	5.9
Utilities	1.0	.9	.8
Travel	.2	.2	.1
Communications	1.0	.9	.9
Other Operating Expenses	2.6	2.4	2.0
Scholarships and Fellowships	12.2	11.8	11.2
Depreciation and Amortization	6.9	5.7	4.6
Total Operating Expenses	$ 64.3	$ 58.3	$ 51.7

Expenses by Functional Classification

The following chart shows the total operating expenses for the College by functional classification for fiscal years ended June 30, 2025, 2024, and 2023, respectively (in millions).

	2025	2024	2023
Operating Expenses			
Instruction	$ 19.7	$ 17.5	$ 17.0
Academic Support	2.0	2.1	2.0
Student Services	3.2	3.0	2.9
Institutional Support	6.9	5.3	5.2
Operation and Maintenance of Plant	4.6	4.7	3.2
Scholarships and Fellowships	12.2	11.8	11.2
Auxiliary Services	8.8	8.2	5.6
Depreciation and Amortization	6.9	5.7	4.6
Total Operating Expenses	$ 64.3	$ 58.3	$ 51.7

Debt Administration

The College's Statement of Net Position reflects $21,814,829 in total revenue bonds payable. These bonds do not constitute general obligations or an indebtedness of the State of Missouri, the governing body of the College or the individual members of the governing body within the meaning of any constitutional or statutory debt limitation or restriction.

Series 2021 revenue bonds in the amount of $13,371,000 were issued on May 18, 2021 to provide funds to finance and reimburse costs of constructing, furnishing, equipping and improving educational facilities and to pay related costs of issuance as well as providing funds to refund the outstanding Series 2015 and 2017 Revenue Bonds. No specific sources are pledged; however, the College is required to maintain a debt service coverage ratio that is greater than or equal to 120% of the annual principal and interest payments. The 2021 revenue bonds bear a fixed interest rate of 1.9% per annum through June 1, 2031, then rest to the 5-year Constant Maturity Treasury Rate + 2% until maturity on June 1, 2036.

Series 2022 revenue bonds in the amount totaling $9,750,000 were issued on April 22, 2022, and Series 2023 revenue bonds in the amount totaling $3,250,000 were issued on February 2, 2023. Both issues were to provide funds to acquire, construct, erect, equip, furnish, operate, control, manage and regulate certain defined projects, including dormitory, dining room, social and recreational facilities serving the College and its students. Auxiliary system revenue is pledged in an amount that will not be less than 120% of the debt service requirements on all outstanding bonds payable from net revenues of the auxiliary system. The 2022 and 2023 revenue bonds bear a fixed interest rate of 3.07% per annum through June 1, 2032, then reset to FHLB rate + 1.70% every five years until maturity. The draw period for each bond series ended June 30, 2023 and principal and interest payments began August 1, 2023.

Debt
(in millions)

	2025	2024	2023
Beginning of Year Balance	$ 23.25	$ 24.66	$ 13.08
Amount Repaid	(1.44)	(1.41)	(.87)
Amount Issued	-	-	12.45
End of Year Balance	$ 21.81	$ 23.25	$ 24.66
Due Within One Year	$ 1.47	$ 1.44	$ 1.41

See additional information on the College's long term debt in Note 7.

Economic Outlook

It is imperative that the State Technical College of Missouri maintain a healthy financial position so it can successfully maintain and grow enrollment through recruiting and retaining graduates. The College's retention and graduation rate of 90% and 84% respectively, are the highest among all Missouri public two-year colleges and among the highest when compared to select peer groups. Strategic enrollment management initiatives continue to be reviewed and improved to maximize enrollment. Fall 2024 enrollment increased significantly over Fall 2023 enrollment, and the College is devoting significant resources to continue increases in 2025 enrollment.

The College is a labor-intensive organization. As such, the College must compete with industry to attract and retain quality faculty and staff. This ability to be competitive is vital to the College's success. In addition to securing quality faculty and staff, the College will consistently pursue increased enrollment while maintaining its retention, graduation, and placement rates and offering exceptional educational opportunities through highly specialized and advanced technical education and training in both emerging and traditional technologies. While it is not possible to predict the ultimate results, management believes that by focusing on these objectives, the College will remain strong and withstand economic uncertainties.

Management will continue to maintain a close watch over its resources and expenses to ensure its ability to plan and react to future internal and external issues.

Requests for Information

Additional information or questions concerning any of the information provided can be requested from the Vice President of Finance at State Technical College of Missouri, One Technology Drive, Linn, MO 65051 or Jenny.Jacobs@statetechmo.edu.

BASIC FINANCIAL STATEMENTS

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
STATEMENTS OF NET POSITION
JUNE 30, 2025 AND 2024

	2025	2024
Assets		
Current Assets		
Cash	$ 18,650,607	$ 13,813,962
Cash, Restricted	4,042,848	3,930,386
Accounts Receivable (Net)	1,063,568	1,110,069
Related Party Accounts Receivable	3,938,820	5,201,632
Prepaid Expenses	333,939	656,856
Inventory	1,286,424	1,014,321
Total Current Assets	29,316,206	25,727,226
Noncurrent Assets		
Capital Assets		
Depreciable, Net of Accumulated Depreciation and Amortization	89,771,940	78,320,221
Non-Depreciable	26,921,601	13,598,526
Total Noncurrent Assets	116,693,541	91,918,747
Total Assets	146,009,747	117,645,973
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	11,544,686	10,871,336
Total Deferred Outflows of Resources	11,544,686	10,871,336
Liabilities		
Current Liabilities		
Accounts Payable	3,531,941	3,992,065
Related Party Accounts Payable	4,113	4,191
Deposits	67,563	65,285
Wages and Payroll Payables	2,002,451	1,888,366
Unearned Revenues	920,132	1,014,781
Retainage Payable	860,589	343,210
Contracts Payable	372,365	361,412
Long-Term Liabilities - Current Portion	2,570,948	2,118,401
Current Liabilities Payable from Restricted Assets		
Accrued Interest Payable	84,241	17,062
Total Current Liabilities	10,414,343	9,804,773
Noncurrent Liabilities		
Accrued Compensated Absences	278,669	230,941
Installment Contracts	54,553	97,421
Subscription Liability	1,080,592	-
Revenue Bonds	20,344,906	21,814,828
Net Pension Liability	49,451,175	44,117,561
Total Noncurrent Liabilities	71,209,895	66,260,751
Total Liabilities	81,624,238	76,065,524
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	-	-
Total Deferred Inflows of Resources	-	-
Net Position		
Net Investment in Capital Assets	96,591,368	72,113,348
Unrestricted, (deficit)	(20,661,173)	(19,661,563)
Total Net Position	$ 75,930,195	$ 52,451,785

See accompanying notes to financial statements.

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30, 2025 and 2024

	2025	2024
Revenues		
Operating Revenues		
Student Tuition and Fees (Net of Scholarship Allowance of $5,717,799 and $4,463,850; and Bad Debt Expenses of $75,828 and $40,978)	$ 18,575,013	$ 17,840,020
Sales and Services of Educational Departments	205,549	205,794
Auxiliary Activities (Net of Scholarship Allowance of $32,289 and $32,082) Pledged as Security for Revenue Bonds	7,161,080	6,375,076
Other Operating Revenues	626,952	557,627
Total Operating Revenues	26,568,594	24,978,517
Expenses		
Operating Expenses		
Compensation and Employee Benefits	29,883,201	25,747,171
Contractual Services	3,093,423	2,906,704
Supplies and Materials	7,381,977	7,681,577
Utilities	995,931	962,208
Travel	214,296	221,954
Communications	1,001,841	897,476
Other Operating Expenses	2,597,226	2,355,296
Scholarships and Fellowships	12,199,747	11,845,666
Depreciation and Amortization	6,908,613	5,664,311
Total Operating Expenses	64,276,255	58,282,363
Operating (Loss)	(37,707,661)	(33,303,846)
Nonoperating Revenues (Expenses)		
State Appropriations	9,048,341	8,784,797
Federal Grants	6,058,243	4,866,028
State Grants	13,908,617	13,688,836
Nongovernmental Grants and Contracts	413,915	757,738
Investment Income	622,883	797,564
Interest Expense	(655,472)	(633,780)
(Loss) on Disposal of Plant Assets	(58,616)	(641,073)
Total Nonoperating Revenues (Expenses)	29,337,911	27,620,110
Gain (Loss) Before Capital Appropriations and Contributions	(8,369,750)	(5,683,736)
Capital Appropriations and Contributions		
Capital Appropriations	17,548,821	1,995,500
Government Grants and Contracts		
Federal	12,927,605	10,033,467
State	674,012	627,371
Nongovernmental Grants and Contracts	697,722	688,927
Total Capital Appropriations and Contributions	31,848,160	13,345,265
Increase (Decrease) in Net Position	23,478,410	7,661,529
Net Position - Beginning of Year, As Previously Reported	52,451,785	45,023,715
Restatement - GASB 101	-	(233,459)
Net Position - Beginning of Year, Restated	52,451,785	44,790,256
Net Position - End of Year	$ 75,930,195	$ 52,451,785

See accompanying notes to financial statements.

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 and 2024

	2025	2024
Cash Flows from Operating Activities		
Student Tuition and Fees	$ 19,781,528	$ 14,099,352
Sales and Services of Educational Departments	205,549	205,794
Auxiliary Activities	7,171,507	6,366,334
Other Operating Revenues	626,952	557,627
Payments to Suppliers for Goods and Services	(13,096,856)	(12,436,601)
Payments to Employees	(24,921,680)	(22,700,619)
Payments for Scholarships and Fellowships	(12,199,747)	(11,845,666)
Other Operating Expenses	(2,597,226)	(2,355,296)
Amounts Provided to Students-Governmental Student Loan Program	(5,061,871)	(4,881,589)
Amounts Provided from Lenders	5,061,871	4,881,589
Net Cash (Used) by Operating Activities	(25,029,973)	(28,109,075)
Cash Flows from Noncapital Financing Activities		
State Appropriations	9,048,341	8,784,797
State and Federal Grants, Gifts and Contracts - Nonoperating	19,966,860	18,554,864
Nongovernmental Grants and Contracts	413,915	757,738
Net Cash Provided by Noncapital Financing Activities	29,429,116	28,097,399
Cash Flows from Capital and Related Financing Activities		
Capital Appropriations	17,548,821	1,995,500
Government Grants and Contracts	13,601,617	10,660,838
Nongovernmental Grants and Contracts	124,772	688,928
Purchases of Capital Assets	(28,936,510)	(16,749,811)
Principal Repayments of Installment Contracts	(40,130)	(52,892)
Proceeds from Installment Contracts	-	8,412
Principal Paid on SBITA	(343,000)	-
Principal Paid on Capital Debt	(1,440,196)	(1,406,975)
Interest Paid on Capital Debt	(588,293)	(627,541)
Net Cash Provided (Used) by Capital and Related Financing Activities	(72,919)	(5,483,541)
Cash Flows from Investing Activities		
Interest on Investments	622,883	797,564
Net Cash Provided (Used) by Investing Activities	622,883	797,564
Net Increase (Decrease) in Cash	4,949,107	(4,697,653)
Cash - Beginning of Year	17,744,348	22,442,001
Cash - End of Year	$ 22,693,455	$ 17,744,348
Supplemental disclosure of cash flow information:		
Cash and cash equivalent from:		
Current Assets	$ 18,650,607	$ 13,813,962
Restricted	4,042,848	3,930,386
Total	$ 22,693,455	$ 17,744,348

Certain Amounts in the Statement of Cash Flows for the year ended June 30, 2024 have been corrected

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED JUNE 30, 2025 and 2024

	2025	2024
Reconciliation of Net Operating Revenues (Expenses) to Net Cash (Used) by Operating Activities		
Operating (Loss)	$ (37,707,661)	$ (33,303,846)
Adjustments to Reconcile Operating (Loss) to Net Cash (Used) by Operating Activities		
Depreciation Expense and Amortization	6,908,613	5,664,311
Changes in Assets and Liabilities		
Accounts Receivables (Net)	1,309,313	(3,826,333)
Prepaid Expenses	322,917	164,254
Inventory	(272,103)	71,437
Deferred Outflows Related to Pensions	(673,350)	(391,248)
Accounts Payable	(460,202)	(2,373)
Deposits	2,278	(9,840)
Wages and Payroll Payables	114,085	552,691
Unearned Revenues	(94,649)	86,763
Contracts Payable	10,953	(4,027)
Accrued Compensated Absences	176,219	90,404
Net Pension Liability	5,333,614	2,813,543
Deferred Inflows Related to Pensions	-	(14,811)
Net Cash (Used) by Operating Activities	$ (25,029,973)	$ (28,109,075)
Noncash Transactions		
Noncash Capital Gifts	$ 572,950	$ 207,182
Noncash Capital Asset-Retainage Payable	$ 860,589	$ 343,210
Noncash Component Unit In-Kind Gift	$ 256,571	$ 223,843
Issuance of SBITAs	$ 1,715,183	$ -

THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC.
(A Nonprofit Component Unit of State Technical College of Missouri)
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2025 AND 2024

	2025	2024
Assets		
Cash and Cash Equivalents	$ 1,358,863	$ 943,331
Investments	253,640	273,392
Certificates of Deposit	1,143,763	1,102,988
Other Receivable	5,480	20,000
Contributions Receivable, net	148,432	167,090
Interest Receivable	17,602	13,007
Investments, long-term	849,196	735,739
Property and Equipment, net	653,001	662,775
Total Assets	$ 4,429,977	$ 3,918,322
Liabilities		
Accounts Payable	$ 9,907	$ 31,265
Deferred revenue	25,000	14,900
Total Liabilities	34,907	46,165
Net Assets		
Without Donor Restriction	2,298,062	1,983,864
With Donor Restriction	2,097,008	1,888,293
Total Net Assets	4,395,070	3,872,157
Total Liabilities and Net Assets	$ 4,429,977	$ 3,918,322

See accompanying notes to financial statements.

THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC.
(A Nonprofit Component Unit of State Technical College of Missouri)
STATEMENTS OF ACTIVITIES
FOR THE YEARS ENDED JUNE 30, 2025 AND 2024

2025

	Without Donor Restriction	With Donor Restriction	Total
REVENUES			
Grants and contributions	$ 360,943	$ 371,135	$ 732,078
Special events, net of direct benefit to donors	131,224	-	131,224
In-kind donations	783,129	-	783,129
Investment return, net	117,178	46,375	163,553
Net assets released from restrictions	208,795	(208,795)	-
Total revenues	1,601,269	208,715	1,809,984
EXPENSES			
College support	1,130,141	-	1,130,141
Student support	145,114	-	145,114
Total program services	1,275,255	-	1,275,255
Management and general	133,196	-	133,196
Fundraising	115,320	-	115,320
Direct benefit to donor	19,871	-	19,871
Total expenses	1,543,642	-	1,543,642
TRANSFERS FROM AFFILIATE- STATE TECHNICAL COLLEGE OF MISSOURI			
Contributed services	256,571	-	256,571
Total transfer from affiliate	256,571	-	256,571
Change in Net Assets	314,198	208,715	522,913
Net Assets, Beginning of Year	1,983,864	1,888,293	3,872,157
Net Assets, End of Year	$ 2,298,062	$ 2,097,008	$ 4,395,070

2024

	Without Donor Restriction	With Donor Restriction	Total
REVENUES			
Grants and contributions	$ 386,026	$ 549,652	$ 935,678
Special events, net of direct benefit to donors	125,226	-	125,226
In-kind donations	446,086	-	446,086
Investment return, net	98,381	46,808	145,189
Net assets released from restrictions	587,575	(587,575)	-
Total revenues	1,643,294	8,885	1,652,179
EXPENSES			
College support	1,033,494	-	1,033,494
Student support	132,753	-	132,753
Total program services	1,166,247	-	1,166,247
Management and general	112,565	-	112,565
Fundraising	101,003	-	101,003
Direct benefit to donor	20,217	-	20,217
Total expenses	1,400,032	-	1,400,032
TRANSFERS FROM AFFILIATE- STATE TECHNICAL COLLEGE OF MISSOURI			
Contributed services	223,843	-	223,843
Total transfer from affiliate	223,843	-	223,843
Change in Net Assets	467,105	8,885	475,990
Net Assets, Beginning of Year	1,516,759	1,879,408	3,396,167
Net Assets, End of Year	$ 1,983,864	$ 1,888,293	$ 3,872,157

See accompanying notes to financial statements.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: State Technical College of Missouri (the College) is a specialized public institution of higher education that offers the diverse population of Missouri associate degree level advanced technical education in both emerging and traditional technologies and supports economic development in the state. The College is located in Linn, Missouri. The College operates under the jurisdiction of a seven-member Board of Regents, appointed by the governor and confirmed by the Senate of the State of Missouri.

Major federally funded student financial aid programs in which the College participates include the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant, Federal College Work-Study, and Federal Direct Student Loans. The College extends unsecured credit to students.

Reporting Entity: As defined by generally accepted accounting principles established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government and its component unit. Component units are legally separate organizations for which the primary government is financially accountable or the nature and significance of their relationships with the primary government are such that exclusion would cause the primary government's financial statements to be misleading or incomplete.

The Foundation for State Technical College of Missouri, Inc. (the Foundation) is considered a discretely presented component unit of the College. The Foundation is a legally separate, tax-exempt entity. The Foundation acts as the primary fundraising organization to supplement the resources that are available to the College in support of its programs and to provide scholarships to the students attending the College. The Board of the Foundation is self-perpetuating and consists of community members and friends of the College. Although the College does not control the timing, purpose, or amount of receipts from the Foundation, the resources and income that the Foundation holds and invests are restricted by the donors to activities of the College or for scholarships for students attending the College. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the College or its students, the Foundation is considered a component unit of the College and is discreetly presented in the College's financial statements.

The Foundation is a private nonprofit organization that reports under Financial Accounting Standards Board (FASB) standards. As such, certain revenue recognition criteria and presentation features are different from GASB revenue recognition criteria and presentation features. No modifications have been made to the Foundation's audited financial information as it is presented. In addition, the Foundation's significant notes are summarized in Note 15.

Complete financial statements for the Foundation may be obtained by mailing a request to The Foundation for State Technical College of Missouri, Inc., Attn: Treasurer, One Technology Drive, Linn, MO 65051.

The College is a component unit of the State of Missouri and is included in the basic financial statements of the State of Missouri.

Financial Statement Presentation: The financial statements of the College have been prepared on the accrual basis of accounting. Revenues are recognized when the exchange takes place, while those from government-mandated non-exchange transactions (principally federal and state grants and state appropriations) are recognized when all applicable eligibility requirements are met. Internal activity and

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

balances are eliminated in preparation of the financial statements. Operating revenues and expenses include exchange transactions and program-specific, government-mandated non-exchange transactions. Government-mandated non-exchange transactions that are not program specific such as state appropriations, and investment income are included in nonoperating revenues and expenses. The College first applies restricted net assets when an expense or outlay is incurred for purposes for which both the restricted and unrestricted net asset are available.

Use of Estimates: The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Cash and Cash Equivalents: For purposes of the Statements of Cash Flows, the College considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents.

Investments: Investments with a maturity of less than one year when purchased are reported at cost. Investments with a maturity greater than one year at the time of purchase are recorded at fair value.

Accounts Receivable: Accounts receivable consists of tuition and fee charges to students and auxiliary enterprise services provided to students, faculty, and staff. Accounts receivable also include amounts due from the Federal Government, state government, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the College's grants and contracts. Account receivables are recorded net of estimated uncollectible amounts.

Inventory: Inventory consists of bookstore, and Osage View merchandise. Inventories are stated at lower of cost or market. Cost is determined using the first in, first out (FIFO) method.

Restricted Cash: Cash that is externally restricted to make debt service payments, maintain sinking or reserve funds, or to purchase or construct capital or other assets, are classified as restricted assets in the Statements of Net Position.

Capital Assets: Capital assets are recorded at cost at the date of acquisition, or fair market value at the date of donation in the case of gifts. For equipment, the College's capitalization policy includes all items with a unit cost of $5,000 or more and an estimated useful life of greater than one year. Renovations to buildings, infrastructure, and land improvements that significantly increase the value or extend the useful life of the structure are capitalized. Routine repairs and maintenance are charged to operating expense in the year in which the expense is incurred.

Depreciation is computed using the straight-line method over the estimated useful lives of the assets, generally 39 years for buildings, 5 to 39 years for infrastructure and land improvements, 10 years for library books, and 3 to 20 years for equipment.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Deferred Outflows of Resources: In addition to assets, the Statements of Net Position report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The College has one item that qualifies for reporting in this category – deferred outflows related to pensions. Deferred outflows related to pensions include the differences between expected and actuarial experience and the College's contributions subsequent to the measurement dates of June 30, 2024 and 2023.

Unearned Revenues and Deposits: Unearned revenues include amounts received for tuition and fees and certain auxiliary activities prior to the end of the fiscal year but related to the subsequent accounting period.

Deposits represent student deposits on dormitory rooms. Student deposits are earned when the deposit is nonrefundable to the student under the forfeit terms of the agreement and recognized as revenue during the semester for which the fee is applicable.

Noncurrent liabilities: Noncurrent liabilities include accrued compensated absences, installment contracts, subscription liabilities, the principal amount of revenue bonds payable, and net pension liability.

Accrued Compensated Absences: The College accounts for compensated absences in accordance with *Governmental Accounting Standards Board Statement No. 101, Compensated Absences*. A liability is recognized for leave that has been used but not yet paid or settled, measured at the amount of the cash settlement expected to be made. A liability for unused leave is also recognized if it is attributable to services already rendered, accumulates, and is more likely than not to be used. This liability is measured at the employee's current pay rate. The liability incurred is recorded at year-end as accrued compensated absences in the Statements of Net Position, and as a component of compensation and employee benefit expense in the Statements of Revenues, Expenses, and Changes in Net Position. See additional information on the College's compensated absences in Note 7 and 16.

Deferred Inflows of Resources: In addition to liabilities, the Statements of Net Position report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The College will sometimes have one item that qualifies for reporting in this category - deferred inflows related to pensions. Deferred inflows related to pensions is the net difference between projected and actual earnings on pension plan investments.

Net Position: The College's net position is classified as follows:

Net investment in capital assets: This component represents the College's total investment in capital assets, net of accumulated depreciation, amortization, and outstanding liabilities related to the acquisition, construction, or improvement of those capital assets. To the extent debt has been incurred but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

Unrestricted net position**:** Unrestricted net position represents resources derived from student tuition and fees, state appropriations, sales and services of educational departments and auxiliary activities, which are substantially self-supporting activities that provide services for students, faculty and staff. They are not subject to externally imposed stipulations, but may be designated for specific purposes by the College's management or Board of Regents. Unrestricted net position has a deficit balance due to the implementation of GASB Statement No. 68 *Accounting and Financial Reporting for Pensions*, as amended by GASB Statement No. 71*, Pension Transition for Contributions Made Subsequent to the Measurement Date*.

When an expense is incurred that can be paid using either restricted or unrestricted resources, the College's policy is to first apply the expense toward restricted resources, and then toward unrestricted resources.

Income Taxes: The College, as a political subdivision of the State of Missouri, is excluded from Federal income taxes under Section 115(1) of the Internal Revenue Code, as amended.

Operating and Nonoperating Revenue: Operating revenues and expenses are those for which the College directly exchanges goods and services. Nonoperating revenues and expenses are those that exclude specific, direct exchanges of goods and services. State appropriation is an example of nonoperating revenues where the state legislature does not directly receive goods and services for the revenue.

Scholarship Discounts and Allowances: Student tuition and fee revenues, and certain other revenues from students, are reported net of scholarship discounts and allowances in the Statements of Revenues, Expenses, and Changes in Net Position. Scholarship discounts and allowances are the difference between the stated charge for goods and services provided by the College, and the amount that is paid by the students and/or third parties making payments on the student's behalf. Certain governmental grants, such as PELL grants, and other federal, state or nongovernmental programs are recorded as either operating or nonoperating revenues in the College's financial statements. To the extent that revenues from such programs are used to satisfy tuition and fees and other student charges, the College has recorded scholarship discounts and allowances.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Missouri State Employees' Retirement System (MOSERS) and additions to/deductions from MOSERS' fiduciary net position have been determined on the same basis as they are reported by MOSERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value by MOSERS.

Other Post-Employment Benefits (OPEB):

Retiree Benefits - The College offered post-employment healthcare benefits to employees who retired from the College with an effective retirement date of June 30, 2021 or prior. Effective July 1, 2021, the College no longer offers post-employment healthcare benefits to retirees who retire with an effective date of July 1, 2021 or later. Retirees were eligible as long as they received retirement benefits under MOSERS, and are not Medicare eligible. Retirees pay 100% of all premiums. There were 3 former employees receiving retiree benefits as of June 30, 2025 and 3 former employees receiving retiree benefits as of June 30, 2024.

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

The College has evaluated its potential other postemployment benefits liability. As a result, the College has determined that in the current year the liability required to be reported under GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* is immaterial and has been removed from the financial statements.

COBRA Benefits - Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the College makes healthcare benefits available to eligible former employees and their dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured each month. This program is offered for a period of 18 months after the employee's termination date. There is no cost associated to the College under this program. There were 3 former employees receiving COBRA benefits as of June 30, 2025 and 2 former employees receiving COBRA benefits as of June 30, 2024.

Donated Materials and Services: Donated materials and other assets are recorded at fair market value at the date of gift. Donated services are not recorded.

Subsequent Events: The College evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through December 15, 2025, which is the date the financial statements were available to be issued.

NOTE 2 – DEPOSITS AND INVESTMENTS

Deposits with Financial Institutions: The College follows the policies of state law for deposits and investments. Missouri State Statutes authorize the College to deposit funds in open accounts, US Treasury securities, US Agency securities, repurchase agreements, collateralized certificates of deposit, banker's acceptance, and commercial paper.

Custodial credit risk is the risk that in the event of a bank failure, the College's deposits may not be returned to it. Statutes require that collateral pledged must have a fair market value equal to 100% of the funds on deposit, less insured amounts. Obligations that may be pledged as collateral are of the same type in which the College may invest.

As of June 30, 2025 and June 30, 2024, the College's bank balances were $22,868,816 and $17,921,352, respectively. All balances were insured by the federal government, depository insurance or secured with collateral held by the College's agent in its name. The College has 100% of its total demand deposits held at Legends Bank as of June 30, 2025 and June 30, 2024.

NOTE 2 –DEPOSITS AND INVESTMENTS (Cont'd.)

Investments:

As of June 30, 2025 and June 30, 2024, the College had no investments.

Interest rate risk is the risk that the fair value of securities in the portfolio will fall due to changes in market interest rates. The College's investment policy requires maturities attempt to match anticipated cash flow requirements.

The College limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments in securities allowed under the investment policy

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the College will not be able to recover some or all of the investment that is in possession of an outside party. The College's investment policy requires all investments to be held by independent third parties, acting as an agent of the College, in the College's name. All College's investments are purchased and held by UMB bank and processed on a delivery versus payment basis.

Because the investment policy requires FDIC coverage or private insurance of full collateralization, the diversification procedures do not have to consider risk of loss. As such, the College does not have a concentration of credit risk policy.

NOTE 3- ACCOUNTS RECEIVABLE AND RELATED PARTY ACCOUNT RECEIVABLE

Accounts receivable and related party accounts receivable consisted of the following at June 30:

	2025	2024
Student Tuition and Fees	$ 962,637	$ 1,208,991
Federal, State, and Private Grants and Contracts	4,615,327	5,633,917
Less Allowance for Doubtful Accounts	(575,576)	(531,207)
Accounts Receivable (Net)	$ 5,002,388	$ 6,311,701

NOTE 4 – INVENTORY

Inventory consisted of the following at June 30:

	2025	2024
Bookstore Inventory	$ 1,275,955	$ 1,003,852
Osage View Inventory	10,469	10,469
Total Inventory	$ 1,286,424	$ 1,014,321

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT

The following is a summary of the changes in capital assets for the year ended June 30, 2025:

Capital Assets Not Being Depreciated:	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Airport				
Land	$ 270,089	$ -	$ -	$ 270,089
Auxiliary				
Land	69,738	-	-	69,738
Other assets				
Land	3,785,780	-	-	3,785,780
Construction in progress	9,472,919	15,659,322	2,336,247	22,795,994
Total	13,258,699	15,659,322	2,336,247	26,581,774
Total Capital Assets Not Being Depreciated	13,598,526	15,659,322	2,336,247	26,921,601
Capital Assets Being Depreciated:				
Airport Assets				
Land Improvement	3,713,157	132,443	-	3,845,600
Infrastructure	302,378	-	-	302,378
Airport Hangars	1,229,325	-	-	1,229,325
Total	5,244,860	132,443	-	5,377,303
Auxiliary Assets				
Land Improvement	2,779,492	5,480	-	2,784,972
Infrastructure	202,404	-	-	202,404
Buildings	27,587,521	30,367	-	27,617,888
Software	28,468	-	-	28,468
Equipment	544,164	29,137	-	573,301
Total	31,142,049	64,984	-	31,207,033
Operating Assets				
Land Improvement	3,128,519	303,584	-	3,432,103
Infrastructure	214,049	-	-	214,049
Buildings	60,578,723	3,131,780	59,966	63,650,537
Library Books	580,471	-	-	580,471
Software	851,199	-	-	851,199
Equipment	28,814,468	13,070,975	263,059	41,622,384
Total	94,167,429	16,506,339	323,025	110,350,743
Total Capital Assets Being Depreciated	$130,554,338	$ 16,703,766	$ 323,025	$ 146,935,079

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT (Cont'd.)

Capital Assets Being Amortized:	Balance July 1, 2024	Additions	Deletions	Balance June 30, 2025
Intangible Assets:				
Subscription Asset	$ -	$ 1,715,183	$ -	$ 1,715,183
Total	-	1,715,183	-	1,715,183
Total Capital Assets Being Amortized	-	1,715,183	-	1,715,183
Total Capital Assets Being Depreciated and Amortized	130,554,338	18,418,949	323,025	148,650,262
Accumulated Depreciation on Capital Assets:				
Airport Assets				
Land Improvement	3,150,059	53,889	-	3,203,948
Infrastructure	186,466	12,095	-	198,561
Airport Hangars	329,274	31,521	-	360,795
Total	3,665,799	97,505	-	3,763,304
Auxiliary Assets				
Land Improvement	355,091	169,023	-	524,114
Infrastructure	25,770	9,297	-	35,067
Buildings	6,971,230	741,892	-	7,713,122
Software	28,468	-	-	28,468
Equipment	317,334	50,063	-	367,397
Total	7,697,893	970,275	-	8,668,168
Operating Assets:				
Land Improvement	1,438,311	221,219	-	1,659,530
Infrastructure	134,666	7,591	-	142,257
Buildings	18,294,843	1,786,463	32,720	20,048,586
Library Books	572,307	4,128	-	576,435
Software	782,832	25,370	-	808,202
Equipment	19,647,466	3,453,025	231,688	22,868,803
Total	40,870,425	5,497,796	264,408	46,103,813
Accumulated Amortization on Capital Assets:				
Intangible Assets				
Subscription Asset	-	343,037	-	343,037
Total	-	343,037	-	343,037
Total Accumulated Depreciation and Amortization	52,234,117	6,908,613	264,408	58,878,322
Capital Assets Being Depreciated and Amortized, Net	78,320,221	11,510,336	58,617	89,771,940
Total Capital Assets, Net	$ 91,918,747	$ 27,169,658	$ 2,394,864	$ 116,693,541

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT (Cont'd.)

The following is a summary of the changes in capital assets for the year ended June 30, 2024:

Capital Assets Not Being Depreciated:	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Airport				
Land	$ 270,089	$ -	$ -	$ 270,089
Auxiliary				
Land	69,738	-	-	69,738
Other assets				
Land	3,785,780	-	-	3,785,780
Construction in progress	18,536,368	8,180,965	17,244,414	9,472,919
Total	22,322,148	8,180,965	17,244,414	13,258,699
Total Capital Assets Not Being Depreciated	22,661,975	$ 8,180,965	$ 17,244,414	$ 13,598,526
Capital Assets Being Depreciated:				
Airport Assets				
Land Improvement	3,479,931	233,226	-	3,713,157
Infrastructure	302,378	-	-	302,378
Airport Hangars	1,229,325	-	-	1,229,325
Total	5,011,634	233,226	-	5,244,860
Auxiliary Assets				
Land Improvement	505,221	2,274,271	-	2,779,492
Infrastructure	16,472	185,932	-	202,404
Buildings	14,608,980	12,978,541	-	27,587,521
Software	28,468	-	-	28,468
Equipment	391,052	159,112	6,000	544,164
Total	15,550,193	15,597,856	6,000	31,142,049
Operating Assets				
Land Improvement	2,946,879	181,640	-	3,128,519
Infrastructure	214,049	-	-	214,049
Buildings	52,820,271	7,817,222	58,770	60,578,723
Library Books	580,471	-	-	580,471
Software	1,919,901	201,804	1,270,506	851,199
Equipment	27,616,087	1,466,950	268,569	28,814,468
Total	86,097,658	9,667,616	1,597,845	94,167,429
Total Capital Assets Being Depreciated	$106,659,485	$ 25,498,698	$ 1,603,845	$ 130,554,338

NOTE 5 - PROPERTY, PLANT AND EQUIPMENT (Cont'd.)

Accumulated Depreciation on Capital Assets:	Balance July 1, 2023	Additions	Deletions	Balance June 30, 2024
Airport Assets				
Land Improvement	$ 3,108,491	$ 41,568	$ -	$ 3,150,059
Infrastructure	174,371	12,095	-	186,466
Airport Hangars	297,752	31,522	-	329,274
Total	3,580,614	85,185	-	3,665,799
Auxiliary Assets				
Land Improvement	262,403	92,688	-	355,091
Infrastructure	16,473	9,297	-	25,770
Buildings	6,313,319	657,911	-	6,971,230
Software	28,468	-	-	28,468
Equipment	282,274	39,360	4,300	317,334
Total	6,902,937	799,256	4,300	7,697,893
Operating Assets:				
Land Improvement	1,227,190	211,121	-	1,438,311
Infrastructure	127,075	7,591	-	134,666
Buildings	16,740,242	1,595,162	40,561	18,294,843
Library Books	568,069	4,238	-	572,307
Software	1,087,573	279,471	584,212	782,832
Equipment	17,206,256	2,682,286	241,076	19,647,466
Total	36,956,405	4,779,869	865,849	40,870,425
Total Accumulated Depreciation	47,439,956	5,664,310	870,149	52,234,117
Capital Assets Being Depreciated, Net	59,219,529	19,834,388	733,696	78,320,221
Total Capital Assets, Net	$ 81,881,504	$ 28,015,353	$ 17,978,110	$ 91,918,747

NOTE 6 – UNEARNED REVENUES

Unearned revenues consist of the following at June 30:	2025	2024
Unearned tuition and fees	$ 823,280	$ 928,356
Unearned auxiliary revenue	96,852	86,425
Total	$ 920,132	$ 1,014,781

NOTE 7 – LONG TERM DEBT

Revenue Bonds:

On February 2, 2023, the College issued Auxiliary System Revenue Bonds, Series 2023 in the principal amount of $3,250,000. The purpose of the issuance was to acquire, construct, erect, equip, furnish, operate, control, manage and regulate certain defined projects, including dormitory, dining room, social and recreational facilities service the College and its students. Auxiliary system revenue is pledged in an amount that will not be less than 120% of the debt service requirements on all outstanding bonds payable from net revenues of the auxiliary system. The 2023 revenue bonds bear a fixed interest rate of 3.07% per annum through June 1, 2032, then reset to FHLB rate + 1.70% every five years until maturity.

On April 22, 2022, the College issued Auxiliary System Revenue Bonds, Series 2022 in the principal amount of $9,750,000. The purpose of the issuance was to acquire, construct, erect, equip, furnish, operate, control, manage and regulate certain defined projects, including dormitory, dining room, social and recreational facilities service the College and its students. Auxiliary system revenue is pledged in an amount that will not be less than 120% of the debt service requirements on all outstanding bonds payable from net revenues of the auxiliary system. The 2022 revenue bonds bear a fixed interest rate of 3.07% per annum through June 1, 2032, then reset to FHLB rate + 1.70% every five years until maturity

On May 18, 2021, the College issued Health and Educational Facilities Authority of the State of Missouri Education Facilities Revenue Bonds, Series 2021 in the principal amount of $13,371,000 The purpose of the issuance was to provide funds to finance and reimburse costs of constructing, furnishing, equipping, and improving educational facilities and to pay related costs of issuance as well as providing funds to refund the outstanding Series 2015 and 2017 Revenue Bonds. The bonds bear a fixed interest rate of 1.9% per annum through June 1, 2031, then reset to the 5-year Constant Maturity Treasury Rate + 2% until maturity on June 1, 2036. Through the refunding transaction, the College achieved a cash flow savings of $500,353 and an economic gain of $390,870.

On May 10, 2017, the College issued Health and Educational Facilities Authority of the State of Missouri Educational Facilities Revenue Bonds, Series 2017 in the principal amount of $5,100,000. The purpose of the issuance was to provide funds to finance and reimburse costs of constructing, furnishing, equipping and improving educational facilities and to pay related costs of issuance. No specific sources are pledged; however, the College is required to maintain a debt service coverage ratio that is greater than or equal to 1.20% of the annual principal and interest payments due. As of June 30, 2021, the bond series was refunded into the Series 2021.

On September 3, 2015 the College issued Auxiliary System Refunding Revenue Bonds, Series 2015 in the principal amount of $7,635,000. The purpose of the issuance was to provide funds to refund the outstanding Series 2002 and 2006 Auxiliary System Revenue Bonds. The 2015 bonds bear an interest rate of 2.5% per annum and mature at various dates through June 1, 2035. As of June 30, 2021, the bond series was refunded into the Series 2021. The refunding was undertaken to reduce interest rates associated with the 2002 and 2006 bond issues. The 2006 bond issue refunded the 1999 bond issue. Auxiliary revenue is pledged up to 120% of the amount of annual debt requirements for the outstanding Series 2015 Revenue bonds. The advanced refunding of the 1999 bond issue acquisition price exceeded the net carrying amount of the 1999 bonds by $133,000. That amount is being amortized over the remaining life of the original refunded debt. The final amount of amortization for the year ended June 30, 2024 was $7,641.

NOTE 7 – LONG TERM DEBT (Cont'd.)

The annual debt service requirements for the revenue bonds outstanding as of June 30 are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	1,469,923	546,450	2,016,373
2027	1,504,168	511,799	2,015,967
2028	1,457,953	476,289	1,934,242
2029	1,494,290	441,440	1,935,730
2030	1,526,198	405,679	1,931,877
2031-2035	8,205,877	1,460,036	9,665,913
2036-2040	4,603,131	570,158	5,173,289
2041-2042	1,553,289	44,084	1,597,373
Total	$ 21,814,829	$ 4,455,935	$ 26,270,764

During the year ended June 30, 2025, the College entered into a subscription agreement for the right to use software for the College's ERP system. The College is required to make annual payments ranging from $343,000 to $417,000 through June 30, 2029. The total intangible right-to-use asset acquired under this SBITA was $1,715,183. During the fiscal year ended June 30, 2025, the College paid $343,000 in principal towards the SBITA and recognized amortization expense of $343,037. The annual debt service requirements for the subscription agreement as of June 30 are as follows:

Year Ending June 30,	Subscription Principal	Subscription Interest	Subscription Payment
2026	291,591	68,609	360,200
2027	324,170	54,030	378,200
2028	359,279	37,821	397,100
2029	397,143	19,857	417,000
Total Future Undiscounted Lease Payments	$ 1,372,183	$ 180,317	$ 1,552,500

During the year ended June 20, 2023, the College entered into an installment agreement with Konica Minolta for the purchase of 24 copy machines. The principal amount of the agreement was $191,921. The agreement is at a fixed interest rate of 5.86% per annum through June 30, 2028. During the year ended June 30, 2024, an additional copier was financed in the amount of $8,412. The annual debt service requirements for the installment contract as of June 30 are as follows:

Year Ending June 30,	Installment Principal	Installment Interest	Installment Payment
2026	42,868	5,222	48,090
2027	45,807	2,283	48,090
2028	8,746	86	8,832
Total Future Undiscounted Lease Payments	$ 97,421	$ 7,591	$ 105,012

NOTE 7 – LONG TERM DEBT (Cont'd.)

The following is a summary of changes in long-term debt for the College for the year ended June 30, 2025:

	Balance July 1, 2024 as Restated	Additions	Deductions	Balance June 30, 2025	Due Within One Year
Direct Placement:					
Revenue Bonds-Series 2021	$ 10,776,000	$ -	$ 903,000	$ 9,873,000	$ 916,000
Revenue Bonds-Series 2022	9,359,269	-	402,897	8,956,372	415,442
Revenue Bonds-Series 2023	3,119,756	-	134,299	2,985,457	138,481
Direct Borrowing:					
Installment Contracts	137,551	-	40,130	97,421	42,868
Subscription Liability	-	1,715,183	343,000	1,372,183	291,591
Accrued Compensated Absences	869,016	176,219	-	1,045,235	766,566
Total Long-Term Debt	$ 24,261,592	$ 1,891,402	$ 1,823,326	$ 24,329,668	$ 2,570,948

Accrued compensated absences are restated due to the implementation of GASB 101. Additions and deductions are reflected as net amounts.

The following is a summary of changes in long-term debt for the College for the year ended June 30, 2024:

	Balance July 1, 2023 As Restated	Additions	Deductions	Balance June 30, 2024	Due Within One Year
Direct Placement:					
Revenue Bonds-Series-2021	$ 11,662,000	$ -	$ 886,000	$ 10,776,000	$ 903,000
Revenue Bonds-Series-2022	9,750,000	-	390,731	9,359,269	402,897
Revenue Bonds-Series 2023	3,250,000	-	130,244	3,119,756	134,299
Direct Borrowing:					
Installment Contracts	182,031	8,412	52,892	137,551	40,130
Accrued Compensated Absences	778,612	90,404	-	869,016	638,075
Total Long-Term Debt	$ 25,622,643	$ 98,816	$ 1,459,867	$ 24,261,592	$ 2,118,401

Accrued compensated absences are restated due to the implementation of GASB 101. Additions and deductions are reflected as net amounts.

NOTE 8 - PENSION PLANS

General information about the pension plan:

Plan Description: Benefit eligible employees of the College are provided with pensions through Missouri State Employees' Plan (MSEP) - a cost-sharing multiple-employer defined benefit pension plan administered by Missouri State Employees' Retirement System (MOSERS). The plan is referred to as MOSERS in the notes. Chapter 104.320 of the Revised Statutes of Missouri grants the authority to establish a defined benefit plan for eligible state and other related agency employees. MOSERS issues an Annual Comprehensive

NOTE 8 - PENSION PLANS (Cont'd.)

Financial Report (ACFR), a publicly available financial report that can be obtained at www.mosers.org.

Benefits provided: MOSERS provides retirement, survivor, and disability benefits to eligible employees. The base retirement benefits are calculated by multiplying the employee's final average pay by a specific factor multiplied by the years of credited service. The factor is based on the specific plan in which the employee participates, which is based on the employee's hire date. Information on the three plans administered by MOSERS (MSEP, MSEP 2000, and MSEP 2011 retirement plans) and how eligibility and the benefit amount is determined for each plan may be found in the Notes to the Financial Statements of MOSERS' ACFR starting on page 26.

Contributions: Per Chapter 104.436 of the Revised Statutes of Missouri, contribution requirements of the active employees and the participating employers are established and may be amended by the MOSERS Board. Employees in the MSEP 2011 Plan are required to contribute 4.0 percent of their annual pay. The College's required contribution rate for the years ended June 30, 2025 and 2024 were 28.75 and 27.26 percent of annual payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Contributions to the pension plan from the College were $4,568,913 and $4,076,729 for the year ended June 30, 2025 and 2024, respectively.

Net Pension Liability: The College reported a liability of $49,451,175 and $44,117,561 for its proportionate share of the net pension liability on June 30, 2025 and 2024, respectively. The net pension liability was measured as of June 30, 2024 and June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The total pension liability was offset by the fiduciary net position obtained from MOSERS' ACFR as of June 30, 2024 and 2023, to determine the net pension liability.

The College's proportion of the net pension liability was based on the College's actual share of contributions to the pension plan relative to the actual contributions of all participating employers for MOSERS plan year ended June 30, 2024 and 2023. At the June 30, 2024 measurement date, the College's proportion was 0.60928 percent, an increase from its proportion measured using 0.57798 percent as of the June 30, 2023 measurement date.

There were no changes in benefit terms during the MOSERS plan year ended June 30, 2024 and 2023 that affected the measurement of total pension liability.

NOTE 8 - PENSION PLANS (Cont'd.)

Actuarial assumptions: The total pension liability in the June 30, 2024 and 2023 actuarial valuation, which are also the dates of measurement for GASB 68 purposes, was determined using the following actuarial assumptions, applied to all periods included in the measurement.

Key Actuarial Assumptions	June 30, 2024	June 30, 2023
Price Inflation	2.25%	2.25%
Projected Salary Increases	2.75% to 10% including inflation	2.75% to 10% including inflation
Rate of Payroll Growth	2.25%	2.25%
Investment rate of return*	6.95%	6.95%

*Investment rate of return is compounded annually, net after investment expenses and including inflation

The actuarial assumptions used in the June 30, 2024 and June 20, 2023 valuation were based on the results of an actuarial experience study covering the five-year period ended June 30, 2020. Certain actuarial assumptions and methods were changed because of the experience study, including:

- Subsequent changes in the unfunded actuarial accrued liability due to actuarial gains/losses or assumption changes are amortized over a closed 25-year period instead of 30 years.
- Mortality assumptions are now based on generational tables.
- The merit component of the salary increase assumption was adjusted to partially reflect observed experience.

Mortality: Pre-retirement mortality rates were based on the Pub-2010 General Members Below Median Employee mortality table, set back two years for males and set forward one year for females. Mortality was projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020.

Post-retirement mortality rates for retirees were based on the Pub-2010 General Members Below Median Healthy Retiree mortality table, scaled by 104%, set back two years for males and set forward one year for females. Mortality projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020.

Post-retirement mortality rates for beneficiaries were based on the Pub-2010 General Members Below Median Contingent Survivor mortality table, set back two years for males and set forward one year for females. Mortality was projected generationally from 2010 to 2020 using Scale MP-2020 and 75% of Scale MP-2020 for years after 2020.

NOTE 8 - PENSION PLANS (Cont'd.)

Disabled mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table, without mortality projection.

Long-term Expected Rate of Return: The long-term expected rate of return on pension plan investments for both fiscal years 2025 and 2024 was determined using a building-block method in which best-estimate rates of expected future rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future rates of return by the target asset allocation percentage and by adjusting for expected inflation, volatility, and correlations. Best estimates of the real rates of return expected are summarized by asset class in the following tables.

Asset Class	Policy Allocation	Long-term Expected Nominal Return *	Long-term Expected Real Return	Weighted Average Long-Term Expected Nominal Return
Global public equities	30.0 %	7.7 %	5.8 %	2.3 %
Global private equities	15.0	9.3	7.4	1.4
Long treasuries	25.0	3.5	1.6	0.9
Core bonds	10.0	3.1	1.2	0.3
Commodities	5.0	5.5	3.6	0.3
TIPS	25.0	2.7	0.8	0.7
Private real assets	5.0	7.1	5.2	0.3
Public real assets	5.0	7.7	5.8	0.4
Hedge funds	5.0	4.8	2.9	0.2
Alternative beta	10.0	5.3	3.4	0.5
Private credit	5.0	9.5	7.6	0.5
Cash/cash equivalents**	(40.0)	-	-	-
	100.0 %			

Correlation/Volatility Adjustment	(0.6)
Long-Term Expected Net Nominal Return	7.2
Less: Investment Inflation Assumption	(1.9)
Long-Term Expected Geometric Net Real Return	5.3 %

*Long-term expected arithmetic returns of the asset classes at the time of the asset allocation study for each portfolio.
**Cash and cash equivalents policy allocation amounts are negative due to use of leverage.

Discount rate: The discount rate used to measure the total pension liability was 6.95%. The projection of cash flows used to determine the discount rate assumed that contributions from participating employers will be made using the actuarially determined rates. Based on those assumptions, MOSERS' fiduciary net position was projected to be available to make all the projected future benefit payments of the current plan

NOTE 8 - PENSION PLANS (Cont'd.)

members. As a result, the long-term expected rate of return on pension plan investments, net of investment expense, of 6.95% was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the College's proportionate share of the net pension liability to changes in the discount rate: The table below presents the College's proportionate share of the net pension liability calculated using the discount rate of 6.95%, as well as what the College's Proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower (5.95%) or 1% higher (7.95%) than the current rate for June 30, 2025 and 2024:

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
College's proportionate share of the net pension liability	$61,394,398	$49,451,175	$39,475,378

	1% Decrease (5.95%)	Current Discount Rate (6.95%)	1% Increase (7.95%)
College's proportionate share of the net pension liability	$54,994,714	$44,117,561	$35,031,310

Pension plan fiduciary net position: Detailed information about the pension plan's fiduciary net position is available in the separately issued MOSERS annual comprehensive financial report.

Pension expense: For the years ended June 30, 2025 and 2024, the College recognized pension expense of $9,229,177 and $6,484,536 respectively.

Deferred Outflows of Resources and Deferred Inflows of Resources:

At June 30, 2025, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,402,148	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	3,335,235	-
Changes in proportion	1,238,390	-
College contributions subsequent to the measurement date of June 30, 2024	4,568,913	-
Total	$ 11,544,686	$ -

NOTE 8 - PENSION PLANS (Cont'd.)

At June 30, 2024, the College reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,067,082	$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	3,629,990	-
Changes in proportion	1,097,535	-
College contributions subsequent to the measurement date of June 30, 2023	4,076,729	-
Total	$ 10,871,336	$ -

College amounts reported as deferred outflows of resources related to pensions resulting from College's contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2026 of the College's financial statements. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in the College's fiscal year following MOSERS' fiscal year as follows:

College's fiscal year ending June 30, 2025		College's fiscal year ending June 30, 2024	
2025	$ 3,225,528	2024	$ 3,120,004
2026	$ 3,196,069	2025	$ 1,058,848
2027	$ 520,901	2026	$ 2,153,174
2028	$ 33,275	2027	$ 462,581
2029	-	2028	-
Thereafter	-	Thereafter	-

Payables to the pension plan:

The College reported payables to MOSERS of $405,081 and $362,345 at June 30, 2025 and 2024 respectively.

NOTE 9 - CONTINGENT LIABILITIES

Grants - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the College. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the College expects such amounts, if any, to be immaterial.

NOTE 10 – RELATED PARTY TRANSACTIONS AND TRANSACTIONS WITH DISCRETELY PRESENTED COMPONENT UNIT

The Foundation for State Technical College of Missouri, Inc. (the Foundation) is a nonprofit corporation organized for the express purpose of aiding and promoting educational and charitable purposes and lawful activities of the College. The Foundation is the trust and gifts arm of the College and is administered and managed by a board of directors. The Foundation solicits and receives gifts and manages those gifts and bequests for the benefit of the College.

For the year ended June 30, 2025, the Foundation donated cash and equipment of $1,006,221 to the College and the College provided $256,570 of services to the Foundation. For the year ended June 30, 2024, the Foundation donated cash and equipment of $928,889 to the College and the College provided $223,841 of services to the Foundation.

NOTE 11 – TRANSACTIONS WITH OTHER AGENCIES

The College had transactions with the State of Missouri and various agencies. Services received at no cost from state agencies include certain accounting records by the Comptroller General, pension plan administration, auto liability insurance, worker's compensation administration and other centralized functions.

NOTE 12 – RISK MANAGEMENT

The College is exposed to various risks of loss related to theft of, damage to, or destruction of assets, errors and omissions, injuries to employees, employees' health and life, and natural disasters. The College is covered by the Missouri State Legal Expense Fund, Chapter 105 RSMo. The College also purchases commercial insurance to provide coverage for general liability, property damage, and participates in the State of Missouri's workers' compensation plan. Management believes such coverage is sufficient to preclude any significant uninsured losses to the College. Settled claims have not exceeded Legal Expense Fund or commercial insurance coverage in any of the past three years.

NOTE 13 – OPERATING EXPENSES BY FUNCTIONAL CLASSIFICATIONS

For the years ended June 30, 2025 and 2024, the following table represents operating expenses by functional classifications:

	2025	2024
Instruction	19,677,822	17,416,790
Academic Support	2,028,972	2,116,524
Student Services	3,159,746	3,011,956
Institutional Support	6,877,225	5,326,210
Operations and Maintenance of Plant	4,594,746	4,729,754
Scholarships and Fellowships	12,199,747	11,845,666
Auxiliary Services	8,829,384	8,171,152
Depreciation and Amortization	6,908,613	5,664,311
Total Expenses	$ 64,276,255	$ 58,282,363

NOTE 14 – SEGMENT INFORMATION

The following financial information represents identifiable activities for which the revenue bonds are outstanding. Auxiliary activities provide bookstore, housing, vending, cafeteria, activity center, and Osage View access to students of the College.

CONDENSED STATEMENTS OF NET POSITION	Auxiliary Activities 2025	Auxiliary Activities 2024
Assets		
Current Assets	$ 408,164	$ 937,308
Capital Assets, net	22,608,604	23,513,894
Total Assets	23,016,768	24,451,202
Liabilities		
Current Liabilities	1,144,416	1,108,773
Noncurrent Liabilities	15,077,559	15,961,878
Total Liabilities	16,221,975	17,070,651
Net Position		
Net Investment of Capital Assets	10,656,021	10,582,655
Unrestricted	(3,861,228)	(3,202,104)
Total Net Position	$ 6,794,793	$ 7,380,551

CONDENSED STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION	Auxiliary Activities 2025	Auxiliary Activities 2024
Operating Revenues	$ 9,498,702	$ 8,113,675
Operating Expenses	(9,741,194)	(8,920,379)
Operating Gain	(242,492)	(806,704)
Nonoperating Revenues (Expenses)	(343,266)	11,423,336
Increase (Decrease) in Net position	(585,758)	10,616,632
Net Position-Beginning of Year	7,380,551	(3,236,081)
Net Position-End of Year	$ 6,794,793	$ 7,380,551

NOTE 14 – SEGMENT INFORMATION (Cont'd.)

CONDENSED STATEMENTS OF CASH FLOWS	Auxiliary Activities 2025	Auxiliary Activities 2024
Net Cash Provided by Operating Activities	$ 523,446	$ 251,305
Net Cash Used by Capital and Related Financing Activities	(1,387,478)	(5,669,850)
Net Cash Provided by Investing Activities	116,473	116,473
Net Increase (Decrease) in Cash	(747,559)	(5,302,072)
Cash-Beginning of Year	(207,452)	5,094,620
Cash-End of Year	$ (955,011)	$ (207,452)

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC.

Nature of Activities

The Foundation for State Technical College of Missouri, Inc. (a component unit of State Technical College of Missouri) (the Foundation) is a nonprofit corporation formed for the express purpose of aiding and promoting the educational and charitable purposes and lawful activities of the State Technical College of Missouri (the College). The Foundation may solicit and receive gifts and manage those gifts for the benefit of the College.

The Foundation is a legally separate, tax-exempt component unit of the College. The Foundation acts as the primary fundraising organization to supplement the resources that are available to the College in support of its programs and to provide scholarships to the students attending the College. The Board of the Foundation is self-perpetuating and consists of community members and friends of the College. Although the College does not control the timing, purpose, or amount of receipts from the Foundation, the resources and income that the Foundation holds and invests are restricted by the donors to activities of the College or for scholarships for students attending the College. Because these restricted resources held by the Foundation can only be used by, or for the benefit of the College or its students, the Foundation is considered a component unit of the College. The College's report may be viewed upon request.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

Summary of Significant Accounting Policies

Method of Accounting

The financial statements of the Foundation have been prepared on the accrual basis of accounting and accordingly, reflect all significant receivables, payables, and other liabilities.

Basis of Presentation

The financial statements of the Foundation have been prepared on the accrual basis of accounting in accordance with Accounting Principles Generally Accepted in the United States of America (US GAAP). Net assets and revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, new assets of the Foundation and changes therein are classified and reported as follows:

> *Net assets without donor restrictions:* Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Foundation. These net assets may be used at the discretion of the Foundation's management and board of directors.
>
> *Net assets with donor restrictions:* Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Foundation or by passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect certain reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses, including functional allocations, during the reporting period. Accordingly, actual results could differ from those estimates.

Cash and cash equivalents

The Foundation considers all cash deposits and certificates of deposit with an initial maturity date of three months or less to be cash equivalents.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

Allowance for Credit Losses – Held-to-Maturity Securities

Management measures expected credit losses on held-to-maturity securities on a collective basis by major security type. The held-to-maturity securities held by the Foundation consist of certificates of deposit and cash held in the investment accounts. The certificates of deposit are fully insured by FDIC and therefore the Foundation expects zero credit loss and believes no allowance for credit loss is adequate.

Fair Value Measurements

Investments in equity and debt securities are reported at market value. Market value was determined using level 1 inputs for mutual funds and exchange traded funds, which are quoted prices for identical securities in active markets. The market prices were derived from investment broker statements as of June 30, 2025 and 2024. Certificate of deposits are reported at amortized cost. The realized and unrealized gain or loss on investments is reflected on the statements of activities within net investment return. Investment return is reported net of external and direct internal expenses.

Investments, in general, are subject to various risks, including credit, interest and overall market volatility risks. Due to the level of the risk associated with certain investment securities, it is reasonably possible that changes in values of investment securities will occur in the near term and such changes could materially affect the amounts reported in the financial statements.

Fixed Assets

The Foundation capitalizes all expenditures for property and equipment in excess of $500. Property and equipment are carried at cost, if purchased, and fair value at the date of donation, if donated. Depreciation is computed using the straight-line method over the property's estimated useful life. The Foundation's property and equipment is all classified as buildings with a 20-year useful life.

Revenue and Revenue Recognition

Contributions

The Foundation recognizes contribution revenue when an unconditional promise to give cash, securities, other assets, services or space, is received. Conditional promises to give – that is, those with a measurable performance or other barrier and a right of return – are not recognized until the conditions on which they depend have been met. There were no conditional promises to give as of June 30, 2025 and 2024.

Unconditional gifts expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in more than one year are initially reported at fair value determined using the discounted present value of estimated future cash flows technique based on the Federal Funds rate at the date the promise is made. Amortization of discounts is recorded as additional contribution revenue in accordance with donor-imposed restrictions, if any, on the contributions. Management reviews contributions receivable on a periodic basis to determine if any receivables will be potentially uncollectible. After all attempts to collect the receivable have failed, the receivable is written off against the allowance. For the fiscal years ended June 30, 2025 and 2024, no allowance for doubtful accounts is considered necessary by management; however, actual write-offs may occur.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

Contributed Nonfinancial Assets

The Foundation recognizes the fair value of contributed services received if such services create or enhance nonfinancial assets or require specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not contributed. Contributed assets are valued at fair value and recorded as an asset and revenue when received.

Functional Allocation of Expenses

The Foundation reports its expenses in two service categories 1) program services and 2) supporting services. Program services include scholarships to students of the College and cash and in-kind contributions to the College. Directly identifiable expenses are charged to the specific service in which it relates. Salaries and related benefits (included in management fees on the statement of functional expense) are allocated based on management's estimate of time spent on each category. Expenses related to more than one function such as insurance and office supplies are also charged to program or supporting services on the basis of time spent. Management and general expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Foundation.

Income Taxes

The Foundation is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code. In addition, the foundation qualifies for the charitable contribution deduction under section 170(b)(1)(A)(iv) and has been classified as an organization other than a private foundation.

The Foundation files various federal or state non-profit tax returns. The Foundation is no longer subject to U.S. federal or state examinations by tax authorities for tax years prior to 2021.

Liquidity and Availability

The following reflects the Foundation's financial assets at June 30, 2025 and 2024, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the statement of financial position date. Amounts not available include amounts set aside for scholarship awards, College program equipment purchases, College capital improvements and College construction projects. The Foundation is substantially supported by restricted contributions. Because a donor's restriction requires resources to be used in a particular manner or in a future period, the Foundation must maintain sufficient resources to meet those responsibilities to its donors. Thus, financial assets may not be available for general expenditure within one year. As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. In addition, the Foundation invests cash in excess of daily requirements in short-term investments. Income from donor restricted endowments is restricted for specific purposes and, therefore, is not available for general expenditures.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

	2025	2024
Cash and Cash Equivalents	$ 1,358,863	$ 943,331
Certificates of Deposit	1,143,763	1,102,988
Other Receivable	5,480	20,000
Contributions Receivable, net	148,432	167,090
Interest Receivable	17,602	13,007
Investments	1,102,836	1,009,131
Total Financial Assets and Liquid Resources	3,776,976	3,255,547
Less Amounts not available to be used within one year		
Board designated endowment	200,000	200,000
Restricted by donor with time or purpose restrictions	2,097,008	1,888,293
Financial assets available to meet cash needs for general expenditures within one year	$ 1,479,968	$ 1,167,254

Contributions Receivable

Contributions receivable, net at June 30, 2025 and 2024 are as follows:

	2025	2024
Less than one year	$ 39,540	$ 38,876
One to five years	118,160	140,072
Total Contributions Receivable	157,700	178,948
Less discounts to net present value	(9,268)	(11,858)
Contributions Receivable, net	$ 148,432	$ 167,090

Contributions receivable are discounted using a risk free rate of 2.3% and 2.4% at June 30, 2025 and 2024, respectively.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

Concentration of Credit Risk Arising from Cash Deposits in Excess of Insured Limits

The Foundation maintains cash at two financial institutions. The interest-bearing checking account at Legends Bank is insured by the Federal Deposit Insurance Corporation up to $250,000. Cash and securities held by Archford Capital Strategies are protected through the Securities Investor Protection Corporation (SPIC) up to a maximum of $500,000, however cash is limited to $250,000. The SPIC does not provide protection for fluctuation in market value. As of June 30, 2025, $579,565 of investments and $1,468,368 of cash was uninsured. As of June 30, 2024, $509,131 of investments and $1,047,948 of cash was uninsured. The Foundation has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash or investments.

Property and Equipment

As of June 30, 2025 and 2024, property and equipment consisted of the following:

	2025	**2024**
Land	$ 501,500	$ 501,500
Buildings	195,485	195,485
Less: Accumulated Depreciation	(43,984)	(34,210)
Property and Equipment, Net	$ 653,001	$ 662,775

Transfers From Affiliate and Related Party Transactions

The Foundation exists to provide support of educational programs at the College. All of the Foundation's expenditures are for the operation of the Foundation, scholarships for State Technical College of Missouri students, or other support for the College. As of June 30, 2025 and 2024, $2,528 and $22,913 were due to the College, respectively, which is included in accounts payable on the statements of financial position.

Transfer from Affiliate

Contributed services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Foundation. Contributed services from the College represent salaries and benefits paid by the College for their employees who devote time to Foundation activities. The College also pays for some other expenses for the Foundation. These amounts are reflected in the statement of activities as transfers from affiliates. The amounts included in the financial statements for the years ended June 30, 2025 and 2024 were $256,571 and $223,843, respectively and are based on management's estimate of actual time spent on Foundation related activities.

Donated Assets

Noncash donations are recorded as contributions at their fair values at the date of donation. Noncash donations received by the Foundation are donated to the College unless they are to be held by the Foundation. For the years ended June 30, 2025 and 2024, the Foundation donated $783,129 and $442,421, respectively, of noncash donations respectively to the College.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

Other Cash Donations

For the years ended June 30, 2025 and 2024, the Foundation also provided $223,092 and $486,468, respectively, in grant match funds and other departmental contributions to the College.

In-Kind Donations

The Foundation received the following in-kind donations for the year ending June 30:

	2025	2024
Donated vehicles and supplies	$ 440,309	$ 185,232
Donated machinery	342,820	260,854
Subtotal	783,129	446,086
Transfer from Affiliate – State Technical College of Missouri	256,571	223,843
Total In-Kind Donations	$1,039,700	$ 669,929

The Foundation receives contributed services without restriction from State Technical College of Missouri in the form of personnel salaries and benefits. The contributed services and benefits are reported using the personnel's current rates for the salaries and benefits. The contributed services were utilized in the Foundation's program services, as well as the Foundation's management and general and fundraising functions. The contributed services are shown as a transfer from affiliate in the Statements of Activities.

Donated vehicles, materials and supplies, and machinery received by the Foundation are without restrictions and recorded as in-kind donation revenue and equipment transferred to the Foundation in the Statements of Activities. The Foundation values these donated assets utilizing the estimated price that would be received for selling similar products or an appraisal on the machinery and vehicles. The donated vehicles, materials and supplies, and machinery are transferred to State Technical College of Missouri for use in the College's various programs and considered a program expense for the Foundation.

Fair Value Measurements

US GAAP establishes a framework for measuring fair value. That framework uses a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. US GAAP requires entities to maximize the use of observable inputs when measuring fair value. The hierarchy describes three levels of inputs, which are as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.

Level 2: Quoted prices for similar assets or liabilities in active markets; quoted prices for identical assets or liabilities in inactive markets; or inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Significant unobservable inputs.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

In many cases, a valuation technique used to measure fair value includes inputs from more than one level of the fair value hierarchy. The lowest level of significant input determines the placement of the entire fair value measurement in the hierarchy. The categorization of an investment within the hierarchy reflects the relative ability to observe the fair value measure and does not necessarily correspond to the perceived risk of that investment.

If an investment that is measured using NAV has readily determinable fair value (that is, it can be traded at the measurement date at its published NAV), it is included in Level 1 of the hierarchy. Otherwise, investments measured using NAV are not included in Level 1, 2, or 3, but are separately reported.

The fair value of investments in mutual funds and exchange traded funds (ETF) is based on quoted market prices in active markets.

The Foundation recognizes transfers between levels in the fair value hierarchy at the end of the reporting period. There were no transfers between levels during the years ended June 30, 2025 and 2024.

Fair values of assets measured on a recurring basis at June 30, 2025 are as follows:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Mutual Funds & ETF	$ 1,079,566	$ -	$ -	$ 1,079,566
Cash – reported at cost				23,270
Total Investments				$ 1,102,836

Fair values of assets measure on a recurring basis at June 30 2024 are as follows:

	Level 1	Level 2	Level 3	Total
Mutual funds				
Mutual Funds & ETF	$ 992,800	$ -	$ -	$ 992,800
Cash – reported at cost				16,331
Total Investments				$ 1,009,131

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

Net Assets with Donor Restrictions

Net assets with donor restrictions as of June 30 are restricted for the following purposes:

	2025	2024
Purpose Restriction:		
Scholarships	$ 466,717	$ 356,480
Capital Improvement Fund	193,100	232,534
Departmental Assistance	713,507	611,665
Student Emergency Fund	29,798	31,589
Academic Excellence Program	231,630	214,733
Alumni Fund	1,233	1,858
Golf Tournament	-	2,451
Computer Professions on Demand	388	3,443
MO Soybean Merch Council	102,789	101,421
Total purpose restrictions	1,739,162	1,556,174
Restricted in perpetuity	357,846	332,119
Total Net assets with Donor Restrictions	$ 2,097,008	$ 1,888,293

Endowments

The Foundation's endowment consists of 14 individual donor-restricted funds established for scholarship and student purposes and a board designated endowment for future operations. As required by generally accepted accounting principles, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

The Board of Directors of the Foundation has interpreted the State Prudent Management of Institutional Funds Act (SPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds. As a result of this interpretation, the Foundation classified as net assets with donor restrictions to be maintained in perpetuity (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with direction of the applicable donor gift instrument at the time the accumulation is added to the fund.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

The remaining portion of the donor-restricted endowment fund that is not classified in net assets to be maintained in perpetuity is classified as subject to expenditure for specific purpose until those amounts are appropriated for expenditure by the Foundation in a manner consistent with the standard of prudence prescribed by SPMIFA. In accordance with SPMIFA, the Foundation considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the Foundation, and (7) the Foundation's investment policies.

Investment Return Objectives, Risk Parameters and Strategies

The Foundation has adopted investment and fund management guidelines, approved by the Board of Directors, for endowment assets. Those policies attempt to provide a predictable stream of funding to scholarships supported by its endowment funds while also maintaining the purchasing power of those endowment assets over the long-term. Accordingly, the investment process seeks to achieve an after-cost total real rate of return, including investment income as well as capital appreciation, which exceeds the annual distribution with acceptable levels of risk. Endowment assets are invested in a well-diversified asset mix, which includes equity securities. The Foundation expects its endowment assets, over time, to produce an average rate of return of approximately 4% annually. Actual returns in any given year may vary from this amount. Investment risk is measured in terms of the total endowment fund; investment assets and allocation between asset classes and strategies are managed to prevent exposing the fund to unacceptable levels of risk.

Spending Policy

The Foundation has a policy of making available for distribution each year all current and prior year earnings including interest, dividends and realized and unrealized gains and losses. In establishing this policy, the Foundation considered the long-term expected return on its investment assets, the nature and duration of the endowment funds, which must be maintained in perpetuity because of donor-restrictions, and the possible effects of inflation. The Foundation expects the current spending policy to allow its endowment funds to adequately fund annual scholarships.

Net assets to be maintained in perpetuity consist of endowment funds to be held indefinitely. The income from the assets can be used for scholarship and student purposes.

From time to time, certain donor-restricted endowment funds may have fair values less than the amount required to be maintained by donors or by law (underwater endowments). The Foundation has interpreted SPMIFA to permit spending from underwater endowments in accordance with prudent measures required under law. As of June 30, 2025 there was one fund with an original value of $11,341 underwater by $943. As of June 30, 2024 there were two funds with an original value of $11,341 underwater by $947.

NOTE 15–THE FOUNDATION FOR STATE TECHNICAL COLLEGE OF MISSOURI, INC. (Cont'd.)

Endowment net asset composition by type of fund as of June 30:

	2025			
	Without Donor Restrictions	Restricted for Time or Purpose	Donor Restricted Corpus	Total
Donor restricted	$ -	$ 291,350	$ 357,846	$ 649,196
Board designated	200,000	-	-	200,000
Total endowment net assets	$ 200,000	$ 291,350	$ 357,846	$ 849,196

	2024			
	Without Donor Restrictions	Restricted for Time or Purpose	Donor Restricted Corpus	Total
Donor restricted	$ -	$ 203,620	$ 332,119	$ 535,739
Board designated	200,000	-	-	200,000
Total endowment net assets	$ 200,000	$ 203,620	$ 332,119	$ 735,739

During the year ended June 30 the Foundation had the following endowment related activities:

	2025			
	Without Donor Restrictions	Restricted for Time or Purpose	Donor Restricted Corpus	Total
Endowment assets, beginning of year	$ 200,000	$ 203,620	$ 332,119	$ 735,739
Contributions	-	45,940	25,727	71,667
Investment return, net	21,303	51,740	-	73,043
Net assets released from restrictions	(21,303)	(9,950)	-	(31,253)
Endowment assets, End of year	$ 200,000	$ 291,350	$ 357,846	$ 849,196

	2024			
	Without Donor Restrictions	Restricted for Time or Purpose	Donor Restricted Corpus	Total
Endowment assets, beginning of year	$ 200,000	$ 121,185	$ 314,068	$ 635,253
Contributions	-	40,960	18,051	59,011
Investment return, net	19,498	46,808	-	66,306
Net assets released from restrictions	(19,498)	(5,333)	-	(24,831)
Endowment assets, End of year	$ 200,000	$ 203,620	$ 332,119	$ 735,739

NOTE 16–RESTATEMENT OF BEGINNING BALANCES

During the current year, the College implemented GASB Statement No. 101, *Compensated Absences*. In addition to the value of unused vacation time owed to employees upon separation of employment, the College now recognizes an estimated amount of sick and personal leave earned as of the year-end that will be used by employees as time off in future years as part of the liability for compensated absences. The effects of the change in accounting principle are summarized below in the "Restatement-GASB 101 implementation" column in the table below. The effects to the financial statements due to GASB 101 include a decrease to net position $233,459 increase liabilities $261,277, and increased expenses $27,818 for the year ending June 30, 2024 and increased liabilities $50,621 and increased expenses $50,261 for the year ending June 30, 2025.

	Net position 6/30/23 as previously reported	Restatement GASB-101 implementation	Net position 6/30/23 as restated
Net Position	$45,023,715	($233,459)	$44,790,256

NOTE 17–SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after year end but before financial statements are issued or are available to be issued. These events and transactions either provide additional evidence about conditions that existed at year end, including estimates inherent in the process of preparing financial statements (that is, recognized subsequent events), or provide evidence about conditions that did not exist at year end but arose after that date (that is, non-recognized subsequent events).

REQUIRED SUPPLEMENTARY INFORMATION

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
SCHEDULE OF THE COLLEGE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM
Last 10 Fiscal Years*

	June 30, 2016*	June 30, 2017*	June 30, 2018*	June 30, 2019*	June 30, 2020*	June 30, 2021*	June 30, 2022*	June 30, 2023*	June 30, 2024*	June 30, 2025*
College's proportion of the net pension liability (asset)	0.4150%	0.4460%	0.4365%	0.4506%	0.47063%	0.46808%	0.50606%	0.57683%	0.57798%	0.60928%
College's proportionate share of the net pension liability (asset)	$13,310,786	$20,705,167	$22,728,373	$25,136,180	$28,431,577	$29,711,554	$28,292,324	$41,304,018	$44,117,561	$49,451,175
College's covered payroll	$8,024,408	$8,638,409	$8,591,386	$8,758,446	$9,142,968	$9,352,759	$10,200,276	$11,506,591	$12,731,984	$14,952,543
College's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	165.88%	239.69%	264.55%	286.99%	309.76%	317.68%	277.37%	358.96%	346.51%	330.73%
Plan fiduciary net position as a percentage of the total pension liability	72.62%	63.60%	60.41%	59.02%	56.72%	55.48%	63.00%	53.53%	52.86%	52.02%

* Figures are based on a measurement date and actuarial valuation as of the end of the preceding fiscal year.

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
SCHEDULE OF THE COLLEGE'S CONTRIBUTIONS
MISSOURI STATE EMPLOYEES' RETIREMENT SYSTEM
Last 10 Fiscal Years

	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	June 30, 2021	June 30, 2022	June 30, 2023	June 30, 2024	June 30, 2025
Required contribution	$1,465,935	$1,457,958	$1,703,518	$1,847,794	$2,036,096	$2,333,823	$2,704,247	$3,352,005	$4,076,729	$4,568,913
Contributions in relation to the required contribution	$1,465,935	$1,457,958	$1,703,518	$1,847,794	$2,036,096	$2,333,823	$2,704,247	$3,352,005	$4,076,729	$4,568,913
Contribution deficiency (excess)	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0
College's covered payroll	$8,638,409	$8,591,386	$8,758,446	$9,142,968	$9,352,759	$10,200,276	$11,506,591	$12,731,984	$14,952,543	$15,892,264
Contributions as a percentage of covered payroll	16.97%	16.97%	19.45%	20.21%	21.77%	22.88%	23.51%	26.33%	27.26%	28.75%

Defined Benefit Pension Plan:

Changes of benefit terms or assumptions

Changes of benefit terms: Senate Bill 62 (SB 62), which contained changes to the benefit structure for MSEP 2011, was passed by the 2017 legislature. The provisions of the bill decreased vesting from ten to five years of service, but also included provisions that essentially offset the cost of the vesting change. As a result, SB 62 had no impact on the employer contribution rate and created a decrease to the UAAL of $1.6 million.

Changes of assumptions: The board reduced the investment return assumption used in the June 30, 2020 valuation to 6.95%

Changes of assumptions: The board reduced the investment return assumption used in the June 30, 2019 valuation to 7.10%

Changes of assumptions: The board reduced the investment return assumption used in the June 30, 2018 valuation to 7.25%

SUPPLEMENTARY INFORMATION

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
SCHEDULE OF FINANCIAL POSITION BY DIVISION
JUNE 30, 2025

	Current				Total		
	Unrestricted	Auxiliary	Grant	Restricted	Current	Plant	Total
Assets							
Current Assets							
Cash	$ 26,743,529	$ (4,997,346)	$ (3,566,597)	$ 308	$ 18,179,894	$ 470,713	$ 18,650,607
Cash, Restricted	513	4,042,335	-	-	4,042,848	-	4,042,848
Accounts Receivable (Net)	1,042,045	21,523	-	-	1,063,568	-	1,063,568
Related Party Accounts Receivable	566,739	-	3,372,081	-	3,938,820	-	3,938,820
Prepaid Expenses	277,871	55,228	839	-	333,938	-	333,938
Inventory	-	1,286,424	-	-	1,286,424	-	1,286,424
Noncurrent Assets							
Tangible and Intangible Capital Assets - Depreciable							
Land Improvements	-	2,784,972	-	-	2,784,972	3,432,103	6,217,075
Land Improvements - Airport	-	-	-	-	-	3,845,600	3,845,600
Buildings	-	27,617,889	-	-	27,617,889	63,650,537	91,268,426
Buildings - Airport	-	-	-	-	-	1,229,325	1,229,325
Equipment	-	573,301	-	-	573,301	41,622,384	42,195,685
Software	-	28,468	-	-	28,468	851,199	879,667
Subscription Asset	-	-	-	-	-	1,715,183	1,715,183
Library Books	-	-	-	-	-	580,471	580,471
Infrastructure	-	202,404	-	-	202,404	214,049	416,453
Infrastructure - Airport	-	-	-	-	-	302,378	302,378
Accumulated Depreciation and Amortization	-	(8,668,168)	-	-	(8,668,168)	(46,446,849)	(55,115,017)
Accumulated Depreciation - Airport	-	-	-	-	-	(3,763,305)	(3,763,305)
Capital Assets - Non-Depreciable							
Land	-	-	-	-	-	3,785,780	3,785,780
Land - Auxiliary	-	69,738	-	-	69,738	-	69,738
Land - Airport	-	-	-	-	-	270,089	270,089
Construction in Progress	-	-	-	-	-	22,795,994	22,795,994
Total Assets	28,630,697	23,016,768	(193,677)	308	51,454,096	94,555,651	146,009,747
Deferred Outflows of Resources							
Deferred Outflows Related to Pensions	11,544,686	-	-	-	11,544,686	-	11,544,686
Total Deferred Outflows of Resources	11,544,686	-	-	-	11,544,686	-	11,544,686
Liabilities							
Current Liabilities							
Accounts Payable	3,513,022	18,919	-	-	3,531,941	-	3,531,941
Related Party Accounts Payable	4,113	-	-	-	4,113	-	4,113
Deposits	-	67,563	-	-	67,563	-	67,563
Wages and Payroll Payables	2,002,451	-	-	-	2,002,451	-	2,002,451
Unearned Revenues	823,280	96,852	-	-	920,132	-	920,132
Retainage Payable	55,303	-	805,286	-	860,589	-	860,589
Contracts Payable	372,365	-	-	-	372,365	-	372,365
Long Term Liabilities - Current Portion	1,616,119	954,829	-	-	2,570,948	-	2,570,948
Current Liabilities Payable from Restricted Assets							
Accrued Interest Payable	77,988	6,253	-	-	84,241	-	84,241
Noncurrent Liabilities							
Accrued Compensated Absences	264,430	14,239	-	-	278,669	-	278,669
Installment Contracts	51,509	3,044	-	-	54,553	-	54,553
Subscriptioin Liability	1,080,592	-	-	-	1,080,592	-	1,080,592
Revenue Bonds	5,284,630	15,060,276	-	-	20,344,906	-	20,344,906
Net Pension Liability	49,451,175	-	-	-	49,451,175	-	49,451,175
Total Liabilities	64,596,977	16,221,975	805,286	-	81,624,238	-	81,624,238
Deferred Inflows of Resources							
Deferred Inflows Related to Pensions	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-
Net Position							
Net Investment in Capital Assets	(7,344,305)	10,656,021	(805,286)	-	2,506,430	94,084,938	96,591,368
Unrestricted, (deficit)	(17,077,289)	(3,861,228)	(193,677)	308	(21,131,886)	470,713	(20,661,173)
Total Net Position	$ (24,421,594)	$ 6,794,793	$ (998,963)	$ 308	$ (18,625,456)	$ 94,555,651	$ 75,930,195

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
SCHEDULE OF FINANCIAL POSITION BY DIVISION
JUNE 30, 2024

	Current				Total		
	Unrestricted	**Auxiliary**	**Grant**	**Restricted**	**Current**	**Plant**	**Total**
Assets							
Current Assets							
Cash	$ 22,235,668	$ (4,133,313)	$ (4,759,681)	$ 307	$ 13,342,981	$ 470,981	$ 13,813,962
Cash, Restricted	4,525	3,925,861	-	-	3,930,386	-	3,930,386
Accounts Receivable (Net)	1,040,827	-	69,242	-	1,110,069	-	1,110,069
Related Party Accounts Receivable	808,947	-	4,392,685	-	5,201,632	-	5,201,632
Prepaid Expenses	526,417	130,439	-	-	656,856	-	656,856
Inventory	-	1,014,321	-	-	1,014,321	-	1,014,321
Noncurrent Assets							
Tangible and Intangible Capital Assets - Depreciable							
Land Improvements	-	2,779,492	-	-	2,779,492	3,128,519	5,908,011
Land Improvements-Airport	-	-	-	-	-	3,713,157	3,713,157
Buildings	-	27,587,521	-	-	27,587,521	60,578,723	88,166,244
Buildings - Airport	-	-	-	-	-	1,229,325	1,229,325
Equipment	-	544,164	-	-	544,164	28,814,468	29,358,632
Software	-	28,468	-	-	28,468	851,199	879,667
Library Books	-	-	-	-	-	580,471	580,471
Infrastructure	-	202,404	-	-	202,404	214,049	416,453
Infrastructure - Airport	-	-	-	-	-	302,378	302,378
Accumulated Depreciation	-	(7,697,893)	-	-	(7,697,893)	(40,870,425)	(48,568,318)
Accumulated Depreciation - Airport	-	-	-	-	-	(3,665,799)	(3,665,799)
Capital Assets - Non-Depreciable							
Land	-		-	-	-	3,785,780	3,785,780
Land - Auxiliary	-	69,738	-	-	69,738	-	69,738
Land - Airport	-	-	-	-	-	270,089	270,089
Construction in Progress	-	-	-	-	-	9,472,919	9,472,919
Total Assets	24,616,384	24,451,202	(297,754)	307	48,770,139	68,875,834	117,645,973
Deferred Outflows of Resources							
Deferred Outflows Related to Pensions	10,871,336	-	-	-	10,871,336	-	10,871,336
Total Deferred Outflows of Resources	10,871,336	-	-	-	10,871,336	-	10,871,336
Liabilities							
Current Liabilities							
Accounts Payable	3,974,077	17,988	-	-	3,992,065	-	3,992,065
Related Party Accounts Payable	4,191	-	-	-	4,191	-	4,191
Deposits	-	65,285	-	-	65,285	-	65,285
Wages and Payroll Payables	1,888,366	-	-	-	1,888,366	-	1,888,366
Unearned Revenues	928,356	86,425	-	-	1,014,781	-	1,014,781
Retainage Payable	99,728	-	243,482	-	343,210	-	343,210
Contracts Payable	361,412	-	-	-	361,412	-	361,412
Long Term Liabilities - Current Portion	1,186,151	932,250	-	-	2,118,401	-	2,118,401
Current Liabilities Payable from Restricted Assets					-		-
Accrued Interest Payable	10,237	6,825	-	-	17,062	-	17,062
Noncurrent Liabilities					-		-
Accrued Compensated Absences	216,870	14,071	-	-	230,941	-	230,941
Installment Contracts	92,262	5,159	-	-	97,421	-	97,421
Revenue Bonds	5,872,180	15,942,648	-	-	21,814,828	-	21,814,828
Net Pension Liability	44,117,561	-	-	-	44,117,561	-	44,117,561
Total Liabilities	58,751,391	17,070,651	243,482	-	76,065,524	-	76,065,524
Deferred Inflows of Resources							
Deferred Inflows Related to Pensions	-	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-	-
Net Position							
Net Investment in Capital Assets	(6,630,678)	10,582,655	(243,482)	-	3,708,495	68,404,853	72,113,348
Unrestricted, (deficit)	(16,632,993)	(3,202,104)	(297,754)	307	(20,132,544)	470,981	(19,661,563)
Total Net Position	$ (23,263,671)	$ 7,380,551	$ (541,236)	$ 307	$ (16,424,049)	$ 68,875,834	$ 52,451,785

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
SCHEDULE OF ACTIVITY BY DIVISION
FOR THE YEAR ENDED JUNE 30, 2025

	Current				Total		
	Unrestricted	Auxiliary	Grant	Restricted	Current	Plant	Total
Revenues							
Operating Revenues							
Student Tuition and Fees (Net of Scholarship Allowance of $5,717,799 and Bad Debt Expenses of $75,828)	$ 21,630,110	$ 2,337,622	$ -	$ (5,392,719)	$ 18,575,013	$ -	$ 18,575,013
Sales and Services of Educational Departments	205,549	-	-	-	205,549	-	205,549
Auxiliary Activities (Net of Scholarship Allowance of $32,289)	-	7,161,080	-	-	7,161,080	-	7,161,080
Other Operating Revenues	626,952	-	-	-	626,952	-	626,952
Total Operating Revenues	22,462,611	9,498,702	-	(5,392,719)	26,568,594	-	26,568,594
Expenses							
Operating Expenses							
Compensation and Employee Benefits	26,866,555	2,801,846	149,624	65,176	29,883,201	-	29,883,201
Contractual Services	1,540,356	1,552,725	342	-	3,093,423	-	3,093,423
Supplies and Materials	2,620,598	3,738,357	1,023,022	-	7,381,977	-	7,381,977
Utilities	721,148	269,255	5,528	-	995,931	-	995,931
Travel	192,905	110	21,281	-	214,296	-	214,296
Communications	862,379	28,634	110,828	-	1,001,841	-	1,001,841
Other Operating Expenses	2,165,695	373,281	58,250	-	2,597,226	-	2,597,226
Scholarships and Fellowships	70,983	6,711	-	12,122,053	12,199,747	-	12,199,747
Depreciation and Amortization	-	970,275	-	-	970,275	5,938,338	6,908,613
Total Operating Expenses	35,040,619	9,741,194	1,368,875	12,187,229	58,337,917	5,938,338	64,276,255
Operating Gain (Loss)	(12,578,008)	(242,492)	(1,368,875)	(17,579,948)	(31,769,323)	(5,938,338)	(37,707,661)
Nonoperating Revenues (Expenses)							
State Appropriations	9,048,341	-	-	-	9,048,341	-	9,048,341
Federal Grants	7,420	-	321,957	5,728,866	6,058,243	-	6,058,243
State Grants	2,166,873	-	73,219	11,668,525	13,908,617	-	13,908,617
Nongovernmental Grants and Contracts	269,301	-	-	144,614	413,915	-	413,915
Investment Income	506,410	116,473	-	-	622,883	-	622,883
Interest Expense	(195,733)	(459,739)	-	-	(655,472)	-	(655,472)
Transfers to Other Divisions	(18,658,284)	-	(13,056,431)	37,944	(31,676,771)	31,676,771	-
Gain (Loss) on Disposal of Plant Assets	-	-	-	-	-	(58,616)	(58,616)
Total Nonoperating Revenues (Expenses)	(6,855,672)	(343,266)	(12,661,255)	17,579,949	(2,280,244)	31,618,155	29,337,911
Capital Appropriations and Contributions							
Capital Appropriations	17,548,821	-	-	-	17,548,821	-	17,548,821
Government Grants and Contracts							
Federal	-	-	12,927,605	-	12,927,605	-	12,927,605
State	47,231	-	626,781	-	674,012	-	674,012
Nongovernmental Grants and Contracts	679,705	-	18,017	-	697,722	-	697,722
Total Capital Appropriations and Contributions	18,275,757	-	13,572,403	-	31,848,160	-	31,848,160
Increase (Decrease) in Net Position	(1,157,923)	(585,758)	(457,727)	1	(2,201,407)	25,679,817	23,478,410
Net Position - Beginning of Year	(23,263,671)	7,380,551	(541,236)	307	(16,424,049)	68,875,834	52,451,785
Adjustment Applicable to Prior Year	-				-		-
Net Position - Beginning of Year, Restated	(23,263,671)	7,380,551	(541,236)	307	(16,424,049)	68,875,834	52,451,785
Net Position - End of Year	$ (24,421,594)	$ 6,794,793	$ (998,963)	$ 308	$ (18,625,456)	$ 94,555,651	$ 75,930,195

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
SCHEDULE OF ACTIVITY BY DIVISION
FOR THE YEAR ENDED JUNE 30, 2024

	Current				Total		
	Unrestricted	**Auxiliary**	**Grant**	**Restricted**	**Current**	**Plant**	**Total**
Revenues							
Operating Revenues							
Student Tuition and Fees (Net of Scholarship Allowance of $4,463,850 and Bad Debt Expenses of $40,978)	$ 20,205,378	$ 1,738,599	$ -	$ (4,103,957)	$ 17,840,020	$ -	$ 17,840,020
Sales and Services of Educational Departments	205,794	-	-	-	205,794	-	205,794
Auxiliary Activities (Net of Scholarship Allowance of $32,082)	-	6,375,076	-	-	6,375,076	-	6,375,076
Other Operating Revenues	557,627	-	-	-	557,627	-	557,627
Total Operating Revenues	20,968,799	8,113,675	-	(4,103,957)	24,978,517	-	24,978,517
Expenses							
Operating Expenses							
Compensation and Employee Benefits	23,171,855	2,126,086	392,954	56,276	25,747,171	-	25,747,171
Contractual Services	1,445,455	1,455,942	5,307	-	2,906,704	-	2,906,704
Supplies and Materials	2,070,204	3,954,387	1,656,986	-	7,681,577	-	7,681,577
Utilities	722,396	235,340	4,472	-	962,208	-	962,208
Travel	179,035	1,847	41,072	-	221,954	-	221,954
Communications	818,764	35,322	43,390	-	897,476	-	897,476
Other Operating Expenses	1,959,870	305,954	89,472	-	2,355,296	-	2,355,296
Scholarships and Fellowships	73,434	6,243	-	11,765,989	11,845,666	-	11,845,666
Depreciation and Amortization	-	799,258	-	-	799,258	4,865,053	5,664,311
Total Operating Expenses	30,441,013	8,920,379	2,233,653	11,822,265	53,417,310	4,865,053	58,282,363
Operating Gain (Loss)	(9,472,214)	(806,704)	(2,233,653)	(15,926,222)	(28,438,793)	(4,865,053)	(33,303,846)
Nonoperating Revenues (Expenses)							
State Appropriations	8,784,797	-	-	-	8,784,797	-	8,784,797
Federal Grants	88,541	-	585,503	4,191,984	4,866,028	-	4,866,028
State Grants	2,099,984	-	49,812	11,539,040	13,688,836	-	13,688,836
Nongovernmental Grants and Contracts	589,921	5,260	-	162,557	757,738	-	757,738
Investment Income	681,091	116,473	-	-	797,564	-	797,564
Interest Expense	(143,228)	(490,552)	-	-	(633,780)	-	(633,780)
Transfers to Other Divisions	(3,969,684)	11,754,855	(8,655,006)	32,445	(837,390)	837,390	-
Gain (Loss) on Disposal of Plant Assets	-	(1,700)	-	-	(1,700)	(639,373)	(641,073)
Total Nonoperating Revenues (Expenses)	8,131,422	11,384,336	(8,019,691)	15,926,026	27,422,093	198,017	27,620,110
Capital Appropriations and Contributions							
Capital Appropriations	1,995,500	-	-	-	1,995,500	-	1,995,500
Government Grants and Contracts							
Federal	-	-	10,033,467	-	10,033,467	-	10,033,467
State	-	-	627,371	-	627,371	-	627,371
Nongovernmental Grants and Contracts	614,252	39,000	35,675	-	688,927	-	688,927
Total Capital Appropriations and Contributions	2,609,752	39,000	10,696,513	-	13,345,265	-	13,345,265
Increase (Decrease) in Net Position	1,268,960	10,616,632	443,169	(196)	12,328,565	(4,667,036)	7,661,529
Net Position - Beginning of Year, As Previously Reported	(24,299,172)	(3,236,081)	(984,405)	503	(28,519,155)	73,542,870	45,023,715
Restatement - GASB 101	(233,459)	-	-		(233,459)		(233,459)
Net Position, Beginning of Year, As Restated	(24,532,631)	(3,236,081)	(984,405)	503	(28,752,614)	73,542,870	44,790,256
Net Position - End of Year	$ (23,263,671)	$ 7,380,551	$ (541,236)	$ 307	$ (16,424,049)	$ 68,875,834	$ 52,451,785

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
AUXILIARY SCHEDULE BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2025

	Bookstore	Housing	Vending	Cafeteria	Activity Center	Osage View	Parking	Total
Income	$ 3,301,429	$ 547,053	$ 23,576	$ 1,345,652	$ 1,117,896	$ 2,989,976	$ 289,593	$ 9,615,175
Cost of Goods Sold								
Beginning Inventory	1,003,852	-	-	-	-	10,469	-	1,014,321
Purchases	2,849,531	-	-	-	-	621,278	-	3,470,809
Merchandise Available	3,853,383	-	-	-	-	631,747	-	4,485,130
Ending Inventory	(1,275,955)	-	-	-	-	(10,469)	-	(1,286,424)
Cost of Goods Sold	2,577,428	-	-	-	-	621,278	-	3,198,706
Gross Profit	724,001	547,053	23,576	1,345,652	1,117,896	2,368,698	289,593	6,416,469
Expenses								
Compensation	80,237	46,790	-	-	256,746	1,480,724	-	1,864,497
Employee Benefits	68,846	39,992	-	-	129,064	699,447	-	937,349
Operating Expenses	21,865	153,789	-	1,444,310	194,425	955,978	-	2,770,367
Depreciation	-	111,700	-	30,815	309,500	518,260	-	970,275
Interest Expense	-	40,853	-	-	42,520	376,366	-	459,739
Total Expenses	170,948	393,124	-	1,475,125	932,255	4,030,775	-	7,002,227
Net Operating Profit	$ 553,053	$ 153,929	$ 23,576	$ (129,473)	$ 185,641	$ (1,662,077)	$ 289,593	$ (585,758)

STATE TECHNICAL COLLEGE OF MISSOURI
(A Component Unit of the State of Missouri)
AUXILIARY SCHEDULE BY ACTIVITY
FOR THE YEAR ENDED JUNE 30, 2024

	Bookstore	Housing	Vending	Cafeteria	Activity Center	Osage View	Parking	Total
Income	$ 3,200,012	$ 552,000	$ 27,134	$ 1,220,357	$ 848,201	$ 2,295,555	$ 131,148	$ 8,274,407
Cost of Goods Sold								
Beginning Inventory	1,075,289	-	-	-	-	10,469	-	1,085,758
Purchases	2,537,181	-	-	-	-	442,369	-	2,979,550
Merchandise Available	3,612,470	-	-	-	-	452,838	-	4,065,308
Ending Inventory	(1,003,852)	-	-	-	-	(10,469)	-	(1,014,321)
Cost of Goods Sold	2,608,618	-	-	-	-	442,369	-	3,050,987
Gross Profit	591,394	552,000	27,134	1,220,357	848,201	1,853,186	131,148	5,223,420
Expenses								
Compensation	79,505	20,855	-	-	237,743	1,191,193	-	1,529,296
Employee Benefits	54,145	17,756	-	-	77,572	447,317	-	596,790
Operating Expenses	24,505	136,432	-	1,369,748	201,788	1,212,390	-	2,944,863
Depreciation	-	111,700	-	30,378	300,930	356,250	-	799,258
(Gain) Loss on Disposal	-	-	-	-	-	1,700		1,700
Interest Expense	-	47,984	-	-	49,942	391,810	-	489,736
Transfers to Other Divisions	-	-	-	-	-	(11,754,855)	-	(11,754,855)
Total Expenses	158,155	334,727	-	1,400,126	867,975	(8,154,195)	-	(5,393,212)
Net Operating Profit	$ 433,239	$ 217,273	$ 27,134	$ (179,769)	$ (19,774)	$ 10,007,381	$ 131,148	$ 10,616,632