

UNIVERSITY OF CENTRAL MISSOURI.

ANNUAL REPORT

Financial Information for the Fiscal Year Ended June 30, 2020 and Certain Operating Data

Obligated Person: University of Central Missouri (the “University”)

Issues to which this report relates: See attached Exhibit A

The information included in this annual report is provided by the University in connection with its continuing disclosure obligations for outstanding tax-exempt bonds under the University’s Master Continuing Disclosure Agreement dated March 1, 2012, as supplemented and amended by the First Amendment to Master Continuing Disclosure Agreement dated December 10, 2013 and the Second Amendment to Master Continuing Disclosure Agreement dated September 12, 2018 (collectively, the “Master Continuing Disclosure Agreement”). This report has not been reviewed for the University by its independent auditors. Pursuant to the Master Continuing Disclosure Agreement, the University has agreed to cause certain information to be available on the EMMA System. Some of the required content, if not available with a particular searched CUSIP, may be available on EMMA by searching continuing disclosure filings for CUSIPs or official statements of other bonds issued for the benefit of the University. This report is provided pursuant to the requirements of the Master Continuing Disclosure Agreement which requires only the disclosure of specific information. Nothing contained in this report is, or should be construed as, a representation by the University that the information included in this report constitutes all of the information that may be material to a decision to invest in, hold or dispose of any bonds.

Introduction

The University of Central Missouri (the “University” or “UCM”) was established in 1871 as the State Normal School for the Second Normal District, an institution created by the Missouri General Assembly to educate teachers for the state’s public schools. While continuing to build upon a long tradition of “Education for Service” focused on students’ success and preparation for the professional world, UCM has evolved into a public, comprehensive institution with four academic colleges and more than 150 areas of study. UCM has strategically positioned itself as a university dedicated to providing a collegiate atmosphere where students can experience “Learning to a Greater Degree.” This is accomplished through innovative academics, engaging programs, service learning, and instilling a global perspective that will help shape students as lifelong learners. The University has received national recognition for its academic programs, including aviation, criminal justice and education, and it is a leader among Missouri’s public universities in program-specific accreditations.

Financial Information Enclosed

The University’s audited financial statements for the fiscal year ended June 30, 2020 are being posted as a separate document on the EMMA system contemporaneously with this document. This document includes certain financial information for the fiscal year ended June 30, 2020 and certain operating data for the University as available on the date of this submission. The information included below, together with the University’s audited financial statements for the fiscal year ended June 30, 2020, constitute the University’s Annual Report under the Master Continuing Disclosure Agreement.

FINANCIAL AND OPERATING DATA

Faculty and Staff

As of September 1, 2020, the University had 1,094 full-time and 17 part-time employees. A total of 90 of the University’s employees, consisting primarily of staff in the custodial, maintenance and trade areas, are represented by the Missouri Educational Workers, Local 1. Full-time teaching faculty members totaled 451, consisting of 31% professors, 18% associate professors, 32% assistant professors and 19% instructors. Approximately 51% of the full-time faculty holds doctorate degrees or equivalent. Of the 451 full-time faculty members, 55% are tenured and 22% are tenure track.

Enrollment

For the Fall 2020 semester, the University had a headcount enrollment of 7,629 (6,312 FTE) undergraduate and 2,330 (1,238 FTE) graduate students for a total of 9,959. The University’s Honors College offers an academic program specifically designed to enhance the educational experience of highly able and/or exceptionally motivated undergraduate students. The Honors College provides a stimulating academic environment within which gifted students can nurture their talents. The Honors College enrolled 267 students in Fall 2019.

“Traditional” students make up the largest segment of the University’s student body. Of undergraduates, 77.8% are between ages 18 and 24 (mean age, 21.8); 28% live in on-campus housing; and 56% of undergraduates are female. The University is “moderately selective” with the average matriculant scoring 22.2 on the ACT, and 74.0% ranking in the upper half of their high school class.

The actual Fall semester student enrollment (head count) for the past five years and the Fall semester enrollment forecasts for the next four years are as follows.

History of Enrollment

(Head Count)

<u>Fall</u>	<u>Undergraduate</u>	<u>Graduate</u>	<u>Total Enrollment</u>	<u>Men</u>	<u>Women</u>
2016	9,786	4,202	13,988	6,649	7,308
2017	9,801	2,532	12,333	5,333	6,953
2018	9,300	2,187	11,487	4,957	6,500
2019	8,904	2,325	11,229	4,824	6,405
2020	7,629	2,330	9,959	4,158	5,787

Projected Enrollment

(Head Count)

<u>Fall</u>	<u>Total Projected Enrollment</u>
2021	10,158
2022	10,361
2023	10,569
2024	10,779

For the 2021-2024 time period, the University expects enrollment to increase gradually as new initiatives are put into place focusing specifically on international, online and transfer programs, as well as traditional undergraduate and graduate programs.

The most recent enrollment declines have occurred due to (1) impact of COVID-19 on college-going and enrollment, (2) increased competition in the marketplace for international students and graduate students, and (3) stagnant numbers of Missouri high school graduates. Further, we observed this past Fall, international enrollment would have been significantly higher had we not experienced COVID-19 and the closing of embassies globally. Finally, we are cautiously optimistic that decreases in traditional first-time freshmen enrollment experienced in the last few years will improve in coming cycle years.

Credit Hours

The number of credit hours enrolled by undergraduate and graduate students at the University for Fall 2020 was 109,539, compared to 122,552 in Fall 2019. Credit hours enrolled for Summer 2020 was 27,150, compared to 26,092 in Summer 2019. The number of credit hours enrolled in by undergraduate and graduate students at the University for each of the last five years is presented below.

<u>Year</u>	<u>Summer</u>	<u>Fall</u>	<u>Spring</u>	<u>Total</u>
2015-16	41,738	150,759	150,244	342,741
2016-17	29,391	137,800	134,255	301,446
2017-18	27,021	129,005	126,777	282,803
2018-19	26,092	122,552	122,350	270,994
2019-20	27,150	109,539	110,277	246,966

Applications, Admissions and Matriculation Rate

The following table sets forth the University's matriculation rate (the percentage of admitted students who enrolled) for the last five years. These figures reflect freshmen only (FR=first time freshmen; TR=transfer freshmen).

Fall	Applications		Acceptances		Matriculation		% Matriculating	
	FR	TR	FR	TR	FR	TR	FR	TR
2016	5,119	1,803	3,820	1,327	1,605	855	42	64
2017	4,841	1,569	4,047	1,140	1,691	885	42	78
2018	4,867	1,633	4,184	1,191	1,493	806	36	68
2019	4,065	1,152	3,439	1,165	1,249	752	36	65
2020	5,034	1,286	3,604	878	1,084	658	30	75

Starting with the 2016-17 freshman class, UCM instituted admission criteria that aligned more strategically with historical retention and completion data. As a result, UCM only admitted students who met the University's auto-admit criteria and that historically (based on high school GPA and ACT scores) would have a high rate of retaining and completing their degree at UCM. Therefore, the University's acceptance rate dropped slightly.

Funding

The University's general operations are funded from state of Missouri appropriations, student fees and tuition, sales and services of educational activities, gifts, grants, contracts and other sources. The percentage of the University's general operations funded from various sources for each of the last five fiscal years has been as follows.

Description	FY2020	FY2019	FY2018	FY2017	FY2016
State Appropriations	24.9%	27.8%	27.8%	26.9%	26.0%
Tuition and Fees	34.9	34.2	35.0	37.3	39.8
Federal and State Grants	16.0	10.8	10.5	9.6	9.3
Housing Room and Board	8.6	11.2	11.9	11.5	10.8
Bookstore	2.0	2.5	2.4	2.7	2.8
Other Auxiliaries	4.1	4.4	4.6	4.8	4.8
Contributions	1.8	1.7	1.5	1.6	1.4
Investment Income	2.3	2.1	0.7	0.3	0.4
Sales of Ed. Activities	1.1	1.1	1.1	1.0	0.9
Other	4.3	4.2	4.5	4.3	3.8

State Appropriations

As a publicly owned institution of higher education in the state of Missouri, the University receives annual appropriations from the state, such appropriations being made by the Missouri General Assembly from the general revenues of the state. The University continuously monitors state revenues while maintaining close contact with the Missouri Department of Higher Education to ensure it is proactive in anticipating potential future state appropriation reductions.

The following table shows the amount of state appropriation expected to be received by the University for the current fiscal year and the amount of state appropriation received by the University for the preceding ten fiscal years, the amount of withholding (a permanent withholding by the Governor under Missouri law in order to assure a balanced state budget), the net appropriation after withholding and the percentage change in net appropriations from the prior year.

<u>Fiscal Year</u>	<u>General Appropriation</u>	<u>State Withholding</u>	<u>Other Lottery or Capital</u>	<u>Net Appropriation</u>	<u>Change After Withholding</u>
2020-21	\$50,409,617	\$(2,500,450) ⁽¹⁾	\$0	\$47,909,167	-11.8%
2019-20	56,012,857	(1,680,386)	0	\$54,332,471	3.0
2018-19	54,338,357	(1,630,151)	0	52,708,206	0.0
2017-18	55,784,610	(3,076,404) ⁽²⁾	0	52,708,206	-2.0
2016-17	59,712,480	(5,942,047) ⁽³⁾	0	53,770,433	-3.4
2015-16	57,399,456	(1,721,984)	0	55,677,472	1.2
2014-15	56,722,993	(1,701,690)	0	55,021,303	7.2
2013-14	52,904,381	(1,587,131)	0	51,317,250	-0.5
2012-13	53,191,410	(1,595,742)	0	51,595,668	0.8
2011-12	52,611,033	(1,578,331)	149,571	51,182,273	-6.7
2010-11	56,571,003	(1,697,130)	0	54,873,873	-7.1

⁽¹⁾ Includes \$1,481,727 State withholding and \$1,018,723 expense restriction.

⁽²⁾ Includes \$1,630,151 State withholding and \$1,446,253 expense restriction.

⁽³⁾ Includes \$1,791,375 State withholding and \$4,150,672 expense restriction.

At the beginning of each fiscal year, the state normally withholds 3% of public higher education appropriations. For the last ten years the state has elected to retain the 3% withholding to balance the state budget. The University budgets for this 3% withholding.

Student Tuition and Fees

Tuition and fees are established by the University's Board of Governors upon the recommendation of the University's President. In 2007, the Missouri Legislature enacted a law (Senate Bill 389) limiting tuition and fee increases at Missouri's public higher education institutions. The law generally limits an institution's tuition and fee increase to no more than the preceding year's national urban consumer price index (CPI-U). The law contains certain provisions which allow an institution's relief from the limit if approved by the Commissioner of Higher Education.

With more recent state statute changes, and because state operating support to the University decreased from FY2017 to FY2018, UCM's permissible increase to HESFA relevant base tuition has an added component allowing the institution to recoup any reduction in state operating support. First, as in years past, because UCM's tuition and fees are above the average of all Missouri four-year institutions, the institution may increase base tuition and fees by the change in consumer price index. In addition, the HESFA statute now allows an institution to recoup reduction in state operating support. Thus, the University increased its HESFA-related tuition and fees by the maximum allowed 5 percent for Fiscal Year 2020.

The basic undergraduate tuition and fees for students attending the University for the 2020-21 school year is \$276.85 per credit hour for residents of the state of Missouri and \$514.85 per credit hour for nonresidents. The basic fee does not include room and board, or other lab, materials and testing fees.

On June 21, 2012, the Board of Governors approved a testing fee of \$2.00 per semester for full-time students for the fall and spring semesters. For the 2020-21 academic year, the annual room and board charge for a "double-room" is \$8,962. The total annual cost for an in-state undergraduate student taking 12 credit hours per semester and living in University housing is \$15,606.40. Graduate tuition and fees rates are \$352.75 per credit hour for residents of the state of Missouri and \$666.25 per credit hour for nonresidents.

The following table summarizes the University's undergraduate resident tuition and fee rates per credit hour approved by the Board of Governors for Fiscal Year 2021, as well as rates for the prior five fiscal years.

Description	FY2021	FY2020	FY2019	FY2018	FY2017	FY2016
Undergrad – In-State Tuition	\$237.60	\$237.60 ⁽¹⁾	\$225.65	\$221.00	\$216.48	\$214.85
Student Recreation Center Fee	7.00	7.00	7.00	7.00	7.00	7.00
Operations Fee	3.34	3.27	3.21	3.16	3.10	3.10
University Union Fee	8.00	7.80	7.67	7.52	7.38	7.38
Technology Fee	5.15	5.05	4.97	4.87	4.77	4.77
Athletic Fee	4.94	2.04	2.00	1.96	1.92	1.92
Student Activity Fee	2.00	1.99	1.96	1.92	1.88	1.88
Health Services	2.75					
Grounds Fee	1.95	1.83	1.80	1.76	1.72	1.72
Facilities Fee	<u>4.12</u>	<u>1.52</u>	<u>1.49</u>	<u>1.46</u>	<u>1.43</u>	<u>1.43</u>
Total In-State Tuition and Fees	276.85	\$268.10	\$255.75	\$250.65	\$245.68	\$244.05

⁽¹⁾ The Board of Governors waived collecting \$2.60 of the \$237.60 per credit hour on-campus instruction tuition fee for Missouri resident undergraduate students.

Statement of Revenues, Expenses and Changes in Net Position

The following table presents the University's historical statements of revenues, expenses and changes in net position for the last four fiscal years.

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Operating Revenues				
Tuition and fees, net of scholarship allowances	\$74,447,372	\$66,391,770	\$64,879,031	\$65,604,302
Federal grants and contracts	1,974,234	2,169,666	3,528,470	5,447,805
State grants and contracts	-			
Interest on student receivables	761,803	778,881	782,931	689,030
Sales and services of educational activities	1,980,498	2,183,602	2,130,609	2,099,760
Auxiliary enterprises, housing net of scholarship allowances	23,042,010	22,567,008	21,346,362	16,182,699
Bookstore	5,377,799	4,578,456	4,761,158	3,715,075
Other auxiliaries	9,476,902	8,667,308	8,323,571	7,754,693
Other operating revenues	6,997,359	6,775,749	6,263,708	5,487,418
Total operating revenues	<u>124,057,977</u>	<u>114,112,440</u>	<u>112,015,840</u>	<u>106,980,782</u>
Operating Expenses				
Compensation and benefits	133,878,651	127,922,855	116,630,624	120,606,954
Contractual services	22,962,463	18,626,656	18,994,312	15,386,813
Supplies and materials	16,711,340	14,541,015	9,567,920	10,408,671
Scholarships and fellowships	7,324,569	6,760,964	7,008,097	9,937,030
Depreciation	16,496,792	16,162,993	17,225,262	16,766,550
Utilities	5,839,170	6,047,838	5,790,180	5,551,461
Other	17,514,492	17,069,535	18,608,278	14,727,164
Total operating expenses	<u>220,727,477</u>	<u>207,131,856</u>	<u>193,824,673</u>	<u>193,384,643</u>
Operating Loss	(96,669,500)	(93,019,416)	(81,808,833)	(86,403,861)
Nonoperating Revenues (Expenses)				
State appropriations	53,770,433	52,708,206	52,708,200	46,712,021
Federal grants and contracts	16,344,885	16,993,921	16,277,345	24,618,917
State grants and contracts	764,859	745,704	654,183	957,285
Other grants and contracts	917,971	992,023	967,772	945,645
Contributions	3,264,934	2,826,360	3,276,849	3,371,953
Gain (loss) on disposal of capital assets	(59,263)	(19,282)	(91,555)	(15,123)
Investment income	544,698	1,286,511	3,929,788	4,382,358
Interest on capital asset-related debt	(3,209,076)	(3,192,808)	(3,153,220)	(3,057,032)
Other nonoperating revenues	(851,309)	(2,915,371)	(1,342,848)	(1,199,164)
Net nonoperating revenues (expenses)	<u>71,488,132</u>	<u>69,425,264</u>	<u>73,226,514</u>	<u>76,716,860</u>
Income (Loss) Before Other Revenues, Expenses, Gains or Losses	<u>(25,181,368)</u>	<u>(23,594,152)</u>	<u>(8,582,319)</u>	<u>(9,687,001)</u>
Capital Grants, Gifts and Appropriations	12,754,801	468,029	37,996	22,994
Increase (Decrease) in Net Position	<u>(12,426,567)</u>	<u>(23,126,123)</u>	<u>(8,544,323)</u>	<u>(9,664,007)</u>
Net Position, Beginning of Year, Before Restatement	<u>173,410,577</u>	<u>160,984,010</u>	<u>136,622,330</u>	<u>128,078,007</u>
Cumulative Effect of Change in Accounting Principle		<u>(1,235,557)</u>		
Net Position, Beginning of Year, as Restated	<u>173,410,577</u>	<u>159,748,453</u>	<u>136,622,330</u>	<u>128,078,007</u>
Net Position, End of Year	<u>\$160,984,010</u>	<u>\$136,622,330</u>	<u>\$128,078,007</u>	<u>\$118,414,000</u>

Additional Disclosure for Housing System Bonds

Housing Alternatives

The following table sets forth certain information for the Fall 2020 semester with respect to each of the student housing alternatives available on-campus at the University.

On-Campus Housing

<u>Facility Name</u>	<u>Capacity</u>	<u>Sex</u>	<u>Rent⁽¹⁾</u>	<u>Meal Plan⁽²⁾</u>
Residence Halls				
Bradshaw	239	Co-ed	\$3,406/\$2,806/sem	\$1,675/\$1,675/sem
Diemer	0	Co-ed		
East Ellis	300	Co-ed		
Fitzgerald	301	Co-ed		
Fraternity	264	Men		
Hosey	168	Co-ed		
Houts	212	Co-ed		
Nattinger	253	Co-ed		
Nickerson	160	Co-ed		
North Ellis	362	Co-ed		
Panhellenic	187	Women		
South Ellis	239	Co-ed		
South Todd	58	Co-ed		
South Yeater	375	Co-ed		
Univ. Conference Ctr.	273	Co-ed		
Yeater	<u>0</u>	Women		
Subtotal	3,391			
University Apartments				
Central Village	79	Co-ed	\$594/\$717/\$857/mo ⁽³⁾	N/A
Foster/Knox	110	Co-ed	\$727/mo ⁽⁴⁾	N/A
Greenwood Park	42	Co-ed	\$783/mo ⁽⁵⁾	N/A
Nickerson	16	Co-ed	\$727/mo ⁽⁴⁾	N/A
Todd	33	Co-ed	\$727/\$896/mo ⁽⁶⁾	N/A
The Crossing	<u>324</u>	Co-ed	\$578/\$676/653/mo ⁽⁷⁾	N/A
Subtotal	604			

⁽¹⁾ All residence halls rent at \$3,406 per semester for a single occupancy room and \$2,806 per semester for a double occupancy room.

⁽²⁾ All first-year and sophomore students are required to purchase a meal plan at a cost of \$1,675 per semester.

⁽³⁾ One-bedroom apartments rent for \$594 per month, two-bedroom apartments rent for \$717 per month and three-bedroom apartments rent for \$857 per month. The residents only pay gas and electricity; TV, Internet access, water, sewage and trash collection are included in the monthly rent.

⁽⁴⁾ All apartments are one-bedroom. All utilities are included in the monthly rent.

⁽⁵⁾ All apartments are two-bedroom. The residents only pay gas and electricity; TV, Internet access, water, sewage and trash collection are included in the monthly rent.

⁽⁶⁾ One-bedroom apartments rent for \$727 per month and two-bedroom apartments rent for \$896 per month. All utilities are included in the monthly rent.

⁽⁷⁾ Four-bedroom, two-story garden-style apartments rent for \$578 per month per bedroom; four-bedroom, one-story apartments rent for \$578 per month per bedroom; and two-bedroom apartments rent for \$676 per month per bedroom. All utilities are included in the monthly rent.

Occupancy Rates

For the last five fiscal years, the University's residence halls and the apartments had an average occupancy for each such fiscal year as follows.

<u>Fiscal Year</u>	<u>Average Occupancy</u>	
	<u>Residence Halls</u>	<u>Apartments</u>
2016	89%	95%
2017	86%	93%
2018	85%	88%
2019	81%	96%
2020	57%	83%

The Fiscal Year 2020 occupancy rates are sharply lower than prior years, after actions pertaining to COVID-19 resulted in most students not returning to campus following spring break. Spring 2020 face-to-face classes and in-person components of hybrid courses were moved virtual effective March 30.

Housing Selection

The following table sets forth the living choices of undergraduate students for the Fall 2020 semester.

<u>Residence Choices</u>	
<u>Type</u>	<u>Percent</u>
Total on-campus	30.5%
Total off-campus	69.5%
Total	100.0%

Historical Housing System Debt Service Coverage

The net operating revenues of the Housing System are gross revenues derived from the operation of the Housing System less current expenses of the Housing System. The following table sets forth the annual debt service requirements and coverage of the Housing System for the past five years.

<u>Fiscal Year</u>	<u>Gross Revenues</u>	<u>Current Expenses</u> ⁽¹⁾	<u>Net Operating Revenues</u> ⁽²⁾	<u>Debt Service</u>	<u>Actual Debt Service Coverage</u>
2016	38,272,710	30,758,491	7,514,219	2,494,345	3.01x
2017	37,072,146	29,334,146	7,738,000	4,456,609	1.74x
2018	35,612,860	26,687,058	8,925,802	4,457,053*	2.00x
2019	34,509,787	24,173,817	10,335,970	3,981,419	2.60x
2020	29,253,723	18,994,601	10,259,122	4,336,910	2.37x

⁽¹⁾ The bond documents define "Current Expenses of the Housing System" as all necessary operating expenses, current maintenance charges, cost of food served, expenses of reasonable upkeep and repairs, paying agency fees and expenses, properly allocated share of charges for insurance and all other expenses incident to the operation of the Housing System, but exclude depreciation and all general administrative expenses of the University.

⁽²⁾ The bond documents define "Net Operating Revenues" as the gross revenues derived from the operation of the Housing System, together with all operating income, investment income, gifts, bequests, contributions, grants and other moneys made available to the University with respect to the Housing System, less an amount equal to the current expenses of the Housing System.

* Includes debt service for the October 1, 2017 final maturity of the Series 2012A Bonds issued for the benefit of the University. The Series 2012A Bonds were not secured by Net Operating Revenues of the Housing System but financed improvements relating to certain Housing System facilities.

Covid-19 Pandemic Impacts

The COVID-19 respiratory disease global pandemic continues, on the date of this voluntary disclosure, having substantial disruptive and negative impacts on public health, education, business, government and other social structures, interaction and ways of life, travel, financial markets and economies generally, and may directly or indirectly adversely impact finances and operations of the University.

Information Regarding the Impact of COVID-19 on Operations and Financial Condition

- The effects of COVID-19 on UCM's Fiscal 2021 operating budget are significant, with a projected budget shortfall of nearly \$11 million. The global pandemic has affected virtually all revenue streams at the same time. In addition, there has been need for increased expenditures relative to re-opening UCM's physical campus and minimizing risk of the spread of COVID-19 to our campus community. While we do not know the long-term effects of the pandemic on student choices, higher education generally, or on the state of Missouri economy, we do anticipate longer-term impact on the state general fund support, including a nearly 12% reduction in net appropriation for Fiscal 2021. The impact of COVID-19 on some functions such as housing, dining, and other auxiliary enterprises has resulted in immediate losses in revenue and/or increased operational costs in those units.

A number of steps have been taken to preemptively manage the potential risks created by the current economic uncertainty. These steps include, but are not limited to, a university-wide hiring freeze on staff, a furlough and percentage salary reduction plan, restrictions in travel and discretionary spending, and delay of certain capital projects, renovations and upgrades.

Information Regarding Sources of Liquidity

- The University's financial leaders are continually monitoring the inflows and outflows of resources to enable operational and capital decisions to be made with a better understanding of the short- and long-term consequences. One way the institution has controlled cash flow is to postpone planned capital projects. Some help has come from the federal Coronavirus Aid, Relief and Economic Security Act (CARES Act), which includes approximately \$6.9 million in aid to UCM and its students.

Information Regarding Availability of Federal, State and Local Aid

- The University of Central Missouri, as of December 8, 2020, has been awarded \$14,015,884.38 from the Coronavirus Aid, Relief and Economic Security (CARES) Act through direct and pass-through funding. Included within this support is the Higher Education Emergency Relief Fund (HEERF) which includes \$3,454,160 in direct student aid, \$3,454,159 in institutional support, and another \$345,560 in institutional support as a result of our US Department of Education Strengthening Institutional Program (SIP) grant.

Missouri's Governor Mike Parson announced his plans for the Governor's Emergency Education Relief (GEER), which is part of the CARES Act, allocating UCM \$1,037,082 of the \$23.6 million allotment for public colleges and universities. These funds can be used for staff, infrastructure and technology in support of distance education and remote learning; academic support for libraries, laboratories, and other academic facilities; institutional support for activities related to personnel, payroll, security, environmental health and safety, and administrative offices; and student services that promote a student's emotional and physical well-being outside the context of the formal instructional program.

The Missouri Office of Administration committed \$80 million dollars from the Coronavirus Relief Fund (CRF) to higher education institutions for general COVID-19 response and for reopening costs. The Office of Administration committed another \$10 million dollars from the CRF to higher education

Institutions for covering costs associated with remote learning. UCM's share of the CRF-Response/Reopen and CRF Remote Learning totaled \$5,352,825.

To date, UCM has been awarded an additional \$372,098.68 in CARES ACT grants from state, local, and other pass-through entities and has \$2,664,040.89 in pending applications.

The continued spread of COVID-19 and the continued impact on health care operations, social interaction, travel, economies and financial markets may materially impact University finances and operations. Any of these impacts (i) may materially adversely impact the ability of the University to conduct its operations and/or may materially increase the cost of operations, (ii) may materially and adversely impact enrollment and other demand for the University's facilities or services, (iii) may materially adversely impact financial markets and consequently materially adversely impact the returns on and value of University investments, (iv) may materially adversely impact the secondary market for and value of the bonds or other securities issued for the University, and (v) may have other unanticipated direct and indirect impacts on the finances and operations of the University. The full impact of COVID-19 or any other similar outbreaks in the future and the scope of any adverse impact on University finances and operations cannot be fully determined at this time.

Additional Information

In fall 2020, the Board of Governors approved construction of a new airport terminal and flight education center at the Max B. Swisher Skyhaven Airport, and an expansion and improvement project at the home of the University of Central Missouri mules baseball team. Both projects are made possible by the generous financial support of friends and supporters of the University.

The University of Central Missouri will celebrate its rich heritage and future with its sesquicentennial celebration planned February through December 2021. Since its establishment, UCM has evolved from a small college that prepared Missouri's teachers to an institution that offers approximately 150 programs within its four academic colleges. The University has remained consistent in its mission – transforming students into lifelong learners who use their education to serve their communities.

University Website Information

The University maintains a website at www.ucmo.edu on which it posts facts about the institution, agendas and minutes from meetings of the University's Board of Governors, University news and events and other University content. Although none of the information included on the University's website has been developed for this report or is specifically incorporated by reference into this report, the information on the website is publicly available for review.

EXHIBIT A

<u>ISSUE</u>
\$16,310,000 Health and Educational Facilities Authority of the State of Missouri Educational Facilities Revenue Bonds (University of Central Missouri) Series 2013A (private placement)
\$2,365,000 Health and Educational Facilities Authority of the State of Missouri Educational Facilities Revenue Bonds (University of Central Missouri) Series 2013B-1 (private placement)
\$16,640,000 Health and Educational Facilities Authority of the State of Missouri Educational Facilities Revenue Bonds (University of Central Missouri) Series 2013C-1 (private placement)
\$32,650,000 Health and Educational Facilities Authority of the State of Missouri Educational Facilities Revenue Bonds (University of Central Missouri) Series 2013C-2
\$7,075,000 Health and Educational Facilities Authority of the State of Missouri Educational Facilities Revenue Bonds (University of Central Missouri) Series 2018A
\$3,670,000 Health and Educational Facilities Authority of the State of Missouri Educational Facilities Revenue Bonds (University of Central Missouri) Series 2018B