THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Financial Statements

June 30, 2026 and 2025

(With Independent Auditors' Report Thereon)

KPMG LLP
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6070 Poplar Avenue
Memphis, TN 38119-3901

Independent Auditors' Report

The Board of Directors
The University of Mississippi Foundation:

Opinion

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of 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 Foundation's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

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

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

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the 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 Foundation'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 Foundation's ability to continue as a going concern for a reasonable period of time.

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

KPMG LLP

Memphis, Tennessee
October 30, 2026

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statements of Financial Position

June 30, 2026 and 2025

Assets		2026	2025
Cash and cash equivalents	$	13,492,653	11,400,587
Pledges receivable, net		127,784,355	110,410,685
Investments		957,503,167	797,131,175
Beneficial interest in trusts		12,647,978	12,011,092
Property and equipment, net		1,600,698	1,714,481
Other assets		9,787,684	3,009,203
Total assets	$	1,122,816,535	935,677,223
Liabilities and Net Assets			
Funds held for others	$	36,078,984	29,462,022
Liabilities under remainder trusts and gift annuities		6,084,996	3,207,353
Other liabilities		4,778,509	4,330,224
Total liabilities		46,942,489	36,999,599
Net assets:			
Without donor restrictions		30,132,948	27,644,590
With donor restrictions		1,045,741,098	871,033,034
Total net assets		1,075,874,046	898,677,624
Total liabilities and net assets	$	1,122,816,535	935,677,223

See accompanying notes to financial statements.

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statement of Activities

Year ended June 30, 2026

	Without donor restrictions	With donor restrictions	Total
Revenues, gains and other support:			
Contributions, gifts and bequests, net	$ —	114,131,265	114,131,265
Contributions, gifts and bequests, net – nonfinancial	—	3,133,332	3,133,332
Investment return, net	4,843,759	114,084,659	118,928,418
Change in value of split-interest agreements	—	214,451	214,451
Management fees	2,034,476	(2,034,476)	—
Development fees	2,034,476	(2,034,476)	—
Other income	1,173,735	2,256,665	3,430,400
Total revenues, gains and other support	10,086,446	229,751,420	239,837,866
Net assets released from restrictions/ redesignated by donor:			
Appropriation from donor endowment	14,296,513	(14,296,513)	—
Satisfaction of program restrictions	40,746,843	(40,746,843)	—
Expenses:			
Support for University activities:			
Academic	6,547,313	—	6,547,313
Scholarship	12,844,856	—	12,844,856
Programmatic	21,183,260	—	21,183,260
University of Mississippi Medical Center	14,653,326	—	14,653,326
General and administrative expenses	4,234,565	—	4,234,565
Fundraising expenses	3,178,124	—	3,178,124
Total expenses	62,641,444	—	62,641,444
Change in net assets	2,488,358	174,708,064	177,196,422
Net assets, beginning of year	27,644,590	871,033,034	898,677,624
Net assets, end of year	$ 30,132,948	1,045,741,098	1,075,874,046

See accompanying notes to financial statements.

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statement of Activities

Year ended June 30, 2025

	Without donor restrictions	With donor restrictions	Total
Revenues, gains and other support:			
Contributions, gifts and bequests, net	$ —	94,135,372	94,135,372
Contributions, gifts and bequests, net – nonfinancial	—	687,811	687,811
Investment return, net	4,387,502	61,562,979	65,950,481
Change in value of split-interest agreements	—	519,018	519,018
Management fees	1,939,528	(1,939,528)	—
Development fees	1,939,528	(1,939,528)	—
Other income	1,117,654	2,059,610	3,177,264
Total revenues, gains and other support	9,384,212	155,085,734	164,469,946
Net assets released from restrictions/ redesignated by donor:			
Appropriation from donor endowment	13,927,255	(13,927,255)	—
Satisfaction of program restrictions	31,573,561	(31,573,561)	—
Expenses:			
Support for University activities:			
Academic	6,402,168	—	6,402,168
Scholarship	11,629,264	—	11,629,264
Programmatic	19,281,842	—	19,281,842
University of Mississippi Medical Center	9,272,437	—	9,272,437
General and administrative expenses	3,403,607	—	3,403,607
Fundraising expenses	2,814,974	—	2,814,974
Total expenses	52,804,292	—	52,804,292
Change in net assets	2,080,736	109,584,918	111,665,654
Net assets, beginning of year	25,563,854	761,448,116	787,011,970
Net assets, end of year	$ 27,644,590	871,033,034	898,677,624

See accompanying notes to financial statements.

THE UNIVERSITY OF MISSISSIPPI FOUNDATION

Statements of Cash Flows

Years ended June 30, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Change in net assets	$ 177,196,422	111,665,654
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	144,204	152,443
Contributions restricted for long-term purposes and split interest agreements	(24,510,534)	(15,276,019)
Contributed nonfinancial assets	(1,948,372)	—
Net realized and unrealized gains on investments	(101,210,599)	(50,929,523)
Provision for uncollectible pledges	2,825,477	2,067,214
Changes in operating assets and liabilities:		
Other assets	(4,830,109)	(1,100,606)
Pledges receivable	(20,199,147)	(34,840,454)
Funds held for others	975,929	(4,129,627)
Beneficial interest in perpetual trust	151,315	99,360
Beneficial interest in remainder trust	2,240,757	(378,965)
Liabilities under remainder trusts	(182,372)	(38,067)
Other liabilities	448,285	605,180
Net cash provided by operating activities	31,101,256	7,896,590
Cash flows from investing activities:		
Purchases of property and equipment	(30,421)	(105,109)
Purchase of investments	(338,499,751)	(171,975,527)
Proceeds from sales and maturities of investments	285,010,448	143,116,036
Net cash used in investing activities	(53,519,724)	(28,964,600)
Cash flows from financing activities:		
Contributions restricted for long-term purposes and split interest agreements	24,510,534	15,276,019
Other	—	(118,868)
Net cash provided by financing activities	24,510,534	15,157,151
Net increase (decrease) in cash and cash equivalents	2,092,066	(5,910,859)
Cash and cash equivalents:		
Beginning of year	11,400,587	17,311,446
End of year	$ 13,492,653	11,400,587

See accompanying notes to financial statements.

(1) Nature of Organization

The University of Mississippi Foundation (the Foundation) is a nonprofit, nonstock corporation formed for the benefit of The University of Mississippi (the University). The Foundation promotes, encourages and assists educational, scientific, literary, research and service activities of the University and its affiliates.

(2) Summary of Significant Accounting Policies

(a) Use of Estimates

The Foundation prepares its financial statements in accordance with U.S. generally accepted accounting principles ("GAAP"), which require that management make estimates and assumptions that affect the reported amounts of assets and liabilities and revenues and expenses. Such estimates include the present value discount rates applied to the pledges receivable and liabilities under remainder trusts, allowance for uncollectible pledges, fair value of certain investments, including real estate partnership and member interests, and the useful lives used to calculate the depreciation of property and equipment. Actual results could differ significantly from those estimates.

The Foundation's investments are primarily invested in various types of investment securities within many financial markets. Investment securities are exposed to several risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the fair value of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the Foundation's financial statements.

(b) Donor-Imposed Restrictions

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Foundation are classified into the following two classes:

- *Net assets with donor restrictions* consist of contributions that have been restricted by the donor for specific purposes or are time restricted, including contributions where donors stipulate the resources be maintained in perpetuity, but permit the Foundation to use or expend part or all of the income derived from the donated assets for either specified or unspecified purposes.
- *Net assets without donor restrictions* represent funds that are available for support of the operations of the Foundation and that are not subject to donor stipulation.

Revenues are reported as increases in net assets without donor restrictions unless use of the related assets is limited by donor-imposed restrictions. Contributions designated by donors for specified University schools and departments are reported as increases in net assets with donor restrictions. Expenses are reported as decreases in net assets without donor restrictions. When a donor restriction expires or the stated purpose is accomplished, net assets are reclassified as applicable in the statements of activities as net assets released from restrictions. Donor-restricted contributions for which the restrictions are satisfied in the same reporting period in which the contributions are recognized as contributions with donor restrictions and as net assets released from restrictions.

Board-designated net assets are net assets without donor restrictions that are used only for the specific purpose passed by Board resolution. Changes to designations require a subsequent Board resolution.

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The President/CEO and other staff of the Foundation may not change the purpose of any Board-designated funds without the consent of the Board. Board-designated net assets are approximately $26,113,000 and $24,744,000 at June 30, 2026 and 2025, respectively. These net assets are designated for providing a general operating fund reserve and charitable gift annuity reserve.

(c) Revenue Recognition

The Foundation generally recognizes gifts as revenue when notified of an unconditional promise to give. Unconditional promises to give that are expected to be collected in future years are reported at the present value of their future cash flows. The discounts on these amounts are computed using risk-free interest rates at the time of the pledge, which are applicable to the years in which the pledges are scheduled to be received. Accretion of the discounts is included in contribution revenue. An allowance for uncollectible pledges is provided based upon management's judgment, including such factors as prior collection history, type of contribution and nature of the fundraising activity. A provision for uncollectible pledges of $2,825,477 and $2,067,214 is included in the contributions, gifts and bequests caption within the statements of activities for the years ended June 30, 2026 and 2025, respectively. See note 3 for further discussion of pledges receivable. Investments received by gift are recorded at fair value at the date of donation.

The increase in the cash surrender value of life insurance policies is recorded as a component of other income.

The Foundation earns a management fee on endowment funds held. Effective July 1, 2022, the Board approved a reduction of the management fee from 0.5% to 0.4% on endowed funds. Effective July 1, 2018, the Board approved a development fee of 0.4% on endowed funds to be utilized by the University's office of development to expand its staff and reach to increase the University's private support. For the years ended June 30, 2026 and 2025, such fees totaled approximately $4,069,000 and $3,879,000, respectively.

(d) Cash and Cash Equivalents and Liquidity

The Foundation recognizes demand deposit accounts as cash and cash equivalents to be used for operational purposes. It is the policy of the Foundation to consider money market accounts and deposit or savings accounts with brokers as other short-term investments. The Foundation received marketable securities by gift, which were immediately converted to cash and are not reflected in cash flows from investing activities. For the years ended June 30, 2026 and 2025, such gifts totaled approximately $23,071,000 and $4,792,000, respectively.

As part of the Foundation's liquidity management, it invests cash in excess of daily requirements in short-term investments. There is an established board-designated fund where the governing board has the objective of setting funds aside to be drawn upon in the event of financial distress or an immediate liquidity need resulting from events outside of the typical life cycle of converting financial assets to cash or settling financial liabilities.

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Cash and cash equivalents and other financial assets available within one year at June 30, 2026 and 2025 are as follows:

	2026	2025
Financial assets at year end:		
Cash and cash equivalents	$ 13,492,653	11,400,587
Pledges receivable, net	127,784,355	110,410,685
Investments	957,503,167	797,131,175
Other assets	5,444,196	1,846,880
Total financial assets at year end	1,104,224,371	920,789,327
Less those unavailable for general expenditures within one year due to:		
Restricted by donor with purpose restrictions	(335,489,139)	(278,602,375)
Subject to appropriation and satisfaction of donor restrictions	(742,175,871)	(617,054,105)
Total financial assets available to meet cash needs for general expenditures within one year	$ 26,559,361	25,132,847

(e) Investments

Investments are recorded at fair value. The fair values of all investments other than real estate and partnership and member interests (which includes pooled investment funds) are based on quoted market prices and other observable inputs such as quoted prices for similar assets, quoted prices in inactive markets or inputs corroborated by observable market data. The Foundation's partnership and member interests are generally reported at the net asset value (NAV) reported by the fund managers, which is used as a practical expedient to estimate the fair value of the Foundation's interest therein, unless it is probable that all or a portion of the investment will be sold for an amount different from NAV. As of June 30, 2026 and 2025, the Foundation had no plans or intentions to sell investments at amounts different from NAV. The Foundation's real estate investments are initially recognized at fair value based on appraised values at the date of receipt and are subsequently carried at fair value. Realized and unrealized gains and losses, dividends and interest are classified in the accompanying statements of activities based on restrictions put in place by the donor.

(f) Tax Status

The Foundation is recognized as an organization exempt from federal income tax under Section 501(a) as an entity described in Section 501(c)(3) of the U.S. Internal Revenue Code, except for taxes on income from activities unrelated to its exempt purpose.

Open tax years are those that are open for exam by taxing authorities. Major jurisdictions for the Foundation include the federal government and the State of Mississippi. As of June 30, 2026, open Federal and Mississippi tax years for the Foundation include fiscal years ended 2023, 2024 and 2025.

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The Foundation has no examinations in progress. As of June 30, 2026 and 2025, there were no material uncertain tax positions.

(g) Fair Value of Financial Instruments

The carrying amounts at June 30, 2026 and 2025 for cash and cash equivalents, pledges receivable, beneficial interest in trusts, funds held for others, liabilities under remainder trusts and other liabilities approximate their fair values. See note 4 for fair value of investments.

(h) Split-Interest Agreements

The Foundation accepts gifts subject to split-interest agreements. These gifts are generally in the form of charitable remainder unitrusts (CRUTs) or charitable remainder annuity trusts (CRATs). At the time of receipt, a gift is recorded based upon the fair value of the assets donated less the present value of any applicable liabilities for projected distributions to third parties. The discount rate used to value the beneficiary liability is fixed at the gift date. CRUTs are revalued annually and the projected beneficiary payments adjusted accordingly. Gifts subject to split-interest agreements are classified as net assets with donor restrictions.

(i) Subsequent Events

In connection with the preparation of the financial statements and in accordance with FASB Accounting Standards Codification (ASC) Topic 855, *Subsequent Events*, the Foundation evaluated all events or transactions that occurred after June 30, 2026, through October 30, 2026, the date the financial statements were available to be issued. No subsequent events were noted.

(3) Pledges Receivable

The Foundation obtains pledges through fundraising projects in support of various activities. All pledges are classified as net assets with donor restrictions. A summary of pledges receivable as of June 30, 2026 and 2025 is as follows:

	2026	2025
Unconditional promises expected to be collected in:		
One year	$ 26,058,520	23,431,463
Two to five years	71,404,675	50,514,341
Six to ten years	40,538,031	39,676,724
More than ten years	30,729,287	28,391,270
	168,730,513	142,013,798
Allowances for uncollectible pledges	(6,444,640)	(4,313,389)
Present value discounts (rates ranging from 0.73% to 4.47%)	(34,501,518)	(27,289,724)
	$ 127,784,355	110,410,685

(4) Investments

The Foundation's investments, aggregated by investment strategy, consist of the following at June 30, 2026 and 2025:

	2026	2025
Investment strategy:		
Fixed income:		
U.S. government securities	$ 25,095,215	17,791,626
Corporate bonds	54,723,441	49,249,753
Other fixed income securities	35,031,116	28,907,420
Total fixed income	114,849,772	95,948,799
Equities:		
Common stocks	74,204,993	55,515,573
ETFs and mutual funds	262,944,929	217,849,504
International common stock funds	1,139,876	953,742
Total equities	338,289,798	274,318,819
Real estate owned	1,549,117	1,549,117
Other short-term investments	42,942,556	25,665,045
Pooled investment funds, at NAV:		
Diversifying strategies	43,668,436	32,229,061
Fixed income	29,541,041	32,072,800
Global equity	113,780,297	90,856,011
Global equity-long only	14,637,793	19,660,991
Long/short equity fund	17,751,176	15,097,243
Natural resource private fund	4,401,763	5,632,234
Relative value	21,841,319	20,106,332
Other	455,810	493,878
Venture capital and private equity	213,794,289	183,500,845
Total pooled investment funds, at NAV	459,871,924	399,649,395
Total investments	$ 957,503,167	797,131,175

(5) Beneficial Interest in Trusts

The Foundation is the beneficiary of a perpetual trust created upon the death of a donor. The interest is shared with an unrelated charitable organization. Income is paid quarterly from the trust to the Foundation, which, in turn, distributes such funds to an account for the benefit of the University's School of Accountancy. The Foundation's interest in this trust totaled approximately $3,537,000 and $3,385,000 at June 30, 2026 and 2025, respectively.

(Continued)

The Foundation is also named as the beneficiary of an externally managed remainder trust. This trust was recorded at the present value of the estimated future cash receipts from the assets of the trust. Upon the date of the gift, the Foundation recognized contribution revenue of $6,300,000. The discount rate utilized for the present value calculation for prior years was 3.6%. As of June 30, 2026, the donor has outlived the established actuarial lifespan and the present value is the fair value of the trust. The Foundation's interest in this trust approximated $9,111,000 and $8,626,000 at June 30, 2026 and 2025, respectively.

(6) Fair Value Measurement

ASC Topic 820, *Fair Value Measurement*, establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that are observable at the measurement date;
- Level 2: Significant observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data; and
- Level 3: Significant unobservable inputs for the asset or liability that reflect the reporting entity's own estimates about the assumptions that market participants would use in pricing the asset or liability.

The level in the fair value hierarchy within which a fair value measurement in its entirety falls is based on the lowest level input that is significant to the fair value measurement in its entirety. In accordance with Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) as a practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the fair value hierarchy table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the accompanying statements of financial position.

The following table presents the financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2026:

	Level 1	Level 2	Level 3	Total
Investment strategy:				
Fixed income:				
U.S. government securities	$ —	25,095,215	—	25,095,215
Corporate bonds	—	54,723,441	—	54,723,441
Other fixed income securities	21,624,109	13,407,007	—	35,031,116
Total fixed income	21,624,109	93,225,663	—	114,849,772
Equities:				
Common stocks	74,204,993	—	—	74,204,993
ETFs and Mutual Funds	262,944,929	—	—	262,944,929
International common stock funds	1,139,876	—	—	1,139,876
Total equities	338,289,798	—	—	338,289,798
Real estate owned	—	—	1,549,117	1,549,117
Other short-term investments	42,942,556	—	—	42,942,556
	$ 402,856,463	93,225,663	1,549,117	497,631,243
Pooled investment funds, at NAV				459,871,924
Total investments				$ 957,503,167
Beneficial interest in trusts	$ 5,336,441	7,311,537	—	12,647,978

(Continued)

The following table presents the financial assets carried at fair value by level within the valuation hierarchy as of June 30, 2025:

	Level 1	Level 2	Level 3	Total
Investment strategy:				
Fixed income:				
U.S. government securities	$ —	17,791,626	—	17,791,626
Corporate bonds	—	49,249,753	—	49,249,753
Other fixed income securities	17,423,009	11,484,411	—	28,907,420
Total fixed income	17,423,009	78,525,790	—	95,948,799
Equities:				
Common stocks	55,515,573	—	—	55,515,573
ETFs and Mutual Funds	217,849,504	—	—	217,849,504
International common stock funds	953,742	—	—	953,742
Total equities	274,318,819	—	—	274,318,819
Real estate owned	—	—	1,549,117	1,549,117
Other short-term investments	25,665,045	—	—	25,665,045
	$ 317,406,873	78,525,790	1,549,117	397,481,780
Pooled investment funds, at NAV				399,649,395
Total investments				$ 797,131,175
Beneficial interest in trusts	$ 4,892,039	7,119,053	—	12,011,092

See note 2(e) for information regarding the methods used to determine the fair value of the Foundation's investments. These methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Foundation believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

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The table below represents a summary of the fair value, unfunded commitments, eligible redemption frequency and expected life of the respective investments as of June 30, 2026:

Investment	Fair value	Unfunded commitments	Redemption frequency (if eligible)	Redemption notice period	Expected life span of investment
Pooled investment funds, at NAV:					
Diversifying strategies	$ 43,668,436	—	Various	15-95 days	Indefinite
Fixed income	29,541,041	—	Daily	5 days	Indefinite
Global equity	113,780,297	—	Various	5-120 days	Indefinite
Global equity-long only	14,637,793	—	Quarterly	90 days	Indefinite
Long/short equity fund	17,751,176	—	Quarterly	45 days	Indefinite
Natural resource private fund	4,401,763	13,801	No redemption feature	None	10 years
Relative value	21,841,319	—	Quarterly	65 days	Indefinite
Other	455,810	—	No redemption feature	None	Indefinite
Venture capital and private equity	213,794,289	96,172,205	No redemption feature	None	4 years to indefinite
	$ 459,871,924				
Real estate:					
Real estate owned	$ 1,549,117	—	No redemption feature	None	Indefinite

(7) Endowment Funds

The Foundation's endowment consists of approximately 1,800 donor-restricted funds established for a variety of purposes to benefit the University community. As required by GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors that function as endowments, are classified and reported based on the existence or absence of donor-imposed restrictions.

The State of Mississippi adopted UPMIFA effective July 1, 2012. The Foundation's Board of Directors has determined its donor agreements provide for the preservation of the fair value of the original gift as of the date of the gift. As a result, the Foundation segregates within the net asset class with donor restrictions, the original gift amount and amounts required to be retained by donor separate from the portion subject to appropriation.

The Foundation has established policies to achieve the overall, long-term investment goal of achieving an annualized total return, through appreciation and income, greater than or equal to the rate of inflation plus any distribution needs, thus protecting the assets against inflation. The Foundation's Board and Joint Committee on Investments agree that investing in securities with higher return expectations outweighs their short-term volatility risk. As a result, the majority of assets are invested in equity or equity-like securities. Fixed income securities are used to lower the short-term volatility of the portfolio and to provide income stability, especially during periods of weak or negative equity market returns. Cash is not a strategic asset of the portfolio, but is a residual to the investment process and used to meet short-term liquidity needs. The primary performance objective of the Foundation is to achieve a total return, net of investment management fees and expenses, equal to or in excess of inflation and the spending rate.

(Continued)

Income available for spending is determined by a total return system and is approved by the Board of Directors of the Foundation. The amount to be spent for the endowed purpose is calculated based on a percentage of a long-term monthly moving average of the endowment's market value. The objective is to provide relatively stable spending allocations. However, no portion of the original gift value of the endowed assets is allocated for spending.

Endowment net asset composition by type of fund at June 30, 2026 and 2025 was as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment funds:			
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be retained by donor	$ —	395,705,732	395,705,732
Portion subject to appropriation	—	284,453,080	284,453,080
Board-designated quasi endowment	26,113,363	—	26,113,363
Total endowment funds, June 30, 2026	$ 26,113,363	680,158,812	706,272,175

	Without donor restrictions	With donor restrictions	Total
Endowment funds:			
Donor-restricted endowment funds:			
Original donor-restricted gift amount and amounts required to be retained by donor	$ —	367,943,042	367,943,042
Portion subject to appropriation	—	201,452,424	201,452,424
Board-designated quasi endowment	24,744,015	—	24,744,015
Total endowment funds, June 30, 2025	$ 24,744,015	569,395,466	594,139,481

(Continued)

Changes in endowment net assets for the years ended June 30, 2026 and 2025 are as follows:

	Without donor restrictions	With donor restrictions	Total
Endowment net assets, June 30, 2024	$ 23,506,008	522,861,979	546,367,987
Contributions and transfers to endowment	203	17,157,553	17,157,756
Appropriation of expenditures	(910,625)	(17,806,312)	(18,716,937)
Investment return:			
Investment income	818,549	9,337,655	10,156,204
Net appreciation	1,329,880	37,844,591	39,174,471
Endowment net assets, June 30, 2025	24,744,015	569,395,466	594,139,481
Contributions and transfers to endowment	—	27,611,375	27,611,375
Appropriation of expenditures	(1,425,283)	(18,365,465)	(19,790,748)
Investment return:			
Investment income	863,288	27,143,273	28,006,561
Net appreciation	1,931,343	74,374,163	76,305,506
Endowment net assets, June 30, 2026	$ 26,113,363	680,158,812	706,272,175

As a result of unfavorable volatility in the financial markets, the fair value of assets associated with an individual donor-restricted endowment fund may fall below the total amount of the gifts made to the endowment by the donor. As of June 30, 2026 and June 30, 2025, there were no endowments with a fair value below the amount of the gifts made to the endowment.

(8) Life Insurance Policies

The Foundation has been gifted life insurance policies for which it has been named owner and beneficiary. The face amounts of life insurance policies in excess of cash surrender values held by the Foundation are recognized as revenue only when collected. The cash surrender value amounts of such policies as of June 30, 2026 and 2025 were approximately $1,571,000 and $1,595,000, respectively, which are reflected within other assets in the accompanying statements of financial position.

(9) Charitable Trusts and Gift Annuities

The Foundation administers charitable remainder trusts with investments of approximately $5,680,000 and $4,076,000 as of June 30, 2026 and 2025, respectively, which are reported as investments on the accompanying statements of financial position. Additionally, the cash contributed to purchase gift annuities is reported within investments on the accompanying statements of financial position. Pursuant to the trust agreements, specified amounts of income from the trusts' assets must be distributed to the income beneficiaries each year. Liabilities under these trusts and gift annuities totaled $6,084,996 and $3,207,353 as of June 30, 2026 and 2025, respectively. The discount rates used in these measurements range from 2.45% to 6.2% at June 30, 2026 and 2025. The remainder of the income and the assets will become the property of the Foundation at a time designated in the trust agreements, usually upon the death of the income beneficiary.

(Continued)

(10) Property and Equipment

Property and equipment consist of the following at June 30, 2026 and 2025:

	2026	2025
Land	$ 300,000	300,000
Building and equipment	3,782,663	3,752,242
Furniture and fixtures	977,278	977,278
Total	5,059,941	5,029,520
Accumulated depreciation	(3,459,243)	(3,315,039)
Property and equipment, net	$ 1,600,698	1,714,481

Depreciation expense has been computed utilizing the straight-line method over the following estimated useful lives: building - 30 years; equipment - 7 to 10 years; and furniture and fixtures - 10 to 30 years.

(11) Net Assets with Donor Restrictions

Net assets with donor restrictions at June 30, 2026 and 2025 were restricted for the following purposes:

	2026	2025
Spendable:		
Academic and program support	$ 411,882,632	325,747,026
Scholarship support	141,551,868	107,764,031
Faculty support	78,227,713	55,529,502
Library support	18,373,153	14,049,434
Total	650,035,366	503,089,993
Endowment:		
Academic and program support	95,707,725	84,767,181
Scholarship support	173,142,182	164,965,269
Faculty support	104,706,800	96,209,986
Library support	22,149,025	22,000,605
Total	395,705,732	367,943,041
Total net assets with donor restrictions	$ 1,045,741,098	871,033,034

(12) Funds Held for Others

The Foundation administered funds for others of $36,078,984 and $29,462,022 at June 30, 2026 and 2025, respectively. These funds are commingled with the Foundation's investments and are accounted for at the fair value of the underlying investments. Earnings and losses from these investments, as well as funds received and distributed, are not included in the statements of activities of the Foundation.

(Continued)

The Foundation assists with fundraising activities of the University and processes the receipts for many University-affiliated organizations. During the years ended June 30, 2026 and 2025, the Foundation received approximately $4,264,000 and $1,833,000, respectively, for the University of Mississippi Alumni Association and approximately $17,566,000 and $2,669,000, respectively, for the Ole Miss Athletics Foundation. Distributions to these organizations, all of which were made at the direction of the affiliated organization, for the years ended June 30, 2026 and 2025 included approximately $5,394,000 and $2,310,000, respectively, to the University of Mississippi Alumni Association and approximately $17,848,000 and $2,845,000, respectively, to the Ole Miss Athletics Foundation. In addition to these affiliated organizations, the Foundation maintains funds for certain other third-party organizations. During the years ended June 30, 2026 and 2025, the Foundation received approximately $2,500,000 and $1,000,000, respectively, from these organizations and made distributions to these organizations, at the organizations' direction, of approximately $1,073,000 and $4,629,000, respectively.

(13) Net Assets Released from Donor Restrictions

Net assets utilized in accordance with donor restrictions during the years ended June 30, 2026 and 2025 are as follows:

		2026	2025
Spendable:			
Academic and program support	$	40,532,174	32,673,418
Scholarship support		10,160,377	8,985,120
Faculty support		3,634,696	3,282,891
Library support		716,109	559,387
Total net assets released from restrictions	$	55,043,356	45,500,816

(14) Contributed Nonfinancial Assets

For the years ended June 30, 2026 and 2025, contributed nonfinancial assets recognized within the accompanying statements of activities included:

		2026	2025
Software	$	—	521,500
Rental space		75,981	81,281
Collectibles		1,948,372	—
Publications and recordings		458,368	—
Geological collection		228,757	—
Professional services		175,000	—
Artwork		129,267	26,293
Other		117,587	58,737
Total contributed nonfinancial assets	$	3,133,332	687,811

(Continued)

The Foundation values real estate and artwork at the appraised value or retail market value of the item donated with the appropriate gain or loss recognized when the assets are sold. As of June 30, 2026 and 2025, the Foundation holds approximately $1,995,000 and $46,500, respectively, of contributed nonfinancial assets. All other contributed nonfinancial assets received during fiscal years 2026 and 2025 were utilized and have donor-imposed restrictions to be used for academic and programmatic support and library support for the University. All contributed nonfinancial assets are valued by the Foundation at the fair value of the donated item based on the retail market value of comparable items or an estimate of the value by an appropriate qualified appraiser or individual.

(15) Functional Expenses

Functional expenses for the years ended June 30, 2026 and 2025 are summarized below among programmatic educational activities and supporting activities based on actual costs incurred. The vast majority of these expenses are incurred by the University and reimbursed by the Foundation subject to donor restrictions. These functional areas are aggregated by area served for presentation within the Statement of Activities. Expenses by function and natural classification for the years ended June 30, 2026 and 2025 are as follows:

	Programmatic activities				Supporting activities		
	Academic	Scholarship	Programmatic	UMMC	General and administrative	Fundraising	Total expenses
June 30, 2026:							
Faculty support	$ 4,750,566	—	—	—	—	—	4,750,566
Student aid support	—	12,844,856	—	740,957	—	—	13,585,813
Facilities	—	—	3,388,881	681,058	422,868	—	4,492,807
University support	1,796,747	—	10,038,628	10,724,040	—	312,117	22,871,532
Salaries	—	—	2,202,296	394,385	2,334,856	1,725,654	6,657,191
Library support	—	—	756,626	—	—	—	756,626
Donor relations	—	—	885,717	1,909,451	61,341	564,460	3,420,969
Accounting, legal and IT	—	—	—	—	958,007	—	958,007
Office expense and other	—	—	3,911,112	203,435	457,493	575,893	5,147,933
	$ 6,547,313	12,844,856	21,183,260	14,653,326	4,234,565	3,178,124	62,641,444

	Programmatic activities				Supporting activities		
	Academic	Scholarship	Programmatic	UMMC	General and administrative	Fundraising	Total expenses
June 30, 2025:							
Faculty support	$ 4,804,600	—	—	—	—	—	4,804,600
Student aid support	—	11,629,264	—	535,742	—	—	12,165,006
Facilities	—	—	5,340,216	552,875	349,019	—	6,242,110
University support	1,597,568	—	7,127,371	4,502,309	—	89,025	13,316,273
Salaries	—	—	2,444,318	325,645	2,221,759	2,035,127	7,026,849
Library support	—	—	805,137	—	—	—	805,137
Donor relations	—	—	1,092,677	2,045,934	54,218	537,536	3,730,365
Accounting, legal and IT	—	—	—	—	473,242	—	473,242
Office expense and other	—	—	2,472,123	1,309,932	305,369	153,286	4,240,710
	$ 6,402,168	11,629,264	19,281,842	9,272,437	3,403,607	2,814,974	52,804,292