

# **Bond Case Briefs**

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## **University of Oklahoma Board of Regents: Fitch New Issue Report**

Key Rating Drivers Revenue Defensibility - 'aa' Solid Demand and Enrollment Trend; Moderate Revenue Diversity Underpinning the 'aa' Revenue Defensibility assessment are OU's modestly selective demand metrics, its solid flagship/top-tier research demand niche, and established trend of sizeable out-of-state draw, all of which Fitch believes will continue to provide stability to modest growth in OU's enrollment base. OU saw fall 2023 (fiscal 2024) headcount increase by a solid 3% to 29,166, benefitting from OU's steady trend of growth in its freshmen (the largest first-year class in history), gains in graduate enrollment and OU Online, as well as solid undergraduate retention. Student quality measurements, such as the freshman-to-sophomore retention rate, remain high and continue to improve (89% in fall 2022), in addition to the six-year graduation rate. Management's current projections anticipate a lower level of freshman growth (2%-5%) with a growing non-resident component. OU has moderate revenue diversity. While down slightly from about 54% in fiscal 2019, operating revenues remain largely student revenue dependent (roughly 50% of adjusted total unrestricted operating revenues from tuition/auxiliary revenues in fiscal 2023). Federal, state, and local grants were the next largest revenue source at 24% of fiscal 2023 adjusted total unrestricted operating revenues.

### **[ACCESS REPORT](#)**

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