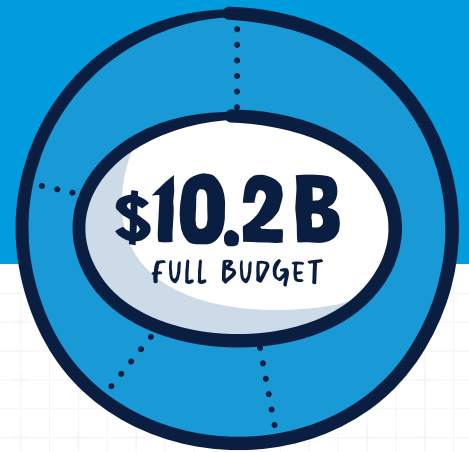


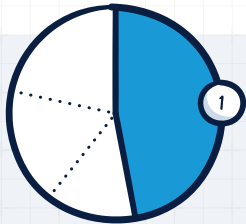


How Penn State Funds its Mission //

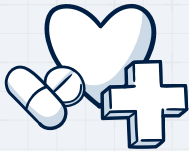


Our total budget funds all parts of Penn State. It is used to support all operations, including our core research and educational mission. The goal is to strategically manage finite resources for maximum impact.

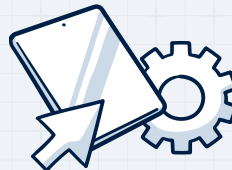
THE FOLLOWING IS A SIMPLE OVERVIEW DESIGNED TO EXPLAIN WHERE THE MONEY COMES FROM AND HOW IT IS SPENT.



ROUGHLY HALF OF PENN STATE’S APPROXIMATELY \$10.2 BILLION BUDGET IS COMPRISED OF THE BUDGETS FOR PENN STATE HEALTH AND PENNSYLVANIA COLLEGE OF TECHNOLOGY.

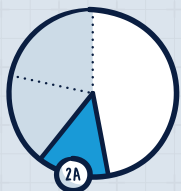
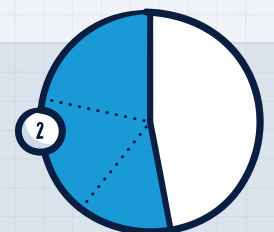


PENN STATE HEALTH (\$4.6B) //
No tuition dollars or the University’s general support state funding are used to support the clinical enterprise of Penn State Health. Penn State Health contributes more than \$70 million annually to the College of Medicine.



PENNSYLVANIA COLLEGE OF TECHNOLOGY (\$189M) //
A Penn State affiliate, Penn College manages its own operating budget and is self-supporting, and it receives its own line-item state funding.

THE OTHER HALF OF THE UNIVERSITY’S BUDGET, ROUGHLY SPEAKING, IS THE \$5.4 BILLION “ALL FUNDS” REVENUE BUDGET, WHICH CAN BE DIVIDED INTO THREE MAIN BUCKETS:



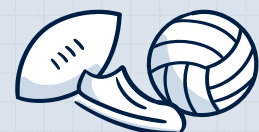
2A SELF-SUSTAINING UNITS (\$1B): Auxiliary and Business Services, the College of Medicine, and Penn State Intercollegiate Athletics. These units do not receive a budget model allocation of tuition or state funding.



AUXILIARY & BUSINESS SERVICES (\$393M) //
No tuition or state funding is used to support expenses associated with on-campus housing and dining, or other auxiliary entities like the Bryce Jordan Center and Transportation Services.

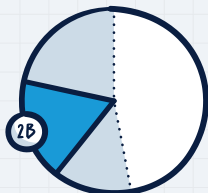
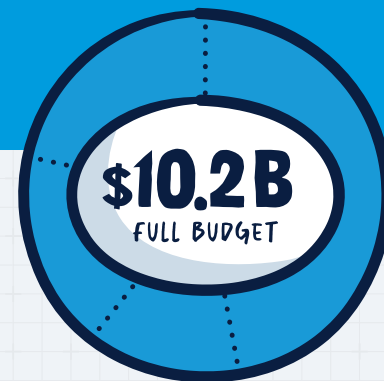


COLLEGE OF MEDICINE (\$367M) //
Unlike other academic colleges, the College of Medicine is supported by the revenues it generates and does not receive a budget model allocation.



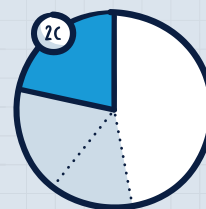
INTERCOLLEGIATE ATHLETICS (\$290M) //
Unlike most universities, no tuition or state funding is used to support our Intercollegiate Athletics programs at University Park. Penn State is among a select few institutions where this is true.

How Penn State Funds its Mission //



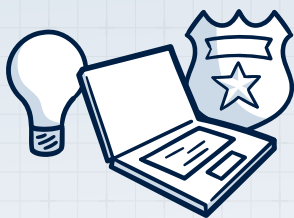
2B DESIGNATED FUNDS (\$2.2B), comprised primarily of grant/contract revenues, investment income, gifts, student initiated fees, the Land Scrip appropriation (for the College of Agricultural Sciences), and law school tuition. These dollars are designated for specific units or purposes and are not available to allocate via the University's budget model but provide additional critical resources in support of teaching and research.

2C E&G BUDGET MODEL REVENUES, NET OF STUDENT AID, (\$2.2B), including student tuition, minus student aid; Penn State's general support appropriation from the state; and some investment income (graduate research incentive fund allocated to colleges). This funding supports Penn State's core teaching and research activities and is the only part of our approximately \$10.2 billion budget that is distributed to academic colleges, Commonwealth Campuses, and central administrative and student support units via the University's budget model.



WHILE REPRESENTING ONLY A PORTION OF THE FUNDING AVAILABLE TO UNIT LEADERS TO MEET EXPENSES AND INVEST IN THE FUTURE, THESE FUNDS COVER TWO BROAD CATEGORIES OF EXPENSES THAT ARE CENTRAL TO THE UNIVERSITY'S ACADEMIC MISSION:

FUNDING THE EDUCATIONAL MISSION OF OUR COLLEGES AND CAMPUSES. Basic funding for the cost of delivering a world-class education to our students. This includes salaries and benefits for our faculty and staff, and support for academic programs and research. (These funds are distributed directly to colleges and campuses based on a formula that considers student enrollment, credit hours, research expenditures, and other factors).



CENTRAL SERVICES AND STUDENT SUPPORT. These services benefit everyone and allow academic unit leaders to focus their time and attention on their core educational mission, while relying on the University to efficiently manage shared needs. Examples include building maintenance, electricity costs, student support and health services, employee computers and common IT services such as email and software, University Police and Public Safety, Human Resources, and other administrative units that provide services for Penn State as a whole.

**All numbers from 2026-27 budget.*

