



**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

Auditors' Reports as Required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and *Government Auditing Standards* and Related Information

Year ended June 30, 2024

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

Auditors' Reports as Required by Uniform Guidance and *Government Auditing Standards*  
and Related Information

Year ended June 30, 2024

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KPMG LLP  
Two Financial Center  
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Boston, MA 02111

## Independent Auditors' Report

The Honorable Douglas Hoffer,  
Auditor of Accounts, State of Vermont  
and  
The Board of Trustees of University of Vermont and State Agricultural College:

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the business-type activities and aggregate discretely presented component units of University of Vermont and State Agricultural College (collectively, the University), a component unit of the State of Vermont, as of and for the years ended June 30, 2024 and 2023, and the related notes to the financial statements, which collectively comprise the University's basic financial statements as listed in the table of contents.

In our opinion, based on our audits and the report of the other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the business-type activities and the aggregate discretely presented component units, of the University, as of June 30, 2024 and 2023, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with U.S. generally accepted accounting principles.

We did not audit the financial statements of University Medical Education Associates, Inc. (UMEA), which represent 13% and 15%, respectively, of the total assets of the aggregate discretely presented component units as of June 30, 2024 and 2023, and 13% and 13%, respectively, of the total operating revenues for the years then ended. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for UMEA, are based solely on the report of the other auditors.

#### *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. 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 University 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 opinions.

#### *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 University'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.

#### *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 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 University'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 University'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.

#### *Required Supplementary Information*

U.S. generally accepted accounting principles require that the management's discussion and analysis and schedule of changes in the University's total OPEB liability and related ratios 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.



### *Other Information*

Management is responsible for the other information included in the annual financial report. The other information comprises the letter from the President and management's responsibility for the financial report but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 12, 2024 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 University'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 University's internal control over financial reporting and compliance.

**KPMG LLP**

Boston, Massachusetts  
November 12, 2024



# Letter from the President

Members of the Board of Trustees,

I attach the Annual Financial Report for the Fiscal Year ended June 30, 2024. The state of UVM's finances is sound.

These financial statements illustrate an increase of \$112.6 million in the University's net position, primarily due to investment income and increased grants and contracts revenues. As of June 30, 2024, the market value of the entire combined endowment (UVM and UVM Foundation) was \$896 million. It is important to note that endowment gifts and research awards are almost entirely restricted for specific purposes by the donors and the entities that award the grants.

The University remains focused on student affordability and financial access, quality enhancements, strategic alignment of priorities, a focus on distinctive research strengths, engagement with the state and our communities, and resource and revenue growth. This focus will help ensure an even more financially healthy UVM, which will enable us to continue to improve the positive student experience and the substantial contributions UVM makes to the state, the region, and the country.

Best Wishes

  
Suresh Garimella



## UNIVERSITY OF VERMONT

### Management's Responsibility for the Financial Report

The accompanying financial statements of the University of Vermont and State Agricultural College for the year ended June 30, 2024 are official documents prepared in accordance with U.S. generally accepted accounting principles set forth for public colleges and universities by the Governmental Accounting Standards Board. The management of the University is responsible for the integrity and objectivity of these financial statements, which are accessible to all. The University's system of internal accounting controls is designed to ensure that the financial reports and the books of account properly reflect the transactions of the institution, in accordance with established policies and procedures as implemented by qualified personnel.

The University Trustees selected the certified public accounting firm of KPMG, LLP to conduct the annual financial audit for fiscal year 2024.

Periodically throughout the year, the Trustee Audit Committee meets with the Office of Audit Services, the Office of Compliance and Privacy Services and the external independent audit firm to review the audit plan and later the report. The Vermont State Auditor is invited to attend those meetings to offer comments and opinions. KPMG, the Office of Audit Services, and the Office of Compliance and Privacy Services have full access to the University Trustees and the State Auditor throughout the year.

Richard H. Cate  
Vice President for Finance  
and Administration

Claire L. Burlingham

# UNIVERSITY OF VERMONT

## Management’s Discussion and Analysis (Unaudited) June 30, 2024 and 2023

### Introduction

The Management’s Discussion and Analysis (MD&A) provides a broad overview of the University of Vermont’s financial condition as of June 30, 2024 and 2023, the results of its operations for the years then ended, significant changes from the previous years, and outlook for the future where appropriate and relevant. Management has prepared the financial statements and related footnote disclosures along with this MD&A. The MD&A should be read in conjunction with the audited financial statements and related notes.

The University of Vermont (“the University”) is a public, non-profit, comprehensive research institution of higher education established in 1791 as the fifth college in New England. The University consists of seven undergraduate schools and colleges, including the Colleges of Agriculture and Life Sciences, Arts and Sciences, Education and Social Services, Engineering and Mathematical Sciences, Nursing and Health Sciences, the Grossman School of Business, and the Rubenstein School of Environment and Natural Resources. The University also includes the Patrick Leahy Honors College, the Robert Larner, M.D. College of Medicine, Professional and Continuing Education, Extension and the Graduate College. The University is the only comprehensive research university in Vermont. The University has 11,743 undergraduate students and 2,200 graduate and medical students. It is

located in Burlington, Vermont with satellite instructional and research sites throughout Vermont. It is a component unit of the State of Vermont as it receives an annual appropriation from the State. For financial reporting purposes, the University’s reporting entity consists of all sectors of the University and includes discretely presented financial information for University Medical Education Associates, Inc. (UMEA), the University of Vermont and State Agricultural College Foundation, Inc. (UVMF) and Catamount Run Phase 1 and 2. UMEA is a legally separate tax-exempt component unit of the University whose purpose is to support the operations, activities and objectives of the Robert Larner, M.D. College of Medicine of the University. UVMF is a legally separate tax-exempt component unit of the University whose purpose is to secure and manage private gifts for the sole benefit of the University. Catamount Run Phase 1 and 2 are legally separate component units of the University. Catamount Run’s primary purpose is to construct housing in close proximity to the University campus and to manage the property, leasing units to University students, employees and the public. The MD&A discusses the University’s financial statements only and not those of its component units.

The focus of the MD&A is on the University’s financial information contained in the Statements of Net Position, the Statements of Revenues, Expenses and Changes in Net Position and the Statements of Cash Flows.

### Strategic Direction and Economic Outlook

The President’s strategic vision, Amplifying Our Impact, utilizes a three-pronged approach which includes ensuring student success, investing in distinctive research strengths, and fulfilling the land grant mission.

*Ensuring Student Success* – The University has a culture of strong faculty mentorship and staff dedicated to student growth. The connection between health and well-being and academic achievement is promoted holistically. The University will continue to build on that legacy by making the success of its students and alumni a core measure in everything it does. The University will focus on ensuring that it offers a vibrant educational experience, that it remains affordable and accessible to a broad and diverse population, and that it provides support and meaningful opportunity well beyond graduation.

*Investing in Distinctive Research Strengths* - UVM has built distinctive research strengths that align with the urgent—and interdependent—need to support the health of our environment and our societies. Strategic investment of available resources will accelerate and enhance these distinctive strengths, positioning the University as the preeminent institution for innovative and sustainability-focused solutions. Articulation of distinctive strengths will also grow corporate, philanthropic, foundation, and federal partnerships to enhance UVM’s research portfolio, impact and recognition, and make enriching new opportunities available to faculty and students.

*Fulfilling the Land Grant Mission* – As one of the nation’s first land grant institutions, the University’s alignment with the state is fitting. The University is nationally acclaimed for helping Vermonters tackle everything from farm viability to complex environmental issues to business growth. The University supports

commercialization and job creation initiatives in the state, and partnerships with large corporations enable the possibility of attracting satellite operations, jobs, and a talented workforce to the state. The University intends to create a more streamlined gateway for Vermonters to learn about and access the many resources the University offers. Efforts to set up that front door, inviting the community to engage more fully with the University, are underway.

Achievements toward the strategic direction in fiscal 2024 include:

- Launching the Center for Community News, with a mission to inspire and enable collaborations between local media outlets and students.
- Announcement of the Water Resources Institute (WRI) creation. The WRI will lead interdisciplinary water-related research, innovation, education, and community outreach. It will support, amplify, and grow research and training opportunities for faculty, post-doctoral fellows, and students and connect them with the funding and external partners needed to produce high-impact outcomes.
- Partnership between the University and the City of Burlington, the McNeil Joint Owners, Encore Renewable Energy, and Vermont Gas Systems to create the UVM Solar Research and Training Facility at McNeil Generating Station. The facility will provide countless opportunities for solar energy research in coming years. UVM faculty and students will gain practical knowledge about how solar energy can be a vital piece of the electrical grid, particularly in colder climates.
- UVM's Center on Disability and Community Inclusion receipt of \$10 million in funding through the U.S. Department of Education to build better systems to prepare young Vermonters with disabilities in becoming economically self-sufficient, in collaboration with Vermont Pathways to Partnership.

## Financial Highlights

### A. Revenues

In the fall of 2024, the University enrolled 11,743 students in more than 100 undergraduate majors, 1,713 students in graduate and post-baccalaureate programs, and 487 students at the Larner College of Medicine. The University attracts undergraduates from almost every state and many foreign countries. The University is primarily a regional institution, however, drawing 78% of the undergraduates enrolled in the fall of 2024 from New England and the Middle Atlantic States, including 20% of its undergraduate students from Vermont. Graduate and Certificate student enrollment from Vermont represented 37.7%.

Final numbers for the fall of 2023 show total applications are over 26,000. This represents an increase of 3.5% since 2015, with in-state applications decreasing

17.3% and out-of-state applications increasing 5.4% for the same period. Total admissions decreased for that period by 3.3%, with in-state admissions decreasing 4.1% and out-of-state admissions decreasing 3.3%. From fall 2015 through fall 2024, total first-time, first year enrollments were close to 2,800, increasing by 15.0%, with in-state enrollments increasing by 13.8% and out-of-state enrollments increasing by 15.4%. Trends in applications, admits, and enrollments can be seen in Charts 2A and 2B.

The University and its Board of Trustees continues to contain increases in tuition and fees with the average annual increases for in-state and out-of-state held to 1.5% and 1.4%, respectively, from 2016 through 2024. Table 1 presents tuition and fees, as well as room and board for that period.

During fiscal 2024, President Garimella announced that tuition for fiscal 2025 would not increase for in-state students and would only increase 3.5% for out-of-state students. This increase is the first after five consecutive fiscal years with no tuition increase.

The University has focused on enhancing other revenues including private philanthropy, improved retention of current students, increased graduate and summer enrollments, expansion of flexible and online course offerings geared to adults and non-traditional learners, enhancing graduate, post-doc and undergraduate research support through grants from the federal government and other sources and through partnerships with private industry; and supporting more students transferring to UVM from other colleges.

The University increased grant and contract revenues by \$15.9 million or 6.6% from \$241.4 million in fiscal 2023 to \$257.3 million in fiscal 2024. This growth is primarily due to additional funds from the University of Vermont Medical Center, Inc, to offset facilities and operation costs, and sponsored programs. Included in the \$257.3 million is facility and administrative cost recoveries of \$38.4 million and additional commitment funds from University of Vermont Medical Center, Inc. of \$25.8 million.

During fiscal 2024, the University was awarded over \$224.8 million in sponsored funds, 85.4% of which were for research activities. Approximately 64.0% of sponsored funds awarded during fiscal

**Table 1: In-State and Out-of-State Tuition and Fees**

	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	Average Annual Increase
<b>Student Tuition &amp; Fees</b>									
In-State Tuition & Fees	\$17,300	\$17,740	\$18,276	\$18,802	\$19,002	\$19,002	\$18,890	\$18,890	1.51%
Out-of-State Tuition & Fees	\$40,364	\$41,356	\$42,516	\$43,690	\$43,890	\$43,890	\$43,890	\$43,890	1.44%
<b>Room (Double)</b>									
Board (Average Meal Plan)	\$7,634	\$7,900	\$8,196	\$8,502	\$8,756	\$8,756	\$8,786	\$8,786	2.22%
	\$3,944	\$4,122	\$4,266	\$4,414	\$4,568	\$4,568	\$4,568	\$4,568	2.43%
<b>Total, In-State Cost</b>	\$28,878	\$29,762	\$30,738	\$31,718	\$32,326	\$32,326	\$32,244	\$32,244	
Increase Over Previous Year	3.44%	3.06%	3.28%	3.19%	1.92%	0.00%	-0.25%	0.00%	1.83%
<b>Total, Out-of-State Cost</b>	\$51,942	\$53,378	\$54,978	\$56,606	\$57,214	\$57,214	\$57,244	\$57,244	
Increase Over Previous Year	3.24%	2.76%	3.00%	2.96%	1.07%	0.00%	0.05%	0.00%	1.64%

2024 were from direct federal sources. The University's leading areas of externally sponsored programs are the biomedical sciences, agriculture, the environment, and education.

State appropriations in fiscal 2024 increased \$1.6 million, or 2.8%, compared to fiscal 2023 and increased \$7.4 million, or 15.3%, in fiscal 2023 compared to fiscal 2022. The large increase in fiscal 2023 was due in part to special appropriations received for the Upskill Vermont scholarship program and the forgivable loan program through the Office of Engagement.

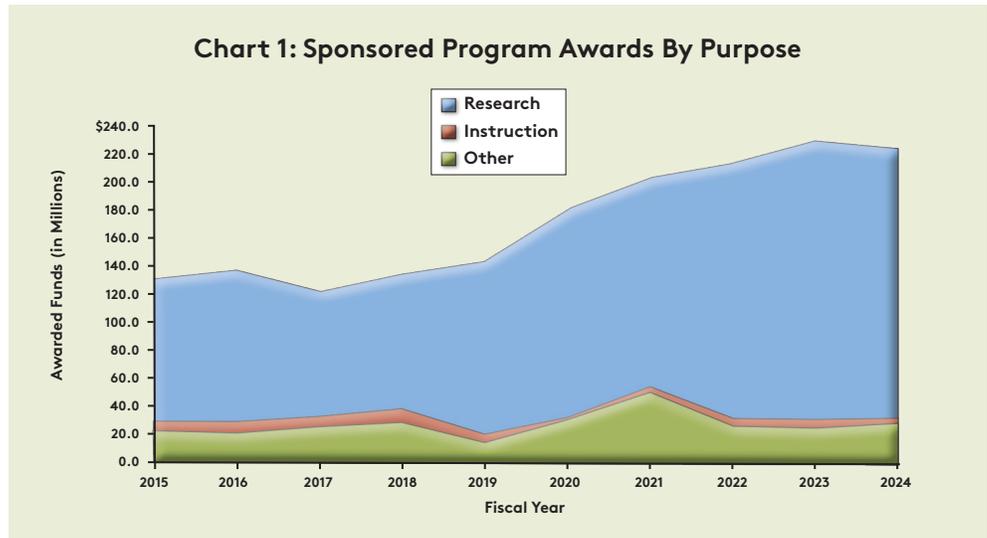


Chart 1 presents the activity of sponsored programs over the past decade.

**B. Operating and Capital Expenditures**

The University's operating expenses increased by \$62.0 million or 9.0% in 2024 from the 2023 level; and 2023 expenses decreased \$13.2 million or 1.9% over 2022. The fiscal 2024 increase is comprised of growth in compensation and benefit expense of \$65.4 million, supplies and services of \$13.2 million and depreciation of \$2.3 million. Scholarship and fellowship expense decreased by \$19.0 million.

Compensation and benefits increased due to other post-employment benefit adjustments, along with scheduled wage increases and higher fringe benefit costs.

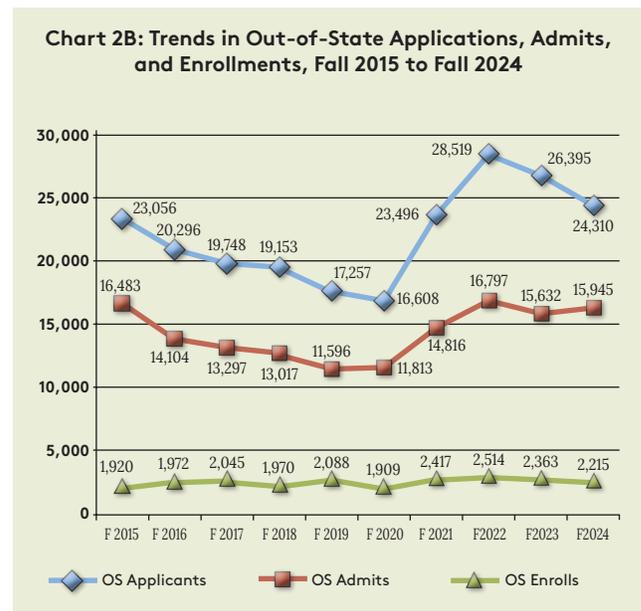
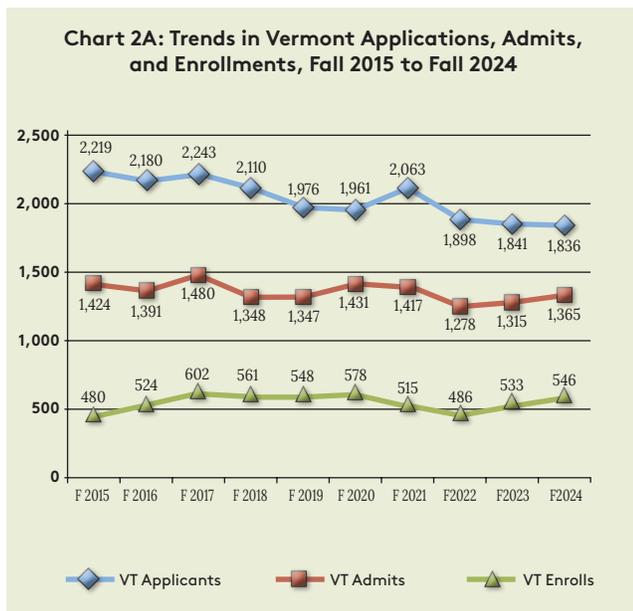
The scholarship and fellowship expense decrease in fiscal 2024 was due to a change in the tuition discounting allocation

methodology which moved more scholarship expense to the scholarship allowance line in the operating revenues section.

Supplies and services increased in fiscal 2024 over fiscal 2023 levels due to additional business-related travel costs and loan forgiveness expenditures.

**Overview of the Financial Statements**

The financial statements of the University of Vermont and State Agricultural College (the "University") have been prepared in accordance with U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The financial statement presentation consists of comparable Statements of Net Position, Statements of Revenues,



Expenses, and Changes in Net Position, Statements of Cash Flows and accompanying notes for the June 30, 2024 and 2023 fiscal years. These statements provide information on the financial position of the University and the financial activity and results of its operations during the years presented. The financial statements focus on the University as a whole, rather than upon individual

funds or activities.

University Medical Associates, Inc. (UMEA), University of Vermont Foundation, Inc. (UVMF), and Catamount Run Phases 1 and 2 are legally separate, discretely presented component units of the University of Vermont and issue separate audited financial statements. UMEA, UVMF, and Catamount Run phases 1 and 2 are presented as separate columns on the University's Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position.

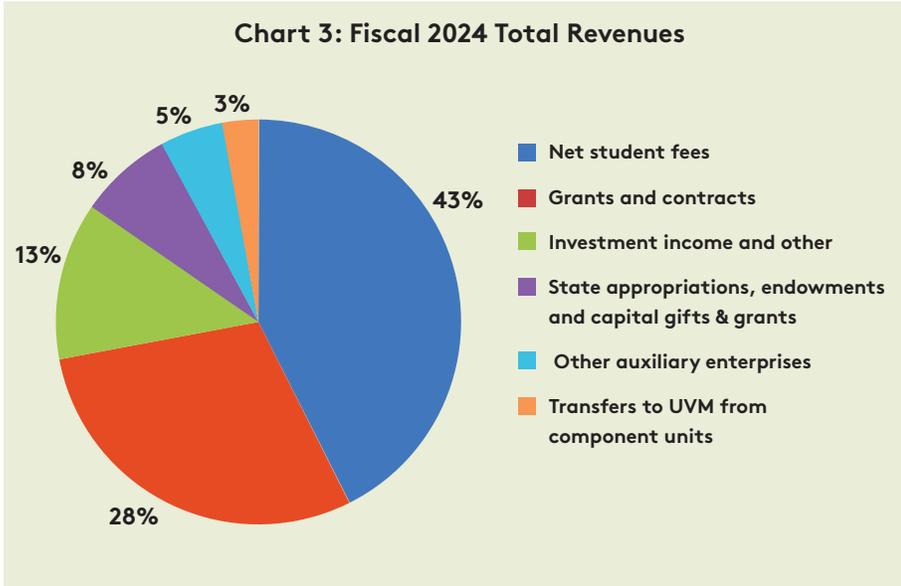


Chart 3 shows the University's fiscal 2024 revenue streams. Given the University's mission of instruction, research, and public service, the vast majority of the University's revenues are generated by net student fees (43%) and grants and contracts (28%).

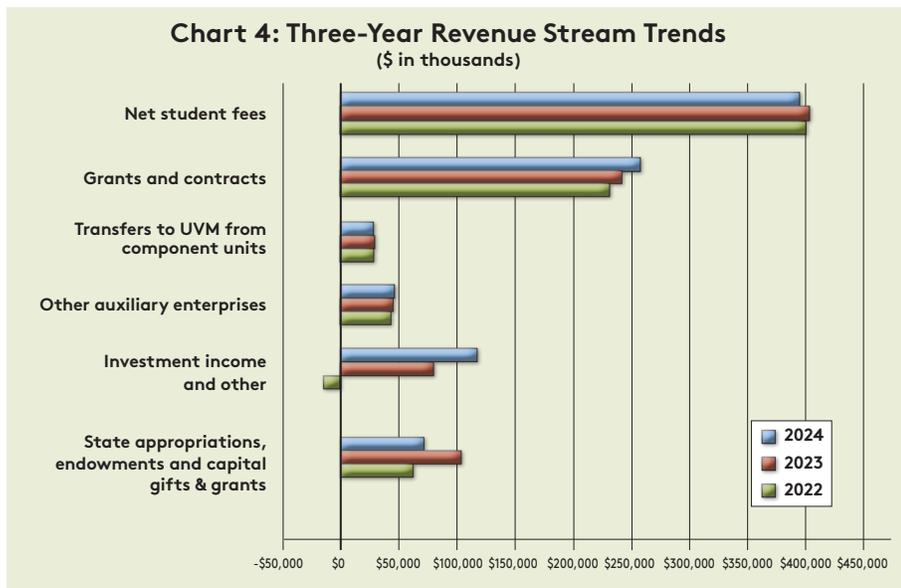


Chart 4 shows the three-year trend for revenue streams. Net student fees are comprised of tuition and fees, residential life fees, and student financial aid. Investment income increased \$35.2 million in fiscal 2024 due to market fluctuations.

### A. Statements of Net Position

The Statements of Net Position, Table 2, depicts the University's assets, liabilities, and deferred inflows/outflows of resources on June 30th each year, along with the resulting net financial position. An increase in net position over time is a primary indicator of an institution's financial health. Factors contributing to future financial health as reported on the Statements of Net Position include the value and liquidity of financial and capital investments, and balances of related obligations.

As shown in Table 2, cash and operating investments have increased over the last three fiscal years including 1.5% in fiscal 2024 and 2.1% in fiscal 2023. Operating investments included in this total \$264.1 million, \$248.8 million, and \$169.9 million in fiscal 2024, 2023, and 2022, respectively. These operating investments are primarily invested in bonds but also include equity and shares of the University's long-term endowment pool.

Endowment, capital, and similar investments have increased in both fiscal 2024, by \$34.4 million or 5.8%, and fiscal 2023, by \$57.5 million or 10.8%. Included in this balance are endowment cash, cash equivalents and investments of \$537.5 million, \$508.9 million, and \$461.9 million in fiscal 2024, 2023, and 2022, respectively. Both fiscal 2024 and fiscal 2023 were impacted by market performance. Additional gifts to the endowment also increase these balances.

Capital and right of use assets, net, saw a decrease of \$8.7 million or 1.2% in fiscal 2024 with an increase of \$1.3 million or 0.2% in fiscal 2023. Right of use assets, net, grew by \$3.8 million, primarily due to new or modified lease and subscription-based information technology arrangements. Capital assets, net, decreased with depreciation expense of \$38.9 million and disposals of \$131 thousand, offset by additions of \$26.5 million. Other assets and deferred outflows of resources includes accounts, loans, notes, and

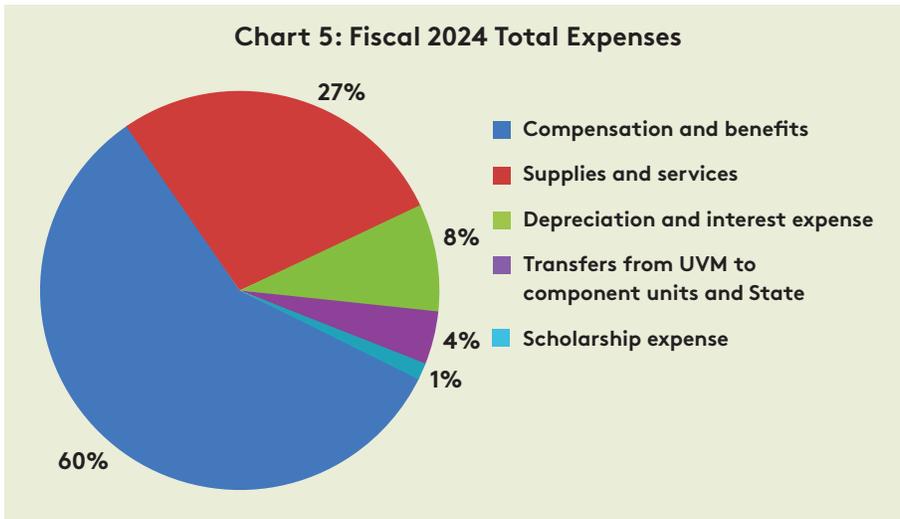


Chart 5 displays the University's fiscal 2024 expenses. The University's largest expense is compensation and benefits followed by supplies and services.

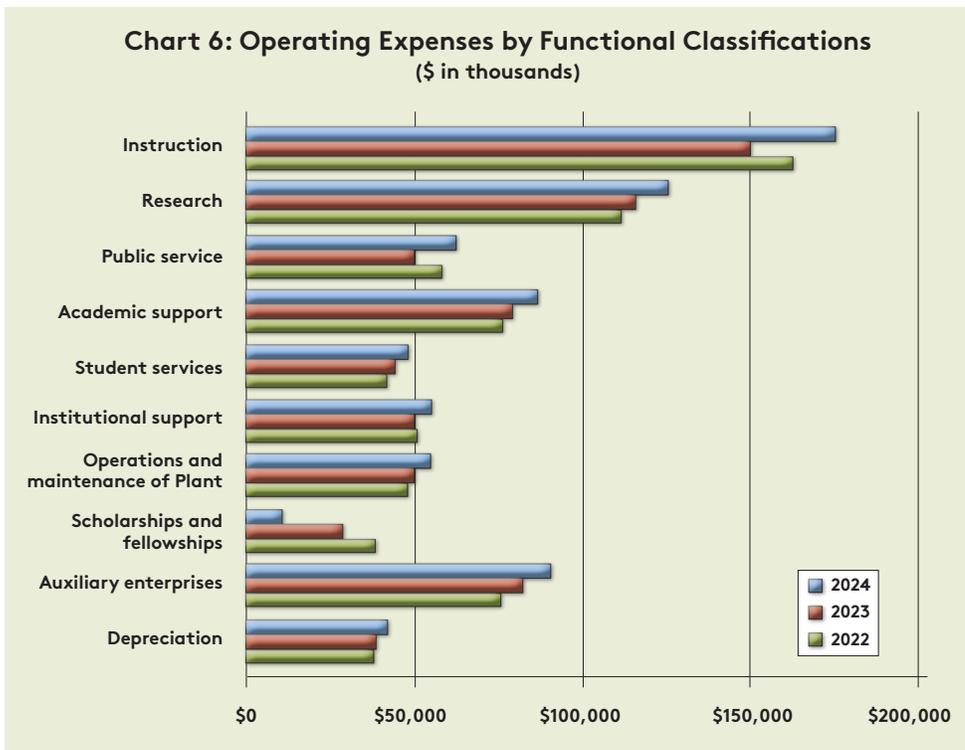


Chart 6 displays the University's operating expenses for the past three years by functional, rather than natural, classification. The impact of increasing costs can be seen in most functional categories. Scholarship and fellowships decreased due to a change in the tuition discounting allocation methodology.

pledges receivable, inventories and prepaid expenses, other equity interest and deferred outflows due to loss on refunding of debt and post-employment benefits. Fiscal 2024 saw an increase from fiscal 2023 of \$190.0 million or 112.2% and a decrease in fiscal 2023 from fiscal 2022 of \$3.7 million or 2.2%. The increase in fiscal 2024 is mostly due to an increase to the post-employment benefits deferred outflows of \$155.9 million stemming from the effect of liability gains or losses and assumption changes, growth in accounts, loans, notes and pledges receivable of \$23.1 million and additional equity contributions for Catamount Run, reported in Other Assets of \$16.1 million.

Postemployment benefits, which represents the current and future liability and deferred inflows the University has to retirees and their dependents for medical, dental, life insurance, and tuition remission benefits, increased \$124.5 million or 27.0% in fiscal 2024 and decreased \$86.7 million or 15.8% in fiscal 2023. The University changed medical carriers for the Medicare Advantage plans in both fiscal 2024 and 2023. The carrier change, along with discount rate changes and trend updates caused fluctuations in the postemployment benefits in these years.

Long-term debt decreased in fiscal years 2024 and 2023 due to debt service payments offset by new or modified operating leases and subscription-based information technology arrangements. In fiscal year 2024, the decrease of \$12.6 million, or 2.3%, was the result of debt service payments of \$18.5 million and new or modified liabilities of \$5.9 million. In fiscal year 2023, the decrease of \$14.4 million, or 2.6%, with debt service payments of \$18.0 million and new or modified liabilities of \$3.6 million.

Other liabilities and deferred inflows of resources consist of the University's accounts payable and current and non-current accrued liabilities including insurance reserves, compensated absences, obligations under deferred giving arrangements, and pledges payable. Unearned revenues, deposits

**Table 2: Condensed information from Statements of Net Position**

at June 30, 2024, 2023 and 2022  
(\$ in thousands)

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>Assets and deferred outflows of resources</b>			
Cash and operating investments	\$ 422,607	\$ 416,356	\$ 407,744
Endowment, capital, and similar investments	625,810	591,404	533,868
Capital and right of use assets, net	734,179	742,925	741,588
Other assets and deferred outflows of resources	<u>359,419</u>	<u>169,371</u>	<u>173,119</u>
<b>Total assets and deferred outflows of resources</b>	<b><u>2,142,015</u></b>	<b><u>1,920,056</u></b>	<b><u>1,856,319</u></b>
<b>Liabilities and deferred inflows of resources</b>			
Postemployment benefits	585,202	460,728	547,457
Long-term debt	531,759	544,331	558,692
Other liabilities and deferred inflows of resources	<u>137,691</u>	<u>140,209</u>	<u>142,496</u>
<b>Total liabilities and deferred inflows of resources</b>	<b><u>1,254,652</u></b>	<b><u>1,145,268</u></b>	<b><u>1,248,645</u></b>
Net investment in capital assets	203,863	200,460	183,268
Restricted:			
Non-expendable	172,862	167,205	133,203
Expendable	439,050	418,089	397,697
Unrestricted	<u>71,588</u>	<u>(10,966)</u>	<u>(106,494)</u>
<b>Total net position</b>	<b><u>\$ 887,363</u></b>	<b><u>\$ 774,788</u></b>	<b><u>\$ 607,674</u></b>

Table 2 shows condensed information from the Statements of Net Position at June 30 for the past three years.

and advance payments for tuition and grants & contracts are also included in this total. Other liabilities and deferred inflows of resources decreased from fiscal 2023 to fiscal 2024 by 1.8% or \$2.5 million from \$140.2 million to \$137.7 million. The decrease is primarily attributed to scheduled amortization under the service concession arrangement between the University and its food service program provider, Sodexo.

Net position is reported in four categories. The net investment in capital assets amount represents the historical cost of property and equipment reduced by total accumulated depreciation and the balance of related debt outstanding. Restricted expendable resources include balances of current and prior year gifts for specified purposes such as scholarships or academic programs, as well as spendable endowment gains. Restricted non-expendable resources are endowment balances which are required to be invested in perpetuity by the original donors. Unrestricted financial resources represent net position that is available for any future use without legal restriction. Unrestricted net position is negative in FY23 and prior years due to the recording of the post-employment benefit obligation.

#### **B. Statements of Revenues, Expenses, and Changes in Net Position**

Operating revenues are generally earned through the sale of goods and services. However, GASB reporting standards require that certain University recurring revenues be shown as nonoperating. This includes state appropriations, federal Pell grants, private gifts, net investment income, and transfers from University component

units. These revenue streams are important sources of funds used to supplement tuition and fees revenue. Accordingly, we have grouped the operating and nonoperating revenues together in the condensed statements to allow readers to better understand which revenues support University operating expense streams.

Net student fees decreased by 2.2% from \$403.9 million in fiscal 2023 to \$395.0 million in fiscal 2024. Embedded in the net student fees amount are three components including gross tuition and fees, gross residential life fees, and student financial aid. Gross tuition and fees increased by \$17.9 million or 3.7% from fiscal 2023 to fiscal 2024 and gross residential life fees remained relatively flat, having decreased \$0.2 million or 0.3%. The increase in gross tuition and fees can be attributed to out-of-state enrollments. Student financial aid increased from fiscal 2023 to fiscal 2024 by \$26.5 million or 16.6%. This increase demonstrates the effort to keep tuition affordable and due to a change in tuition discounting allocation methods. An increase in net student tuition and fees in fiscal 2023 of 1.1% included a 2.5% increase in gross tuition and fees, a 5.5% increase in gross residential life fees, and a 7.8% increase in student financial aid from fiscal 2022.

Total state appropriation revenue was \$57.4 million in fiscal 2024 and \$55.8 million in fiscal 2023.

Transfers to UVM from component units includes transfers from the University of Vermont Foundation and University Medical Education Associates. These transfers include reimbursement of expenses on gifts received by the University of Vermont Foundation on behalf of the University. These transfers decreased

**Table 3: Condensed information from Statements of Revenues, Expenses, and Changes in Net Position**  
for the years ended June 30, 2024, 2023 and 2022  
(\$ in thousands)

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Tuition and fees	\$ 580,970	\$ 563,330	\$ 547,458
Less student financial aid	<u>(185,938)</u>	<u>(159,438)</u>	<u>(147,917)</u>
Net student fees	<u>395,032</u>	<u>403,892</u>	<u>399,541</u>
Grants and contracts	257,318	241,406	230,954
State appropriations	57,391	55,828	48,415
Transfers to UVM from component units	27,884	29,622	29,274
Other auxiliary enterprises	44,744	44,713	43,365
Investment income (loss) and other	<u>118,655</u>	<u>83,504</u>	<u>(15,403)</u>
<b>Total operating and non-operating revenues</b>	<b><u>901,024</u></b>	<b><u>858,965</u></b>	<b><u>736,146</u></b>
Compensation and benefits	(477,143)	(411,702)	(440,151)
Supplies and services	(219,811)	(206,595)	(178,652)
Scholarship expense	(8,447)	(27,431)	(39,935)
Depreciation and interest expense	(62,099)	(59,858)	(60,192)
Transfers from UVM to component units and State	<u>(34,444)</u>	<u>(34,300)</u>	<u>(24,126)</u>
<b>Total operating and non-operating expenses</b>	<b><u>(801,944)</u></b>	<b><u>(739,886)</u></b>	<b><u>(743,056)</u></b>
<b>Increase (Decrease) in net position from recurring activities</b>	<b><u>99,080</u></b>	<b><u>119,079</u></b>	<b><u>(6,910)</u></b>
Capital and endowment appropriations, gifts and grants	11,073	48,482	11,005
Other net non-operating revenue (expense)	<u>2,422</u>	<u>(447)</u>	<u>1,163</u>
<b>Total other changes in net position</b>	<b><u>13,495</u></b>	<b><u>48,035</u></b>	<b><u>12,168</u></b>
<b>Total increase in net position</b>	<b><u>\$ 112,575</u></b>	<b><u>\$ 167,114</u></b>	<b><u>\$ 5,258</u></b>

Table 3 shows condensed information from the Statements of Revenues, Expenses and Changes in Net Position for the past three years ended June 30.

in fiscal 2024 by \$1.7 million thousand from \$29.6 million in fiscal 2023 to \$27.9 million in fiscal 2024.

Other auxiliary enterprises revenues remained relatively stable at \$44.7 million, \$44.7 million, and \$43.4 million in fiscal 2024, 2023, and 2022, respectively.

Investment income (loss) and other can be volatile due to the investment markets. There was an increase of \$35.2 million or 42.1% in fiscal 2024 from fiscal 2023. This increase is directly attributable to the net investment income growth in fiscal 2024 of \$34.0 million, or 63.3%, from \$53.7 million in fiscal year 2023 to \$87.7 million in fiscal year 2024. The increase of \$98.9 million, or 642.1%, in fiscal 2023 from fiscal 2022 is directly attributable to the net investment income growth in fiscal 2023 of \$95.0 million from a net investment loss in fiscal 2022 of \$41.3 million to a net investment income of \$53.7 million in fiscal 2023.

Compensation and benefits increased \$65.4 million, or 15.9%, from \$411.7 million in fiscal 2023 to \$477.1 million in fiscal 2024. The increase is due to other post-employment benefit expenses along with scheduled wage increases and higher fringe benefit costs. The decrease in fiscal 2023 of \$28.5 million, or 6.5%, from \$411.7 million in fiscal 2022 to \$440.2 million in fiscal 2023 was primarily due to reduced expense related to the other post-employment benefits for fiscal 2023 offset by scheduled wage increases.

Supplies and services expenses increased in fiscal 2024 from fiscal 2023 by \$13.2 million or 6.4% from \$206.6 million to \$219.8 million due to additional business-related travel costs and loan forgiveness expenditures. Total supplies and services increased in fiscal 2023 from fiscal 2022 by \$27.9 million or 15.6% from \$178.7 million to \$206.6 million.

Scholarship expense decreased \$19.0 million, or 69.2%, in fiscal 2024 and decreased \$12.5 million, or 31.3%, in fiscal 2023. This fluctuation in fiscal 2024 was due to a change of tuition discounting allocation methods. In fiscal 2023, the decrease was the result of temporary Higher Education Emergency Relief Funds being exhausted.

Transfers from UVM to component units and State of \$34.4 million, \$34.3 million, and \$24.1 million in fiscal 2024, 2023, and 2022, respectively, represents transfers to the University of Vermont Foundation to assist in its operations and contributions to the State of Vermont to support the Graduate Medical Education program.

Capital and endowment appropriations, gifts and grants represent capital gifts and grants, capital appropriations, and gifts to the University endowment. Fiscal 2024 had a decrease of \$37.4 million from \$48.5 million in fiscal 2023 to \$11.1 million. A one-time gift for endowment purposes in fiscal 2023 that did not recur in fiscal 2024 causing the decrease.



## Statements of Net Position

as of June 30, 2024 and 2023  
(dollars in thousands)

	2024	2023	Discretely Presented Component Units	
			2024	2023
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash and cash equivalents	\$ 158,538	\$ 167,524	\$ 34,678	\$ 57,236
Operating investments	264,069	248,832	113,207	74,465
Accounts, loans, notes, and pledges receivable, net	77,791	54,686	8,285	5,463
Inventories and prepaid expenses	20,078	19,489	734	705
<b>Total current assets</b>	<b>520,476</b>	<b>490,531</b>	<b>156,904</b>	<b>137,869</b>
<b>Non-current assets:</b>				
Endowment cash, cash equivalents and investments	537,514	508,863	278,317	251,307
Student loans, notes, and pledges receivable, net	37,503	42,912	5,637	5,665
Investments for capital activities	78,740	73,522	121	157
Deposits with trustees	9,556	9,019	1,675	1,538
Other assets	28,701	12,615	-	-
Capital and right of use assets, net	734,179	742,925	73,960	7,252
<b>Total non-current assets</b>	<b>1,426,193</b>	<b>1,389,856</b>	<b>359,710</b>	<b>265,919</b>
<b>Total Assets</b>	<b>1,946,669</b>	<b>1,880,387</b>	<b>516,614</b>	<b>403,788</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Loss on refunding of debt	4,757	5,009	-	-
Postemployment benefits	190,589	34,660	-	-
<b>Total Deferred Outflows of Resources</b>	<b>195,346</b>	<b>39,669</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable and accrued liabilities	97,842	90,049	15,568	8,659
Unearned revenue, deposits, and funds held for others	13,001	18,326	47,886	43,411
Bonds and leases payable	19,036	18,015	-	-
<b>Total current liabilities</b>	<b>129,879</b>	<b>126,390</b>	<b>63,454</b>	<b>52,070</b>
<b>Non-current liabilities:</b>				
Accrued liabilities	10,349	12,457	-	-
Postemployment benefits	402,125	186,997	-	-
Bonds and leases payable	512,723	526,316	14,033	4,220
<b>Total non-current liabilities</b>	<b>925,197</b>	<b>725,770</b>	<b>14,033</b>	<b>4,220</b>
<b>Total Liabilities</b>	<b>1,055,076</b>	<b>852,160</b>	<b>77,487</b>	<b>56,290</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Right of use leases and service concession arrangement	11,168	14,350	-	-
Split-interest arrangements	5,331	5,027	-	-
Postemployment benefits	183,077	273,731	-	-
<b>Total Deferred Inflows of Resources</b>	<b>199,576</b>	<b>293,108</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>				
Net investment in capital assets	203,863	200,460	2,948	3,032
Restricted:				
Non-Expendable	172,862	167,205	248,532	235,781
Expendable	439,050	418,089	108,954	88,816
Unrestricted	71,588	(10,966)	78,693	19,869
<b>Total Net Position</b>	<b>\$ 887,363</b>	<b>\$ 774,788</b>	<b>\$ 439,127</b>	<b>\$ 347,498</b>

*The accompanying notes are an integral part of the financial statements.*

## Statements of Revenues, Expenses and Changes in Net Position

for the years ended June 30, 2024 and 2023

(dollars in thousands)

Discretely Presented  
Component Units

	2024	2023	2024	2023
<b>Operating revenues</b>				
Tuition and fees	\$ 504,756	\$ 486,896	\$ -	\$ -
Residential life	76,214	76,434	-	-
Less scholarship allowances	(185,938)	(159,438)	-	-
Net student fees	395,032	403,892	-	-
Federal, state, and private grants and contracts	248,729	233,332	1,146	1,015
Sales and services of educational activities	9,574	7,692	-	-
Other auxiliary enterprises	44,744	44,713	-	-
Student loan interest and other operating revenues	20,623	19,228	259	397
<b>Total operating revenues</b>	<b>718,702</b>	<b>708,857</b>	<b>1,405</b>	<b>1,412</b>
<b>Operating expenses</b>				
Compensation and benefits	(477,143)	(411,702)	(12,505)	(10,355)
Supplies and services	(219,811)	(206,595)	(3,355)	(3,154)
Depreciation and amortization	(41,610)	(39,311)	(368)	(353)
Scholarships and fellowships	(8,447)	(27,431)	-	-
<b>Total operating expenses</b>	<b>(747,011)</b>	<b>(685,039)</b>	<b>(16,228)</b>	<b>(13,862)</b>
<b>Operating gain (loss)</b>	<b>(28,309)</b>	<b>23,818</b>	<b>(14,823)</b>	<b>(12,450)</b>
<b>Non-operating revenues (expenses)</b>				
State appropriations	57,391	55,828	-	-
Federal Pell grants	8,589	8,074	-	-
Private gifts	772	2,898	24,005	22,165
Net investment income	87,686	53,686	29,909	11,066
Interest on indebtedness	(20,489)	(20,547)	(43)	(44)
Gain (loss) on disposal of capital assets	689	(2,010)	-	-
Net other non-operating revenue (expense)	1,733	1,563	(681)	(576)
Intergovernmental transfers	(22,628)	(22,433)	-	-
Transfers from UVM to component units	(11,816)	(11,867)	11,671	11,375
Transfers to UVM from component units	27,884	29,622	(25,729)	(27,591)
<b>Net non-operating revenues</b>	<b>129,811</b>	<b>94,814</b>	<b>39,132</b>	<b>16,395</b>
<b>Revenue before capital and endowment additions</b>	<b>101,502</b>	<b>118,632</b>	<b>24,309</b>	<b>3,945</b>
State capital appropriations	-	3,100	-	-
Capital gifts and grants	9,778	15,024	-	-
Gifts for endowment purposes	1,295	30,358	9,723	16,818
Capital contributions from equity partners	-	-	57,597	-
<b>Total capital and endowment additions</b>	<b>11,073</b>	<b>48,482</b>	<b>67,320</b>	<b>16,818</b>
Increase in net position	112,575	167,114	91,629	20,763
Net position, beginning of year	774,788	607,674	347,498	326,735
<b>Net position, end of year</b>	<b>\$ 887,363</b>	<b>\$ 774,788</b>	<b>\$ 439,127</b>	<b>\$ 347,498</b>

The accompanying notes are an integral part of the financial statements.

**Statements of Cash Flows**  
for the years ended June 30, 2024 and 2023  
(dollars in thousands)

	2024	2023
<b>Cash Flows From Operating Activities</b>		
Student fees (net of applicable scholarship allowances)	\$ 377,006	\$ 403,546
Grants and contracts	239,573	229,326
Sales and services of educational activities	9,574	7,692
Sales and services of other auxiliary enterprises	44,744	44,713
Payments to employees and benefit providers	(506,240)	(472,665)
Payments to vendors	(212,909)	(209,214)
Payments for scholarships and fellowships	(8,447)	(27,431)
Other receipts, net	19,789	18,326
<b>Net cash used in operating activities</b>	<b>(36,910)</b>	<b>(5,707)</b>
<b>Cash Flows From Non-Capital Financing Activities</b>		
State general appropriation	57,391	55,828
Federal Pell grants	8,589	8,074
Private gifts for other than capital purposes	4,137	33,572
Intergovernmental transfers	(22,628)	(22,433)
Transfers from UVM to component units	(11,816)	(11,867)
Transfers to UVM from component units	27,884	29,622
Deposits of affiliates and life income payments, net	(2,306)	(1,315)
<b>Net cash provided by non-capital financing activities</b>	<b>61,251</b>	<b>91,481</b>
<b>Cash Flows From Capital Financing Activities</b>		
State capital appropriation	-	3,100
Capital grants, gifts and other income	11,377	16,589
Purchases and construction of capital assets	(28,127)	(41,759)
Proceeds from disposal of capital assets	818	70
Principal paid on capital debt	(18,500)	(17,960)
Interest paid on capital debt	(20,622)	(20,636)
Changes in deposits with trustees, net	(101)	603
<b>Net cash used in capital financing activities</b>	<b>(55,155)</b>	<b>(59,993)</b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from sales and maturities of investments	386,629	134,371
Purchase of investments	(360,599)	(231,892)
Interest and dividends on investments, net	10,603	4,833
Call contribution to joint venture	(16,086)	(12,615)
<b>Net cash provided by (used in) investing activities</b>	<b>20,547</b>	<b>(105,303)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(10,267)</b>	<b>(79,522)</b>
Cash and cash equivalents - beginning of year	189,866	269,388
<b>Cash and cash equivalents - end of year*</b>	<b>\$ 179,599</b>	<b>\$ 189,866</b>
<b>Reconciliation of Operating Gain (Loss) to Cash Used in Operating Activities</b>		
Operating gain (loss)	\$ (28,309)	\$ 23,818
Adjustments to reconcile operating gain (loss) to net cash used in Operating Activities		
Depreciation expense	41,610	39,311
Changes in assets and liabilities:		
Accounts receivable and loan receivable, net	(20,075)	(5,912)
Inventories and prepaid expenses	(898)	(1,593)
Accounts payable	7,036	3,503
Unearned revenue, deposits and accrued liabilities	(36,274)	(64,834)
<b>Net cash used in operating activities</b>	<b>\$ (36,910)</b>	<b>\$ (5,707)</b>

*\* of total cash and cash equivalents for 2024, \$158,538 is current and \$21,061 is non-current endowment and, for 2023, \$167,524 is current and \$22,342 is non-current endowment.*

## Notes to Financial Statements

For the Years Ended June 30, 2024 and 2023

(dollars in thousands)

### A. Summary of Significant Accounting Policies and Presentation

#### 1. Organization & Related Parties

The University of Vermont and State Agricultural College is a public, non-profit, comprehensive research institution of higher education with an enrollment of approximately 13,943 undergraduate, graduate, medical, and non-degree students. It is located in Burlington, Vermont with satellite instructional and research buildings throughout the State.

The University of Vermont and State Agricultural College is a land-grant institution and a component unit of the State of Vermont. The University receives an annual appropriation from the State. The Board of Trustees has 25 members including 9 legislative, 9 self-perpetuating, 3 gubernatorial, and 2 students; the Governor and President of the University serve as ex-officio members during their terms in office.

The University has received a letter from the Internal Revenue Service recognizing the University as an organization that is described in Internal Revenue Code Section 501(c)(3) and generally exempt from income taxes pursuant to Section 501(a) of the Internal Revenue Code.

The financial statements include component units, i.e., legally separate organizations for which the university is financially accountable. Governmental Accounting Standards Board (GASB) Statement No. 14, *The Financial Reporting Entity*, as amended by Statement No. 61, *The Financial Reporting Entity: Omnibus*, and Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*, defines financial accountability. The criteria for determining financial accountability include the following circumstances:

- Appointment of a voting majority of an organization's governing authority and the ability of the primary government (i.e., the university) to either impose its will on that organization or the potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government, or;
- An organization is fiscally dependent on the primary government and provides specific financial benefits to, or imposes specific financial burdens on, the primary government.
- The primary government is financially accountable for an organization if its holding of a majority equity interest in that organization does not meet the definition of an investment.

The University's financial statements include the following discretely presented component units, which are presented in the aggregate in the accompanying financial statements. Summary financial statement information of the University's discretely presented component units can be found in footnote M.

University Medical Education Associates, Inc. (UMEA) is a legally separate component unit of the University of Vermont. UMEA is an

organization described in Internal Revenue Code Section 501(c)(3) and is generally exempt from income taxes pursuant to Section 501(a) of the Code. UMEA is governed by a minimum nine-member board; five members are named as a result of their positions at the University of Vermont and the remaining are elected by the other members. UMEA's purpose is to support the operations, activities and objectives of the Robert Larner, M.D. College of Medicine of the University of Vermont. UMEA is a public non-profit organization that reports under Financial Accounting Standards Board (FASB) standards. UMEA's fiscal year ends on June 30. UMEA issues separate audited financial statements, which may be obtained by contacting the Dean's Office, Robert Larner, M.D. College of Medicine.

The University of Vermont and State Agricultural College Foundation, Inc. (UVMF) was incorporated as a Vermont nonprofit corporation on March 14, 2011 and is a legally separate entity from the University of Vermont. On January 1, 2012, UVMF officially assumed all fundraising responsibilities of the Office of Development and Alumni Relations at the University. UVMF is an organization described in Internal Revenue Code Section 501(c)(3) and is generally exempt from income taxes pursuant to Section 501(a) of the Code. UVMF exists to secure and manage private gifts for the sole benefit of the University and has been recognized by the University as the primary and preferred recipient for charitable gifts to or for the benefit of the University. UVMF is governed by a board of directors composed of not less than 15 or more than 29 members, including ex officio directors. The President of the University, the Chair of the Board of Trustees of the University, the President of the UVM Alumni Association, the Chair of the UVM Medical Center Foundation, and the UVMF President/CEO are ex officio directors of UVMF. UVMF reports under FASB standards, has a fiscal year end date of June 30, and issues separate audited financial statements, which may be obtained at the UVMF's website [www.uvmfoundation.org](http://www.uvmfoundation.org). The UVMF holds an operating cash fund through UVM and participates in the UVM pooled endowment. The associated assets and liabilities, including endowment cash and investments, are analogous to an internal investment pool and are not reflected within the University's Statement of Net Position.

Catamount Run Phase 1, LLC. and Catamount Run Phase 2, LLC. (Catamount Run) are legally separate component units of the University of Vermont. Phase 1 and Phase 2 were established as Vermont limited liability companies on January 20, 2023 and May 17, 2023, respectively. Both phases consist of two partners, the University and Snyder-Braverman Development Company, LLC. The primary purpose of Catamount Run is to construct housing in close proximity to the University campus. The University will be given priority to the rental units for students and employees. Catamount Run will lease residential apartments to University students and employees under separate lease agreements and will, acting through its property manager, collect the rents for the apartment units directly from the apartment tenants. As a security for Catamount Run to reserve primarily all residential apartments for University students and employees, the University is providing a financial guaranty in the event there is a shortfall in gross rents due to vacancies or delinquencies. Catamount Run reports under Financial Accounting Standards Board (FASB) standards and has a fiscal year end date of December 31. As of June 30, 2024, the

(dollars in thousands)

University had equity interests in Phase 1 of \$12,615 and Phase 2 of \$16,086, which are reflected as other assets on the 2024 Statements of Net Position.

Separate from the discretely presented component units, the University has an affiliation with the University of Vermont Medical Center, Inc., University of Vermont Medical Group, Inc., and the University of Vermont Health Network, Inc. through an updated Affiliation Agreement signed in September 2022. The Affiliation Agreement is for a period of ten years, provided that either party may seek to re-negotiate any of the financial terms of the agreement after 5 years. The Agreement is to guide and govern the parties in the achievement of their common goals, including, but not limited to, providing high-quality clinical education for undergraduate and graduate students enrolled in UVM medical and health care related academic programs and health care professionals enrolled in continuing education programs. The Agreement sets forth principles and protocols designed to assist the University and the University of Vermont Medical Center (UVMCMC) in coordinating efforts and allocating their resources. UVMCMC agrees to pay a portion of salary, benefits, and related expenses incurred by the University to physician-faculty and staff who are also employed by UVMCMC. In addition, UVMCMC agrees to pay base payments that help maintain medical facilities owned and managed by the University and the Dana Medical Library. UVMCMC agrees to pay a portion of the UVM Medical Group Net Patient Revenues, referred to as the Dean's Tax, to the Robert Larner, M.D. College of Medicine for purposes that promote and are consistent with the common goals of both parties.

Under the University's conflict of interest policies, all business and financial relationships, including with trustees and employees, are subject to review and approval by the Board. Disclosures about the University's related party transactions, including those affiliates, are described in this footnote to the financial statements.

## 2. Basis of Accounting

The accompanying financial statements have been prepared using the economic resources measurement focus and the accrual basis of accounting in accordance with U.S. generally accepted accounting principles as defined for public colleges and universities by the Governmental Accounting Standards Board (GASB).

Net position is categorized as follows:

- **Net investment in capital assets:** Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction or improvement of those assets. Such assets include the University's physical plant.
- **Restricted:**
  - Non-Expendable** - Net position subject to externally imposed stipulations that they be maintained permanently by the University. This category includes the corpus of the University's true endowment funds.
  - Expendable** - Net position whose use by the University is subject to externally imposed stipulations that can be fulfilled by actions of the University to meet those

stipulations or that expire through the passage of time. This category includes restricted gifts, grants, contracts and endowment appreciation.

- **Unrestricted:** Net position not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of management, the Board of Trustees or may otherwise be limited by contractual agreements with outside parties.

The University's policy for defining operating activities as reported on the Statements of Revenues, Expenses, and Changes in Net Position are those that generally result from exchange transactions such as payments received for providing services and payments made for services or goods received. Non-exchange transactions such as gifts, investment income, state appropriations and interest on indebtedness are reported as non-operating revenues and expenses.

The preparation of financial statements in accordance with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect reported amounts and disclosures. Actual results could differ from those estimates. The most significant areas that require management estimates relate to valuation of certain investments, the valuation of the postemployment benefit obligation, allowances on accounts and loans receivable, depreciation, and certain accruals.

## 3. Fair Value Measurement

The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used for measuring 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 unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are described as follows:

**Level 1** - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active or inactive markets that the University has the ability to access.

**Level 2** - Inputs to valuation methodology include:

- Quoted prices for similar assets or liabilities in inactive markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

**Level 3** - Inputs to the valuation methodology are unobservable and significant to the fair value measurement. Unobservable inputs reflect the University's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumption of risk). Unobservable inputs are developed based on the best information available in circumstances and may include the University's own data.

(dollars in thousands)

Certain investments are measured at net asset value (NAV) as a practical expedient to estimate the fair value as determined by the fund manager. Investments reported at NAV consist of shares or units in commingled funds and private partnerships as opposed to direct interests in the funds' underlying securities, which may be readily marketable and not difficult to value. NAV measured investments are not categorized in the fair value hierarchy table.

Investments in certain funds contain lock-up provisions. Under such provisions, share classes of the investment are available for redemption at various times in accordance with the management agreement of the fund.

**4. Government Appropriations and Grants**

Revenues associated with grants and contracts are generally recognized when related costs are incurred or when milestones are achieved. Federal, state and private grants and contracts revenue for 2024 and 2023 consists of:

<b>Grants and Contracts</b>	<b>FY24</b>	<b>FY23</b>
Federal appropriations, grants and contracts	\$ 163,812	\$ 153,662
State grants and contracts	8,710	6,500
Other governmental & private grants and contracts	76,207	73,170
<b>TOTAL</b>	<b>\$ 248,729</b>	<b>\$ 233,332</b>

State appropriations (general fund and capital) are reported as non-operating revenue. Grants awarded for capital improvements are reported as other revenues.

The University has recorded reimbursement of indirect costs relating to government contracts and grants at a predetermined rate. The reimbursement of indirect costs included in grant revenue is \$38.4 million in 2024 and \$37.6 million in 2023.

Private grants and contracts include funding of \$25.8 million in 2024 and \$26.2 million in 2023 to the Robert Larner, M.D. College of Medicine from the University of Vermont Medical Center, Inc. to offset facilities and operation costs.

**5. Gifts**

Gifts are recorded at their fair value and reported as non-operating revenue.

Promises to donate to the University are recorded as receivables and revenues when the University has met all applicable eligibility and time requirements. Since the University cannot fulfill the requirement to invest in perpetuity for gifts to endowments until gifts are received, pledges to endowments are not recognized until received.

**6. Deposits and Unearned Revenue**

Deposits and advance payments for the following academic year are unearned and recorded as revenues when earned. Summer session revenues are unearned to the extent that they relate to courses scheduled in July and August. Deposits and advance payments unearned revenue at June 30, 2024, and 2023, are \$5,522 and \$9,723, respectively.

The University records unearned revenue for cash received in excess of expenditures on grants and contracts. Grants and contracts unearned revenue at June 30, 2024, and 2023, is \$5,005 and \$5,764, respectively.

**7. Employee Benefits**

The University provides health and dental insurance to retired employees hired prior to 2012, and their families during their lives and life insurance until age 70. Employees hired on or after January 1, 2012 will continue to receive dental insurance and life insurance upon retirement. The health insurance benefit for these employees hired after January 1, 2012 has been replaced with a defined contribution Retiree Health Savings Plan (RHSP). UVM makes regular tax-free contributions to the RHSP for benefits-eligible faculty and staff. Earnings that accumulate in the RHSP grow tax free. Retirees will be able to access the savings in the RHSP to pay for eligible healthcare expenses upon retirement.

The total cost for active and retired employees for health, dental and life insurance, net of employee contributions, was \$88,443 in 2024 and \$79,513 in 2023. The total cost for contributions to the RHSP was \$1,454 in 2024 and \$1,103 in 2023. See note K for further information about postemployment benefits.

**8. Compensated Absences**

The University accrues amounts for compensated absences (principally vacation allowances) as earned. They are included in the current portion of accrued liabilities.

As of June 30, 2024, \$28,548 (\$27,045 in 2023) was accrued for vacation pay of which \$21,009 (\$19,926 in 2023) was charged to unrestricted net position and \$7,539 (\$7,119 in 2023) was included in deferred charges to be recovered from restricted expendable net position when paid.

**9. Collections and Works of Art**

The University maintains collections of inexhaustible assets, including works of art; historical artifacts; biological, geological, archaeological and ethnographic materials; and literature. While management believes the collections are quite valuable and irreplaceable, the University has not placed a dollar value on these assets. It is the University's policy to hold these assets for public exhibit, education and research rather than for financial gain and to protect, care for and maintain such assets in perpetuity. Accordingly, the collections are not capitalized for financial statement purposes.

(dollars in thousands)

### B. Accounts, Loans, Notes, and Pledges Receivable

Accounts, loans, notes and pledges receivable at June 30, 2024 and 2023 are summarized as follows:

Accounts, Loans, Notes and Pledges Receivable, Net	June 30, 2024	June 30, 2023
<b>Current</b>		
Federal, state, and private grants receivable	\$ 31,387	\$ 28,206
Student and trade accounts receivable, net	13,232	9,353
Other accounts receivable	31,505	14,138
Student loans receivable, net	1,667	1,771
Pledges receivable, net	-	1,218
<b>Total Current</b>	<b>\$ 77,791</b>	<b>\$ 54,686</b>
<b>Non-Current</b>		
Student loans receivable, net	\$ 19,760	\$ 20,272
Lease receivable	10,373	13,373
Other notes receivable	4,631	5,980
Pledges receivable, net	2,739	3,287
<b>Total Non-Current</b>	<b>\$ 37,503</b>	<b>\$ 42,912</b>

Current other accounts receivable includes the present value of expected future cash flows for lease agreements between the University and third parties, where the University serves as lessor. The current receivable balance includes \$971 in 2024 from leases and \$1,111 in 2023. The long-term balance from these arrangements are reported as a non-current lease receivable totaling \$10,373 in 2024 and \$13,373 in 2023. The lease receivables are offset by a deferred inflow of resources totaling \$10,725 in 2024 and \$13,708 in 2023.

The student accounts receivable are carried net of an allowance for doubtful accounts of \$303 in 2024 and \$299 in 2023.

Student loans receivable are carried net of an allowance for uncollectible UVM loans. The balances at June 30, 2024 and 2023 were \$221 and \$239, respectively. The University does not record an allowance for uncollectible federal student loans since they can be assigned to the government if certain conditions stipulated by the federal government are met.

The University's liability for the federal capital contribution to the Perkins, Health Professions, Primary Care, and Nursing Student loan programs is \$1,869 for 2024 and \$2,409 for 2023. These amounts are included in non-current accrued liabilities.

Collections and disbursements of pass through student loans such as Federal Direct Loans, Federal Plus Loans, and Vermont Student Assistance Corporation's Green Mountain Loans are reported on a net basis in the Statements of Cash Flows.

Accounts receivable from the UVMF and UMEA are \$8,923 in 2024 and \$7,367 in 2023 and are presented in accounts, loans, notes and pledges receivable, net on the Statements of Net Position.

### C. Accounts Payable and Current Accrued Liabilities

Accounts payable and current accrued liabilities at June 30, 2024 and 2023 are summarized below:

Accounts Payable and Current Accrued Liabilities	June 30, 2024	June 30, 2023
Interest	\$ 5,490	\$ 5,624
Construction retainage	808	2,429
Compensated absences	28,548	27,045
Insurance reserves	20,838	19,376
Compensation and benefits	8,091	6,931
Other	7,547	9,159
Accounts and pledges payable	26,520	19,485
<b>TOTAL</b>	<b>\$ 97,842</b>	<b>\$ 90,049</b>

### D. Capital and Right of Use Assets

Capital assets are stated at acquisition cost or, in the case of gifts, at the fair value at the date of donation.

Depreciation is calculated using the straight-line method over the estimated economic useful lives of the related assets. Certain research buildings are classified into the following components: 1) building (basic construction components/shell) with an estimated useful life of 40 years; 2) building service systems (plumbing, electrical, etc.) with an estimated useful life of 25 years; 3) interiors/renovations with an estimated useful life of 20 years and 4) fixed equipment with an estimated useful life of 15 years.

Other buildings are depreciated over a useful life of 40 years, land improvements are depreciated over a useful life of 20 years, fixed equipment is depreciated over a useful life of 15 years, and moveable equipment is depreciated over a useful life of 5 years. Software systems are depreciated over a useful life of 7 years. Research Vessels are depreciated over a useful life of 30 years. Major construction projects are capitalized but are not depreciated until they are put into service.

Depreciation expense for building and components including fixed equipment for fiscal year 2024 is \$33,706 (\$32,384 in 2023). Moveable equipment, software systems, and land improvements depreciation expense is \$5,230 for 2024 (\$4,800 in 2023). Right of use asset amortization expense totaled \$2,674 in 2024 (\$2,127 in 2023).

Land and construction in progress are the only non-depreciable capital assets.

Right of use assets include contractual agreements for noncancellable leases where the University is the lessee, primarily of land and buildings, and subscription-based information technology arrangements where the University pays for a third party's software for a specified period of time. For leases or information technology arrangements with a maximum possible term of 12 months or less at commencement, the University recognizes expense based on the provisions of the contract.

*(dollars in thousands)*

For those greater than 12 months, the University recognizes an operating lease or subscription liability (footnote E) and an intangible right of use lease or subscription asset. The asset is initially measured as the initial amount of the corresponding liability, less payments made at or before the commencement date, plus any initial direct costs or software implementation costs ancillary to placing the underlying asset into service, less any incentives received at or before the commencement date. Subsequently, the right of use asset is amortized into amortization expense on a straight-line basis over the shorter of the contractual term or the useful life of the underlying asset. The corresponding lease or subscription liability is measured as the present value of payments over the term discounted using an incremental borrowing rate. The value of an option to terminate or extend the agreement is reflected to the extent it is reasonably certain management will exercise the option. The University monitors changes in circumstances that may require remeasurement. When certain changes occur that are expected to significantly affect the amount of the liability, it is remeasured and a corresponding adjustment is made to the asset.

Key estimates and judgments include how the University determines the discount rate it uses to calculate the present value of the expected contractual payments, the term, and the payments. The University generally uses its estimated incremental borrowing rate as the discount rate for leases and information technology arrangements unless the rate is set within the contract. The University's incremental borrowing rate was determined from available debt instruments that carried similar dollar value and time periods to the portfolio.

The term includes the noncancellable period of the agreement plus any periods covered by either a University or vendor unilateral option to extend for which it is reasonably certain to be exercised, or terminate for which it reasonably certain to be exercised. Periods in which both the University and the lessor or vendor have an option to terminate are excluded from the term.

The University's net capital and right of use asset activity for the years ended June 30, 2024 and 2023 is summarized as follows:

Fiscal Year 2024	Balance as of June 30, 2023	Additions	Retirements	Reclass/ Changes	Balance as of June 30, 2024
Capital Assets:					
Land	\$ 20,627	\$ -	\$ -	\$ -	\$ 20,627
Land improvements	21,827	889	-	1,076	23,792
Buildings	829,566	8,389	(249)	8,598	846,304
Building service systems	205,770	5,368	-	9,962	221,100
Building interiors	98,882	657	-	5,551	105,090
Fixed equipment	108,886	1,393	(6)	1,980	112,253
Moveable equipment	33,546	2,388	(1,420)	4,693	39,207
Software systems	31,891	-	(273)	-	31,618
Construction in progress	44,377	7,463	-	(31,860)	19,980
Total capital assets	1,395,372	26,547	(1,948)	-	1,419,971
Less: accumulated depreciation	(657,285)	(38,936)	1,817	-	(694,404)
Capital assets, net	738,087	(12,389)	(131)	-	725,567
Right of use assets	7,960	5,963	(774)	480	13,629
Less: accumulated amortization	(3,122)	(2,674)	774	5	(5,017)
Right of use assets, net	4,838	3,289	-	485	8,612
<b>Total capital and right of use assets, net</b>	<b>\$ 742,925</b>	<b>\$ (9,100)</b>	<b>\$ (131)</b>	<b>\$ 485</b>	<b>\$ 734,179</b>

(dollars in thousands)

Fiscal Year 2023	Balance as of June 30, 2022	Additions	Retirements	Reclass/ Changes	Balance as of June 30, 2023
Capital Assets:					
Land	\$ 20,627	\$ -	\$ -	\$ -	\$ 20,627
Land improvements	20,152	1,025	-	650	21,827
Buildings	799,014	1,822	(6,201)	34,931	829,566
Building service systems	173,517	5,198	-	27,055	205,770
Building interiors	88,753	364	-	9,765	98,882
Fixed equipment	107,740	2,152	(2,884)	1,878	108,886
Moveable equipment	29,960	2,977	(597)	1,206	33,546
Software systems	31,891	-	-	-	31,891
Construction in progress	94,278	25,584	-	(75,485)	44,377
Total capital assets	1,365,932	39,122	(9,682)	-	1,395,372
Less: accumulated depreciation	(627,710)	(37,184)	7,609	-	(657,285)
Capital assets, net	738,222	1,938	(2,073)	-	738,087
Right of use assets	4,523	3,402	(152)	187	7,960
Less: accumulated amortization	(1,157)	(2,127)	152	10	(3,122)
Right of use assets, net	3,366	1,275	-	197	4,838
<b>Total capital and right of use assets, net</b>	<b>\$ 741,588</b>	<b>\$ 3,213</b>	<b>\$ (2,073)</b>	<b>\$ 197</b>	<b>\$ 742,925</b>

(dollars in thousands)

### E. Long-Term Debt

Debt obligations are generally callable by the University and bear interest at fixed rates ranging from 1.60% to 6.43%. The debt obligations mature at various dates through 2050.

Long term debt activity for the years ended June 30, 2024 and 2023 is summarized as follows:

Fiscal Year 2024					
Bonds, Notes and Leases Payable	Beginning Balance	New Debt	Payments	Ending Balance	
				Current	Non-Current
General obligation bonds					
Series 2010A	\$ 9,000	\$ -	\$ -	\$ -	\$ 9,000
Series 2012A (1)	46,663	-	(13)	(13)	46,689
Series 2014A (2)	61,160	-	2,380	2,472	56,308
Series 2015 (3)	181,981	-	3,149	3,293	175,539
Series 2016 (4)	64,689	-	2,844	2,978	58,867
Series 2017 (5)	54,624	-	2,813	2,948	48,863
Series 2019A (6)	43,563	-	938	968	41,657
Series 2019B (7)	67,568	-	2,470	2,576	62,522
Series 2021 (note payable)	10,315	-	1,655	1,680	6,980
Finance lease liability	71	-	22	22	27
Operating lease and subscription liability	4,697	5,928	2,242	2,112	6,271
<b>TOTAL</b>	<b>\$ 544,331</b>	<b>\$ 5,928</b>	<b>\$ 18,500</b>	<b>\$ 19,036</b>	<b>\$ 512,723</b>

- (1) This balance shown net of bond discount of \$184.
- (2) This balance shown net of bond premium of \$4,050.
- (3) This balance shown net of bond premium of \$6,902.
- (4) This balance shown net of bond premium of \$8,250.

- (5) This balance shown net of bond premium of \$7,376.
- (6) This balance shown net of bond premium of \$6,855.
- (7) This balance shown net of bond premium of \$12,503.

Fiscal Year 2023					
Bonds, Notes and Leases Payable	Beginning Balance	New Debt	Payments	Ending Balance	
				Current	Non-Current
General obligation bonds					
Series 2010A	\$ 9,000	\$ -	\$ -	\$ -	\$ 9,000
Series 2012A (1)	46,650	-	(13)	(13)	46,676
Series 2014A (2)	63,432	-	2,272	2,381	58,779
Series 2015 (3)	184,995	-	3,014	3,149	178,832
Series 2016 (4)	67,418	-	2,729	2,844	61,845
Series 2017 (5)	57,322	-	2,698	2,813	51,811
Series 2019A (6)	44,466	-	903	938	42,625
Series 2019B (7)	69,949	-	2,381	2,471	65,097
Series 2021 (note payable)	11,945	-	1,630	1,655	8,660
Finance lease liability	92	-	21	42	29
Operating lease and subscription liability	3,423	3,599	2,325	1,735	2,962
<b>TOTAL</b>	<b>\$ 558,692</b>	<b>\$ 3,599</b>	<b>\$ 17,960</b>	<b>\$ 18,015</b>	<b>\$ 526,316</b>

- (1) This balance shown net of bond discount of \$197.
- (2) This balance shown net of bond premium of \$4,361.
- (3) This balance shown net of bond premium of \$7,231.
- (4) This balance shown net of bond premium of \$8,679.

- (5) This balance shown net of bond premium of \$7,759.
- (6) This balance shown net of bond premium of \$7,138.
- (7) This balance shown net of bond premium of \$13,018.

(dollars in thousands)

In compliance with the University's various bond indentures, at June 30, 2024 the University has deposits with trustees of \$115 (\$14 in 2023) for debt service reserves, sinking funds, and other requirements. Deposits with trustees are invested in obligations of the U.S. Government as required by the University's bond indentures.

The principal and interest due on bonds, notes and financing leases over the next five years and in subsequent five-year periods are presented in the table below:

For the Fiscal Year Ending June 30	Principal Due	Interest Due	Total Due
2025	\$ 14,687	\$ 21,207	\$ 35,894
2026	15,382	20,514	35,896
2027	16,095	19,786	35,881
2028	16,910	19,021	35,931
2029	17,655	18,196	35,851
2030-2034	103,150	77,930	181,080
2035-2039	129,300	52,980	182,280
2040-2044	131,810	22,807	154,617
2045-2049	29,835	2,985	32,820
2050	2,800	68	2,868
<b>TOTAL</b>	<b>\$ 477,624</b>	<b>\$ 255,494</b>	<b>\$ 733,118</b>

Operating lease and subscription-based information technology arrangement payments are evaluated by the University to determine if they should be included in the measurement of the liability. Outstanding commitments for operating lease and subscription liabilities are expected to be paid over the agreement's contractual term. At June 30, 2024, the average right of use lease term is approximately 8 years, with the farthest lease end date in 2029.

Variable and short-term lease and subscription-based information technology arrangement payments are excluded from the measurement of the corresponding liability. Such amounts are recognized as expense in the period in which the obligation for those payments is incurred. The amounts recognized as deferred inflows for variable and short-term lease and subscription-based information technology arrangement payments not included in the measurement of the lease liabilities were \$11,972 and \$9,874 in 2024 and 2023, respectively.

## F. Cash and Cash Equivalents and Operating Investments

The University's cash management policy provides parameters for investment of the University's pooled cash. The University classifies resources invested in money market funds and short-term investments with maturities at date of purchase of 90 days or less as cash equivalents. Operating funds invested in instruments with maturities beyond 90 days are classified as operating investments. The cash management policy establishes three pools for investment: short, intermediate and long term. Allowable investments in the short-term pool and intermediate term pool are restricted to U.S. Treasury and government agency securities,

money markets, high quality corporate and asset-backed securities, and commercial and bank paper, whereas the intermediate term pool may have maturities up to six years. Investments shall be in marketable securities of the following types and with the noted credit ratings:

1. Debt securities rated Aaa, Aa, A or Baa by Moody's Investor's Service, Inc. or AAA, AA, A or BBB by Standard & Poor's Corporation.
2. Obligations of, or guaranteed by, the United States of America, its agencies or instrumentalities.
3. Obligations of, or guaranteed by, national or state banks or bank holding companies rated BB or better. No more than 20% of the funds held in the cash pool shall be invested in debt obligations of institutions within any single holding company.
4. Asset-backed securities rated Aaa by Moody's Investor's Service, Inc. or AAA by Standard & Poor's Corporation.
5. Commercial paper rated A-1 or higher by Standard and Poor's or Prime-1 (P1) by Moody's Investor's Service, Inc.
6. Bankers' acceptances or negotiable certificates of deposit issued by banks rated BB or better. No more than 20% of the funds held in the cash pool shall be invested in certificates of deposit, bankers' acceptances or floating rate notes of the institutions within any single holding company.
7. Repurchase agreements of banks having Fitch ratings no lower than BB secured by the U.S. government and federal agency obligations with market values of at least 100% of the amount of the repurchase agreement.
8. Commingled funds may be used if they are in compliance with the above guidelines.

Investment of the long-term pool shall be restricted to those that are allowable under the University's Statement of Objectives and Policies for the Endowment Fund and that meet the overall objective of achieving consistent long-term growth of the pool with limited exposure to risk.

Current and non-current cash and cash equivalents is summarized below:

Cash and Cash Equivalents	June 30, 2024	June 30, 2023
Current	\$ 158,538	\$ 167,524
Endowment	21,061	22,342
<b>TOTAL</b>	<b>\$ 179,599</b>	<b>\$ 189,866</b>

Current and non-current cash and cash equivalents are comprised of the following:

Cash and Cash Equivalents	June 30, 2024	June 30, 2023
Cash	\$ 47,267	\$ 41,126
Money Markets	132,332	148,740
<b>TOTAL</b>	<b>\$ 179,599</b>	<b>\$ 189,866</b>

(dollars in thousands)

The balance of cash held in bank deposit accounts was \$117,267 at June 30, 2024 and \$38,376 at June 30, 2023. Of these bank balances, \$699 in 2024 and \$659 in 2023 were covered by the Federal Depository Insurance Corporation. The University had a third-party custodian agreement with Wilmington Trust, through M&T Bank, of \$81,409 at June 30, 2024 and \$100,664 at June 30, 2023. The University has a letter of credit program of \$185,926 as of June 30, 2024, through the Bank of New York Mellon, and \$106,469 as of June 30, 2023, through the Federal Home Loan Bank/Bank of New York Mellon, as collateral for the University's primary depository and money market account that the University has never drawn on. The University had a revolving line of credit of \$50,000 with TD Bank that was terminated on December 21, 2022.

Total operating investments of \$264,069 at June 30, 2024 and \$248,832 at June 30, 2023 were primarily made through comingled funds as described in footnote G.

### G. Investments

Investments are reported in three categories in the Statements of Net Position. Investments reported as non-current assets include endowment, annuity, and life income funds. Investments for capital activities reported as non-current assets are replacement reserves designated for capital renovations. All other investments are reported as operating investments. A summary of investments is below:

Investments	June 30, 2024	June 30, 2023
Operating investments	\$ 264,069	\$ 248,832
Endowment cash and investments	537,514	508,863
Investments for capital activities	78,740	73,522
<b>TOTAL</b>	<b>\$ 880,323</b>	<b>\$ 831,217</b>

Deposits with trustees include \$8,244 in 2024 and \$7,853 in 2023 of assets held under deferred giving arrangements, \$1,197 in 2024 and \$1,152 in 2023 of investments in the waste disposal fund required by the EPA, and \$115 in 2024 and \$14 in 2023 of investments held by bond trustees.

The University records its purchases and sales of investments on a trade date basis.

The assets or liabilities level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The determination of what constitutes observable requires judgement by the University's management. University management considers observable data to be that market data, which is readily available, regularly distributed or updated, reliable, and verifiable, not proprietary, and provided by multiple independent sources that are actively involved in the relevant market.

The categorization of an investment within the hierarchy is based upon the relative observability of the inputs to its fair value measurement and does not necessarily correspond to University management's perceived risk of that investment.

These valuations may produce a fair value that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the University 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.

Because of the inherent uncertainty of valuations, the estimated values as determined by the appropriate manager or general partners may differ significantly from the values that would have been used had a ready market for the investments existed, and the differences could be material.

The following is a description of the investment categories:

**Public Global Equity** – Investments are with managers who have a geographic focus, either the U.S., Developed ex U.S. Markets, or Emerging Markets. The program provides the portfolio exposure to common equities across the globe. The University has investments in comingled vehicles, mutual funds, and separate accounts.

**Marketable Alternatives** – This asset class includes hedge fund managers with the intention of reducing total portfolio volatility and providing diversification. The investments are in the following categories: multi-strategy, distressed securities, global macro, open mandate, and long/short equity in global markets.

**Private Investments** – This asset class includes investments focusing on interests in private companies including buyout funds, secondary markets, and distressed debt as well as investments focusing on non-publicly traded interests in start-up entities.

**Fixed Income/Debt** – Investments consisting of U.S. Treasuries, corporate, and high yield bonds. The allocation is liquid and designed to protect the portfolio in deflationary periods.

**Other Investments** – This asset class includes insurance policies where the University is named as the beneficiary.

(dollars in thousands)

Investments measured at fair value or net asset value as of June 30, 2024 and 2023 is summarized as follows:

June 30, 2024	Level 1	Level 2	Level 3	NAV	Total Investments
<b>Investments:</b>					
Public global equity	\$ 300,879	\$ -	\$ -	\$ 103,221	\$ 404,100
Subscription paid in advance	-	-	-	70,000	70,000
Marketable alternatives	-	-	-	104,487	104,487
Private investments	-	-	-	218,653	218,653
Fixed income/debt	64,440	236,920	-	-	301,360
Other	1,650	-	686	-	2,336
Cash and cash equivalents	21,061	-	-	-	21,061
Subtotal investments	<u>\$ 388,030</u>	<u>\$ 236,920</u>	<u>\$ 686</u>	<u>\$ 496,361</u>	<u>\$ 1,121,997</u>
Less UVM Foundation					\$ (241,674)
<b>Total Investments</b>					<b><u>\$ 880,323</u></b>
<b>Deposits with Trustees at Fair Value:</b>					
Beneficial interests in trusts	\$ -	\$ -	\$ 4,028	\$ -	\$ 4,028
Public global equity	10	-	-	-	10
Fixed income/debt	397	4,355	-	-	4,752
Cash and cash equivalents	766	-	-	-	766
<b>Total Deposits With Trustees</b>	<b><u>\$ 1,173</u></b>	<b><u>\$ 4,355</u></b>	<b><u>\$ 4,028</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 9,556</u></b>

(dollars in thousands)

June 30, 2023	Level 1	Level 2	Level 3	NAV	Total Investments
<b>Investments:</b>					
Public global equity	\$ 344,369	\$ -	\$ -	\$ 67,654	\$ 412,023
Marketable alternatives	-	-	-	132,893	132,893
Private investments	-	-	-	193,502	193,502
Fixed income/debt	62,571	225,162	-	-	287,733
Other	550	-	950	-	1,500
Cash and cash equivalents	22,333	-	-	-	22,333
Subtotal investments	<u>\$ 429,823</u>	<u>\$ 225,162</u>	<u>\$ 950</u>	<u>\$ 394,049</u>	<u>\$ 1,049,984</u>
Less UVM Foundation					\$ (218,767)
<b>Total Investments</b>					<b>\$ 831,217</b>
<b>Deposits With Trustees at Fair Value:</b>					
Beneficial interests in trusts	-	\$ -	\$ 3,840	\$ -	\$ 3,840
Public global equity	26	-	-	-	26
Fixed income/debt	349	4,164	-	-	4,513
Cash and cash equivalents	640	-	-	-	640
<b>Total Deposits With Trustees</b>	<b>\$ 1,015</b>	<b>\$ 4,164</b>	<b>\$ 3,840</b>	<b>\$ -</b>	<b>\$ 9,019</b>

Investment liquidity as of June 30, 2024 and 2023 is summarized as follows:

June 30, 2024	Daily	Monthly	Quarterly	Semi-Annual	Annual	Illiquid	Total	Redemption Notice Period
<b>Investments:</b>								
Public global equity	\$ 219,839	\$ 163,069	\$ 21,192	\$ -	\$ -	\$ -	\$ 404,100	1-90 days
Subscription paid in advance	-	-	-	-	70,000	-	70,000	60 days
Marketable alternatives	22,285	-	49,809	12,135	13,915	6,343	104,487	1-90 days, Illiquid
Private investments	-	-	-	-	-	218,653	218,653	Illiquid
Fixed income/debt	301,360	-	-	-	-	-	301,360	1-30 days
Other	1,650	-	-	-	-	686	2,336	Same day, Illiquid
Cash and cash equivalents	21,061	-	-	-	-	-	21,061	Same day
Subtotal investments	<u>\$ 566,195</u>	<u>\$ 163,069</u>	<u>\$ 71,001</u>	<u>\$ 12,135</u>	<u>\$ 83,915</u>	<u>\$ 225,682</u>	<u>\$ 1,121,997</u>	
Less UVM Foundation							\$ (241,674)	
<b>Total Investments</b>							<b>\$ 880,323</b>	

June 30, 2023	Daily	Monthly	Quarterly	Semi-Annual	Annual	Illiquid	Total	Redemption Notice Period
<b>Investments:</b>								
Public global equity	\$ 251,552	\$ 131,584	\$ 28,887	\$ -	\$ -	\$ -	\$ 412,023	1-90 days
Marketable alternatives	19,131	43,691	39,028	11,373	12,973	6,697	132,893	1-90 days, Illiquid
Private investments	-	-	-	-	-	193,502	193,502	Illiquid
Fixed income/debt	287,733	-	-	-	-	-	287,733	1-30 days
Other	550	-	-	-	-	950	1,500	Same day, Illiquid
Cash and cash equivalents	22,333	-	-	-	-	-	22,333	Same day
Subtotal investments	<u>\$ 581,299</u>	<u>\$ 175,275</u>	<u>\$ 67,915</u>	<u>\$ 11,373</u>	<u>\$ 12,973</u>	<u>\$ 201,149</u>	<u>\$ 1,049,984</u>	
Less UVM Foundation							\$ (218,767)	
<b>Total Investments</b>							<b>\$ 831,217</b>	

(dollars in thousands)

The fixed income/debt portfolio is composed of passive and active bond funds. The following shows the risk profiles at June 30, 2024 and 2023:

Fixed Income Debt	Amount	Average Maturity/ Effective Duration	Credit Quality %					
			Govt/Agency	AAA	AA	A	BBB	<BBB
2024	\$ 301,360	2.4/2.2	53	1	10	29	6	1
2023	\$ 287,733	2.4/2.2	48	3	10	32	7	0

Investment income is recorded as revenue when earned. Net investment income is reported as non-operating revenue and includes income net of investment fees and the change in the fair value of investments as well as losses on impaired investments. The calculation of realized gains (losses) is independent of the calculation of the net increase in the fair value of marketable investments. Net investment income consists of:

Net Investment Income	FY24	FY23
Net interest, dividend, and other income	\$ 12,429	\$ 5,933
Realized gains	51,952	6,930
Unrealized gains	24,946	42,396
Investment management fees	(1,641)	(1,573)
<b>TOTAL</b>	<b>\$ 87,686</b>	<b>\$ 53,686</b>

### H. Endowment and Other Long-Term Funds

The University's investment policies are governed and authorized by the University Board of Trustees. The Board of Trustees Budget, Finance and Investment Committee has established a formal policy for investment of the endowment and other long term funds with an objective to provide a stable and consistent level of ongoing support for the University's programs through a reasoned spending policy that is also consistent with preserving and enhancing the real purchasing power of the fund over time. The primary long-term investment goal is to attain a real total return that exceeds the amount being distributed for spending and administration, currently set at 5.50%. Other important investment objectives are to achieve annualized returns in excess of the strategic policy portfolio blended benchmark, measured over a full market cycle; and to outperform the median return of a pool of endowment funds of similar size with broadly similar investment objectives and policies.

The endowment in aggregate (which comprises the consolidated endowment and other separately invested assets), long term capital and operating reserves, and UVM Foundation assets are invested in a balanced portfolio consisting of traditional equities (domestic and international) and fixed income/debt; marketable alternatives (hedge funds); private investments (venture capital and private equity); and a diversified portfolio of public real assets (real estate and commodities). The consolidated endowment's asset allocation target and actual percentages at June 30 are presented in the following tables:

Unaudited	June 30, 2024	
	Target %	Actual %
Public global equity	45.0	54.4
Marketable alternatives	10.0	10.3
Private investments	35.0	25.4
Fixed income/debt	8.0	7.5
Cash & cash equivalents	2.0	2.4
	100.0	100.0

Unaudited	June 30, 2023	
	Target %	Actual %
Public global equity	45.0	50.7
Marketable alternatives	10.0	14.9
Private investments	35.0	24.2
Fixed income/debt	8.0	7.8
Cash & cash equivalents	2.0	2.4
	100.0	100.0

(dollars in thousands)

The majority of endowment fund assets are pooled for investment purposes. Each individual fund subscribes to or disposes of units on the basis of the value per unit at fair value at the beginning of the month within which the transaction takes place. Income is distributed on a per unit basis. Of the total units (each having a fair value of \$74.08), 5,785.1722 units were owned by endowment funds and 5,835.5940 units by quasi endowment funds at June 30, 2024 (\$70.45, 5,728.3669 and 5,683.8573 respectively, at June 30, 2023).

The University of Vermont Foundation (UVMF) participates in the UVM pooled endowment. The UVMF owned 3,262.2564 units with a market value of \$241,674 as of June 30, 2024 and 3,105.3166 units with a market value of \$218,767 as of June 30, 2023.

The Uniform Prudent Management of Institutional Funds Act (UPMIFA) requires the institution define an overall prudent approach both to distribution of funds for spending and long-term preservation and growth of capital. The University policy allows distributions from endowments that are temporarily underwater in accordance with the statute. The Investment Subcommittee of the Board of Trustees reviews the income distribution rate annually.

The table below summarizes changes in relationships between cost and fair values of the pooled endowment, which includes the University of Vermont Foundation's share:

	Fair Value	Cost	Net Change
June 30, 2024	\$ 860,887	\$ 669,847	\$ 191,040
June 30, 2023	803,983	642,278	161,705
Unrealized net gain			29,335
New gifts and transfers			18,513
Realized net gain			47,995
Net loss			(6,641)
Withdrawn for spending			(32,298)
<b>Total Net Change</b>			<b>\$ 56,904</b>
	Fair Value	Cost	Net Change
June 30, 2023	\$ 803,983	\$ 642,278	\$ 161,705
June 30, 2022	726,964	611,026	115,938
Unrealized net gain			45,767
New gifts and transfers			57,437
Realized net gain			4,384
Net loss			(1,648)
Withdrawn for spending			(28,921)
<b>Total Net Change</b>			<b>\$ 77,019</b>

## I. Commitments

Major plant projects include commitments as follows:

Project	Estimated Project Cost	Project-to-Date Expenditures 2024	Project-to-Date Expenditures 2023
Multipurpose Center	\$ 95,000	\$ 66,968	\$ 66,232
Multipurpose Center Phase 3	15,000	1,683	-

Obligations under lease agreements are detailed in note E.

The University is obligated under certain of its investments to make future capital contributions in the amount of \$110,141 as of June 30, 2024.

The University entered into agreements with the State of Vermont Department of Vermont Health Access in both 2024 and 2023, to make payments to support the Graduate Medical Education (GME) program. The GME program helps ensure access to quality and essential professional health services for Medicaid beneficiaries through the care provided by teaching physicians and teaching hospitals. The University uses general fund state appropriation dollars to fund the GME payments through an inter-governmental transfer to the State. GME payments totaling \$22,628 and \$22,433 were made in 2024 and 2023, respectively, and are recorded on the Statements of Revenues, Expenses, and Changes in Net Position under Intergovernmental transfers in the Non-operating revenues and expenses section. For 2025 the University will make a payment to the State of Vermont Department of Vermont Health Access totaling \$25,243.

The University is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters and business interruption. The University manages these risks through a combination of self-insurance and commercial insurance purchased in the name of the University. The University's annual self-insured obligation for general liability is \$500 per occurrence and \$25 per occurrence for automobile liability. Its assumption of risk for property losses is \$250 per occurrence. Educator's legal liability risks are subject to a \$300 per loss retention. Worker's compensation is subject to a \$650 per occurrence retention. None of these lines of coverage have an annual self-insured aggregate or stop-gap. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

The University is a member of a Vermont captive, Pinnacle Consortium of Higher Education. The captive covers two insurance lines, general liability and automobile liability. All members are required to participate in the captive general liability program which provides \$5,000 excess limit and the group purchase liability program that provides a \$20,000 excess limit. The University has purchased an additional \$75,000 from the commercial liability insurance market to bring the total excess limit to \$100,000.

The University follows the policy of self-insuring risks up to certain limits. At year end, the University had open claims valued at \$2,716 in 2024 and \$2,687 in 2023; \$44 and \$83 of this is covered by excess insurance in 2024 and 2023, respectively. The University paid claims

(dollars in thousands)

of \$2,317 in 2024 and \$1,914 in 2023. Reserves for property and casualty liabilities are included in accrued liabilities (including incurred but not reported) in the amount of \$20,838 at June 30, 2024 and \$19,376 at June 30, 2023.

In conducting its activities, the University from time to time is the subject of various claims and has claims against others. The ultimate resolution of such claims is not expected to have a material adverse or favorable effect on the financial position, operating performance or cash flows of the University.

Five groups of University employees are represented by collective bargaining units. The University participates in contract negotiations with these groups periodically.

The University receives significant financial assistance from federal and state agencies in the form of grants and contracts. Expenditures of funds under these programs require compliance with the grant agreements and are subject to audit. Any disallowed expenditures resulting from such audits become a liability of the University. In the opinion of management such adjustments, if any, are not expected to materially affect the financial condition, operating performance or cash flows of the University.

## J. Retirement Plans

Faculty, staff and post-doctoral employees at the University of Vermont may participate in the University's 403(b) defined contribution plan and a 457(b) deferred compensation plan provided the following criteria are met:

- faculty and staff in 9-, 10-, 11-, or 12-month appointments must have a full-time equivalency of .75 or greater. These individuals may become eligible for UVM contributions;
- faculty, staff and post-doctoral employees with a 12-month appointment must have a full-time equivalency of .50 to .75 to be eligible to make contributions to UVM's 403(b) and 457(b) plans. These individuals are not eligible for UVM contributions;
- post-doctoral employees must have a full-time equivalency of .50 or greater to be eligible to make contributions to UVM's 403(b) and 457(b) plans. These individuals are not eligible for UVM contributions;
- non-represented staff, Staff United and United Electrical staff must be employed three years before they qualify for University contributions to their retirement plan, or, to waive this waiting period, they must have a vested interest in the retirement plan of their previous nonprofit employer;
- staff represented by the Teamsters Union are eligible for the 10% UVM contribution after the successful completion of their probationary period;
- non tenure-track faculty and faculty under the rank of assistant professor must wait two years to qualify for University contributions to their retirement plan, or, to waive this waiting period, they must have a vested interest in the retirement plan of their previous nonprofit employer;

- officers of administration or tenure track faculty at the level of assistant professor or above receive University contributions to their retirement plan immediately upon enrolling in the plan.

To obtain University contributions, faculty members and officers of administration must contribute 3% of their salary, and staff must contribute 2%. The University's contribution to the retirement fund of qualified faculty and staff is 10% of salary and this amount is immediately vested.

The University also offers a 457(b) deferred compensation plan. Faculty and staff can participate provided they are participating in the 403(b) plan. The University makes no contributions to this plan.

The University's 403(b) and 457(b) contributory retirement plans are administered by the Teachers Insurance Annuity Association of America (TIAA), the College Retirement Equities Fund (CREF), and Fidelity Investments.

Since both faculty and staff are immediately vested in all retirement contributions made on their behalf, the University has no control of, responsibility for, or ownership of retirement funds, except that employees may not withdraw employer funds contributed to either their 403(b) or 457(b) plan while employed at the University. Retirement funds may be transferred among the investment alternatives at the discretion of the employee.

Upon leaving the University, employees may remain in the UVM plan but may no longer make contributions, withdraw funds from their accounts, or transfer the funds to other investment alternatives subject to the limitations of 403(b) and/or 457(b) regulations and the contractual provisions of their investment alternative.

For the years ended June 30, 2024 and 2023, the University had total payroll expense of \$363,340 and \$334,657, respectively, of which \$247,265 in 2024 and \$235,150 in 2023 was covered by the University's 403(b) retirement plan. Total employee and employer contributions for 403(b) pension benefits for the year were \$21,809 and \$24,726, respectively, for 2024 and \$20,111 and \$23,515, respectively, for 2023. The University's contribution for 403(b) pension benefits is 10% of the covered payroll. Total employee contributions to the 457(b) retirement plan were \$7,283 in fiscal year 2024 and \$6,693 in fiscal year 2023.

## K. Postemployment Benefits Other Than Pensions (OPEB)

The University accounts for its postemployment benefit plan in accordance with GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement 75 prescribes a methodology which requires the employer to recognize a total OPEB liability on the Statements of Net Position. Changes in the total OPEB liability will immediately be recognized as OPEB expense on the Statements of Revenues, Expenses, and Changes in Net Position or reported as deferred outflows or deferred inflows of resources depending on the nature of the changes.

(dollars in thousands)

**1. Plan Description**

The University’s OPEB plan covers medical, (base) dental, life insurance, and tuition remission benefits provided to eligible University retirees and their dependents. The plan was established under the authority of and may be amended by the University. It is a single employer defined benefit OPEB plan administered by the University. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement 75.

Plan provisions include two levels of eligibility based on whether the employee was at least 65 years of age at June 30, 2014:

1) Pre-65 retirees that met the retirement benefit eligibility criteria that were in place at the time of his or her hire date, and retired on or before June 30, 2014, will receive the post-retirement medical benefit and premium contributions will remain unchanged. For employees hired before January 1, 2012, if the employee met the retirement eligibility criteria that were in place at the time of his or her hire date, and did not retire on or before June 30, 2014, then he or she is eligible for the benefit but his or her share of the premium contribution will change based on the employee’s salary at the date of retirement. If, by June 30, 2014, the employee has not met the eligibility criteria that were in place at the time of his or her hire date, then he or she will be eligible to enroll in the pre-65 post-retirement medical benefit plan, but will be responsible for 100% of the premium unless the employee has at least fifteen years of service in which case, at the age of 62, the employee will be eligible for the pre-retirement medical benefit and will pay 50% of the premium for Non-United Academic employees, and 60% of the premium for United Academic employees. Employees hired on or after January 1, 2012 will be able to participate in the post-retirement medical plan, but they will be responsible for 100% of the premium.

2) Post-65 retirees that met the retirement benefit eligibility criteria that were in place at the time of his or her hire date, and retired on or before June 30, 2014, will receive the post-retirement medical benefit and premium contributions will remain unchanged. Employees hired before January 1, 2012 who do not retire by June 30, 2014 will be eligible for the post-65 benefit when they reach the age of 65 and have 15 years of service, but the premium will change based on the employee’s salary at the date of retirement. Employees hired on or after January 1, 2012 will be able to participate in the post-retirement medical plan, but they will be responsible for 100% of the premium.

Employees who retired under the Voluntary Separation Plan of 1992 or before are not required to contribute to the plan, however, a surviving spouse receives two (2) years of medical and base dental coverage without charge, after which dental terminates (the surviving spouse would be eligible for 36 months of COBRA) and medical coverage is available at 50% of the cost of providing coverage. Retirees under the Voluntary Separation Plan of 2000 pay for their medical benefits based on the contribution system in effect prior to June 30, 2000 (based on 0.5% times 75% of the average final three years’ base salary). Retirees hired after June 30, 1992 have the same salary band contribution percentages as active employees, which is based on 75% of their average final three years’ base salary. Retirees hired after June 30, 1992 and before July 1, 1997 are required to contribute as above plus a percentage based on the

sum of their age at retirement and their years of continuous full-time service. This surcharge is based on a scale that ranges from 65 to 75 and over. A retirement benefit structure was announced in December 2011, affecting employees retiring on or after June 30, 2015. Consideration is given to age and years of service, with employee participation in medical benefit coverage and the costs associated with that coverage.

At the valuation date of January 1, 2023, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries	
currently receiving benefits	1,957
Active employees	4,063
<b>TOTAL</b>	<b>6,020</b>

**2. Total OPEB Liability**

The University’s total OPEB liability of \$402,125 in 2024 and \$186,997 in 2023 was determined by an actuarial valuation as of January 1, 2023, and then projected forward to the measurement date of December 31, 2023 and December 31, 2022, respectively.

The total OPEB liability as of the December 31, 2023 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation	2.30%
Salary Increases	3.00%
Discount Rate	3.26%

The following percentages have been assumed for election of coverage by future eligible retirees:

Medical and Rx	90%
Dental	95%
Life Insurance	95% for healthy retirees 50% for disabled retirees

Assumed health care cost trend rates vary by benefit type as follows:

Benefit	Initial Rate	Ultimate Rate	Year Ultimate Rate is Reached
VHP Pre-Medicare	6.3%	3.7%	2074
J Carve-Out Medicare	6.9%	3.7%	2074
MediComp III Medicare	6.9%	3.7%	2074
Dental	4.0%	3.7%	2074
Tuition Remission	2.3%	2.3%	2024

The discount rate was based on Bond Buyer GO 20-Bond Municipal Bond Index. The discount rate is as of the measurement date.

(dollars in thousands)

The mortality rates for 2024 and 2023 were based on the Pri-2012 Retiree/Employee Mortality Table projected with Projection Scale MP-2021 for healthy participants, Pri-2012 Contingent Survivor Table with Scale MP-2021 for current surviving spouses, and Pri-2012 Disabled Mortality Table projected with Projection Scale MP-2021 for disabled participants.

The University's OPEB plan is not large enough to develop credible mortality table based exclusively on plan experience. Therefore, the University has relied on the previously mentioned published mortality table in which credible mortality experience was analyzed.

### 3. Changes in Total OPEB Liability

The following table represents changes in Total OPEB Liability for the year ended June 30, 2024 and 2023:

Total OPEB Liability	Fiscal Year 2024	Fiscal Year 2023
Balance at the beginning of year	\$ 186,997	\$ 436,372
Changes for the year:		
Service cost	5,933	8,909
Interest on total OPEB liability	7,057	9,062
Effect of economic/demographic gains or losses	200,605	(213,796)
Effect of assumption changes or inputs	8,036	(42,777)
Benefit payments	(6,503)	(10,773)
Net changes	215,128	(249,375)
<b>Balance at end of the year</b>	<b>\$ 402,125</b>	<b>\$ 186,997</b>

The University changed medical carriers for the Medicare Advantage plans effective January 1, 2025. This change has been reflected in the valuation and caused the liability to increase \$211.4 million. The discount rate decreased to 3.26% in FY24 from 3.72% in FY23 and medical and dental claims and trend were updated to reflect current premiums, and expectations of future experience. Combined these assumption changes increased the liability \$8.0 million.

The following tables present the total OPEB liability of the University, calculated using the discount rates of 3.26% in FY24 and 3.72% in FY23, as well as what the University's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate.

	1% Decrease	Discount Rate	1% Increase
<b>Fiscal Year 2024</b>	<b>(2.26%)</b>	<b>(3.26%)</b>	<b>(4.26%)</b>
Total OPEB liability	\$ 459,546	\$ 402,125	\$ 354,930
<b>Fiscal Year 2023</b>	<b>(2.72%)</b>	<b>(3.72%)</b>	<b>(4.72%)</b>
Total OPEB liability	\$ 211,087	\$ 186,997	\$ 167,035

The following tables present the FY24 and FY23 total OPEB liability for the University, calculated using the current healthcare cost trend rates as well as what the University's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

Fiscal Year 2024	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	\$ 350,182	\$ 402,125	\$ 466,186
<b>Fiscal Year 2023</b>	<b>(2.72%)</b>	<b>(3.72%)</b>	<b>(4.72%)</b>
Total OPEB liability	\$ 160,287	\$ 186,997	\$ 220,129

### 4. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

OPEB expense for the fiscal year ended June 30, 2024 and 2023 is summarized as follows:

OPEB (Credit) Expense	FY24	FY23
Service cost	\$ 5,933	\$ 8,909
Interest on total OPEB liability	7,057	9,062
Recognition of deferred outflows/inflows of resources		
Recognition of economic/demographic gains or losses	(41,833)	(71,544)
Recognition of assumption changes or inputs	3,773	(473)
<b>OPEB (credit) expense</b>	<b>\$ (25,070)</b>	<b>\$ (54,046)</b>

Deferred outflows and inflows of resources as of June 30, 2024 and 2023 are summarized as follows:

Fiscal Year 2024	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	\$ (140,782)	\$ 171,276
Changes of assumptions	(42,295)	16,020
Contributions after measurement period	-	3,293
<b>TOTAL</b>	<b>\$ (183,077)</b>	<b>\$ 190,589</b>
<b>Fiscal Year 2023</b>	<b>Deferred Inflows of Resources</b>	<b>Deferred Outflows of Resources</b>
Difference between expected and actual experience	\$ (214,335)	\$ 2,391
Changes of assumptions	(59,396)	28,858
Contributions after measurement period	-	3,411
<b>TOTAL</b>	<b>\$ (273,731)</b>	<b>\$ 34,660</b>

(dollars in thousands)

Deferred outflows of resources resulting from contributions after the measurement period totaling \$3,293 and \$3,411 will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2024 and June 30, 2023, respectively. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expenses as follows:

<u>For the Fiscal Year Ending June 30</u>	<u>OPEB Expense</u>
2025	\$ (39,934)
2026	(34,045)
2027	(6,251)
2028	31,048
2029*	53,401

\* Note that additional future inflows and outflows of resources may impact these numbers.

### L. Operating Expenses by Function

Operating expenses by functional classification for the years ended June 30, 2024 and 2023 are summarized as follows:

Year ended June 30, 2024						
<u>Function</u>	<u>Compensation And Benefits</u>	<u>Supplies And Services</u>	<u>Depreciation</u>	<u>Scholarships And Fellowships</u>	<u>Total</u>	
Instruction	\$ 147,409	\$ 25,902	\$ -	\$ -	\$	173,311
Research	73,054	50,256	-	-	-	123,310
Public service	47,709	13,809	-	-	-	61,518
Academic support	68,451	17,689	-	-	-	86,140
Student services	32,517	15,209	-	-	-	47,726
Institutional support	42,226	14,540	-	-	-	56,766
Operations and maintenance of plant	34,144	21,264	-	-	-	55,408
Scholarships and fellowships	-	-	-	8,447	-	8,447
Auxiliary enterprises	31,633	61,142	-	-	-	92,775
Depreciation and amortization	-	-	41,610	-	-	41,610
<b>TOTAL</b>	<b>\$ 477,143</b>	<b>\$ 219,811</b>	<b>\$ 41,610</b>	<b>\$ 8,447</b>	<b>\$</b>	<b>747,011</b>

Year ended June 30, 2023						
<u>Function</u>	<u>Compensation And Benefits</u>	<u>Supplies And Services</u>	<u>Depreciation</u>	<u>Scholarships And Fellowships</u>	<u>Total</u>	
Instruction	\$ 127,373	\$ 22,698	\$ -	\$ -	\$	150,071
Research	65,197	47,676	-	-	-	112,873
Public service	40,832	9,389	-	-	-	50,221
Academic support	59,456	17,335	-	-	-	76,791
Student services	28,243	13,796	-	-	-	42,039
Institutional support	36,669	12,850	-	-	-	49,519
Operations and maintenance of plant	28,153	22,078	-	-	-	50,231
Scholarships and fellowships	-	-	-	27,431	-	27,431
Auxiliary enterprises	25,779	60,773	-	-	-	86,552
Depreciation and amortization	-	-	39,311	-	-	39,311
<b>TOTAL</b>	<b>\$ 411,702</b>	<b>\$ 206,595</b>	<b>\$ 39,311</b>	<b>\$ 27,431</b>	<b>\$</b>	<b>685,039</b>

(dollars in thousands)

**M. Combining Information for Discretely Presented Component Units**

As indicated in Footnote A1, the University consolidates certain component units in a discrete presentation. Condensed combining financial information for the years ended June 30, 2024 and 2023 is presented below.

**Discretely Presented Component Units Statements of Net Position**  
as of June 30, 2024 and 2023

	UMEA		UVMF		Catamount Run Phase 1		Catamount Run Phase 2		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>ASSETS</b>										
<b>Current assets:</b>										
Cash and cash equivalents	\$ 179	\$ 1,021	\$ 28,647	\$ 56,215	\$ 105	\$ -	\$ 5,747	\$ -	\$ 34,678	\$ 57,236
Operating investments	64,013	58,089	49,194	16,376	-	-	-	-	113,207	74,465
Accounts, loans, notes, and pledges receivable, net	-	565	8,274	4,898	11	-	-	-	8,285	5,463
Inventories and prepaid expenses	11	19	723	686	-	-	-	-	734	705
<b>Total current assets</b>	<b>64,203</b>	<b>59,694</b>	<b>86,838</b>	<b>78,175</b>	<b>116</b>	<b>-</b>	<b>5,747</b>	<b>-</b>	<b>156,904</b>	<b>137,869</b>
<b>Non-current assets:</b>										
Endowment cash, cash equivalents and investments	-	-	278,317	251,307	-	-	-	-	278,317	251,307
Student loans, notes, and pledges receivable, net	-	-	5,637	5,665	-	-	-	-	5,637	5,665
Investments for capital activities	-	-	121	157	-	-	-	-	121	157
Deposits with trustees	-	-	1,675	1,538	-	-	-	-	1,675	1,538
Capital and right of use assets, net	-	-	6,946	7,252	37,045	-	29,969	-	73,960	7,252
<b>Total non-current assets</b>	<b>-</b>	<b>-</b>	<b>292,696</b>	<b>265,919</b>	<b>37,045</b>	<b>-</b>	<b>29,969</b>	<b>-</b>	<b>359,710</b>	<b>265,919</b>
<b>Total Assets</b>	<b>64,203</b>	<b>59,694</b>	<b>379,534</b>	<b>344,094</b>	<b>37,161</b>	<b>-</b>	<b>35,716</b>	<b>-</b>	<b>516,614</b>	<b>403,788</b>
<b>LIABILITIES</b>										
<b>Current liabilities:</b>										
Accounts payable and accrued liabilities	439	575	9,894	8,084	2,917	-	2,318	-	15,568	8,659
Unearned revenue, deposits, and funds held for others	47,886	43,411	-	-	-	-	-	-	47,886	43,411
<b>Total current liabilities</b>	<b>48,325</b>	<b>43,986</b>	<b>9,894</b>	<b>8,084</b>	<b>2,917</b>	<b>-</b>	<b>2,318</b>	<b>-</b>	<b>63,454</b>	<b>52,070</b>
<b>Non-current liabilities:</b>										
Bonds and leases payable	-	-	3,998	4,220	10,035	-	-	-	14,033	4,220
<b>Total non-current liabilities</b>	<b>-</b>	<b>-</b>	<b>3,998</b>	<b>4,220</b>	<b>10,035</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,033</b>	<b>4,220</b>
<b>Total Liabilities</b>	<b>48,325</b>	<b>43,986</b>	<b>13,892</b>	<b>12,304</b>	<b>12,952</b>	<b>-</b>	<b>2,318</b>	<b>-</b>	<b>77,487</b>	<b>56,290</b>
<b>NET POSITION</b>										
Net investment in capital assets	-	-	2,948	3,032	-	-	-	-	2,948	3,032
Restricted:										
Non-Expendable	-	-	248,532	235,781	-	-	-	-	248,532	235,781
Expendable	11,618	11,629	97,336	77,187	-	-	-	-	108,954	88,816
Unrestricted	4,260	4,079	16,826	15,790	24,209	-	33,398	-	78,693	19,869
<b>Total Net Position</b>	<b>\$ 15,878</b>	<b>\$ 15,708</b>	<b>\$ 365,642</b>	<b>\$ 331,790</b>	<b>\$ 24,209</b>	<b>\$ -</b>	<b>\$ 33,398</b>	<b>\$ -</b>	<b>\$ 439,127</b>	<b>\$ 347,498</b>

(dollars in thousands)

**Discretely Presented Component Units Statements of Revenues, Expenses and Changes in Net Position**  
as of June 30, 2024 and 2023

	UMEA		UVMF		Catamount Run Phase 1		Catamount Run Phase 2		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
<b>Operating revenues</b>										
Federal, state, and private grants and contracts	\$ -	\$ -	\$ 1,146	\$ 1,015	\$ -	\$ -	\$ -	\$ -	\$ 1,146	\$ 1,015
Student loan interest and other operating revenues	183	181	56	216	17	-	3	-	259	397
<b>Total operating revenues</b>	<b>183</b>	<b>181</b>	<b>1,202</b>	<b>1,231</b>	<b>17</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>1,405</b>	<b>1,412</b>
<b>Operating expenses</b>										
Compensation and benefits	(260)	(256)	(12,245)	(10,099)	-	-	-	-	(12,505)	(10,355)
Supplies and services	-	-	(3,345)	(3,154)	(4)	-	(6)	-	(3,355)	(3,154)
Depreciation	-	-	(368)	(353)	-	-	-	-	(368)	(353)
<b>Total operating expenses</b>	<b>(260)</b>	<b>(256)</b>	<b>(15,958)</b>	<b>(13,606)</b>	<b>(4)</b>	<b>-</b>	<b>(6)</b>	<b>-</b>	<b>(16,228)</b>	<b>(13,862)</b>
<b>Operating gain (loss)</b>	<b>(77)</b>	<b>(75)</b>	<b>(14,756)</b>	<b>(12,375)</b>	<b>13</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>(14,823)</b>	<b>(12,450)</b>
<b>Non-operating revenues (expenses)</b>										
Private gifts	-	399	24,005	21,766	-	-	-	-	24,005	22,165
Net investment income (loss)	784	905	29,125	10,161	-	-	-	-	29,909	11,066
Interest on indebtedness	-	-	(43)	(44)	-	-	-	-	(43)	(44)
Net other non-operating revenue (expense)	-	-	(681)	(576)	-	-	-	-	(681)	(576)
Transfers from UVM to component units	-	-	11,671	11,375	-	-	-	-	11,671	11,375
Transfers to UVM from component units	(537)	(720)	(25,192)	(26,871)	-	-	-	-	(25,729)	(27,591)
<b>Net non-operating revenues</b>	<b>247</b>	<b>584</b>	<b>38,885</b>	<b>15,811</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,132</b>	<b>16,395</b>
<b>Revenue (loss) before capital and endowment additions</b>	<b>170</b>	<b>509</b>	<b>24,129</b>	<b>3,436</b>	<b>13</b>	<b>-</b>	<b>(3)</b>	<b>-</b>	<b>24,309</b>	<b>3,945</b>
Gifts for endowment purposes	-	-	9,723	16,818	-	-	-	-	9,723	16,818
Capital contributions from equity partners	-	-	-	-	24,196	-	33,401	-	57,597	-
<b>Total capital and endowment additions</b>	<b>-</b>	<b>-</b>	<b>9,723</b>	<b>16,818</b>	<b>24,196</b>	<b>-</b>	<b>33,401</b>	<b>-</b>	<b>67,320</b>	<b>16,818</b>
Increase in net position	170	509	33,852	20,254	24,209	-	33,398	-	91,629	20,763
Net Position, beginning of Year	15,708	15,199	331,790	311,536	-	-	-	-	347,498	326,735
<b>Net Position, end of Year</b>	<b>\$ 15,878</b>	<b>\$ 15,708</b>	<b>\$ 365,642</b>	<b>\$ 331,790</b>	<b>\$ 24,209</b>	<b>\$ -</b>	<b>\$ 33,398</b>	<b>\$ -</b>	<b>\$ 439,127</b>	<b>\$ 347,498</b>

**UNAUDITED**

**Required Supplementary Information - Post Employment Benefits**  
**Schedule of Changes in the University's Total OPEB Liability and Related Ratio**

<b>Total OPEB Liability</b>	<b>FY24</b>	<b>FY23</b>	<b>FY22</b>	<b>FY21</b>	<b>FY20</b>	<b>FY19</b>	<b>FY18</b>
Service cost	\$ 5,933	\$ 8,909	\$ 15,745	\$ 13,582	\$ 13,452	\$ 15,645	\$ 14,434
Interest on total OPEB liability	7,057	9,062	10,251	14,661	19,063	17,175	18,066
Changes of benefit terms	-	-	-	-	-	-	-
Effect of economic/demographic (gains) or losses	200,605	(213,796)	(9,093)	(117,836)	9,862	1,395	847
Effect of assumption changes or inputs	8,036	(42,777)	(41,561)	51,272	45,175	(48,429)	4,085
Benefit payments	(6,503)	(10,773)	(13,455)	(17,225)	(17,853)	(18,029)	(16,058)
<b>Net change in total OPEB liability</b>	<b>215,128</b>	<b>(249,375)</b>	<b>(38,113)</b>	<b>(55,546)</b>	<b>69,699</b>	<b>(32,243)</b>	<b>21,374</b>
Total OPEB liability, beginning	186,997	436,372	474,485	530,031	460,332	492,575	471,201
<b>Total OPEB liability, ending</b>	<b>\$ 402,125</b>	<b>\$ 186,997</b>	<b>\$ 436,372</b>	<b>\$ 474,485</b>	<b>\$ 530,031</b>	<b>\$ 460,332</b>	<b>\$ 492,575</b>
Covered-employee payroll	\$ 283,001	\$ 259,184	\$ 259,184	\$ 258,395	\$ 258,395	\$ 241,981	\$ 241,981
Total OPEB liability as a % of covered-employee payroll	142.09%	72.15%	168.36%	183.63%	205.12%	190.23%	203.56%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

**Notes to Schedule:**

*Changes of assumptions.* Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

2024	3.26%
2023	3.72%
2022	2.06%
2021	2.12%
2020	2.74%
2019	4.10%
2018	3.44%

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**  
 Supplementary Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
Research and Development Cluster:				
Department of Agriculture:				
Animal and Plant Health Inspection Service	Direct	10.RD	\$ —	241,910
Forest Service	Direct	10.RD	1,283,441	1,942,599
National Institute of Food and Agriculture	Direct	10.RD	6,832,723	17,262,699
Natural Resources Conservation Service	Direct	10.RD	41,403	754,069
Agriculture Research Service	Direct	10.001	30,070	5,111,600
Agricultural Marketing Service	Direct	10.174	—	375,511
Economic Research Services	Direct	10.250	—	1,988
Office of Chief Economist	Direct	10.290	—	(1,549)
Department of Agriculture Direct Subtotal			<u>8,187,638</u>	<u>25,688,826</u>
Dairy Management, Inc.	3711-0	10.000	—	16,661
Dairy Research Institute	D1295-0	10.000	—	81,818
National Pork Board	PO-000779	10.000	—	(64)
US Endowment Forestry and Communities	21-00284	10.000	—	121,711
Subtotal			<u>—</u>	<u>220,136</u>
Geisinger Clinic	646515UV01	10.001	—	1,655
Subtotal			<u>—</u>	<u>1,655</u>
University of Delaware	UDR0000340	10.146	—	9,238
Vermont Agency of Agric Food and Markets	45170	10.156	—	(10,138)
Michigan State University	RC114418 - UVT	10.164	—	18,343
Pollinator Partnership	LOA Proj Partner-7/27/22	10.170	—	37,535
Vermont Agency of Agric Food and Markets	02200-SCBGP-17-04	10.170	—	18,236
Vermont Agency of Agric Food and Markets	02200-SCBGP-19-03	10.170	—	6,862
Vermont Agency of Agric Food and Markets	02200-SCBGP-19-04	10.170	—	14,754
Vermont Agency of Agric Food and Markets	02200-SCBGP-19-05	10.170	—	19,869
Vermont Agency of Agric Food and Markets	02200-SCBGP-20-03	10.170	—	522
Vermont Agency of Agric Food and Markets	02200-SCBGP-20-04	10.170	—	4,079
Vermont Agency of Agric Food and Markets	02200-DBIC-21-02	10.176	1,303	21,233
Vermont Agency of Agric Food and Markets	02200-DBIC-21-06	10.176	—	122,433
Vermont Agency of Agric Food and Markets	02200-DBIC-23-FIAM-22	10.176	—	64,254
Vermont Agency of Agric Food and Markets	41571	10.176	—	65,415
Vermont Agency of Agric Food and Markets	43373	10.176	—	66,480
Vermont Agency of Agric Food and Markets	45520	10.176	—	17,046
Vermont Creamery	202201	10.176	—	2,074
Subtotal			<u>1,303</u>	<u>478,235</u>
Colorado State University	CSU 531459	10.200	—	469
University of Maryland Eastern Shore	IR4S24327370/SLR	10.200	—	940
University of Maryland Eastern Shore	2023IR4SZ4328080	10.200	—	8,703
Cornell University	139779-21213	10.215	—	(42)
Cornell University	142259-21588	10.215	—	24,766
University of Maine	UMS1301	10.215	—	30,494
University of Massachusetts Amherst	21-015580-B	10.215	—	7,446
University of New Hampshire	L0091	10.215	—	1,783
University of New Hampshire	PZL0306	10.215	—	16,628
Subtotal			<u>—</u>	<u>91,190</u>
Extension Foundation	EXC2-2021-2120	10.229	1,000	1,002
Iowa State University	025840A	10.250	—	24,035
Duke University	343-000110	10.290	—	6,039
University of Florida	SUB00002907	10.304	—	33
University of Maine	UMS1427	10.304	—	35,069
Subtotal			<u>1,000</u>	<u>66,178</u>
Cornell University	143324-21723	10.307	—	51,749
Cornell University	92406-20533	10.307	—	28,293
Cornell University	158619-22492	10.307	—	53,683
Subtotal			<u>—</u>	<u>133,725</u>
Colby College	2021-NIFA-CRS-05	10.310	—	90,147
Colorado State University	G-03163-02	10.310	—	75,614
Harvard University	131727-5116598	10.310	—	10,894
North Carolina State University	2019-1507-06	10.310	—	204,888
Pennsylvania State University	S001396-USDA	10.310	—	4,303
University of Maine	UMS1443	10.310	63,008	167,800
University of Massachusetts Amherst	22-016101 A 00	10.310	—	47,731
University of Missouri	C00075322-1	10.310	—	115,107
University of Missouri	C00080426-2	10.310	—	15,872
University of Nevada, Reno	UNR-24-136	10.310	—	4,664
Virginia Polytechnic Institute and State University	423764-19D19	10.310	—	7,194
Subtotal			<u>63,008</u>	<u>744,214</u>
Pennsylvania State University	S005003-USDA	10.320	—	24,521
University of Massachusetts Amherst	23-017183 A 00	10.328	—	5,932
Cornell University	86935-21755	10.329	—	6,979
Cornell University	143809-23176	10.329	—	7,574
Subtotal			<u>—</u>	<u>45,006</u>
University of Maine	UMS1393	10.330	—	5,747
Iowa State University	026498D	10.352	—	61,975
Extension Foundation	NTAE-2023-2302	10.500	—	10,257
University of Delaware	UDR0000154	10.500	—	16,350
Subtotal			<u>—</u>	<u>94,329</u>
University of Delaware	UDR0000365	10.520	12,000	40,467
University of Delaware	UDR0000513	10.521	—	2,910
University of Delaware	UDR0000527	10.520	—	7,651
University of Delaware	UDR0000530	10.520	—	635
Subtotal			<u>12,000</u>	<u>51,663</u>
Vermont Agency of Agric Food and Markets	02200-FRSAN-21-002	10.525	—	10,677
Colgate University	201684-621	10.652	—	19,207
National Audubon Society, Inc	Grant1883	10.664	—	1,657
Vermont Dept of Forests Parks Recreation	06130-UVM-FEMC-FFY19	10.664	46,842	78,385
Vermont Dept of Forests Parks Recreation	06130-UVM-FEMC-FFY20	10.664	99,157	112,883
Vermont Dept of Forests Parks Recreation	06130-UVM-FEMC-FFY21	10.664	15,000	410,542
Vermont Dept of Forests Parks Recreation	06130-UVM-FEMC-FFY22	10.664	—	288,511
Vermont Dept of Forests Parks Recreation	06130-UVM-UCF-FFY23	10.664	—	104,359
Subtotal			<u>161,000</u>	<u>1,026,221</u>

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**  
 Supplementary Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
University of New Hampshire	PZL0345	10.907	\$ —	35,978
American Farmland Trust	1/1/2024	10.912	—	8,622
GSR Solutions LLC	4/15/2022	10.912	—	900
Vermont Land Trust	2021-VLT-LVVMCIG	10.912	—	56,849
American Farmland Trust	3/31/2022	10.932	—	36,518
Subtotal			—	138,868
Department of Agriculture Pass Through Subtotal			238,310	3,091,418
Department of Agriculture Total			8,425,948	28,780,245
Department of Commerce:				
National Oceanic Atmospheric Admin/NOAA	Direct	11.RD	326,953	1,884,626
National Inst Standards Technology/NIST	Direct	11.RD	—	59,664
Department of Commerce Direct Subtotal			326,953	1,944,290
Louisiana State University	PO-0000187366	11.417	—	6,756
University of Minnesota	D010061406	11.417	—	19,414
University of Puerto Rico	2023-000254	11.417	30,195	55,307
State University of New York at Plattsburgh	240-94414	11.417	—	19,437
Subtotal			30,195	100,914
University of Alabama - Tuscaloosa	A22-0303-S001	11.432	—	941,956
University of Alabama - Tuscaloosa	A22-0303-S002	11.432	—	203,491
University of Alabama - Tuscaloosa	A22-0303-S003	11.432	3,062	513,398
University of Alabama - Tuscaloosa	A22-0304-S002	11.432	33,863	920,492
University of Alabama - Tuscaloosa	A22-0305-S001	11.432	—	708,515
University of Alabama - Tuscaloosa	A22-0309-S002	11.432	—	199,714
University of Alabama - Tuscaloosa	A22-0310-S007	11.432	—	399,957
University of Alabama - Tuscaloosa	A23-0233-S003	11.432	—	46,287
University of Alabama - Tuscaloosa	A23-0236-S001	11.432	—	33,082
University of Alabama - Tuscaloosa	A23-0238-S002	11.432	—	84,596
University of Alabama - Tuscaloosa	A23-0251-S001	11.432	—	71,023
University of Alabama - Tuscaloosa	A23-0263-S002	11.432	—	124,742
University of Alabama - Tuscaloosa	A23-0265-S001	11.432	—	63,608
University of Alabama - Tuscaloosa	A23-0273-S002	11.432	—	8,170
University of Alabama - Tuscaloosa	A23-0353-S002	11.432	—	2,285
Mississippi State University	193700.364089.01	11.617	—	39,023
Subtotal			36,925	4,360,338
Department of Commerce Pass Through Subtotal			67,120	4,461,252
Department of Commerce Total			394,073	6,405,541
Department of Defense:				
Department of the Navy	Direct	12.000	—	54,348
US Army Medical Research Acquisition Activity	Direct	12.420	134,292	386,093
Department of The Army	Direct	12.431	153,643	425,449
Defense Advanced Research Projects Agency	Direct	12.910	—	297,851
Department of Defense Direct Subtotal			287,935	1,163,741
Rochester Institute of Technology	Site Agreement FY23	12.000	—	1,000
ATA Engineering, Inc.	73021-100	12.000	—	71,018
Stealth Software Technologies	SIEVE Program	12.000	—	119,902
Stealth Software Technologies	11/6/2023	12.000	—	71,269
Subtotal			—	263,189
University of Colorado, Boulder	1562376	12.300	—	153,577
Dimension Inx.	UVM-05312021	12.420	—	32,865
MedStar Health Research Institute	5002071103	12.420	—	144,293
Henry M. Jackson Foundation	PO1067059-FM6193-HJF67370	12.420	—	61,399
University Massachusetts Medical School	SUB00000422	12.420	—	80,414
Tufts University	PO EP0237001	12.431	—	50,424
University of Virginia	GR100223.SUB00000842	12.630	—	243,910
Subtotal			—	766,883
Stanford University	62621898-192767	12.910	—	285,443
University of Pittsburgh	AWD00001593 (416052-1)	12.910	—	(67,209)
University of Pittsburgh	AWD00001593 (419447-1)	12.910	—	469,629
University of Pittsburgh	AWD00001593 (801595-1)	12.910	—	64,576
University of Pittsburgh	AWD00001593 (801737-1)	12.910	—	138,682
University of Pittsburgh	AWD00001593 (801740-1)	12.910	—	100,313
Subtotal			—	991,433
Department of Defense Pass Through Subtotal			—	2,021,504
Department of Defense Total			287,935	3,185,245
Department of the Interior:				
US Geological Survey	Direct	15.RD	27,625	831,754
National Park Service	Direct	15.RD	—	544,056
US Fish and Wildlife Service	Direct	15.RD	—	220,644
Department of the Interior Direct Subtotal			27,625	1,596,454
Vermont Dept of Fish and Wildlife (ANR)	06120FY23618	15.634	—	94,491
Vermont Dept of Fish and Wildlife (ANR)	06120FY23668	15.634	—	39,818
Vermont Dept of Fish and Wildlife (ANR)	06120FY24649	15.634	—	75,347
University of Massachusetts Amherst	22-016666-A-01	15.812	—	5,068
AmericaView	AV18-VT-01	15.815	—	17,229
AmericaView	AV23-VT-01	15.815	—	2,307
University of Massachusetts Amherst	20-015184-D-02	15.820	—	69,621
University of Massachusetts Amherst	21-015986-A-01	15.820	—	2,702
University of Massachusetts Amherst	017979-9163	15.820	23,893	40,222
Subtotal			23,893	346,806
University of New Mexico	045501-87Z3	15.945	—	1,332
Department of the Interior Pass Through Subtotal			23,893	348,138
Department of the Interior Total			51,519	1,944,592
Department of Justice:				
Vermont Law School	15PBJA-20GK-00035-NCRJ-01	16.030	70,483	241,794
Vermont Law School	2020-MJ-CX-K001-01	16.030	—	354,796
Vermont Law School	15PBJA23GK01578NCRJ-01	16.030	—	8,572
Department of Justice Pass Through Subtotal			70,483	605,161
Department of Justice Total			70,483	605,161

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**  
 Supplementary Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
Department of Transportation :				
Federal Aviation Administration	Direct	20.RD	\$ 330,929	379,559
Department of Transportation Direct Subtotal			330,929	379,559
University of Alabama - Huntsville	2020-1263	20.109	—	231,364
Vermont Agency of Transportation	GR1871	20.200	—	(147)
Vermont Agency of Transportation	GR1688	20.200	—	48,896
Vermont Agency of Transportation	GR1846	20.200	—	3,854
Subtotal			—	283,967
Chittenden County Regional Planning	PL 2024-UVM-TSAT&D	20.205	—	51,277
Vanasse Hangen Brustlin Inc.	58987.00	20.205	—	63,992
Vermont Agency of Transportation	PS0894 EA VTRCO21	20.205	—	9,566
Vermont Agency of Transportation	PS0961	20.205	5,311	112,487
Subtotal			5,311	237,323
The Regents of the Univ of California	201603605-03	20.701	—	147,096
University of Maine	UMS-1186	20.701	—	310,684
University of California, Davis	A23-2302-S004	20.701	—	101,333
Subtotal			—	559,112
Department of Transportation Pass Through Subtotal			5,311	1,080,402
Department of Transportation Total			336,240	1,459,961
United States Department of the Treasury				
Vermont Agency of Agric Food and Markets	02200-WQ-CEAP-2023-018	21.027	—	46,000
Vermont Arts Council	Letter - 04/13/2023	21.027	—	55,000
United States Department of the Treasury Pass Through Subtotal			—	101,000
United States Department of the Treasury Total			—	101,000
National Aeronautics & Space Admin:				
National Aeronautics & Space Admin:	Direct	43.RD	253,254	1,732,518
National Aeronautics and Space Administration Direct Subtotal			253,254	1,732,518
University of Maryland	104049-Z6358201	43.001	—	4,972
World Wildlife Fund	SC17896	43.001	—	119,431
National Aeronautics and Space Administration Pass Through Subtotal			—	124,402
National Aeronautics and Space Administration Total			253,254	1,856,921
National Science Foundation:				
National Science Foundation	Direct	47.RD	1,622,395	9,889,811
National Science Foundation Direct Subtotal			1,622,395	9,889,811
Virginia Polytec Inst State University	480771-19D19	47.041	—	309,046
Oregon State University	S2429A-A	47.049	—	59,746
Subtotal			—	368,792
Rensselaer Polytech Institute	A12981/A19-0075-S001	47.070	—	25,896
Columbia University	2(GG016707-01)	47.074	—	40,443
Donald Danforth Plant Science Center	24409-V	47.074	—	67,578
Donald Danforth Plant Science Center	2120153	47.074	—	356
Harvard University	PI 144255-5118459	47.074	—	4,406
University of Texas at Austin	UTA20-000899	47.074	—	158,681
Virginia Polytec Inst State University	480146-19D19	47.074	—	51,642
Botanical Research Institute of Texas	BRIT2330409UVM	47.074	—	59,780
University of San Diego	A22-0018 GRT_0503	47.074	—	750
Subtotal			—	449,531
Research Foundation of SUNY	R1234965	47.075	—	31,038
University of Maine	3UMS1229	47.083	—	(65,130)
University of Maine	UMS1275	47.083	—	376,901
University of Maine	UMS1400	47.083	—	270,390
Cornell University	144070-21857	47.084	—	143,187
Northern Forest Center	2303493	47.084	—	9,437
Subtotal			—	765,824
National Science Foundation Pass Through Subtotal			—	1,584,147
National Science Foundation Total			1,622,395	11,473,958
Environmental Protection Agency:				
Environmental Protection Agency	Direct	66.RD	2,716	122,320
Environmental Protection Agency Direct Subtotal			2,716	122,320
Stone Environmental, Inc.	20-134	66.000	—	7,988
Vermont Dept Environmental Conservation	47654	66.481	—	9,899
Dartmouth College	R1623	66.481	—	16,571
NE Interstate Water Pollution/NEIWPPCC	LC00A00695-0	66.481	—	58,755
NE Interstate Water Pollution/NEIWPPCC	LS-2021-057	66.481	—	75
NE Interstate Water Pollution/NEIWPPCC	LS-2022-021	66.481	—	10,197
NE Interstate Water Pollution/NEIWPPCC	LS-2022-039	66.481	—	278
NE Interstate Water Pollution/NEIWPPCC	LS-2022-081	66.481	—	25,790
NE Interstate Water Pollution/NEIWPPCC	LS-2023-002	66.481	—	(48)
NE Interstate Water Pollution/NEIWPPCC	LS-2023-005	66.481	—	47,261
NE Interstate Water Pollution/NEIWPPCC	LS-2023-027	66.481	—	89,758
NE Interstate Water Pollution/NEIWPPCC	LS-2023-035	66.481	—	16,541
NE Interstate Water Pollution/NEIWPPCC	LS-2023-124	66.481	—	3,957
SLR International Corporation	03/28/2022	66.481	—	35,463
Stone Environmental, Inc.	19-150	66.481	—	173
Stone Environmental, Inc.	20211011	66.481	—	16,438
State University of New York at Plattsburgh	240-96769	66.481	—	45,340
Environmental Protection Agency Pass Through Subtotal			—	384,437
Environmental Protection Agency Total			2,716	506,757
Department of Energy:				
Department of Energy	Direct	81.RD	119,548	2,122,817
Department of Energy Direct Subtotal			119,548	2,122,817
Pacific Northwest National Laboratory	603561	81.000	—	165,341
Lawrence Berkeley National Laboratory	7737133	81.000	—	28,370
Subtotal			—	193,712

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**  
 Supplementary Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
Wildlife Imaging Systems	AWD1177	81.049	\$ —	52,370
Middlebury College	2022-0126 UVM	81.049	—	60,266
Subtotal			—	112,636
Department of Energy Pass Through Subtotal			—	306,348
Department of Energy Total			119,548	2,429,164
Department of Education:				
Department of Education	Direct	84.200A	—	288,117
Department of Education	Direct	84.324B	—	65,997
Department of Education	Direct	84.325K	—	386,084
Department of Education Direct Subtotal			—	740,198
University of Washington	UWSC12069	84.305A	—	31,567
Vermont Student Assistance Corporation	P334S180004	84.334S	—	2,527
Vermont Student Assistance Corporation	GEAR UP 2024	84.334S	—	19,572
Department of Education Pass Through Subtotal			—	53,666
Department of Education Total			—	793,864
Election Assistance Commission				
Vermont Technical College	Vt Technical College	90.601	—	(3,625)
Election Assistance Commission Pass Through Subtotal			—	(3,625)
Election Assistance Commission Total			—	(3,625)
Department of Health and Human Services:				
Administration for Children and Families	Direct	93.556	28,849	241,382
Administration for Community Living	Direct	93.632	—	544,220
National Institutes of Health	Direct	93.RD	10,657,351	56,796,510
Health Resources and Services Administration	Direct	93.RD	283,972	6,590,901
Substance Abuse and Mental Health Services Administration	Direct	93.243	—	108,427
Department of Health and Human Services Direct Subtotal			10,970,172	64,281,441
Cleveland Clinic Foundation	10/04/2023	93.000	—	45
Johns Hopkins University	2005474783	93.000	—	472,062
University of California, Los Angeles	1657PLA583	93.000	—	34,905
University of Mississippi Medical Center	681113508-19-08	93.000	—	2,797
University of Mississippi Medical Center	SP14712-SB3	93.000	—	212,921
University of Mississippi Medical Center	SP14837-SB10	93.000	—	32,046
University of Washington	UWSC11635	93.000	—	87,757
University of Washington	UWSC12413	93.000	—	23,893
University of Washington	UWSC12882	93.000	39,070	127,789
University of Washington	UWSC12970	93.000	—	63,456
Vermont AHS Department of Health	41093	93.000	—	39,573
Subtotal			39,070	1,097,244
Vermont Agency of Agric Food and Markets	02200-FSMA-23-01	93.103	—	243
Vermont Agency of Agric Food and Markets	02200-FSMA-24-01	93.103	—	27,631
Subtotal			—	27,875
American College of Obstetricians Gyn	UC4MC28042	93.110	—	10,529
Vermont AHS Department of Health	03420-09700	93.110	2,120	51,058
Washington State University	139122 WSU001184	93.113	—	169,050
University of Maine	USM-2258	93.155	—	21,357
Subtotal			2,120	251,994
Boston Medical Center	6001-UVM-02A1	93.242	—	5,120
Bradley Hospital	7127737	93.242	—	16,744
Columbia University	2(GG017224-01)	93.242	—	52,435
Dartmouth-Hitchcock Clinic	GC10960-01	93.242	—	41,192
Harvard Medical School	149663.5126869.0006	93.242	—	17,856
Middlebury College	2020-0040-501320	93.242	—	14,389
University of North Carolina Chapel Hill	5119198	93.242	—	44,954
WISER Systems, Inc.	UVM-004	93.242	—	115,944
Subtotal			—	308,633
Center for Behavioral Health Integration	0713/2023	93.243	—	20,000
Vermont AHS Department of Health	03420-09634	93.243	—	71,307
Subtotal			—	91,307
George Mason University	E206019B	93.279	—	9,913
George Mason University	E2065194	93.279	—	2,005
Georgia State University	SP00014597-02	93.279	—	31,665
University of California, San Diego	131643098	93.279	—	73,440
University of California, San Diego	132366569	93.279	—	102,240
University of California, San Diego	704390	93.279	—	2,619
University of California, San Diego	705051	93.279	—	94,823
University of California, San Diego	KR 704898	93.279	—	96,672
University of California, San Diego	706155	93.279	—	154,300
University of California, San Diego	706306	93.279	—	69,582
University of North Carolina Chapel Hill	5112084	93.279	—	20,178
University of South Florida	5820-1365-00-A	93.279	—	102,547
Subtotal			—	759,983
Klein Buendel	0337-0196-000	93.307	—	2,068
University of California San Francisco	13021sc	93.307	—	38,640
University of South Carolina	22-4485	93.307	—	37,944
Subtotal			—	78,652
Duke University	303001309	93.310	—	12,308
Duke University	303002982	93.310	—	61,477
University of Arkansas	54005-leadership	93.310	—	9,543
University of Arkansas	54005-protocol dev	93.310	—	34,645
University of Arkansas	54487-BREATHE	93.310	—	69,427
University of Florida	SUB000003574	93.310	—	362,695
Subtotal			—	550,095
University of Utah	10059044-UVM	93.321	—	30,239
Vermont AHS Department of Health	03420-08894	93.323	—	44,331
Vermont AHS Department of Health	03420-09284	93.323	—	16,731
University Massachusetts Medical School	SUB00000378	93.359	—	58,490
Subtotal			—	149,791

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
Equitable Cities	08/23/2022	93.391	\$ —	3,376
Moffitt Cancer Ctr Research Institute	10-19731-99-01-G4	93.393	—	47,334
Moffitt Cancer Ctr Research Institute	10-21000-99-01-G1	93.393	—	18,203
University of California San Francisco	10905sc	93.393	—	(2,632)
University of California, Davis	A22-1534-S010	93.393	—	236,219
University of California, Los Angeles	1557 G WA331	93.393	—	33,992
University of North Carolina Chapel Hill	5118234	93.393	—	144,452
University of North Carolina Chapel Hill	5118237	93.393	—	96,269
University of Utah	10061258-02	93.393	—	52,646
University of Washington	UWSC12807	93.393	—	40,845
University of Wisconsin-Madison	000002423	93.393	—	10,752
University of Wisconsin-Madison	000003156	93.393	—	29,747
Subtotal			—	711,203
University of Washington	UWSC13874	93.394	—	27,144
Childrens Hospital of Philadelphia	ALTE11C2 Study	93.395	—	1,498
Public Health Institute	Work Order: PCR	93.395	—	10,749
Public Health Institute	AR66737	93.395	—	5,493
University of Nebraska Medical Center	34-1905-2281-102	93.396	—	29,908
Subtotal			—	74,792
Childrens Hospital of Philadelphia	FP00028127_SUB216_01	93.399	—	1,000
University of Wisconsin-Madison	000002404	93.399	—	803
Assn of University Ctrs on Disabilities	01-8818-22	93.421	50,710	120,090
Dartmouth-Hitchcock Clinic	GC10797-02	93.493	—	19,745
Subtotal			50,710	141,637
RTI International	43-312-0217571-66611L	93.738	—	181,349
Duke University	303002900	93.837	—	130,391
Johns Hopkins University	2005683450	93.837	—	52,187
Massachusetts General Hospital	239432	93.837	—	7,692
Mount Sinai School of Medicine	0255-A346-4605	93.837	—	3,625
Northwestern University	60060283 UVSAC	93.837	—	325,484
Pennsylvania State University	UVTHL163585	93.837	—	158,487
Pennsylvania State University	UVTHL163585-SUPP	93.837	—	49,429
Princeton University	SUB0000423	93.837	—	120,359
Samba Biologics Incorporated	AWD960	93.837	—	(12,325)
Seattle Children's Hospital	13123SUB	93.837	—	9,176
University of Alabama at Birmingham	000524781-SC002	93.837	—	(378)
University of Alabama at Birmingham	000530071-SC001	93.837	—	27,302
University of California San Francisco	12916sc	93.837	—	12,339
University of California San Francisco	12999sc	93.837	—	69,749
University of Minnesota	P008605102	93.837	—	34,775
University of Mississippi Medical Center	SP14194-SE3	93.837	—	(64,119)
University of Pittsburgh	AWD00004314 (138609-26A)	93.837	—	3,081
University of Rochester	SUB00000463/URFAOGR532689	93.837	—	4,748
University of Washington	UWSC11251	93.837	—	73,929
University Texas Hlth Sci Ctr San Anton	172396/172293	93.837	—	48,478
University Texas Hlth Sci Ctr San Anton	172746/172471	93.837	—	386,963
Wayne State University	WSU22067-A2	93.837	—	3,508
Subtotal			—	1,626,229
Arkansas Childrens Research Institute	01/26/2022	93.838	—	117,601
Boston University	4500004289	93.838	—	4,361
Brigham and Womens Hospital	121004	93.838	—	70,017
Fred Hutchinson Cancer Center	0001162615	93.838	—	146,081
Fred Hutchinson Cancer Research Center	1131453	93.838	—	37,512
National Jewish Health	National Jewish Health	93.838	—	7,615
RTI International	41-312-0217571-66405L	93.838	—	3,685
RTI International	8-312-0217571-66064L	93.838	—	201,077
University of California, San Diego	705102	93.838	—	219,356
University of Illinois	19174	93.838	—	33,369
University of Pennsylvania	583172	93.838	—	29,674
Subtotal			—	870,369
Kaiser Permanente	RNG212543-UVM	93.839	—	17,624
Protocol Inc.	Subcontract 001	93.839	—	115,110
University of Pittsburgh	AWD00008239(139572-6)	93.839	—	180,747
Subtotal			—	313,481
University of Arizona	731201	93.846	—	94,833
Wake Forest University	2073-45121-1100002213	93.846	—	838,942
Absolone Bio	AWD771	93.847	—	(126)
Kansas Univ Medical Center Research Inst	AWD1000039	93.847	—	282
Michigan State University	RC110044UVSAC	93.847	—	150,464
Ohio State University	GR113097/SPC-1000003811	93.847	—	43,791
Subtotal			—	1,128,186
Cleveland Clinic Foundation	1433-SUB	93.853	—	39,773
Florida International University	000509	93.853	—	177,828
University of Alabama at Birmingham	000525282-SC001	93.853	—	179,789
University of California, Los Angeles	1580 G ZG753	93.853	—	101,292
University of Cincinnati	011337-137268	93.853	—	13,463
University of Cincinnati	012043-137268	93.853	—	195
University of Cincinnati	013888-137268	93.853	—	13,132
University of Cincinnati	014559-00007	93.853	—	31,168
University Texas Hlth Sci Ctr San Anton	170355/170353	93.853	—	2,970
University Texas Hlth Sci Ctr San Anton	173828/173805	93.853	—	12,390
Subtotal			—	572,001
Boston Childrens Hospital	GENFD0002329322	93.855	—	15,704
Cekjara Medical, LLC	STR Phase II	93.855	—	291,848
University of California San Francisco	10797sc	93.855	—	15,538
University of Florida	SUB00001749	93.855	—	30,209
University of North Carolina Chapel Hill	5112871	93.855	—	16,630
University of North Carolina Chapel Hill	5116806	93.855	—	1,113
University of North Carolina Chapel Hill	5127749	93.855	—	69,502
University of Utah	10057734 UV	93.855	—	169,748
Subtotal			—	610,292
American Society for Cell Biology	UVM2R25GM116707-03	93.859	—	21,688
MaineHealth	111605-ROSEN-CTR-1	93.859	—	1,603,422
MaineHealth	111699-ROSEN-CTR	93.859	—	17
MaineHealth	CTR_Year 5 pilot-Floreani	93.859	—	3,229

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**  
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 Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
MaineHealth	CTR-Pilot-Yr6-UVM-Frietze	93.859	\$ —	60,587
MaineHealth	CTRPilotYr6UVMvanEeghen	93.859	—	57,817
MaineHealth	CTR-Year 5 Pilot-Kaminsky	93.859	—	162
MaineHealth	MH-Sawyer-111410-CraigUV	93.859	—	1,155
MaineHealth	CTR-Pilot-Yr6-Belardino	93.859	—	16,270
MaineHealth	CTR-Pilot-Yr7-MRosen-UVM	93.859	—	2,597
MaineHealth	CTR-Pilot-Yr7-UVM-Smith	93.859	—	28,279
MaineHealth	CTR-UVMDataSciSupp-111791	93.859	—	157,979
MaineHealth	CTR-UVM-EHRSupp-111780	93.859	—	422,798
MaineHealth	CTR-UVM-N3CSupp-111811	93.859	—	68,023
MaineHealth	CTR-UVM-Supp-111764	93.859	—	155,705
Mayo Clinic Jacksonville	UNI-251795-04	93.859	—	4,998
Purdue University	11001435-002	93.859	—	97,153
Purdue University	11001520-005	93.859	—	32,723
State University of New York	93818-UV	93.859	—	68,773
Tufts University	103716-00001	93.859	—	43,941
West Virginia University	23-278-UVT-Yr1	93.859	—	84,174
Subtotal			—	2,931,489
New York University	20-A1-00-1002855	93.865	—	2,215
Research Foundation of SUNY	R1173728	93.865	—	58,213
Research Foundation of SUNY	R1325273	93.865	—	25,017
RTI International	2-312-0218259-66958L	93.865	—	6,154
Stanford University	62936573-153996	93.865	—	2,743
University of Connecticut	UCHC7-143456319	93.865	—	24,223
Subtotal			—	118,564
Boston University	4500003476	93.866	—	42,249
Healthy Design Ltd. Co.	Healthy Design Ltd.	93.866	19,271	19,271
University of Colorado	FY19.875.003	93.866	—	31,268
University of Miami	OS00001239	93.866	—	69,840
University of Minnesota	D010722001	93.866	—	48,504
University of North Carolina Chapel Hill	5124099	93.866	—	112,805
University of North Carolina Chapel Hill	5127155	93.866	—	273,870
University of North Carolina Chapel Hill	5130577	93.866	—	733,339
University of Wisconsin-Madison	0000000692	93.866	—	84,625
Vanderbilt University Medical Center	VUMC99326	93.866	—	7,639
Vanderbilt University Medical Center	VUMC115921	93.866	—	7,651
Virginia Commonwealth University	FP00019249_SA001	93.866	—	65,160
Wake Forest University	116-33664-10000551083	93.866	—	51,419
Wake Forest University	1517-45107-11000000181	93.866	—	50,770
University of Wisconsin-Madison	0000002509	93.867	—	25,031
University of Wisconsin-Madison	0000003272	93.867	—	7,932
Subtotal			19,271	1,634,375
Emory University	A132491	93.879	—	94,177
Phrase Health, Inc.	1/11/2022	93.879	—	40,050
Subtotal			—	134,227
Vermont AHS Department of Health	03420-09892	93.898	—	89,039
Subtotal			—	89,039
Dartmouth-Hitchcock Clinic	GC10316-01	93.969	—	8,777
Subtotal			—	8,777
Department of Health and Human Services Pass Through Subtotal			111,171	14,280,235
Department of Health and Human Services Total			11,081,342	78,561,675
Department of Homeland Security:				
Mississippi State University	193700.362394.02	97.005	—	301,644
Mississippi State University	193700.364108.02	97.005	—	40,591
Vermont Agency of Natural Resources	45317	97.023	—	4,812
Department of Homeland Security Pass Through Subtotal			—	347,047
Department of Homeland Security Total			—	347,047
United States Agency for International Development				
CIAT International Center Tropical Ag	C-002-2	98.000	—	180,744
Subtotal			—	180,744
Innovations for Poverty Action	SCI-21-10003-X1	98.001	—	3
Innovations for Poverty Action	SCI-21-10006-X1	98.001	—	(37)
Innovations for Poverty Action	SCI-22-10010-X1	98.001	—	(37)
Subtotal			—	(71)
United States Agency for International Development Pass Through Subtotal			—	180,673
United States Agency for International Development Total			—	180,673
Research and Development Cluster Total			22,645,453	138,628,180
Student Financial Assistance Cluster:				
Federal Supplemental Education Opportunity Grant	Direct	84.007	—	2,049,922
Federal Work Study Program	Direct	84.033	—	1,301,112
Federal Perkins Loan Program (note 2)	Direct	84.038	—	999,894
Federal Pell Grant Program	Direct	84.063	—	8,668,821
Federal Direct Loan Program	Direct	84.268	—	84,913,417
Health Professions Student Loan program (note 2)	Direct	93.342	—	8,332
Nursing Student Loans (note 2)	Direct	93.364	—	788,861
Student Financial Assistance Cluster Total			—	98,730,359
Medicaid Cluster:				
University of Massachusetts	CM-CFSVC-17785	93.778	—	10,659
Vermont AHS Dept Vermont Health Access	43977	93.778	—	253,124
Vermont AHS Department of Health	003420-08915	93.778	—	6
Vermont AHS Department of Health	03420-08916	93.778	—	99,735
Vermont AHS Department of Health	03420-09452	93.778	—	(186,962)
Vermont AHS Department of Health	03420-08732	93.778	—	373,732
Vermont AHS Department of Health	03420-09926	93.778	—	50,071
Vermont AHS Department of Health	03420-09927	93.778	247,546	377,017
Vermont AHS Department of Health	03420-09966	93.778	—	5,447,640
Medicaid Cluster Total			247,546	6,425,022

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**  
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 Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
<b>Other Programs:</b>				
<b>Department of Agriculture (USDA):</b>				
Institute of Rural Partnership	Direct	10.238	\$ —	6,629,926
Agriculture and Food Research Initiative	Direct	10.310	—	44,458
Food Safety Outreach Program	Direct	10.328	—	44,796
Smith-Lever Extension Funding	Direct	10.511	—	1,274,057
Expanded Food and Nutrition Education Program	Direct	10.514	—	230,726
Renewable Resources Act and National Focus Fund Projects	Direct	10.515	—	46,667
Partnership Agreements	Direct	10.699	—	19,635
Research Joint Venture and Cost Reimbursable Agreements	Direct	10.707	—	21,769
Other Department of Agriculture Direct Subtotal			—	8,312,003
Specialty Crop Block Grant Program - Farm Bill	02200-SCBGP-20-05	10.170	—	7,769
Farmers Market and Local Food Promotion Program	UVM 34934	10.175	—	2,938
Dairy Business Innovation Initiatives	02200-DBIC-21-03	10.176	—	86,504
Dairy Business Innovation Initiatives	02200-DBIC-G3A-23-UVM-01	10.176	—	151,202
Extension Collaborative on Immunization Teaching & Engagement	EXCB-2024-2509	10.229	—	11,688
Agriculture and Food Research Initiative (AFRI)	UMS2206	10.310	—	5,388
Cooperative Extension Service	F9001573902023	10.500	55,016	67,882
Cooperative Extension Service	17001094-044	10.500	—	10
Agriculture Risk Management Education Partnerships Competitive Grants Program	UDR0000528	10.520	—	3,113
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	03420-09561	10.561	—	16,952
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	03420-10010	10.561	—	25,870
Cooperative Forestry Assistance	06130-UVMLSR-01	10.664	—	32,100
Subtotal			55,016	411,416
Other Department of Agriculture Pass Through Subtotal			55,016	411,416
Other Department of Agriculture Total			55,016	8,723,420
<b>Department of Commerce:</b>				
Climate and Atmospheric Research	UMS1397	11.431	—	17,420
Other Department of Commerce Pass Through Subtotal			—	17,420
Other Department of Commerce Total			—	17,420
<b>Department of the Interior:</b>				
American Battlefield Protection	FAN P23AP01908-00	15.926	—	8,351
Other Department of the Interior Pass Through Subtotal			—	8,351
Other Department of the Interior Total			—	8,351
<b>Department of Labor:</b>				
Community Project Funding/Congressionally Directed Spending	Direct	17.289	—	7,851
Other Department of Labor Pass Through Subtotal			—	7,851
Other Department of Labor Total			—	7,851
<b>Department of Transportation :</b>				
Highway Training and Education	Direct	20.215	—	24,957
Other Department of Transportation Direct Subtotal			—	24,957
Highway Research and Development Program	58,926	20.200	—	8,704
Highway Planning and Construction	GR1670	20.205	—	5,658
Highway Planning and Construction	PS0962-WA00001	20.205	—	(551)
Highway Planning and Construction	PS0962-WA00002LVRT010-300	20.205	—	1,392
Highway Planning and Construction	PS0962-WA00003 LVRT12-300	20.205	—	15,625
Highway Planning and Construction	PS0962-WA00004 LVRT11-300	20.205	—	28,483
Highway Planning and Construction	58793.01	20.205	—	39,480
Highway Planning and Construction	58926.02	20.205	—	8,185
Highway Planning and Construction	PS0962-WA00006	20.205	—	10,307
Highway Planning and Construction	PS0962-WA00007 A6240-000	20.205	—	8,483
Highway Planning and Construction	PS0962-WA00008	20.205	—	4,552
Highway Planning and Construction	PS0962-WA00009	20.205	—	2,782
Other Department of Transportation Pass Through Subtotal			—	133,301
Other Department of Transportation Total			—	158,258
<b>Department of the Treasury:</b>				
BAB Subsidy	Direct	21.000	—	188,925
Other Department of the Treasury Direct Subtotal			—	188,925
Coronavirus State and Local Fiscal Recovery Fund	PO#14501Contract#46291	21.027	—	247
Other Department of the Treasury Pass Through Subtotal			—	247
Other Department of the Treasury Total			—	189,171
<b>National Endowment for the Humanities:</b>				
Museums for America	Direct	45.301	—	124,004
Other National Endowment for the Humanities Direct Subtotal			—	124,004
Other National Endowment for the Humanities Total			—	124,004
<b>Department of Veterans Affairs:</b>				
VA Supportive Services for Veteran Families Program	Direct	64.033	497,081	2,454,713
Other Department of Veterans Affairs Direct Subtotal			497,081	2,454,713
Other Department of Veterans Affairs Total			497,081	2,454,713
<b>Environmental Protection Agency:</b>				
Geographic Programs – Lake Champlain Basin Program	LS-2023-100	66.481	—	12,894
Geographic Programs – Lake Champlain Basin Program	LS-2023-118	66.481	—	4,365
Geographic Programs – Lake Champlain Basin Program	21/2024	66.481	—	3,956
Rsch, Developmt, Monitoring, Public Education, Outreach, Training, Demonstrations, and Studies	PSEFMP-2024-2430	66.716	—	7,155
Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements	46124	66.802	—	31,652
Other Environmental Protection Agency Pass Through Subtotal			—	60,021
Other Environmental Protection Agency Total			—	60,021
<b>Department of Energy:</b>				
Conservation Research and Development	EMPOWER	81.086	—	13,082
Conservation Research and Development	2024-VTOCOMM-4	81.086	—	41,975
Other Department of Energy Through Subtotal			—	55,057
Other Department of Energy Total			—	55,057
<b>Department of Education:</b>				
Fund for the Improvement of Postsecondary Education	Direct	84.116Z	—	33,084,775
Subtotal			—	33,084,775

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**  
 Supplementary Schedule of Expenditures of Federal Awards  
 Year ended June 30, 2024

Federal grantor/pass-through grantor/program title	Direct award or pass-through entity identification	Federal ALN	Passed through to subrecipients	Total federal expenditures
TRIO:				
TRIO Upward Bound	Direct	84.047A	\$ —	312,104
Subtotal			—	312,104
Special Education				
Special Education - Personnel Dev to Improve Services and Results for Children with Disabilities	Direct	84.325K	—	165,459
Subtotal			—	165,459
Other Department of Education Direct Subtotal			—	33,562,338
Migrant Education State Grant Program	4253R2192301	84.011A	—	2,238
Migrant Education State Grant Program	4253R2192401	84.011A	—	578,591
Subtotal			—	580,829
Migrant Education Coordination Program	4256R2192401	84.144F	—	31,765
Special Education - State Personnel	AWD00001421	84.323A	—	45,291
Education Stabilization Fund	4617R2192302	84.425A	—	26,627
Subtotal			—	103,683
Other Department of Education Pass Through Subtotal			—	684,512
Other Department of Education Total			—	34,246,850
Department of Health and Human Services:				
Area Health Education Centers	Direct	93.107	269,185	348,969
Maternal and Child Health Federal Consolidated Programs	Direct	93.110	—	548,123
Substance Abuse and Mental Health Services Projects of Regional and National Significance	Direct	93.243	—	600,920
University Centers for Excellence in Developmental Disabilities Education, Research, and Service	Direct	93.632	35,717	39,902
Mental and Behavioral Health Education and Training Grants	Direct	93.732	—	510,239
Lung Diseases Research	Direct	93.838	—	27,579
Other Department of Health and Human Services Direct Subtotal			304,901	2,075,732
Maternal and Child Health Federal Consolidated Program	10897sc	93.110	—	35,536
Subtotal			—	35,536
Injury Prevention and Control Research and State and Community Based Programs	03420-09474	93.136	—	15,226
Injury Prevention and Control Research and State and Community Based Programs	03420-09931	93.136	—	60,172
Injury Prevention and Control Research and State and Community Based Programs	03420-09932	93.136	—	61,022
Subtotal			—	136,419
Grants to States for Loan Repayment	03420-09726	93.165	—	640,634
Grants to States for Loan Repayment	03420-10021	93.165	—	281,718
Subtotal			—	922,353
Telehealth Programs	U1UTH42523	93.211	—	34,688
Health Center Program	10/20/2021	93.224	—	51,681
Substance Abuse and Mental Health Services Projects of Regional and National Significance	0009873/01232023	93.243	—	26,291
Substance Abuse and Mental Health Services Projects of Regional and National Significance	47340	93.243	—	33,903
Immunization Cooperative Agreements	03420-09103	93.268	—	666,105
The Healthy Brain Initiative: Technical Assistance to Implement Public Health Actions related to Cognitive Health, Cognitive Impairment, and	03420-10126	93.334	—	19,714
Activities to Support State, Tribal, Local and Territorial (STLT) Health Department Response to Public Health or Healthcare Crises	03420-10127	93.391	—	44,076
Subtotal			—	876,457
The National Cardiovascular Health Program	03420-09247	93.426	—	(3,334)
Every Student Succeeds Act	03420-09828	93.434	—	196,214
Every Student Succeeds Act	Early MTSS PD	93.435	—	15,080
ACL Assistive Technology	42716	93.464	—	239,648
Subtotal			—	447,608
Foster Care Title IV-E	41277 Amendment 2	93.658	—	2,009,389
Foster Care Title IV-E	41277_A1	93.658	—	28,323
Subtotal			—	2,037,712
Rural Health Care Serv Outreach, Rural Health Network Dev and Small Health Care Prov Quality Imp	3.1.2021	93.912	—	95,592
Subtotal			—	95,592
Maternal and Child Health Services Block Grant to the States	03420-09010	93.994	—	12,416
Subtotal			—	12,416
Other Department of Health and Human Services Pass Through Subtotal			—	4,564,093
Other Department of Health and Human Services Total			304,901	6,639,826
Department of Homeland Security:				
Financial Assistance for Targeted Violence and Terrorism Prevention	Direct	97.132	—	296,433
Other Department of Homeland Security Direct Subtotal			—	296,433
Non-Profit Security Program	02140-7N22111-109	97.008	—	16,433
Other Department of Homeland Security Pass Through Subtotal			—	16,433
Other Department of Homeland Security Total			—	312,866
Total Other Programs			856,999	52,997,806
Total Expenditures of Federal Awards			\$ 23,749,998	296,781,367

See accompanying independent auditors' report and notes to supplementary schedule of expenditures of federal awards.

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

Notes to Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

**(1) Basis of Presentation**

The accompanying supplementary schedule of expenditures of federal awards (the Schedule) includes the federal grant activity of University of Vermont and State Agricultural College (the University) and is presented on the accrual basis of accounting. The information in the Schedule is presented in accordance with the requirements of the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. For the year ended June 30, 2024, the University's discretely presented components units did not administer any federal awards.

For purposes of the Schedule, and except as noted below, federal awards include all grants, contracts and similar agreements entered into directly between the University and agencies and departments of the federal government and all subawards to the University by nonfederal organizations pursuant to federal grants, contracts and similar agreements. Grants made from the University to other organizations are shown separately on the Schedule as passed through to subrecipients.

**(2) Loan Activity**

Loan activity under federal programs was as follows:

	<u>CFDA number</u>	<u>Outstanding balances at June 30, 2023</u>	<u>Disbursements in fiscal 2024</u>	<u>Outstanding balances at June 30, 2024</u>
Federal Perkins Loan Program	84.038	\$ 999,894	—	—
Health Professions Student Loans Program	93.342	8,332	—	3,675
Nursing Student Loans	93.364	<u>657,973</u>	<u>130,888</u>	<u>631,168</u>
Total federal loan programs		\$ <u>1,666,199</u>	<u>130,888</u>	<u>634,843</u>

Under Federal law, the authority for schools to make new loans under the Federal Perkins Loan Program ended on September 30, 2017, and final disbursements were permitted through June 30, 2018. As required by the Uniform Guidance, the amount shown on the Schedule as expenditures for the Perkins Loan Program is equal to the balance of loans outstanding at June 30, 2023. In fiscal 2024, the University completed liquidation of its Federal Perkins Loan portfolio and will no longer service Perkins Loans. Fully paid Perkins Loans have been retired and all outstanding Perkins Loans have been transferred to the Department of Education for management and collection. Perkins loan portfolio liquidation procedures were included in the scope of the University's Uniform Guidance audit for the year ended June 30, 2024.

Expenditures reported on the Schedule for the Health Professions Student Loans Program and the Nursing Student Loans represent the outstanding balance at June 30, 2023 plus fiscal 2024 disbursements. There were no disbursements for the Health Professions Student Loans Program during the year ended June 30, 2024.

## UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Notes to Supplementary Schedule of Expenditures of Federal Awards

Year ended June 30, 2024

With respect to the Federal Direct Loan Program, the University is responsible only for the performance of certain administrative duties and, accordingly, these loans are not included in the University's financial statements. It is not practical to determine the balances of loans outstanding under this program at June 30, 2024.

### **(3) Direct and Indirect Federal Award Expenditures**

Federal award expenditures consist of direct and indirect costs, which are commonly referred to as facilities and administrative costs (F&A). Direct costs are those that can be readily identified with an individual federally sponsored project. The salary of a principal investigator of a sponsored research project and the materials consumed by the project are examples of direct costs.

Unlike direct costs, indirect costs cannot be readily identified with an individual federally sponsored project. Indirect costs are the costs of services and resources that benefit both sponsored and non-sponsored projects and activities. Indirect costs consist of expenses incurred for administration, library, plant maintenance, and building and equipment depreciation.

The University and federal agencies use an indirect cost rate to charge indirect costs to individual federally sponsored projects. The rate is a result of a number of complex cost allocation procedures that the University uses to allocate its indirect cost to both sponsored and non-sponsored activities. Rates are negotiated with and approved by the University's cognizant audit agency, the U.S. Department of Health and Human Services.

### **(4) Indirect Cost Rate**

The University has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.



KPMG LLP  
Two Financial Center  
60 South Street  
Boston, MA 02111

**Independent Auditors' 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***

The Honorable Douglas Hoffer,  
Auditor of Accounts, State of Vermont  
and

The Board of Trustees of University of Vermont and State Agricultural College:

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 aggregate discretely presented component units of University of Vermont and State Agricultural College (collectively, the University), a component unit of the State of Vermont, which collectively comprise the University's basic financial statements as of June 30, 2024, and have issued our report thereon dated November 12, 2024. Our report includes a reference to other auditors who audited the financial statements of University Medical Education Association, Inc., a discretely presented component until, as described in our report on the University's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the University'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 opinion on the basic financial statements, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control. Accordingly, we do not express an opinion on the effectiveness of the University'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 University's basic 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 University'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.

*KPMG LLP*

Boston, Massachusetts  
November 12, 2024



KPMG LLP  
Two Financial Center  
60 South Street  
Boston, MA 02111

**Independent Auditors' Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on Supplementary Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

The Honorable Douglas Hoffer,  
Auditor of Accounts, State of Vermont  
and  
The Board of Trustees of University of Vermont and State Agricultural College:

**Report on Compliance for Each Major Federal Program**

*Opinion on Each Major Federal Program*

We have audited University of Vermont and State Agricultural College's (the University's) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the University's major federal programs for the year ended June 30, 2024. The University's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the University complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2024.

*Basis for Opinion on Each Major Federal Program*

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the University and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the University's compliance with the compliance requirements referred to above.

*Responsibilities of Management for Compliance*

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the University's federal programs.

*Auditors' Responsibilities for the Audit of Compliance*

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the



University's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the University's compliance with the requirements of each major federal program as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 University's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the University's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### **Report on Internal Control Over Compliance**

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.



The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

**Report on Supplementary Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the business-type activities and aggregate discretely presented component units of the University, a component unit of the State of Vermont, as of and for the year ended June 30, 2024, and the related notes, which collectively comprise the University's basic financial statements, and have issued our report thereon dated November 12, 2024, which contained an unmodified opinion on those basic financial statements. Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The accompanying supplementary schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is 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 GAAS. In our opinion, the supplementary schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

*KPMG LLP*

February 26, 2025

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

**(1) Summary of Auditors' Results**

*Financial Statements*

Type of auditors' report issued on whether the financial statements were prepared in accordance with U.S. generally accepted accounting principles:

Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? \_\_\_\_\_ yes   X   no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes   X   none reported

Noncompliance material to the financial statements noted?

\_\_\_\_\_ yes   X   no

*Federal Awards*

Internal control deficiencies over major programs:

- Material weakness(es) identified? \_\_\_\_\_ yes   X   no
- Significant deficiency(ies) identified that are not considered to be material weakness(es)? \_\_\_\_\_ yes   X   none reported

Type of auditors' report issued on compliance for major programs:

Unmodified

Audit findings disclosed that are required to be reported in accordance with 2 CFR?

\_\_\_\_\_ yes   X   no

*The University's major programs were as follows:*

<u>Name of federal program or cluster</u>	<u>Federal ALN</u>
Student Financial Assistance Cluster	Various
Institute of Rural Partnership	10.238

Dollar threshold used to distinguish between type A and type B programs:

\$3,000,000

Auditee qualified as low-risk auditee?

  X   yes \_\_\_\_\_ no

**UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE**

Schedule of Findings and Questioned Costs

Year ended June 30, 2024

**(2) Findings Relating to the Financial Statements Reported in Accordance with *Government Auditing Standards***

None.

**(3) Findings and Questioned Costs Relating to Federal Awards**

None.