University of Vermont

ANNUAL 2025 Financial Report

University of Vermont

Cover Photo: UVM Athletic Communications

UNIVERSITY OF VERMONT
AND STATE AGRICULTURAL COLLEGE

Table of Contents

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

Independent Auditors' Report

The Honorable Douglas Hoffer,
Auditor of Accounts, State of Vermont
and
The Board of Trustees of the 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 the University of Vermont and State Agricultural College (collectively, the University), as of and for the years ended June 30, 2025 and 2024, 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, 2025 and 2024, 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 12% and 13%, respectively, of the total assets of the aggregate discretely presented component units as of June 30, 2025 and 2024, and 7% 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 audit 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 audit. 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 postretirement benefit obligations 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 GAAS, 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 5, 2025 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 5, 2025

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, 2025 and 2024, 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" or "UVM") 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 11,595 undergraduate students and 2,266 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

On July 1st, 2025, Dr. Marlene Tromp joined the University as its 28th president. Strategic planning initiatives to shape UVM's future began soon after with focuses on fostering open, transparent engagement, honoring Vermont's distinctive character, and underscoring the University's Our Common Ground values. In the meanwhile, the University has worked under the pre-existing strategic vision, *Amplifying Our Impact,* which utilized 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 built on that legacy by making the success of its students and alumni a core measure in everything it does. The University focused on ensuring that it offers a vibrant educational experience, that it remained affordable and accessible to a broad and diverse population, and that it provided 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 accelerated and enhanced these distinctive strengths, positioning the University as the preeminent institution for innovative and sustainability-focused solutions. Articulation of distinctive strengths grew corporate, philanthropic, foundation, and federal partnerships to enhance UVM's research portfolio, impact and recognition, and made 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 worked to create a more streamlined gateway for Vermonters to learn about and access the many resources the University offers.

Achievements toward the strategic direction in fiscal 2025 include:

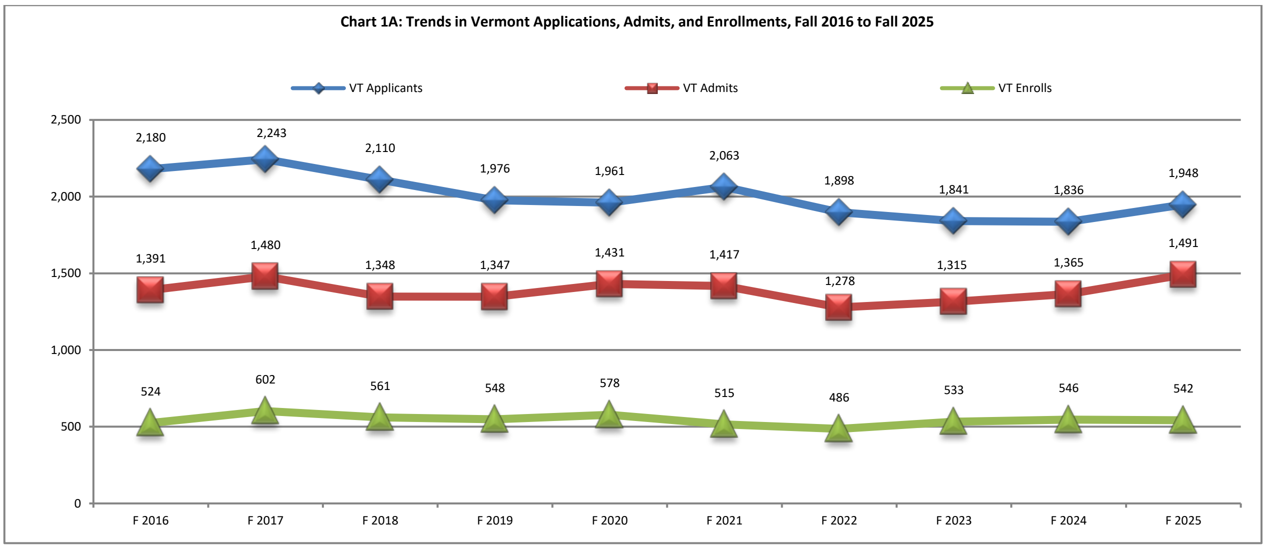
- Launching a research incubator in partnership with BioInnovations that provides startups with technology, equipment, and direct collaboration with faculty at the Larner College of Medicine.
- Creating the world's largest experiential co-op program in the Grossman School of Business with a $15 million gift from the Grossman Family Foundation.
- Expanding the UVM Promise, enabling more students from Vermont households to attend the state's flagship public university tuition-free beginning in Fall 2025 by increasing the adjusted gross income requirement to $100,000.
- Approval of construction for the new Student Medical Clinic, a fully accessible medical clinic within walking distance for most students living on campus, representing an investment in student health, wellbeing, retention, and success.

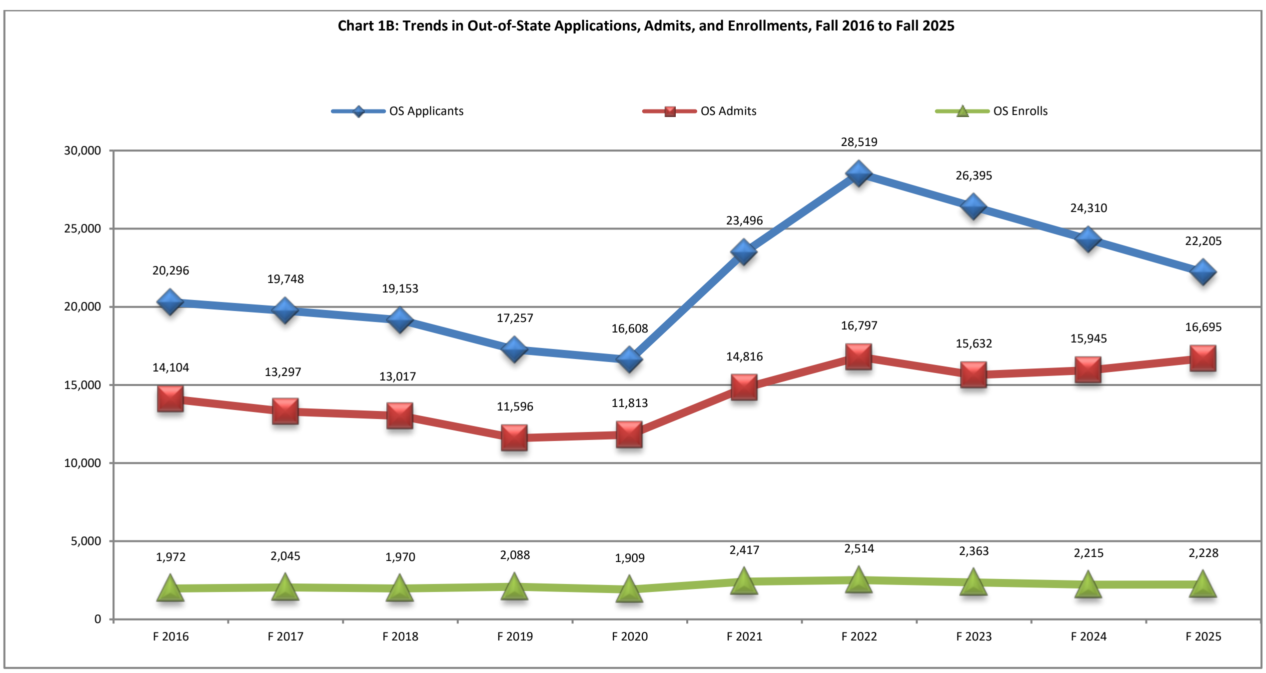
Financial Highlights

A. Revenues

In the fall of 2025, the University enrolled 11,595 students in more than 100 undergraduate majors, 1,779 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 79% of the undergraduates enrolled in the fall of 2025 from New England and the Middle Atlantic States, including 20% of its undergraduate students from Vermont. Graduate and Certificate student enrollment from Vermont represented 41.7%.

Final numbers for the fall of 2025 show total applications are over 24,000. This represents an increase of 7.5% since 2016, with in-state applications decreasing 10.6% and out-of-state applications increasing 9.4% for the same period. Total admissions increased for that period by 17.4%, with in-state admissions increasing 7.2% and out-of-state admissions increasing 18.4%. From fall 2016 through fall 2025, total first-time, first year enrollments were close to 2,800, increasing by 11.0%, with in-state enrollments increasing by 3.4% and out-of-state enrollments increasing by 13.0%. Trends in applications, admits, and enrollments can be seen in Charts 1A and 1B.





The University and its Board of Trustees continue to contain increases in tuition and fees with the average annual increases for in-state and out-of-state held to 1.2% and 1.5%, respectively, from 2017 through 2025. Table 1 presents tuition and fees, as well as room and board for that period.

Table 1: In-State and Out-of-StateTuition and Fees

	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	Average Annual % Increase
In-State Tuition and Fees	$ 17,740	18,276	18,802	19,002	19,002	18,890	18,890	19,058	1.23 %
Out-of-State Tuition and Fees	41,356	42,516	43,690	43,890	43,890	43,890	43,890	45,502	1.52 %
Room (Double)	7,900	8,196	8,502	8,756	8,756	8,786	8,786	9,048	2.16 %
Board (Average Meal Plan)	4,122	4,266	4,414	4,568	4,568	4,568	4,568	4,728	2.31 %
Total, In-State Cost	$ 29,762	30,738	31,718	32,326	32,326	32,244	32,244	32,834	
Increase Over Previous Year	3.06 %	3.28 %	3.19 %	1.92 %	— %	(0.25)%	— %	1.83 %	1.63 %
Total, Out-of-State Cost	$ 53,378	54,978	56,606	57,214	57,214	57,244	57,244	59,278	
Increase Over Previous Year	2.76 %	3.00 %	2.96 %	1.07 %	— %	0.05 %	— %	3.55 %	1.68 %

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 $33.4 million or 13.0% from $257.3 million in fiscal 2024 to $290.7 million in fiscal 2025. This growth is primarily due to additional sponsored project awards as well as funding from the University of Vermont Medical Center, Inc, to offset facilities and operation costs. Included in the $290.7 million is facility and administrative cost recoveries of $41.8 million and additional commitment funds from University of Vermont Medical Center, Inc. of $29.0 million.

During fiscal 2025, the University was awarded over $186.8 million in sponsored funds, 83.8% of which were for research activities. Approximately 60.2% of sponsored funds awarded during fiscal 2025 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 2025 decreased $1.1 million, or 1.9%, compared to fiscal 2024 and increased $1.6 million, or 2.8%, in fiscal 2024 compared to fiscal 2023. Capital appropriations received in fiscal 2025 totaled $3.0 million. No capital appropriations were received in fiscal 2024.

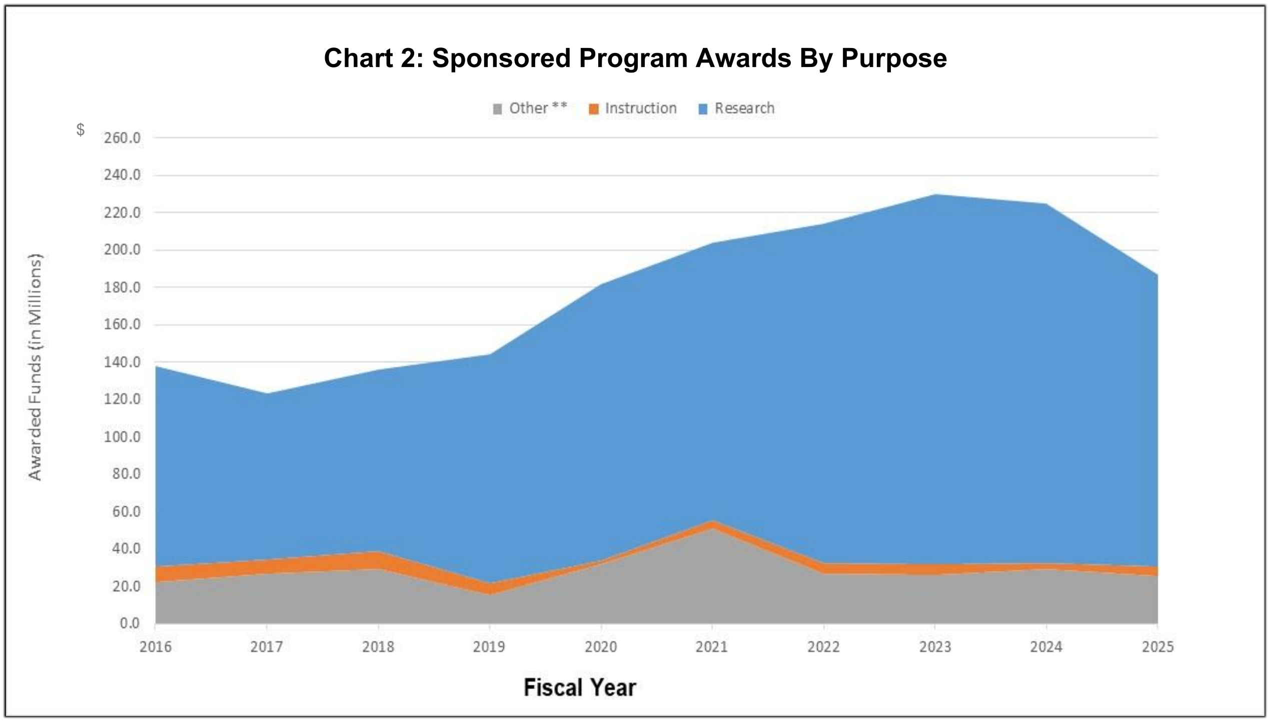


Chart 2 presents the activity of sponsored programs over the past decade.

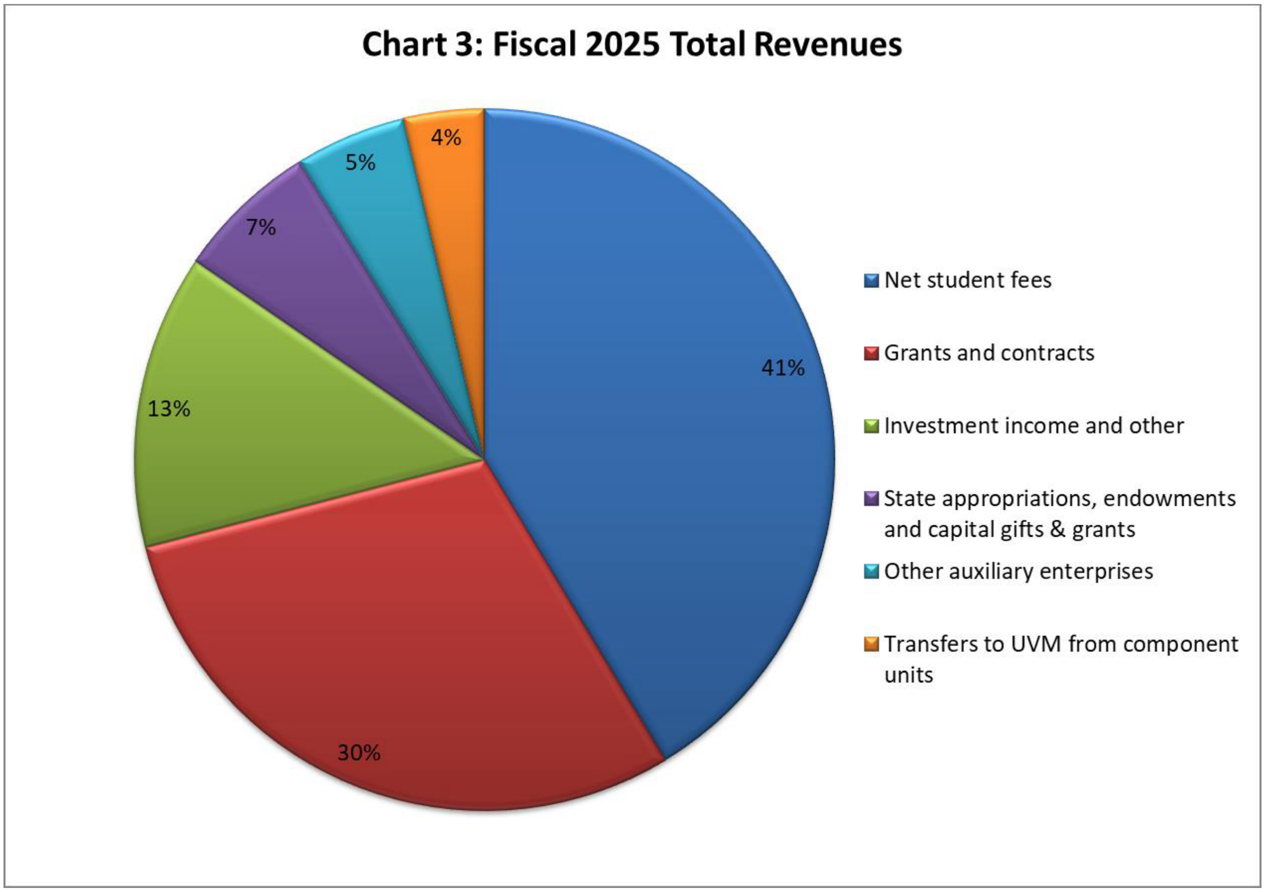


Chart 3 shows the University's fiscal 2025 revenue streams. Given the University's mission of instruction, research, and public service, the vast majority of the University's revenues are generated by net student fees (41%) and grants and contracts (30%).

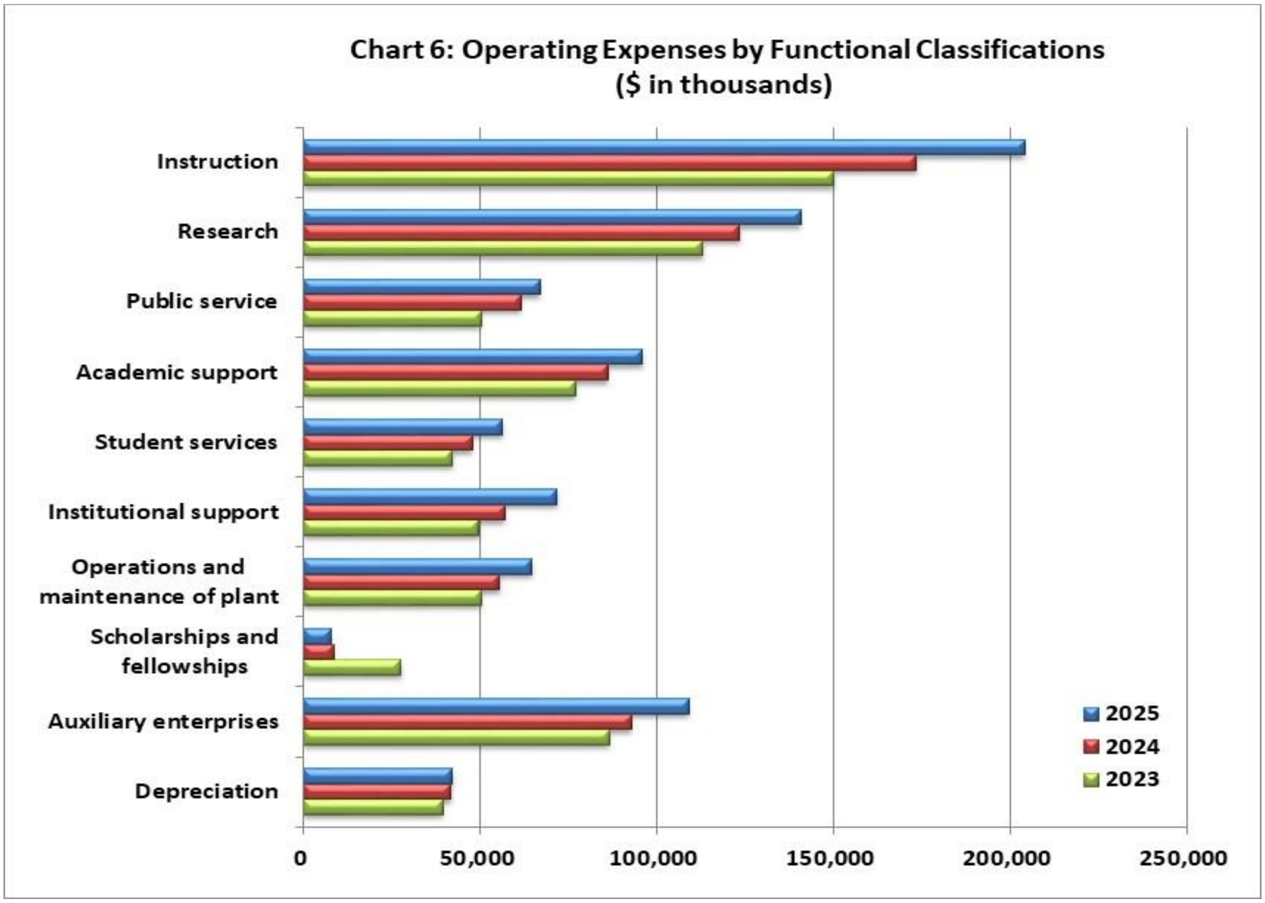


Chart 4 shows the three-year trend for revenue streams. Net student fees are comprised of tuition and fees, housing and dining fees, and student financial aid.

B. Operating and Capital Expenditures

The University's operating expenses increased by $111.8 million or 15.0% in 2025 from the 2024 level compared to an increase of $62.0 million in 2024 from 2023. The fiscal 2025 increase is comprised of growth in compensation and benefit expense of $86.6 million, supplies and services of $25.5 million and depreciation of $0.4 million. Scholarship and fellowship expense decreased by $0.7 million.

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

Supplies and services increased in fiscal 2025 over fiscal 2024 levels due to increased subrecipient expenditures on sponsored agreements, additional investment in non-capital equipment, higher dining contract costs and contractual payments under rental agreements.

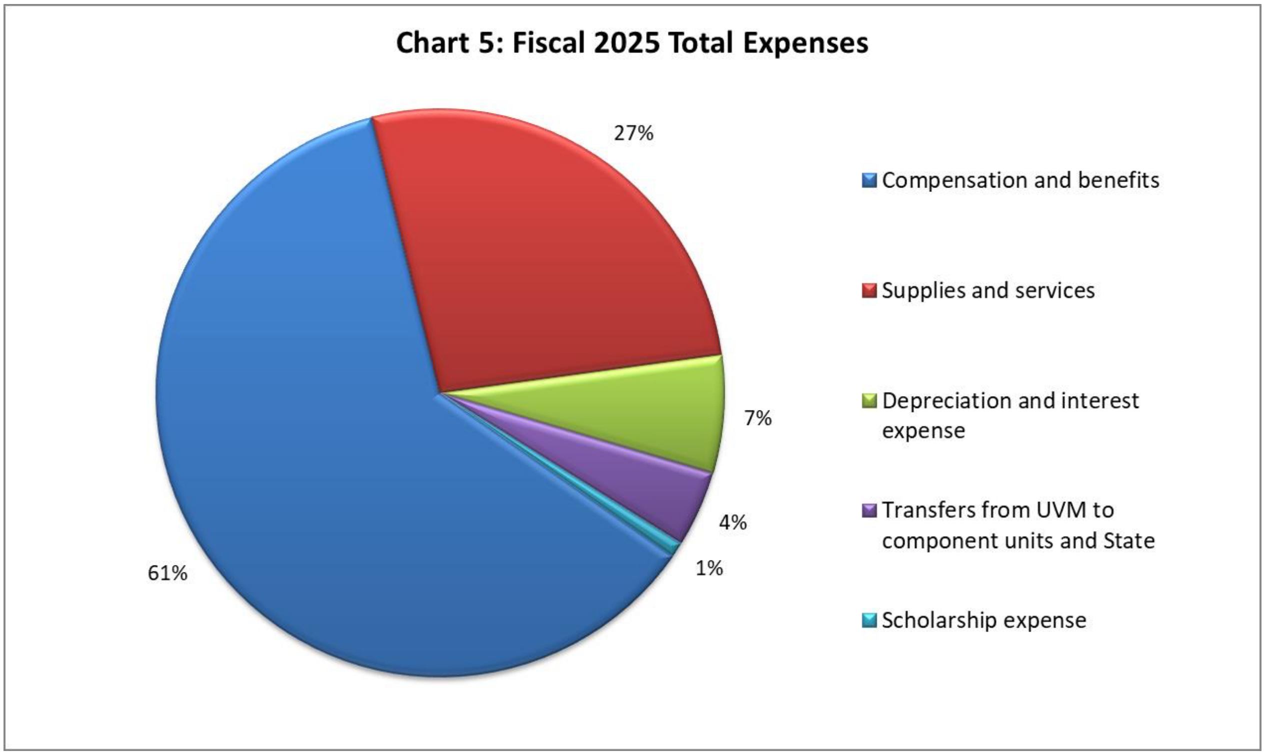


Chart 5 displays the University's fiscal 2025 expenses. The University's largest expense is compensation and benefits followed by supplies and services.

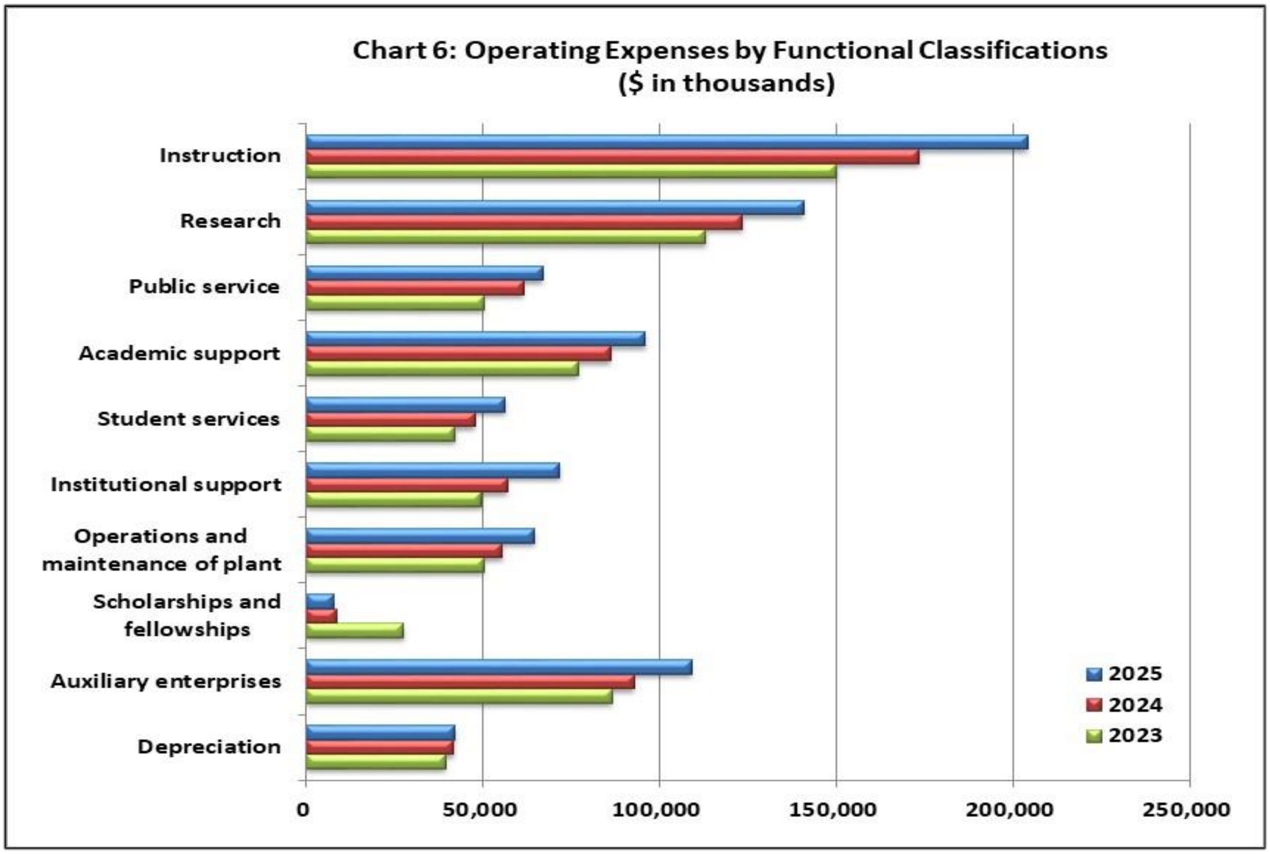


Chart 6 displays the University's operating expenses for the past three years by functional, rather than natural, classification. The impact of increasing costs can be seen in most functional categories. Scholarship and fellowships decreased due to a change in the tuition discounting allocation methodology.

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, 2025 and 2024 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 in an aggregated column for all discretely presented component units on the University's Statements of Net Position and Statements of Revenues, Expenses and Changes in Net Position. Additionally, combining Statements of Net Position and Revenues, Expenditures and Changes in Net Position for the discretely presented component units are presented.

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.

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

		2025	2024	2023
Assets and deferred outflows of resources				
Cash and operating investments	$	428,663	422,607	416,356
Endowment, capital, and similar investments		669,255	625,810	591,404
Capital and right of use assets, net		738,208	734,179	742,925
Other assets and deferred outflows of resources		351,573	359,419	169,371
Total assets and deferred outflows of resources	$	2,187,699	2,142,015	1,920,056
Liabilities and deferred inflows of resources				
Postemployment benefits	$	538,923	585,202	460,728
Long-term debt		518,464	531,759	544,331
Other liabilities and deferred inflows of resources		180,193	137,691	140,209
Total liabilities and deferred inflows of resources		1,237,580	1,254,652	1,145,268
Net investment in capital assets		218,461	203,863	200,460
Restricted:				
Non-expendable		175,721	172,862	167,205
Expendable		473,695	439,050	418,089
Unrestricted		82,242	71,588	(10,966)
Total net position	$	950,119	887,363	774,788

As shown in Table 2, cash and operating investments have increased over the last three fiscal years including 1.4% in fiscal 2025 and 1.5% in fiscal 2024. Operating investments included in this total $214.9 million, $264.1 million, and $248.8 million in fiscal 2025, 2024, and 2023, 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 2025, by $43.4 million or 6.9%, and fiscal 2024, by $34.4 million or 5.8%. Included in this balance are endowment cash, cash equivalents and investments of $571.1 million, $537.5 million, and $508.9 million in fiscal 2025, 2024, and 2023, respectively. Both fiscal 2025 and fiscal 2024 were impacted by market performance. Additional gifts to the endowment also increase these balances.

Capital and right of use assets, net, saw an increase of $4.0 million or 0.5% in fiscal 2025 with a decrease of $8.7 million or 1.2% in fiscal 2024. Right of use assets, net, grew by $5.9 million, primarily due to new or modified lease and subscription-based information technology arrangements. Capital assets, net, decreased with depreciation expense of $38.8 million and disposals of $256 thousand, offset by additions of $37.2 million.

Other assets and deferred outflows of resources includes accounts, loans, notes, and pledges receivable, inventories and prepaid expenses, other equity interest and deferred outflows due to loss on refunding of debt and post-employment benefits. Fiscal 2025 saw a decrease from fiscal 2024 of $7.8 million or 2.2% and an increase in fiscal 2024 from fiscal 2023 of $190.0 million or 112.2%. The decrease in fiscal 2025 is mostly due to a decrease to the post-employment benefits deferred outflows of $22.1 million stemming from the effect of liability gains or losses and assumption changes offset by growth in accounts, loans, notes and pledges receivable of $16.3 million.

Postemployment benefits, which represent 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, decreased $46.3 million or 7.9% in fiscal 2025 and increased $124.5 million or 27.0% in fiscal 2024. The University changed medical carriers for the Medicare Advantage plans in fiscal 2024. The carrier change, along with discount rate changes and trend updates caused fluctuations in the postemployment benefits since.

Long-term debt decreased in fiscal years 2025 and 2024 due to debt service payments offset by new or modified operating leases and subscription-based information technology arrangements. In fiscal year 2025, the decrease of $13.3 million, or 2.5%, was the result of debt service payments of $19.2 million and new or modified liabilities of $5.9 million. 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.

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 and advance payments for tuition and grants and contracts are also included in this total. Other liabilities and deferred inflows of resources decreased from fiscal 2024 to fiscal 2025 by 30.9% or $42.5 million from $137.7 million to $180.2 million. The increase is primarily attributed to additional accounts payable and accrued liabilities of $31.4 million, unearned revenue, deposits and funds held for others growth of $6.0 million, and new or modified lessor right of use lease deferred inflows of $5.8 million.

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.

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

		2025	2024	2023
Tuition and fees	$	598,383	580,970	563,330
Less student financial aid		(192,760)	(185,938)	(159,438)
Net student fees		405,623	395,032	403,892
Grants and contracts		290,664	257,318	241,406
State appropriations		56,274	57,391	55,828
Transfers to UVM from component units		36,378	27,884	29,622
Other auxiliary enterprises		50,137	44,744	44,713
Investment income (loss) and other		133,336	118,655	83,504
Total operating and non-operating revenues		972,412	901,024	858,965
Compensation and benefits		(563,707)	(477,143)	(411,702)
Supplies and services		(245,350)	(219,811)	(206,595)
Scholarship expense		(7,754)	(8,447)	(27,431)
Depreciation and interest expense		(61,688)	(62,099)	(59,858)
Transfers from UVM to component units and State		(40,955)	(34,444)	(34,300)
Total operating and non-operating expenses		(919,454)	(801,944)	(739,886)
Increase in net position from recurring activities		52,958	99,080	119,079
Capital and endowment appropriations, gifts and grants		8,478	11,073	48,482
Other net non-operating revenue (expense)		1,320	2,422	(447)
Total other changes in net position		9,798	13,495	48,035
Total increase in net position	$	62,756	112,575	167,114

Net student fees increased by 2.7% from $395.0 million in fiscal 2024 to $405.6 million in fiscal 2025. Embedded in the net student fees amount are three components including gross tuition and fees, gross housing and dining fees, and student financial aid. Gross tuition and fees increased by $16.2 million or 3.2% from fiscal 2024 to fiscal 2025 and gross housing and dining fees remained relatively flat, having increased $1.2 million or 1.5%. The increase in gross tuition and fees can be attributed to out-of-state enrollments. Student financial aid increased from fiscal 2024 to fiscal 2025 by $6.8 million or 3.7%. This increase demonstrates the effort to keep tuition affordable. A decrease in net student tuition and fees in fiscal 2024 of 2.2% included a 3.7% increase in gross tuition and fees, a 16.6% increase in student financial aid offset by a 0.3% decrease in gross housing and dining fees from fiscal 2023.

Total state appropriation revenue was $56.3 million in fiscal 2025 and $57.4 million in fiscal 2024.

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 increased in fiscal 2025 by $8.5 million from $27.9 million in fiscal 2024 to $36.4 million in fiscal 2025.

Other auxiliary enterprises revenues grew in fiscal 2025 by $5.4 million, or 12.1%, to $50.1 million, and remained stable in fiscal 2024 and 2023 at $44.7 million in both years.

Investment income (loss) and other can be volatile due to the investment markets. There was an increase of $14.7 million or 12.4% in fiscal 2025 from fiscal 2024. This increase was primarily attributable to the net investment income growth in fiscal 2025 of $9.3 million, or 10.7%, from $87.7 million in fiscal year 2024 to $97.0 million in fiscal year 2025. 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.

Compensation and benefits increased $86.6 million, or 18.1%, from $477.1 million in fiscal 2024 to $563.7 million in fiscal 2025. The increase is due to other post-employment benefit expenses along with scheduled wage increases and higher fringe benefit costs.

Supplies and services expenses increased in fiscal 2025 from fiscal 2024 by $25.6 million or 11.6% from $219.8 million to $245.4 million. Increased subcontract expenditures of $4.3 million, additional investment in non-capital equipment of $3.3 million, higher dining contract costs of $4.9 million and contractual payments under rental agreements of $2.8 million were the primary drivers of the increase in fiscal 2025. Total supplies and services increased in fiscal 2024 from fiscal 2023 $13.2 million or 6.4% from $206.6 million to $219.8 million.

Scholarship expense increased $0.7 million, or 8.2%, in fiscal 2025. In fiscal 2024, there was a change of tuition discounting allocation methods resulting in a decrease of scholarship expense of $19.0 million that was reported as student aid against net student fee revenue.

Transfers from UVM to component units and State of $41.0 million, $34.4 million, and $34.3 million in fiscal 2025, 2024, and 2023, 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 2025 had a decrease of $2.6 million from $11.1 million in fiscal 2024 to $8.5 million.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Statements of Net Position

June 30, 2025 and 2024
(Dollars in thousands)

			Discretely Presented Component Units	
	2025	2024	2025	2024
Assets				
Current assets:				
Cash and cash equivalents	$ 213,751	158,538	39,771	34,678
Operating investments	214,912	264,069	123,097	113,207
Accounts, loans, notes, and pledges receivable, net	94,083	77,791	9,740	8,285
Inventories and prepaid expenses	13,807	20,078	704	734
Total current assets	536,553	520,476	173,312	156,904
Non-current assets:				
Endowment cash, cash equivalents and investments	571,133	537,514	310,465	278,317
Student loans, notes, and pledges receivable, net	42,020	37,503	3,806	5,637
Investments for capital activities	88,973	78,740	66	121
Deposits with trustees	9,149	9,556	1,851	1,675
Other assets	28,701	28,701	—	—
Capital and right of use assets, net	738,208	734,179	117,486	73,960
Total non-current assets	1,478,184	1,426,193	433,674	359,710
Total assets	$ 2,014,737	1,946,669	606,986	516,614
Deferred outflows of resources				
Loss on refunding of debt	4,506	4,757	—	—
Postemployment benefits	168,456	190,589	—	—
Total Deferred Outflows of Resources	172,962	195,346	—	—
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$ 129,233	97,842	13,177	15,568
Unearned revenue, deposits, and funds held for others	18,992	13,001	58,010	47,886
Bonds and leases payable	20,473	19,036	605	—
Total current liabilities	168,698	129,879	71,792	63,454
Non-current liabilities:				
Accrued liabilities	10,186	10,349	—	—
Postemployment benefits	434,826	402,125	—	—
Bonds and leases payable	497,991	512,723	57,269	14,033
Total non-current liabilities	943,003	925,197	57,269	14,033
Total Liabilities	$ 1,111,701	1,055,076	129,061	77,487
Deferred inflows of resources				
Right of use leases and service concession arrangement	$ 16,945	11,168	—	—
Split-interest arrangements	4,837	5,331	—	—
Postemployment benefits	104,097	183,077	—	—
Total Deferred Inflows of Resources	125,879	199,576	—	—
Net position				
Net investment in capital assets	218,461	203,863	2,808	2,948
Restricted:				
Non-Expendable	175,721	172,862	265,836	248,532
Expendable	473,695	439,050	126,416	108,954
Unrestricted	82,242	71,588	82,865	78,693
Total Net Position	$ 950,119	887,363	477,925	439,127

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

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Statements of Revenues, Expenses and Changes in Net Position

Years ended June 30, 2025 and 2024
(Dollars in thousands)

			Discretely Presented Component Units	
	2025	**2024**	**2025**	**2024**
Operating revenues				
Tuition and fees	$ 520,993	504,756	—	—
Housing and dining	77,390	76,214	—	—
Less scholarship allowances	(192,760)	(185,938)	—	—
Net student fees	405,623	395,032	—	—
Federal, state, and private grants and contracts	278,785	248,729	989	1,146
Sales and services of educational activities	8,416	9,574	—	—
Other auxiliary enterprises	50,137	44,744	—	—
Student loan interest and other operating revenues	21,475	20,623	1,873	259
Total operating revenues	764,436	718,702	2,862	1,405
Operating expenses				
Compensation and benefits	(563,707)	(477,143)	(12,758)	(12,505)
Supplies and services	(245,350)	(219,811)	(4,438)	(3,355)
Depreciation and amortization	(41,973)	(41,610)	(1,199)	(368)
Scholarships and fellowships	(7,754)	(8,447)	—	—
Total operating expenses	(858,784)	(747,011)	(18,395)	(16,228)
Operating loss	(94,348)	(28,309)	(15,533)	(14,823)
Non-operating revenues (expenses)				
State appropriations	56,274	57,391	—	—
Federal Pell grants	11,879	8,589	—	—
Private gifts	6,401	772	28,770	24,005
Net investment income	97,044	87,686	31,295	29,909
Interest on indebtedness	(19,715)	(20,489)	(37)	(43)
Gain (loss) on disposal of capital assets	(160)	689	—	—
Net other non-operating revenue (expense)	1,480	1,733	(649)	(681)
Intergovernmental transfers	(25,243)	(22,628)	—	—
Transfers from UVM to component units	(15,712)	(11,816)	13,454	11,671
Transfers to UVM from component units	36,378	27,884	(33,744)	(25,729)
Net non-operating revenues	148,626	129,811	39,089	39,132
Revenue before capital and endowment additions	54,278	101,502	23,556	24,309
State capital appropriations	3,000	—	—	—
Capital gifts and grants	5,351	9,778	—	—
Gifts for endowment purposes	127	1,295	15,242	9,723
Capital contributions from equity partner	—	—	—	57,597
Total capital and endowment additions	8,478	11,073	15,242	67,320
Increase in net position	62,756	112,575	38,798	91,629
Net Position, beginning of Year	887,363	774,788	439,127	347,498
Net Position, end of Year	$ 950,119	887,363	477,925	439,127

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

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Statements of Cash Flows

Years ended June 30, 2025 and 2024
(Dollars in thousands)

		2025	2024
Cash Flows From Operating Activities			
Student fees (net of applicable scholarship allowances)	$	407,838	377,006
Grants and contracts		268,519	239,573
Sales and services of educational activities		8,416	9,574
Sales and services of other auxiliary enterprises		50,137	44,744
Payments to employees and benefit providers		(572,885)	(506,240)
Payments to vendors		(223,176)	(212,909)
Payments for scholarships and fellowships		(7,754)	(8,447)
Other receipts, net		19,953	19,789
Net cash used in operating activities		(48,952)	(36,910)
Cash Flows From Non-Capital Financing Activities			
State general appropriation		56,274	57,391
Federal Pell grants		11,879	8,589
Private gifts for other than capital purposes		6,034	4,137
Intergovernmental transfers		(25,243)	(22,628)
Transfers from UVM to component units		(15,712)	(11,816)
Transfers to UVM from component units		36,378	27,884
Deposits of affiliates and life income payments, net		101	(2,306)
Net cash provided by non-capital financing activities		69,711	61,251
Cash Flows From Capital Financing Activities			
State capital appropriation		3,000	—
Capital grants, gifts and other income		7,043	11,377
Purchases and construction of capital assets		(39,580)	(28,127)
Proceeds from disposal of capital assets		383	818
Principal paid on capital debt		(19,211)	(18,500)
Interest paid on capital debt		(19,708)	(20,622)
Changes in deposits with trustees, net		95	(101)
Net cash used in capital financing activities		(67,978)	(55,155)
Cash Flows From Investing Activities			
Proceeds from sales and maturities of investments		374,361	386,629
Purchase of investments		(245,292)	(360,599)
Interest and dividends on investments, net		12,769	10,603
Call contribution to joint venture		—	(16,086)
Net cash provided by investing activities		141,838	20,547
Net change in cash and cash equivalents		94,619	(10,267)
Cash and cash equivalents - beginning of year		179,599	189,866
Cash and cash equivalents - end of year	$	274,218	179,599
Reconciliation of Operating Loss To Cash Used In Operating Activities			
Operating loss	$	(94,348)	(28,309)
Adjustments to reconcile operating loss to net cash used in Operating Activities:			
Depreciation and amortization expense		41,973	41,610
Changes in assets and liabilities:			
Accounts receivable and loan receivable, net		(14,667)	(20,075)
Inventories and prepaid expenses		5,364	(898)
Accounts payable		4,559	7,036
Unearned revenue, deposits and accrued liabilities		8,167	(36,274)
Net cash used in operating activities	$	(48,952)	(36,910)

Of the cash and cash equivalents for 2025, $213,751 is current and $60,467 is non-current endowment and, for 2024, $158,538 is current and $21,061 is non-current endowment.

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

(1) Summary of Significant Accounting Policies and Presentation

(a) 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 13,861 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 14.

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 33 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. 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, 2025, the University had equity interests in Phase 1 of $12,615 and Phase 2 of $16,086, which are reflected as other assets on the 2025 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 (UVMMC) in coordinating efforts and allocating their resources. UVMMC 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 UVMMC. In addition, UVMMC agrees to pay base payments that help maintain medical facilities owned and managed by the University and the Dana Medical Library. UVMMC 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.

(b) 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.

Effective for fiscal year ended June 30, 2025, the University adopted GASB Statement No. 101, *Compensated Absences*. This Statement requires that liabilities for compensated absences be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. Leave is attributable to services already rendered when an employee has performed the services required to earn the leave. The University changed the methodology for estimating the liability for compensated absences to include sick leave in addition to vacation leave, which was already being recorded. The University calculated the sick leave liability by reviewing past experience and estimating the amount more likely than not to be used within one year. As a result of adopting this pronouncement, the University recognized additional sick leave liability of $3,130 in FY25.

(c) 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.

(d) 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 2025 and 2024 consists of:

		FY25	FY24
Grants and Contracts			
Federal appropriation, grants and contracts	$	203,470	163,812
State grants and contracts		7,133	8,710
Other governmental & private grants and contracts		68,182	76,207
Total	$	278,785	248,729

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 $41.8 million in 2025 and $38.4 million in 2024.

Private grants and contracts include funding of $29.0 million in 2025 and $25.8 million in 2024 to the Robert Larner, M.D. College of Medicine from the University of Vermont Medical Center, Inc. to offset facilities and operation costs.

(e) 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.

(f) 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, 2025, and 2024, are $6,030 and $5,522, 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, 2025, and 2024, is $10,504 and $5,005, respectively.

(g) 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 $87,242 in 2025 and $88,443 in 2024. The total cost for contributions to the RHSP was $1,584 in 2025 and $1,454 in 2024. See footnote 11 for further information about postemployment benefits.

(h) 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, 2025, $33,280 ($28,548 in 2024) was accrued for compensated absences.

(i) 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)

(2) Accounts, Loans, Notes, and Pledges Receivable

Accounts, loans, notes and pledges receivable at June 30, 2025 and 2024 are summarized as follows:

		2025	2024
Accounts, Loans, Notes and Pledges Receivables, Net			
Current:			
Federal, state and private grants receivable	$	45,459	31,387
Student and trade accounts receivable, net		14,583	13,232
Other accounts receivable		29,549	31,505
Student loans receivable, net		2,141	1,667
Pledges receivable, net		2,351	—
Total Current	$	94,083	77,791
Non-Current:			
Student loans receivable, net	$	20,359	19,760
Lease receivable		14,839	10,373
Other notes receivable		4,631	4,631
Pledges receivable, net		2,191	2,739
Total Non-current	$	42,020	37,503

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 other accounts receivable balance includes $1,151 in 2025 from leases and $971 in 2024. The long-term balance from these arrangements are reported as a non-current lease receivable totaling $14,839 in 2025 and $10,373 in 2024. The lease receivables are offset by a deferred inflow of resources totaling $16,945 in 2025 and $10,725 in 2024.

The student accounts receivable are carried net of an allowance for doubtful accounts of $372 in 2025 and $303 in 2024.

Student loans receivable are carried net of an allowance for uncollectible UVM loans. The balances at June 30, 2025 and 2024 were $182 and $221, 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 Health Professions, Primary Care, and Nursing Student loan programs is $1,869 for 2025 and $1,869 for 2024. These amounts are included in non-current accrued liabilities.

(Dollars in thousands)

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 $10,294 in 2025 and $8,923 in 2024 and are presented in accounts, loans, notes and pledges receivable, net on the Statements of Net Position.

(3) Accounts Payable and Current Accrued Liabilities

Accounts payable and current accrued liabilities at June 30, 2025 and 2024 are summarized below:

		2025	2024
Accounts Payable and Current Accrued Liabilities			
Accounts payable and other	$	38,654	34,875
Compensation and benefits		61,023	36,639
Insurance reserves		24,059	20,838
Interest expense		5,497	5,490
Total	$	129,233	97,842

(4) 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 amortized 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 2025 is $33,781 ($33,707 in 2024). Moveable equipment, software systems, research vessels and land improvements depreciation expense is $4,993 for 2025 ($5,230 in 2024). Right of use asset amortization expense totaled $3,199 in 2025 ($2,673 in 2024).

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

(Continued)

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. For those greater than 12 months, the University recognizes an operating lease or subscription liability (footnote 5) 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 used to calculate the present value of the expected contractual payments over the term. 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.

(Dollars in thousands)

The University's net capital and right of use asset activity for the years ended June 30, 2025 and 2024 is summarized as follows:

Fiscal Year 2025

	Balance June 30, 2024	Additions	Retirements	Reclass/ Changes	Balance June 30, 2025
Capital Assets:					
Land	$ 20,627	2,269	—	—	22,896
Land improvements	23,792	1,748	—	—	25,540
Buildings	846,304	12,134	—	—	858,438
Buildings service systems	221,100	8,976	—	—	230,076
Building interiors	105,090	3,007	—	—	108,097
Fixed equipment	112,253	1,203	—	68	113,524
Movebale equipment	39,207	3,688	(441)	654	43,108
Software systems	31,618	—	(2,929)	—	28,689
Construction in progress	19,980	4,166	—	(722)	23,424
Total capital assets	1,419,971	37,191	(3,370)	—	1,453,792
Less: accumulated depreciation	(694,404)	(38,774)	3,114	—	(730,064)
Capital assets, net	725,567	(1,583)	(256)	—	723,728
Right of use assets	13,629	9,259	(1,521)	219	21,586
Less: accumulated amortization	(5,017)	(3,199)	1,110	—	(7,106)
Right of use assets, net	8,612	6,060	(411)	219	14,480
Total capital and right of use assets, net	$ 734,179	4,477	(667)	219	738,208

(Dollars in thousands)

Fiscal Year 2024						
		Balance June 30, 2023	Additions	Retirements	Reclass/ Changes	Balance 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
Buildings 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
Movebale 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)	(2,673)	774	4	(5,017)
Right of use assets, net		4,838	3,290	—	484	8,612
Total capital and right of use assets, net	$	742,925	(9,099)	(131)	484	734,179

(5) Long-Term Debt

Debt obligations are generally callable by the University and bear interest at fixed rates ranging from 1.60% to 4.23%. The debt obligations mature at various dates through 2050.

(Dollars in thousands)

Long term debt activity for the years ended June 30, 2025 and 2024 is summarized as follows:

Fiscal Year 2025						
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)		46,676	—	(13)	(13)	46,702
Series 2014A (2)		58,780	—	2,472	2,592	53,716
Series 2015 (3)		178,832	—	3,293	3,449	172,090
Series 2016 (4)		61,845	—	2,978	3,104	55,763
Series 2017 (5)		51,811	—	2,948	3,078	45,785
Series 2019A (6)		42,625	—	968	1,003	40,654
Series 2019B (7)		65,098	—	2,576	2,681	59,841
Series 2021 (note payable)		8,660	—	1,680	1,705	5,275
Financing lease liability		49	—	22	20	7
Operating lease and subscription liability		8,383	5,916	2,287	2,854	9,158
Total bonds, notes and leases payable	$	531,759	5,916	19,211	20,473	497,991

(1) This balance shown net of bond discount of $ 171
(2) This balance shown net of bond premium of $ 3,738
(3) This balance shown net of bond premium of $ 6,574
(4) This balance shown net of bond premium of $ 7,822
(5) This balance shown net of bond premium of $ 6,993
(6) This balance shown net of bond premium of $ 6,572
(7) This balance shown net of bond premium of $ 11,987

(Dollars in thousands)

Fiscal Year 2024						
		Beginning	New		Ending Balance	
Bonds, Notes and Leases Payable		**Balance**	**Debt**	**Payments**	**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
Financing lease liability		71	—	22	22	27
Operating lease and subscription liability		4,697	5,928	2,242	2,112	6,271
Total bonds, notes and leases payable	$	544,331	5,928	18,500	19,036	512,723

(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

In compliance with the University's various bond indentures, at June 30, 2025 the University has deposits with trustees of $20 ($115 in 2024) 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 (in thousands of dollars)		Principal Due	Interest Due	Total Due
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		19,055	17,325	36,380
2031-2035		107,310	73,376	180,686
2036-2040		136,605	47,158	183,763
2041-2045		113,675	17,133	130,808
2046-2050		20,250	1,777	22,027
Total	$	462,937	234,286	697,223

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, 2025, the average right of use lease term is approximately 9 years, with the farthest lease end date in 2054.

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 outflows (expense) for variable and short-term lease and subscription-based information technology arrangement payments not included in the measurement of the lease liabilities were $18,557 and $11,972 in 2025 and 2024, respectively.

(6) 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:

(Dollars in thousands)

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:

		2025	2024
Cash and Cash Equivalents			
Current	$	213,751	158,538
Endowment		60,467	21,061
Total	$	274,218	179,599

(Dollars in thousands)

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

		2025	2024
Cash and Cash Equivalents			
Cash	$	78,847	47,267
Money Markets		130,242	132,332
Treasury Bills		65,129	—
Total	$	274,218	179,599

The balance of cash held in bank deposit accounts was $87,387 at June 30, 2025 and $57,450 at June 30, 2024. Of these bank balances, $765 in 2025 and $699 in 2024 were covered by the Federal Depository Insurance Corporation. The University had a third-party custodian agreement with Wilmington Trust, through M&T Bank, of $59,649 at June 30, 2025 and $81,409 at June 30, 2024. The University has a letter of credit program of $144,437 as of June 30, 2025 and $185,926 as of June 30, 2024, through the Bank of New York Mellon, as collateral for the University's primary depository and money market account that the University has never drawn on.

Total operating investments of $214,912 at June 30, 2025 and $264,069 at June 30, 2024 were primarily made through comingled funds as described in footnote 7.

(7) 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:

		2025	2024
Investments			
Operating investments	$	214,912	264,069
Endowment cash and investments		571,133	537,514
Investments for capital activities		88,973	78,740
Total	$	875,018	880,323

Deposits with trustees include $7,878 in 2025 and $8,244 in 2024 of assets held under deferred giving arrangements, $1,251 in 2025 and $1,197 in 2024 of investments in the waste disposal fund required by the EPA, and $20 in 2025 and $115 in 2024 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.

(Continued)

(Dollars in thousands)

Investments measured at fair value or net asset value as of June 30, 2025 and 2024 is summarized as follows:

June 30, 2025	Level 1	Level 2	Level 3	NAV	Total Investments
Investments:					
Public global equity	$ 258,095	—	—	193,878	451,973
Subscription paid in advance	—	—	—	548	548
Marketable alternatives	—	—	—	99,231	99,231
Private investments	—	—	—	243,784	243,784
Fixed income/debt	72,499	184,249	—	—	256,748
Other	1,536	—	1,503	—	3,039
Cash and cash equivalents	59,918	—	—	—	59,918
Subtotal investments	392,048	184,249	1,503	537,441	1,115,241
Less UVM Foundation					(240,223)
Total Investments					$ 875,018
Deposits With Trustees at Fair Value:					
Beneficial interests in trusts	$ —	—	3,079	—	3,079
Public global equity	312	—	—	—	312
Fixed income/debt	445	4,435	—	—	4,880
Cash and cash equivalents	878	—	—	—	878
Total Deposits With Trustees	$ 1,635	4,435	3,079	—	9,149

(Dollars in thousands)

June 30, 2024		Level 1	Level 2	Level 3	NAV	Total Investments
Investments:						
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		388,030	236,920	686	496,361	1,121,997
Less UVM Foundation						(241,674)
Total Investments						$ 880,323
Deposits With Trustees at Fair Value:						
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
Total Deposits With Trustees	$	1,173	4,355	4,028	—	9,556

Investment liquidity as of June 30, 2025 and 2024 is summarized as follows:

June 30, 2025		Daily	Monthly	Quarterly	Semi-Annual	Annual	Illiquid	Total	Redemption Notice Period
Investments:									
Public global equity	$	229,482	101,749	17,804	—	80,345	22,593	451,973	1-90 days, Illiquid
Subscription paid in advance		—	—	—	548	—	—	548	90 days
Marketable alternatives		32,029	—	46,747	6,400	9,864	4,191	99,231	1-90 days, Illiquid
Private investments		—	—	—	—	—	243,784	243,784	Illiquid
Fixed income/debt		256,748	—	—	—	—	—	256,748	Same day
Other		1,536	—	—	—	—	1,503	3,039	Same day, Illiquid
Cash and cash equivalents		59,918	—	—	—	—	—	59,918	Same day
Subtotal Investments		579,713	101,749	64,551	6,948	90,209	272,071	1,115,241	
Less UVM Foundation								(240,223)	
Total Investments							$	875,018	

(Dollars in thousands)

June 30, 2024									
	Daily	Monthly	Quarterly	Semi-Annual	Annual	Illiquid	Total	Redemption Notice Period
Investments:								
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	566,195	163,069	71,001	12,135	83,915	225,682	1,121,997	
Less UVM Foundation							(241,674)	
Total Investments							$ 880,323	

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 commingled 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)

The fixed income/debt portfolio is composed of passive and active bond funds. The following shows the risk profiles at June 30, 2025 and 2024:

				Credit Quality %					
Fixed income/debt		Amount	Average Maturity/ Effective Duration	Gov't/ Agency	AAA	AA	A	BBB	<BBB
2025	$	256,748	4.4 /3.4	33	3	14	37	6	7
2024		301,360	2.4 / 2.2	53	1	10	29	6	1

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:

		FY25	FY24
Net Investment Income			
Net interest, dividend and other income	$	13,787	12,429
Realized gains		56,785	51,952
Unrealized gains		28,070	24,946
Investment management fees		(1,598)	(1,641)
Total	$	97,044	87,686

(8) 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:

(Dollars in thousands)

		2025	
Unaudited		**Target %**	**Actual %**
Public Global Equity	$	45.0	49.2
Marketable Alternatives		10.0	9.0
Private Investments		35.0	27.0
Fixed Income/Debt		8.0	8.0
Cash and Cash Equivalents		2.0	6.8
Total	$	100 %	100 %

		2024	
Unaudited		**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 and Cash Equivalents		2.0	2.4
Total	$	100 %	100 %

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 $77.92), 5,822.8165 units were owned by endowment funds and 5,759.5295 units by quasi endowment funds at June 30, 2024 ($74.08, 5,785.1722 and 5,835.5940 respectively, at June 30, 2024).

The University of Vermont Foundation (UVMF) participates in the UVM pooled endowment. The UVMF owned 3,083.1045 units with a market value of $240,223 as of June 30, 2025 and 3,262.2564 units with a market value of $241,674 as of June 30, 2024.

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 Budget, Finance, and Investment Committee of the Board of Trustees reviews the income distribution rate annually.

(Dollars in thousands)

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, 2025	$ 902,449	682,418	220,031
June 30, 2024	860,887	669,847	191,040
Unrealized net gain			28,991
New gifts and transfers			(6,611)
Realized net gain			55,471
Net income			(2,289)
Withdrawn for spending			(34,000)
Total Net Change			$ 41,562

	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 income			(6,641)
Withdrawn for spending			(32,298)
Total Net Change			$ 56,904

(9) Commitments

Major plant projects include commitments as follows:

Project	Estimated Project Cost	Project-to-Date Expenditures 2025	Project-to-Date Expenditures 2024
Multipurpose Center	95,000	66,972	66,968
Multipurpose Center Phase 3	15,000	6,878	1,683
475 Main Street Renovation	15,000	9	—

Obligations under lease agreements are detailed in footnote 5.

The University is obligated under certain of its investments to make future capital contributions in the amount of $100,403 as of June 30, 2025.

The University entered into agreements with the State of Vermont Department of Vermont Health Access in both 2025 and 2024, 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 $25,243 and $22,628 were made in 2025 and 2024, 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 2026 the University will make a payment to the State of Vermont Department of Vermont Health Access totaling $27,437.

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 $3,286 in 2025 and $2,716 in 2024; $95 and $44 of this is covered by excess insurance in 2025 and 2024, respectively. The University paid claims of $1,944 in 2025 and $2,317 in 2024. Reserves for property and casualty liabilities are included in accrued liabilities (including incurred but not reported) in the amount of $24,059 at June 30, 2025 and $20,838 at June 30, 2024.

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

(Continued)

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

(10) 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 one year 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, 2025 and 2024, the University had total payroll expense of $402,283 and $363,340, respectively, of which $261,537 in 2025 and $247,265 in 2024 was covered by the University's 403(b) retirement plan. Total employee and employer contributions for 403(b) pension benefits for the year were $23,438 and $26,154, respectively, for 2025 and $21,809 and $24,726, respectively, for 2024. 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 $7,718 in fiscal year 2025 and $7,283 in fiscal year 2024.

(11) 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.

(a) 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

(Dollars in thousands)

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
Total	$	6,020

(b) Total OPEB Liability

The University's total OPEB liability of $434,826 in 2025 and $402,125 in 2024 was determined by an actuarial valuation as of January 1, 2023, and then projected forward to the measurement date of December 31, 2024 and December 31, 2023, respectively.

(Dollars in thousands)

The total OPEB liability as of the December 31, 2024 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	4.08%

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	24.1%	3.7%	2074
MediComp III Medicare	30.0%	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 Index. The discount rate is as of the measurement date.

The mortality rates for 2025 and 2024 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.

(Dollars in thousands)

(c) Changes in Total OPEB Liability

The following table represents changes in Total OPEB Liability for the year ended June 30, 2025 and 2024:

		FY25	FY24
Total OPEB Liability			
Balance at beginning of year	$	402,125	186,997
Changes for the year:			
Service cost		10,953	5,933
Interest on total OPEB liability		13,355	7,057
Effect of economic/demographic gains or losses		(2,044)	200,605
Effect of assumption changes or inputs		17,299	8,036
Benefit payments		(6,862)	(6,503)
Net changes		32,701	215,128
Balance at end of year	$	434,826	402,125

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 in FY24. The discount rate increased to 4.08% in FY25 from 3.26% in FY24 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 $17.3 million.

The following tables present the total OPEB liability of the University, calculated using the discount rates of 4.08% in FY25 and 3.26% in FY24, 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.

Fiscal Year 2025

		1% Decrease -3.08%	Discount Rate -4.08%	1% Increase -5.08%
Total OPEB liability	$	491,987	434,826	387,504

Fiscal Year 2024

		1% Decrease -2.26%	Discount Rate -3.26%	1% Increase -4.26%
Total OPEB liability	$	459,546	402,125	354,930

(Continued)

(Dollars in thousands)

The following tables present the FY25 and FY24 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 2025

		1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$	379,812	434,826	502,215

Fiscal Year 2024

		1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$	350,182	402,125	466,186

(d) *OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

OPEB expense for the fiscal year ended June 30, 2025 and 2024 is summarized as follows:

		FY25	FY24
OPEB (Credit) Expense			
Service cost	$	10,953	5,933
Interest on total OPEB liability		13,355	7,057
Recognition of deferred outflows/inflows of resources			
Recognition of economic/demographic gains or losses		(33,548)	(41,833)
Recognition of assumption changes or inputs		(3,856)	3,773
OPEB (credit) expense	$	(13,096)	(25,070)

(Dollars in thousands)

Deferred outflows and inflows of resources as of June 30, 2025 and 2024 are summarized as follows:

		2025	
		Deferred Inflows of Resources	**Deferred Outflows of Resources**
Difference between expected and actual experience	$	(78,903)	140,901
Changes of assumptions		(25,194)	20,075
Contributions after measurement period		—	7,480
Total	$	(104,097)	168,456

		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
Total	$	(183,077)	190,589

Deferred outflows of resources resulting from contributions after the measurement period totaling $7,480 and $3,293 will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2025 and June 30, 2024, 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:

For the Fiscal Year Ending June 30		**OPEB Expense**
2026	$	(31,515)
2027		(3,721)
2028		33,578
2029		33,578
2030		24,959

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

(Dollars in thousands)

(12) Operating Expenses by Function

Operating expenses by functional classification for the years ended June 30, 2025 and 2024 are summarized as follows:

		Year ended June 30, 2025				
Function		Compensation and Benefits	Supplies and Services	Depreciation and Amortization	Scholarships and Fellowships	Total
Instruction	$	177,073	27,050	—	—	204,123
Research		85,976	54,764	—	—	140,740
Public service		54,914	11,862	—	—	66,776
Academic support		78,422	17,513	—	—	95,935
Student services		39,429	16,735	—	—	56,164
Institutional support		51,589	20,155	—	—	71,744
Operation and maintenance of plant		38,772	25,872	—	—	64,644
Scholarships and fellowships		—	—	—	7,754	7,754
Auxillary enterprises		37,532	71,399	—	—	108,931
Depreciation and amortization		—	—	41,973	—	41,973
Total	$	563,707	245,350	41,973	7,754	858,784

(Dollars in thousands)

	Year ended June 30, 2024				
Function	**Compensation and Benefits**	**Supplies and Services**	**Depreciation and Amortization**	**Scholarships and Fellowships**	**Total**
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
Operation and maintenance of plant	34,144	21,264	—	—	55,408
Scholarships and fellowships	—	—	—	8,447	8,447
Auxillary enterprises	31,633	61,142	—	—	92,775
Depreciation and amortization	—	—	41,610	—	41,610
Total	$ 477,143	219,811	41,610	8,447	747,011

(13) Subsequent Events

The University considers events or transactions that occur after the statement of net position date, but before the financial statements are issued, to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. These financial statements covering the years ended June 30, 2025 and 2024 were available to be issued on November 5, 2025 and subsequent events have been evaluated through that date

(14) Combining information for Discretely Presented Component Units

As indicated in footnote 1, the University consolidates certain component units in a discrete presentation. Condensed combining financial information for the years ended June 30, 2025 and 2024 is presented below.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Discretely Presented Component Unit's Statements of Net Position

June 30, 2025 and 2024

	UMEA		UVMF		Catamount Run Phase 1		Catamount Run Phase 2		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Assets										
Current assets:										
Cash and cash equivalents	$ 1,046	179	36,640	28,647	1,076	105	1,009	5,747	39,771	34,678
Operating investments	72,429	64,013	50,668	49,194	—	—	—	—	123,097	113,207
Accounts, loan notes, and pledges receivable, net	937	—	8,680	8,274	111	11	12	—	9,740	8,285
Inventories and prepaid expenses	11	11	693	723	—	—	—	—	704	734
Total current assets	74,423	64,203	96,681	86,838	1,187	116	1,021	5,747	173,312	156,904
Non-current assets:										
Endowment cash, cash equivalents and investments	—	—	310,465	278,317	—	—	—	—	310,465	278,317
Student loans, notes, and pledges receivable, net	—	—	3,806	5,637	—	—	—	—	3,806	5,637
Investments for capital acitivities	—	—	66	121	—	—	—	—	66	121
Deposits with trustees	—	—	1,851	1,675	—	—	—	—	1,851	1,675
Capital and right of use assets, net	—	—	6,583	6,946	56,714	37,045	54,189	29,969	117,486	73,960
Total non-current assets	—	—	322,771	292,696	56,714	37,045	54,189	29,969	433,674	359,710
Total assets	74,423	64,203	419,452	379,534	57,901	37,161	55,210	35,716	606,986	516,614
Liabilities										
Current liabilities:										
Accounts payable and accrued liabilities	1,100	439	10,439	9,894	189	2,917	1,449	2,318	13,177	15,568
Unearned revenue, deposits, and funds held for others	57,605	47,886	—	—	405	—	—	—	58,010	47,886
Bonds and leases payable	—	—	—	—	430	—	175	—	605	—
Total current liabilities	58,705	48,325	10,439	9,894	1,024	2,917	1,624	2,318	71,792	63,454
Non-current liabilities:										
Bonds and leases payable	—	—	3,775	3,998	33,306	10,035	20,188	—	57,269	14,033
Total non-current liabilities	—	—	3,775	3,998	33,306	10,035	20,188	—	57,269	14,033
Total liabilities	58,705	48,325	14,214	13,892	34,330	12,952	21,812	2,318	129,061	77,487
Net position										
Net investment in capital assets	—	—	2,808	2,948	—	—	—	—	2,808	2,948
Restricted:										
Non-expendable	—	—	265,836	248,532	—	—	—	—	265,836	248,532
Expendable	10,216	11,618	116,200	97,336	—	—	—	—	126,416	108,954
Unrestricted	5,502	4,260	20,394	16,826	23,571	24,209	33,398	33,398	82,865	78,693
Total net position	$ 15,718	15,878	405,238	365,642	23,571	24,209	33,398	33,398	477,925	439,127

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Discretely Presented Component Unit's Statements of Revenue, Expenses and Changes in Net Position

Years ended June 30, 2025 and 2024

	UMEA		UVMF		Catamount Run Phase 1		Catamount Run Phase 2		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Operating revenues										
Federal, state, and private grants and contracts	$ —	—	989	1,146	—	—	—	—	989	1,146
Student loan interest and other operating revenues	202	183	38	56	1,629	17	4	3	1,873	259
Total operating revenues	202	183	1,027	1,202	1,629	17	4	3	2,862	1,405
Operating expenses										
Compensation and benefits	(249)	(260)	(12,402)	(12,245)	(107)	—	—	—	(12,758)	(12,505)
Supplies and services	—	—	(3,110)	(3,345)	(1,324)	(4)	(4)	(6)	(4,438)	(3,355)
Depreciation and amortization	—	—	(363)	(368)	(836)	—	—	—	(1,199)	(368)
Total operating expenses	(249)	(260)	(15,875)	(15,958)	(2,267)	(4)	(4)	(6)	(18,395)	(16,228)
Operating gain (loss)	(47)	(77)	(14,848)	(14,756)	(638)	13	—	(3)	(15,533)	(14,823)
Non-operating revenues (expenses)										
Private gifts	1,610	—	27,160	24,005	—	—	—	—	28,770	24,005
Net investment income (loss)	463	784	30,832	29,125	—	—	—	—	31,295	29,909
Interest on indebtedness	—	—	(37)	(43)	—	—	—	—	(37)	(43)
Net other non-operating revenue (expense)	—	—	(649)	(681)	—	—	—	—	(649)	(681)
Transfers from UVM to component units	—	—	13,454	11,671	—	—	—	—	13,454	11,671
Transfers to UVM from component units	(2,186)	(537)	(31,558)	(25,192)	—	—	—	—	(33,744)	(25,729)
Net non-operating revenues (expenses)	(113)	247	39,202	38,885	—	—	—	—	39,089	39,132
Revenue (loss) before capital and endowment additions	(160)	170	24,354	24,129	(638)	13	—	(3)	23,556	24,309
Gifts for endowment ourposes	—	—	15,242	9,723	—	—	—	—	15,242	9,723
Capital contributions from equity partner	—	—	—	—	—	24,196	—	33,401	—	57,597
Total capital and endowment additions	—	—	15,242	9,723	—	24,196	—	33,401	15,242	67,320
Increase (decrease) in net position	(160)	170	39,596	33,852	(638)	24,209	—	33,398	38,798	91,629
Net position, beginning of year	15,878	15,708	365,642	331,790	24,209	—	33,398	—	439,127	347,498
Net position, end of year	$ 15,718	15,878	405,238	365,642	23,571	24,209	33,398	33,398	477,925	439,127

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Required Supplementary Information - Postemployment Benefits

Schedule of Changes in the University's Total OPEB Liability and Related Ratios

Total OPEB Liability		**FY25**	**FY24**	**FY23**	**FY22**	**FY21**	**FY20**	**FY19**	**FY18**
Service cost	$	10,953	5,933	8,909	15,745	13,582	13,452	15,645	14,434
Interest on total OPEB liability		13,355	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		(2,044)	200,605	(213,796)	(9,093)	(117,836)	9,862	1,395	847
Effect of assumption changes or inputs		17,299	8,036	(42,777)	(41,561)	51,272	45,175	(48,429)	4,085
Benefit payments		(6,862)	(6,503)	(10,773)	(13,455)	(17,225)	(17,853)	(18,029)	(16,058)
Net change in total OPEB liability		32,701	215,128	(249,375)	(38,113)	(55,546)	69,699	(32,243)	21,374
Total OPEB liability beginning		402,125	186,997	436,372	474,485	530,031	460,332	492,575	471,201
Total OPEB liability ending	$	434,826	402,125	186,997	436,372	474,485	530,031	460,332	492,575
Covered-employee payroll	$	283,001	283,001	259,184	259,184	258,395	258,395	241,981	241,981
Total OPEB liability as a % of covered-employee payroll		153.65 %	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.

(Dollars in thousands)

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:

2025	4.08%
2024	3.26%
2023	3.72%
2022	2.06%
2021	2.12%
2020	2.74%
2019	4.10%
2018	3.44%

University of Vermont

UNIVERSITY FINANCIAL SERVICES
220 WATERMAN BUILDING
85 SOUTH PROSPECT STREET
BURLINGTON, VT 05405
802 656-2903 www.uvm.edu