UNIVERSITY OF VERMONT
AND STATE AGRICULTURAL COLLEGE

Financial Statements and Required Supplementary Information

June 30, 2026 and 2025

(With Independent Auditors' Report Thereon)

UNIVERSITY OF VERMONT
AND STATE AGRICULTURAL COLLEGE

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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, 2026 and 2025, 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, 2026 and 2025, 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 12%, respectively, of the total assets of the aggregate discretely presented component units as of June 30, 2026 and 2025, and 3% and 7%, 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

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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 post-employment 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, 2026 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

Albany, New York
November 5, 2026

UNIVERSITY OF VERMONT
AND STATE AGRICULTURAL COLLEGE

Management's Discussion and Analysis (Unaudited)

June 30, 2026 and 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, 2026 and 2025, 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" and "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 10,847 undergraduate students and 2,339 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, together referred to as Catamount Run. 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

The University of Vermont's strategic plan, Green, Gold, and Bold: Green Mountains, Gold Standard, Bold Future, provides the framework for institutional priorities and resource allocation. The plan is centered on four interconnected pillars that guide the University's academic, research, engagement, and operational activities. Together, these priorities support UVM's mission of creating, sharing, and applying knowledge to serve humanity while strengthening Vermont and advancing positive global impact.

Forge Bold Futures: Student Connection, Purpose, and Impact – UVM is committed to creating an educational environment where students develop a strong sense of belonging, engage deeply in learning, and gain the skills and experiences needed to thrive beyond graduation. Through mentorship, experiential learning, and meaningful connections, the University seeks to prepare graduates to lead purposeful and impactful lives.

(Continued)

Study What Matters: Values-Driven Learning, Research, and Practice – The University advances teaching, research, scholarship, and creative activity that address significant challenges facing Vermont, the nation, and the world. UVM fosters innovation, curiosity, and integrity, supporting research and learning that generates meaningful discoveries and practical solutions to complex societal issues.

Create Opportunity: Access, Engagement, and Partnerships – As Vermont's flagship land-grant university, UVM expands educational opportunity, enhances community engagement, and strengthens partnerships with organizations throughout Vermont and beyond. Through collaborative relationships, the University advances economic development, public service, workforce development, and community well-being.

Enable Excellence: Campus Community, Systems, and Infrastructure – Recognizing that institutional excellence depends on both people and resources, UVM invests in its workforce, facilities, technology, and organizational systems. These investments support operational effectiveness, foster an engaged campus community, and position the University to achieve its strategic objectives in a rapidly evolving higher education environment.

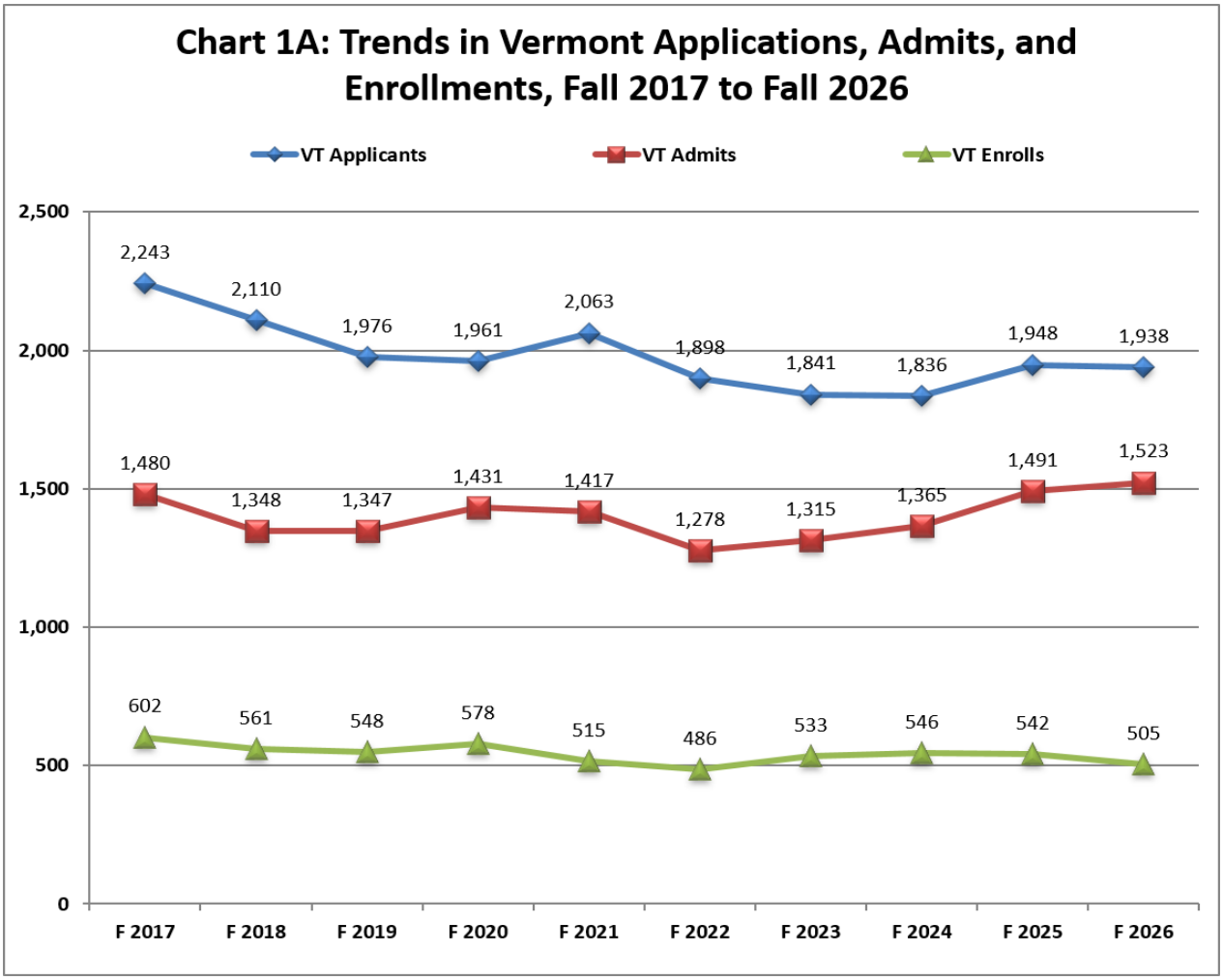
Achievements supporting the strategic plan during fiscal year 2026 reflected progress across all four pillars of Green, Gold, and Bold. The University expanded access and affordability through the enhancement of the UVM Promise program, increasing opportunities for Vermont students and families. UVM continued to strengthen its research enterprise, attracting a record $222.6 million in extramural funding to support nearly 900 projects addressing critical challenges facing Vermont and beyond. The University advanced civic engagement and community partnerships through initiatives such as Vermont Listens and announced the creation of a new Division of Statewide Economic Development to further support innovation, workforce development, and economic growth across the region. Philanthropic support remained strong, with commitments exceeding $96 million, providing critical resources to advance academic excellence, student success, research, and institutional priorities. Collectively, these achievements demonstrate UVM's commitment to creating opportunity, advancing impactful research and learning, supporting student success, and strengthening the people, partnerships, and infrastructure necessary to fulfill its mission and strategic vision.

Financial Highlights

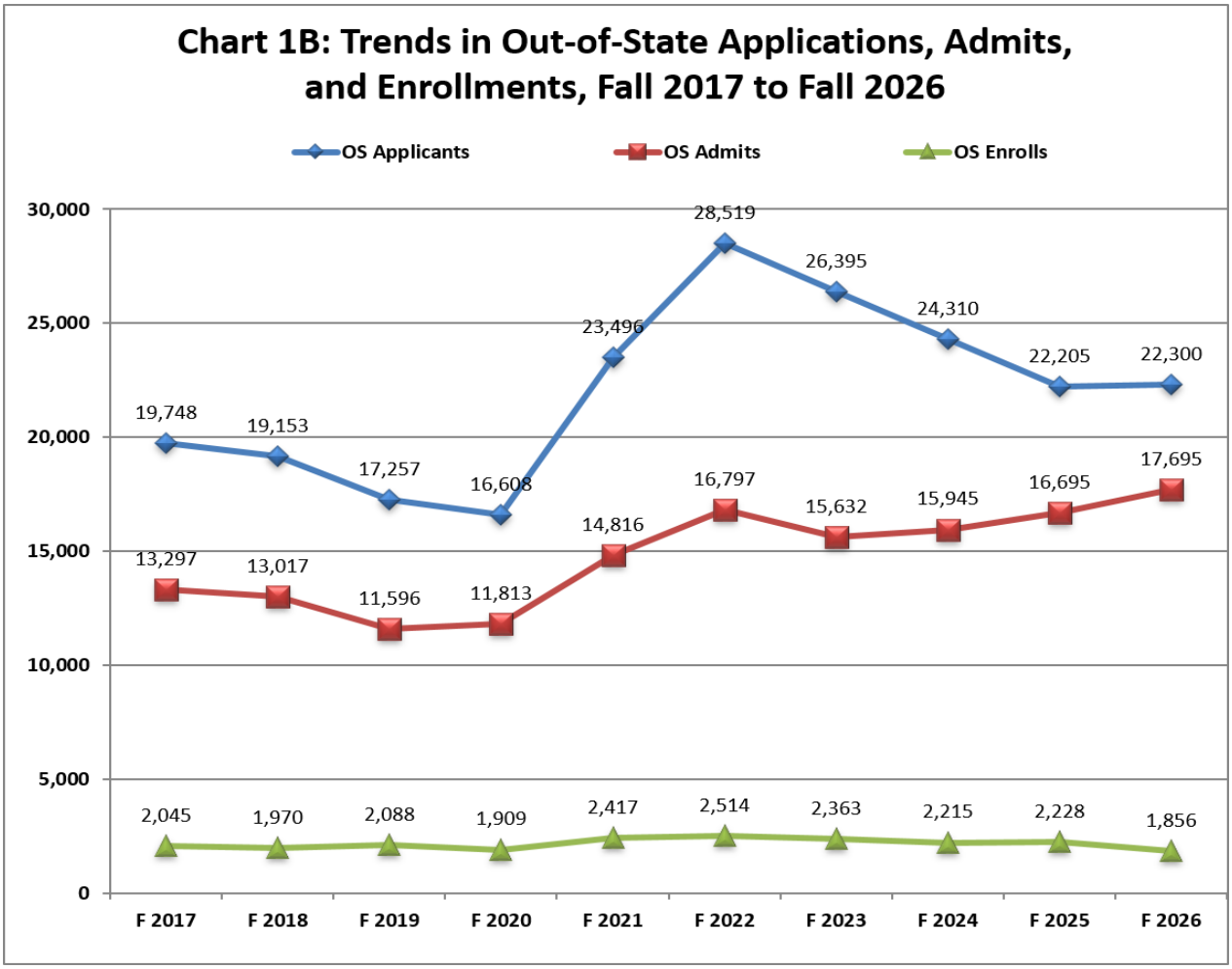
A. Revenues and Incoming Subsidies

In the fall of 2026, the University enrolled 10,847 students in more than 100 undergraduate majors, 1,841 students in graduate and post-baccalaureate programs, and 498 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 77% of the undergraduates enrolled in the fall of 2026 from New England and the Middle Atlantic States, including 21% of its undergraduate students from Vermont. Graduate and Certificate student enrollment from Vermont represented 40.3%.

Final numbers for the fall of 2026 show total applications are over 24,000. This represents an increase of 10.2% since 2017, with in-state applications decreasing 13.6% and out-of-state applications increasing 12.9% for the same period. Total admissions increased for that period by 30.0%, with in-state admissions increasing 2.9% and out-of-state admissions increasing 33.1%. Total first-time, first year enrollments were close to 2,400 in Fall of 2026, decreasing by 10.8% from fall 2017 to fall 2026. In-state enrollments decreased by 16.1% and out-of-state enrollments decreased by 9.2% in that same period. Trends in applications, admits, and enrollments can be seen in Charts 1A and 1B.


Chart 1A: Trends in Vermont Applications, Admits, and Enrollments, Fall 2017 to Fall 2026
VT Applicants
VT Admits
VT Enrolls
2,500
2,000
1,500
1,000
500
0
2,243
2,110
1,976
1,961
2,063
1,898
1,841
1,836
1,948
1,938
1,480
1,348
1,347
1,431
1,417
1,278
1,315
1,365
1,491
1,523
602
561
548
578
515
486
533
546
542
505
F 2017
F 2018
F 2019
F 2020
F 2021
F 2022
F 2023
F 2024
F 2025
F 2026

(Continued)


Chart 1B: Trends in Out-of-State Applications, Admits, and Enrollments, Fall 2017 to Fall 2026
OS Applicants
OS Admits
OS Enrolls
30,000
25,000
20,000
15,000
10,000
5,000
0
19,748
19,153
17,257
16,608
23,496
28,519
26,395
24,310
22,205
22,300
13,297
13,017
11,596
11,813
14,816
16,797
15,632
15,945
16,695
17,695
2,045
1,970
2,088
1,909
2,417
2,514
2,363
2,215
2,228
1,856
F 2017
F 2018
F 2019
F 2020
F 2021
F 2022
F 2023
F 2024
F 2025
F 2026

(Continued)

The University and its Board of Trustees continues to contain increases in tuition and fees with the average annual increases for in-state and out-of-state held to 1.2% and 1.8%, respectively, from 2018 through 2026. Table 1 presents tuition and fees, as well as room and board for that period.

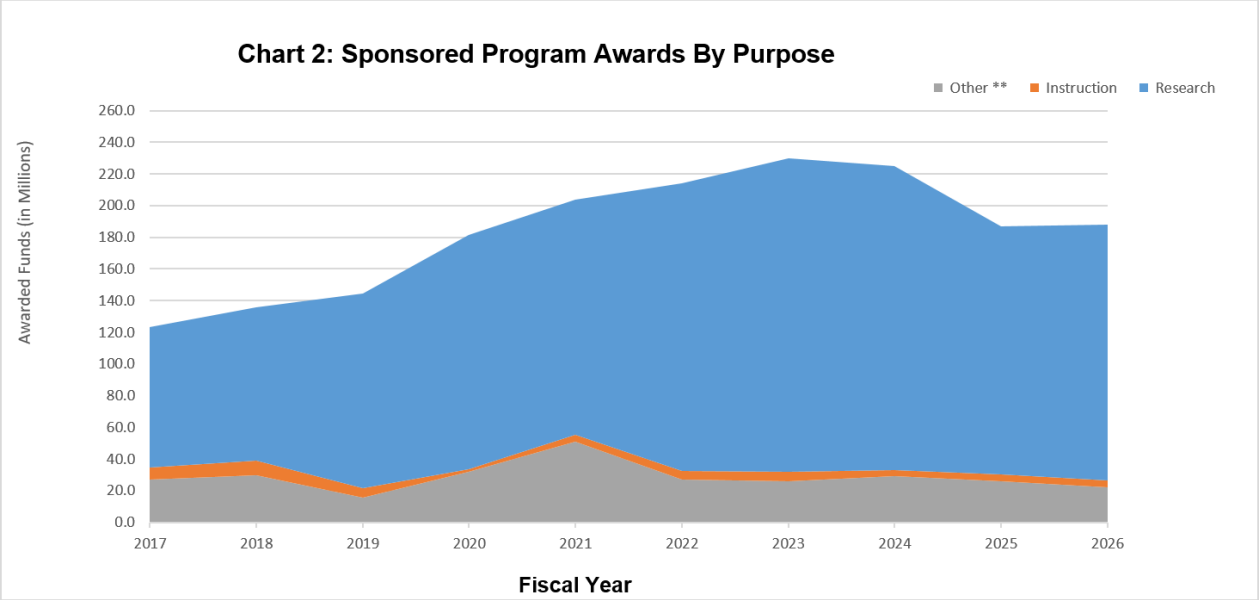
Table 1: In-State and Out-of-State Tuition and Fees

		2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Average Annual % Increase
Student Fees										
In-State Tuition and Fees	$	18,276	18,802	19,002	19,002	18,890	18,890	19,058	19,514	1.21 %
Out-of-State Tuition and Fees		42,516	43,690	43,890	43,890	43,890	43,890	45,502	47,554	1.78 %
Room (Double)		8,196	8,502	8,756	8,756	8,786	8,786	9,048	9,334	2.12 %
Board (Average Meal Plan)		4,266	4,414	4,568	4,568	4,568	4,568	4,728	4,892	2.18 %
Total, In-State Cost	$	30,738	31,718	32,326	32,326	32,244	32,244	32,834	33,740	
Increase Over Previous Year		3.28 %	3.19 %	1.92 %	— %	(0.25)%	— %	1.83 %	2.76 %	1.59 %
Total, Out-of-State Cost	$	54,978	56,606	57,214	57,214	57,244	57,244	59,278	61,780	
Increase Over Previous Year		3.00 %	2.96 %	1.07 %	— %	0.05 %	— %	3.55 %	4.22 %	1.86 %

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 saw decreased grant and contract revenues by $0.9 million or 0.3% from $290.7 million in fiscal 2025 to $289.8 million in fiscal 2026. Additional funding from the University of Vermont Medical Center, Inc, for facilities and operation costs, was offset by a decrease in sponsored grants and contracts. Included in the $289.8 million is facility and administrative cost recoveries of $40.8 million, additional commitment funds from the University of Vermont Medical Center, Inc. of $31.7 million, and Federal Pell grants for student aid of $11.1 million.

During fiscal 2026, the University was awarded over $188.1 million in sponsored funds, 85.8% of which were for research activities. Approximately 63.8% of sponsored funds awarded during fiscal 2026 were from direct federal sources. The University's leading areas of externally sponsored programs are the biomedical sciences, agriculture, the environment, and education. Chart 2 shows sponsored program awards by purpose for the last ten fiscal years.



State appropriations in fiscal 2026 increased $2.5 million, or 4.4%, compared to fiscal 2025. This included a base increase to the appropriation of 3%, plus one-time special appropriations. State appropriations decreased $1.1 million, or 1.9%, in fiscal 2025 compared to fiscal 2024.

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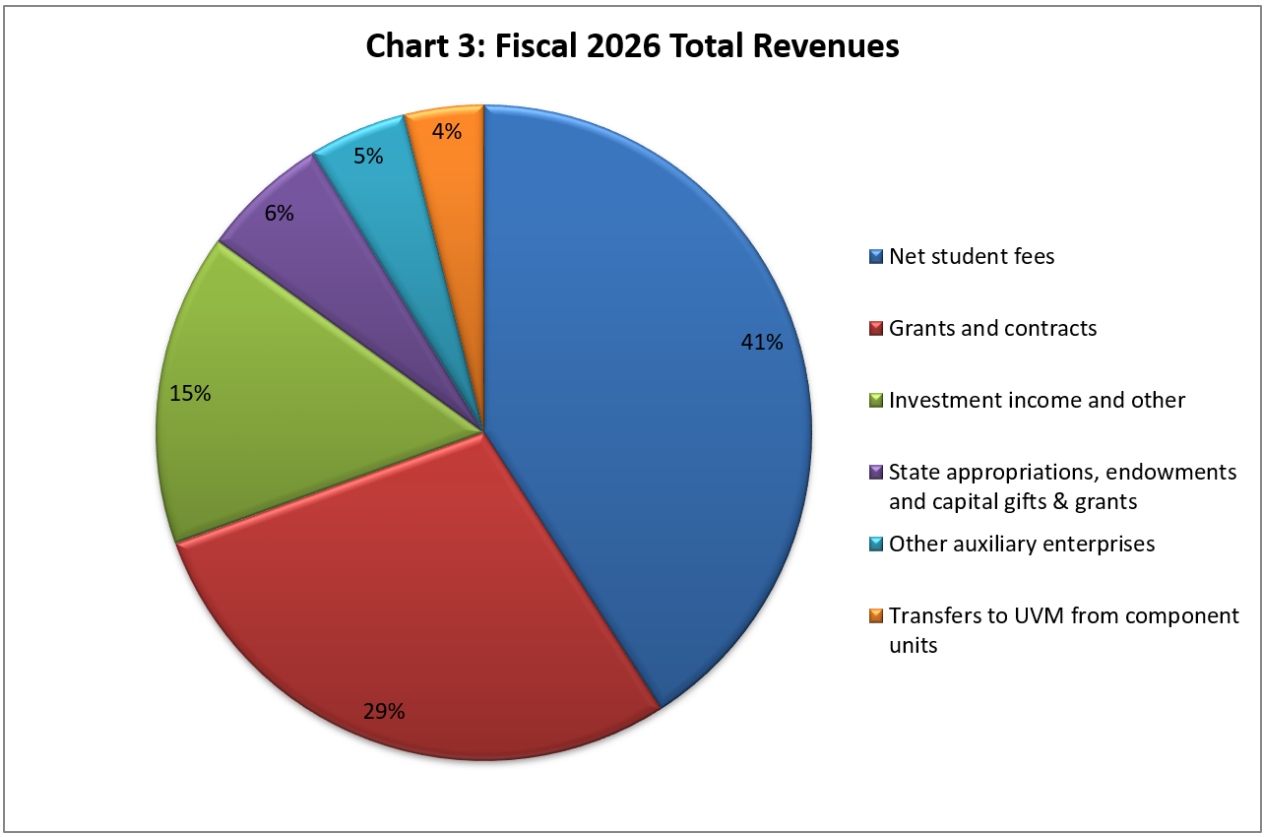


Chart 3 shows the University's fiscal 2026 revenue streams. Given the University's mission of instruction, research, and public service, the vast majority of the University's revenues are generated by net student fees (41%) and grants and contracts (29%).

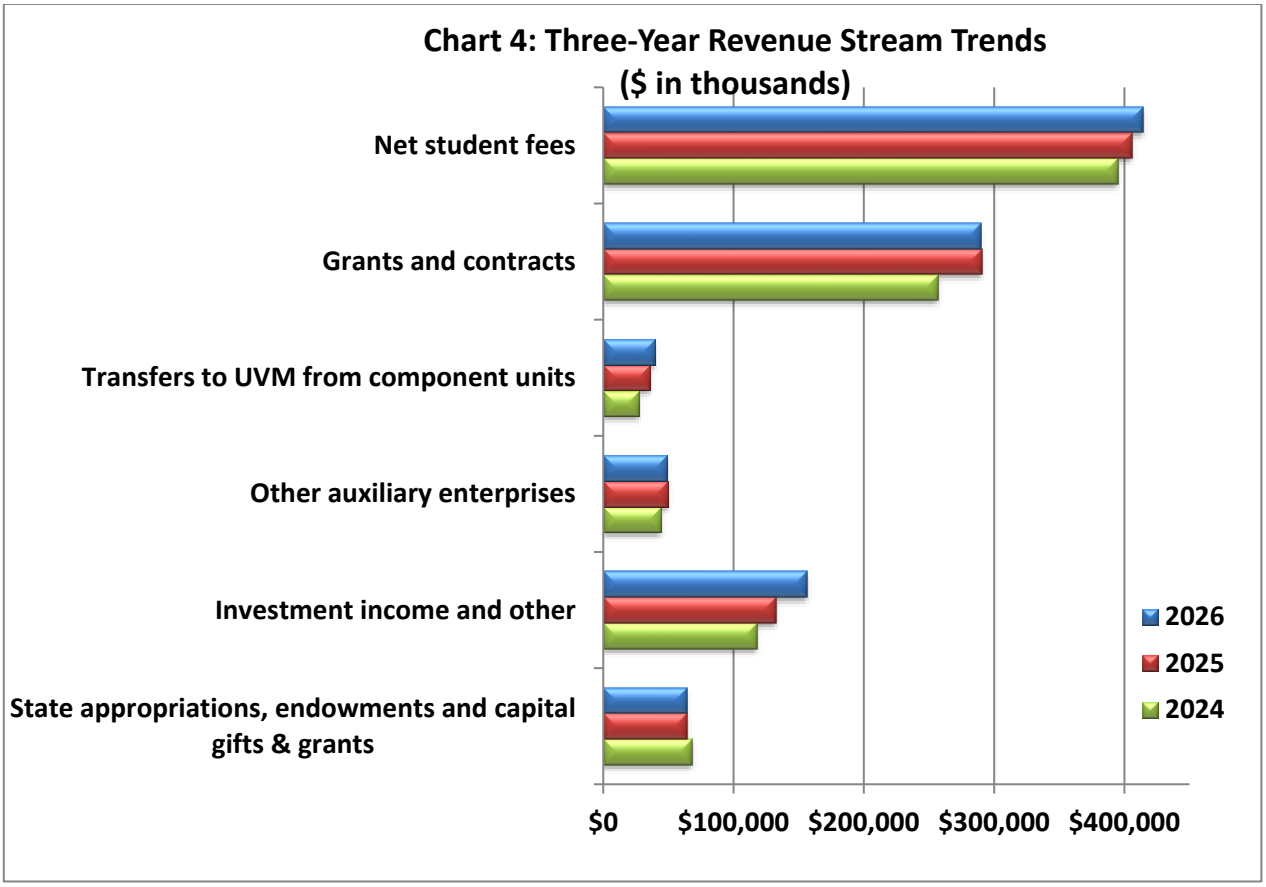


Chart 4 shows the three-year trend for revenue streams. Net student fees are comprised of tuition and fees, housing and dining fees, and student financial aid.

B. Operating Expenditures

The University's operating expenses includes compensation and benefits, supplies and services, depreciation and scholarship and fellowship expenses. Total operating expenses decreased by $162.0 million or 18.9% in 2026 from the 2025 level compared to an increase of $111.8 million in 2025 from 2024. The largest driver of the decrease is a present value savings in other post-employment benefits (OPEB) of $215.9 million that were recognized in the fiscal year. These savings are primarily due to the University changing the benefit structure for Medicare retirees effective January 1, 2026. Prior to that date, participants were eligible to participate in a University subsidized group Medicare Advantage plan sponsored by the University. Subsequent to that date, Medicare participants receive a contribution towards a health reimbursement account and can use those proceeds to purchase individual health insurance policies through a private exchange. This adjustment to OPEB in compensation and benefits was offset by annual wage increases for employees of $6.9 million, a growth in employee benefit expenses of $16.6 million and adjustments to compensated absences accruals. Scholarship and fellowship expenses

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also decreased by $0.6 million. Reductions in compensation, benefits, scholarships and fellows were offset with increases to supplies and services expenses of $4.4 million and depreciation and interest expense of $1.5 million.

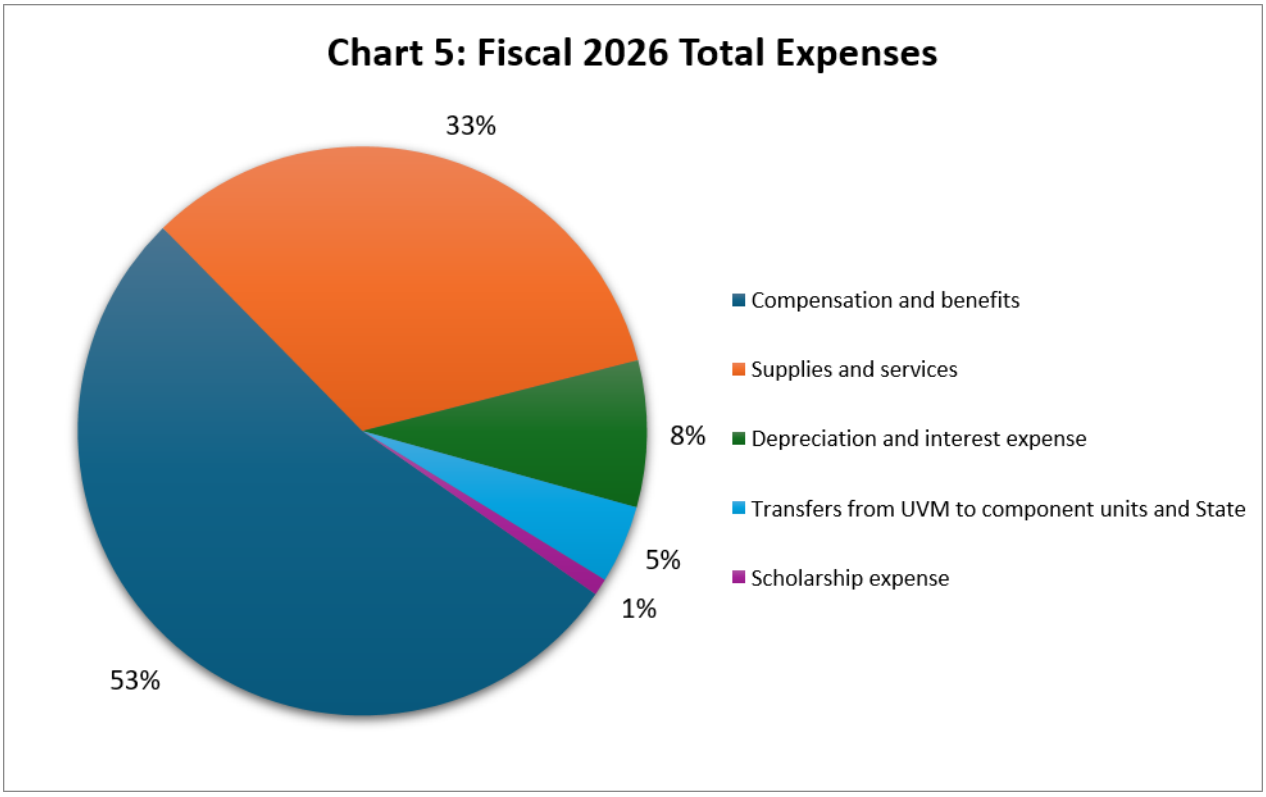


Chart 5 displays the University's fiscal 2026 expenses. The University's largest expense is compensation and benefits followed by supplies and services.

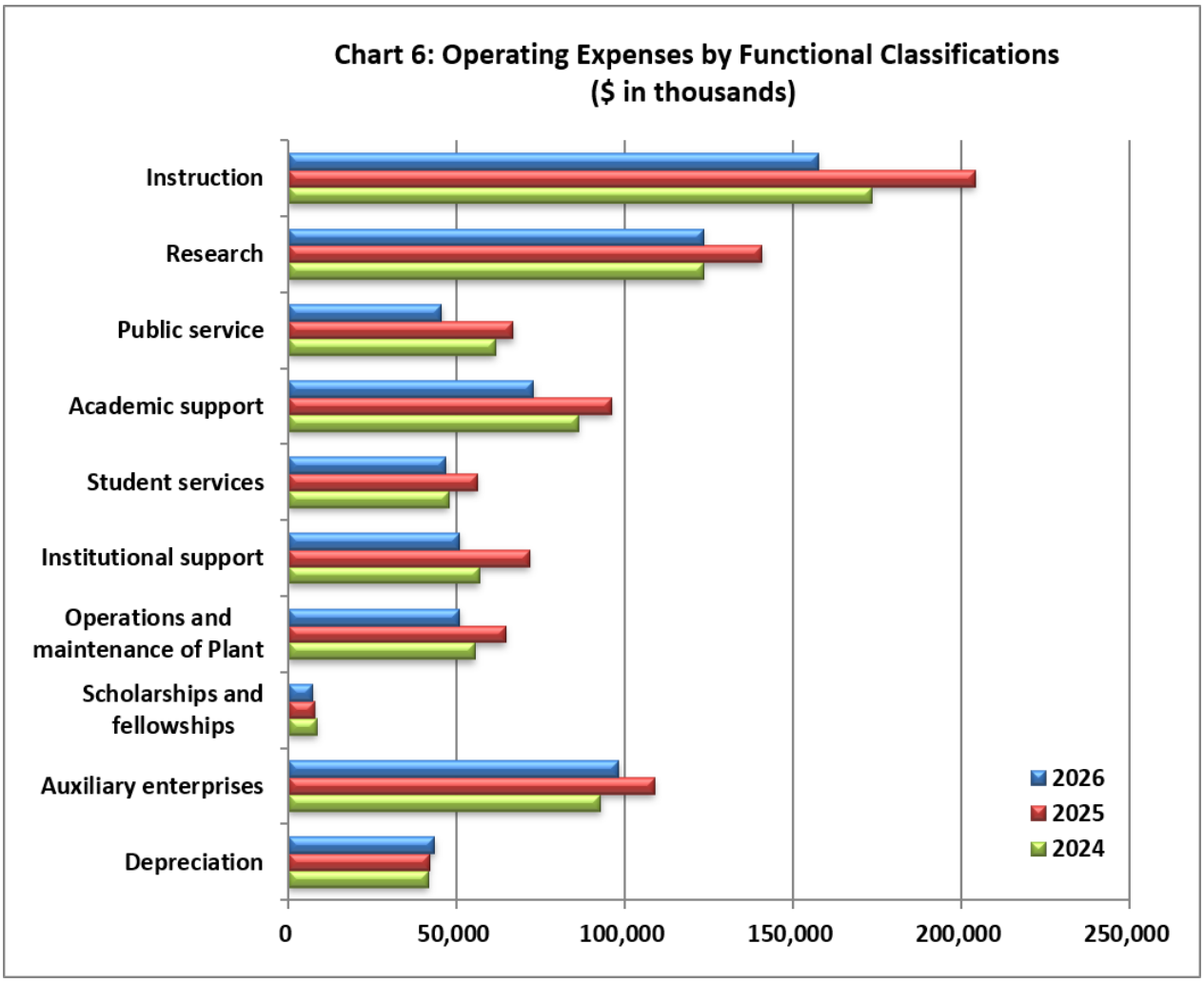


Chart 6 displays the University's operating expenses for the past three years by functional, rather than natural, classification. Operating costs continue to rise, with adjustments to other post-employment benefits (OPEB) reducing overall reported expenditures in recent years.

Overview of the Financial Statements

The financial statements of the University of Vermont and State Agricultural College 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, 2026 and 2025 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

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presented. The financial statements focus on the University as a whole, rather than upon individual funds or activities.

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

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.

(Continued)

Table 2: Condensed information from the Statements of Net Position at June 30 for the past three fiscal years.

		2026	2025	2024
Assets and deferred outflows of resources				
Cash and operating investments	$	445,212	428,663	422,607
Endowment, capital, and similar investments		749,245	669,255	625,810
Capital and right of use assets, net		722,494	738,208	734,179
Other assets and deferred outflows of resources		307,065	351,573	359,419
Total assets and deferred outflows of resources	$	2,224,016	2,187,699	2,142,015
Liabilities and deferred inflows of resources				
Post-employment benefits	$	289,068	538,923	585,202
Long-term debt		490,592	518,464	531,759
Other liabilities and deferred inflows of resources		229,958	180,193	137,691
Total liabilities and deferred inflows of resources		1,009,618	1,237,580	1,254,652
Net investment in capital assets		231,045	218,461	203,863
Restricted:				
Non-expendable		181,480	175,721	172,862
Expendable		519,486	473,695	439,050
Unrestricted		282,387	82,242	71,588
Total net position	$	1,214,398	950,119	887,363

As shown in Table 2, cash and operating investments have increased over the last three fiscal years including 3.9% in fiscal 2026 and 1.4% in fiscal 2025. Operating investments included in this total $216.8 million, $214.9 million, and $264.1 million in fiscal 2026, 2025, and 2024, 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 2026, by $80.0 million or 12.0%, and fiscal 2025, by $43.4 million or 6.9%. Included in this balance are endowment cash, cash equivalents and investments of $633.4 million, $571.7 million, and $537.5 million in fiscal 2026, 2025, and 2024, respectively. Both fiscal 2026 and fiscal 2025 were impacted by market performance. Additional gifts to the endowment also increase these balances.

Capital and right of use assets, net, saw a decrease of $15.7 million or 2.1% in fiscal 2026 with an increase of $4.0 million or 0.5% in fiscal 2025. Right of use assets, net, decreased by $1.7 million, primarily due to modified or terminated lease and subscription-based information technology arrangements. Capital assets, net, decreased with depreciation expense of $39.2 million and disposals of $131 thousand, offset by additions of $25.3 million.

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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 2026 saw a decrease from fiscal 2025 of $44.5 million or 12.7% and a decrease in fiscal 2025 from fiscal 2024 of $7.8 million or 2.2%. The decrease in fiscal 2026 is mostly due to a decrease to the post-employment benefits deferred outflows of $34.8 million stemming from the effect of liability gains or losses and assumption changes.

Post-employment 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 $207.0 million or 47.6% in fiscal 2026 and increased $32.7 million or 8.1% in fiscal 2025. The University changed the benefit structure for Medicare retirees in the fiscal year, resulting in an overall reduction of the liability.

Long-term debt decreased $27.9 million in fiscal years 2026 and 2025 due to debt service payments offset by new or modified operating leases and subscription-based information technology arrangements. In fiscal year 2026, the University refinanced certain outstanding bond debt to establish long-term savings with preferential interest rates. New debt for bond series 2026A of $244.5 million is offset by payments to refunded bond series, along with regularly scheduled bond service payments, totaling $271.0 million. Payments on leases and subscriptions of $3.9 million were offset with new or modified lease and subscriptions of $2.5 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 & contracts are also included in this total. Other liabilities and deferred inflows of resources increased from fiscal 2025 to fiscal 2026 by 27.6% or $49.8 million from $180.2 million to $230.0 million. The increase is primarily attributed to additional accounts payable and accrued liabilities of $19.2 million, unearned revenue, deposits and funds held for others growth of $2.7 million, and deferred inflows of $27.8 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 has improved in the three comparative years presented. All years are impacted by the other post-employment benefits (OPEB) adjustment. The increase in unrestricted net position for fiscal year 2026 was primarily driven by this adjustment which credited compensation and benefit expenses, described later in Section B.

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 or subsidies. This includes state appropriations 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, revenues, both operating and nonoperating, and subsidies from recurring activities have been grouped together in the condensed statements in Table 3 to allow readers to better understand which revenues support University operating expense streams.

Table 3: Condensed information from the Statements of Revenues, Expenses and Changes in Net Position for the last three fiscal years.

	2026	2025	2024
Tuition and fees	$ 613,562	598,383	580,970
Less student financial aid	(199,141)	(192,760)	(185,938)
Net student fees	414,421	405,623	395,032
Grants and contracts	289,761	290,664	257,318
State appropriations non-capital subsidy	58,749	56,274	57,391
Transfers to UVM from component units non-capital subsidy	39,773	36,378	27,884
Other auxiliary enterprises	48,771	50,137	44,744
Investment income, private gifts and other operating revenues	156,412	132,970	118,265
Total revenues and subsidies from recurring activities	1,007,887	972,046	900,634
Compensation and benefits	(396,358)	(563,707)	(477,143)
Supplies and services	(249,768)	(245,350)	(219,811)
Scholarship expense	(7,145)	(7,754)	(8,447)
Depreciation and interest non-operating expense	(62,370)	(61,688)	(62,099)
Transfers from UVM to component units and State	(39,582)	(40,955)	(34,444)
Total expenses from recurring activities	(755,223)	(919,454)	(801,944)
Increase in net position from recurring activities	252,664	52,592	98,690
Capital and endowment appropriations, gifts and grants	5,294	8,478	11,073
Other net non-operating revenue (expense)	6,321	1,686	2,810
Revenues from unusual or infrequent items	11,615	10,164	13,883
Total increase in net position	$ 264,279	62,756	112,573

Net student fees increased by 2.2% from $405.6 million in fiscal 2025 to $414.4 million in fiscal 2026. 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 $13.0 million or 2.5% from fiscal 2025 to fiscal 2026 and gross housing and dining fees grew slightly, having increased $2.1 million or 2.8%. The increase in gross tuition and fees can be attributed to increases in the University's in-state and out-of-state tuition rates, 2.0% and 4.5% respectively. Student financial aid increased from fiscal 2025 to fiscal 2026 by $6.4 million or 3.3%. This increase demonstrates the effort to keep tuition affordable. An increase in net student tuition and fees in fiscal 2025 of 2.7% included a 3.2% increase in gross tuition and fees, 1.5% increase in gross housing and dining fees, and a 3.7% increase in student financial aid.

(Continued)

Total state appropriation non-capital subsidies were $58.7 million in fiscal 2026 and $56.3 million in fiscal 2025. The increase was partially due to additional general state support.

Transfers to UVM from component units non-capital subsidies include 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 2026 by $3.4 million from $36.4 million in fiscal 2025 to $39.8 million in fiscal 2026.

Other auxiliary enterprises decreased in fiscal 2026 by $1.3 million, or 2.7%, to $48.8 million.

Investment income, private gifts and other operating revenues can be volatile due to the investment markets. There was an increase of $23.4 million or 17.6% in fiscal 2026 from fiscal 2025. This increase was primarily attributable to the net investment income growth in fiscal 2026 of $23.1 million, or 23.8%, from $97.0 million in fiscal year 2025 to $120.1 million in fiscal year 2026. 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.

Compensation and benefits decreased $167.3 million, or 29.7%, from $563.7 million in fiscal 2025 to $369.4 million in fiscal 2026. The decrease is the result of adjustments to other post-employment benefits (OPEB) of $215.9 million, offset by annual wage increases for employees, adjustments to compensated absences accruals, and a growth in employee benefit expenses.

Supplies and services expenses increased in fiscal 2026 from fiscal 2025 by $4.4 million or 1.8% from $245.4 million to $249.8 million. Contributors to the change were increased contractual payments under rental and subscription agreements of $5.5 million, additional subcontract expenditures of $4.0 million and higher utilities costs of $1.8 million that were offset with $3.1 million fewer noncapital equipment expenditures and $4.4 million less consulting and contracted services costs. Total supplies and services increased in fiscal 2025 from fiscal 2024 $25.5 million or 11.6% from $219.8 million to $245.4 million.

Scholarship expense increased $0.6 million, or 7.9%, in fiscal 2026 from $7.7 million to $7.1 million. This reduction is consistent with minor decreases in fiscal 2025.

Transfers from UVM to component units and State of $39.6 million, $41.0 million, and $34.4 million in fiscal 2026, 2025, and 2024, 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 2026 had a decrease of $3.1 million from $8.4 million in fiscal 2025 to $5.3 million.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Statements of Net Position

June 30, 2026 and 2025
(Dollars in thousands)

			Discretely Presented Component Units	
	2026	2025	2026	2025
Assets				
Current assets:				
Cash and cash equivalents	$ 228,409	213,751	46,606	39,771
Operating investments	216,803	214,912	131,241	123,097
Accounts, loans, notes, and pledges receivable, net	69,228	94,083	7,685	9,740
Inventories and prepaid expenses	11,579	13,807	404	704
Total current assets	526,019	536,553	185,936	173,312
Non-current assets:				
Endowment cash, cash equivalents and investments	633,392	571,133	362,667	310,465
Student loans, notes, and pledges receivable, net	64,252	42,020	4,027	3,806
Investments for capital activities	106,433	88,973	49	66
Deposits with trustees	9,420	9,149	2,113	1,851
Other assets	28,358	28,701	—	—
Capital and right of use assets, net	722,494	738,208	139,676	117,486
Total non-current assets	1,564,349	1,478,184	508,532	433,674
Total assets	$ 2,090,368	2,014,737	694,468	606,986
Deferred outflows of resources:				
Loss on refunding of debt	—	4,506	—	—
Post-employment benefits	133,648	168,456	—	—
Total deferred outflows of resources	133,648	172,962	—	—
Liabilities				
Current liabilities:				
Accounts payable and accrued liabilities	$ 148,263	129,233	13,970	13,177
Unearned revenue, deposits, and funds held for others	21,701	18,992	63,446	58,010
Bonds and leases payable	18,993	20,473	1,220	605
Total current liabilities	188,957	168,698	78,636	71,792
Non-current liabilities:				
Accrued liabilities	10,396	10,186	—	—
Post-employment benefits	227,853	434,826	—	—
Bonds and leases payable	471,599	497,991	86,418	57,269
Total non-current liabilities	709,848	943,003	86,418	57,269
Total liabilities	$ 898,805	1,111,701	165,054	129,061
Deferred inflows of resources:				
Gain on refunding of debt	$ 5,470	—	—	—
Right of use leases and service concession arrangement	39,154	16,945	—	—
Split-interest arrangements	4,974	4,837	—	—
Post-employment benefits	61,215	104,097	—	—
Total deferred inflows of resources	110,813	125,879	—	—
Net position				
Net investment in capital assets	231,045	218,461	2,682	2,808
Restricted:				
Non-expendable	181,480	175,721	281,074	265,836
Expendable	519,486	473,695	161,122	126,416
Unrestricted	282,387	82,242	84,536	82,865
Total net position	$ 1,214,398	950,119	529,414	477,925

The accompanying notes are an integral part of the financial statements.
Comparative financials are reclassified for alignment to GASB 103. See Footnote 1 for more information.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Statements of Revenues, Expenses and Changes in Net Position

Years ended June 30, 2026 and 2025
(Dollars in thousands)

			Discretely Presented Component Units	
	2026	2025	2026	2025
Operating revenues:				
Tuition and fees	$ 534,032	520,993	—	—
Housing and dining	79,530	77,390	—	—
Less scholarship allowances	(199,141)	(192,760)	—	—
Net student fees	414,421	405,623	—	—
Federal, state, and private grants and contracts	289,761	290,664	993	989
Sales and services of educational activities	8,496	8,416	—	—
Other auxiliary enterprises	48,771	50,137	—	—
Other operating revenues	20,792	21,109	7,218	1,873
Total operating revenues	782,241	775,949	8,211	2,862
Operating expenses:				
Compensation and benefits	(396,358)	(563,707)	(13,520)	(12,758)
Supplies and services	(249,768)	(245,350)	(8,997)	(4,438)
Depreciation and amortization	(43,484)	(41,973)	(3,547)	(1,199)
Scholarships and fellowships	(7,145)	(7,754)	—	—
Total operating expenses	(696,755)	(858,784)	(26,064)	(18,395)
Operating gain (loss)	85,486	(82,835)	(17,853)	(15,533)
Non-capital subsidies:				
State appropriations	58,749	56,274	—	—
Private gifts	6,990	6,401	26,899	28,770
Intergovernmental transfers	(27,437)	(25,243)	—	—
Transfers from UVM to component units	(12,145)	(15,712)	11,750	13,454
Transfers to UVM from component units	39,772	36,378	(35,042)	(33,744)
Total non-capital subsidies	65,929	58,098	3,607	8,480
Operating gain (loss) and non-capital subsidies	151,415	(24,737)	(14,246)	(7,053)
Other nonoperating revenues (expenses):				
Net investment income	120,135	97,044	52,812	31,295
Interest on indebtedness	(18,886)	(19,715)	(30)	(37)
Gain (loss) on disposal of capital assets	546	(160)	—	—
Gifts for endowment purposes	2,969	127	13,903	15,242
State capital appropriations	—	3,000	—	—
Capital gifts and grants	2,325	5,351	—	—
Net other non-operating revenue (expense)	5,775	1,846	(950)	(649)
Total nonoperating revenues (expenses)	112,864	87,493	65,735	45,851
Increase in net position	264,279	62,756	51,489	38,798
Net Position, beginning of Year	950,119	887,363	477,925	439,127
Net Position, end of Year	$ 1,214,398	950,119	529,414	477,925

The accompanying notes are an integral part of the financial statements.
Comparative financials are reclassified for alignment to GASB 103. See Footnote 1 for more information.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Statements of Cash Flows

Years ended June 30, 2026 and 2025
(Dollars in thousands)

	2026	2025
Cash Flows From Operating Activities:		
Student fees (net of applicable scholarship allowances)	$ 425,650	407,838
Grants and contracts	306,441	280,398
Sales and services of educational activities	8,496	8,416
Sales and services of other auxiliary enterprises	48,771	50,137
Payments to employees and benefit providers	(614,672)	(572,885)
Payments to vendors	(229,940)	(223,176)
Payments for scholarships and fellowships	(7,145)	(7,754)
Other receipts, net	17,831	19,587
Net cash used in operating activities	(44,568)	(37,439)
Cash Flows From Non-Capital Financing Activities:		
State general appropriation	58,749	56,274
Private gifts for other than capital purposes	16,079	6,034
Intergovernmental transfers	(27,437)	(25,243)
Transfers from UVM to component units	(12,145)	(15,712)
Transfers to UVM from component units	39,772	36,378
Deposits of affiliates and life income payments, net	3,614	467
Net cash provided by non-capital financing activities	78,632	58,198
Cash Flows From Capital Financing Activities:		
Proceeds from issuance of capital debt	244,198	—
State capital appropriation	—	3,000
Capital grants, gifts and other income	5,997	7,043
Purchases and construction of capital assets	(15,582)	(39,580)
Proceeds from disposal of capital assets	669	383
Principal paid on capital debt	(274,599)	(19,211)
Interest paid on capital debt	(19,030)	(19,708)
Changes in deposits with trustees, net	(13)	95
Net cash used in capital financing activities	(58,360)	(67,978)
Cash Flows From Investing Activities:		
Proceeds from sales and maturities of investments	417,651	374,361
Purchase of investments	(415,925)	(245,292)
Interest and dividends on investments, net	14,661	12,769
Call contribution to joint venture	343	—
Net cash provided by investing activities	16,730	141,838
Net change in cash and cash equivalents	(7,566)	94,619
Cash and cash equivalents - beginning of year	274,218	179,599
Cash and cash equivalents - end of year	$ 266,652	274,218
Reconciliation of Operating Loss To Cash Used In Operating Activities:		
Operating gain (loss)	$ 85,486	(82,835)
Adjustments to reconcile operating loss to net cash used in Operating Activities:		
Depreciation and amortization expense	43,484	41,973
Changes in assets and liabilities:		
Accounts receivable and loan receivable, net	(1,027)	(14,667)
Inventories and prepaid expenses	2,230	5,364
Accounts payable	(4,660)	4,559
Unearned revenue, deposits and accrued liabilities	(170,081)	8,167
Net cash used in operating activities	$ (44,568)	(37,439)

Of the cash and cash equivalents for 2026, $228,409 is current and $38,243 is non-current endowment and, for 2025, $213,751 is current and $60,467 is non-current endowment.

The accompanying notes are an integral part of the financial statements.
Comparative financials are reclassified for alignment to GASB 103. See Footnote 1 for more information.

(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 13,186 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. 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-capital subsidies or 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 post-employment benefit obligation, allowances on accounts and loans receivable, depreciation, and certain accruals.

GASB Statement 103, *Financial Reporting Model Improvements*, becomes effective for all fiscal years beginning after June 15, 2025. This statement improves key components of the financial reporting model to enhance effectiveness of information being provided that is essential for financial statement readers. This includes classifying revenues and expenses as operating or nonoperating on the *Statements of Revenues, Expenses and Changes in Net Position*. Operating revenues and expense are revenues and expenses that are not nonoperating revenues and expenses. Nonoperating revenues and expenses include subsidies received and provided, contributions to permanent and term endowments, revenues and expenses related to financing, resources from the disposal of capital assets and inventory, and investment income and expenses. Subsidies are defined as resources received from another party for which the University does not provide goods and services to that other party, and that directly or indirectly keep the University's current or future fees lower than they would be otherwise. The statement requires operating income (loss) and noncapital subsidies subtotal be calculated and reported before noncapital revenues and expenses. Finally, the statement standardizes the information presented in the Management Discussion and Analysis (MD&A).

The University adopted this guidance in fiscal year 2026. *The Statements of Revenues, Expenses and Changes in Net Position and Statements of Cash Flows* were prepared with classifications for operating and nonoperating revenues, expenses and subsidies from GASB 103. Comparative financials are reclassified as presented for alignment to GASB 103. The changes in classification include:

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

- Reporting Federal Pell Revenues with Federal, state, and private grants and contracts as Operating revenues, previously reported as Nonoperating revenues
- Reporting Student loan financing earnings as Net other non-operating revenues, previously reported as Other operating revenues
- Identifying and reporting Noncapital subsidies, including transfers to and from component units, previously reported as Nonoperating revenues and expenses

Statements of Cash Flows:

- Reporting Federal Pell grant cash flows as Grant and contracts Cash flows from operating activities, previously reported as Cash flows from noncapital financing activities
- Reporting Student loan financing earnings as Cash flows from noncapital financing activities, previously reported as Cash flows from operating activities

(Continued)

GASB Statement 104, *Disclosure of Certain Capital Assets*, becomes effective for all fiscal years beginning after June 15, 2025. The statement requires certain types of capital assets to be disclosed separately in the capital assets footnote. This includes reporting leased assets, intangible right of use assets, subscription-based information technology arrangements and assets held for sale separately in disclosure. The University discloses information around capital assets in footnote 4 consistent with this statement.

(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.

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 2026 and 2025 consists of:

		FY26	FY25
Grants and Contracts			
Federal appropriation, grants and contracts	$	175,020	203,470
Federal Pell grants		11,075	11,879
State grants and contracts		7,325	7,133
Other governmental & private grants and contracts		96,341	68,182
Total	$	289,761	290,664

State appropriations (general fund and capital) are reported separately from federal, state and private grants and contracts. General state appropriations are reported as non-capital subsidies. Capital state appropriations are reported as nonoperating revenue. Grants awarded for capital improvements are reported as other nonoperating 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 $40.8 million in 2026 and $41.8 million in 2025.

Private grants and contracts include funding of $31.7 million in 2026 and $29.0 million in 2025 to the Robert Larner, M.D. College of Medicine from the University of Vermont Medical Center, Inc. related to services rendered by the College of Medicine per an affiliation agreement.

(e) Gifts

Gifts are recorded at their fair value and reported as non-capital subsidies or non-operating revenues, when given for capital purposes.

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, 2026, and 2025, are $5,984 and $6,030, respectively.

(Continued)

The University records unearned revenue for cash received in excess of expenditures on grants and contracts. Grants and contracts unearned revenue at June 30, 2026, and 2025, is $10,481 and $10,504, 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 $88,642 in 2026 and $87,242 in 2025. The total cost for contributions to the RHSP was $1,523 in 2026 and $1,584 in 2025. See note K for further information about post-employment 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, 2026, $35,258 ($33,280 in 2025) 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.

(Continued)

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

Accounts, loans, notes and pledges receivable at June 30, 2026 and 2025 are summarized as follows:

		2026	2025
Accounts, Loans, Notes and Pledges Receivables, Net			
Current:			
Federal, state and private grants receivable	$	28,153	45,459
Student and trade accounts receivable, net		15,146	13,474
Component unit receivable		12,219	10,294
Other accounts receivable		12,027	20,364
Student loans receivable, net		1,683	2,141
Pledges receivable, net		—	2,351
Total Current	$	69,228	94,083
Non-Current:			
Student loans receivable, net	$	22,554	20,359
Lease receivable		13,822	14,839
Other notes receivable		26,233	4,631
Pledges receivable, net		1,643	2,191
Total Non-current	$	64,252	42,020

The student accounts receivable are carried net of an allowance for doubtful accounts of $275 in 2026 and $372 in 2025.

Current other accounts receivable includes the present value of expected future cash flows for lease agreements between the University and third parties, where the University serves as lessor. The current receivable balance includes $1,275 in 2026 from leases and $1,151 in 2025. The long-term balance from these arrangements are reported as a non-current lease receivable totaling $13,822 in 2026 and $14,839 in 2025. The lease receivables are offset by a deferred inflow of resources totaling $15,655 in 2026 and $16,945 in 2025.

Student loans receivable are carried net of an allowance for uncollectible UVM loans. The balances at June 30, 2026 and 2025 were $157 and $182, 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 2026 and $1,869 for 2025. These amounts are included in non-current accrued liabilities.

(Continued)

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.

(3) Accounts Payable and Current Accrued Liabilities

Accounts payable and current accrued liabilities at June 30, 2026 and 2025 are summarized below:

		2026	2025
Accounts Payable and Current Accrued Liabilities			
Accounts payable and other	$	32,269	38,654
Compensation and benefits		85,754	61,023
Insurance reserves		24,886	24,059
Interest expense		5,354	5,497
Total	$	148,263	129,233

(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 depreciated over a useful life of 7 years. Research Vessels are depreciated over a useful life of 30 years. Major construction projects are capitalized but are not depreciated until they are put into service.

Depreciation expense for building and components including fixed equipment for fiscal year 2026 is $33,830 ($33,781 in 2025). Moveable equipment, software systems, research vessels and land improvements depreciation expense is $5,390 for 2026 ($4,993 in 2025). Right of use asset amortization expense totaled $4,264 in 2026 ($3,199 in 2025).

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

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

(Continued)

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.

The University's net capital and right of use asset activity for the years ended June 30, 2026 and 2025 is summarized as follows:

Fiscal Year 2026	Balance June 30, 2025	Additions	Retirements	Reclass/ Changes	Balance June 30, 2026
Capital Assets:					
Land	$ 22,896	—	—	—	22,896
Land improvements	25,540	775	—	2,075	28,390
Buildings	858,438	1,383	(93)	6,337	866,065
Buildings service systems	230,076	8,348	—	558	238,982
Building interiors	108,097	705	—	—	108,802
Fixed equipment	113,524	1,206	—	350	115,080
Moveable equipment	43,108	4,539	(1,746)	758	46,659
Software systems	28,689	—	—	—	28,689
Construction in progress	23,424	8,382	—	(10,078)	21,728
Total capital assets	1,453,792	25,338	(1,839)	—	1,477,291
Less: accumulated depreciation	(730,064)	(39,220)	1,709	—	(767,575)
Capital assets, net	723,728	(13,882)	(130)	—	709,716
Right of use assets:					
Lease - land	2,875	—	—	41	2,916
Lease - buildings	11,334	—	(269)	275	11,340
Subscriptions based information technology arrangements	7,377	2,371	(980)	—	8,768
Total right of use assets	21,586	2,371	(1,249)	316	23,024
Less: accumulated amortization	(7,106)	(4,264)	1,124	—	(10,246)
Right of use assets, net	14,480	(1,893)	(125)	316	12,778
Total capital and right of use assets, net	$ 738,208	(15,775)	(255)	316	722,494

(Continued)

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
Moveable 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:					
Lease - land	6	2,861	—	8	2,875
Lease - buildings	9,993	2,651	(1,521)	211	11,334
Subscriptions based information technology arrangements	3,630	3,747	—	—	7,377
Total 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

Comparative disclosure are reclassified for alignment to GASB 104. See Footnote 1 for more information.

(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 2051.

(Continued)

Long term debt activity for the years ended June 30, 2026 and 2025 is summarized as follows:

	Fiscal Year 2026				
	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	46,689	—	46,689	—	—
Series 2014A (1)	56,308	—	53,899	2,409	—
Series 2015 (2)	175,539	—	158,860	(8)	16,687
Series 2016 (3)	58,867	—	3,104	3,244	52,519
Series 2017 (4)	48,863	—	3,078	3,213	42,572
Series 2019A (5)	41,657	—	1,002	1,043	39,612
Series 2019B (6)	62,522	—	2,680	2,791	57,051
Series 2026A (7)	—	244,544	—	1,082	243,462
Series 2021 (note payable)	6,980	—	1,705	1,730	3,545
Financing lease liability	27	—	22	5	—
Operating lease and subscription liability	12,012	2,530	3,907	3,484	7,151
Total bonds, notes and leases payable	$ 518,464	247,074	274,946	18,993	471,599

(1) This balance shown net of bond premium of $9
(2) This balance shown net of bond discount of $156
(3) This balance shown net of bond premium of $ 7,393
(4) This balance shown net of bond premium of $ 6,610
(5) This balance shown net of bond premium of $ 6,290
(6) This balance shown net of bond premium of $ 11,472
(7) This balance shown net of bond premium of $ 20,838

(Continued)

	Fiscal Year 2025				
	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)	46,676	—	(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

In compliance with the University's various bond indentures, at June 30, 2026 the University has deposits with trustees of $33 ($20 in 2025) 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.

(Continued)

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
2027	$	12,816	19,950	32,766
2028		16,285	19,108	35,393
2029		16,600	18,325	34,925
2030		17,575	17,500	35,075
2031		18,490	16,597	35,087
2032-2036		105,325	68,451	173,776
2037-2041		135,815	40,827	176,642
2042-2046		94,170	11,557	105,727
2047-2051		10,425	1,043	11,468
Total	$	427,501	213,358	640,859

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, 2026, 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 $19,175 and $18,557 in 2026 and 2025, 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

(Continued)

paper, whereas the intermediate term pool may have maturities up to six years. Investments shall be in marketable securities of the following types and with the noted credit ratings:

1. Debt securities rated Aaa, Aa, A or Baa by Moody's Investor's Service, Inc. or AAA, AA, A or BBB by Standard & Poor's Corporation.

2. Obligations of, or guaranteed by, the United States of America, its agencies or instrumentalities.

3. Obligations of, or guaranteed by, national or state banks or bank holding companies rated BB or better. No more than 20% of the funds held in the cash pool shall be invested in debt obligations of institutions within any single holding company.

4. Asset-backed securities rated Aaa by Moody's Investor's Service, Inc. or AAA by Standard & Poor's Corporation.

5. Commercial paper rated A-1 or higher by Standard and Poor's or Prime-1 (P1) by Moody's Investor's Service, Inc.

6. Bankers' acceptances or negotiable certificates of deposit issued by banks rated BB or better. No more than 20% of the funds held in the cash pool shall be invested in certificates of deposit, bankers' acceptances or floating rate notes of the institutions within any single holding company.

7. Repurchase agreements of banks having Fitch ratings no lower than BB secured by the U.S. government and federal agency obligations with market values of at least 100% of the amount of the repurchase agreement.

8. Commingled funds may be used if they are in compliance with the above guidelines.

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

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

		2026	2025
Cash and Cash Equivalents			
Current	$	228,409	213,751
Endowment		38,243	60,467
Total	$	266,652	274,218

(Continued)

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

		2026	2025
Cash and Cash Equivalents			
Cash	$	38,791	78,847
Money Markets		151,898	130,242
Treasury Bills		75,963	65,129
Total	$	266,652	274,218

The balance of cash held in bank deposit accounts was $49,653 at June 30, 2026 and $87,387 at June 30, 2025. Of these bank balances, $756 in 2026 and $765 in 2025 were covered by the Federal Depository Insurance Corporation. The University had a third-party custodian agreement with Wilmington Trust, through M&T Bank, of $14,954 at June 30, 2026 and $59,649 at June 30, 2025. The University has a letter of credit program of $188,332 as of June 30, 2026 and $144,437 as of June 30, 2025, 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 $216,803 at June 30, 2026 and $214,912 at June 30, 2025 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:

		2026	2025
Investments			
Operating investments	$	216,803	214,912
Endowment cash and investments		633,392	571,133
Investments for capital activities		106,433	88,973
Total	$	956,628	875,018

Deposits with trustees include $8,171 in 2026 and $7,878 in 2025 of assets held under deferred giving arrangements, $1,215 in 2026 and $1,251 in 2025 of investments in the waste disposal fund required by the EPA, and $34 in 2026 and $20 in 2025 of investments held by bond trustees.

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

(Continued)

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.

Investments measured at fair value or net asset value as of June 30, 2026 and 2025 is summarized as follows:

	June 30, 2026				
	Level 1	Level 2	Level 3	NAV	Total Investments
Investments:					
Public global equity	$ 345,258	—	—	207,592	552,850
Marketable alternatives	—	—	—	116,449	116,449
Private investments	—	—	170	265,907	266,077
Fixed income/debt	77,773	181,211	—	—	258,984
Other	1,592	—	1,700	—	3,292
Cash and cash equivalents	38,243	—	—	—	38,243
Subtotal investments	462,866	181,211	1,870	589,948	1,235,895
Less UVM Foundation					(279,267)
Total Investments					$ 956,628
Deposits With Trustees at Fair Value:					
Beneficial interests in trusts	$ —	—	3,228	—	3,228
Public global equity	328	—	—	—	328
Fixed income/debt	442	4,060	—	—	4,502
Cash and cash equivalents	1,362	—	—	—	1,362
Total Deposits With Trustees	$ 2,132	4,060	3,228	—	9,420

(Continued)

	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

(Continued)

Investment liquidity as of June 30, 2026 and 2025 is summarized as follows:

June 30, 2026	Daily	Monthly	Quarterly	Semi-Annual	Annual	Illiquid	Total	Redemption Notice Period
Investments:								
Public global equity	$ 290,888	54,371	25,353	—	101,242	80,996	552,850	1-90 days, Illiquid
Marketable alternatives	47,122	—	55,678	6,231	5,081	2,337	116,449	1-90 days, Illiquid
Private investments	—	—	—	—	—	266,077	266,077	Illiquid
Fixed income/debt	258,984	—	—	—	—	—	258,984	Same day
Other	1,592	—	—	—	—	1,700	3,292	Same day, Illiquid
Cash and cash equivalents	38,243	—	—	—	—	—	38,243	Same day
Subtotal Investments	636,829	54,371	81,031	6,231	106,323	351,110	1,235,895	
Less UVM Foundation							(279,267)	
Total Investments							$ 956,628	

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	

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.

The fixed income/debt portfolio is composed of passive and active bond funds. The following shows the risk profiles at June 30, 2026 and 2025:

Fixed income/debt	Amount	Average Maturity/ Effective Duration	Gov't/ Agency	AAA	AA	A	BBB	<BBB
2026	$ 258,984	4.5 / 3.7	32	6	16	34	8	4
2025	256,747	4.4 /3.4	33	3	14	37	6	7

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:

		FY26	FY25
Net Investment Income			
Net interest, dividend and other income	$	15,573	13,787
Realized gains		120,379	56,785
Unrealized gains		(14,796)	28,070
Investment management fees		(1,021)	(1,598)
Total	$	120,135	97,044

(Continued)

(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 pooled endowment with an objective to provide uniform, stable, sustainable, and predictable distributions to support donor and Board purposes while exceeding performance benchmarks. The primary benchmark is 75% MSCI All Country World Index and 25% Bloomberg US Aggregate Bond Index. The total return of the pool is evaluated on a five-year rolling basis and should be equal to an amount sufficient to maintain the purchasing power of the assets and provide necessary capital to fund distributions, fees, and other withdrawals. The distribution rate for spending is currently set at 5.5% of the pool's average market value per unit for the trailing 13 quarters multiplied by the total number of units.

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 allowable range and actual percentages at June 30 are presented in the following tables:

	2026	
Unaudited	**Target %**	**Actual %**
Public Global Equity	30 - 80	53.3 %
Marketable Alternatives	0 - 15	9.3
Private Investments	0 - 30	26.0
Fixed Income/Debt	0 - 30	7.6
Cash and Cash Equivalents	0 - 10	3.8
Total		100.0 %

	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		100.0 %

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

(Continued)

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 $85.17), 5,902.4089 units were owned by endowment funds and 6,096.2783 units by quasi endowment funds at June 30, 2026 ($77.92, 5,822.8165 and 5,759.5295 respectively, at June 30, 2025).

The University of Vermont Foundation (UVMF) participates in the UVM pooled endowment. The UVMF owned 3,279.0584 units with a market value of $279,267 as of June 30, 2026 and 3,083.1045 units with a market value of $240,223 as of June 30, 2025.

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.

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, 2026	$ 1,021,889	797,721	224,168
June 30, 2025	902,449	682,418	220,031
Unrealized net gain			4,137
New gifts and transfers			29,642
Realized net gain			118,687
Net income			1,270
Withdrawn for spending			(34,297)
Total Net Change			$ 119,439

(Continued)

	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

(9) Commitments

Major plant projects include commitments as follows:

Project	Estimated Project Cost	Project-to-Date Expenditures 2026	Project-to-Date Expenditures 2025
Multipurpose Center	$ 95,000	66,972	66,972

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 $100,164 as of June 30, 2026.

The University entered into agreements with the State of Vermont Department of Vermont Health Access in both 2026 and 2025, 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 $27,437 and $25,243 were made in 2026 and 2025, respectively, and are recorded on the Statements of Revenues, Expenses, and Changes in Net Position under Intergovernmental transfers in the Noncapital subsidies section. For 2027 the University will make a payment to the State of Vermont Department of Vermont Health Access totaling $25,035.

The University is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters and business interruption. The University manages these risks through a combination of self-insurance and commercial insurance purchased in the name of the University. The University's annual self-insured obligation for general liability is $500 per occurrence and $25 per occurrence for automobile liability. Its assumption of risk for property losses is $250 per occurrence. Educator's legal liability risks are subject to a $300 per loss retention.

Worker's compensation is subject to a $650 per occurrence retention. None of these lines of coverage have an annual self-insured aggregate or stop-gap. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

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

The University follows the policy of self-insuring risks up to certain limits. At year end, the University had open claims valued at $2,845 in 2026 and $3,286 in 2025; $145 and $95 of this is covered by excess insurance in 2026 and 2025, respectively. The University paid claims of $2,937 in 2026 and $1,944 in 2025. Reserves for property and casualty liabilities are included in accrued liabilities (including incurred but not reported) in the amount of $24,886 at June 30, 2026 and $24,059 at June 30, 2025.

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

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

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

(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 less than .75 full-time equivalency are not eligible for 10% 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 New England Benevolent Association Union are eligible for the 10% UVM contribution after the successful completion of their probationary period;

- part-time faculty members that have taught a total of 24 credits or more as a bargaining unit member within the last eight years and has been a member of the bargaining unit for greater than two consecutive years will be eligible for matching university contributions up to 2% of the unit members salary per payroll in the academic year;
- 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, 2026 and 2025, the University had total payroll expense of $408,876 and $402,283, respectively, of which $279,299 in 2026 and $261,537 in 2025 was covered by the University's 403(b) retirement plan. Total employee and employer contributions for 403(b) pension benefits for the year were $25,866 and $27,930, respectively, for 2026 and $23,438 and $26,154, respectively, for 2025. 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 $9,114 in fiscal year 2026 and $7,718 in fiscal year 2025.

(11) Post-employment Benefits Other Than Pensions (OPEB)

The University accounts for its post-employment 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. Effective January 1, 2026, the University eliminated its group retiree Medicare medical insurance plan and transitioned to a model that allows Medicare-eligible participants to choose individual coverage through the Medicare marketplace. The University will contribute to the cost of coverage for eligible participants through a Health Reimbursement Arrangement (HRA) using the inverse of the retiree cost-share percentage applied to the University's standard premium calculation. The University's standard premium calculation includes consideration of current market costs for comparable medical and prescription drug coverage on the marketplace.

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

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

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

Employees who retired under the Voluntary Separation Plan of 1992 or before are not required to contribute to the plan, however, a surviving spouse receives two (2) years of medical and base dental coverage without charge, after which dental terminates (the surviving spouse would be eligible for 36

months of COBRA) and medical coverage is available at 50% of the cost of providing coverage. Retirees under the Voluntary Separation Plan of 2000 pay for their medical benefits based on the contribution system in effect prior to June 30, 2000 (based on 0.5% times 75% of the average final three years' base salary). Retirees hired after June 30, 1992 have the same salary band contribution percentages as active employees, which is based on 75% of their average final three years' base salary. Retirees hired after June 30, 1992 and before July 1, 1997 are required to contribute as above plus a percentage based on the sum of their age at retirement and their years of continuous full-time service. This surcharge is based on a scale that ranges from 65 to 75 and over. A retirement benefit structure was announced in December 2011, affecting employees retiring on or after June 30, 2015. Consideration is given to age and years of service, with employee participation in medical benefit coverage and the costs associated with that coverage.

At the valuation date of January 1, 2025, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	2,015
Active employees	4,449
Total	6,464

(b) Total OPEB Liability

The University's total OPEB liability of $227,853 in 2026 and $434,826 in 2025 was determined by an actuarial valuation as of January 1, 2021, and then projected forward to the measurement date of December 31, 2025 and December 31, 2024, respectively.

The total OPEB liability as of the December 31, 2025 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	4.83

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

(Continued)

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	7.3 %	3.7 %	2074
Health Reimbursement Account	6.0	3.7	2074
Medicare Advantage	6.3	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 2026 and 2025 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.

(c) Changes in Total OPEB Liability

The following table represents changes in Total OPEB Liability for the year ended June 30, 2026 and 2025:

		FY26	FY25
Total OPEB Liability			
Balance at beginning of year	$	434,826	402,125
Changes for the year:			
Service cost		10,588	10,953
Interest on total OPEB liability		17,860	13,355
Effect of plan changes		(193,645)	—
Effect of economic/demographic gains or losses		(3,520)	(2,044)
Effect of assumption changes or inputs		(22,787)	17,299
Benefit payments		(15,469)	(6,862)
Net changes		(206,973)	32,701
Balance at end of year	$	227,853	434,826

(Continued)

The University changed the benefit structure related to Medicare retirees effective January 1, 2026. Prior to that date, participants were eligible to participate in a University subsidized group Medicare Advantage plan sponsored by the University. Effective January 1, 2026, Medicare participants receive a contribution towards a health reimbursement account and can use those proceeds to purchase individual health insurance policies through a private exchange sponsored by the University. This plan change caused the liability to decrease by $193.6 million. The discount rate increased to 4.83% in FY26 from 4.08% in FY25 and medical and dental claims and trend were updated to reflect current premiums, and expectations of future experience. Combined these assumption changes decreased the liability $22.8 million.

The following tables present the total OPEB liability of the University, calculated using the discount rates of 4.83% in FY26 and 4.08% in FY25, 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 2026			
		1% Decrease 3.83%	Discount Rate 4.83%	1% Increase 5.83%
Total OPEB liability	$	254,420	227,853	205,588

	Fiscal Year 2025			
		1% Decrease 3.08%	Discount Rate 4.08%	1% Increase 5.08%
Total OPEB liability	$	491,987	434,826	387,504

The following tables present the FY26 and FY25 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 2026			
		1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$	180,891	227,853	286,487

(Continued)

	Fiscal Year 2025		
	1% Decrease	Current Trend Rate	1% Increase
Total OPEB liability	$ 379,812	434,826	502,215

(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, 2026 and 2025 is summarized as follows:

	FY26	FY25
OPEB (Credit) Expense		
Service cost	$ 10,588	10,953
Interest on total OPEB liability	17,860	13,355
Effect of plan changes	(193,645)	—
Recognition of deferred outflows/inflows of resources		
Recognition of economic/demographic gains or losses	(18,982)	(33,548)
Recognition of assumption changes or inputs	(16,291)	(3,856)
OPEB (credit) expense	$ (200,470)	(13,096)

Deferred outflows and inflows of resources as of June 30, 2026 and 2025 are summarized as follows:

	2026	
	Deferred Inflows of Resources	Deferred Outflows of Resources
Difference between expected and actual experience	$ (33,589)	111,049
Changes of assumptions	(27,626)	16,011
Contributions after measurement period	—	6,588
Total	$ (61,215)	133,648

(Continued)

	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

Deferred outflows of resources resulting from contributions after the measurement period totaling $6,588 and $7,480 will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2026 and June 30, 2025, 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
2027	$ (7,478)
2028	29,819
2029	29,819
2030	21,126
2031	(3,682)
Thereafter *	(3,759)

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

(12) Operating Expenses by Function

Operating expenses by functional classification for the years ended June 30, 2026 and 2025 are summarized as follows:

	Year ended June 30, 2026				
Function	**Compensation and Benefits**	**Supplies and Services**	**Depreciation and Amortization**	**Scholarships and Fellowships**	**Total**
Instruction	$ 130,347	27,208	—	—	157,555
Research	63,247	60,086	—	—	123,333
Public service	34,430	11,080	—	—	45,510
Academic support	55,668	17,281	—	—	72,949
Student services	28,997	17,882	—	—	46,879
Institutional support	32,691	18,198	—	—	50,889
Operation and maintenance of plant	25,060	25,765	—	—	50,825
Scholarships and fellowships	—	—	—	7,145	7,145
Auxiliary enterprises	25,918	72,268	—	—	98,186
Depreciation and amortization	—	—	43,484	—	43,484
Total	$ 396,358	249,768	43,484	7,145	696,755

	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
Auxiliary 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

(Continued)

(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, 2026 and 2025 were available to be issued on November 5, 2026 and subsequent events have been evaluated through that date, noting none.

(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, 2026 and 2025 is presented below.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Discretely Presented Component Unit's Statements of Net Position

June 30, 2026 and 2025

	UMEA		UVMF		Catamount Run Phase 1		Catamount Run Phase 2		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Assets										
Current assets:										
Cash and cash equivalents	$ 1,349	1,046	38,039	36,640	1,868	1,076	5,350	1,009	46,606	39,771
Operating investments	80,152	72,429	51,089	50,668	—	—	—	—	131,241	123,097
Accounts, loan notes, and pledges receivable, net	1,101	937	6,188	8,680	164	111	232	12	7,685	9,740
Inventories and prepaid expenses	13	11	391	693	—	—	—	—	404	704
Total current assets	82,615	74,423	95,707	96,681	2,032	1,187	5,582	1,021	185,936	173,312
Non-current assets:										
Endowment cash, cash equivalents and investments	—	—	362,667	310,465	—	—	—	—	362,667	310,465
Student loans, notes, and pledges receivable, net	—	—	4,027	3,806	—	—	—	—	4,027	3,806
Investments for capital activities	—	—	49	66	—	—	—	—	49	66
Deposits with trustees	—	—	2,113	1,851	—	—	—	—	2,113	1,851
Capital and right of use assets, net	—	—	6,235	6,583	55,484	56,714	77,957	54,189	139,676	117,486
Total non-current assets	—	—	375,091	322,771	55,484	56,714	77,957	54,189	508,532	433,674
Total assets	$ 82,615	74,423	470,798	419,452	57,516	57,901	83,539	55,210	694,468	606,986
Liabilities										
Current liabilities:										
Accounts payable and accrued liabilities	$ 1,158	1,100	11,185	10,439	225	189	1,402	1,449	13,970	13,177
Unearned revenue, deposits, and funds held for others	62,641	57,605	—	—	367	405	438	—	63,446	58,010
Bonds and leases payable	—	—	—	—	551	430	669	175	1,220	605
Total current liabilities	63,799	58,705	11,185	10,439	1,143	1,024	2,509	1,624	78,636	71,792
Non-current liabilities:										
Bonds and leases payable	—	—	3,553	3,775	34,621	33,306	48,244	20,188	86,418	57,269
Total non-current liabilities	—	—	3,553	3,775	34,621	33,306	48,244	20,188	86,418	57,269
Total liabilities	63,799	58,705	14,738	14,214	35,764	34,330	50,753	21,812	165,054	129,061
Net position										
Net investment in capital assets	—	—	2,682	2,808	—	—	—	—	2,682	2,808
Restricted:										
Non-expendable	—	—	281,074	265,836	—	—	—	—	281,074	265,836
Expendable	11,827	10,216	149,295	116,200	—	—	—	—	161,122	126,416
Unrestricted	6,989	5,502	23,009	20,394	21,752	23,571	32,786	33,398	84,536	82,865
Total net position	$ 18,816	15,718	456,060	405,238	21,752	23,571	32,786	33,398	529,414	477,925

Comparative financials are reclassified for alignment to GASB 103. See Footnote 1 for more information.

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, 2026 and 2025

	UMEA		UVMF		Catamount Run Phase 1		Catamount Run Phase 2		Total	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
Operating revenues:										
Federal, state, and private grants and contracts	$ —	—	993	989	—	—	—	—	993	989
Other operating revenues	214	202	43	38	4,460	1,629	2,501	4	7,218	1,873
Total operating revenues	214	202	1,036	1,027	4,460	1,629	2,501	4	8,211	2,862
Operating expenses:										
Compensation and benefits	(262)	(249)	(12,831)	(12,402)	(207)	(107)	(220)	—	(13,520)	(12,758)
Supplies and services	—	—	(3,916)	(3,110)	(3,359)	(1,324)	(1,722)	(4)	(8,997)	(4,438)
Depreciation and amortization	—	—	(357)	(363)	(2,021)	(836)	(1,169)	—	(3,547)	(1,199)
Total operating expenses	(262)	(249)	(17,104)	(15,875)	(5,587)	(2,267)	(3,111)	(4)	(26,064)	(18,395)
Operating loss	(48)	(47)	(16,068)	(14,848)	(1,127)	(638)	(610)	—	(17,853)	(15,533)
Noncapital subsidies:										
Private gifts	509	1,610	26,390	27,160	—	—	—	—	26,899	28,770
Transfers from UVM to component units	—	—	11,750	13,454	—	—	—	—	11,750	13,454
Transfers to UVM from component units	(1,485)	(2,186)	(33,217)	(31,558)	(339)	—	(1)	—	(35,042)	(33,744)
Total noncapital subsidies	(976)	(576)	4,923	9,056	(339)	—	(1)	—	3,607	8,480
Operating loss and noncapital subsidies	(1,024)	(623)	(11,145)	(5,792)	(1,466)	(638)	(611)	—	(14,246)	(7,053)
Other nonoperating revenues (expenses):										
Net investment income (loss)	4,122	463	48,690	30,832	—	—	—	—	52,812	31,295
Interest on indebtedness	—	—	(30)	(37)	—	—	—	—	(30)	(37)
Gifts for endowment purposes	—	—	13,903	15,242	—	—	—	—	13,903	15,242
Net other non-operating revenue (expense)	—	—	(596)	(649)	(353)	—	(1)	—	(950)	(649)
Total nonoperating revenues (expenses)	4,122	463	61,967	45,388	(353)	—	(1)	—	65,735	45,851
Increase (decrease) in net position	3,098	(160)	50,822	39,596	(1,819)	(638)	(612)	—	51,489	38,798
Net position, beginning of year	15,718	15,878	405,238	365,642	23,571	24,209	33,398	33,398	477,925	439,127
Net position, end of year	$ 18,816	15,718	456,060	405,238	21,752	23,571	32,786	33,398	529,414	477,925

Comparative financials are reclassified for alignment to GASB 103. See Footnote 1 for more information.

UNIVERSITY OF VERMONT AND STATE AGRICULTURAL COLLEGE

Required Supplementary Information - Post-employment Benefits

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

Total OPEB Liability		FY26	FY25	FY24	FY23	FY22	FY21	FY20	FY19	FY18
Service cost	$	10,588	10,953	5,933	8,909	15,745	13,582	13,452	15,645	14,434
Interest on total OPEB liability		17,860	13,355	7,057	9,062	10,251	14,661	19,063	17,175	18,066
Changes of benefit terms		(193,645)	—	—	—	—	—	—	—	—
Effect of economic/demographic (gains) or losses		(3,520)	(2,044)	200,605	(213,796)	(9,093)	(117,836)	9,862	1,395	847
Effect of assumption changes or inputs		(22,787)	17,299	8,036	(42,777)	(41,561)	51,272	45,175	(48,429)	4,085
Benefit payments		(15,469)	(6,862)	(6,503)	(10,773)	(13,455)	(17,225)	(17,853)	(18,029)	(16,058)
Net change in total OPEB liability		(206,973)	32,701	215,128	(249,375)	(38,113)	(55,546)	69,699	(32,243)	21,374
Total OPEB liability beginning		434,826	402,125	186,997	436,372	474,485	530,031	460,332	492,575	471,201
Total OPEB liability ending	$	227,853	434,826	402,125	186,997	436,372	474,485	530,031	460,332	492,575
Covered-employee payroll	$	329,175	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		69.22 %	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.

UNIVERSITY OF VERMONT
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Notes to the Required Supplementary Information

For the Years Ended June 30, 2026 and 2025
(Dollars in thousands)

Notes to Schedule:

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

2026	4.83 %
2025	4.08
2024	3.26
2023	3.72
2022	2.06
2021	2.12
2020	2.74
2019	4.10
2018	3.44