



May 15, 2024

To: Dean, Directors and Chairs
From: Claire Burlingham, Controller
Subject: GASB Component Units

The Governmental Accounting Standards Board (GASB) requires UVM to report component units on our Financial Statements. We need your help to identify any other entities that might qualify as a component unit of UVM under the GASB standards.

If you or your staff are aware of a legally separate organization that meets any of the following criteria, please contact Lindsey Donovan, Associate Controller for Financial and Cost Accounting Services (Lindsey.Donovan@uvm.edu) no later than June 3, 2024.

Determination criteria for component units:

1. UVM appoints or otherwise controls a majority of the entity's governing board.
2. UVM has the ability to impose any of the following:
 - a. Remove appointed members of the entity's governing board.
 - b. Approve or modify the entity's budget.
 - c. Approve rate or fee changes that affect the entity's revenues.
 - d. Ability to veto, overrule, or modify the entity's board.
 - e. Other conditions that indicate UVM could impose will on the entity.
3. There is a financial/benefit burden relationship which could include:
 - a. UVM can access the entity's resources.
 - b. UVM is obligated to provide financial support to the entity.
 - c. UVM is obligated in some manner for the debt of the entity.
4. The entity is fiscally dependent on UVM.

These criteria do not necessarily make them component units of UVM for financial reporting purposes but will identify organizations for us to investigate further and provide assurance that we are adhering to the GASB reporting standards.

Thank you for your cooperation.

University Financial Services

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