



2025 ANNUAL FINANCIAL REPORT

A Component Unit of The State of Utah

UtahStateUniversity.

WELCOME TO
UtahState
University



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LETTER FROM THE PRESIDENT

It is my pleasure to share Utah State University's financial report for the fiscal year ending June 30, 2025. This report reflects more than sound management of resources—it represents our shared commitment to education, discovery, and service across the state and beyond.

As Utah's land-grant university, we take seriously our charge to advance knowledge and opportunity for all. Recently, Washington Monthly ranked Utah State 90th in the nation and the top public institution in Utah in their annual 2025 Best Colleges for Your Tuition (and Tax) Dollars report.

This recognition showcases our commitment to making a high-quality education accessible and affordable for all students validating the hard work of our faculty and staff across USU's 30 locations serving all of Utah.

This past year has also demonstrated the strength and adaptability of our mission in action. The Northwest Commission on Colleges and Universities reaffirmed USU's accreditation for another seven years, commending the university's integrity, student support, and broad-reaching mission.

The university faculty and staff were praised for their commitment to being a student-centered institution that continually works to foster engaged learning,

support student relationships and create a caring environment where students can thrive. This process reaffirms that USU is a great place to receive an education.

Our impact is measurable not only in recognition, but in results. A new report from the Kem C. Gardner Policy Institute—commissioned by the Utah System of Higher Education—details USU's significant statewide economic contribution. In 2023, Utah State University supported \$1.4 billion in GDP and \$2.2 billion in economic output for Utah. That influence extends from our research laboratories and classrooms to our Extension offices and community partnerships in every county of the state.

This study confirms that we are not only changing lives but also driving billions in economic impact across the state. USU plays a vital role in strengthening local economies, expanding opportunity and fueling innovation. It is a powerful reminder that investing in higher education is investing in Utah.

This year, we also celebrated new milestones that reflect our continued growth and investment in Utah's future: the opening of the Carolyn and Kem Gardner Learning and Leadership Building, the welcoming of our first class in the new College of



Veterinary Medicine, and the generosity of donors whose contributions helped USU surpass fundraising goals with more than \$68.8 million raised.

Each of these accomplishments is rooted in the dedication of our people—faculty, staff, students, alumni, and friends—who believe in the power of higher education to improve lives and strengthen communities. I am grateful for their work and their commitment to societal impact.

The following financial statements, prepared in accordance with generally accepted accounting principles provide a transparent view of our fiscal position and stewardship. They confirm what we already know: Utah State University remains financially strong, mission-focused, and well positioned for the future.

As we have since our founding, we will continue to ensure that the resources entrusted to us serve the public good, today and for generations to come.

Sincerely,

Alan L. Smith
Interim President, Utah State University

STATE OF UTAH
OFFICE OF THE UTAH STATE AUDITOR



TINA M. CANNON
UTAH STATE AUDITOR

Independent Auditor's Report

To the Board of Trustees, Audit Committee
and
Dr. Brad L. Mortensen, President
Alan L. Smith, Interim President
Utah State University

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Utah State University (University) as of and for the year ended June 30, 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the University, as of June 30, 2025, and the respective changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Utah State University Space Dynamics Laboratory (SDL), a blended component unit, which represents 12 percent, 7 percent, and 26 percent, respectively, of the total assets, net position, and revenues of the University, as of June 30, 2025. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the SDL, is based solely on the report of the other auditors.

Basis for Opinion

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 Auditor's 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 opinion.

Emphasis of Matter

As described in Note O, the University implemented Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* and changed the accounting treatment of library digital assets and subscriptions. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the University's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's 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 auditor's report that includes our opinion. 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 generally accepted auditing standards 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

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the Schedule of Proportionate Share of Net Pension Liability, and the Schedule of Contributions to the Utah Retirement Systems be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the Letter from the President and the listing of Executive Officers and Board of Trustees but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to

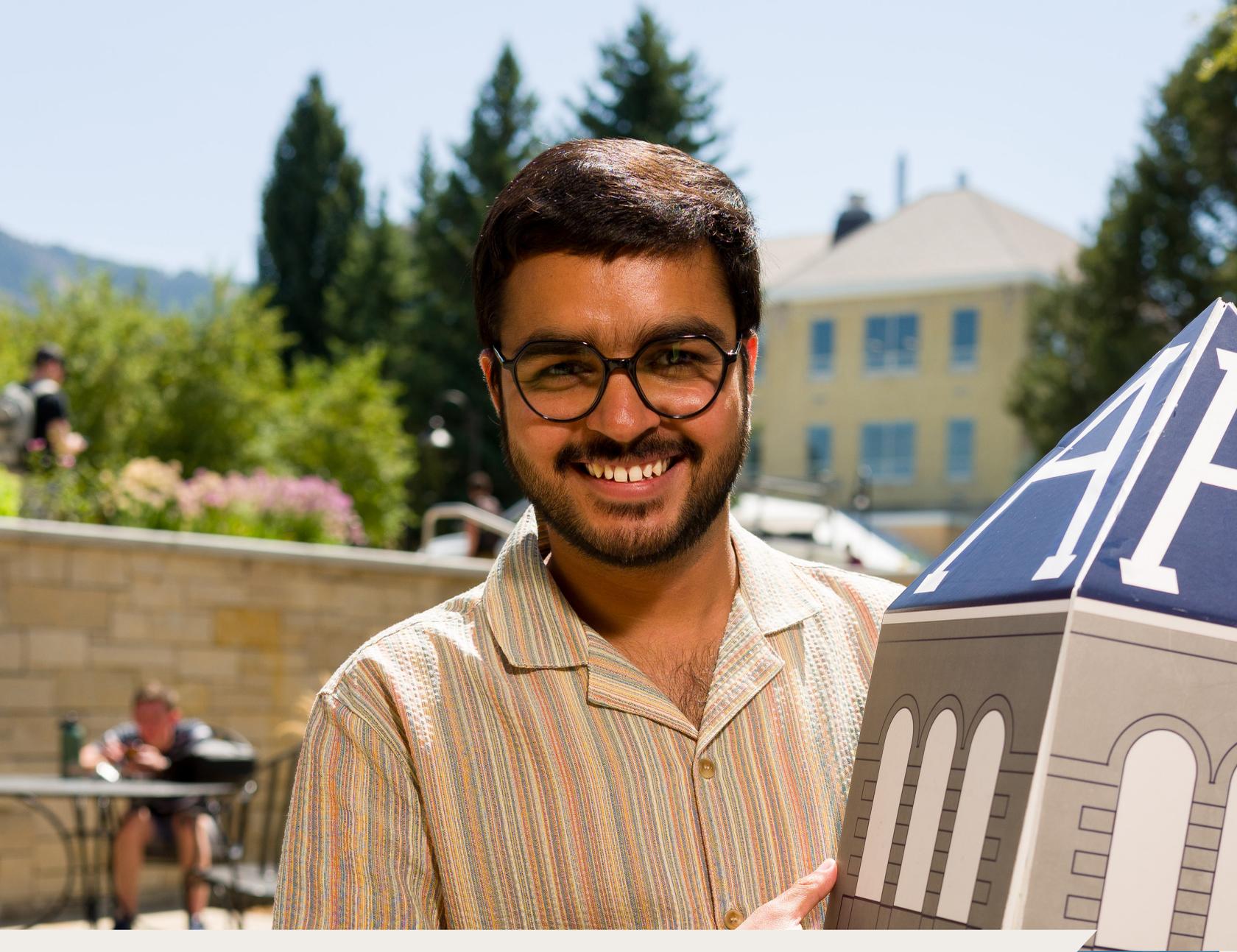
be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2025 on our consideration of the University's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the University's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the University's internal control over financial reporting and compliance.



Office of the Utah State Auditor
Salt Lake City, Utah
November 10, 2025



MANAGEMENT'S DISCUSSION & ANALYSIS

This section provides an overview of the University's financial activities in the current year compared to the prior year. Total assets and liabilities are presented as well as the change in net position from the prior year. Revenues, expenses, appropriations from the state, contributions, etc., are analyzed and discussed. The cash activity is also summarized to show the change in cash from the prior year to the current year.

The following unaudited Management’s Discussion and Analysis (MD&A) includes an analysis of the financial condition and results of activities of Utah State University (University) for the fiscal year (FY) ended June 30, 2025. The analysis includes the University’s condensed and comparative Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows along with related graphs and comparative data. Also included is management’s perspective of the University’s economic outlook.

Utah State University is a component unit of the State of Utah. The financial statements include the accounts of Energy Education Workforce Initiative, Prehistoric Museum, Student Success, Technical Education, Utah Forest Restoration Institute, Utah State University Agricultural Experiment Station, Utah State University Cooperative Extension Service, Utah State University Water Research Laboratory, and Veterinary Medicine, which are entities separately funded by state appropriations.

The Utah State University Space Dynamics Laboratory (SDL), the Utah State University Foundation (Foundation) and the Hansen Scholars Support Foundation (HSSF) are blended component units of the University and have been consolidated in these financial statements. SDL is governed by a Board of Directors appointed by the president of Utah State University, under the direction of the University’s Board of Trustees. SDL is a dependent foundation of Utah State University and is reported as a part of the University because its primary purpose is to support the mission of Utah State University in regards to research. The Utah State University Foundation is also governed by a Board of Trustees appointed by the president of the University. The Utah State University Foundation is a dependent foundation of Utah State University and serves as a fund-raising arm of the University. The Hansen Scholars Support Foundation is a dependent foundation and is governed by a Board of Trustees, with the majority being selected by the University. The purpose of this foundation is to

manage, invest, and distribute foundation assets to the University to be used for scholarships.

The Utah State University Space Dynamics Laboratory annually publishes audited financial statements. A copy of the audited financial statements can be obtained from Utah State University Space Dynamics Laboratory, 416 E. Innovation Avenue, North Logan, Utah 84341.

OVERVIEW OF FINANCIAL STATEMENTS AND FINANCIAL ANALYSIS

The Management’s Discussion and Analysis is designed to provide an easily readable analysis of the University’s financial activities based on facts, decisions, and conditions known at the date of the auditor’s report. The University’s financial statements for fiscal year 2025 are presented beginning on page 20. The financial statements, note disclosures, and this discussion are the responsibility of management. This annual report consists of a series of financial statements, prepared in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 35, *Basic Financial Statements and Management’s Discussion and Analysis – for Public Colleges and Universities*. These financial statements focus on the operations, cash flows, and the main condition of the University as a whole. There are three financial statements presented: Statement of Net Position; Statement of Revenues, Expenses, and Changes in Net Position; and Statement of Cash Flows.

STATEMENT OF NET POSITION

The Statement of Net Position outlines the University’s financial condition at fiscal year end. This statement reflects the various assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the University as of the fiscal year ended June 30, 2025.

From the data presented, readers of the Statement of Net Position have the information to determine the assets available to continue the operations of the University. They can also determine how much

the University owes vendors, investors, and lending institutions. Finally, the Statement of Net Position outlines the net position (assets plus deferred outflows of resources minus liabilities minus deferred inflows of resources) available to the University and defines that availability.

Net position is divided into three major categories. The first category, Net Investment in Capital Assets, reflects the University's equity in property, plant, and equipment owned by the University. The second category, Restricted, is further divided into two subcategories: Nonexpendable and Expendable. The corpus of restricted nonexpendable resources as it pertains to endowments is only available for investment purposes. Donors have primarily restricted income derived from these investments to fund scholarships and fellowships. The corpus of restricted nonexpendable resources as it pertains to loan funds is only available for the purpose of issuing loans to students under the terms of the various donor and federal government agreements. Restricted expendable resources are available for expenditure by the University but must be expended for purposes as determined by donors and/or external entities that have placed time or purpose restrictions on the use of the assets. The last category, Unrestricted, discloses the resources available to the University to be used for purposes related to its mission.

In 2025, the University implemented changes to its accounting principles. Historically, library digital assets and library digital subscriptions were capitalized as assets and not amortized over their useful lives. The University has determined that library digital assets should be capitalized and amortized over their useful lives. Library digital subscriptions will either be expensed in the period of use or capitalized as a subscription asset. In accordance with GASB Statement No. 100, *Accounting Changes and Error Corrections*, the comparative period has been restated to reflect this change. See Note O for additional information regarding these changes.

In fiscal year 2025, the University's total net position increased \$151.9 million (7.8%) to \$2.1 billion. The increase reflects those revenues that were received during 2025 that were not used for operations or payment of interest on capital asset related debt. Total assets increased \$157.9 million (6.1%) while total liabilities increased \$4.8 million (0.7%) and deferred inflows of resources increased \$1.2 million (5.8%).

Current assets decreased by \$40.6 million (10.5%). Cash and cash equivalents decreased \$30.4 million largely due to the purchase of investments. Short-term investments decreased \$21.9 million mainly due to a \$33.7 million decrease in commercial paper and notes, and a \$11.8 increase in U.S. Government obligations. Accounts receivable increased \$9.0 million largely due to an increase in contracts and grants receivable of \$7.8 million, an increase in other receivables of \$2.3 million, and a decrease of pledges receivable of \$1.1 million. Overall prepaid expenses increased \$2.0 million (37.0%) primarily due to the cost of software licensing. Inventories at SDL increased \$0.7 million (7.4%).

Noncurrent assets increased \$198.4 million due to a net increase of \$154.9 million in capital assets, a \$57.3 million decrease in restricted cash and cash equivalents, an increase of \$91.7 million in investments, a \$6.2 million decrease in pledges receivable, an increase of \$10.6 million in accounts and notes receivable, a \$5 million increase in the net pension asset, and a \$0.3 million decrease in split-interest agreements.

The \$154.9 million net increase in capital assets is comprised of construction projects completed or in progress, purchases of land, buildings, equipment, leased assets, and subscription assets; and offset by depreciation and amortization expense of all depreciable capital, leased, and subscription assets.

Large construction projects completed or in progress included the Electric Vehicle and Roadway building addition, the Ridge Point Residence Hall, the Canyon View Parking Terrace, the Mehdi Heravi Global Teaching

CONDENSED STATEMENT OF NET POSITION

AS OF JUNE 30

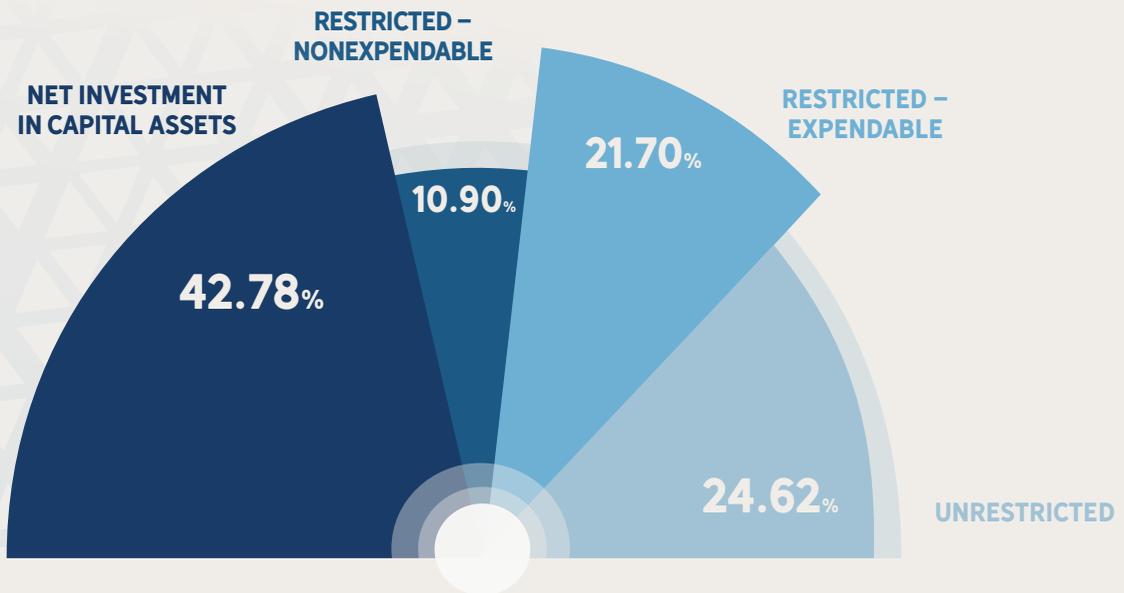
	2025	AS ADJUSTED 2024	CHANGE	% CHANGE
ASSETS				
Current assets	\$345,868,851	\$386,423,960	(\$40,555,109)	(10.49%)
Noncurrent assets				
Net capital assets	1,284,345,618	1,129,430,627	154,914,991	13.72%
Other noncurrent assets	1,128,173,883	1,084,655,568	43,518,315	4.01%
Total assets	2,758,388,352	2,600,510,155	157,878,197	6.07%
DEFERRED OUTFLOWS OF RESOURCES				
Unamortized losses on bonds	5,692,495	6,119,366	(426,871)	(6.98%)
Resources related to pensions	16,059,968	15,629,159	430,809	2.76%
Total deferred outflows of resources	21,752,463	21,748,525	3,938	0.02%
LIABILITIES				
Current liabilities	213,400,328	214,458,856	(1,058,528)	(0.49%)
Noncurrent liabilities	450,809,445	444,931,450	5,877,995	1.32%
Total liabilities	664,209,773	659,390,306	4,819,467	0.73%
DEFERRED INFLOWS OF RESOURCES				
Leases	16,595,532	15,659,212	936,320	5.98%
Resources related to pensions	68,700	143,267	(74,567)	(52.05%)
Split-interest agreements	5,222,629	4,887,746	334,883	6.85%
Total deferred inflows of resources	21,886,861	20,690,225	1,196,636	5.78%
NET POSITION				
Net investment in capital assets	895,912,118	797,201,796	98,710,322	12.38%
Restricted – nonexpendable	228,183,218	214,911,748	13,271,470	6.18%
Restricted – expendable	454,429,275	442,878,628	11,550,647	2.61%
Unrestricted	515,519,570	487,185,977	28,333,593	5.82%
Total net position	\$2,094,044,181	\$1,942,178,149	\$151,866,032	7.82%

and Learning Center, the Carolyn and Kem Gardner Learning and Leadership building, the Wanlass Center for Art Education and Research, the Veterinary Medical Education building, and upgrades to the Chuck and Gloria Bell Soccer Field. The University capitalized \$2.1 million, \$30.5 million, \$17.5 million, \$18.9 million, \$13.3 million, \$3.8 million, \$25.5 million and \$3.0 million, respectively, for these projects during fiscal year 2025.

The \$91.7 million net increase in investments was due to an increase of \$8.4 million in alternatives, a \$20.3 million decrease in U.S. Government agency obligations, a \$78.8 million increase in commercial paper and stock, a \$25.2 million increase in mutual funds, and a \$0.4 million decrease in municipal bonds. The increase in pledges receivable is primarily due to increased pledges. The decrease in accounts and notes receivable is largely due to a decrease in the

THE COMPOSITION OF THE UNIVERSITY'S NET POSITION

AT JUNE 30, 2025, WAS:



Federal Perkins Loan Program. The increase in the net pension asset was determined by actuarial procedures as reported by the Utah Retirement Systems.

Total liabilities increased \$4.8 million during fiscal year 2025. Current liabilities decreased \$1.1 million (0.5%), while noncurrent liabilities increased \$5.9 million (1.3%). The change in current liabilities is due to a decrease of \$12.1 million in salaries, wages, and benefits payable as a result of a change in the payroll cycle frequency from once a month to twice a month. This was offset by an increase of \$5.2 million of compensated absence and early retirement liability, \$4.7 million increase in lease and SBITA payables, and an increase of \$1.1 million of unearned revenue and deposits.

Noncurrent liabilities increased \$5.9 million due to an increase of \$5.3 million for compensated absences and early retirement payable, a decrease of \$14.0 million in bonds and notes payable, and an increase of \$14.6 million of other liabilities. The \$14.6 million is due to \$6.1 million increase of lease and SBITA liabilities, a

\$8.2 million increase related to contracts associated with the new College of Veterinary Medicine, and a \$0.3 million increase in the pension liability.

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION

Changes in total net position as presented in the Statement of Net Position are based on the activity presented in the Statement of Revenues, Expenses, and Changes in Net Position. The purpose of this statement is to present the revenues received by the University, both operating and nonoperating, and the expenses of the University, operating and nonoperating, and any other revenues, expenses, gains, and losses received or expended by the University.

Operating revenues are received for providing goods and services to the various customers and constituencies of the University. Operating expenses are those expenses paid to acquire or produce the goods and services provided in return for the operating revenues, and to carry out the mission of the University.

Nonoperating revenues are revenues received for which goods and services are not provided; for example, state appropriations are nonoperating revenues because they are provided by the Legislature to the University without the Legislature directly receiving commensurate goods and services in return for those revenues. Without the nonoperating revenues, in particular the state appropriations, private gifts, and financial aid grants, the University would not be able to cover its costs of operations. These sources are critical to the University's financial stability and directly impact the quality of its programs. In fiscal year 2025 funding from these sources was adequate to cover all of the University's costs of operations.

The Statement of Revenues, Expenses, and Changes in Net Position shows the activity that resulted in a \$151.9 million increase in net position for the fiscal year ended June 30, 2025.

The University experienced a net operating loss in fiscal year 2025 of \$414.6 million. This operating loss highlights the University's dependency on nonoperating revenues such as state appropriations and private gifts to meet its costs of operations.

Total fiscal year 2025 operating revenues increased by \$86.3 million (12.0%) from 2024. The net tuition and fee revenues increased \$1.6 million (1.1%). Contracts, grants, and federal appropriations increased 13.5 percent, providing \$61.3 million of an increase in operating revenues, reflecting the University's expanding research efforts, particularly at the Utah State University Space Dynamics Laboratory. Other operating revenues, comprising sales and services of educational departments, auxiliary enterprises, and others, increased \$23.4 million. The \$23.4 million increase is comprised of \$7.5 million increase in sales and services largely related to the return of the Small Satellite conference and an increased number of other conferences.

Net nonoperating revenues increased \$64.2 million (14.5%). State appropriations increased \$14.5 million

due to increases in the State of Utah budget for salaries, wages, benefits, and performance funding, and to fund increased costs of operation and maintenance of facilities. Financial aid grants increased \$8.3 million. Private gifts totaled \$31.1 million, a \$9.1 million decrease. Other nonoperating revenues nets nonoperating revenues and other nonoperating expenses. Overall other nonoperating revenues increased \$50.5 million. The major contributing factor to this increase is due to a \$51.1 million adjustment applied retroactively as a result of a change in accounting principle related to the treatment of library digital assets and subscriptions. Further information is available in Note O. State grants and state land grant revenues decreased \$0.7 million. Pandemic relief funds decrease \$1.2 million. Investment income decreased \$1.4 million due to lower returns. Other nonoperating expense decreased \$1.3 million, primarily due to a reduction in write-offs of uncollectible gift pledges.

Capital appropriations, and capital grants and gifts are helping to fund various capital projects that are discussed in the Capital Asset and Debt Administration section on page 16. Capital appropriations, managed through the Division of Facilities Construction and Management, were \$42.5 million for various buildings and infrastructure upgrades and improvements. Capital grants and gifts totaled \$6.3 million. Additions to permanent endowments totaled \$11.3 million.

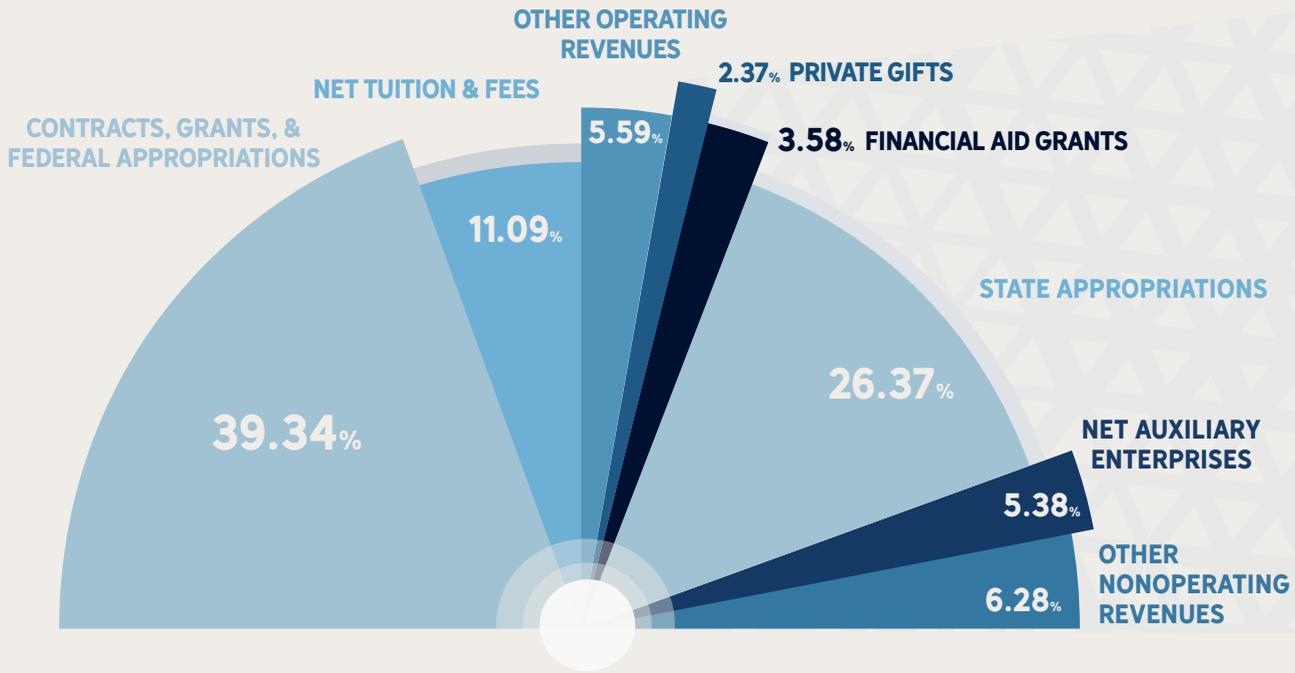
Total operating expenses increased \$139.2 million (12.9%) in fiscal year 2025. Salaries, wages, and benefits increased \$84.4 million (11.9%). There was an increase of 188 benefited employees. Of this amount, \$73.5 million was attributed to salary increases and higher medical insurance costs and actuarially calculated pension expense increased by \$10.9 million. Other operating expenses increased \$46.1 million. Scholarships and fellowships increased \$3.4 million. Depreciation and amortization expense increased \$5.3 million.

CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEARS ENDED JUNE 30

	2025	AS ADJUSTED 2024	CHANGE	% CHANGE
OPERATING REVENUES				
Tuition and fees - net	\$145,447,020	\$143,827,872	\$1,619,148	1.13%
Contracts, grants, and federal appropriations	516,132,766	454,831,359	61,301,407	13.48%
Auxiliary enterprises - net	70,524,275	61,134,298	9,389,977	15.36%
Other operating revenues	73,356,515	59,345,277	14,011,238	23.61%
Total operating revenues	805,460,576	719,138,806	86,321,770	12.00%
OPERATING EXPENSES				
Salaries and wages	552,324,477	508,372,876	43,951,601	8.65%
Employee benefits	240,575,053	200,135,158	40,439,895	20.21%
Other operating expenses	334,424,773	288,333,797	46,090,976	15.99%
Scholarships and fellowships	15,832,623	12,417,345	3,415,278	27.50%
Depreciation and amortization	76,921,377	71,595,067	5,326,310	7.44%
Total operating expenses	1,220,078,303	1,080,854,243	139,224,060	12.88%
Operating loss	(414,617,727)	(361,715,437)	(52,902,290)	(14.63%)
NONOPERATING REVENUES				
State appropriations	345,963,671	331,431,953	14,531,718	4.38%
Financial aid grants	47,029,396	38,684,912	8,344,484	21.57%
Private gifts	31,052,678	40,175,475	(9,122,797)	(22.71%)
Other nonoperating revenues	82,356,073	31,893,154	50,462,919	158.22%
Net nonoperating revenues	506,401,818	442,185,494	64,216,324	14.52%
Income before other revenues	91,784,091	80,470,057	11,314,034	14.06%
OTHER REVENUES				
Capital appropriations	42,454,009	18,213,023	24,240,986	133.10%
Capital grants and gifts	6,295,388	4,940,281	1,355,107	27.43%
Additions to permanent endowments	11,332,544	9,203,460	2,129,084	23.13%
Total other revenues	60,081,941	32,356,764	27,725,177	85.69%
Increase in net position	151,866,032	112,826,821	39,039,211	34.60%
NET POSITION — BEGINNING OF YEAR	1,997,016,765	1,829,351,328	167,665,437	9.17%
ADJUSTMENT TO BEGINNING NET POSITION (NOTE O)	(54,838,616)	—	(54,838,616)	(100.00%)
NET POSITION — BEGINNING OF YEAR AS ADJUSTED	1,942,178,149	1,829,351,328	112,826,821	6.17%
NET POSITION — END OF YEAR	\$2,094,044,181	\$1,942,178,149	151,866,032	7.82%

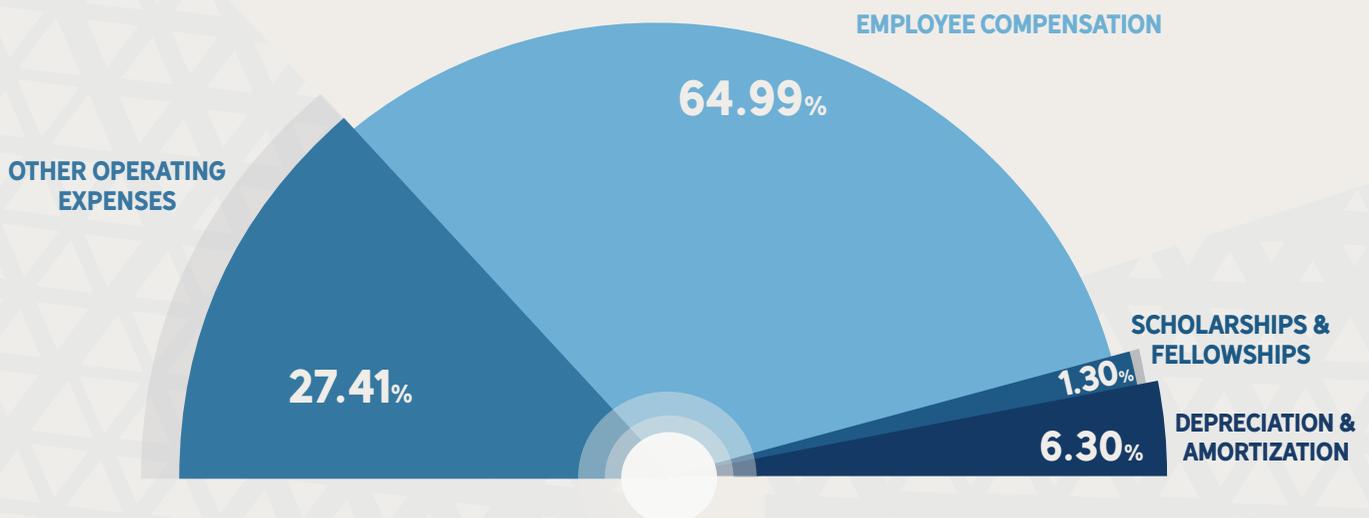
THE **UNIVERSITY'S** SOURCES OF **REVENUE** AVAILABLE TO MEET CURRENT **OPERATING COSTS**

AT JUNE 30, 2025, WERE:



THE **UNIVERSITY'S OPERATING EXPENSES** BY CLASSIFICATION

AT JUNE 30, 2025, WERE:



STATEMENT OF CASH FLOWS

The final statement presented by Utah State University is the Statement of Cash Flows. The Statement of Cash Flows presents detailed information about the cash activity of the University during the fiscal year. The statement is divided into five sections. The first section deals with operating cash flows and shows the net cash used by operating activities. The second section includes cash flows from noncapital financing activities. This section includes the cash received and spent for nonoperating, noninvesting, and noncapital financing purposes. The third section includes cash flows from capital and related financing activities. This section includes the cash used for the acquisition and construction of capital and related items. The fourth section includes the cash flows from investing activities and shows the purchases, proceeds, and interest received from investing activities. A condensed version of these first four sections is provided on the following page. The fifth section of the Statement of Cash Flows is not included in the Condensed Statement of Cash Flows, which reconciles the net cash used for operations to the operating loss reflected on the Statement of Revenues, Expenses, and Changes in Net Position. This reconciliation is available for review in the Statement of Cash Flows on page 27.

The University's cash and cash equivalents had a net decrease of \$87,720,202 to a total of \$163,476,585. Current cash and cash equivalents decreased by \$30.4 million and noncurrent cash and cash equivalents decreased by \$57.3 million largely due to a net decrease of the balances of bond construction proceeds. Overall, cash decreased \$37.5 million, money market investments increased \$2.5 million, and Utah Public Treasurers' Investment Fund decreased \$52.7 million.

CAPITAL ASSET AND DEBT ADMINISTRATION

Construction continues for the new Veterinary Medical Education Building in Logan at the corner of 1400 North and 1200 East. Currently, the University's School of Veterinary Medicine uses existing buildings and facilities to train each class of about 30 students, who complete their first two years of study at Utah State University and final two years at Washington State University. College of Veterinary Medicine administrators and faculty are working toward gaining full accreditation from the American Veterinary Medical Association and anticipate that the first class of students who will earn their doctor of veterinary medicine degrees entirely in Utah will begin their coursework fall semester of 2025. With the creation

CONDENSED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED JUNE 30

	2025	2024	CHANGE	% CHANGE
CASH PROVIDED (USED) BY:				
(1) Operating activities	(\$357,468,590)	(\$281,377,603)	(\$76,090,987)	(27.04%)
(2) Noncapital financing activities	442,676,337	421,479,033	\$21,197,304	5.03%
(3) Capital and related financing activities	(196,295,763)	(120,042,848)	(\$76,252,915)	(63.52%)
(4) Investing activities	23,367,814	1,379,020	\$21,988,794	1,594.52%
NET INCREASE IN CASH AND CASH EQUIVALENTS	(87,720,202)	21,437,602	(\$109,157,804)	(509.19%)
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	251,196,787	229,759,185	\$21,437,602	9.33%
CASH AND CASH EQUIVALENTS – END OF YEAR	\$163,476,585	\$251,196,787	(\$87,720,202)	(34.92%)

of the four-year program and new building, the University intends to expand its capacity and accept up to 80 students per year. This state-funded building will cost an estimated \$75.5 million with laboratories, classrooms, offices, and study spaces. It is expected to open in summer of 2026.

Construction of the \$14.4 million, 24,962 square foot, one/two story, building addition to the Electric Vehicle and Roadway building on the University's Innovation Campus was completed in August 2024. The project was funded in part with the proceeds of the University's \$8,605,000 Research Revenue Bonds, Series 2021, that were issued in November of 2021. The Electric Vehicle and Roadway Research Facility and Test Track is a state-of-the-art facility at the forefront of wirelessly charged electric vehicle and roadway technologies. It is part of the Advancing Sustainability through Powered Infrastructure for Roadway Electrification (ASPIRE) program.

Representatives of the University and the Navajo Nation broke ground for the Monument Valley Academic building on August 2, 2024. The building, which will be located just northwest of Monument Valley High School, will serve students and community members of the Navajo Nation. The 10,510 square foot, \$14 million building will include modern classrooms, computer labs, a nursing and CNA lab, a career and technical education lab, a small business development space, a welding lab, spaces for adult education and USU Extension, and administrative and faculty offices. It will be equipped for distance learning and will allow the University to offer an array of certificates and degrees, ranging from technical certificates to doctorate degrees. It will also double as a center for community gatherings and public events. Construction is anticipated to be completed by the end of 2025.

Construction of three outdoor riding arenas which replaced two aged arenas at the Bastian Agricultural Center in West Jordan was completed in August of 2024. The 102,000 square foot, \$962,000

replacement/expansion was developed to expand the center's capacity for equine education, training, and therapeutic services, while also addressing a growing community need for safe and accessible public riding spaces. The Bastian Agricultural Center serves as one of the few remaining public equine facilities in the region where riders of all skill levels can safely participate in equine activities. As many comparable facilities along the Wasatch Front have closed, these new arenas fill a critical gap by offering a welcoming, professionally maintained space for both structured programs and recreational riding.

Construction of the \$49.3 million Ridge Point Residence Hall was completed prior to fall semester 2025. The hall is a six story, approximately 112,000 square foot building, with 306 beds in modern apartment style units to meet current housing demands. Ridge Point Hall offers a fitness room, movie room, music practice rooms and amazing views of Cache Valley and Logan Canyon. The project was funded with a portion of the proceeds of the University's \$67,820,000 Auxiliary System Revenue Bonds, Series 2023, and cash reserves.

Construction of the \$22.9 million Canyon View Parking Terrace was completed prior to fall semester 2025. The terrace is a 116,680 square foot facility with four parking levels above ground and one parking level below ground with 343 vehicle spaces. The project was funded with a portion of the proceeds of the University's \$67,820,000 Auxiliary System Revenue Bonds, Series 2023, and cash reserves.

Construction of the Green Canyon Ecology storage facility was completed in December 2024. The new 3,780 square foot, \$675,000 building is located near the mouth of Green Canyon. Research faculty that conduct field research throughout the state and region now have a facility to store a range of equipment from low-tech fencing materials or coolers for sample collection to high-tech GPS animal trackers or instruments to monitor microclimates.

Construction of the Wanlass Center for Art Education and Research was completed in April 2025. The 10,198 square foot, \$7.6 million building, funded primarily through private philanthropic support, is located adjacent to the Nora Eccles Harrison Museum of Art. The new facility doubles the Museum's collection storage capacity, allowing for growth and better access. The building includes a multi-purpose studio classroom for art-making for K-12, USU courses and community classes; display niches where art from the collection can be displayed for inspiration and discussion; a study center with an open classroom; a research library; and visible collection storage that allows the museum to easily pull and display a wide range of artworks for classes or groups to access, interact with, discuss, and research. The new facility has the capacity to further enhance the educational experience for all students, scholars and the general public and secure NEHMA's position as a national leader of museums focused on American art. Visitors will experience visible compaction art storage to gain a sense of what museums do behind the scenes.

In the summer of 2025, the University broke ground on an enclosed arena at the Bastian Agricultural Center. The 49,629 square foot, \$5.7 million facility is expected to be completed by March 2026. The enclosed arena will provide a year-round venue for equine and livestock events, USU Extension courses, equine-assisted learning and therapy initiatives, and youth agricultural programming. Upon completion, it will be the second enclosed arena at the center.

Construction of the Carolyn and Kem Gardner Learning and Leadership building was completed in August 2025. The 44,661 square foot, \$31 million building, funded largely through private philanthropic support, is located adjacent to the George S. Eccles and Huntsman Hall business buildings. Designed as a hub for experiential learning, the facility houses many of the Jon M. Huntsman School of Business hands-on learning programs, providing dedicated space for internships, industry projects, co-working and professional development opportunities for students.

ECONOMIC OUTLOOK

Utah's economy continues to perform at a high level. Utah's nominal GDP surpassed \$300 billion for the first time in history. Through three quarters of 2024, Utah's real GDP growth rate led the nation at 4.6%. Utah's population surpassed 3.5 million, marking the 10th straight year population growth exceeded 50,000. Utah's positive job growth continued at 1.7%, although remaining below its 3.0% long-term average. Utah's unemployment rate continued to rise from historic lows, but at 3.1% for 2024 remained below the U.S. 4.0% unemployment rate. A strong Utah economy is important to Utah State University as it generally translates into continued and additional support for the institution.

USU enrollments continue to grow, with Fall 2025 total headcount increasing 3.2% to 29,831 students across multiple locations within the University's statewide system of campuses and education centers. The University welcomed its largest ever group of first-year students from Utah this year. While projections forecast the traditional college-age (age 18-24) population will grow in the near term, a forecasted population dip will likely impact higher education enrollment several years out. Given this coming trend, USU continues to focus on streamlining operations through targeted analysis of the return on investment to students and to the state at the individual program level.

USU has a diverse source of revenues, including those from the state of Utah, student tuition and fees, sponsored research programs, private support, and self-supporting enterprises. This diversity of revenues continues to provide financial stability and significant protection against potentially difficult future economic times.

Management believes that USU's strong financial position and diverse sources of revenues will enable the University to move forward and accomplish its mission of being one of the nation's premier land and space-grant institutions.





FINANCIAL STATEMENTS



The financial statements consist of the Statement of Net Position; the Statement of Revenues, Expenses, and Changes in Net Position; and the Statement of Cash Flows. Each statement presents a different financial perspective of the University for the fiscal year ended June 30, 2025

STATEMENT OF NET POSITION
JUNE 30, 2025

ASSETS

CURRENT ASSETS

Cash and cash equivalents (Notes A, B, and D)	\$128,542,558
Short-term investments (Notes B and D)	61,175,754
Accounts receivable from primary government (Note E)	6,166,702
Accounts receivable from others - net (Note E)	131,864,371
Credits receivable (Note E)	45,384
Notes receivable - net (Note E)	674,798
Inventories (Note A)	10,008,855
Prepaid expenses	7,390,429
Total current assets	345,868,851

NONCURRENT ASSETS

RESTRICTED

Cash and cash equivalents (Notes A, B, and D)	34,934,027
Short-term investments (Notes B and D)	584,430
Investments (Notes C and D)	339,154,008
Accounts receivable - net (Note E)	1,003,794
Real estate held for resale	935,000
Split-interest agreements	178,082
Accounts receivable - net (Note E)	42,545,573
Notes receivable - net (Note E)	20,786,385
Investments (Notes C and D)	668,280,524
Other noncurrent assets	85,754
Net pension assets (Note J)	19,686,306
Capital assets - net (Note F)	1,284,345,618
Total noncurrent assets	2,412,519,501
Total assets	2,758,388,352

DEFERRED OUTFLOWS OF RESOURCES

Unamortized refunding losses on bonds	5,692,495
Resources related to pensions (Note J)	16,059,968
Total deferred outflows of resources	21,752,463

LIABILITIES

CURRENT LIABILITIES

Accounts payable and accrued liabilities to primary government (Note G)	21,913,244
Accounts payable and accrued liabilities to others (Note G)	88,477,926
Liability for compensated absences (Note H)	23,271,286
Liability for early retirement (Note H)	11,627,209

Table continued on next page

STATEMENT OF NET POSITION (CONTINUED)

JUNE 30, 2025

LIABILITIES	
CURRENT LIABILITIES (CONTINUED)	
Unearned revenue and deposits	43,262,596
Other current liabilities (Note H)	11,634,754
Funds held for others	43,338
Notes payable to primary government (Note H)	102,533
Bonds and notes payable (Notes H and I)	13,067,442
Total current liabilities	213,400,328
NONCURRENT LIABILITIES	
Liability for compensated absences (Note H)	17,500,263
Liability for early retirement (Note H)	16,666,301
Unearned revenue and deposits	9,588,720
Notes payable to primary government (Note H)	162,173
Other noncurrent liabilities (Note H)	42,510,597
Net pension liability (Note J)	1,495,524
Bonds and notes payable (Notes H and I)	362,885,867
Total noncurrent liabilities	450,809,445
Total liabilities	664,209,773
DEFERRED INFLOWS OF RESOURCES	
Leases	16,595,532
Resources related to pensions (Note J)	68,700
Split-interest agreements	5,222,629
Total deferred inflows of resources	21,886,861
NET POSITION	
Net investment in capital assets	895,912,118
RESTRICTED	
NONEXPENDABLE	
Scholarships and fellowships	141,928,793
Instruction	58,159,814
Loans	793,956
Other	27,300,655
EXPENDABLE	
Research, instruction, and public service	383,779,598
Capital projects	70,649,677
UNRESTRICTED	515,519,570
Total net position	\$2,094,044,181

The Notes to the Financial Statements are an integral part of this statement

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED JUNE 30, 2025

OPERATING REVENUES

Tuition and fees - net (Note A)	\$145,447,020
Federal appropriations	5,140,811
Federal contracts and grants	463,300,079
State contracts and grants	22,447,036
Local contracts and grants	2,416,966
Private contracts and grants	22,827,874
Sales and services	40,571,536
Service departments	2,906,214
Auxiliary enterprises - net (Note A)	70,524,275
Other operating revenues	29,878,765
Total operating revenues	805,460,576

OPERATING EXPENSES

Salaries and wages	552,324,477
Employee benefits	234,104,745
Actuarial calculated pension expense (Note J)	6,470,308
Other operating expenses	334,424,773
Scholarships and fellowships	15,832,623
Depreciation and amortization	76,921,377
Total operating expenses	1,220,078,303
Operating loss	(414,617,727)

NONOPERATING REVENUES (EXPENSES)

State appropriations	345,963,671
State grants	12,644,312
State land grant revenues	615,534
Financial aid grants	47,029,396
Pandemic Relief Funds	244,002
Private gifts	31,052,678
Investment income	83,300,076
Interest income on capital assets	709,589
Interest expense on capital assets	(15,737,478)
Other nonoperating revenues (expenses)	580,038
Total nonoperating revenues (expenses)	506,401,818
Income before other revenues	91,784,091

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STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION (CONTINUED)
 FOR THE YEAR ENDED JUNE 30, 2025

OTHER REVENUES

Capital appropriations	42,454,009
Capital grants and gifts	6,295,388
Additions to permanent endowments	11,332,544
Total other revenues	60,081,941
Increase in net position	151,866,032
NET POSITION – BEGINNING OF YEAR	1,997,016,765
ADJUSTMENT TO BEGINNING NET POSITION (NOTE O)	(54,838,616)
NET POSITION – BEGINNING OF YEAR AS ADJUSTED	1,942,178,149
NET POSITION – END OF YEAR	\$2,094,044,181

The Notes to the Financial Statements are an integral part of this statement



STATEMENT OF CASH FLOWS
JUNE 30, 2025

CASH FLOWS FROM OPERATING ACTIVITIES

Tuition and fees receipts	\$148,885,390
Federal appropriations receipts	5,381,777
Contracts and grants receipts	503,679,212
Sales and services receipts	39,458,955
Service departments receipts	2,761,745
Auxiliary enterprises receipts	65,012,503
Other operating receipts	29,551,749
Payments to employees for salaries and benefits	(799,704,256)
Payments to suppliers	(336,998,411)
Payments for scholarships and fellowships	(15,832,623)
Loan payments received from students	335,369
Net cash used by operating activities	(357,468,590)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

State appropriations	345,833,602
State grants	12,644,312
State land grant revenues	579,124
Financial aid grants	46,698,807
Pandemic Relief Funds	482,549
Private gifts	38,563,468
Split-interest agreements	(44,946)
Federal direct loans issued to students	(49,509,301)
Federal direct loan payments received from federal government	49,571,502
Other deductions	(2,142,780)
Net cash provided by noncapital financing activities	442,676,337

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Capital appropriations	21,768,295
Capital grants and gifts	6,509,375
Proceeds from capital debt and leases	654,188
Other additions	119,115
Cash paid for capital assets	(184,975,058)
Payment of capital debt and leases	(25,011,601)
Interest paid on capital asset related debt	(15,360,077)
Net cash used by capital and related financing activities	(196,295,763)

Table continued on next page

STATEMENT OF CASH FLOWS (CONTINUED)

JUNE 30, 2025

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of investments	(275,072,507)
Proceeds from sale of investments	248,983,768
Interest and dividends received from investments	49,456,553
Net cash provided by investing activities	23,367,814
Net decrease in cash and cash equivalents	(87,720,202)
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	251,196,787
CASH AND CASH EQUIVALENTS – END OF YEAR	\$163,476,585

RECONCILIATION OF OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES

Operating loss	(\$414,617,727)
Adjustments to reconcile operating loss to net cash used by operating activities	
Depreciation expense	76,921,377
Gifts-in-kind and transfers reducing payments to suppliers	1,114,101
Changes in assets, liabilities, and deferred inflows	
Accounts receivable	(11,204,247)
Inventories	(692,930)
Prepaid expenses	(1,997,064)
Accounts payable and accrued expenses	(13,137,555)
Unearned revenues and deposits	1,510,892
Compensated absences and early retirement	10,439,521
Net pension liability	(5,104,441)
Net student loan activity	412,064
Deferred inflows leases	(1,112,581)
Net cash used by operating activities	(\$357,468,590)

NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES

Additions to pledges receivable for capital and related financing activities	\$77,000
Additions to pledges receivable for noncapital financing activities	4,320,464
Amortization of premiums, discounts, and net loss on bonds	(424,744)
Change in fair value of investments recognized as a component of investment income	30,996,031
Completed construction projects transferred from State of Utah	21,014,973
Disposal of capital assets due to write off	(161,315)
Gifts of capital assets	1,670,784
TOTAL NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES	\$57,493,193

The Notes to the Financial Statements are an integral part of this statement



NOTES TO FINANCIAL STATEMENTS

The notes to the financial statements communicate information essential for fair presentation of the basic financial statements that is not displayed on the face of the financial statements. As such, the notes form an integral part of the basic financial statements as they present more detailed information about the University's investments, bonds outstanding, capital assets, etc.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies followed by Utah State University are described below.

BASIS OF PRESENTATION

Utah State University is a component unit of the State of Utah. The financial statements include the accounts of Energy Education Workforce Initiative, Prehistoric Museum, Student Success, Technical Education, Utah Forest Restoration Institute, Utah State University Agricultural Experiment Station, Utah State University Cooperative Extension Service, Utah State University Water Research Laboratory, and Veterinary Medicine, which are entities separately funded by state appropriations.

The Utah State University Space Dynamics Laboratory (SDL), the Utah State University Foundation (Foundation) and the Hansen Scholars Support Foundation (HSSF) are blended component units of the University and have been consolidated in these financial statements. SDL is governed by a Board of Directors appointed by the president of Utah State University, under the direction of the University's Board of Trustees. SDL is a dependent foundation of Utah State University and is reported as a part of the University because its primary purpose is to support the mission of Utah State University in regards to research. The Utah State University Foundation is also governed by a Board of Trustees appointed by the president of the University. The Utah State University Foundation is a dependent foundation of Utah State University and serves as a fund-raising arm of the University. The Hansen Scholars Support Foundation is a dependent foundation and is governed by a Board of Trustees, with the majority being selected by the University. The purpose of this foundation is to manage, invest, and distribute foundation assets to the University to be used for scholarships.

The Utah State University Space Dynamics Laboratory annually publishes audited financial statements. A copy of the audited financial statements can be

obtained from Utah State University Space Dynamics Laboratory, 416 E. Innovation Avenue, North Logan, Utah 84341.

BASIS OF ACCOUNTING

For financial reporting purposes, the University is considered a special purpose government engaged only in business-type activities. Accordingly, the University's financial statements have been presented using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis, revenues are recognized when earned and expenses are recorded when an obligation has been incurred. All significant intra-agency transactions have been eliminated. When both restricted and unrestricted resources are available, such resources are spent and tracked at the discretion of the department within the guidelines of donor restrictions.

The accounting policies of the University conform in all material respects with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB).

CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash and investments with an original maturity of three months or less.

INVESTMENTS

Investments are recorded at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application*. Accordingly, the change in fair value of investments is recognized as an increase or decrease to investment assets and investment income. The University accounts for its investments at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. Changes in unrealized gain (loss) on the carrying value of investments are reported as a component of investment income in the Statement of Revenues, Expenses, and Changes in Net Position.

A portion of the University's endowment portfolio is invested in "alternative investments". These investments, unlike more traditional investments, generally do not have readily obtainable market values and typically take the form of limited partnerships. The University values these investments based on the values provided by the partnerships as well as their audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent capital calls and distributions.

INVENTORIES

The value of the University Campus Store inventory is recorded at average cost, determined using the retail inventory method, while all other inventory values are essentially lower of cost (first-in, first-out) or market, including the cost of project houses waiting to be sold or under construction. Obsolete or unusable items are reduced to net realizable values.

LEASE RELATED ASSETS, LIABILITIES, AND DEFERRED INFLOWS

As the lessee, the University has recognized a lease liability and an intangible right-to-use lease asset. The lease liability was measured at the present value of payments expected to be made during the lease term, less any lease incentives. The lease asset was measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

As the lessor, the University has recognized a lease receivable and a deferred inflow of resources. The lease receivable was measured at the present value of lease payments expected to be received during the lease term. The deferred inflow was measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that related to future periods.

SUBSCRIPTION RELATED ASSETS AND LIABILITIES

The University has recognized a subscription liability and an intangible right-to-use subscription asset. The subscription liability was measured at the present value of payments expected to be made during the subscription term, less any vendor incentives. The subscription asset was measured at the amount of the initial measurement of the subscription liability, plus any payments made to the vendor at the commencement of the subscription term and capitalizable initial implementation costs.

NONCURRENT ASSETS

Assets that are externally restricted for capital purposes, to make debt service payments, maintain sinking or reserve funds, or that represent assets of the University's endowments (including real estate held for resale and split-interest agreements) are classified as noncurrent restricted assets.

The remaining noncurrent assets include those receivables that will not be realized within the next year, investments, the cost of land purchased for future project houses, and the University's capital assets net of depreciation.

CAPITAL ASSETS

All buildings are carried on an estimated historical cost basis or at acquisition value at date of donation in the case of gifts. All other physical plant and equipment are stated at cost when purchased or constructed or acquisition value at date of donation in the case of gifts.

The University capitalizes all equipment with a unit cost of \$5,000 or more and an estimated useful life greater than one year. Purchased software is capitalized when acquisition costs are \$100,000 or more. Buildings costing \$250,000 or more are capitalized, as are improvements to buildings costing \$250,000 or more that extend the useful life of the building. Improvements other than buildings costing \$250,000 or more are also capitalized. All library collections inventoried in

the University’s recognized libraries are capitalized regardless of cost. Art and special collections held by the University are capitalized but not depreciated. The University computes depreciation using the straight-line composite method over the estimated useful life of the assets. The estimated useful lives are: (Figure A.1)

FIGURE A.1

Buildings	10-40 years
Improvements other than buildings	5-20 years
Equipment	3-25 years
Purchased software	5-10 years
Library collections	20 years

The University provides repair and replacement reserves for certain properties as required by the related bond indentures. Routine repairs and maintenance are charged to operating expense in the period in which the expense was incurred.

PENSION RELATED ASSETS, LIABILITIES, DEFERRED OUTFLOWS, AND DEFERRED INFLOWS

The University records its share of any unfunded liability associated with participation in the defined benefit plans of the Utah Retirement Systems (Systems). For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Systems’ Pension Plan and additions to or deductions from the Systems’ fiduciary net position are determined on the same basis as they are reported by the Systems. For this purpose, benefit payments (including refunds of employee

contributions) are recognized when due and payable in accordance with the benefits terms. The Systems’ Pension Plan Investments are reported at fair value.

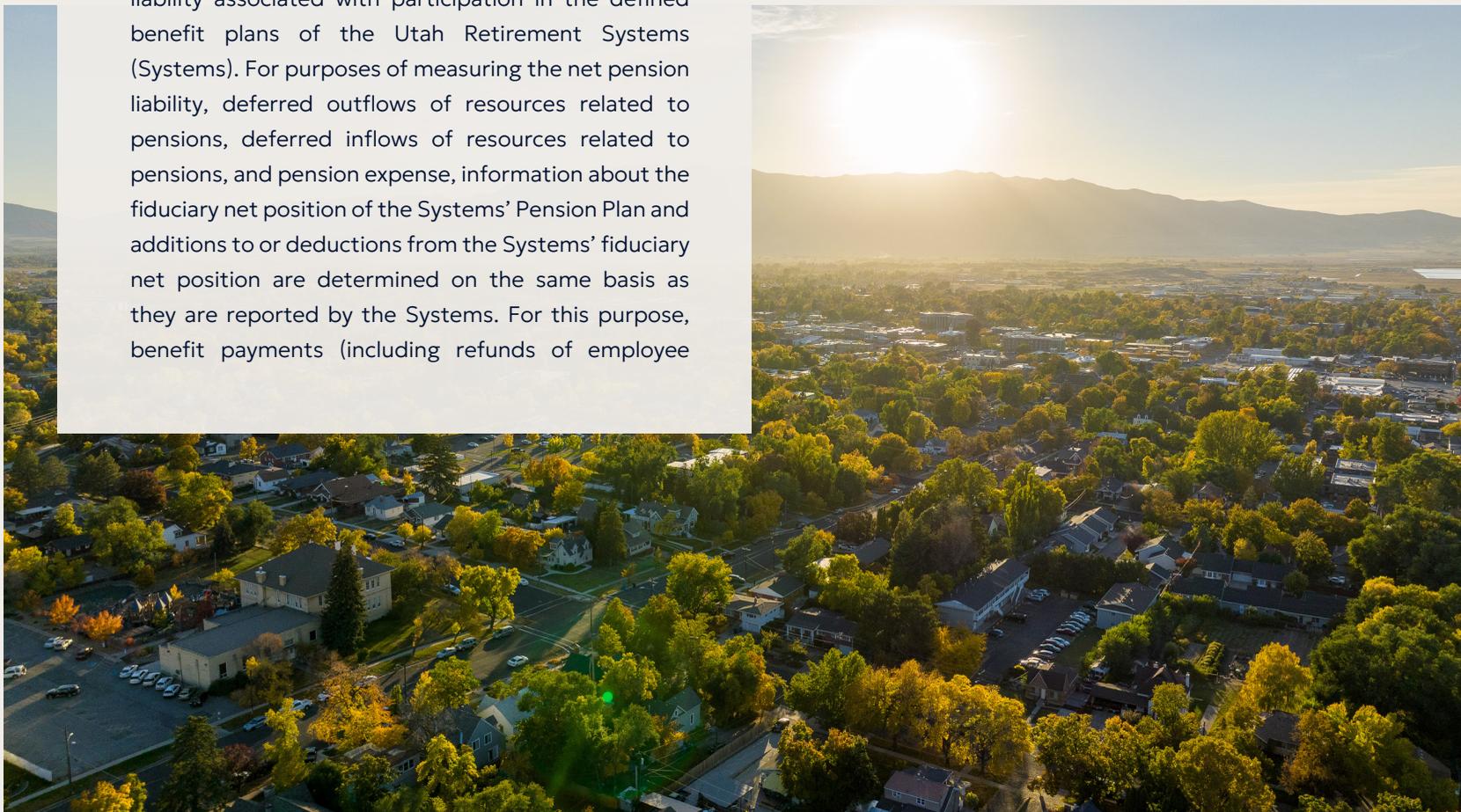
UNEARNED REVENUES

Unearned revenues consist primarily of amounts received during the fiscal year that have not yet been earned and are related to the subsequent accounting period. These sources consist of contract and grant sponsors, amounts received for tuition and fees, and certain auxiliary activities.

COMPENSATED ABSENCES

Sick leave is not accrued but is reported in the period of actual expenditure. Sick leave does not vest to the employee but is allowed on an earned time basis. At the end of each calendar year, employees who have earned 48 days of sick leave may convert up to four days of sick leave to annual leave, subject to other restrictions of the University.

Effective July 1, 2024, the University adopted GASB Statement No. 101, *Compensated Absences*, which introduces a standardized approach for recognizing



and measuring liabilities related to compensated absences. This includes annual leave, sick leave, paid time off, and other forms of leave. Under GASB 101, a liability is recognized when (a) the leave is attributable to services already rendered, (b) accumulates and carries forward to future periods, and (c) is more likely than not (MLTN) to be used for time off or otherwise paid or settled.

In applying this guidance, the University reviewed its sick leave policies and historical usage patterns to assess whether a liability should be recorded. The cumulative effect of adopting GASB 101 is reflected as an adjustment to the beginning net position.

Annual leave, including converted sick leave, is accrued and reported as earned. Employees are allowed to carry a maximum of 34 days of annual leave. The 34 days is variable depending on the number of sick leave days the employee is allowed to convert at calendar year end.

GIFTS

The University received \$1,114,101 of gifts-in-kind that were recorded as revenue and expense during the fiscal year ended June 30, 2025.

NONCURRENT LIABILITIES

Noncurrent liabilities include principal amounts of revenue bonds payable and notes payable that are due beyond the next fiscal year. The remaining noncurrent liabilities include estimated amounts for accrued compensated absences, early retirement, net pension, leased assets, subscription-based information technology arrangements, and the repayment of the federal share for the Perkins Loan program.

DEFERRED INFLOWS

In accordance with GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, as of June 30, 2025, the University has recognized certain donated assets as investments along with a deferred inflow of resources for certain irrevocable split-interest agreements. The University has a beneficial interest or right to a portion

of the benefits donated, pursuant to an irrevocable split-interest agreement, in which the donor enters into a trust and transfers resources to an intermediary.

Asset recognition criteria include: (1) the government is specified by name as beneficiary in the legal document underlying the donation; (2) the donation agreement is irrevocable; (3) the donor has not granted variance power to the intermediary with respect to the donated resources; (4) the donor does not control the intermediary, such that the actions of the intermediary are not influenced by the donor beyond the specified stipulations of the agreement; and (5) the irrevocable split-interest agreement established a legally enforceable right for the government's benefit (an unconditional beneficial interest).

NET POSITION

The University's net position is classified as follows:

NET INVESTMENT IN CAPITAL ASSETS: Net investment in capital assets represents the University's total investment in capital assets net of obligations related to those capital assets. To the extent debt has been incurred, but not yet expended for capital assets, such amounts are not included as a component of net investment in capital assets.

RESTRICTED—NONEXPENDABLE: Restricted—non-expendable net position consists of endowment and similar-type funds which, as a condition of the gift instruments, the donors or other outside sources have stipulated that the principal is to be maintained inviolate and in perpetuity and invested for the purpose of producing present and future income. The income may either be expended or added to principal. Also included in this category are funds received from donors for the purpose of providing short and long-term loans to students.

RESTRICTED—EXPENDABLE: Restricted—expendable net position includes resources in which the University is legally or contractually obligated to spend in accordance with restrictions imposed by external third parties.

UNRESTRICTED: Unrestricted net position represents all other resources, including those designated by management for specific purposes. Substantially all unrestricted resources are designated for academic and research programs, working capital needs, strategic investments, and capital projects.

CLASSIFICATION OF REVENUES AND EXPENSES

OPERATING REVENUES: Operating revenues include activities that have the characteristics of exchange transactions such as: (1) student tuition and fees, net of scholarship allowances; (2) sales and services of auxiliary enterprises and other departments; (3) most federal, state, and local contracts and grants and federal appropriations; and (4) interest on institutional student loans.

NONOPERATING REVENUES: Nonoperating revenues include activities that have the characteristics of non-exchange transactions, such as gifts, contributions, and other revenue sources that are defined as nonoperating revenues based on GASB Statement No. 9, *Reporting Cash Flows of Proprietary and Non-Expendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting* and GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments*. Examples of nonoperating revenues would include state appropriations and investment income.

OPERATING/NONOPERATING EXPENSES: All expenses are classified as operating expenses except interest expense, losses on the disposal of capital assets, uncollectible gifts, and the expense recognized in relation to the liability of the Federal Perkins Loan Program.

SCHOLARSHIP ALLOWANCES

Student tuition and fee revenues are reported net of scholarship allowances in the Statement of Revenues, Expenses, and Changes in Net Position. Scholarship

allowances are the difference between the stated charge for goods and services provided by the University and the amount that is paid by students and/or third parties making payments on the students’ behalf. To the extent that revenues from other sources are used to satisfy tuition and fees and other student charges, the University has recorded a scholarship allowance to eliminate overstating total revenues to the University and properly record the revenues at the original source.

The scholarship allowances for the year ended June 30, 2025, were: *(Figure A.2)*

FIGURE A.2

SCHOLARSHIP ALLOWANCES

Tuition and fees	\$116,952,082
Auxiliary enterprises	3,465,811
Total scholarship allowances	\$120,417,893

SEGMENT REPORTING

The University, through the Utah Board of Higher Education, issues revenue bonds to finance certain activities. The University has deemed it not necessary to report segments on these bond issues, based upon the criteria provided in GASB Statement No. 34, *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments* and GASB Statement No. 38, *Certain Financial Statement Note Disclosures*.

B. CASH AND CASH EQUIVALENTS & SHORT-TERM INVESTMENTS

Cash and cash equivalents consist of cash and investments with an original maturity of three months or less. Short-term investments consist of investments with an original maturity greater than three months that will mature within one year or less. Cash, depending on source of receipts, is pooled except when legal requirements dictate the use of separate accounts. The cash balances and cash float from outstanding checks are invested principally in short-

term investments that conform to the provisions of the Utah Code. It is the practice of the University that the investments ordinarily be held to maturity at which time the par value of the investments will be realized.

The Utah State Treasurer’s Office operates the Utah Public Treasurers’ Investment Fund (PTIF) which is invested in accordance with the State Money Management Act (the Act). The State of Utah Money Management Council provides regulatory oversight for the PTIF. The PTIF is available for investment of funds administered by any Utah Public Treasurer.

At June 30, 2025, cash and cash equivalents and short-term investments consisted of: *(Figure B.1)*

C. INVESTMENTS

Funds available for investment are pooled to maximize return and minimize administrative cost, except for funds that are authorized by the University administration to be separately invested or which are separately invested to meet legal or donor requirements. Investments received as gifts are recorded at market or appraised value. If no market or appraised value is available, investments received

as gifts are recorded at a nominal value. Other investments are also recorded at fair value.

University personnel manage certain portfolios, while other portfolios are managed by banks, investment advisors, or through trust agreements.

According to the University’s Investment Policy, the governing board may appropriate for expenditure as much of the net appreciation, realized and unrealized, of an endowment’s corpus as is prudent under the facts and circumstances prevailing at the time of the action or decision. The appropriation must be for the purposes for which the endowment is established and also includes a management fee.

The endowment income spending policy at June 30, 2025, was 4 percent of the 12 quarter moving average of the market value of the endowment pool. The spending policy is reviewed periodically and any necessary changes are made.

The amount of net appreciation on investments of donor-restricted endowments available for authorization for expenditure at June 30, 2025, was \$81,375,385. The net appreciation is a component of restricted-expendable net position.

FIGURE B.1

CASH AND CASH EQUIVALENTS	
Cash	\$30,618,706
Money market accounts	36,200,000
Money market mutual funds	5,962,302
Utah Public Treasurers' Investment Fund	90,695,577
Total cash and cash equivalents	\$163,476,585
SHORT-TERM INVESTMENTS	
Commercial paper and corporate notes	\$45,085,751
Obligations of the United States Government	16,674,433
Total short-term investments (fair value)	\$61,760,184

At June 30, 2025, the investment portfolio composition was: (Figure C.1)

FIGURE C.1

LONG-TERM INVESTMENTS	
Alternatives	\$120,200,744
Commercial paper and corporate notes	338,540,035
Common and preferred stocks	15,651,043
Municipal bonds	13,855,577
Mutual funds - bonds	55,981,728
Mutual funds - equity	199,581,035
Obligations of the United States Government and its agencies	263,624,370
Total long-term investments (fair value)	\$1,007,434,532



D. DEPOSITS AND INVESTMENTS

DEPOSITS

CUSTODIAL CREDIT RISK: Custodial credit risk is the risk that, in the event of a bank failure, the University’s deposits may not be returned to the University. The University does not have a formal deposit policy for custodial credit risk.

At June 30, 2025, the carrying amounts of the University’s deposits and bank balances were \$66,538,794 and \$78,386,712, respectively. The bank balances of the University were insured for \$1,305,182 by the Federal Deposit Insurance Corporation. The bank balances in excess of \$1,305,182 were uninsured and uncollateralized, leaving \$77,081,530 exposed to custodial credit risk.

INVESTMENTS

The State of Utah Money Management Council has the responsibility to advise the Utah State Treasurer about investment policies, promote measures and rules that will assist in strengthening the banking and credit structure of the state, and review the rules adopted under the authority of the State Money Management

Act (Utah Code, Title 51, Chapter 7) (the Act) that relate to the deposit and investment of public funds.

Except for endowment funds, the University follows the requirements of the Act in handling its depository and investment transactions. The Act requires the depositing of University funds in a qualified depository. The Act defines a qualified depository as any financial institution whose deposits are insured by an agency of the Federal Government and which has been certified by the State Commissioner of Financial Institutions as meeting the requirements of the Act and adhering to the rules of the State of Utah Money Management Council.

For endowment funds, the University follows the requirements of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), Utah Board of Higher Education Policy R541, *Management and Reporting of Institutional Investments*, and the University’s Investment Policy and endowment guidelines.

The Act defines the types of securities authorized as appropriate investments for the University’s non-endowment funds and the conditions for making investment transactions. Investment transactions may be conducted only through qualified depositories, certified dealers, or directly with issuers of the investment securities.

Statutes authorize the University to invest in negotiable or non-negotiable deposits of qualified or permitted depositories; repurchase and reverse repurchase agreements; commercial paper that is classified as “first tier” by two nationally recognized statistical rating organizations; bankers’ acceptances; obligations of the United States Treasury including bills, notes, and bonds; obligations, other than mortgage derivative products, issued by U.S. Government sponsored enterprises (U.S. Agencies) such as the Federal Home Loan Bank System, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae); bonds, notes, and other evidence of indebtedness of political subdivisions of the State; fixed rate corporate obligations and variable rate securities rated “A” or higher, or the equivalent of “A” or higher, by two nationally recognized statistical rating organizations; shares of certificates in a money market mutual fund as defined in the Act; reciprocal deposits and negotiable brokered certificates of deposit in accordance with the Act; and the Utah State Public Treasurers’ Investment Fund (PTIF).

The Utah State Treasurer’s Office operates the PTIF. The PTIF is available for investment of funds administered by any Utah public treasurer and is not registered with the Securities and Exchange Commission as an investment company. The PTIF is authorized and regulated by the Act. The Act established the State of Utah Money Management Council which oversees the activities of the Utah State Treasurer and the PTIF and details the types of authorized investments. Deposits in the PTIF are not insured or otherwise guaranteed by the State of Utah, and participants share proportionally in any realized gains or losses on investments.

The UPMIFA and Policy R541 allow the University to invest endowment funds (including gifts, devises, or bequests of property of any kind from any source) in any of the above investments or any of the following, subject to certain criteria: mutual funds registered with

the Securities and Exchange Commission, investments sponsored by the Commonfund; any investment made in accordance with the donor’s directions in a written instrument; investments in corporate stock listed on a major exchange (direct ownership); and any alternative investment funds that derive returns primarily from high yield and distressed debt (hedged or non-hedged), private capital (including venture capital and private equity), natural resources, and private real estate assets or absolute return and long/short hedge funds.

The University’s Investment Policy allows the University to invest endowment funds in investments authorized by the Act or any of the following investments: readily marketable equities, which are diversified across a spectrum of market capitalizations, multiple regions, by issue, industry, and sector; readily marketable fixed income investments diversified by country, issue, sector, coupon, and quality; bonds having a minimum quality of “A” or better; and alternative investments that derive returns primarily from high-yield and distressed debt (hedged or non-hedged), natural resources, private capital (including venture capital, private equity, both domestic and international), commodities, private real estate assets or absolute return, and long/short hedge funds. In addition, endowment funds may be invested as specifically directed by donor agreements.

FAIR VALUE OF INVESTMENTS: The University measures and records its investments using fair value measurement guidelines established by generally accepted accounting principles. These guidelines recognize a three-tiered fair value hierarchy of:

- **LEVEL 1:** Quoted prices for identical investments in active markets
- **LEVEL 2:** Observable inputs other than quoted market prices
- **LEVEL 3:** Unobservable inputs



At June 30, 2025, the University had recurring fair value measurements of: *(Figure D.1)*

FIGURE D.1

	TOTAL	FAIR VALUE MEASUREMENTS USING		
		LEVEL 1	LEVEL 2	LEVEL 3
INVESTMENTS BY FAIR VALUE LEVEL				
DEBT SECURITIES				
Money market mutual funds	\$5,962,302	\$5,962,302	\$—	\$—
Utah Public Treasurers' Investment Fund	90,695,577	—	90,695,577	—
Commercial paper and corporate notes	383,625,786	—	383,625,786	—
Municipal bonds	13,855,577	—	13,855,577	—
Mutual funds – bonds	55,981,728	2,771,494	16,850,080	36,360,154
U.S. agencies	273,837,118	—	273,837,118	—
U.S. treasury securities	6,461,685	6,461,685	—	—
Total debt securities	830,419,773	15,195,481	778,864,138	36,360,154
EQUITY SECURITIES				
Common and preferred stock	15,651,043	15,636,743	14,300	—
Mutual funds - equity	199,581,035	1,033,007	113,536,718	85,011,310
Total equity securities	215,232,078	16,669,750	113,551,018	85,011,310
Total investments by fair value level	1,045,651,851	\$31,865,231	\$892,415,156	\$121,371,464
INVESTMENTS MEASURED AT NET ASSET VALUE (NAV)				
Hedge funds	21,299,228			
Private credit	1,577,166			
Private equity core real estate	8,474,925			
Private equity natural resources	8,567,923			
Private equity partnerships	22,807,375			
Private equity real estate funds	28,849,194			
Private infrastructure	26,603,469			
Venture capital funds	2,021,464			
Total investments measured at (NAV)	120,200,744			
Total investments at fair value	\$1,165,852,595			

Debt and equity securities classified in Level 1 are valued using prices quoted in active markets for those securities. Debt and equity securities classified in Level 2 are valued using the following approaches:

- **U.S. TREASURIES, U.S. AGENCIES, AND COMMERCIAL PAPER:** Quoted prices for identical securities in markets that are not active
- **CORPORATE AND MUNICIPAL BONDS:** Quoted prices for similar securities in active markets
- **BOND AND EQUITY MUTUAL FUNDS:** Published fair value per share (unit) for each fund
- **UTAH PUBLIC TREASURERS' INVESTMENT FUND:** Application of the June 30, 2025, fair value factor, as calculated by the Utah State Treasurer, to the University's June 30 balance in the fund

Securities, namely bond mutual funds, closely held stock, and equity mutual funds classified in Level 3 are valued manually using various sources such as issuer, investment manager, client, etc., or default price if a price is not provided.

Investments valued using the net asset value per share (or its equivalent) are considered "alternative investments" and, unlike more traditional investments, generally do not have readily obtainable market values and take the form of limited partnerships. A portion of the University's endowment portfolio is invested in alternative investments. The University values these investments based on the values provided by the partnerships as well as their audited financial statements. If June 30 statements are available, those values are used preferentially. However, some partnerships have fiscal years ending at other than June 30. If June 30 valuations are not available, the value is progressed from the most recently available valuation taking into account subsequent capital calls and distributions.

The unfunded commitments, redemption frequency (if currently eligible), and the redemption notice period for the University's alternative investments measured at NAV were: *(Figure D.2)*

INTEREST RATE RISK: Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The University's policy for

FIGURE D.2

INVESTMENTS MEASURED AT NAV	FAIR VALUE	UNFUNDED COMMITMENTS	REDEMPTION FREQUENCY	REDEMPTION NOTICE PERIOD
Hedge funds	\$21,299,228	\$563,754	Quarterly	100 Days
Private credit	1,577,166	2,430,467	N/A	N/A
Private equity core real estate	8,474,925	—	Quarterly	90 Days
Private equity natural resources	8,567,923	5,341,456	N/A	N/A
Private equity partnerships	22,807,375	16,130,420	N/A	N/A
Private equity real estate funds	28,849,194	19,196,482	N/A	N/A
Private infrastructure	26,603,469	4,062,298	N/A	N/A
Venture capital funds	2,021,464	4,800,000	N/A	N/A
Total investments measured at NAV	\$120,200,744	\$52,524,877		

managing its exposure to fair value loss arising from increasing interest rates is to comply with the Act or the University's Investment Policy, as applicable. For non-endowment funds, the Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity on all investments in commercial paper, bankers' acceptances, fixed-rate negotiable deposits, and fixed-rate corporate obligations to 270 days – 15 months or fewer. The Act further limits the remaining term to maturity on all investments in obligations of the United States Treasury; obligations issued by U.S. government sponsored enterprises;

and bonds, notes, and other evidence of indebtedness of political subdivisions of the State to five years. In addition, variable-rate negotiable deposits and variable-rate securities may not have a remaining term to final maturity exceeding three years. For endowment funds, the University's Investment Policy requires only that investments be made as a prudent investor would, by considering the purposes, terms, distribution requirements, and other circumstances of the endowments and by exercising reasonable care, skill, and caution.

As of June 30, 2025, the University's investments and maturities consisted of: *(Figure D.3)*

FIGURE D.3

INVESTMENT TYPE	FAIR VALUE	INVESTMENT MATURITIES (IN YEARS)			
		LESS THAN 1	1 – 5	6 – 10	GREATER THAN 10
Money market mutual funds	\$5,962,302	\$5,962,302	\$—	\$—	\$—
Utah Public Treasurers' Investment Fund	90,695,577	90,695,577	—	—	—
Commercial paper and corporate notes	383,625,786	56,380,207	243,173,826	13,435,525	70,636,228
Municipal bonds	13,855,577	—	7,772,000	268,625	5,814,952
Mutual funds – bonds	55,981,728	7,153,556	20,164,478	21,316,063	7,347,631
U.S. agencies	273,837,118	16,674,433	204,013,361	48,735,668	4,413,656
U.S. treasury securities	6,461,685	—	2,880,887	1,837,247	1,743,551
Totals	\$830,419,773	\$176,866,075	\$478,004,552	\$85,593,128	\$89,956,018

FIGURE D.4

INVESTMENT TYPE	FAIR VALUE
Money market mutual funds	\$5,962,302
Utah Public Treasurers' Investment Fund	90,695,577
Commercial paper and corporate notes	383,625,786
Municipal bonds	13,855,577
Mutual funds – bonds	55,981,728
U.S. agencies	273,837,118
U.S. treasury securities	6,461,685
Totals	\$830,419,773

CREDIT RISK: Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. The University’s policy for reducing its exposure to credit risk is to comply with the State Money Management Act and the University’s Investment Policy, as previously discussed. As of June 30, 2025, the University had investments with quality ratings of: *(Figure D.4)*

CONCENTRATION OF CREDIT RISK: Concentration of credit risk is the risk of loss attributed to the magnitude of a government’s investment in a single issuer. The University’s policy for reducing this risk of loss is to comply with the rules of the State of Utah Money Management Council. For endowment funds, the University policy requires diversification of investments across a broad spectrum and specific



QUALITY RATING

AAA	AA	A	BBB	BB	UNRATED	NO RISK
\$—	\$—	\$—	\$—	\$—	\$5,962,302	\$—
—	—	—	—	—	90,695,577	—
2,193,707	9,862,111	300,234,722	68,416,862	32,186	2,886,198	—
8,423,672	5,047,983	383,922	—	—	—	—
—	—	—	—	—	55,981,728	—
123,903	241,876,309	—	—	—	31,562,550	274,356
—	—	—	—	—	—	6,461,685
\$10,741,282	\$256,786,403	\$300,618,644	\$68,416,862	\$32,186	\$187,088,355	\$6,736,041

limits to concentration of securities within categories of equities, fixed income, and alternatives. Rule 17 of the State of Utah Money Management Council limits non-endowment fund investments in a single issuer of commercial paper and corporate obligations to 5-10 percent depending upon the total dollar amount held in the portfolio at the time of purchase. The State of Utah Money Management Council limitations do not apply to securities issued by the U.S. Government and its agencies.

For endowments, the University, under Policy R541, is permitted to establish its own investment policy which adheres to the guidelines established by UPMIFA. Accordingly, the University’s asset allocation guidelines allocate endowment funds in the asset classes consisting of: *(Figure D.5)*

FIGURE D.5

BROAD ASSET ALLOCATION TARGETS		
ASSET CATEGORY	TARGET (%)	RANGE (%)
Global equity	48	35-55
Investment grade fixed income	11.5	5-25
Opportunistic fixed income	7.5	0-15
Alternative Assets	33	20-45

At June 30, 2025, the University held more than 5 percent of total investments in securities of the Federal Farm Credit Bank and Federal Home Loan Bank. These investments represent 14.75 and 5.95 percent of the total investments.

CUSTODIAL CREDIT RISK: Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty, the University will not be able to recover the value of the investments or collateral securities that are in the possession of an outside party. The University does not have a formal investment policy for custodial credit risk. At June

30, 2025, the University had \$15,651,043 in common and preferred stock, \$383,625,786 in commercial paper and corporate notes, \$13,855,577 in municipal bonds, and \$280,298,803 in U.S. agencies which were uninsured and held by the counterparty, but not in the University’s name.

E. ACCOUNTS, CREDITS, AND STUDENT LOANS RECEIVABLE

The University’s accounts receivable include lessor lease agreements consisting of land, buildings, and communication tower space with remaining lease terms of up to 39 years through fiscal year 2064. In fiscal year 2025, the University recognized \$1,040,977 in lease revenue and \$660,847 in lease interest revenue. The University recognized no variable, residual value guarantee, or termination penalty revenues.

As of June 30, 2025, accounts receivable consisted of: *(Figure E.1)*

Credits receivable, \$45,384, reflect amounts due from vendors doing business primarily with the University’s Campus Store.

Student loans receivable are comprised primarily of loans issued through the Federal Perkins Loan Program (FPLP) and short-term loans issued from funds set aside by the University for that purpose.

The FPLP loans provide for cancellation of a loan at rates of 10 percent to 30 percent per year up to a maximum of 100 percent if the participant complies with certain provisions. The FPLP loans become payable by the student after completion of academic degrees or termination as a student, with a term of ten years and an interest rate of 5 percent. The federal government is no longer providing funds for the FPLP program. The University has been directed to not issue additional loans. The University will continue to collect on outstanding loans and remit the federal portion

FIGURE E.1

	CURRENT	NONCURRENT	TOTAL
DUE FROM PRIMARY GOVERNMENT			
State contracts and grants	\$3,915,960	\$—	\$3,915,960
Land-grant revenue	242,134	—	242,134
Division of Facilities Construction and Management	1,743,951	—	1,743,951
Due from State of Utah	264,657	—	264,657
DUE FROM OTHERS			
Contracts and grants	109,443,894	—	109,443,894
Pledges receivable	4,749,694	25,321,343	30,071,037
Auxiliary and service enterprises	7,615,020	—	7,615,020
Leases receivable	896,096	17,854,947	18,751,043
Other activities	10,780,058	373,077	11,153,135
Total accounts receivable	139,651,464	43,549,367	183,200,831
Less allowance for doubtful accounts	(1,620,391)	—	(1,620,391)
Net accounts receivable	\$138,031,073	\$43,549,367	\$181,580,440

as the money is collected. As of June 30, 2025, the outstanding liability to the federal government was \$1,146,334.

As the University determines that loans are uncollectible and not eligible for reimbursement by the federal government, the loans are written off and assigned to the U.S. Department of Education.

Other University short-term loans have a term of two to four months and carry an interest rate of 7 percent to 12 percent. The 12 percent rate applies if the loan becomes delinquent. The long-term loans have a term of three years and carry an interest rate of 6 percent to 13 percent.

In November 2020, the University entered into a loan agreement with a third party borrower in the amount of \$10,220,585 to partially finance the construction of the USU Moab Academic Building. The note has a 30-year term with interest at 1.33 percent. Interest-

only payments are required for the first seven years of the note. Thereafter, principal and interest payments sufficient to pay off the note will be required. The note is secured by an interest in the building and an associated ground lease.

In February 2025, the University entered into two loan agreements with third party borrowers in the amount of \$5,053,300 each to partially finance the construction of the USU Monument Valley Academic Building. The notes have a 34-year term with interest at 1.247 percent and 1.381 percent respectively. Interest-only payments are required for the first seven years of the notes. Thereafter, principal and interest payments sufficient to pay off the notes will be required. The notes are secured by an interest in the building.

As of June 30, 2025, loans receivable consisted of:
(Figure E.2)

FIGURE E.2	CURRENT	NONCURRENT	TOTAL RECEIVABLE
Federal Perkins Loan Program	\$22,561	\$896,969	\$919,530
Third party loan	—	20,327,185	20,327,185
Other	673,595	—	673,595
Total loans receivable	696,156	21,224,154	21,920,310
Less allowance for doubtful accounts	(21,358)	(437,769)	(459,127)
Net loans receivable	\$674,798	\$20,786,385	\$21,461,183

F. CAPITAL ASSETS

The University's capital assets include lessee right-to-use lease agreements consisting of land, educational and office space, equipment, and other assets with remaining lease terms of up to 21 years through fiscal year 2046.

In fiscal year 2025, the University incurred \$3,395,591 in lease expense, \$217 in variable lease expense, \$1,495,561 in lease interest expense, and no termination penalty or residual value guarantee payments.

The University's capital assets also include subscription-based information technology arrangements with remaining subscription terms of up to five years through fiscal year 2029. In fiscal year 2025, the University incurred \$6,730,999 in software subscription expense, \$753,495 in software subscription interest expense, no termination penalty payments, and no variable or residual value guarantee payments.

The University's capital assets consisted of:
(Figure F.1)



FIGURE F.1

	JUNE 30, 2024	ADDITIONS	DELETIONS	JUNE 30, 2025
CAPITAL ASSETS NOT DEPRECIATED				
Land	\$76,523,498	\$—	\$5,866	\$76,517,632
Construction in progress				
Buildings	59,634,500	139,213,512	48,098,581	150,749,431
Improvements other than buildings	2,939,921	16,299,871	13,676,124	5,563,668
Equipment	16,828,384	14,516,681	7,936,012	23,409,053
Art and special collections	16,818,271	412,200	57,000	17,173,471
Total capital assets not depreciated	172,744,574	170,442,264	69,773,583	273,413,255
OTHER CAPITAL ASSETS				
Buildings	1,418,303,480	64,173,971	251,555	1,482,225,896
Improvements other than buildings	104,475,702	13,676,125	—	118,151,827
Equipment	244,659,939	28,332,153	5,975,644	267,016,448
Library collections	86,093,231	747,019	18,550	86,821,700
Subscription assets	18,608,858	21,209,773	—	39,818,631
Leased assets				
Land	312,958	120,198	111,417	321,739
Buildings	41,627,179	2,490,548	656,050	43,461,677
Equipment	1,838,546	110,050	4,945	1,943,651
Other	150,736	406,301	—	557,037
Total other capital assets	1,916,070,629	131,266,138	7,018,161	2,040,318,606
LESS ACCUMULATED DEPRECIATION/AMORTIZATION				
Buildings	613,648,545	41,289,517	251,555	654,686,507
Improvements other than buildings	66,196,577	4,072,340	—	70,268,917
Equipment	180,888,206	16,912,058	5,525,141	192,275,123
Library collections	74,932,160	1,489,497	18,550	76,403,107
Subscription assets	9,477,345	8,334,595	—	17,811,940
Leased assets				
Land	144,722	31,604	89,396	86,930
Buildings	13,021,652	4,338,350	1,030,125	16,329,877
Equipment	952,356	336,836	4,945	1,284,247
Other	123,015	116,580	—	239,595
Total accumulated depreciation/ amortization	959,384,578	76,921,377	6,919,712	1,029,386,243
CAPITAL ASSETS – SUMMARY				
Capital assets not depreciated	172,744,574	170,442,264	69,773,583	273,413,255
Other capital assets at cost	1,916,070,629	131,266,138	7,018,161	2,040,318,606
Total cost of capital assets	2,088,815,203	301,708,402	76,791,744	2,313,731,861
Less accumulated depreciation/amortization	959,384,578	76,921,377	6,919,712	1,029,386,243
Net capital assets	\$1,129,430,625	\$224,787,025	\$69,872,032	\$1,284,345,618

G. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As of June 30, 2025, accounts payable and accrued liabilities consisted of: *(Figure G.1)*

FIGURE G.1

Salaries and benefits payable	\$47,911,733
Salaries and benefits payable due to primary government	3,118,683
Due to primary government	18,794,562
Suppliers payable	37,082,663
Interest payable	3,452,758
Other	30,771
Total accounts payable and accrued liabilities	\$110,391,170

H. BONDS, NOTES, AND OTHER NONCURRENT LIABILITIES

The outstanding balance of bonds defeased and refunded in current and prior years totaled \$7,800,000 at June 30, 2025. The bond liabilities of the defeased and refunded bonds are not included on the balance sheet.

Revenues pledged for payment of bonds and contracts include the net revenue of auxiliary enterprises, land-grant funds, specific student fees, and reimbursed facilities and administrative costs.

Bonds and notes payable outstanding at June 30, 2025, were: *(Figure H.1)*

FIGURE H.1

BONDS PAYABLE	
STADIUM/SPECTRUM AND STUDENT RECREATION BONDS	
Series 2013 2.00%-4.00%, 2013-2026, \$8,405,000	\$820,000
Series 2015 3.00%-5.00%, 2016-2046, \$23,900,000	19,330,000
Series 2017 2.00%-5.00%, 2018-2045, \$38,825,000	35,750,000
Series 2022 2.55%-4.35%, 2023-2037, \$7,233,000	6,380,000
Total Stadium/Spectrum and Student Recreation Bonds	62,280,000
STUDENT HOUSING/AUXILIARY SYSTEM REVENUE BONDS	
Series 2007 4.00%-5.25%, 2007-2035, \$39,155,000	24,280,000
Series 2015 3.00%-5.00%, 2016-2038, \$24,455,000	17,255,000
Series 2016 2.50%-5.00%, 2017-2046, \$19,540,000	15,560,000
Series 2019 2.125%-5.00%, 2020-2052, \$54,995,000	51,575,000
Series 2023 4.00%-5.00%, 2023-2056, \$67,820,000	67,820,000
Total Student Housing/Auxiliary System Revenue Bonds	176,490,000
RESEARCH REVENUE BONDS	
Series 2015 1.17%-4.75%, 2016-2047, \$19,500,000	16,345,000
Series 2015B 3.00%-5.00%, 2016-2031, \$13,145,000	7,195,000
Series 2016 1.025%-4.049%, 2017-2027, \$10,135,000	505,000
Series 2018B 3.00%-5.00%, 2018-2050, \$32,210,000	29,225,000
Series 2019A 1.88%, 2020-2028, \$5,745,000	2,010,000
Series 2019B 2.60%-5.00%, 2020-2052, \$61,865,000	58,810,000
Series 2021 2.00%-5.00%, 2022-2038, \$8,605,000	7,755,000

Table continued on next page

FIGURE H.1 (CONTINUED)

BONDS PAYABLE	
RESEARCH REVENUE BONDS (CONTINUED)	
Total Research Revenue Bonds	121,845,000
Total bonds payable	360,615,000
NOTES PAYABLE	
Capital One Public Finance, 3.89%, 2014-2029	344,879
State of Utah, 0%, 2021-2028	183,200
State of Utah, 0%, 2022-2025	81,506
Zions Bank, 1.35%, 2021-2028	527,403
Zions Bank, 2.13%, 2022-2027	156,153
Total notes payable	1,293,141
Total bonds and notes payable	361,908,141
UNAMORTIZED PREMIUMS, REOFFERING PREMIUMS (RP), AND DISCOUNTS ON BONDS	
2007 Bonds - RP	1,371,764
2013 Bonds - RP	34,313
2015 (building) Bonds - premium	345,635
2015 (housing) Bonds - premium	473,809
2015 (research) Bonds - discount	(58,951)
2015B (research) Bonds - premium	668,548
2016 (housing) Bonds - premium	586,086
2017 (building) Bonds - premium	824,044
2018B (research) Bonds - premium	1,182,150
2019 (housing) Bonds - premium	3,099,046
2019B (research) Bonds - premium	3,345,625
2021 (research) Bonds - premium	852,360
2023 (auxiliary) Bonds - premium	1,585,445
Total unamortized premiums, RPs, and discounts on bonds	14,309,874
Total bonds and notes payable including net unamortized premiums, RPs, and discounts on bonds	\$376,218,015

The changes in bonds and notes payable for the fiscal year ended June 30, 2025, were: *(Figure H.2)*

FIGURE H.2

	BONDS	NOTES	TOTAL PAYABLE	UNAMORTIZED PREMIUMS & DISCOUNTS	TOTAL NET OF PREMIUMS & DISCOUNTS
June 30, 2024	\$372,732,000	\$1,820,567	\$374,552,567	\$15,161,486	\$389,714,053
Additions	—	—	—	—	—
Reductions	(12,117,000)	(527,422)	(12,644,422)	(851,616)	(13,496,038)
June 30, 2025	\$360,615,000	\$1,293,145	\$361,908,145	\$14,309,870	\$376,218,015

The University has complied with the restrictive covenants of its bond agreements. Amounts due on bonds and notes payable in future years are: *(Figure H.3)*

FIGURE H.3

FISCAL YEARS	BONDS	BONDS INTEREST	NOTES	NOTES INTEREST	TOTAL AMOUNT REQUIRED
2026	\$12,644,000	\$13,352,396	\$525,975	\$20,789	\$26,543,160
2027	13,441,000	12,779,988	375,849	12,223	26,609,060
2028	14,075,000	12,165,335	339,159	5,972	26,585,466
2029	13,959,000	11,578,087	52,161	434	25,589,682
2030	14,294,000	10,991,202	—	—	25,285,202
2031-2035	75,587,000	46,164,752	—	—	121,751,752
2036-2040	65,120,000	33,121,765	—	—	98,241,765
2041-2045	67,975,000	21,728,431	—	—	89,703,431
2046-2050	52,240,000	10,745,707	—	—	62,985,707
2051-2055	27,360,000	3,556,576	—	—	30,916,576
2056	3,920,000	147,000	—	—	4,067,000
Totals	\$360,615,000	\$176,331,239	\$1,293,144	\$39,418	\$538,278,801

Amounts due on subscription-based information technology arrangements and leases payable in future years are: *(Figure H.4)*

FIGURE H.4

FISCAL YEARS	SUBSCRIPTIONS	SUBSCRIPTIONS INTEREST	LEASES	LEASES INTEREST	TOTAL AMOUNT REQUIRED
2026	\$6,644,608	\$663,448	\$3,855,557	\$1,411,643	\$12,575,256
2027	4,623,164	389,525	3,387,235	1,271,126	9,671,050
2028	3,266,886	193,814	2,244,908	1,160,863	6,866,471
2029	2,552,803	35,702	901,746	1,081,206	4,571,457
2030	433,399	594	663,324	1,034,376	2,131,693
2031-2035	—	—	5,587,131	4,420,562	10,007,693
2036-2040	—	—	8,264,383	2,695,571	10,959,954
2041-2045	—	—	6,204,146	649,136	6,853,282
2046-2050	—	—	739,860	15,192	755,052
Totals	\$17,520,860	\$1,283,083	\$31,848,290	\$13,739,675	\$64,391,908

The changes in liabilities for the year ended June 30, 2025, were: (Figure H.5)

FIGURE H.5

	JUNE 30, 2024	ADDITIONS	REDUCTIONS	JUNE 30, 2025	AMOUNTS DUE WITHIN ONE YEAR
BONDS AND NOTES PAYABLE INCLUDING NET UNAMORTIZED PREMIUMS, RPS, AND DISCOUNTS ON BONDS					
Bonds payable including net unamortized premiums, RPs, and discounts	\$387,893,486	\$—	(\$12,968,615)	\$374,924,871	\$12,644,000
Notes payable to primary government	367,140	—	(102,433)	264,707	102,533
Notes payable	1,453,426	—	(424,989)	1,028,437	423,442
Total bonds and notes payable	389,714,052	—	(13,496,037)	376,218,015	13,169,975
OTHER NONCURRENT LIABILITIES					
Liability for compensated absences	35,985,220	28,847,965	(24,061,636)	40,771,549	23,271,286
Liability for early retirement	22,088,837	14,543,194	(8,338,521)	28,293,510	11,627,209
Other liabilities	43,614,601	22,767,011	(12,236,261)	54,145,351	11,634,754
Net pension liability	1,130,947	364,577	—	1,495,524	—
Total other noncurrent liabilities	102,819,605	66,522,747	(44,636,418)	124,705,934	46,533,249
Total noncurrent liabilities	\$492,533,657	\$66,522,747	(\$58,132,455)	\$500,923,949	\$59,703,224

I. PLEDGED BOND REVENUE

The University issues revenue bonds to provide funds for the construction and renovation of major capital facilities. Investors in these bonds rely solely on the net revenue pledged by the following activities for the retirement of outstanding bonds payable.

STUDENT FEE AND HOUSING/AUXILIARY SYSTEM is comprised of the net revenue from specific auxiliary enterprises and student building fee assessments. The Student Fee and Housing System includes all University housing, Parking Services, certain University Dining Services operations, the net revenues of the Taggart Student Center, Student Building Fees specifically identified in the bond resolution, and land-grant revenues. The University has pledged

future net revenues of the Student Fee and Housing/Auxiliary System to repay \$39,155,000, \$24,455,000, \$19,540,000, \$54,995,000, and \$67,820,000 in bonds issued in May 2007, September 2015, July 2016, August 2019, and June 2023 respectively. Proceeds from the 2007 bonds were used to refund bonds issued in 2004 that were issued to provide financing for the construction and renovation of six student housing buildings, a parking structure, and a dining facility. Proceeds from the 2015 bonds provided financing for the construction of a student housing building. Proceeds from the 2016 bonds were used to acquire three apartment buildings and associated land. Proceeds from the 2019 bonds provided financing for the construction of a student housing building and

a parking structure. Proceeds from the 2023 bonds provided financing for the construction of a student housing building and a parking structure. Student Fee and Housing/Auxiliary System annual net revenues are projected to produce at least 110 percent of the annual debt service requirements over the life of the bonds. The total principal and interest remaining to be paid on the bonds is \$275,012,020. The bonds are payable solely from the Student Fee and Housing/Auxiliary System and are payable through 2056.

STUDENT FEE STADIUM/SPECTRUM RECREATION FACILITIES SYSTEM is comprised of those student fees specifically identified in the bond resolution and paid by students for the use and availability of the facilities. The University has pledged future revenues of the specifically identified student fees to repay \$8,405,000, \$23,900,000, \$38,825,000, and \$7,233,000 in bonds issued in March 2013, July 2015, December 2017, and July 2022 respectively. Proceeds from the 2013 bonds were used to refund a portion of the 2004A bonds that were issued to provide financing for renovating and remodeling portions of the University's football stadium and a student recreation center. Proceeds from the 2015 bonds provided financing for the construction and renovation of facilities at the University's football stadium. Proceeds from the 2017 bonds were used to refund a portion of the 2013B bonds that were issued to provide financing for the construction of a student recreation center, and a facility for basketball practice and volleyball competition. Proceeds from the 2022 bonds provided financing for the construction of improvements of portions of the University's football stadium. Student fee revenues are projected to produce at least 110 percent of the annual debt service requirements over the life of the bonds. The total principal and interest remaining to be paid on the bonds is \$85,577,037. The bonds are payable solely from the Student Fee Stadium/Spectrum Recreation Facilities System and are payable through 2046.

RESEARCH REVENUE SYSTEM is comprised of the revenue generated from the recovery of allocated facilities and administration costs to contracts and grants based on federally approved negotiated rate agreements. The University has pledged future revenues of the Research Revenue System to repay \$19,500,000, \$13,145,000, \$10,135,000, \$32,210,000, \$5,745,000, \$61,865,000, and \$8,605,000 in bonds issued in October 2015, December 2015, July 2016, June 2018, October 2019, December 2019, and December 2021 respectively. Proceeds from the 2015B bonds were used to refund a portion of bonds issued in 2009 that were issued to provide financing for the cost of constructing two research facilities located at the University's main campus and the Vernal, Utah campus. Proceeds from the 2015 and 2016 bonds provided financing for the construction of a research facility on the USU Innovation Campus. Proceeds from the 2018B bonds provided financing for the construction of a research facility on the USU Innovation Campus. Proceeds from the 2019A bonds were used to refund the 2018A bonds that were used to acquire a building and associated land located in Salt Lake County, Utah. Proceeds from the 2019B bonds provided financing for the construction of two research facilities on the USU Innovation Campus, and to refund a portion of the 2016 bonds. Proceeds from the 2021 bonds provided financing for the construction of an addition to the Electric Vehicle and Roadway Facility on the USU Innovation Campus. Research Revenue System revenues are projected to produce at least 250 percent of the annual debt service requirements over the life of the bonds. The total principal and interest remaining to be paid on the bonds is \$176,357,182. The bonds are payable solely from the Research Revenue System and are payable through 2052.

The net revenue pledged to the applicable bond system and the principal and interest paid for the year ended June 30, 2025, was: *(Figure I.1)*

FIGURE I.1

	STUDENT FEE AND HOUSING/AUXILIARY SYSTEM	STUDENT FEE STADIUM/SPECTRUM RECREATION FACILITIES SYSTEM	RESEARCH REVENUE SYSTEM
REVENUE			
Operating revenue/gross profit	\$34,722,851	\$6,366,305	\$118,536,450
Nonoperating revenue	808,576	—	—
Total revenue	35,531,427	6,366,305	118,536,450
EXPENSES			
Operating expenses	19,517,857	—	—
Total expenses	19,517,857	—	—
Net pledged revenue	\$16,013,570	\$6,366,305	\$118,536,450
PRINCIPAL PAID AND INTEREST EXPENSE			
	\$8,605,481	\$5,280,131	\$9,077,918
DEBT SERVICE RATIO			
	1.86X	1.21X	13.06X



J. PENSION PLANS AND RETIREMENT BENEFITS

Eligible employees of the University are covered by the Utah Retirement Systems (Systems), Teachers Insurance and Annuity Association (TIAA), and/or Fidelity Investments (Fidelity). Employees may also participate in defined contribution plans consisting of 401(k) and 457 plans managed by the Systems, TIAA, or Fidelity.

DEFINED BENEFIT PENSION PLANS

Eligible employees of the University are provided with the following defined benefit pension plans (cost-sharing, multiple-employer plans) administered by the Utah Retirement Systems:

- **PUBLIC EMPLOYEES NONCONTRIBUTORY RETIREMENT SYSTEM** (Tier 1 Noncontributory System)
- **PUBLIC EMPLOYEES CONTRIBUTORY RETIREMENT SYSTEM** (Tier 1 Contributory System)
- **TIER 2 PUBLIC EMPLOYEES CONTRIBUTORY RETIREMENT SYSTEM** (Tier 2 Contributory System)
- **PUBLIC SAFETY RETIREMENT SYSTEM** (Public Safety System)
- **TIER 2 PUBLIC SAFETY AND FIREFIGHTER CONTRIBUTORY RETIREMENT SYSTEMS** (Tier 2 Public Safety and Firefighters System)

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System. The University began participating in the Tier 2 Public Safety and Firefighter System in 2017.

The Utah Retirement Systems are established and governed by the respective sections of Title 49 of the Utah Code. The Systems' defined benefit plans are amended statutorily by the Utah Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the board, whose members are appointed by the governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. The Systems are a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms. The Utah Retirement Systems issues a publicly available financial report that may be obtained by writing to the Utah Retirement Systems, 560 East 200 South, Salt Lake City, Utah 84102 or visiting the website: www.urs.org/general/publications.

BENEFITS PROVIDED: The Systems provide retirement, disability, and death benefits to participants in the defined benefit pension plans. Retirement benefits for each defined benefit plan are: *(Figure J.1)*

CONTRIBUTIONS: As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Systems' board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable), is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability. For the year ended June 30, 2025, the University required contribution rates for the plans were: *(Figure J.2)*

FIGURE J.1

SYSTEM	FINAL AVERAGE SALARY	YEARS OF SERVICE REQUIRED AND/OR AGE ELIGIBLE FOR BENEFIT	BENEFIT PERCENT PER YEAR OF SERVICE	COLA**
Tier 1 Noncontributory System	Highest 3 years	30 years any age 25 years any age* 20 years age 60* 10 years age 62* 4 years age 65	2.0% per year all years	Up to 4.0%
Tier 1 Contributory System	Highest 5 years	30 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.25% per year to June 1975; 2.00% per year July 1975 to present	Up to 4.0%
Tier 2 Contributory System	Highest 5 years	35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%
Public Safety System	Highest 3 years	20 years any age 10 years age 60 4 years age 65	2.5% per year up to 20 years; 2.0% per year over 20 years	Up to 2.5% or 4.0% depending upon employer
Tier 2 Public Safety and Firefighter System	Highest 5 years	25 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.50% per year to June 30, 2020; 2.00% per year July 1, 2020 to present	Up to 2.5%

*With actuarial reductions

**All post-retirement cost-of-living adjustments are non-compounding and are based on the original benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

FIGURE J.2

SYSTEM	RATES PAID BY UNIVERSITY FOR EMPLOYEE	UNIVERSITY CONTRIBUTION RATES
Tier 1 Noncontributory System	N/A	22.19%
Tier 1 Contributory System	6.00%	17.70%
Tier 2 Contributory System*	N/A	19.84%
Public Safety System	N/A	41.35%
Tier 2 Public Safety and Firefighter System*	2.59%	32.54%

*Tier 2 rates include a statutory required contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans.

For the year ended June 30, 2025, the University and employee contributions to the plans were: *(Figure J.3)*

FIGURE J.3

SYSTEM	UNIVERSITY'S CONTRIBUTIONS	EMPLOYEES' CONTRIBUTIONS
Tier 1 Noncontributory System	\$8,838,780	\$—
Tier 1 Contributory System	16,135	5,470
Tier 2 Contributory System*	1,987,462	69,330
Public Safety System	199,684	—
Tier 2 Public Safety and Firefighter System*	182,675	26,762
Total contributions	\$11,224,736	\$101,562

*Contributions reported are the Utah State Retirement Board-approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

COMBINED PENSION ASSETS, LIABILITIES, PENSION EXPENSE, AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS:

At June 30, 2025, the University reported a net pension asset of \$19,686,306 and a net pension liability of \$1,495,524. The net pension asset and liability were measured as of December 31, 2024, and the total pension liability used to calculate the net pension asset and liability were determined by an actuarial valuation as of January 1, 2024, and rolled-forward using generally accepted actuarial procedures. The University's proportion of the net pension asset and liability is equal to the ratio of the University's actual contributions to the System during the plan year over the total of all employer contributions to the System during the plan year. At December 31, 2024, the University's net pension asset and liability were: *(Figure J.4)*

FIGURE J.4

SYSTEM	DECEMBER 31, 2024			DECEMBER 31, 2023	
	NET PENSION ASSET	NET PENSION LIABILITY	PROPORTIONATE SHARE	PROPORTIONATE SHARE	CHANGE (DECREASE)
Tier 1 Noncontributory System	\$19,063,756	\$—	18.5001064%	18.3466007%	0.1535057%
Tier 1 Contributory System	622,550	—	3.6457705%	2.9394465%	0.7063240%
Tier 2 Contributory System	—	950,771	0.3187951%	0.3378480%	(0.0190529%)
Public Safety System	—	505,619	0.4032353%	0.3949679%	0.0082674%
Tier 2 Public Safety and Firefighter System	—	39,134	0.0865247%	0.0781276%	0.0083971%
Total net pension asset/liability	\$19,686,306	\$1,495,524			

For the year ended June 30, 2025, the University recognized pension expense of \$6,470,308. At June 30, 2025, the University reported deferred outflows of resources and deferred inflows of resources related to defined benefit pension plans from these sources: *(Figure J.5)*

FIGURE J.5

	DEFERRED OUTFLOWS OF RESOURCES	DEFERRED INFLOWS OF RESOURCES
Differences between expected and actual experience	\$3,697,721	\$8,606
Changes in assumptions	339,492	713
Net difference between projected and actual earnings on pension plan investments	6,031,365	—
Changes in proportion and differences between contributions and proportionate share of contributions	183,316	59,381
Contributions subsequent to the measurement date	5,808,074	—
Total	\$16,059,968	\$68,700

Contributions made between January 1, 2025, and June 30, 2025, of \$5,808,074 were reported as deferred outflows of resources related to pensions. These contributions will be recognized as a reduction of net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense. *(Figure J.6)*

FIGURE J.6

YEARS ENDED DECEMBER 31	DEFERRED OUTFLOWS (INFLOWS) OF RESOURCES
2025	\$3,896,636
2026	\$8,457,564
2027	(\$2,321,949)
2028	(\$341,638)
2029	\$215,614
Thereafter	\$276,966

ACTUARIAL ASSUMPTIONS: The total pension liability in the December 31, 2024, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement: *(Figure J.7)*

FIGURE J.7

Inflation	2.5%	
Salary increases	3.5%-9.5%	Average, including inflation
Investment rate of return	6.85%	Net of pension plan investment expense, including inflation

Mortality rates were adopted from an actuarial experience study dated January 1, 2023. The retired mortality tables are developed using URS retiree experience and are based upon gender, occupation, and age as appropriate with projected improvement using the ultimate rates from the MP-2020 improvement scale using a base year of 2020. The mortality assumption for active members is the PUB-2010 Employees Mortality Table for public employees, teachers, and public safety members, respectively.

The actuarial assumptions used in the January 1, 2023, valuation were based on the results of an actuarial experience study for the period ending December 31, 2022.

The long-term expected rate of return on defined benefit pension plan investments was determined using a building-block method, in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding

expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are: **(Figure J.8)**

The 6.85 percent assumed investment rate of return is comprised of an inflation rate of 2.5 percent and a real return of 4.35 percent that is net of investment expense.

DISCOUNT RATE: The discount rate used to measure the total pension liability was 6.85 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the Systems' Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current, active, and inactive employees. The long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments, to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate.

FIGURE J.8

ASSET CLASS	EXPECTED RETURN ARITHMETIC BASIS		
	TARGET ASSET ALLOCATION	REAL RETURN ARITHMETIC BASIS	LONG-TERM EXPECTED PORTFOLIO REAL RATE OF RETURN
Equity securities	35.00%	7.01%	2.45%
Debt securities	20.00%	2.54%	0.51%
Real assets	18.00%	5.45%	0.98%
Private equity	12.00%	10.05%	1.21%
Absolute return	15.00%	4.36%	0.65%
Cash and cash equivalents	—%	0.49%	—%
Total	100.00%		5.80%
Inflation			2.50%
Expected arithmetic nominal return			8.30%

SENSITIVITY OF THE UNIVERSITY’S PROPORTIONATE SHARE OF THE NET PENSION ASSET AND LIABILITY TO CHANGES IN THE DISCOUNT RATE: The proportionate share of the net pension asset and liability were calculated using the discount rate of 6.85 percent, as well as what the proportionate share would be if calculated using a discount rate that is 1 percentage point lower (5.85%) or 1 percentage point higher (7.85%) than the current rate: *(Figure J.9)*

PENSION PLAN FIDUCIARY NET POSITION: Detailed information about the pension plan’s fiduciary net position is available in the separately issued Systems’ financial report.

DEFINED CONTRIBUTION PLANS

Defined contribution plans are available as supplemental plans to the basic retirement benefits of the defined benefit pension plans and as a primary retirement plan for some Tier 2 participants. Participants in the defined contribution plans are fully vested in employer and employee contributions at the time the contributions are made, except Tier 2 required employer contributions and associated earnings are vested after four years of employment. Benefits depend on amounts contributed to the plans plus investment earnings. Individual accounts are provided for each employee and are available at termination, retirement, death, or unforeseeable emergency.

401(K), TIER 2 DC, AND 457 PLANS: For employees who choose to participate in the Tier 2 Public Employee or Public Safety and Firefighter defined contribution plans (Tier 2 DC), the University is required to contribute 20.02 or 32.54 percent of the employees’ salary of which 10 or 14 percent is paid into a 401(k)/457 plan while the remainder is contributed to the Tier 1 Systems, as required by law.

TIAA AND/OR FIDELITY: TIAA and/or Fidelity provide individual defined contribution retirement fund contracts with each participating employee. Employees may allocate contributions by the University to any or all of the providers and the contracts become vested at the time the contribution is made. Employees are eligible to participate from the date of employment and are not required to contribute to the fund. Benefits provided to retired employees are based on the value of individual contracts and the estimated life expectancy of the employee at retirement. The University’s contribution to this multiple employer defined contribution plan is 14.2 percent of the employees’ annual salary. The University has no further liability once annual contributions are made.

FIGURE J.9

SYSTEM	PROPORTIONATE SHARE OF NET PENSION LIABILITY (ASSET)		
	1% DECREASE 5.85%	DISCOUNT RATE 6.85%	1% INCREASE 7.85%
Tier 1 Noncontributory System	\$34,553,198	(\$19,063,756)	(\$64,142,477)
Tier 1 Contributory System	(142,932)	(622,550)	(1,038,180)
Tier 2 Contributory System	2,839,720	950,771	(518,646)
Public Safety System	1,515,350	505,619	(325,802)
Tier 2 Public Safety and Firefighter System	133,444	39,134	(36,268)
Total net pension liability	\$38,898,780	(\$18,190,782)	(\$66,061,373)

Employees can make additional contributions to defined contribution plans subject to limitations. Contributions to the defined contribution plans for the fiscal year ending June 30, 2025, were: *(Figure J.10)*

FIGURE J.10

DEFINED CONTRIBUTION PLANS	UNIVERSITY'S CONTRIBUTIONS	EMPLOYEES' CONTRIBUTIONS
Tier 2 Defined Contribution Plan	\$365,024	\$—
401(k) Plan	\$1,022,454	\$1,370,400
457 Plan and other individual plans	\$—	\$219,788
TIAA, Fidelity, and/or other investment companies	\$60,790,743	\$18,455,571

K. TERMINATION BENEFITS

The University provides an early retirement option to employees who qualify and are approved by administration in accordance with University policy. This option is available to all employees whose accumulated age and years of service are equal to or greater than 75, that have met the minimum age requirements, and where early retirement is in the mutual best interest of the employee and the University.

The policy provides two mutually exclusive early retirement options for eligible employees; either six

years (16.67 percent of base salary per year) or five years (20 percent of base salary per year). The six-year option requires a minimum age of 56 and the five-year option requires a minimum age of 57. Benefits include a monthly stipend equal to the agreed upon percent of the retiree's salary at the time of active employment along with medical and dental insurance.

The projected future cost of these stipends and the medical and dental insurance benefits have been calculated based on the known amount to be paid out in the next fiscal year plus projected increases of 2.25 percent (University), 4.25 percent (SDL) for stipends and 5.40 - 10.92 percent (University), 10 percent (SDL) for medical and dental premiums. These increases are based on historical data. The premiums for medical and dental benefits have also been increased by an age adjusted factor of 2.92. The net present value of the total projected costs is calculated using the estimated yield of 2.89 percent (University) and 4.0 percent (SDL). The net present value is the amount recognized on the financial statements as the liability for early retirement.

At June 30, 2025, there were 189 participants in the early retirement program. The program is funded on a pay-as-you-go basis from current funds. Payments for the stipends and insurance benefits for the fiscal year ending June 30, 2025, were \$2,925,926 and \$1,675,621, respectively.



L. RISK MANAGEMENT

GENERAL LIABILITY INSURANCE

The University maintains insurance coverage for general, automobile, personal injury, errors and omissions, employee dishonesty, and malpractice liability up to \$10 million per occurrence through policies administered and purchased by the Utah State Risk Management Fund. The University also insures its buildings, including those under construction, and contents against all insurable risks of direct physical loss or damage with the Utah State Risk Management Fund. This all-risk insurance coverage provides for repair or replacement of damaged property at a replacement cost basis subject to a deductible of \$5,000 per occurrence. Coverage includes business interruption caused by fire or other insurable perils with the Utah State Risk Management Fund. All University employees are covered by worker’s compensation insurance, including employer’s liability coverage through WCF Insurance.

SELF-INSURANCE FOR EMPLOYEE HEALTH AND DENTAL CARE

The University has a self-insurance fund for employee health and dental care. In addition, the University has purchased a stop-loss insurance policy to cover specific participant medical/Rx claims exceeding \$425,000 per term and aggregating specific stop-loss deductible of \$780,000 per term. This policy also covers aggregate claims exceeding 125 percent of expected claims up to \$10 million. GASB Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, requires a liability for claims be reported if information prior to the issuance of the financial statements indicates it is probable that a liability has been incurred at the date of the financial statements. The estimated claims liability is based upon past experience adjusted for current trends. The estimate reflects the ultimate cost of settling the claims. The University’s estimated self-insurance claims liability at June 30, 2025, and June 30, 2024, were: **(Figure L.1)**

FIGURE L.1

	2025	2024
Estimated claims liability at beginning of year	\$10,950,743	\$9,218,106
Current year claims and changes in estimates	97,961,771	81,832,798
Claim payments, including related legal and administrative expenses	(97,150,081)	(80,100,161)
Estimated claims liability at end of year	\$11,762,433	\$10,950,743

The University has recorded the investment of the health and dental care funds at June 30, 2025, and the estimated liability for self-insurance claims at that date in the Statement of Net Position. The income on fund investments, the expenses related to the administration of the self-insurance, and the estimated provision for the claims liabilities for the year then ended are recorded in the Statement of Revenues, Expenses, and Changes in Net Position and the Statement of Net Position.

CONTINGENCIES

The University has been named in several lawsuits where litigation is pending. It is unlikely that any judgments against the University will be established or would otherwise be material in nature. Most lawsuits are such that any financial settlement would be covered primarily by insurance held by the University through the State’s Division of Risk Management.

The Space Dynamics Laboratory has a bank revolving line of credit with a limit of \$15 million. At June 30, 2025, the outstanding balance was zero. The line of credit bears interest at an initial rate of prime rate plus 0.5 percent, is unsecured, due on demand, and expires on September 30, 2026.

COMMITMENTS

At June 30, 2025, the University had outstanding construction commitments of approximately \$70.7 million.

M. NATURAL AND FUNCTIONAL CLASSIFICATIONS

The University's operating expenses by natural and functional classifications for the fiscal year ended June 30, 2025, were: *(Figure M.1)*

FIGURE M.1

NATURAL CLASSIFICATION

FUNCTIONAL CLASSIFICATION	NATURAL CLASSIFICATION					TOTAL
	SALARIES & WAGES	EMPLOYEE BENEFITS	OTHER OPERATING EXPENSES	SCHOLARSHIPS & FELLOWSHIPS	DEPRECIATION & AMORTIZATION	
Instruction	\$169,154,338	\$67,857,765	\$50,548,599	\$—	\$—	\$287,560,702
Research	129,515,983	68,164,336	119,920,603	—	—	317,600,922
Public service	50,068,413	17,505,196	53,886,780	—	—	121,460,389
Academic support	41,427,850	17,584,567	16,872,268	—	—	75,884,685
Student services	19,730,813	7,603,522	11,724,215	—	—	39,058,550
Institutional support	80,650,275	38,140,119	27,289,855	—	—	146,080,249
Operation and maintenance	20,649,804	8,103,900	38,679,448	—	—	67,433,152
Scholarships and fellowships	—	—	—	15,832,623	—	15,832,623
Service departments	11,886,306	5,349,665	(18,464,501)	—	—	(1,228,530)
Auxiliary enterprises	29,092,466	10,221,128	33,462,349	—	—	72,775,943
Independent operations	148,229	44,855	505,157	—	—	698,241
Depreciation	—	—	—	—	76,921,377	76,921,377
Total operating expenses	\$552,324,477	\$240,575,053	\$334,424,773	\$15,832,623	\$76,921,377	\$1,220,078,303

N. BLENDED PRESENTATION OF COMPONENT UNITS

The following is a condensed version of the Utah State University Space Dynamics Laboratory's, Utah State University Foundation's, and Hansen Scholars Support Foundation's financial statements for the fiscal year ended June 30, 2025: *(Figure N.1, N.2, and N.3)*

FIGURE N.1

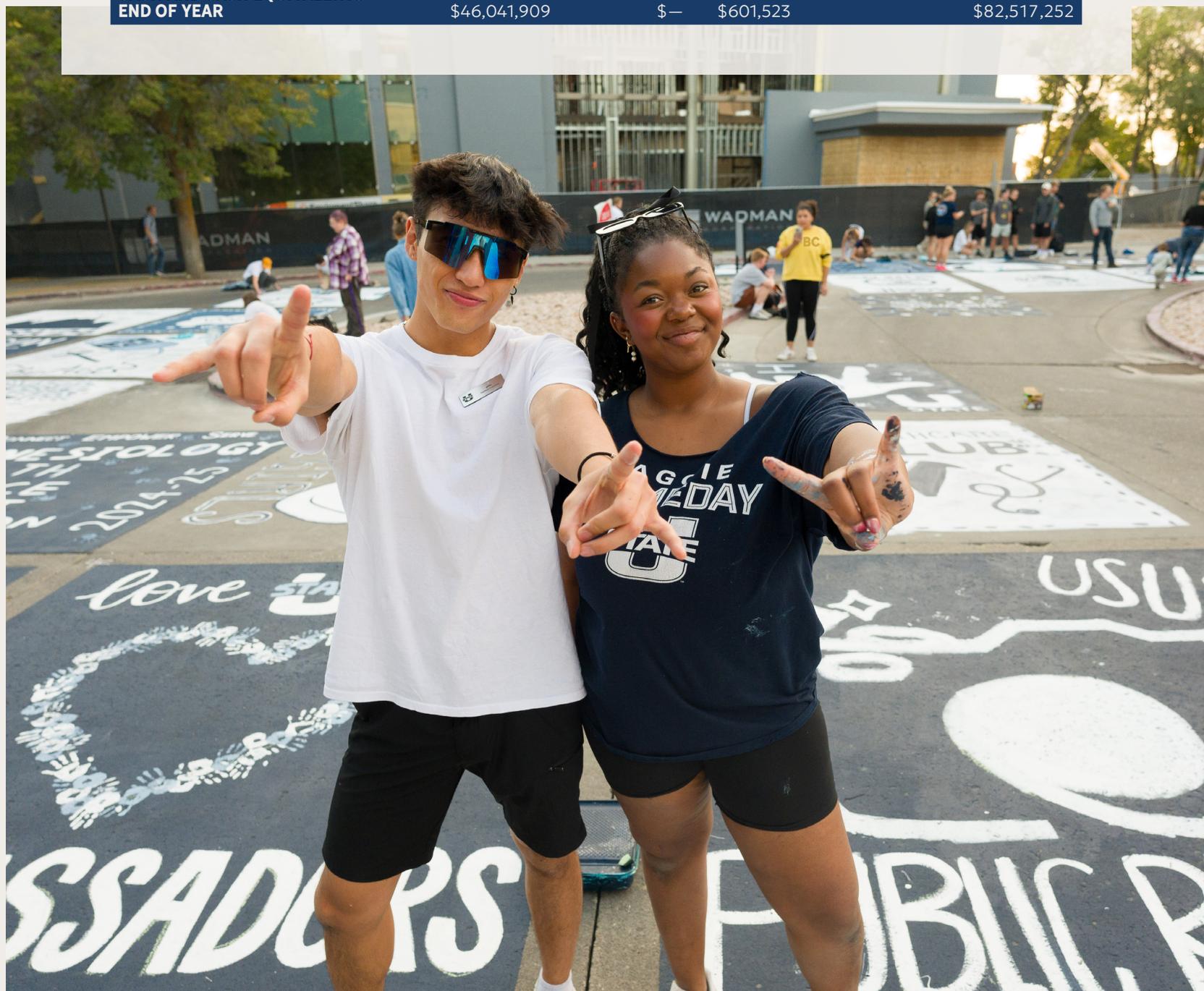
COMPONENT UNITS CONDENSED STATEMENT OF NET POSITION JUNE 30, 2025					
	SDL	FOUNDATION	HSSF	TOTAL CHANGES	TOTAL
ASSETS					
Current assets	\$139,854,306	\$181,255,594	\$601,523	(\$8,833)	\$321,702,590
Noncurrent assets	198,531,163	2,000,494	11,575,944	(58,951)	212,048,650
Total assets	338,385,469	183,256,088	12,177,467	(67,784)	533,751,240
DEFERRED OUTFLOWS OF RESOURCES					
Unamortized refunding losses on bonds	948,191	—	—	(948,191)	—
Resources related to pensions	1,663,625	—	—	—	1,663,625
Total deferred outflows of resources	2,611,816	—	—	(948,191)	1,663,625
LIABILITIES					
Current liabilities	56,174,936	—	—	(5,584,914)	50,590,022
Noncurrent liabilities	141,834,006	—	—	(106,892,771)	34,941,235
Total liabilities	198,008,942	—	—	(112,477,685)	85,531,257
DEFERRED INFLOWS OF RESOURCES					
Leases	826,693	—	—	—	826,693
Resources related to pensions	36,018	—	—	—	36,018
Total deferred inflows of resources	862,711	—	—	—	862,711
NET POSITION					
Net investment in capital assets	65,151,606	—	—	108,405,629	173,557,235
Restricted - nonexpendable	—	142,179,590	—	—	142,179,590
Restricted - expendable	—	41,076,498	12,177,467	—	53,253,965
Unrestricted	76,974,026	—	—	3,056,081	80,030,107
Total net position	\$142,125,632	\$183,256,088	\$12,177,467	\$111,461,710	\$449,020,897

FIGURE N.2

COMPONENT UNITS					
CONDENSED STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION					
FOR THE YEAR ENDED JUNE 30, 2025					
	SDL	FOUNDATION	HSSF	TOTAL CHANGES	TOTAL
OPERATING REVENUES					
Project revenues	\$235,426,595	\$—	\$—	(\$399,657)	\$235,026,938
Project unit indirect costs, general and administrative costs, and cost of money	96,666,539	—	—	—	96,666,539
Project fees	22,033,753	—	—	—	22,033,753
Administrative reimbursement, USU	85,844	—	—	(85,844)	—
Other	5,729,176	—	—	—	5,729,176
Total operating revenues	359,941,907	—	—	(485,501)	359,456,406
OPERATING EXPENSES					
Salaries and wages	131,540,374	—	—	—	131,540,374
Employee benefits	78,638,484	—	—	—	78,638,484
Subcontracts	36,731,779	—	—	(1,302,226)	35,429,553
Depreciation and amortization	13,923,438	—	—	—	13,923,438
Research support to USU	382,295	—	—	(382,295)	—
Other	63,093,713	—	902,150	(3,466,240)	60,529,623
Total operating expenses	324,310,083	—	902,150	(5,150,761)	320,061,472
Operating income (loss)	35,631,824	—	(902,150)	4,665,260	39,394,934
NONOPERATING REVENUES (EXPENSES)					
Other – net	(2,849,492)	7,222,881	576,915	3,863,146	8,813,450
Total nonoperating revenues (expenses)	(2,849,492)	7,222,881	576,915	3,863,146	8,813,450
Income (loss) before other revenues	32,782,332	7,222,881	(325,235)	8,528,406	48,208,384
OTHER REVENUES					
Additions to permanent endowments	—	9,654,194	—	—	9,654,194
Total other revenues	—	9,654,194	—	—	9,654,194
Increase (decrease) in net position	32,782,332	16,877,075	(325,235)	8,528,406	57,862,578
NET POSITION – BEGINNING OF YEAR	110,300,699	166,379,013	12,502,702	102,933,304	392,115,718
ADJUSTMENTS TO BEGINNING NET POSITION	(957,399)	—	—	—	(957,399)
NET POSITION – BEGINNING OF YEAR AS ADJUSTED	109,343,300	166,379,013	12,502,702	102,933,304	391,158,319
NET POSITION – END OF YEAR	\$142,125,632	\$183,256,088	\$12,177,467	\$111,461,710	\$449,020,897

FIGURE N.3

COMPONENT UNITS CONDENSED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED JUNE 30, 2025					
	SDL	FOUNDATION	HSSF	TOTAL CHANGES	TOTAL
NET CASH PROVIDED (USED) BY:					
(1) Operating activities	\$32,815,240	\$—	(\$902,150)	\$29,571,864	\$61,484,954
(2) Noncapital financing activities	—	10,733,379	—	—	10,733,379
(3) Capital and related financing activities	(46,562,854)	—	—	6,301,956	(40,260,898)
(4) Investing activities	1,916,167	(10,733,379)	837,398	—	(7,979,814)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(11,831,447)	—	(64,752)	\$35,873,820	23,977,621
CASH AND CASH EQUIVALENTS — BEGINNING OF YEAR	57,873,356	—	666,275		58,539,631
CASH AND CASH EQUIVALENTS — END OF YEAR	\$46,041,909	\$—	\$601,523		\$82,517,252



O. PRIOR PERIOD ADJUSTMENT OF NET POSITION

The University implemented GASB Statement No. 101, *Compensated Absences*, which introduces a standardized approach for recognizing and measuring liabilities related to compensated absences. This includes annual leave, sick leave, paid time off, and other forms of leave. Under GASB 101, a liability is recognized when (a) the leave is attributable to services already rendered, (b) accumulates and carries forward to future periods, (c) and is more likely than not to be used for time off or otherwise paid or settled.

In applying this guidance, the University reviewed its sick leave policies and historical usage patterns to assess whether a liability should be recorded. The cumulative effect of adopting GASB 101 resulted in a decrease to beginning net position for fiscal year 2025 totaling \$1,508,880.

During fiscal year 2025 the University implemented a change in accounting principle related to the treatment of library digital assets and library digital subscriptions. Historically, both types of resources were capitalized as assets and not amortized over the useful lives of the assets.

After further review, and in alignment with the provisions of GASB Statement No. 51, *Accounting and Financial Reporting for Intangible Assets*, GASB Statement No. 96 *Subscription-Based Information*

Technology Arrangements and guidance under GASB Statement No. 100, *Accounting Changes and Error Corrections*, the University determined that library digital assets should be capitalized and amortized over the useful life. Library digital subscriptions will either be expensed in the period of use or capitalized as a subscription asset.

This change in accounting principle has been applied retroactively. The impact of these adjustments resulted in a decrease to beginning net position for fiscal year 2025 totaling \$53,329,736, comprised of: Amortization of library digital assets: \$2,203,170 and write-off of library digital subscriptions: \$51,126,566.

The University believes this change provides a more accurate and transparent presentation of the financial position and conforms with current GASB standards regarding intangible assets and subscription-based services.

The University's fiscal year 2024 ending net position as adjusted is summarized below: **(Figure O.1)**

FIGURE O.1

Net position as previously reported as of June 30, 2024	\$1,997,016,765
Net position change in accounting principle	(54,838,616)
Net position restated as of June 30, 2024	\$1,942,178,149





REQUIRED SUPPLEMENTARY INFORMATION



Required supplementary information is to accompany the basic financial statements and is considered an essential part of financial reporting.

PROPORTIONATE SHARE OF NET PENSION LIABILITY
AS OF DECEMBER 31

	2024	2023	2022
TIER 1 NONCONTRIBUTORY SYSTEM			
Proportion of net pension liability (asset)*	18.5001059%	18.3465998%	17.9817203%
Proportionate share of net pension liability (asset)	(\$19,063,756)	(\$14,520,881)	(\$314,780)
Covered payroll	\$40,818,855	\$39,042,116	\$36,742,872
Proportionate share of net pension liability (asset) as a percentage of covered payroll	(46.70%)	(37.19%)	(0.86%)
Plan fiduciary net position as a percentage of total pension liability	104.29%	103.46%	USU - 100.1% SDL - 191.7%
TIER 1 CONTRIBUTORY SYSTEM			
Proportion of net pension liability (asset)*	3.6457705%	2.9394465%	2.5335377%
Proportionate share of net pension liability (asset)	(\$622,550)	(\$201,782)	(\$23,410)
Covered payroll	\$89,833	\$86,000	\$81,507
Proportionate share of net pension liability (asset) as a percentage of covered payroll	(693.01%)	(234.63%)	(28.72%)
Plan fiduciary net position as a percentage of total pension liability	111.02%	104.40%	100.60%
TIER 2 CONTRIBUTORY SYSTEM			
Proportion of net pension liability (asset)	0.3187949%	0.3378482%	0.3599318%
Proportionate share of net pension liability (asset)	\$950,771	\$657,581	\$391,928
Covered payroll	\$9,445,320	\$8,734,543	\$7,854,461
Proportionate share of net pension liability (asset) as a percentage of covered payroll	10.07%	7.53%	4.99%
Plan fiduciary net position as a percentage of total pension liability	87.44%	89.58%	92.30%
PUBLIC SAFETY SYSTEM			
Proportion of net pension liability (asset)	0.4032353%	0.3949679%	0.3999075%
Proportionate share of net pension liability (asset)	\$505,619	\$443,936	\$315,482
Covered payroll	\$822,886	\$847,379	\$749,515
Proportionate share of net pension liability (asset) as a percentage of covered payroll	61.44%	52.39%	42.09%
Plan fiduciary net position as a percentage of total pension liability	93.49%	93.80%	95.20%
TIER 2 PUBLIC SAFETY AND FIREFIGHTER SYSTEM			
Proportion of net pension liability (asset)	0.0865247%	0.0781276%	0.0873784%
Proportionate share of net pension liability (asset)	\$39,134	\$29,430	\$7,289
Covered payroll	\$394,960	\$296,028	\$268,844
Proportionate share of net pension liability (asset) as a percentage of covered payroll	9.91%	9.94%	2.71%
Plan fiduciary net position as a percentage of total pension liability	90.10%	89.10%	96.40%

	2021	2020	2019	2018	2017	2016	2015
	18.0066090%	18.0066087%	18.2217407%	1.3784832%	1.4130362%	1.4648385%	1.4867052%
	(\$44,258,458)	(\$17,759,675)	\$21,374,650	\$51,286,704	\$34,553,853	\$47,474,199	\$46,701,668
	\$35,716,376	\$37,364,131	\$38,736,450	\$37,966,324	\$37,654,734	\$38,162,282	\$37,975,366
	(123.92%)	(47.53%)	55.18%	135.08%	91.76%	124.40%	122.98%
	USU - 111.8% SDL - 214.5%	USU - 104.7% SDL - 199.0%	94.20%	84.10%	89.20%	84.90%	84.50%
	2.1724046%	4.2543835%	6.5176415%	2.1063074%	1.8581414%	1.6628695%	1.3777110%
	(\$611,931)	(\$903,756)	(\$367,485)	\$1,495,487	\$122,273	\$911,182	\$863,346
	\$78,740	\$189,163	\$338,696	\$408,779	\$422,780	\$445,761	\$436,427
	(777.15%)	(477.77%)	(108.50%)	365.84%	28.92%	204.41%	197.82%
	117.60%	113.10%	103.60%	91.40%	99.20%	93.40%	92.40%
	0.4133773%	0.4810839%	0.5536911%	0.6526196%	0.8092727%	1.1108095%	1.4678273%
	(\$174,957)	\$69,193	\$124,529	\$279,503	\$71,351	\$123,910	(\$3,204)
	\$7,677,902	\$7,694,051	\$—	\$7,628,237	\$7,926,941	\$9,109,512	\$9,484,328
	(2.28%)	0.90%	—%	3.66%	0.90%	1.36%	(0.03%)
	103.80%	98.30%	96.50%	90.80%	97.40%	95.10%	100.20%
	0.3589824%	0.3650843%	0.3199232%	0.3271828%	0.3490530%	0.3459203%	0.3435487%
	(\$329,072)	\$236,460	\$472,439	\$783,194	\$606,957	\$739,607	\$739,614
	\$668,816	\$698,806	\$583,817	\$609,931	\$604,061	\$636,766	\$607,776
	(49.20%)	33.84%	80.92%	128.41%	100.48%	116.15%	121.69%
	105.70%	95.80%	90.00%	83.20%	87.40%	83.50%	82.30%
	0.0891183%	0.0848581%	0.0694755%	0.0505758%	0.0319725%	0.0069305%	N/A
	(\$4,504)	\$7,611	\$6,535	\$1,267	(\$370)	(\$60)	N/A
	\$213,116	\$168,197	\$114,529	\$67,358	\$33,753	\$5,726	N/A
	(2.11%)	4.53%	5.71%	1.88%	(1.10%)	(1.05%)	N/A
	102.80%	93.10%	89.60%	95.60%	103.00%	103.60%	N/A

*The change in the proportion of net pension liability (asset) in 2019 is due to Utah Retirement Systems creating a separate pool for higher education.

SCHEDULE OF CONTRIBUTIONS TO THE UTAH RETIREMENT SYSTEMS
FOR FISCAL YEARS ENDING JUNE 30

	2025	2024	2023
TIER 1 NONCONTRIBUTORY SYSTEM			
Contractually required contribution	\$8,838,781	\$8,681,634	\$8,206,294
Contributions in relation to the contractually required contribution	8,838,781	8,681,634	8,206,294
Contribution deficiency (excess)	\$—	\$—	\$—
Covered payroll	\$41,036,035	\$40,215,441	\$37,954,088
Contributions as a percentage of covered payroll	21.54%	21.59%	21.62%
TIER 1 CONTRIBUTORY SYSTEM			
Contractually required contribution	\$16,135	\$15,665	\$14,779
Contributions in relation to the contractually required contribution	16,135	15,665	14,779
Contribution deficiency (excess)	\$—	\$—	\$—
Covered payroll	\$91,160	\$88,505	\$83,495
Contributions as a percentage of covered payroll	17.70%	17.70%	17.70%
TIER 2 CONTRIBUTORY SYSTEM*			
Contractually required contribution	\$1,987,462	\$1,826,304	\$1,636,849
Contributions in relation to the contractually required contribution	1,987,462	1,826,304	1,636,849
Contribution deficiency (excess)	\$—	\$—	\$—
Covered payroll	\$9,927,379	\$9,205,162	\$8,250,252
Contributions as a percentage of covered payroll	20.02%	19.84%	19.84%
PUBLIC SAFETY SYSTEM			
Contractually required contribution	\$199,684	\$194,178	\$199,757
Contributions in relation to the contractually required contribution	199,684	194,178	199,757
Contribution deficiency (excess)	\$—	\$—	\$—
Covered payroll	\$813,089	\$867,666	\$845,991
Contributions as a percentage of covered payroll	24.56%	22.38%	23.61%
TIER 2 PUBLIC SAFETY AND FIREFIGHTER SYSTEM*			
Contractually required contribution	\$182,675	\$115,191	\$86,271
Contributions in relation to the contractually required contribution	182,675	115,191	86,271
Contribution deficiency (excess)	\$—	\$—	\$—
Covered payroll	\$570,148	\$354,717	\$265,122
Contributions as a percentage of covered payroll	32.04%	32.47%	32.54%

2022	2021	2020	2019	2018	2017	2016
\$7,719,079	\$7,850,983	\$8,297,399	\$8,392,320	\$8,221,506	\$8,329,180	\$8,355,894
7,719,079	7,850,983	8,297,399	8,392,320	8,221,506	8,329,180	8,355,894
\$—	\$—	\$—	\$—	\$—	\$—	\$—
\$35,569,733	\$36,326,122	\$38,406,937	\$38,370,432	\$37,531,241	\$37,968,122	\$37,998,840
21.70%	21.61%	21.60%	21.87%	21.91%	21.94%	21.99%
\$14,075	\$15,867	\$54,537	\$64,560	\$75,098	\$77,250	\$78,211
14,075	15,867	54,537	64,560	75,098	77,250	78,211
\$—	\$—	\$—	\$—	\$—	\$—	\$—
\$79,519	\$89,643	\$308,117	\$413,387	\$423,200	\$436,438	\$441,871
17.70%	17.70%	17.70%	15.62%	17.75%	17.70%	17.70%
\$1,496,901	\$1,457,778	\$1,469,907	\$1,463,112	\$1,429,747	\$1,514,256	\$1,862,036
1,496,901	1,457,778	1,469,907	1,463,112	1,429,747	1,514,256	1,862,036
\$—	\$—	\$—	\$—	\$—	\$—	\$—
\$7,716,000	\$7,619,140	\$7,737,083	\$7,753,638	\$7,746,141	\$8,300,188	\$10,208,536
19.40%	19.13%	19.00%	18.87%	18.46%	18.24%	18.24%
\$124,645	\$142,044	\$149,721	\$145,397	\$147,467	\$181,751	\$167,710
124,645	142,044	149,721	145,397	147,467	181,751	167,710
\$—	\$—	\$—	\$—	\$—	\$—	\$—
\$643,351	\$681,500	\$661,372	\$575,853	\$583,908	\$632,820	\$600,578
19.37%	20.84%	22.64%	25.25%	25.26%	28.72%	27.92%
\$76,035	\$60,427	\$37,445	\$30,156	\$9,732	\$4,820	N/A
76,035	60,427	37,445	30,156	9,732	4,820	N/A
\$—	\$—	\$—	\$—	\$—	\$—	N/A
\$233,665	\$185,698	\$125,486	\$101,194	\$33,238	\$16,500	N/A
32.54%	32.54%	29.84%	29.80%	29.28%	29.21%	N/A

*Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.



EXECUTIVE OFFICERS

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